

# Editorial: An innovative idea to help Johns Island keep up with development

BY THE EDITORIAL STAFF

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Maybank Village is one of the many housing developments on Johns Island. More are planned. File/Lauren Petracca/Staff  
FILE/LAUREN PETRACCA/STAFF

With the Charleston region's dramatic growth, there is understandably increasing political sentiment to find ways to ensure that new residents shoulder more of the cost of the new infrastructure needed to serve them, such as wider roads, more schools, expanded drainage systems, new parks and the like. The city of Charleston is embarking on a promising new tack to do just that on Johns Island.

Until now, most local governments looking to make development help pay for itself have relied on impact fees, one-time assessments on development that create a pool of revenue to expand services. Several have created special tax-increment financing

districts, though those are structured more to get all of us to pay for new public projects in redeveloping areas.

Relatively few cities have experimented with a municipal improvement district, but that's what Charleston is looking to create on Johns Island. The general idea is to raise the property tax rate only on new island development within the district and keep that higher rate in effect for 30 years, enough time to raise substantial money for road, drainage and park improvements that otherwise might not get built, at least not nearly as quickly. It's an intriguing concept, although the details will matter for both island residents and developers. This month presents an important chance to learn about how it would work, as the city holds an informational meeting at 7 p.m. Thursday at Berkeley Electric Co-op on the island, and City Council holds a public hearing Aug. 17.

City Councilman Karl Brady, whose district covers much of the city's portion of Johns Island, is convinced a municipal improvement district would be better than impact fees, which would provide only a one-time injection of cash and would raise home prices, thus worsening Charleston's affordable housing shortage. "People who have lived on Johns Island for 10, 15, 20 years feel like it's all the new folks coming that are adding to the strains," Mr. Brady said. "We as a city have made promises when we annexed onto Johns Island, and now it's time to fulfill them." That's a good point.

A 1999 state law allowed the creation of municipal improvement districts, and only about 20 have been created across the state, though no one has kept a specific count, said Scott Slatton of the Municipal Association of South Carolina. "MIDs are a helpful tool for cities to use to enhance economic development and quality of life," he said, adding that although these districts don't provide all the financing for significant projects, "they certainly can be effective supplements."

Charleston's municipal improvement district would be unique in this sense: While the district would cover all properties larger than 2 acres on Johns Island, it would levy fees only on those that are developed with new homes or businesses. After the city issues a certificate of occupancy, the new home would be charged an annual fee of about \$380; businesses would be charged at a similar rate, according to their relative square footage. Revenue from the fee would be spent only on city projects

on the island. “This is us trying to be creative and trying to relate this assessment to new development when the impacts of that new development affect the larger community,” said Robert Summerfield, the city’s new planning director.

While we strongly support keeping southern Johns Island rural, we recognize that its northern end — where Charleston has mostly annexed — will continue to experience rapid growth. The crucial question there is how complementary or destructive this new development will be to islanders’ lifestyle.

A new district that would raise money for more parks and drainage improvements and road work — anywhere from \$20 million to \$80 million during the next three decades, the city projects — strikes us as a reasonable approach. If successful, it would set an important precedent for other local governments trying to balance growth and quality of life.

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