

The following message was received by Carol Saber, President of the PLVC, from Dwayne Wilcox. Carol has requested that the community see this message.

Since we have established the FUTURE OF PORT LUDLOW committee I have had the opportunity to hear about and study various types of authorities for governing PL. I also have personal experience in city government as a city councilman and as member of the Jefferson county planning commission. Being an attorney by profession I feel compelled to put my two cents into the PL mix.

A Parks and Recreation District is a nice tool but doesn't fit the PL needs at this time. It gives public access to all of our amenities, creates a new taxing district, all funds are managed through County agencies, commissioners elected county wide and not tied to the PLVC.

Our Drainage District is a taxing authority where all funds are managed by County agencies and allotted to the district, commissioners are elected county wide. It serves only one half of PL and is not tied in any manner to the PLVC.

The Public Utility District is an additional layer of county government with taxing authority, commissioners are elected county wide and with no ties to the PLVC.

An Incorporated City is an expensive taxing machine that will require years and multiple expensive elections to complete. It requires creation of a light industrial district and economical housing areas, and it would probably invalidate our Master Planned Resort zoning.

The Pt Ludlow Village Council is a creature of Section 501, Subsection C Paragraph 3 of the Internal Revenue Code and the Non-Profit Corporate Code of the state of Washington. It was created to enforce restrictive covenants of the Master Planned Resort Community of PL and to represent all of the people of PL. Its Corporate Charter and By-laws have been approved both by the IRS and the State of Washington and includes the rights to purchase assets, borrow money, finance assets, manage assets it owns, manage assets of others if they agree, to own and operate golf courses, marinas, commercial areas and water and sewer systems. The PLVC can exempt these assets from State taxes and Federal Income Taxes. It can accept charitable gifts and donations while granting and certifying such gifts for deduction from income tax for such individuals. All of these tools can be used to acquire PL amenities without the need for creating additional tax districts.

All of the income generated by these assets must be returned to the community after payment of interest on loans, loan payments and actual expenses of operation, The PLVC cannot make a profit and therefore the whole community will benefit. Our own PLVC is set up very similar to the Bill Gates Foundation, The Rockefeller Foundation and many others. While the original intent of the foundations and the PLVC may differ the results and benefits could be the same.

In my opinion our own PLVC is the only legal authority capable of representing all of the voters of PL on all issues without adding taxing authorities and managing layers of county government. We must stop thinking of the PLVC with a PIE AND CAKE BAKE SALE mentality and accept it for what it is capable of doing with the tools we already have available.

Respectfully submitted,

J. DWAYNE WILCOX

1/7/03