

Why is there a Village Council and how did it come into being?

In order to understand where the Port Ludlow Village Council exists in the creation of Port Ludlow, a bit of recent legal/legislative history needs to be recited.

For many years, as Pope Resources developed this community which began as an adjunct to the timber industry in the 19th Century, no formal designation as to what kind of community it was to be was considered. All of this changed by the late 20th Century enactment of Washington's Growth Management Act, a legislative measure designed to limit urban sprawl and encourage preservation of the natural beauty of Washington State.

On August 28, 1998, the Jefferson County Board of Commissioners adopted a Comprehensive Land Use Plan as required by the terms of Washington's Growth Management Act. That Comprehensive Plan established Port Ludlow as a "Master Planned Resort" (MPR), a special designation allowed by the Growth Management Act for a community such as ours.

Subsequently, in consultation with Pope Resources, the former owner of the resort properties, in 1999, the Jefferson County Board of Commissioners adopted an Ordinance (No. 08-1004-99) outlining development regulations for Port Ludlow's Master Planned Resort. The following year, the Board of Commissioners enacted a Development Agreement which set forth the requirements for future development within the Port Ludlow MPR. In concert with this Development Agreement, Pope Resources and its subsidiary Olympic Property Group, created a Master Declaration of Covenants, Conditions and Restrictions (CC&Rs) for the MPR.

In the early 1990s, prior to the creation of PLVC and before there was an MPR designation under the Growth Management Act, an informal organization of Port Ludlow homeowners associations had organized. This organization, CLOA (Council of Ludlow Owners Association), with appointed representatives or presidents of the various lot and home owner groups, was not a corporation. CLOA operated primarily as an information conduit between the residents and the Developer, Jefferson County and the State of Washington on issues affecting Port Ludlow.

As Pope Resources began to face the reality of a finite number of years of operation at Port Ludlow, it called on a number of community leaders within CLOA to begin the process of creating a formal organization charged with being the governing entity for Port Ludlow. This group began meeting in May of 1998 and by early 1999, presented the concept of a "Village Council" to the community.

The Port Ludlow Village Council (PLVC) became a legal reality in 1999, subject to the Washington Nonprofit Corporations Act (RCW 24.03 *et seq.*) for the purpose as

a representative body whose function is to foster and preserve the quality of life in Port Ludlow.

The charter of PLVC states that this Corporation is formed to “do as it determines to be in its best interest any or all of the following for the direct or indirect benefit of the Port Ludlow community.....to be a unifying force in the community....work toward building consensus among the residents, merchants, property owners and others.”

Listed among PLVC’s chartered powers and purposes are the following:

- Obtain, control, maintain and preserve wildlife preserves, trails, wilderness areas, open spaces.....not owned by South Bay Community Association (SBCA) or Ludlow Maintenance Commission (LMC);**
- Engage in architectural control of areas not controlled by SBCA or LMC;**
- Obtain by gift, donation, purchase, lease or otherwise real and personal property tangible and intangible, including operating entities and/or service entities, and to operate such properties.....;**
- Engage in lawful political and/or lobbying activities...as permitted by a charitable entity qualified under Section 501(c)(3) of the IRS Code ;**
- Acquire, own and operate recreational and other facilities;**
- Sponsor and/or promote municipal corporations such as public utilities or port districts and/or charitable organizations qualified under 501 (c) (3) of the IRS Code.**

In short, PLVC has been granted broad powers under Washington law. Two limitations imposed by the charter are the inability to tax the citizens for funding sources and the prohibiting of compensation for its Voting Members, Directors, Officers.

In the early summer of 1999, the first Village Council Board was elected by the community. Initially elected for one year terms, two year overlapping terms were instituted in 2000 with representatives elected based on population: six from the North Bay; four from the South Bay; one each appointed by the presidents of LMC and SBCA; and two non-voting members representing the commercial and developer interests.

In addition to the previously enumerated powers, on August 4, 2000, when Pope Resources recorded the MPR Master Declaration of Covenants, Conditions, and Restrictions, this document, paraphrased, states that for a period of twenty years from the recorded date, these CC&Rs will terminate automatically if PLVC is dissolved. These CC&Rs cover the MPR lands outside the areas already covered by SBCA and LMC CC&RS. Amendments or exceptions to the MPR CC&R Declaration must be approved by PLVC. Further, PLVC has the exclusive privilege and right to enforce the terms and conditions of the MPR CC&R Declaration.

Now, after three years of operation, educating the Council Board and the community to the issues impacting Port Ludlow, the PLVC Board is faced with making some difficult decisions as to its future within the community. It is a reality that the successor developer to Pope Resources, Port Ludlow Associates (PLA), owned by HCV Pacific Partners, LLC, will not be here once the buildout of Port Ludlow is completed. The target date for this completion is five to ten years down the line. However, PLVC must be prepared to lead Port Ludlow into a future where the Water & Sewer Company is no longer owned by the Developer; where others may own the commercial center and the resort facilities; where lands that are unable to be developed must be turned over to some legal entity to own and manage.

This historical recitation clearly demonstrates that PLVC has a potentially strong position in this community. The Jefferson County Board of Commissioners considers PLVC the legal entity to consult on matters affecting Port Ludlow. The State of Washington has accorded PLVC the same recognition. This means that the PLVC Board must make some hard decisions as to funding sources, ownership of property and assets and enforcement of CC&Rs. Accordingly, in November 2002, the PLVC Board created a Future of Port Ludlow Committee to research possibilities for the community's future. Several proposals for governance have been brought forward and presented to the community at PLVC General Meetings. Several possible scenarios for the ownership of our water and sewer company have been proposed and continue to be researched. Permanent funding sources for PLVC are being investigated. PLVC ownership of undeveloped lands (outside of SBCA and LMC) remaining when the Developer leaves are also being explored. These are serious issues for all of the community and we urge community members to become involved.