



Deschutes County Board of Commissioners  
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## **AGENDA REQUEST & STAFF REPORT**

### **For Board Business Meeting of November 27, 2006**

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*Use "tab" to move between fields, and use as much space as necessary within each field. Do not leave any fields incomplete. Agenda requests & backup must be submitted to the Board Secretary no later than noon of the Wednesday prior to the meeting to be included on the agenda.*

**DATE:** November 20, 2006

**TO:** Deschutes County Board of Commissioners

**FROM:** Terri Hansen Payne, CDD 385-1404

**TITLE OF AGENDA ITEM:**

TA-04-4 - Text Amendment to update Title 18 destination resort zoning code. This is a work session for a Public Hearing that is scheduled for 12-4-06

**BACKGROUND AND POLICY IMPLICATIONS:**

This proposal is a request on behalf of Sunriver, Pronghorn and Eagle Crest resorts to update County Code to be consistent with revised State destination resort statute. The changes summarized below would increase the required resort investment and would modify various requirements for destination resort accommodations.

This proposal would increase the required investment from \$4 million in adjusted 1984 dollars to \$7 million in adjusted 1993 dollars.

This proposal would allow the required 150 units of overnight lodging to be phased in over 14 years. This proposal would change the ratio between individually-owned residential units and overnight lodging. Currently resorts can have no more than 2 individually-owned units for every unit of overnight lodging. This proposal would change that 2:1 ratio to 2.5:1.

This proposal would change the requirements for individually-owned units that are counted as overnight units. Currently they need to be available for rent 45 weeks/year through the resort reservation system. The new language would require them to be available for rent 38 weeks/year through the resort or through a property manager.

This request went to a public hearing before the Planning Commission in 2004, and they recommended approval, with one change. The proposed language allowed the first 50 required overnight lodging units to be bonded, which is not permitted by Statute. The Planning Commission voted to remove the bonding language for those first 50 units, and the applicant agreed.

Before this proposal was taken to the Board of County Commissioners for a final decision, the applicant requested that the proposal be put on hold. It has recently been reopened and will go to a public hearing in front of the Board of County Commissioners on December 4, 2006. The Planning Commission has been invited to participate in the hearing due to the length of time since that body made their recommendation.

This is a legislative public policy decision. The only criteria that apply to this application are State Statute, State Planning Goals and the County Comprehensive Plan. The attached memo provides a brief summary of this proposal. A more detailed staff report and analysis will be presented at the work session.

**FISCAL IMPLICATIONS:**

None

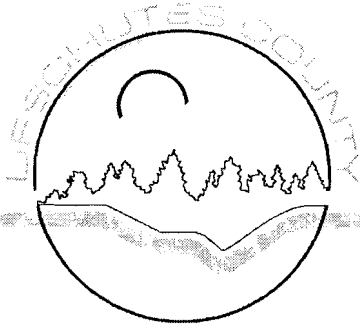
**RECOMMENDATION & ACTION REQUESTED:**

No action requested at this time

**ATTENDANCE:** Terri Hansen Payne

**DISTRIBUTION OF DOCUMENTS:**

Staff memo distributed to the Board of County Commissioners



## Community Development Department

Planning Division Building Safety Division Environmental Health Division

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### MEMORANDUM

To: Deschutes County Board of County Commissioners  
From: Terri Hansen Payne, Associate Planner  
Date: November 27, 2006  
Subject: Text Amendment TA-04-4

#### I. PURPOSE

The purpose of text amendment TA-04-4 is to revise Deschutes County Zoning Code sections 18.04 and 18.113 to incorporate 1993 and 2003 changes to State destination resort statute.

#### II. TA 04-4 PROPOSAL 2004

In July 2004 Nancy Craven, representing Sunriver, Eagle Crest and Pronghorn, applied for a text amendment to update the language in Deschutes County Code (DCC) 18.04 and 18.113 regarding destination resorts.

#### III. PLANNING COMMISSION DECISION 2004

The Deschutes County Planning Commission held a public hearing on this request on November 4, 2004. In the discussion it was noted that one section of the applicant's proposal was more lenient than state statute. The submitted proposal allowed the first 50 units of the required 150 units of overnight lodging to be built or bonded before the sale of any residential lots or units. State statute requires the first 50 units to be built and does not allow bonding. The minutes of the November 4, 2004 Public Hearing show all parties agreeing to remove the bonding option for the first 50 units. With that change, the Planning Commission recommended approval of TA-04-4.

Soon after the Planning Commission recommendation, the applicant requested that staff put this amendment on hold.

#### IV. TA-04-4 PROPOSAL 2006

On May 23, 2006 the applicant sent a letter requesting that the application be restarted. The current proposal is nearly identical to that considered by the Planning Commission

in 2004, including retaining the language allowing the first 50 overnight units to be bonded. One change that has been made from the 2004 proposal is in regard to the dollar investment required. The 2004 proposal was worded to require an initial investment of \$7 million on visitor accommodations rather than on visitor accommodations *and* developed recreational facilities. The current proposal added the words 'developed recreational facilities' as part of the \$7 million investment, which complies with the language in statute.

## V. PROPOSAL SUMMARY

*Required Investment:* The required investment for resorts in Deschutes County would go from \$2 million in adjusted 1984 dollars for overnight accommodations and \$2 million in adjusted 1984 dollars for developed recreational facilities to a total of \$7 million in adjusted 1993 dollars for both the overnight accommodations and developed recreational facilities. This would reflect State Statute and increase the required resort investment.

*Required Overnight Accommodations:* Destination resort statute and Deschutes County Code require that each resort provide a minimum of 150 units of overnight accommodations. These units are separate, rentable units not available for residential use. However, individually-owned residential units can be counted as overnight units if they are available for rent a specified number of weeks per year.

Currently Deschutes County requires the 150 overnight units to be built or bonded in the first phase of resort development. This proposal would allow these overnight lodging units to be phased in over 14 years. The first 50 units would need to be built or bonded before the sale of any individually-owned lots or units. The second 50 units would need to be built or bonded within 5 years of the initial lot or unit sales. The last 50 units would need to be built or bonded within 10 years of the initial lot or unit sales. If any of the units are bonded, they must be constructed within 4 years of the bonding. Note this proposal still allows bonding the first 50 units.

Additionally, this proposal would lower the number of weeks any individually-owned units counted as overnight units need to be available for rent from the current 45 weeks/year to 38 weeks/year. Finally it would allow those individually-owned units counted as overnight units to be rented through a property manager as well as the resort.

*Resort Accommodation Ratio:* County destination resort code requires a resort to allow no more than 2 individually-owned residential units for each overnight lodging unit. This proposal would change that ratio from 2:1 to 2.5:1, thus allowing more residential units.

## VI. SCHEDULE

There is a public hearing for this application scheduled before the Board of County Commissioners at 5:30 p.m. on December 4, 2006. Due to the length of time since the Planning Commission recommendation, that body will be participating in the hearing in an advisory capacity.