



**PROPOSED TEXT AMENDMENT
TO DESTINATION RESORT STANDARDS
(DCC 18.113.060)**

Submitted to Deschutes County on August 12, 2015

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LAND USE REVIEW REQUESTED

Applicant is requesting a text amendment to DCC 18.113.060 Standards for Destination Resorts. The proposed text amendment would modify the current process and requirements for Eagle Crest Resort (the "Resort") to provide the County with annual reports related to the inventory of overnight lodging units. The proposed modifications are consistent with state law and the County Comprehensive Plan.

The text of the amendment and a narrative demonstrating compliance with all applicable state and local land use regulations are attached as Exhibit 1 and Exhibit 2, respectively.

PROPOSAL OVERVIEW

The proposed text amendment creates an updated reporting methodology for the Resort to more accurately report the availability of overnight lodging units made available through the Resort's central reservation system, and third party property management services annually. Each year, in the event the reporting mechanism revealed a shortfall in meeting the overnight lodging ratio (e.g. one overnight lodging unit for each 2.5 platted lots), the proposed text amendment also includes a compliance fee that provides the County with a remedy to recoup an amount roughly equivalent to what the County would have received by way of Transient Lodging Taxes ("TLT"). The compliance fee is consistent with state law as ORS 197.435-197.467 does not identify or require any specific penalty for a failure to meet the required ratio. The Oregon statutes are geared toward establishing annual reporting mechanisms at the time of master planning and plat approvals and not with prescribing penalties for failure to meet the 2.5:1 ratio when a resort provides annual reports. If the Resort were to apply to create more residential lots, the Resort may not apply the compliance fee to meet the 2.5:1 ratio of individually-owned residential units to overnight lodging units per DCC 18.113.060(D)(2) and will have to demonstrate compliance per the new reporting methods or construct more overnight lodging units in order to comply with the 2.5:1 ratio.

BACKGROUND

The initial development of the Resort predates state and County adoption of destination resort regulations. When the County adopted destination resort standards, the Resort was the first in the County to obtain approval of a destination resort Conditional Master Plan. When the County adopted its current annual overnight lodging reporting requirements in 2007, the Resort had already been in operation for 17 years. The Resort is the most mature destination resort in the County, with approximately 700 overnight units and 90% of its approximately 1,611 platted lots being fully developed.

The Resort's 700 overnight units, per its 2015 annual report, are made up of 400 overnight units (hotel rooms, timeshares and fractional ownerships) that comply with County Code, and 300 individually owned, non-deed restricted overnight units. Because the County Code requires individually-owned units to be deed restricted in order to be counted as overnight lodging units but state law does not, the County Code is more restrictive than State Law.

Having only the 400 units results in a shortfall of 300 deed restricted units that likely act as overnight lodging units but are not in strict compliance with County Code. This amendment will modernize County Code to reflect current overnight lodging trends and practices while providing an avenue for the Resort to comply with the 2.5: 1 ratio.

ECONOMIC DEVELOPMENT

The Rural Growth Chapter of the Deschutes County Comprehensive Plan (“Comprehensive Plan”) recognizes the importance of destination resorts as means to diversify the County’s housing stock, and to promote local tourism and therefore provide a beneficial impact to the County economy. Section 3.8 of the Comprehensive Plan includes the following:

“The Central Oregon Visitor Association reporting that approximately 60% of the 2.5 million trips to Central Oregon in 2006 were associated with destination resort travel. The 2007 destination resort travel impacts for the County totaled over \$470 million and supported over 4,500 local jobs.”

The Resort is a significant part of the economic success of destination resorts in the County. The Resort is the highest payer of TLT in the County outside of Sunriver Resort, and the Resort’s TLT payments to the County have increased by 75% since the new owners purchased the Resort in late-2010 and made substantial investments in further development of the Resort. Furthermore, the Resort paid approximately \$275,000 in property taxes in 2014, which is just a fraction of the total property taxes paid by the over 2,000 property owners within the Resort. The Resort also employs over 600 local residents. Simply put, the Resort is a major contributor to the local economy.

HOUSING AND REPORTING REQUIREMENTS

Destination resorts are intended to provide a diversity of housing opportunities including overnight lodging units (hotel rooms, timeshares and fractional ownerships), vacation rental units, and private residences. In eastern Oregon, Statewide Planning Goal 8 calls for destination resorts to maintain a ratio of 2.5 dwelling units for each overnight lodging unit and that destination resorts report the status of that ratio to the county annually. The County Zoning Ordinance implements these state requirements.

Since at least 2008, the Resort has provided annual reports to the County, including the total count of the Resort’s overnight lodging units (hotel rooms, timeshares, and fractional ownerships) as well as an estimate of the available vacation rentals units that are made available 38 weeks or more per year, based on the total count of those units participating in the Resort’s rental management program and surveys of the Resort’s property owners not participating in the Resort’s rental management program.

Over the same period, the popularity of online vacation rental services such as Vacation Rental By Owner (VRBO.com) and HomeAway (Homeaway.com), has increased dramatically and vacation rental property owners now have multiple, highly-convenient and effective

ways to rent their units to the public outside of the Resort's rental management program. These new technologies have rendered current reporting methodologies out of date and therefore the Resort's annual reports no longer reflect the actual number of vacation rental units available within the Resort that are permissible per the Statewide Planning Goal 8.

AMENDMENT OVERVIEW

The Resort desires to update the County reporting requirements associated with overnight lodging units in order to be responsive to the technological changes in the industry. The Resort desires to use the same technologies to track the true number of overnight lodging units that are available with the Resort. The increased accuracy of reporting is aimed to ensure the long-term compliance and viability of the Resort.

Specifically, the Resort is proposing to amend the text of Section 18.113.060 in a narrowly tailored fashion so as to only affect and apply to the Resort and not impact the operations or requirements applicable to any of the other County destination resorts.

The amendment would result in, (1) imposition of practical reporting requirements that reflect the reality of modern vacation rental trends and allow for increased accuracy in the Resort's identification and reporting of vacation rental availability and usage, and (2) a mechanism by which the County can collect an amount approximately equivalent to the TLT for those unaccounted for units, annually, if the Resort's annual reports do not indicate compliance with the overnight lodging ratios.

If the Resort were to apply to create more residential lots, the Resort may not apply the compliance fee to meet the 2.5:1 ratio of individually-owned residential units to overnight lodging units per DCC 18.113.060(D)(2) and will have to demonstrate compliance per the new reporting methods or construct more overnight lodging units in order to comply with the 2.5:1 ratio.

The language of the proposed text amendment is provided below. Following that is a section addressing Approval Criteria, which demonstrates that the proposed text amendment is consistent with state statutes and the County Comprehensive Plan.

CONCLUSION

The proposed text amendment furthers the economic development objectives of the County, is consistent with state and local land use regulations, and provides an increased level of clarity and certainty to the Resort relating to overnight lodging, which in turn provides long-term viability to the Resort.

EXHIBIT 1
AMENDMENT TEXT

[Additions to text are shown in **bold, underlined** letters with deleted text in strikethroughs.]

18.113.060(L)

- L. The overnight lodging criteria shall be met, including the 150-unit minimum and the 2-1/2 to 1 ratio set forth in DCC 18.113.060(D)(2).
1. Failure of the approved destination resort to comply with the requirements in DCC 18.113.060(L)(2)-(6) will result in the County declining to accept or process any further land use actions associated with any part of the resort and the County shall not issue any permits associated with any lots or site plans on any part of the resort until proof is provided to the County of compliance with those conditions.
 2. Each resort shall compile, and maintain, in perpetuity, a registry of all overnight lodging units.
 - a. The list shall identify each individually-owned unit that is counted as overnight lodging.
 - b. At all times, at least one entity shall be responsible for maintaining the registry and fulfilling the reporting requirements of DCC 18.113.060(L)(2) through (6).
 - c. Initially, the resort management shall be responsible for compiling and maintaining the registry.
 - d. As a resort develops, the developer shall transfer responsibility for maintaining the registry to the homeowner association(s). The terms and timing of this transfer shall be specified in the Conditions, Covenants & Restrictions (CC&Rs).
 - e. Resort management shall notify the County prior to assigning the registry to a homeowner association.
 - f. Each resort shall maintain records documenting its rental program related to overnight lodging units at a convenient location in Deschutes County, with those records accessible to the County upon 72 hour notice from the County.
 - g. As used in this section, "resort management" includes, but is not limited to, the applicant and the applicant's heirs, successors in interest, assignees other than a home owners association.

3. An annual report shall be submitted to the Planning Director by the resort management or home owners association(s) each February 1, documenting all of the following as of December 31 of the previous year.
 - a. The minimum of 150 permanent units of overnight lodging have been constructed or that the resort is not yet required to have constructed the 150 units;
 - b. The number of individually-owned residential platted lots and the number of overnight-lodging units;
 - c. The ratio between the individually-owned residential platted lots and the overnight lodging units;
 - d. **For resorts for which the conceptual master plan was originally approved on or after January 1, 2001,** the following information on each individually-owned residential unit counted as overnight lodging.
 - i. Who the owner or owners have been over the last year;
 - ii. How many nights out of the year the unit was available for rent;
 - iii. How many nights out of the year the unit was rented out as an overnight lodging facility under DCC 18.113;
 - iv. Documentation showing that these units were available for rent as required.
 - e. **For resorts for which the conceptual master plan was originally approved before January 1, 2001, the following information on each individually owned residential unit counted as overnight lodging.**
 - i. **For those units directly managed by the resort developer or operator.**
 - (1) **Who the owner or owners have been over the last year;**
 - (2) **How many nights out of the year the unit was available for rent;**
 - (3) **How many nights out of the year the unit was rented out as an overnight lodging facility under DCC 18.113;**
 - (4) **Documentation showing that these units were available for rent as required.**

ii. For all other units.

(1) Address of the unit:

(2) Name of the unit owner(s):

(3) Schedule of rental availability for the prior year. The schedule of rental availability shall be based upon monthly printouts of the availability calendars posted on-line by the unit owner or the unit owner's agent.

~~f.~~ This information shall be public record subject to ORS 192.502(17).

4. To facilitate rental to the general public of the overnight lodging units, each resort shall set up and maintain in perpetuity a telephone reservation system.
5. Any outside property managers renting required overnight lodging units shall be required to cooperate with the provisions of this code and to annually provide rental information on any required overnight lodging units they represent to the central office as described in DCC 18.113.060(L)(2) and (3).
6. Before approval of each final plat, all the following shall be provided:
 - a. Documentation demonstrating compliance with the 2-1/2 to 1 ratio as defined in DCC 18.113.060(D)(2);
 - b. Documentation on all individually-owned residential units counted as overnight lodging, including all of the following:
 - i. Designation on the plat of any individually-owned units that are going to be counted as overnight lodging;
 - ii. Deed restrictions requiring the individually-owned residential units designated as overnight lodging units to be available for rental at least 38 weeks each year through a central reservation and check-in service operated by the resort or by a real estate property manager, as defined in ORS 696.010;
 - iii. An irrevocable provision in the resort Conditions, Covenants and Restrictions ("CC&Rs") requiring the individually-owned residential units designated as overnight lodging units to be available for rental at least 38 weeks each year through a central reservation and check-in service operated by the resort or by a real estate property manager, as defined in ORS 696.010;

- iv. A provision in the resort CC&R's that all property owners within the resort recognize that failure to meet the conditions in DCC 18.113.060(L)(6)(b)(iii) is a violation of Deschutes County Code and subject to code enforcement proceedings by the County;
- v. Inclusion of language in any rental contract between the owner of an individually-owned residential unit designated as an overnight lodging unit and any central reservation and check-in service or real estate property manager requiring that such unit be available for rental at least 38 weeks each year through a central reservation and check-in service operated by the resort or by a real estate property manager, as defined in ORS 696.010, and that failure to meet the conditions in DCC 18.113.060(L)(6)(b)(v) is a violation of Deschutes County Code and subject to code enforcement proceedings by the County.

7. Compliance Fee

- a. In the event that a resort that was originally approved before January 1, 2001 fails to report compliance with the 2.5:1 ratio in a calendar year as reported in accordance with 18.113.060(L)(3)(e), the remedy shall be that such resort shall pay a compliance fee due not later than April 15 of the year following the year in which the shortfall occurred.
- b. The compliance fee will be calculated as follows:
 - i. First, by calculating the average per unit transient lodging tax paid by the Resort the prior calendar year by dividing the total amount paid by the resort in transient lodging taxes for the prior calendar year by the **sum of the** number of overnight units **managed by the resort** for which the resort paid transient lodging taxes that same year **and the number of resort timeshare units**;
 - ii. Second, by multiplying that average per unit transient lodging tax amount by the number of additional overnight lodging units that would have been necessary to comply with the 2.5:1 ratio for the applicable calendar year.
- c. If the Resort were to apply to create more residential lots, the Resort may not apply the compliance fee to meet the 2.5:1 ratio of individually-owned residential units to overnight lodging units per DCC 18.113.060(D)(2) and will have to demonstrate compliance per the new reporting methods or construct more overnight lodging units in order to comply with the 2.5:1 ratio.

EXHIBIT 2
APPROVAL CRITERIA

Oregon Statewide Planning Goals

Goal 8: *Recreational Needs [OAR 660-015-0000(8)]*

To satisfy the recreational needs of the citizens of the state and visitors and, where appropriate, to provide for the siting of necessary recreational facilities including destination resorts.

RECREATION PLANNING

The requirements for meeting such needs, now and in the future, shall be planned for by governmental agencies having responsibility for recreation areas, facilities and opportunities: (1) in coordination with private enterprise; (2) in appropriate proportions; and (3) in such quantities, quality and locations as is consistent with the availability of the resources to meet such requirements. State and federal agency recreation plans shall be coordinated with local and regional recreational needs and plans.

**APPLICANT'S
RESPONSE:**

The proposed text amendment and change to the County reporting methodology is an example of the planning anticipated by this provision. The text amendment furthers the ability of the County and the Resort to more accurately track the amount of the overnight lodgings on destination resort land, and is thereby consistent with the stated purpose of collaborative public and private planning for appropriate quantities and placements of recreation facilities.

DESTINATION RESORT PLANNING

Comprehensive plans may provide for the siting of destination resorts on rural lands subject to the provisions of state law, including ORS 197.435 to 197.467, this and other Statewide Planning Goals, and without an exception to Goals 3, 4, 11, or 14.

Eligible Areas

(1) *Destination resorts allowed under the provisions of this goal must be sited on lands mapped as eligible by the affected county. A map adopted by a county may not allow destination resorts approved under the provisions of this goal to be sited in any of the following areas:*

(a) *Within 24 air miles of an urban growth boundary with an existing population of 100,000 or more unless residential uses are limited to those necessary for the staff and management of the resort;*

(b) *On a site with 50 or more contiguous acres of unique or prime farm land identified and mapped by the United States Natural Resources Conservation Service or its predecessor agency; or within three miles of a High Value Crop Area except that "small destination resorts" may not be closer to a high value crop area than one-half mile for each 25 units of overnight lodging or fraction thereof;*

(c) On predominantly Cubic Foot Sites Class 1 or 2 forestlands, as determined by the State Forestry Department, that are not subject to an approved goal exception;

(d) In the Columbia River Gorge National Scenic Area as defined by the Columbia River Gorge National Scenic Act, P.L. 99-663;

(e) In an especially sensitive big game habitat as generally mapped by the Oregon Department of Fish and Wildlife in July 1984 and as further refined through development of comprehensive plans implementing this requirement.

(2) "Small destination resorts" may be allowed consistent with the siting requirements of section (1) above, in the following areas:

(a) On land that is not defined as agricultural or forest land under Goal 3 or 4; or

(b) On land where there has been an exception to Statewide Planning Goals 3, 4, 11, or 14.

APPLICANT'S The proposed text amendment does not impact the list of ineligible lands
RESPONSE: for siting of destination facilities. Thus, this provision is not applicable.

Siting Standards

(1) Counties shall ensure that destination resorts are compatible with the site and adjacent land uses through the following measures:

(a) Important natural features, including habitat of threatened or endangered species, streams, rivers, and significant wetlands shall be maintained. Riparian vegetation within 100 feet of streams, rivers and significant wetlands shall be maintained. Alterations to important natural features, including placement of structures that maintain the overall values of the feature, may be allowed.

(b) Sites designated for protection in an acknowledged comprehensive plan designated pursuant to Goal 5 that are located on the tract used for the destination resort shall be preserved through conservation easements as set forth in ORS 271.715 to 271.795. Conservation easements adopted to implement this requirement shall be sufficient to protect the resource values of the site and shall be recorded with the property records of the tract on which the destination resort is sited.

(c) Improvements and activities shall be located and designed to avoid or minimize adverse effects of the resort on uses on surrounding lands, particularly effects on intensive farming operations in the area. At a minimum, measures to accomplish this shall include:

(i) Establishment and maintenance of buffers between the resort and adjacent land uses, including natural vegetation and where appropriate, fences, berms, landscaped areas, and other similar types of buffers.

(ii) Setbacks of structures and other improvements from adjacent land uses.

(iii) Measures that prohibit the use or operation in conjunction with the resort of a portion of a tract that is excluded from the site of a destination resort pursuant to ORS 197.435(7). Subject to this limitation, the use of the excluded property shall be governed by otherwise applicable law.

APPLICANT'S The proposed text amendment does not impact standards for siting
RESPONSE: destination resorts, or the actual siting of the Resort. Thus, this provision

is not applicable.

Implementing Measures

(1) *Comprehensive plans allowing for destination resorts shall include implementing measures that:*

(a) *Adopt a map consisting of eligible lands for large destination resorts within the county. The map shall be based on reasonably available information, and shall not be subject to revision or refinement after adoption except in conformance with ORS 197.455, and 197.610 to 197.625, but not more frequently than once every 30 months. The county shall develop a process for collecting and processing concurrently all map amendments made within a 30 month planning period. A map adopted pursuant to this section shall be the sole basis for determining whether tracts of land are eligible for siting of large destination resorts under the provisions of this goal and ORS 197.435 to 197.467.*

(b) *Limit uses and activities to those permitted by this goal.*

(c) *Assure developed recreational facilities and key facilities intended to serve the entire development and visitor oriented accommodations are physically provided or are guaranteed through surety bonding or substantially equivalent financial assurances prior to closure of sale of individual lots or units. In phased developments, developed recreational facilities and other key facilities intended to serve a particular phase shall be constructed prior to sales in that phase or guaranteed through surety bonding.*

APPLICANT'S RESPONSE:

The proposed text amendment does not amend the County Comprehensive Plan and is consistent with the Destination Resort policies at Section 3.9 of the Comprehensive Plan, which are addressed below. Thus, this provision is not applicable.

DEFINITIONS

Destination Resort -- *A self-contained development providing visitor-oriented accommodations and developed recreational facilities in a setting with high natural amenities, and that qualifies under the definition of either a "large destination resort" or a "small destination resort" in this goal. Spending required under these definitions is stated in 1993 dollars. The spending required shall be adjusted to the year in which calculations are made in accordance with the United States Consumer Price Index.*

APPLICANT'S RESPONSE:

The proposed text amendment does not impact the definition of "Destination Resort." Thus, this provision is not applicable.

Large Destination Resort -- *To qualify as a "large destination resort" under this Goal, a proposed development must meet the following standards:*

(1) *The resort must be located on a site of 160 acres or more except within two miles of the ocean shoreline where the site shall be 40 acres or more.*

(2) *At least 50 percent of the site must be dedicated as permanent open space excluding yards, streets and parking areas.*

(3) At least \$7 million must be spent on improvements for onsite developed recreational facilities and visitor-oriented accommodations exclusive of costs for land, sewer, and water facilities and roads. Not less than one-third of this amount shall be spent on developed recreational facilities.

(4) Commercial uses allowed are limited to types and levels necessary to meet the needs of visitors to the development. Industrial uses of any kind are not permitted.

(5) Visitor-oriented accommodations including meeting rooms, restaurants with seating for 100 persons, and 150 separate rentable units for overnight lodging must be provided. Accommodations available for residential use shall not exceed two such units for each unit of overnight lodging, or two and one-half such units on land that is in Eastern Oregon as defined by ORS 321.805. However, the rentable overnight lodging units may be phased in as follows:

(a) On land that is not in Eastern Oregon, as defined in ORS 321.805:

(A) A total of 150 units of overnight lodging must be provided.

(B) At least 75 units of overnight lodging, not including any individually owned homes, lots or units must be constructed or guaranteed through surety, bonding or equivalent financial assurance prior to the closure of sale of individual lots or units.

(C) The remaining overnight lodging units must be provided as individually owned lots or units subject to deed restrictions that limit their use to overnight lodging units. The deed restrictions may be rescinded when the resort has constructed 150 units of permanent overnight lodging as required by this section.

(D) The number of units approved for residential sale may not be more than two units for each unit of permanent overnight lodging provided under this section.

(E) The development approval shall provide for the construction of other required overnight lodging units within five years of the initial lot sales.

(b) On lands in Eastern Oregon, as defined in ORS 321.805:

(A) A total of 150 units of overnight lodging must be provided.

(B) At least 50 units of overnight lodging must be constructed prior to the closure of sale of individual lots or units.

(C) At least 50 of the remaining 100 required overnight lodging units must be constructed or guaranteed through surety bonding or equivalent financial assurance within five years of the initial lot sales.

(D) The remaining required overnight lodging units must be constructed or guaranteed through surety bonding or equivalent financial assurances within 10 years of the initial lot sales.

(E) The number of units approved for residential sale may not be more than 2-1/2 units for each unit of permanent overnight lodging provided under this section.

(F) If the developer of a resort guarantees the overnight lodging units required under paragraphs (C) and (D) of this subsection through surety bonding or other equivalent financial assurance, the overnight lodging units must be constructed within four years of the date of execution of the surety bond or other equivalent financial assurance.

(6) When making a land use decision authorizing construction of a "large destination resort" in Eastern Oregon, as defined in ORS 321.805, the governing body of the county or its designee shall require the resort developer to provide an annual accounting to document compliance with the overnight lodging standards of this definition. The annual

accounting requirement commences one year after the initial lot or unit sales. The annual accounting must contain:

(a) Documentation showing that the resort contains a minimum of 150 permanent units of overnight lodging or, during the phase-in period, documentation showing the resort is not yet required to have constructed 150 units of overnight lodging.

(b) Documentation showing that the resort meets the lodging ratio described in section (5)(b) of this definition.

(c) For a resort counting individually owned units as qualified overnight lodging units, the number of weeks that each overnight lodging unit is available for rental to the general public as described in section (2) of the definition for "overnight lodgings" in this goal.

**APPLICANT'S
RESPONSE:**

The proposed text amendment is consistent with this definition of Large Destination Resort. The text amendment does not impact the qualifying factors for a large destination resort, such as location, open space, investment in recreational facilities, allowed commercial uses, visitor-oriented accommodations, or the ratio of overnight lodging units to units for residential sale. The proposed text amendment is consistent with and implements the provisions requiring an annual accounting from destination resorts. The amendment retains the requirement for the accounting to include documentation of compliance with the minimum amount of overnight lodging units and overnight lodging unit ratio. Thus, the proposed text amendment is consistent with this definition of large destination resort.

Small Destination Resort -- To qualify as a "small destination resort" under Goal 8, a proposed development must meet standards (2) and (4) under the definition of "large destination resort" and the following standards:

(1) *The resort must be located on a site of 20 acres or more.*

(2) *At least \$2 million must be spent on improvements for onsite developed recreational facilities and visitor-oriented accommodations exclusive of costs for land, sewer, and water facilities and roads. Not less than one-third of this amount must be spent on developed recreation facilities.*

(3) *At least 25 but not more than 75 units of overnight lodging shall be provided.*

(4) *Restaurant and meeting rooms with at least one seat for each unit of overnight lodging must be provided.*

(5) *Residential uses must be limited to those necessary for the staff and management of the resort.*

(6) *The county governing body or its designee must review the proposed resort and determine that the primary purpose of the resort is to provide lodging and other services oriented to a recreational resource that can only reasonably be enjoyed in a rural area. Such recreational resources include, but are not limited to, a hot spring, a ski slope or a fishing stream.*

(7) *The resort shall be constructed and located so that it is not designed to attract highway traffic. Resorts shall not use any manner of outdoor advertising signing except:*

- (a) *Tourist oriented directional signs as provided in ORS 377.715 to 377.830; and*
- (b) *Onsite identification and directional signs.*

APPLICANT'S RESPONSE: The Resort is a large destination resort, and the applicability of proposed text amendment is limited to the Resort. Thus, the definition of small destination resort is not applicable.

Developed Recreation Facilities -- are improvements constructed for the purpose of recreation and may include but are not limited to golf courses, tennis courts, swimming pools, marinas, ski runs and bicycle paths.

High-Value Crop Area -- an area in which there is a concentration of commercial farms capable of producing crops or products with a minimum gross value of \$1,000 per acre per year. These crops and products include field crops, small fruits, berries, tree fruits, nuts, or vegetables, dairying, livestock feedlots, or Christmas trees as these terms are used in the 1983 County and State Agricultural Estimates prepared by the Oregon State University Extension Service. The High-Value Crop Area Designation is used for the purpose of minimizing conflicting uses in resort siting and is not meant to revise the requirements of Goal 3 or administrative rules interpreting the goal.

Map of Eligible Lands -- a map of the county adopted pursuant to ORS 197.455.

Open Space -- means any land that is retained in a substantially natural condition or is improved for recreational uses such as golf courses, hiking or nature trails or equestrian or bicycle paths or is specifically required to be protected by a conservation easement. Open spaces may include ponds, lands protected as important natural features, land preserved for farm or forest use and lands used as buffers. Open space does not include residential lots or yards, streets or parking areas.

Overnight Lodgings -- are permanent, separately rentable accommodations that are not available for residential use. Overnight lodgings include hotel or motel rooms, cabins, and time-share units. Tent sites, recreational vehicle parks, manufactured dwellings, dormitory rooms, and similar accommodations do not qualify as overnight lodgings for the purpose of this definition. Individually owned units may be considered overnight lodgings if:

(1) *With respect to lands not in Eastern Oregon, as defined in ORS 321.805, they are available for overnight rental use by the general public for at least 45 weeks per calendar year through a central reservation and check-in service, or*

(2) *With respect to lands in Eastern Oregon, as defined in ORS 321.805, they are available for overnight rental use by the general public for at least 38 weeks per calendar year through a central reservation system operated by the destination resort or by a real estate property manager, as defined in ORS 696.010.*

Recreation Areas, Facilities and Opportunities -- provide for human development and enrichment, and include but are not limited to: open space and scenic landscapes; recreational lands; history, archaeology and natural science resources; scenic roads and travelers; sports and cultural events; camping, picnicking and recreational lodging; tourist facilities and accommodations; trails; waterway use facilities; hunting; angling; winter sports; mineral resources; active and passive games and activities.

Recreation Needs -- refers to existing and future demand by citizens and visitors for recreations areas, facilities and opportunities.

Self-contained Development -- means a development for which community sewer and water facilities are provided onsite and are limited to meet the needs of the development or are provided by existing public sewer or water service as long as all costs related to service extension and any capacity increases are borne by the development. A "self-contained development" must have developed recreational facilities provided on-site.

Tract -- means a lot or parcel or more than one contiguous lot or parcel in a single ownership. A tract may include property that is not included in the proposed site for a destination resort if the property to be excluded is on the boundary of the tract and constitutes less than 30 percent of the total tract.

Visitor-Oriented Accommodations -- are overnight lodging, restaurants, meeting facilities which are designed to and provide for the needs of visitors rather than year-round residents.

APPLICANT'S RESPONSE: The proposed text amendment does not impact the definition of developed recreation facilities, high-value crop area, recreational needs, self-contained development, tract, or visitor-oriented accommodations. Thus, these definitions are not applicable.

GUIDELINES FOR GOAL 8

A. PLANNING

1. An inventory of recreation needs in the planning area should be made based upon adequate research and analysis of public wants and desires.

2. An inventory of recreation opportunities should be made based upon adequate research and analysis of the resources in the planning area that are available to meet recreation needs.

3. Recreation land use to meet recreational needs and development standards, roles and responsibilities should be developed by all agencies in coordination with each other and with the private interests. Long range plans and action programs to meet recreational needs should be developed by each agency responsible for developing comprehensive plans.

4. The planning for lands and resources capable of accommodating multiple uses should include provision for appropriate recreation opportunities.

5. The State Comprehensive Outdoor Recreation Plan could be used as a guide when planning, acquiring and developing recreation resources, areas and facilities.

6. When developing recreation plans, energy consequences should be considered, and to the greatest extent possible non-motorized types of recreational activities should be preferred over motorized activities.

7. Planning and provision for recreation facilities and opportunities should give priority to areas, facilities and uses that

(a) Meet recreational needs requirements for high density population centers,

- (b) *Meet recreational needs of persons of limited mobility and finances,*
 - (c) *Meet recreational needs requirements while providing the maximum conservation of energy both in the transportation of persons to the facility or area and in the recreational use itself,*
 - (d) *Minimize environmental deterioration,*
 - (e) *Are available to the public at nominal cost, and*
 - (f) *Meet needs of visitors to the state.*
8. *Unique areas or resources capable of meeting one or more specific recreational needs requirements should be inventoried and protected or acquired.*
9. *All state and federal agencies developing recreation plans should allow for review of recreation plans by affected local agencies.*
10. *Comprehensive plans should be designed to give a high priority to enhancing recreation opportunities on the public waters and shorelands of the state especially on existing and potential state and federal wild and scenic waterways, and Oregon Recreation Trails.*
11. *Plans that provide for satisfying the recreation needs of persons in the planning area should consider as a major determinant, the carrying capacity of the air, land and water resources of the planning area. The land conservation and development actions provided for by such plans should not exceed the carrying capacity of such resources.*

APPLICANT'S RESPONSE: The proposed text amendment does not amend the County Comprehensive Plan or require additional planning relating to recreational lands. Thus, these Guidelines are not applicable.

B. IMPLEMENTATION

Plans should take into account various techniques in addition to fee acquisition such as easements, cluster developments, preferential assessments, development rights acquisition, subdivision park land dedication that benefits the subdivision, and similar techniques to meet recreation requirements through tax policies, land leases, and similar programs.

APPLICANT'S RESPONSE: The proposed text amendment does not amend the County Comprehensive Plan or require additional planning relating to recreational lands. Thus, this provision is not applicable.

C. RESORT SITING

Measures should be adopted to minimize the adverse environmental effects of resort development on the site, particularly in areas subject to natural hazards. Plans and ordinances should prohibit or discourage alterations and structures in the 100 year floodplain and on slopes exceeding 25 percent. Uses and alterations that are appropriate for these areas include:

- 1. *Minor drainage improvements that do not significantly impact important natural features of the site;*
- 2. *Roads, bridges and utilities where there are no feasible alternative locations on the site; and*

3. *Outdoor recreation facilities including golf courses, bike paths, trails, boardwalks, picnic tables, temporary open sided shelters, boating facilities, ski lifts and runs. Alterations and structures permitted in these areas should be adequately protected from geologic hazards or of minimal value and designed to minimize adverse environmental effects.*

APPLICANT'S The proposed text amendment does not impact siting of destination
RESPONSE: resorts. Thus, this provision is not applicable.

Oregon Revised Statutes

ORS 197.435 - 467 Siting of Destination Resorts

197.435 Definitions for ORS 197.435 to 197.467. *As used in ORS 197.435 to 197.467:*

(1) *"Developed recreational facilities" means improvements constructed for the purpose of recreation and may include but are not limited to golf courses, tennis courts, swimming pools, marinas, ski runs and bicycle paths.*

(2) *"High value crop area" means an area in which there is a concentration of commercial farms capable of producing crops or products with a minimum gross value of \$1,000 per acre per year. These crops and products include field crops, small fruits, berries, tree fruits, nuts or vegetables, dairying, livestock feedlots or Christmas trees as these terms are used in the 1983 County and State Agricultural Estimates prepared by the Oregon State University Extension Service. The "high value crop area" designation is used for the purpose of minimizing conflicting uses in resort siting and does not revise the requirements of an agricultural land goal or administrative rules interpreting the goal.*

(3) *"Map of eligible lands" means a map of the county adopted pursuant to ORS 197.455.*

(4) *"Open space" means any land that is retained in a substantially natural condition or is improved for recreational uses such as golf courses, hiking or nature trails or equestrian or bicycle paths or is specifically required to be protected by a conservation easement. Open spaces may include ponds, lands protected as important natural features, lands preserved for farm or forest use and lands used as buffers. Open space does not include residential lots or yards, streets or parking areas.*

(5) *"Overnight lodgings" means:*

(a) *With respect to lands not identified in paragraph (b) of this subsection, permanent, separately rentable accommodations that are not available for residential use, including hotel or motel rooms, cabins and time-share units. Individually owned units may be considered overnight lodgings if they are available for overnight rental use by the general public for at least 45 weeks per calendar year through a central reservation and check-in service. Tent sites, recreational vehicle parks, manufactured dwellings, dormitory rooms and similar accommodations do not qualify as overnight lodgings for the purpose of this definition.*

(b) *With respect to lands in eastern Oregon, as defined in ORS 321.805, permanent, separately rentable accommodations that are not available for residential use, including*

hotel or motel rooms, cabins and time-share units. Individually owned units may be considered overnight lodgings if they are available for overnight rental use by the general public for at least 38 weeks per calendar year through a central reservation system operated by the destination resort or by a real estate property manager, as defined in ORS 696.010. Tent sites, recreational vehicle parks, manufactured dwellings, dormitory rooms and similar accommodations do not qualify as overnight lodgings for the purpose of this definition.

(6) "Self-contained development" means a development for which community sewer and water facilities are provided on-site and are limited to meet the needs of the development or are provided by existing public sewer or water service as long as all costs related to service extension and any capacity increases are borne by the development. A "self-contained development" must have developed recreational facilities provided on-site.

(7) "Tract" means a lot or parcel or more than one contiguous lot or parcel in a single ownership. A tract may include property that is not included in the proposed site for a destination resort if the property to be excluded is on the boundary of the tract and constitutes less than 30 percent of the total tract.

(8) "Visitor-oriented accommodations" means overnight lodging, restaurants and meeting facilities that are designed to and provide for the needs of visitors rather than year-round residents. [1987 c.886 §3; 1989 c.648 §52; 1993 c.590 §1; 2003 c.812 §1; 2005 c.22 §140]

APPLICANT'S RESPONSE: The proposed text amendment does not impact the definition of developed recreation facilities, high-value crop area, map of eligible lands, open space, overnight lodging, self-contained development, tract, or visitor-oriented accommodations. Thus, the proposed text amendment is consistent with the statutory definitions at ORS 197.435.

197.440 Legislative findings. *The Legislative Assembly finds that:*

(1) *It is the policy of this state to promote Oregon as a vacation destination and to encourage tourism as a valuable segment of our state's economy;*

(2) *There is a growing need to provide year-round destination resort accommodations to attract visitors and encourage them to stay longer. The establishment of destination resorts will provide jobs for Oregonians and contribute to the state's economic development;*

(3) *It is a difficult and costly process to site and establish destination resorts in rural areas of this state; and*

(4) *The siting of destination resort facilities is an issue of statewide concern. [1987 c.886 §2]*

APPLICANT'S RESPONSE: The proposed text amendment does not impact the policies in this section regarding siting of destination resorts and promotion of Oregon as a vacation destination. Thus, these provisions are not applicable.

197.445 Destination resort criteria; phase-in requirements; annual accounting. *A destination resort is a self-contained development that provides for visitor-oriented accommodations and developed recreational facilities in a setting with high natural*

amenities. To qualify as a destination resort under ORS 30.947, 197.435 to 197.467, 215.213, 215.283 and 215.284, a proposed development must meet the following standards:

(1) The resort must be located on a site of 160 acres or more except within two miles of the ocean shoreline where the site shall be 40 acres or more.

(2) At least 50 percent of the site must be dedicated to permanent open space, excluding streets and parking areas.

(3) At least \$7 million must be spent on improvements for on-site developed recreational facilities and visitor-oriented accommodations exclusive of costs for land, sewer and water facilities and roads. Not less than one-third of this amount must be spent on developed recreational facilities.

APPLICANT'S RESPONSE: The proposed text amendment does not impact the standards for destination resort location, open space, or investment in recreational facilities. Thus, these provisions are not applicable.

(4) Visitor-oriented accommodations including meeting rooms, restaurants with seating for 100 persons and 150 separate rentable units for overnight lodging shall be provided. However, the rentable overnight lodging units may be phased in as follows:

(a) On lands not described in paragraph (b) of this subsection:

(A) A total of 150 units of overnight lodging must be provided.

(B) At least 75 units of overnight lodging, not including any individually owned homes, lots or units, must be constructed or guaranteed through surety bonding or equivalent financial assurance prior to the closure of sale of individual lots or units.

(C) The remaining overnight lodging units must be provided as individually owned lots or units subject to deed restrictions that limit their use to use as overnight lodging units. The deed restrictions may be rescinded when the resort has constructed 150 units of permanent overnight lodging as required by this subsection.

(D) The number of units approved for residential sale may not be more than two units for each unit of permanent overnight lodging provided under this paragraph.

(E) The development approval must provide for the construction of other required overnight lodging units within five years of the initial lot sales.

APPLICANT'S RESPONSE: The standards at ORS 197.445(4)(a) are applicable to lands that are not in eastern Oregon, as defined in ORS 321.805. The Resort is located in Eastern Oregon, and the applicability of the proposed text amendment is limited to the Resort. Thus, these provisions are not applicable.

(b) On lands in eastern Oregon, as defined in ORS 321.805:

(A) A total of 150 overnight lodging must be provided.

(B) At least 50 units of overnight lodging must be constructed prior to the closure of sale of individual lot sales.

- (C) *Ate least 50 of the remaining 100 required overnight lodging units must be constructed or guaranteed through surety bonding or equivalent financial assurance within five years of the initial lot sales.*
- (D) *The remaining required overnight lodging units must be constructed or guaranteed through surety bonding or equivalent financial assurances within 10 years of the initial lot sales.*
- (E) *The number of units approved for residential sale may not be more than 2-1/2 units for each unit of permanent overnight lodging provided under this paragraph.*
- (F) *If the developer of a resort guarantees the overnight lodging units required under subparagraphs (C) and (D) of this paragraph through surety bonding or other equivalent financial assurance, the overnight lodging units must be constructed within four years of the date of execution of the surety bond or other equivalent financial assurance.*

**APPLICANT'S
RESPONSE:**

The proposed text amendment is limited to a broadened reporting methodology and establishing a remedy for not reaching the required ratio which is also a mechanism for the County to recoup otherwise unavailable TLT. No change is proposed to the required amount of overnight lodging, the timing of construction of such units, the security requirements associated with construction of such units, or the relative number of such units to units for residential sale. Thus, the proposed text amendment complies with these criteria.

(5) Commercial uses allowed are limited to types and levels of use necessary to meet the needs of visitors to the development. Industrial uses of any kind are not permitted.

**APPLICANT'S
RESPONSE:**

The proposed text amendment does not impact the commercial uses allowed on destination resorts. Thus, these provisions are not applicable.

(6) In lieu of the standards in subsections (1), (3) and (4) of this section, the standards set forth in subsection (7) of this section apply to a destination resort:

(a) On land that is not defined as agricultural or forest land under any statewide planning goal;

(b) On land where there has been an exception to any statewide planning goal on agricultural lands, forestlands, public facilities and services and urbanization; or

(c) On such secondary lands as the Land Conservation and Development Commission deems appropriate.

(7) The following standards apply to the provisions of subsection (6) of this section:

(a) The resort must be located on a site of 20 acres or more.

(b) At least \$2 million must be spent on improvements for on-site developed recreational facilities and visitor-oriented accommodations exclusive of costs for land, sewer and water facilities and roads. Not less than one-third of this amount must be spent on developed recreational facilities.

(c) *At least 25 units, but not more than 75 units, of overnight lodging must be provided.*

(d) *Restaurant and meeting room with at least one seat for each unit of overnight lodging must be provided.*

(e) *Residential uses must be limited to those necessary for the staff and management of the resort.*

(f) *The governing body of the county or its designee has reviewed the resort proposed under this subsection and has determined that the primary purpose of the resort is to provide lodging and other services oriented to a recreational resource which can only reasonably be enjoyed in a rural area. Such recreational resources include, but are not limited to, a hot spring, a ski slope or a fishing stream.*

(g) *The resort must be constructed and located so that it is not designed to attract highway traffic. Resorts may not use any manner of outdoor advertising signing except:*

(A) *Tourist oriented directional signs as provided in ORS 377.715 to 377.830; and*

(B) *On-site identification and directional signs.*

APPLICANT'S RESPONSE: These provisions are applicable to small destination resorts, as the term is defined under Statewide Planning Goal 8. The Resort is a large destination resort. Thus, these provisions are not applicable.

(8) *Spending required under subsections (3) and (7) of this section is stated in 1993 dollars. The spending required shall be adjusted to the year in which calculations are made in accordance with the United States Consumer Price Index.*

APPLICANT'S RESPONSE: The proposed text amendment does not impact the spending and investment requirements for newly approved destination resorts. Thus, the proposed text amendment complies with these criteria.

(9) *When making a land use decision authorizing construction of a destination resort in eastern Oregon, as defined in ORS 321.805, the governing body of the county or its designee shall require the resort developer to provide an annual accounting to document compliance with the overnight lodging standards of this section. The annual accounting requirement commences one year after the initial lot or unit sales. The annual accounting must contain:*

(a) *Documentation showing that the resort contains a minimum of 150 permanent units of overnight lodging or, during the phase-in period, documentation showing the resort is not yet required to have constructed 150 units of overnight lodging.*

(b) *Documentation showing that the resort meets the lodging ratio described in subsection (4) of this section.*

(c) *For a resort counting individually owned units as qualified overnight lodging units, the number of weeks that each overnight lodging unit is available for rental to the general public as described in ORS 197.435.*

APPLICANT'S RESPONSE: These criteria do not address the ability of the County to recoup otherwise unavailable TLT revenue. The proposed change to the County reporting methodology would not change the requirement to report annually, or to

document compliance with the overall required number of overnight units and the relative number of such units to units for residential sale. Expanding the allowed format of reporting to include “monthly printouts of the availability calendars posted on-line by the unit owner or the unit owner’s agent” is consistent with the requirement to report the number of weeks that each overnight lodging unit is available for rental” pursuant to subsection (c). Thus, the proposed text amendment complies with these criteria.

197.450 Siting without taking goal exception. *In accordance with the provisions of ORS 30.947, 197.435 to 197.467, 215.213, 215.283 and 215.284, a comprehensive plan may provide for the siting of a destination resort on rural lands without taking an exception to statewide planning goals relating to agricultural lands, forestlands, public facilities and services or urbanization. [1987 c.886 §5]*

APPLICANT’S RESPONSE: The proposed text amendment does not impact the standards for siting a destination resort without taking a goal exception. Thus, this provision is not applicable.

197.455 Siting of destination resorts; sites from which destination resort excluded. *(1) A destination resort may be sited only on lands mapped as eligible for destination resort siting by the affected county. The county may not allow destination resorts approved pursuant to ORS 197.435 to 197.467 to be sited in any of the following areas:*

(a) Within 24 air miles of an urban growth boundary with an existing population of 100,000 or more unless residential uses are limited to those necessary for the staff and management of the resort.

(b)(A) On a site with 50 or more contiguous acres of unique or prime farmland identified and mapped by the United States Natural Resources Conservation Service, or its predecessor agency.

(B) On a site within three miles of a high value crop area unless the resort complies with the requirements of ORS 197.445 (6) in which case the resort may not be closer to a high value crop area than one-half mile for each 25 units of overnight lodging or fraction thereof.

(c) On predominantly Cubic Foot Site Class 1 or 2 forestlands as determined by the State Forestry Department, which are not subject to an approved goal exception.

(d) In the Columbia River Gorge National Scenic Area as defined by the Columbia River Gorge National Scenic Act, P.L. 99-663.

(e) In an especially sensitive big game habitat area:

(A) As determined by the State Department of Fish and Wildlife in July 1984, and in additional especially sensitive big game habitat areas designated by a county in an acknowledged comprehensive plan; or

(B) If the State Fish and Wildlife Commission amends the 1984 determination with respect to an entire county and the county amends its comprehensive plan to reflect the commission’s subsequent determination, as designated in the acknowledged comprehensive plan.

(f) On a site in which the lands are predominantly classified as being in Fire Regime Condition Class 3, unless the county approves a wildfire protection plan that demonstrates the site can be developed without being at a high overall risk of fire.

(2) In carrying out subsection (1) of this section, a county shall adopt, as part of its comprehensive plan, a map consisting of eligible lands within the county. The map must be based on reasonably available information and may be amended pursuant to ORS 197.610 to 197.625, but not more frequently than once every 30 months. The county shall develop a process for collecting and processing concurrently all map amendments made within a 30-month planning period. A map adopted pursuant to this section shall be the sole basis for determining whether tracts of land are eligible for destination resort siting pursuant to ORS 197.435 to 197.467. [1987 c.886 §6; 1993 c.590 §3; 1997 c.249 §57; 2003 c.812 §3; 2005 c.22 §142; 2005 c.205 §1; 2010 c.32 §1]

APPLICANT’S RESPONSE: The proposed text amendment does not impact the standards for siting a destination resort. Thus, these provisions are not applicable.

197.460 Compatibility with adjacent land uses; county measures; economic impact analysis; traffic impact analysis. A county shall ensure that a destination resort is compatible with the site and adjacent land uses through the following measures:

(1) Important natural features, including habitat of threatened or endangered species, streams, rivers and significant wetlands shall be retained. Riparian vegetation within 100 feet of streams, rivers and significant wetlands shall be retained. Alteration of important natural features, including placement of structures that maintain the overall values of the feature may be allowed.

(2) Improvements and activities shall be located and designed to avoid or minimize adverse effects of the resort on uses on surrounding lands, particularly effects on intensive farming operations in the area. At a minimum, measures to accomplish this shall include:

(a) Establishment and maintenance of buffers between the resort and adjacent land uses, including natural vegetation and where appropriate, fences, berms, landscaped areas and other similar types of buffers.

(b) Setbacks of structures and other improvements from adjacent land uses.

(3) If the site is west of the summit of the Coast Range and within 10 miles of an urban growth boundary, or if the site is east of the summit of the Coast Range and within 25 miles of an urban growth boundary, the county shall require the applicant to submit an economic impact analysis of the proposed development that includes analysis of the projected impacts within the county and within cities whose urban growth boundaries are within the distance specified in this subsection.

(4) If the site is west of the summit of the Coast Range and within 10 miles of an urban growth boundary, or if the site is east of the summit of the Coast Range and within 25 miles of an urban growth boundary, the county shall require the applicant to submit a traffic impact analysis of the proposed development that includes measures to avoid or mitigate a proportionate share of adverse effects of transportation on state highways and other transportation facilities affected by the proposed development, including transportation facilities in the county and in cities whose urban growth boundaries are within the distance specified in this subsection. [1987 c.886 §7; 2010 c.32 §2]

APPLICANT'S RESPONSE: The proposed text amendment does not impact the standards for a County to approve a new destination resort. Thus, these provisions are not applicable.

197.462 Use of land excluded from destination resort. *A portion of a tract that is excluded from the site of a destination resort pursuant to ORS 197.435 (7) shall not be used or operated in conjunction with the resort. Subject to this limitation, the use of the excluded property shall be governed by otherwise applicable law. [1993 c.590 §7]*

APPLICANT'S RESPONSE: The proposed text amendment does not impact the use of land excluded from destination resorts. Thus, this provision is not applicable.

197.465 Comprehensive plan implementing measures. *An acknowledged comprehensive plan that allows for siting of a destination resort shall include implementing measures which:*

(1) Map areas where a destination resort described in ORS 197.445 (1) to (5) is permitted pursuant to ORS 197.455;

(2) Limit uses and activities to those defined by ORS 197.435 and allowed by ORS 197.445; and

(3) Assure that developed recreational facilities and key facilities intended to serve the entire development and visitor-oriented accommodations are physically provided or are guaranteed through surety bonding or substantially equivalent financial assurances prior to closure of sale of individual lots or units. In phased developments, developed recreational facilities and other key facilities intended to serve a particular phase shall be constructed prior to sales in that phase or guaranteed through surety bonding. [1987 c.886 §8]

APPLICANT'S RESPONSE: The proposed text amendment does not amend the County Comprehensive Plan, including the goals and policies that implement ORS 197.465. Thus, these provisions are not applicable.

197.467 Conservation easement to protect resource site. *(1) If a tract to be used as a destination resort contains a resource site designated for protection in an acknowledged comprehensive plan pursuant to open spaces, scenic and historic areas and natural resource goals in an acknowledged comprehensive plan, that tract of land shall preserve that site by conservation easement sufficient to protect the resource values of the resource site as set forth in ORS 271.715 to 271.795.*

(2) A conservation easement under this section shall be recorded with the property records of the tract on which the destination resort is sited. [1993 c.590 §5]

APPLICANT'S RESPONSE: The proposed text amendment does not impact the standards for application of conservation easements. Thus, this provision is not applicable.

Deschutes County Comprehensive Plan

Section 3.9 Destination Resort Policies

Goals and Policies

Goal 1 *To provide for development of destination resorts in the County consistent with Statewide Planning Goal 8 in a manner that will be compatible with farm and forest uses, existing rural development, and in a manner that will maintain important natural features, such as habitat of threatened or endangered species, streams, rivers and significant wetlands.*

APPLICANT’S RESPONSE: The proposed text amendment does not impact the development of new destination resorts. Thus, the proposed text amendment is consistent with this goal.

Goal 2 *To provide a process for the siting of destination resorts on rural lands that have been mapped by Deschutes County as eligible for this purpose.*

APPLICANT’S RESPONSE: The proposed text amendment does not impact the process for siting destination resorts or the mapping of destination resort eligible lands. Thus, this goal is not applicable.

Goal 3 *To provide for the siting of destination resort facilities that enhances and diversifies the recreational opportunities and economy of Deschutes County.*

APPLICANT’S RESPONSE: The proposed text amendment does not impact the siting of new destination resorts. Thus, this goal is not applicable. However, the broadened reporting, additional TLT collections, and long term viability of the Resort, associated with the proposed text amendment all improve the recreational opportunities and economy of Deschutes County.

Goal 4 *To provide for development of destination resorts consistent with Statewide Planning Goal 12 in a manner that will ensure the resorts are supported by adequate transportation facilities.*

APPLICANT’S RESPONSE: The proposed text amendment does not impact the transportation facilities or demands associated with the Resort. Thus, this provision is not applicable.

Policy 3.9.1 *Destination resorts shall only be allowed within areas shown on the “Deschutes County Destination Resort Map” and when the resort complies with the requirements of Goal 8, ORS 197.435 to 197.467, and Deschutes County Code 18.113.*

Policy 3.9.2 Applications to amend the map will be collected and will be processed concurrently no sooner than 30 months from the date the map was previously adopted or amended.

APPLICANT'S The proposed text amendment does not impact or amend the County
RESPONSE: Destination Resorts Map. Thus, the proposed text amendment is consistent with these policies.

Policy 3.9.3 Mapping for destination resort siting.

- a. *To assure that resort development does not conflict with the objectives of other Statewide Planning Goals, destination resorts shall pursuant to Goal 8 not be sited in Deschutes County in the following areas:*
 1. *Within 24 air miles of an urban growth boundary with an existing population of 100,000 or more unless residential uses are limited to those necessary for the staff and management of the resort;*
 2. *On a site with 50 or more contiguous acres of unique or prime farm land identified and mapped by the Soil Conservation Service or within three miles of farm land within a High-Value Crop Area;*
 3. *On predominantly Cubic Foot Site Class 1 or 2 forest lands which are not subject to an approved Goal exception;*
 4. *On areas protected as Goal 5 resources in an acknowledged comprehensive plan where all conflicting uses have been prohibited to protect the Goal 5 resource;*
 5. *Especially sensitive big game habitat, and as listed below, as generally mapped by the Oregon Department of Fish and Wildlife in July 1984 and as further refined through development of comprehensive plan provisions implementing this requirement.*
 - i. *Tumalo deer winter range;*
 - ii. *Portion of the Metolius deer winter range;*
 - iii. *Antelope winter range east of Bend near Horse Ridge and Millican;*
 6. *Sites less than 160 acres.*
- b. *To assure that resort development does not conflict with Oregon Revised Statute, destination resorts shall not be sited in Deschutes County in Areas of Critical State Concern.*
- c. *To assure that resort development does not conflict with the objectives of Deschutes County, destination resorts shall also not be located in the following areas:*
 1. *Sites listed below that are inventoried Goal 5 resources, shown on the Wildlife Combining Zone, that the County has chosen to protect:*
 - i. *Antelope Range near Horse Ridge and Millican;*
 - ii. *Elk Habitat Area; and*

- iii. *Deer Winter Range;*
 - 2. *Wildlife Priority Area, identified on the 1999 ODFW map submitted to the South County Regional Problem Solving Group;*
 - 3. *Lands zoned Open Space and Conservation (OS&C);*
 - 4. *Lands zoned Forest Use 1 (F-1);*
 - 5. *Irrigated lands zoned Exclusive Farm Use (EFU) having 40 or greater contiguous acres in irrigation;*
 - 6. *Non-contiguous EFU acres in the same ownership having 60 or greater irrigated acres;*
 - 7. *Farm or forest land within one mile outside of urban growth boundaries;*
 - 8. *Lands designated Urban Reserve Area under ORS 195.145;*
 - 9. *Platted subdivisions;*
- d. *For those lands not located in any of the areas designated in Policy 3.9.3(a) though (c), destination resorts may, pursuant to Goal 8, Oregon Revised Statute and Deschutes County zoning code, be sited in the following areas:*
 - 1. *Forest Use 2 (F-2), Multiple Use Agriculture (MUA-10), and Rural Residential (RR-10) zones;*
 - 2. *Unirrigated Exclusive Farm Use (EFU) land;*
 - 3. *Irrigated lands zoned EFU having less than 40 contiguous acres in irrigation;*
 - 4. *Non-contiguous irrigated EFU acres in the same ownership having less than 60 irrigated acres;*
 - 5. *All property within a subdivision for which cluster development approval was obtained prior to 1990, for which the original cluster development approval designated at least 50 percent of the development as open space and which was within the destination resort zone prior to the effective date of Ordinance 2010-024 shall remain on the eligibility map;*
 - 6. *Minimum site of 160 contiguous acres or greater under one or multiple ownerships;*
- e. *The County shall adopt a map showing where destination resorts can be located in the County. Such map shall become part of the Comprehensive Plan and Zoning Ordinance and shall be an overlay zone designated Destination Resort (DR).*

**APPLICANT'S
RESPONSE:**

The proposed text amendment is limited to a broadened reporting requirement and establishing a mechanism for the County to recoup otherwise unavailable TLT. No change is proposed to destination resort siting standards, the list of lands ineligible of destination resorts, or the County Destination Resort Map. Thus, the proposed text amendment is consistent with these policies.

Policy 3.9.4 Ordinance provisions.

- a. *The County shall ensure that destination resorts are compatible with the site and adjacent land uses through enactment of land use regulations that, at a minimum, provide for the following:*
 - 1. *Maintenance of important natural features ...*
 - 2. *Location and design of improvements and activities ...*
 - 3. *Such regulations may allow for alterations to important natural features...*
- b. *Minimum measures to assure that design and placement of improvements and activities will avoid or minimize the adverse effects noted in Policy 3.9.4(a)*
- c. *The County may adopt additional land use restrictions to ensure that proposed destination resorts are compatible with the environmental capabilities of the site and surrounding land uses.*
- d. *Uses in destination resorts shall be limited to visitor- oriented accommodations, overnight lodgings, developed recreational facilities, commercial uses limited to types and levels necessary to meet the needs of visitors to the resort, and uses consistent with preservation and maintenance of open space.*
- e. *The zoning ordinance shall include measures that assure that developed recreational facilities, visitor-oriented accommodations and key facilities intended to serve the entire development are physically provided or are guaranteed through surety bonding or substantially equivalent financial assurances prior to closure of sale of individual lots or units. In phased developments, developed recreational facilities and other key facilitated intended to serve a particular phase shall be constructed prior to sales in that phase or guaranteed through surety bonding.*

**APPLICANT'S
RESPONSE:**

The proposed text amendment is limited to a broadened reporting requirement and establishing a mechanism for the County to recoup otherwise unavailable TLT. No change is proposed to destination resort site compatibility standards, facilities design and placement, environmental compatibility standards, allowed uses on destination resorts, or bonding and security requirements. Thus, the proposed text amendment is consistent with these policies.