



MEMORANDUM

TO: Board of County Commissioners

FROM: Haleigh King, Associate Planner

DATE: October 9, 2023

RE: Work Session - Request for an Improvement Agreement termination specific to four (4) Overnight Lodging Units within Caldera Springs Phase A subdivision (Deschutes County File No. 247-23-000672-IA).

The Board of County Commissioners (Board) will conduct a Work Session on October 16, 2023 regarding the termination of an Improvement Agreement for Caldera Springs Destination Resort. This item is scheduled as a Consent Item at the Board's October 18, 2023 meeting.

I. BACKGROUND

The property is identified as 18124 and 18105 Forestbrook Loop, Bend, and is further identified on County Assessor's Map 20-11-08DD as tax lot 1300 and tax lot 900, respectively. These are Lots 2 and 16 within the Caldera Springs Overnight Lodging Unit ("OLU") Phase A subdivision.

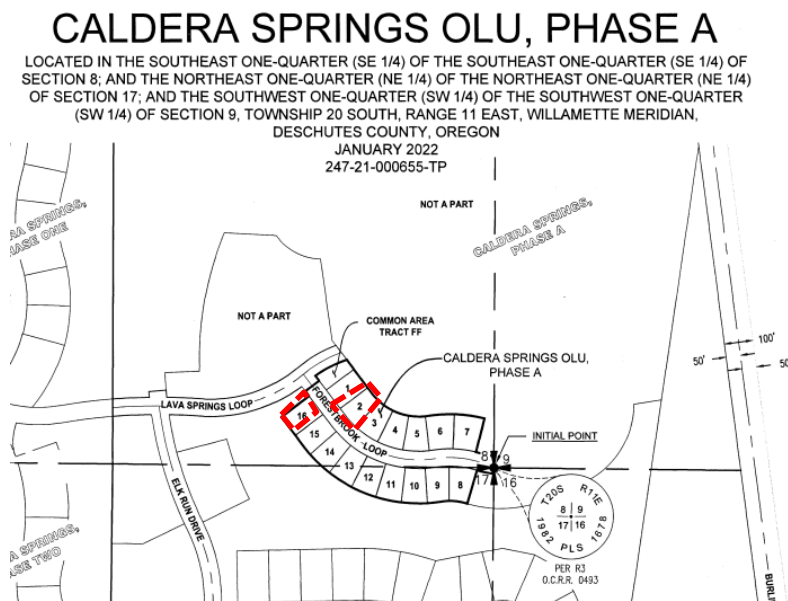


Figure 1: Lot 2 and 16 within Phase A (Source: Parametrix)

The developer requests the termination of an Improvement Agreement associated with the Caldera Springs Destination Resort (Document No. 2022-955, recorded in the real property records of Deschutes County on January 11, 2023 as Document No. 2023-00702). This Improvement Agreement was reviewed and signed by the Board on December 21, 2022. This Improvement Agreement was required by the developer for the construction costs of four (4) OLU located on two (2) lots within Phase A. The resort is required to maintain a 2.3:1 single-family residential units to OLU ratio. The platting of Phase C resulted in a shortfall of four (4) OLUs, so as a condition of approval, the developer either needed to complete the required OLUs or bond for the construction of the units. The developer elected to bond for the OLU construction.

The four (4) OLU units have now been completed, certificates of occupancy have been issued by the County Building Division (Attch 3), and the bond was released on August 21, 2023. The bond amount was 120 percent to the cost estimate and totaled \$1,069,159.25. County Legal Counsel has reviewed the termination agreement.

The Improvement Agreement continues to encumber the property as there was no termination clause embedded within the contract. The owner has applied for an Improvement Agreement as the permit process by which the termination can be presented to the Board of County Commissioners and lawfully removed from the title of the property.

II. RECOMMENDATION AND NEXT STEPS

Staff anticipates this will return as a consent agenda item at the Board's October 18, 2023 meeting. Staff recommends the Board move to approve the termination and signatures on Document No. 2023-906.

ATTACHMENT(S):

- A. Document No. 2023-906: Termination of Improvement Agreement (Doc. No. 2022-955) for Caldera Springs Expansion – Phase A (OLU Construction)
- B. Document No. 2022-955: Improvement Agreement for Caldera Springs Expansion – Phase A (OLU Construction)
- C. Lot 2 and Lot 16 – Certificate of Occupancy