



MEMORANDUM

TO: Deschutes County Board of County Commissioners

FROM: Tarik Rawlings, Associate Planner

DATE: June 22, 2023

SUBJECT: Preparation for Public Hearing: Destination Resort Amendments

Staff will present proposed text amendments to the Board of County Commissioners (Board) on July 10, 2023, in preparation for a July 12, 2023 public hearing concerning applicant-initiated legislative amendments to Deschutes County's Destination Resort (DR) Combining Zone (file no. 247-22-000835-TA).

I. PROPOSAL

Staff has provided the applicant's proposed amendments to DCC Sections 18.113 and 19.106 in **Attachment 1**. The applicant in this case, Central Oregon LandWatch (COLW), has provided findings (included as **Attachment 2**) which summarizes the amendments and provides analysis of the Statewide Planning Goals, applicable policies of the Deschutes County Comprehensive Plan, and relevant state law. **Attachment 3** includes the original application materials submitted by the applicant.

II. BACKGROUND

In October 2022, the applicant COLW applied for a legislative amendment to Deschutes County's Destination Resort (DR) Combining Zone. The proposed amendments would add language from Oregon Revised Statute (ORS) 197.455(1)(a), which would limit residential uses to those necessary for the staff and management of the resort at any new Destination Resort allowed within 24 air miles of an urban growth boundary population of at least 100,000. This proposed amendment would only apply to newly proposed Destination Resorts and would not apply to existing or approved Destination Resorts. The applicable language from ORS 197.455(1)(a) is provided below:

- (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 (Definitions for ORS 197.435 to 197.467) to 197.467 (Conservation easement to protect resource site) 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.

Notice of the proposal was sent to all property owners within Deschutes County who are within the DR Zone on January 23, 2023. The Notice explained the scope of the proposal, provided a project-specific website related to the application, and gave meeting information for the upcoming public hearing on February 23, 2023¹. Agency notice was sent to relevant agency partners on January 18, 2023, and several agency comments were received. County staff notified the Department of Land Conservation and Development (DLCD) about the proposal on January 11, 2023 through DLCD's online PAPA submittal².

The record, which contains all memoranda, notices, and project materials is available for inspection on the project website:

<https://www.deschutescounty.gov/cd/page/247-22-000835-ta-destination-resort-text-amendment>

III. PLANNING COMMISSION REVIEW

An initial public hearing was held before the Deschutes County Planning Commission on February 23, 2023³, with a continued public hearing held on March 9, 2023⁴. The Planning Commission held deliberations on March 23, 2023⁵, ultimately recommending approval of the proposal with three (3) Commissioners voting in favor and one (1) Commissioner voting against the proposal. Two (2) Commissioners recused themselves from deliberations. Collectively, over 350 public comments have been submitted into record regarding the subject proposal, including supportive, oppositional, and neutral comments.

IV. PUBLIC TESTIMONY

As of the date of this memorandum, there have been over 350 written comments submitted into record. A summary of the public comments is provided below:

TESTIMONY IN SUPPORT

The testimony received in support of the subject application generally focuses on the following areas:

- The proposed text amendment should be approved because it aligns County Code with state law
- The proposal is required to be approved as a function of state law
- The proposal is required to be incorporated in County Code because the population of City of Bend's Urban Growth Boundary has now exceeded 100,000 individuals.
- New large-scale Destination Resorts create negative impacts on natural resources and open spaces.

¹ <https://www.deschutescounty.gov/cd/page/247-22-000835-ta-destination-resort-text-amendment>

² https://db.lcd.state.or.us/PAPA_Online/Account/Login?ReturnUrl=%2fPAPA_Online

³ <https://www.deschutes.org/bc-pc/page/planning-commission-27>

⁴ <https://www.deschutes.org/bc-pc/page/planning-commission-24>

⁵ <https://www.deschutes.org/bc-pc/page/planning-commission-28>

- New large-scale Destination Resorts are not viable economic opportunities for the County and predominantly cater to an exclusive group of individuals.
- The proposed amendments align the County Code with the County's adopted Comprehensive Plan policies (Policy 3.9.3(a)(1)) related to Destination Resort siting.

TESTIMONY IN OPPOSITION

The testimony received in opposition to the subject application generally focuses on the following areas:

- The subject application is the wrong type of application – a plan amendment should be required for the proposed amendment.
- There may have been insufficient written notice provided through the County's Measure 56 notice.
- Limiting the types of residential uses allowed on a new Destination Resort exacerbates the ongoing affordable housing crisis by only allowing housing for staff and management of a resort.
- Limiting the types of residential uses allowed on a new Destination Resort may be detrimental to the value of DR-zoned properties and may not be economically-supportive of the Deschutes County region.
- The proposal may constitute a general infringement on individual property rights.
- There should be allowances for additional large-scale Destination Resorts to create economic competition between the existing resorts.

V. NEXT STEPS

A public hearing with the Board is scheduled for July 12, 2023.

Attachments:

1. Proposed Text Amendments – DCC Chapters 18.113 and 19.106
2. Proposed Findings
3. Applicant's Application Materials