



Oregon

Theodore R. Kulongoski, Governor

Department of Land Conservation and Development

635 Capitol Street, Suite 150

Salem, OR 97301-2540

(503) 373-0050

Fax (503) 378-5518

www.lcd.state.or.us

NOTICE OF ADOPTED AMENDMENT

June 19, 2007



TO: Subscribers to Notice of Adopted Plan
or Land Use Regulation Amendments

FROM: Mara Ulloa, Plan Amendment Program Specialist

SUBJECT: City of Redmond Plan Amendment
DLCD File Number 001-07

The Department of Land Conservation and Development (DLCD) received the attached notice of adoption. A copy of the adopted plan amendment is available for review at the DLCD office in Salem and the local government office.

Appeal Procedures*

DLCD ACKNOWLEDGMENT or DEADLINE TO APPEAL: July 5, 2007

This amendment was submitted to DLCD for review 45 days prior to adoption. Pursuant to ORS 197.830 (2)(b) only persons who participated in the local government proceedings leading to adoption of the amendment are eligible to appeal this decision to the Land Use Board of Appeals (LUBA).

If you wish to appeal, you must file a notice of intent to appeal with the Land Use Board of Appeals (LUBA) no later than 21 days from the date the decision was mailed to you by the local government. If you have questions, check with the local government to determine the appeal deadline. Copies of the notice of intent to appeal must be served upon the local government and others who received written notice of the final decision from the local government. The notice of intent to appeal must be served and filed in the form and manner prescribed by LUBA, (OAR Chapter 661, Division 10). Please call LUBA at 503-373-1265, if you have questions about appeal procedures.

***NOTE: THE APPEAL DEADLINE IS BASED UPON THE DATE THE DECISION WAS MAILED BY LOCAL GOVERNMENT. A DECISION MAY HAVE BEEN MAILED TO YOU ON A DIFFERENT DATE THAN IT WAS MAILED TO DLCD. AS A RESULT YOUR APPEAL DEADLINE MAY BE EARLIER THAN THE ABOVE DATE SPECIFIED.**

Cc: Gloria Gardiner, DLCD Urban Planning Specialist
Mark Radabaugh, DLCD Regional Representative
Larry Ksionzyk, DLCD Regional Representative
Wayne Sorensen, City of Redmond

<paa> ya/

PROP 2

DLCD

Notice of Adoption

THIS FORM **MUST BE MAILED** TO DLCD
WITHIN 5 WORKING DAYS AFTER THE FINAL DECISION
PER ORS 197.610, OAR CHAPTER 660 - DIVISION 18



Jurisdiction: City of Redmond Local file number: PA 06-05
Date of Adoption: 6/12/2007 Date Mailed: 6/14/2007
Date original Notice of Proposed Amendment was mailed to DLCD: 1/5/2007

- | | |
|--|--|
| <input type="checkbox"/> Comprehensive Plan Text Amendment | <input checked="" type="checkbox"/> Comprehensive Plan Map Amendment |
| <input type="checkbox"/> Land Use Regulation Amendment | <input checked="" type="checkbox"/> Zoning Map Amendment |
| <input type="checkbox"/> New Land Use Regulation | <input type="checkbox"/> Other: _____ |

Summarize the adopted amendment. Do not use technical terms. Do not write "See Attached".

To change the comprehensive plan map and zone designation on approximately 40 acres of land (Deschutes County Assessor's map tax lot #15-13-29D-1100) from M-1, Light Industrial to C-5, Tourist Commerical. The property is located on the southeast side of Highway 97 and north of Elkhorn Avenue (future road).

Describe how the adopted amendment differs from the proposed amendment. If it is the same, write "SAME". If you did not give Notice for the Proposed Amendment, write "N/A".

"Same"

Plan Map Changed from: Light Industrial to: Tourist Commercial
Zone Map Changed from: M-1 to: C-5
Location: West of 23 St, North of Elkhorn Avenue Acres Involved: 40
Specify Density: Previous: N/A New: N/A
Applicable Statewide Planning Goals: Goal 1, Goal 2, Goal 9

Was and Exception Adopted? YES NO

DLCD File No.: 001-07 (15784)

Did the Department of Land Conservation and Development receive a Notice of Proposed Amendment.....

Forty-five (45) days prior to first evidentiary hearing? Yes No

If no, do the statewide planning goals apply? Yes No

If no, did Emergency Circumstances require immediate adoption? Yes No

Affected State or Federal Agencies, Local Governments or Special Districts:

Oregon Department of Transportation (ODOT)

Local Contact: Wayne C. Sorensen Phone: (541) 923-7724 Extension: _____

Address: 716 SW Evergreen City: Redmond

Zip Code + 4: 97756- Email Address: waynec@ci.redmond.or.us

ADOPTION SUBMITTAL REQUIREMENTS

This form **must be mailed** to DLCD **within 5 working days after the final decision**
per ORS 197.610, OAR Chapter 660 - Division 18.

1. Send this Form and TWO (2) Copies of the Adopted Amendment to:

**ATTENTION: PLAN AMENDMENT SPECIALIST
DEPARTMENT OF LAND CONSERVATION AND DEVELOPMENT
635 CAPITOL STREET NE, SUITE 150
SALEM, OREGON 97301-2540**

2. Submit **TWO (2) copies** the adopted material, if copies are bounded please submit **TWO (2) complete copies** of documents and maps.

3. Please Note: Adopted materials must be sent to DLCD not later than **FIVE (5) working days** following the date of the final decision on the amendment.

4. Submittal of this Notice of Adoption must include the text of the amendment plus adopted findings and supplementary information.

5. The deadline to appeal will not be extended if you submit this notice of adoption within five working days of the final decision. Appeals to LUBA may be filed within **TWENTY-ONE (21) days** of the date, the Notice of Adoption is sent to DLCD.

6. In addition to sending the Notice of Adoption to DLCD, you must notify persons who participated in the local hearing and requested notice of the final decision.

7. **Need More Copies?** You can copy this form on to 8-1/2x11 green paper only; or call the DLCD Office at (503) 373-0050; or Fax your request to:(503) 378-5518; or Email your request to **mara.ulloa@state.or.us** - ATTENTION: PLAN AMENDMENT SPECIALIST.

**CITY OF REDMOND
ORDINANCE NO. 2007-11**

AN ORDINANCE AMENDING THE 2020 GREATER REDMOND AREA COMPREHENSIVE PLAN AND ZONE MAP BY DESIGNATING 39.19 ACRES OF PROPERTY GENERALLY LOCATED NORTHWEST OF THE INTERSECTION OF 23RD STREET AND ELKHORN AVENUE, IN REDMOND, OREGON, FROM M-1, LIGHT INDUSTRIAL TO C-5, TOURIST COMMERCIAL COMPREHENSIVE PLAN DESIGNATION AND ZONING.

WHEREAS, the City has received a land use application from BGJJ, LLC which seeks to rezone 39.19 acres of property from "M-1, LIGHT INDUSTRIAL" to "C-5, TOURIST COMMERCIAL"; and

WHEREAS, the Redmond Urban Area Planning Commission held a public hearing on May 7, 2007 and after reviewing the application, hearing testimony and reviewing all the evidence, the Commission voted 7 to 0 to recommend that the City Council approve the requested plan amendment and zone change; and

WHEREAS, the Redmond City Council held a public hearing on June 12, 2007 to consider the recommendation of the Urban Area Planning Commission and to gather additional evidence and testimony; and

WHEREAS, the City Council has determined that the application has fully addressed state law, the applicable Statewide Planning Goals and the City's criteria for a comprehensive plan amendment and zone change; and

WHEREAS, the City Council determined that the evidence and testimony given in support of the requested change complies with all City standards and criteria and that approval of the request will contribute to the Redmond Comprehensive Plan goal to expand, improve and diversify the economy of the Redmond area while maintaining Redmond's quality of life; and

WHEREAS, the approval of this plan amendment and zone change does not approve construction of the proposed resort hotel or waterpark development. The applicant shall be responsible for submitting a Site and Design Review Application, along with any other required studies, including updates of the proposed Transportation Impact Analysis, drainage and grading plans, sewer and water plans, or any other special study that is appropriate for the City staff to analyze, understand and mitigate the anticipated impacts of the development; and

WHEREAS, the approval of this plan amendment and zone change does not change or amend the purchase and sale agreement between the City and BGJJ, LLC, nor does it waive any of the City's rights or BGJJ, LLC's obligations under that Agreement;

NOW, THEREFORE, THE CITY OF REDMOND ORDAINS AS FOLLOWS:

SECTION ONE: ADOPTION OF ORDINANCE 2007-11 Ordinance No. 2007- 11 amending the 2020 Greater Redmond Area Comprehensive Plan and Zone Map to change

39.19 acres of real property from "M-1, Light Industrial" to "C-5, Tourist Commercial". The real property subject to 39.19 acres of real property which is described as the *Southwest Quarter of the Southeast Quarter of Section 29, Township 15 South, Range 13 East of the Willamette Meridian, Deschutes County, Oregon, Excepting Therefrom that portion described in deed to the State of Oregon, by and through its Department of Transportation, Highway Division, recorded March 19, 1991 in Book 230, Page 2209, and corrected by deeds recorded March 9, 1992 in Book 258, Page 2226, and recorded July 23, 1992 in Book 271, Page 2042; also Excepting Therefrom that portion described in Deed of Dedication recorded August 9, 2004 in Instrument No. 2004-47522*

SECTION TWO: The Redmond City Council hereby adopts the Redmond Planning Commission's Findings and Recommendation in support of this zone and plan map change and those findings are incorporated herein by reference as if fully set forth.

SECTION THREE: The approval of this zone and plan map change shall be contingent on the following Conditions of Approval:


1. The applicant shall submit an application to develop a hotel / motel and waterpark resort on the 11+ acres located east of the railroad no later than two (2) years after the effective date of the Ordinance approving the zone change / plan amendment. If the applicant fails to submit an application, the City Council may hold a public hearing to determine if the City should retract the plan amendment / zone change and reinstate the M-1, Light Industrial zoning for all or a portion of the 39.19 acre parcel. The Council may request that the Planning Commission conduct the initial review and hold a hearing.
2. The applicant and the City of Redmond shall enter into an addendum to the Purchase and Sale Agreement for the subject property. The addendum shall address the areas concerning applicants required performance and the timing of that performance that were required of applicant under the terms of the Purchase and Sale Agreement. If applicant and the City of Redmond are not able to reach agreement on the addendum, the zone and plan map change shall not be effective.
3. The Site and Design application(s) shall be reviewed by the Redmond Planning Commission. The Commission may delegate minor details to staff for administrative approval.
4. The approval of this zone change and plan amendment is subject to the following restrictions and conditions which are required to ensure compliance with OAR 660-012-0060, Plan and Land Use Regulation Amendments.
 - a. Development of the C-5 zoned property may not exceed the maximum PM peak hour vehicle capacity trip cap of 500 trips net which is imposed by the City in its approval of the zone change and plan amendment.
 - b. During the review of any land use application to develop any part of the subject property, the applicant shall demonstrate that the development does

not generate vehicle trips that exceed the PM peak hour vehicle trip cap imposed by the City for the parcel as a whole. The number of trips will be determined by the City during Site Plan review.

- c. In the event that a proposed development would exceed the vehicle trip cap for the parcel as a whole, the developer shall do one of the following to obtain approval from the City:
- i. Demonstrate that other approved development(s) located on the C-5 zoned parcel have generated less vehicle trips than anticipated and obtain the written consent of the property owner to relinquish some or all of the unused vehicle trips for use by the proposed development; or
 - ii. Demonstrate that there are adequate traffic mitigation (trip reduction) measures available that would reduce the anticipated vehicle trips and the resulting impacts to the level of the imposed vehicle trip cap which complies with OAR 660-012-0060; or
 - iii. Demonstrate that the proposed project complies with OAR 660-012-0060 prior to approval of the development application. Under this option, the developer shall analyze the impact of all land rezoned as a result of the zone change and plan amendment application. Traffic system improvements constructed, changes to the area road network and updates to the City's TSP and CIP (Capital Improvement Program) shall be considered in determining compliance with OAR 660-012-0060.

SECTION FOUR: City staff is directed to change the 2020 Greater Redmond Area Comprehensive Plan and Zone Map to reflect the new zone upon the effective date of this Ordinance.

PASSED by the City Council and **APPROVED** by the Mayor this 12th day of June, 2007.



Alan Unger, Mayor

ATTEST:


Patti Freauff, City Recorder

**REDMOND PLANNING COMMISSION'S RECOMMENDATION
TO THE REDMOND CITY COUNCIL REGARDING
PA 06-05, submitted by BGJJ, LLC**

**A COMPREHENSIVE PLAN MAP AND ZONE CHANGE
FROM M-1 (Light Industrial) Zone TO C-5 (Tourist Commercial) for
a 39.19 acre property located in south Redmond**

File No. PA 06-05

Request: An amendment to the 2020 Greater Redmond Area Comprehensive Plan and Zone Map (adopted by the City on May 23, 2001 and amended thereafter) to change approximately 39.19 acres of property from **M-1 (Light Industrial)** to **C-5 (Tourist Commercial)** Zone. The property is located within the Redmond Urban Growth Boundary and has been annexed into the City. The Planning Commission has made a recommendation that the Redmond City Council approve this application subject to conditions of approval.

Owner: BGJJ, LLC
657 SW Glacier Avenue, Suite 333
Redmond, OR, 97756

Project
Manager: William L. Schertzinger, Architect
657 SW Glacier Avenue, Suite 306
Redmond, OR, 97756

Attorney: Liz Francher
644 NW Broadway Street
Bend, OR 97701

Location: The property is generally located southeast of State Highway 97, north of Elkhorn Avenue (a future road), and west of 23rd Street. The property is bisected by the Burlington Northern Railroad (BNRR) and is identified as tax lot T15S, R13E, Section 29D, tax lot 1100 on the Deschutes County Assessor's map.

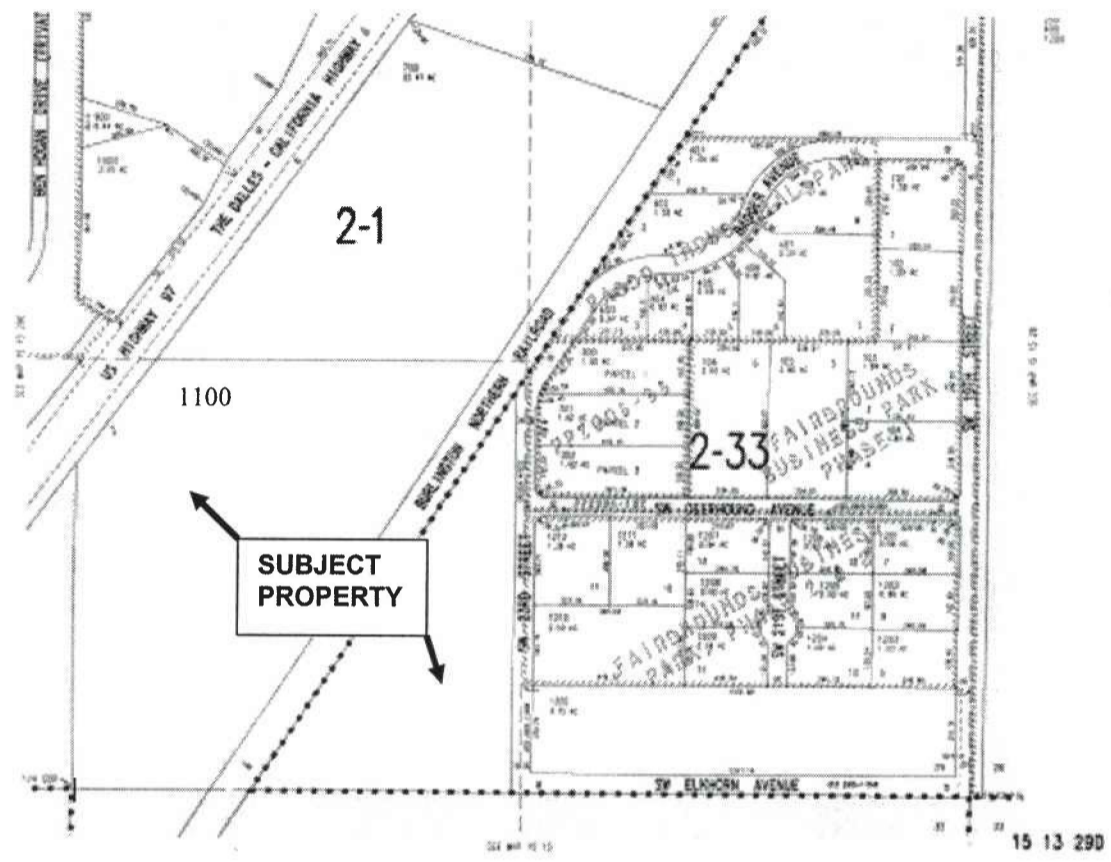
Reviewer: Wayne C. Sorensen, Senior Planner

Hearings
Body: Redmond City Council

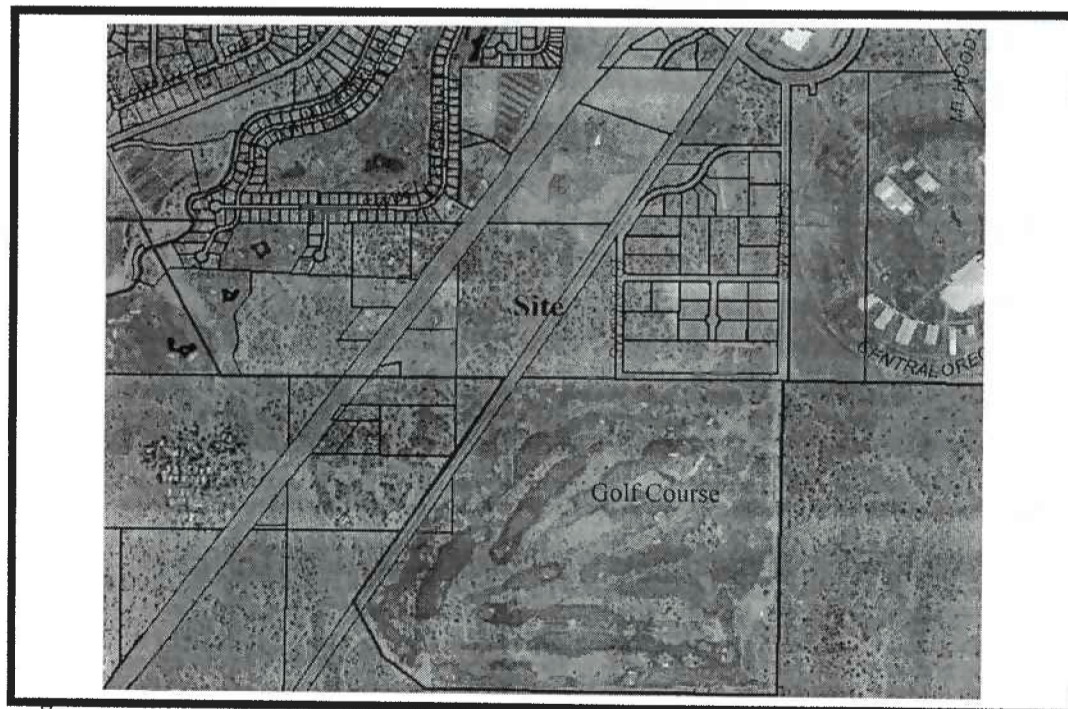
Location: City Council Chambers
777 Deschutes Avenue, Redmond, OR.

Date: June 12, 2007 at 7:00 p.m.

Tax Map:



Photos:





I. APPLICABLE CRITERIA:

Redmond Development Code, Chapter 8:

Article I - Zoning Standards

- Section 8.0170; Tourist Commercial C-5 Zone
- Sections 8.0750 - 8.0775; Amendments

Article II - Land Use Procedures

- Section 8.1300 et. seq., Land Use Actions

The Redmond Urban Area Comprehensive Plan, including:

- Chapter 1, Citizen Involvement
- Chapter 2, Land Use Planning
- Chapter 5, Open Spaces, Scenic and Historic Areas and Natural Resources
- Chapter 8, Recreational Needs
- Chapter 9, Economic Development
- Chapter 11, Public Facilities and Services
- Chapter 12, Transportation

Redmond Urban Area Transportation Plan Map, adopted in 2005.
Oregon Revised Statutes (ORS), 2003 edition – ORS 197.610, 197.250, 197.763.
Oregon Administrative Rules (OAR), Chapter 660, Division 12, Section 0060.

II. **BACKGROUND & HISTORY:** The City of Redmond purchased the subject property from the State of Oregon in August, 2006. The City advertised for requests for proposals to develop the property and sold the property to the present owners, BGJJ, LLC, for development as a hotel/motel and a waterpark or in the applicant's words - "a waterpark hotel resort". The application states that the C-5 zone designation may allow more intensive development with more tourist related uses than what might be possible with the current M-1 zone designation. This zone change and plan amendment application is the first step towards developing the property and, if approved, a subsequent land use application would have to be submitted to the City for Site Design approval. Prior to sale of the 39+ acre property, the City worked with ODOT to eliminate all rights of access onto Highway 97; therefore, access to the 28 acres located west of the railroad will come from Elkhorn Avenue which abuts the property on the south or 21st Place which serves the Frank's Landing development to the north.

III. **PROPOSAL:** The applicant thinks that the planned development project of a hotel and hotel waterpark might have been allowed by the City as a conditional use in the existing M-1 zone; however, they state that the nature and scope of the planned project is more compatible with the uses allowed in the C-5 zoning district rather than with uses allowed in the M-1 zone. The C-5 zoning designation would allow the waterpark to be used by clients other than hotel guests. The strategic location of the 39+ acre property near the County Fair and Expo Center, Redmond Airport and Juniper Golf Course makes the site ideal for commercial recreational development and the tourism industry. If the City were to approve a conditional use permit or variance to allow the development of a major family attraction within an industrial zone, that action could set an undesirable precedent as it relates to the placement of other amusement-type facilities within the City. The proposal goes on to state:

a) The nature and scope of project fits best in the C-5 zone. This zone change request is being made in support of the development of a project to construct and operate a full-service, resort hotel complex at the subject site. It will feature an indoor waterpark and related attractions, including specialty retail shops and other tourism support amenities. Under the current M-1 Zone classification, development of a hotel is possible. Similarly, it is permissible to have eating and drinking establishments. Although these two uses are basic elements of the planned development, additional features are desired in order to more fully serve the tourism market and to adapt to changes that are constantly occurring in the tourism marketplace. Therefore, in order to construct and successfully operate a large-scale waterpark hotel-based resort on this property, it is beneficial to change the zoning classification of the subject property from **M-1 – Light Industrial** to **C-5 - Tourist Commercial**.

b) The location of the subject property makes it ideal for commercial development. It would be advantageous for the City to rezone the subject property from M-1 to C-5 in order to reflect the changing nature of the Redmond economy and existing, adjacent development patterns. Tourism is becoming an increasingly important segment of the Redmond economy. Two important tourism facilities, the Deschutes County Fair and Expo Center and the new, relocated Juniper Golf Club, are important elements of Redmond's tourism offerings. These two facilities were located at their present sites well after the Redmond comprehensive plan and zone code map were first compiled. A third important facility for tourism, Roberts Field Airport, is less than three miles away. Because of the existence of these three tourism-related facilities, it would be advantageous for the City to change the zoning designation of the subject site from **M-1** to **C-5** in order for it to be developed in a manner that supports and enhances the objectives and goals of these facilities. In addition, because of its high visibility location as a "Gateway to the City," it is appropriate that the site be zoned in a manner that enables it to be developed as an exciting and attractive "point of impact" to welcome guests and visitors.

c) The granting of a conditional use permit or variance for the planned project may establish an undesirable precedent. A waterpark is not defined as an allowable use within an M-1 Zone. If a large water attraction of this nature were proposed as a part of a hotel/resort environment and approved as a conditional use, approval may establish an undesirable precedent for allowing other large, family attractions to be located within existing industrial zones in other areas of the City where they are not as well-suited to the area and where they could detract from the viability of more traditional types of industrial development in those zones.

IV. EXHIBITS: The following exhibits make up the record in this matter:

1. Findings and Conclusions attached as Exhibit A.
2. Application, burden of proof submitted by the applicant date stamped December 28, 2006 and preliminary site plan submitted with the application.
3. Transportation Impact Analysis for Rimrock Oasis Waterpark submitted by Ferguson and Associates, Inc., and dated December 2006.
4. Agency and departmental comments, on file with the Planning Division.
5. 45 day notice to DLCD of Proposed Amendment dated January 5, 2007.
6. Land use posting affidavit dated February 6, 2007.
7. Notice of Public Hearing dated February 1, 2007.
8. Neighbor notification of Public Hearing dated February 1, 2007.
9. Jeff Inges' e-mail dated March 8, 2007 (continuance).
10. Memorandum dated March 19, 2007 (continuance).

11. George Franklet, PE letter to Mike Caccavano, City Engineer, dated March 29, 2007.
12. Jeff Inges letter dated March 12, 2007.
13. Attorney Liz Francher's letter dated April 4, 2007.
14. Sorensen's memorandum dated April 16, 2007.
15. Sorensen's e-mail dated April 19, 2007.
16. James R. Bryant's (ODOT) letter dated April 26, 2007.
17. Mike Caccavano's memorandum dated April 26, 2007.
18. Mike Caccavano's memorandum dated February 9, 2007.
19. George Franklet's e-mail dated April 20, 2007 (1:26 pm).
20. George Franklet's e-mail dated April 20, 2007 (2:38pm).
21. George Franklet's letter dated March 30, 2007 – Available Fire Flow.
22. George Franklet's e-mail dated April 20, 2007 (3:54pm).
23. BGJJ, LLC's letter dated April 26, 2006 – Trip Cap.
24. BGJJ, LLC's letter dated April 27, 2006 – Items added to file.
25. Copy of Oregon Administrative Rules (OAR's), Division 12, Transportation Planning, section 660-012-0060 – Plan and Land Use Regulation Amendments.
26. Liz Fancher's letter dated May 7, 2007.
27. Ferguson's memorandum dated May 7, 2007.
28. Ferguson's "Trip Generation Forecast for M-1 Zoning Redmond Water Park" dated May 7, 2007.
29. Don Lee's letter dated May 7, 2007.

V. SUMMARY

1. This is an application that requests the City to amend the 2020 Greater Redmond Area Comprehensive Plan and Zone Map by changing approximately 39.19 acres of **M-1, Light Industrial** zoned land to **C-5, Tourist Commercial** zoned land. This is a quasi-judicial review process. The property owner and applicant is BGJJ, LLC.
2. The applicant has submitted a burden of proof, along with supporting materials, which demonstrate that the proposed zone change and plan amendment would be consistent with the State's Planning Goals and Redmond's Comprehensive Plan policies; however, staff believes that the Hearings Body should add additional findings showing compliance with Statewide Planning Goals 2 (Land Use Planning), 11 (Public Facilities and Services) and 12 (Transportation). Goal 12 is implemented by OAR 660-12-0060 which regulates

plan amendments and changes to land use regulations. To insure full compliance with the goals and the Transportation Planning Rule (TPR), staff submitted findings that support Conditions of Approval which commit the developers to submit a specific site plan for the waterpark resort on the 11 acre property, requires that the application for Site and Design Review be submitted within two years of approval of the effective date of the zone change / plan amendment and imposes a trip cap. The conditions of approval are intended to ensure compliance with the TPR and comprehensive plan objectives.

3. The Oregon Dept. of Transportation supports a proposed trip cap concept of 500 PM peak vehicle trips for the 39 acre property if the City chooses to establish a trip cap. The purpose of the trip cap is to comply with the Transportation Planning Rule, OAR 660-12-0060, by ensuring that the proposed land use action will not significantly affect the transportation system. The applicant's have submitted a letter stating that they will accept a net vehicle trip cap of 500 PM peak hour trips; however, they also requested that the City impose a higher trip cap of 729 PM peak hour trips. For the purpose of demonstrating compliance with OAR 660-12-0060, the City Planning Commission recommends that the City Council impose a vehicle trip cap of 729 net PM peak vehicle trips for the 39 acre property.
4. The applicant's burden of proof addresses the four criteria set forth in RDC Section 8.0760 (*Criteria for Amendments*). The burden of proof states that the applicant thinks that the subject site could be developed within the M-1 zone as a conditional use (see burden statement, page 4); however, the applicant believes that granting a conditional use or variance may establish an undesirable precedent for existing industrial zones in other areas of the City. Staff believes that "use" variances are not legally sound and that the zone change / plan amendment is the proper avenue that could allow full development of the property consistent with the applicant's vision. The applicant states that the zone change would be consistent with the City's intent of selling the land to the applicant for development of the site as a waterpark resort. The C-5 zone's purpose statement clearly states that the objective is to provide for commercial uses primarily oriented to travelers and tourists in locations complimentary to existing facilities and future major transportation facilities and to provide incentive for public and private investments in traveler and tourist related complexes. It's clear that the C-5 zone purpose statement fully addresses the applicant's proposal to build and develop a hotel / motel and a waterpark resort complex which is tourist related.
4. The requested amendment has to be enacted by an Ordinance adopted by the City Council. The Planning Commission forwarded a recommendation that the City Council approve this comprehensive plan / zone change map amendment.
5. The Redmond Urban Area Comprehensive Plan, the Comprehensive Plan and Zone map and other implementing ordinances were originally adopted in 1979 and were acknowledged by the State on March 20, 1981. The City Council subsequently amended the Comprehensive Plan by adopting the 2020 Greater Redmond Area Comprehensive Plan and Zone Map, including a revised Redmond Urban Area Transportation Plan map,

in May, 2001. The 2020 Greater Redmond Area Comprehensive Plan and Zone Map was amended in 2003, 2004, 2005 and 2006 by the Redmond City Council.

VI. OPTIONS:

Option 1 – Approve this request for a zone change with or without conditions of approval that the Planning Commission found are reasonable and necessary to protect this area.

Option 2 - Continue this request to a date certain to enable the applicant and / or staff to provide additional information to the Council.

Option 3 - Deny this request. A denial recommendation would require that additional findings be made and adopted to support the Council's decision.

VII. PLANNING COMMISSION'S RECOMMENDATION:

The Planning Commission recommends **approval** of the plan amendment and zone change along **with conditions of approval** that basically results in a "contractual zone change". The proposed conditions would restrict the applicant to a course of action for developing a specific site plans and would require that additional site and landscape plans, utility plans, grading plans and building elevations be submitted to the City for Site and Design review within two (2) years of the effective date of the plan amendment / zone change. Failure to submit such applications and failure to gain City approval would be sufficient cause for the City to review the C-5 zone change for all or part of the parcel and consider returning the property to its original M-1 zone and plan designation. This could only occur after a public hearing was held by the City Council and all affected parties were notified.

VIII. RECOMMENDED CONDITIONS OF APPROVAL:

1. The applicant shall submit an application to develop a hotel / motel and waterpark resort on the 11+ acres located east of the railroad no later than two (2) years after the effective date of the Ordinance approving the zone change / plan amendment. If the applicant fails to submit an application, the City Council may hold a public hearing to determine if the City should retract the plan amendment / zone change and reinstate the M-1, Light Industrial zoning for all or a portion of the 39.19 acre parcel. The Council may request that the Planning Commission conduct the initial review and hold a hearing.
2. The Site and Design application(s) shall be reviewed by the Redmond Planning Commission. The Commission may delegate minor details to staff for administrative approval.
3. Approval of this plan amendment and zone change **does not approve** construction of the proposed resort hotel or waterpark development. The applicant shall be responsible for submitting a Site and Design Review Application, along with any other required studies, including updates of the proposed Transportation Impact Analysis, drainage and grading

plans, sewer and water plans, or any other special study that is appropriate for the City staff to analyze, understand and mitigate the anticipated impacts of the development.

4. The approval of this zone change and plan amendment is subject to the following restrictions and conditions which are required to ensure compliance with OAR 660-12-0060, Plan and Land Use Regulation Amendments.
 - A. Development of the C-5 zoned property may not exceed the maximum PM peak hour vehicle capacity trip cap of seven hundred twenty-nine (729) trips net which is imposed by the City in its approval of the zone change and plan amendment.
 - B. During the review of any land use application to develop any part of the subject property, the applicant shall demonstrate that the development does not generate vehicle trips that exceed the PM peak hour vehicle trip cap imposed by the City for the parcel as a whole. The number of trips will be determined by the City during Site Plan review.
 - C. In the event that a proposed development would exceed the vehicle trip cap for the parcel as a whole, the developer shall do one of the following to obtain approval from the City:
 - i. Demonstrate that other approved development(s) located on the C-5 zoned parcel have generated less vehicle trips than anticipated and obtain the written consent of the property owner to relinquish some or all of the unused vehicle trips for use by the proposed development; or
 - ii. Demonstrate that there are adequate traffic mitigation (trip reduction) measures available that would reduce the anticipated vehicle trips and the resulting impacts to the level of the imposed vehicle trip cap which complies with OAR 660-12-0060; or
 - iii. Demonstrate that the proposed project complies with OAR 660-12-0060 prior to approval of the development application. Under this option, the developer shall analyze the impact of all land rezoned as a result of the zone change and plan amendment application. Traffic system improvements constructed, changes to the area road network and updates to the City's TSP and CIP (Capital Improvement Program) shall be considered in determining compliance with OAR 660-12-0060.

5. The owner / developer shall sign a condition of approval agreement to assure compliance with the City's Conditions of Approval listed above for all current and future property owners. This agreement shall be recorded with the City of Redmond and the Deschutes County Clerk. The Agreement may be released when the City determines that the conditions no longer apply to the subject property.

Stanley E. Clark, Chairman
Redmond Planning Commission

Date

EXHIBIT A (PA 06-05): FINDINGS & CONCLUSIONS

A. **REDMOND DEVELOPMENT CODE (RDC)**, Chapter 8, Sections 8.0750 through 8.0775 (Amendments) sets forth the procedure and standards for an amendment to the text of the Code or to the adopted zoning and plan map. Specifically, Section 8.0760 - Criteria for Amendments, sets forth the four (4) criteria that the applicant must meet to gain approval of change to the 2020 Greater Redmond Area Comprehensive Plan and Zone Map. The applicant shall show the proposed change is:

1. *In conformity with all applicable State statutes.*

Finding: The State statutes that appear to directly apply to this application include ORS 197.610, *Local Government Notice of Amendment or New Regulation*; ORS 197.250, *Compliance with Goals Required*, and ORS 197.763, *Conduct of Local Quasi-Judicial Land Use Hearings; Notice Requirements*.

The applicable Code standards (sections 8.0750 to 8.0775, *Amendment Procedures and Notice Requirements*), were developed in compliance with the applicable State statutes. Notice of the proposed amendment has been provided to DLCD as required by ORS 197.610. The procedures of ORS 197.763 are being followed with respect to notice and availability of the staff report, and the Planning Commission's hearing meets these requirements for the purpose of providing a recommendation to the City Council.

2. *In conformity with the Statewide planning goals whenever they are determined to be applicable.*

Finding: Planning staff and the Commission finds that Statewide planning goals 3 (Agricultural Land), 4 (Forest Land), 5 (Open Spaces, Scenic and Historic Areas and

Natural Resources), 7 (Areas Subject to Natural Disasters and Hazards), 10 (Housing), and Goals 15, 16, 17, 18 & 19 do not directly apply to this request.

The following findings address compliance with applicable Statewide Planning Goals:

1. **Goal 1 -Citizen Involvement.** The City's land use process provides for public notice of proposed zone changes and plan amendments and opportunities for citizen involvement that meet the State's Goal 1 criteria. This application is consistent with those land use processes. The City provided mailed notice to surrounding property owners and published notice of the public hearings in the local newspaper. The owners posted a land use sign on the property to provide notice of the hearing. All interested parties have been afforded the opportunity to appear in person or in writing before the Planning Commission and the City Council.
2. **Land Use Planning.** The City's existing land use planning process and policy framework has been applied in this application. At least two public hearings will be held on this application. The City has taken care to provide information about the water park and hotel / motel and to address the public facilities that are needed or are planned to support this facility. Any changes to the Comprehensive Plan and Zone Map will occur only after the Planning Commission makes a recommendation to the City Council and the Council enacts the change by Ordinance. The City Council will adopt findings that explains the Council's decision and the facts that the Council relied on in making that decision.
6. **Air, Water and Land Resources Quality.** The proposed development will have to meet all federal, state and local regulations regarding drainage, emissions, noise and any other applicable regulation that governs the quality of the air, water and land. These regulations typically are applied at the time that a Site Design Review application is reviewed by the City.
8. **Recreational Needs.** The burden of proof submitted by the applicant indicates that approval of this application will not adversely affect the City's ability to fulfill the Goals of Chapter 8 or Statewide Planning Goal 8. In fact, approval of the application will create a private project that will meet a part of the goals identified for the City's public park system. The proposed project will result in the development of land for leisure and recreational activities.
9. **Economic Development.** The proposed zone change is consistent with Goal 9 by allowing increased use of the subject site for economic activity.

The applicant states that: The planned project will greatly improve and diversify the economy of Redmond. Redmond does not presently have either a waterpark hotel resort or a full-service hotel. This project offers both. In a region featuring a growing number of "open country" (county-based) destination resorts, Redmond will be the only community to have a resort that is municipally-based. This will

enable the City and its residents to directly receive the benefits of the project, including: 1) the associated room tax revenues (nearly all room tax revenues will benefit the City), 2) the associated property tax revenues (approximately one-third of all property tax receipts will flow to the City), 3) direct full and part-time employment opportunities, 4) increased tourism expending for products and services throughout the community, and 5) ancillary local employment as a result of increased levels of area tourism expenditures. (Note: A more complete overview of the projected benefits of the planned project are listed within the discussion of Goal 2: Provide Family Wage Employment Opportunities for Area Residents.) The approval of this application will also help maintain Redmond's quality of life by assuring that this property that serves as a gateway to Redmond will be an attractive and vibrant area.

Effect of C-5 Zone vs. M-1 Zone: It is important that the planned resort be a "state of the art" facility. It will also be important that the facility be able to adapt to changing industry trends as they evolve over time. The C-5 Zone allows far more opportunity to create a quality, full-service resort. It will also enable the resort to adapt to the dynamic nature of the leisure and resort industries over time. An M-1 Zone does not permit the types of development that will enable a tourism-oriented resort to adapt to changing industry directions and trends over time. The list of permitted uses geared toward tourism within a C-5 Zone far exceeds those permitted in an M-1 Zone

11. **Public Facilities and Services.** The City Engineer's initial evaluation of the subject property is that it can be served with urban facilities and services, including water, sewer, drainage and transportation; however, it appears that further evaluation of water, sewer and transportation systems will be needed at the time an application is submitted for Site and Design Review. Please refer to the full Engineering comments for additional information relating to the sewer and water utilities. The Engineer states that the zone change can be approved provided that the Yew Avenue pump station is completely evaluated at the time of Site and Design Review; that the grey water treatment system be designed; that the Oregon DEQ approve the disposal if the discharge is off-site and not into the City's sewer system and that sewer flow calculations do not exceed the capacity of the existing system. The Engineer has a similar recommendation for the water system and states that the water system be re-evaluated during the Site Design review when the requirements of the water park are known. The storm drainage will be handled on-site and the City will require grading and drainage plans for the site at the time of Site Design and Review.

The City Engineer has reviewed the Transportation Impact Analysis (TIA) prepared by Ferguson and Associates and he supports a PM peak vehicle trip cap of 466 PM peak vehicle trips. The TIA calculates pm peak hour trips for the proposed zone and provides a range from 410 (209 for Phase 1 and 201 for Phase 2) to 2,160

for Phase 2 with the maximum possible development.

The applicant states: The City's water and sewer system was recently expanded to service the area where the subject property is located. Both the water and sewer lines are 12-inch lines. While these lines have adequate capacity to serve the planned development, City Public Works officials cited that a pumping station located at the Yew Avenue interchange may be undersized to support developments that will be serviced by the sewer line. The station can be upsized, if needed, to serve the development of the subject property when the property is developed.

The change of zoning can occur without compromising the City's ability to provide sewer, water and other essential public services.

The proposed project will not place an excessive burden on water and sewer infrastructure. While the volume of use for the waterpark is not yet known because the design phase has not been completed, it is important to note that the park will feature 'closed loop re-filtered' water systems. In this environment, once pools and attractions have been filled, daily water usage will be low, as the water will be cleaned and re-circulated. Because the park will primarily be indoors, evaporation will also be minimal. Therefore, in comparison to a golf course, for example, water usage will be very low.

While the Applicant did not have a reliable estimate of its water and sewage usage rates at the time of the initial application, they were able to collect some limited water and sewer usage volume rates from three existing waterpark hotel facilities.

Based on a Phase I planned resort consisting of: 370 rooms; 40,000 square feet of indoor waterpark space; 1-2 acres of outdoor waterpark space (with less intensive attraction mix than indoor); family entertainment center; restaurants; 7,500 of meeting space; specialty retail shops, projected water and sewer usage volumes would be expected to be as follows:

Approximate annual water volume:

**Hotel – 14,000,000 – 17,000,000 gallons
Indoor waterpark – 2,500,000 – 9,000,000 gallons
Outdoor waterpark – 2,500,000 – 9,000,000 gallons**

Approximate annual sewer volume:

**Hotel – 13,000,000 – 17,000,000
Indoor waterpark – 1,000,000 – 9,000,000
Outdoor waterpark – 1,000,000 – 9,000,000**

As it concerns the hotel and waterpark elements of Phase II of the development, water and sewer usage volumes should be similar to those of Phase I. However, the

additional guest amenities and specialty retail elements that are included in Phase II will cause overall usage to be higher.

By comparison, reported water usage at Juniper Golf Club for the 2006 irrigation season was approximately 84,000,000 gallons.

Note: Given the adjacency of Juniper Golf Club, it may be possible to reclaim the “grey” water discharge for irrigation purposes rather than running it through the storm sewer. Some additional treatment may be necessary before the water is pure enough to be used for irrigation. The applicant intends to discuss this water conservation opportunity with Juniper Golf Club officials, as it may be beneficial for both entities, and for the City.

According to City Public Works officials, there is a 12” water main and a 12” sewer main that extends down 19th Street. These facilities should be large enough to handle projected volumes without burdening the system. However, there is a potential concern that a lift station located at the Yew Avenue interchange may not be adequate to handle all of the future development in the area of the City served by this lift station. In a May 16, 2000, report prepared for the City it was reported that, “The Yew Avenue Pump Station doesn’t appear to have an urgent problem at this time. However, a careful eye on the growth in this area is important.” The status of this lift station is reportedly unchanged since the report was published.

Given that hotel facilities are allowable only with a conditional use permit in either a C-5 Zone or an M-1 Zone, the granting of a conditional use permit for that intended use would not be dependent upon the underlying zoning code. However, because the level of development for this project will likely be higher with a C-5 Zone than with an M-1 zone, water usage volumes will coincidentally be higher for this project within a C-5 zone. However, it appears the hotel facility may produce much higher water and sewer volumes, than will the planned waterpark.

The applicant’s engineer, George Franklet, PE, has provided the City Engineer with new and additional information regarding the sanitary sewer loading and a fire flow analysis. The City Engineer has evaluated the new information and believes that the zone change / plan amendment can be approved; however, additional evaluation of the systems will be required at the time of Site Design review.

- 12. Transportation. Goal 12 requires the City to provide a safe, convenient and efficient transportation system. The City of Redmond Public Works Department, Engineering Division and Oregon Department of Transportation (ODOT) each reviewed this proposal, including the Transportation Impact Analysis that was prepared by Ferguson & Associates, Inc., and the City and ODOT both support a condition of approval that would impose a PM peak vehicle trip cap. ODOT believes that the vehicle trips should be capped at 500 PM peak hour trips and the City Engineer believes that the trips should be capped at 466 PM peak hour trips.**

The applicant has submitted a letter stating that they would accept a trip cap of 500 net PM peak hour trips; however, the applicant asks that the City impose a vehicle trip cap of 729 PM peak hour trips on the subject property. The applicant has submitted a letter into the record listing the reasons for the higher trip cap. The Planning Commission recommends a trip cap of 729 PM peak hour trips.

Transportation impacts associated with this project and zone change will also be mitigated by three roadway projects that were conditions of the sale of the subject property from the City to the Applicant. The Applicant has agreed to build an extension of 19th Street from its current ending location to the south City Limit. The Applicant has also agreed to build an extension of Elkhorn Street from its current ending location to the west edge of its property. Included in this extension is the construction of an elevated crossing over the Burlington Northern railroad tracks that will occur when development is approved for property west of the Burlington Northern right-of-way. Completion of the Elkhorn extension and the bridge crossing over the railroad tracks is likely to occur more quickly in the event that a zone change to C-5 is approved as land of that type is in greater demand and development of that type will be better able to bear the expense of building the crossing. A zone change approval will allow for the construction of these road system improvements that will lead to increased operational performance of the City's road system.

ODOT has submitted a letter into the record stating that they would support a maximum 500 peak hour trip cap for the 39 acre property if the City chooses to establish a cap on vehicle trips. The 500 vehicle trips would exceed the number of trips generated under the preferred plan trip generation by 20%. The proposed trip cap would comply with the Transportation Planning Rule (TPR), OAR 660-12-0060, by ensuring that the plan amendment / zone change would not significantly affect the transportation system. Absent the trip cap, the applicant's could elect to demonstrate consistency with OAR 660-12-0060(2) which is imposed when a land use action would have a significant effect on the transportation system.

The City Planning Commission has reviewed the evidence and testimony regarding the trip cap and recommends that the City Council impose a trip cap of seven hundred twenty-nine (729) net trip as requested by the applicant.

13. Energy. The goal is to conserve energy. The applicant states that this project will be designed with energy conservation in mind. In addition, because of the close proximity of the subject property to the Deschutes County Fair and Expo Center and Juniper Golf Club, resort guests using those facilities will be within walking distance of the planned resort. Shuttle service will also be provided to the expo center and to Roberts Field, which will help conserve energy, as compared to individual automobile ownership and travel between these locations and the planned resort.

C-5 zoning will comparatively have more energy efficiencies than will M-1 zoning, as the additional scope of development will attract greater numbers of guests to the resort, to the fair and expo center and to Juniper Golf Club. Therefore, there will be greater numbers of people walking between the various facilities than there would be with the scope of development that would be possible with the current M-1 zoning.

14. **Urbanization.** The goal is to provide for an orderly and efficient transition from rural to urban land use. The applicant stated: The zoning proposed for the subject property is consistent with this goal. Because of the tourist-based nature of the project, the tourist commercial activities being considered are consistent with the land uses already occurring at the adjacent Deschutes County Fair and Expo Center and Juniper Golf Club. The urban water and sewer services available at the subject site are adequate to service the needs of the planned project pending additional review and study by the applicant and the City Engineer. The trip cap will ensure that the 39 acre rezone will comply with OAR 660-12-0060.

A C-5 zoning classification will allow for the development of more tourism-related services, amenities and attractions than are possible within the current M-1 zoning classification. These additional contemplated uses are consistent with, and complement, the tourism-related activities presently occurring at the fair and expo center, and at Juniper Golf Club.

3. *In conformity with the Redmond Comprehensive Plan, land use requirements, and policies.*

Finding: If this zone change is approved, the immediate result would be approximately 39+ acres of land being added to the City's commercial land inventory (C-5) and taken out of the City's industrial land inventory. Currently, the City has 81 acres of C-5 zoned property and 857 acres of M-1 zoned property. This change, if approved, would increase the C-5 zoned property to 120 acres and reduce the light industrial zoned property to 818 acres. The adopted goals in the Redmond Urban Area Comprehensive Plan generally coincide with the Statewide Planning Goals discussed in the previous section. As indicated, the proposed zone change meets several of the Statewide Planning Goals; however, findings need to be adopted that show that the proposed plan / zone change complies with Chapter 9: Economic Development, Goal 8 – *Protect industrial lands from being converted to commercial uses.*

- B. **TRANSPORTATION PLAN:** The City's Redmond Urban Area Transportation Plan map was adopted by the Redmond City Council in 2005.

Finding: The Transportation Plan Map is a part of the City's Comprehensive Plan and has been adopted by the Redmond City Council and the Deschutes County Board of County Commissioners. The Transportation System Plan (TSP) is currently being evaluated and

updated by DKS Associates under a contract funded by ODOT and the City. The TSP update is expected to be completed by the summer of 2007 and will be adopted either in late summer or early fall.

The requested zone change / plan amendment has a significant effect on the adopted and future Transportation System Plan because of the east-west connection of 19th Street and Canal Boulevard by Elkhorn Avenue. Elkhorn will be an overpass over the railroad and Highway 97 and is not envisioned to connect to Highway 97. The following findings in support of the plan amendment / zone change were developed by the applicant with additions by the City Staff and are set forth in the applicant's burden of proof:

CITY OF REDMOND 2020 COMPREHENSIVE PLAN (RCP):

The proposed project is consistent with direction identified for City development in the Comprehensive Plan. In particular, the proposed project directly supports Commercial Development – General Objective #39, “**The City shall encourage appropriate commercial development aimed at attracting tourist-related commercial activity.**”

The City of Redmond Comprehensive Plan was developed in response to a mandate for comprehensive land use legislation that was approved by the Oregon legislature in 1973. This action led to the development of a statewide land-use planning program that encompasses 19 goals. In addition, Chapter 197 of the Oregon Revised Statutes (ORS) establishes provisions for comprehensive land use planning coordination. These two documents appear to have served as a foundation for the development of the Redmond Comprehensive Plan (RCP). The RCP identifies 14 key result areas in which goals, objectives and policies have been established. Following is a list of the goals, objectives and policies that relate to a zoning change request for the Applicant's proposed project, along with responses to those goals and policies.

Chapter 1: Citizen Involvement

Goal: To develop a citizen involvement program that insures the opportunity for citizens to be involved in all phases of the planning process.

Finding: This application is being submitted to the City for review using the citizen review process that applies to the review of quasi-judicial plan amendment and zone change applications. This system provides notices to citizens and requires public hearings where citizen voices are welcome.

Chapter 2: Land Use Planning

Goal: To establish a land use planning process and policy framework as a basis for all decisions and actions related to use of land and to assure an adequate factual base for such decisions and actions.

Finding: The City has established a planning process and policy framework that serves as a basis for all decisions and actions related to the use of land. This document addresses the specific regulations, goals, policies and issues, of the City's development code and comprehensive plan as they relate to the proposed zoning change. This information will be evaluated within the scope of the planning process and policy framework. This application provides the factual base for the requested plan amendment and zone change approval.

Chapter 3: Agricultural Lands

Finding: There is no agricultural land within the City Urban Growth Boundary. Therefore, the proposed zone change does not impact any agricultural land.

Chapter 4: Forest Lands

Finding: There are no forest lands within the City Urban Growth Boundary. Therefore, the proposed zone change does not impact any forest lands.

Chapter 5: Open Spaces, Scenic and Historic Areas, and Natural Resources

Policy 33. A trail system should be developed and, wherever possible, interconnect schools, parks and open spaces within the urban area.

Finding: The subject property is not a part of the inventory of Goal 5 land documented in the RCP. Approval of this application, therefore, will not adversely impact the City's compliance with Goal 5. The Applicant is supportive of a City-wide trail system. A mini-trail linking the Deschutes County Fair and Expo Center, Juniper Golf Club and the planned development is a logical and desirable idea. A trail system could be developed regardless of whether the site is zoned C-5 or M-1 but it would be easier for the City to justify the dedication of a trail on the subject property if the property is developed with commercial uses that would warrant a trail dedication exaction. The C-5 zoning allows for the development of more uses that might justify the construction of a limited distance of interconnected trail.

Chapter 6: Air, Water and Resource Quality

Goal: To maintain and improve the quality of the air, water and land resources of the City.

Policy 1) The City, County and DEQ shall investigate control of open burning, or other activities that can improve air quality within the urban area.

Finding: By constructing a facility designed to accommodate the needs of tourists, air quality will be improved as guests will be able to walk, rather than drive, to the attractions and amenities included onsite. In addition, because the Deschutes County Fair and Expo Center and Juniper Golf Club are located in such close proximity, guests to those facilities

will be within walking distance of the planned resort. Shuttle service will also be provided to the expo center and to Roberts Field, which will help reduce vehicle emission volumes.

Policy 2) As a means of maintaining the highest water quality possible, no development shall be permitted without public or community water service, unless plans are approved for individual service with applicable state agency. The applicable state and federal water quality standards shall be used to implement this policy and reference may also be made to the State Water Quality Management Plan.

Finding: The proposed project will be connected to the City water system. The carrying capacity of the existing system is adequate to handle all anticipated future volumes.

Policy 3) All waste and process discharges from future development, when combined with such discharges from existing developments shall not threaten to violate or violate applicable state or federal environmental quality statutes, rules and standards.

Finding: The proposed project will be connected to the City sewage system. The carrying capacity of the existing system is adequate to handle all anticipated future volumes.

A zoning change will not impact the administration of this policy. Within a C-5 zone, it is likely that there will be less of a chance for industrial toxins to be discharged into the sewer system than there would be if the subject property would be developed with typical industrial uses. Within a C-5 zone, much of the sewage will typically be residential-type sewage. As a result, approval of this application will decrease the odds that future development will threaten to violate environmental quality statutes, rules and standards.

Chapter 7: Areas Subject to Natural Disasters and Hazards

Goal: To protect life from natural disasters and hazards.

Policy 4) Natural hazards that could result from new developments, such as runoff from paving projects and soil slippage due to weak foundation soils, shall be considered, evaluated and provided for.

Finding: The subject property is not, itself, a known disaster or hazard area. The entire Bend area, however, is subject to volcanic and earthquake risks. There have been no recent, major volcanic eruptions or earthquakes. The Redmond Comprehensive Plan allows for full urban development within its urban growth boundary, indicating that the existing risk is an acceptable one. The subject property has no special feature that makes it more susceptible to this known risk.

Development efforts for the proposed project will necessarily consider potential runoff, erosion and other hazards. Construction will be done according to regulation in order to help prevent such occurrences. Given that the subject property does not have steep grades, it is anticipated that the potential for runoff and related problems will not be severe.

A zoning change will not impact the City's ability to assure compliance with laws that implement the requirements of this policy when the subject property is developed.

Chapter 8: Recreational Needs

Goals: The Redmond Urban Growth Boundary park system should enhance the livability of Redmond by:

- 1) Providing quality green spaces, natural areas, and recreation sites for passive and active recreation through public and private park land throughout the community.
- 2) Neighborhood park, or park site, should be provided within one-half mile of every home.
- 3) Establishing a system of trails that are interconnected.
- 4) Coordinating the development of future park sites with school sites to serve the expanding urban area population.

Finding: The approval of this application will not adversely affect the City's ability to fulfill the Goals of Chapter 8 or Statewide Planning Goal 8. In fact, approval of the application will create a private project that will meet a part of the goals identified for the City's public park system. The proposed project will result in the development of land for leisure and recreational activities.

Policy 3) Facilities should be provided first where population is concentrated rather than in outlying areas.

Finding: This policy does not apply as the applicant is proposing private commercial recreational facilities and C-5 zoning. Policy 3 is written to apply to the location of public park facilities, not the location of C-5 zoning districts. While the subject property is located at an outlying area of the City, activities that occur at the fair and expo center often attract a large number of patrons. This makes it a logical location for C-5 zoning.

Chapter 9: Economic Development

Goal 1) Expand, improve and diversify the economy of the Redmond Urban Growth Boundary area while maintaining Redmond's quality of life.

Finding: The planned project will greatly improve and diversify the economy of Redmond. Redmond does not presently have either a waterpark hotel resort or a full-service hotel. This project offers both. In a region featuring a growing number of "open country" (county-based) destination resorts, Redmond will be the only community to have a resort that is municipally-based. This will enable the City and its residents to directly receive the benefits of the project, including: 1) the associated room tax revenues (nearly all room tax revenues will benefit the City), 2) the associated property tax revenues (approximately one-third of all property tax receipts will flow to the City), 3) direct full and part-time employment opportunities, 4) increased tourism expending for products and services throughout the community, and 5) ancillary local employment as a result of increased

levels of area tourism expenditures. (Note: A more complete overview of the projected benefits of the planned project are listed within the discussion of Goal 2: Provide Family Wage Employment Opportunities for Area Residents.) The approval of this application will also help maintain Redmond's quality of life by assuring that this property that serves as a gateway to Redmond will be an attractive and vibrant area.

Effect of C-5 Zone vs. M-1 Zone: It is important that the planned resort be a "state of the art" facility. It will also be important that the facility be able to adapt to changing industry trends as they evolve over time. A C-5 Zone allows far more opportunity to create a quality, full-service resort. It will also enable the resort to adapt to the dynamic nature of the leisure and resort industries over time. An M-1 Zone does not permit the types of development that will enable a tourism-oriented resort to adapt to changing industry directions and trends over time. The list of permitted uses geared toward tourism within a C-5 Zone far exceeds those permitted in an M-1 Zone. A comparison of allowable uses is as follows:

Allowable Uses in a C-5 Zone

Uses Permitted Outright:

Café, Restaurant (sit down), Diner, Brew Pub

Café, Restaurant, Espresso (Drive-through)

Driving Range

Golf Course

Indoor Commercial Recreation

Miniature Golf, "Pitch & Putt"

Car Wash

Gas Station

Office

Office Service and Supplies

Printing, Publishing

Telemarketing Call Center

Convention Center

Park, Public or Private

Parking Garage, Public or Private

Public Transportation Station

RV Park, Public or Private

Bicycle Sales and Service

Delicatessen

Drug Store, Pharmacy

Florist

Gallery, Studio

General Retail

Gift/Card Shop

Grocery Store, Market

Hardware Store

Novelty, Specialty, Variety Store

**Pet Shop
Plant Nursery
Thrift Store
Beauty & Barber Shops and Salons
Dry Cleaner (drop-off only)
Gym, Fitness Center, Spa
Laundromat
Mortuary, Funeral Home
Motel, Hotel
Printing and Copying Store**

Conditional Uses Permitted:

**Boarding House
Caretaker/Watchman
Bakery (retail/sit down)
Bar, Lounge, Tavern, Nightclub
Amusement Park
Arena for Indoor Sports Events
Outdoor Commercial Recreation
Walk-in Movie Theater
Churches, Religious Institutions
Lodge, Club, Non-Profit/Fraternal Organization
Schools, Public or Private
Utility Facility
Bank, Financial Institution
Child Care Home, Center**

Allowable Uses in an M-1 Zone

Uses Permitted Outright:

**Homeless Shelter
Bakery (retail/sit down)
Bar, Lounge, Tavern, Nightclub
Café, Restaurant (sit down), Diner, Brew Pub
Café, Restaurant, Espresso (Drive-through)
Auto Detailing
Auto Painting, Auto Body Work
Auto Repair
Car Wash
Card Lock Gas Station
Truck Stop
Truck Terminal
Vehicle Storage/Towing Yard
Aircraft Service, Maintenance
Bakery, Wholesale Distribution**

Commercial Manufacturing (Retail Support, Craftsmen)
Enclosed Warehousing and Manufacturing
Landscaping Supply
Manufacturing (Light Industrial)
Medical Research Facility
Precision Machine Shop
Retail Uses in support of Primary Industrial Use
Wholesale Printing and Distribution
Wood Product Manufacturing and Assembly
Offices related to Industrial Use
Printing, Publishing
Park, Public or Private
Heavy Equipment Sales
Contractor Service
Kennel
Mini Storage

Conditional Uses Permitted:
Caretaker/Watchman
Indoor Commercial Recreation
Auto Wrecking, Recycling
Rock Crushing/Recycling
Office
Telemarketing, Call Center
Churches, Religious Institutions
Lodge, Club, Non-Profit/Fraternal Organization
Public Transportation Station
Schools, Public or Private
Utility Facility
Heavy Equipment Service
Contractor's Yard
Child Care Home, Center
Motel, Hotel

Note: There are limitations associated with both, the C-5 Zone uses and the M-1 Zone uses. These limitations are documented in the RDC.

Summary: While the M-1 Zone permits development of hotels of 50 units in size or greater, eating and drinking establishments and a limited amount of incidental retail sales, its permitted uses are intended to promote and serve industrial development rather than commercial development. Therefore, without a change in zoning from the current industrial-oriented M-1 classification to a tourist-oriented C-5 classification, the range of permissible uses, foremost of which is the planned waterpark, would be severely limited.

Goal 2) Provide family wage employment opportunities for area residents.

Finding: Phase I of the planned project will be constructed on 11 acres of the subject site that are located east of the Burlington Northern railroad tracks. It is estimated that employment associated with this phase will include at least 15 full-time and approximately 150 part-time employees. The full-time positions represent family wage employment opportunities. Phase II of the planned project will be developed on 28 acres of the subject site located to the west of the Burlington Northern railroad tracks. If the subject property is re-zoned to a C-5 classification, it is anticipated that the Phase II of the project will result in the addition of at least 50-80 additional full-time, family wage employment positions.

The difference between an M-1 classification and a C-5 classification, as it relates to employment opportunities for area residents, may be minor at the inception of resort operations, but would increase over time. Within a C-5 Zone, it is possible to add many more attractions and tourist amenities at the subject property than would be possible within an M-1 Zone. These additional amenities and attractions translate into more jobs that will be created at all levels of employment.

In addition, it is important to recognize the economic stimulus within the community that can be provided by a large-scale resort. The presence of a “full-scale” resort will bring more dollars into the City. These dollars will result in more local jobs being created in the community at all levels of employment, including family wage employment opportunities.

The impact of travel-related spending on county, regional and statewide employment and employment-related earnings (wages and salaries) can be witnessed by reviewing the study: Oregon Travel Impacts – 1991 – 2005(p) (p = preliminary) compiled and published in January 2006 by Dean Runyan and Associates. Because the planned resort is a demand-generator, it will be creating *new* (additional) travel-related visitor spending. Following is a projection of the *annual* economic impacts of the planned project, including total visitor spending, earnings (wages and salaries) and employment.

Visitor Spending. Visitor spending represents the total dollars spent in the local economy by visitors. Based on the completion of a 370-room hotel in Phase I, it is forecast that the planned resort will generate just over \$13.0 million in room rental revenues, and more than \$54.0 million of new visitor spending for the Deschutes County economy. The majority of this spending is likely to occur in Redmond.

Direct Industry Earnings. Industry earnings are the local wages and salaries of employees working in travel-related businesses. By adding more than \$54.0 million of new, annual visitor spending, an additional \$14.1 million of new, direct employee earnings will be generated.

Direct Industry Employment. Industry employment consists of jobs within travel-related businesses. These jobs are in the following industry groups:

- Accommodations and food service

- Arts, entertainment and recreation
- Retail trade
- Transportation

By adding more than \$54 million of new visitor spending, 751 new travel-related industry jobs will be created.

In addition to direct earnings and direct employment, travel industry spending generates *indirect* earnings and employment, and *induced* earnings and employment.

Indirect earnings and employment are the wages and salaries, and also the jobs associated with industries that supply goods and services to the direct businesses (i.e. those that receive money from travelers throughout the state).

Induced earnings and employment are the wages and salaries, and also the jobs that result from purchases made for food, housing, transportation, recreation, and other goods and services made by travel industry employees, and the employees of indirectly affected industries.

The indirect and induced impacts of travel spending are found in 11 major, recorded industry groupings, with the primary ones being:

- Professional services (legal, medical, educational, etc.)
- Government
- Retail trade
- Finance, insurance and real estate
- Miscellaneous services (personal services and business services providers)

It is important to recognize that the impact of indirect and induced earnings and employment have been compiled at a statewide level, only. While a portion of the impact is experienced at the local level, the amount of such impact has not been determined.

Indirect & Induced Earnings. According to the Runyan study, indirect earnings amounted to 23.6% of direct earnings, and induced earnings amounted to 39.6% of direct earnings in Deschutes County in 2004. Using those percentages as a basis, it was calculated that \$3.3 million of indirect earnings (23.6% of \$14.1 M) and \$5.6 of induced earnings (39.6% of \$14.1M) would be generated *within the State of Oregon* by the planned Project. Some of these earnings will be generated within Deschutes County. (Note: The Runyan study did not calculate the impact below the statewide level.) Therefore, when these amounts are added to the direct earnings total, the resulting annual earnings (wages and salaries) created as a result of the Project are estimated to be more than \$23.0 million, including well in excess of \$14.1 million within Deschutes County.

Indirect & Induced Employment. The Runyan study also illustrated that indirect employment amounted to 17.2% of direct employment in Deschutes County in 2004, and that induced employment was 27.8% of direct employment. These percentages can be used to calculate that the Project will bring about new, indirect employment of 129 jobs (17.2% of 751 jobs) and new, induced employment of 209 jobs (27.8% of 751 jobs) *within the State of Oregon*. (Note: The Runyan study did not calculate the impact below the statewide level.) In total, then, the Project will produce an estimated 1,089 new jobs, including more than 751 jobs within Deschutes County, alone.

Goal 3) Retain or create industrial jobs through the expansion and retention of existing businesses and recruitment of new businesses.

Finding: At first blush it would appear that development of a waterpark resort (with an objective of serving the commercial tourism market) on land zoned M-1 – Light Industrial, is inconsistent with the goal of “creating industrial jobs.” In reality, though, when a “big picture” perspective is used to look at the planned project, the result is much different. It is true that this project will use property for a tourist-related business rather than for a traditional “industrial” use but there is sufficient land remaining in the Redmond urban area for the expansion and retention of existing businesses and the recruitment of new industrial businesses. However, because of its unique nature, the project will provide the City with a new and exciting component to its identity. Redmond will be the only community in Central Oregon with an urban recreational resort of this type. This can be an extremely strategic advantage to the City as it pertains to attracting new employers to the City, including industrial employers.

By locating such a high-quality facility at a highly visible location (a “Gateway to the City”), Redmond’s image as an “economic player” will be enhanced. Many visitors who fly into Redmond will stay at the resort. Many business organizations involved with events at the Deschutes County Fair and Expo Center will also use the resort. According to expo center officials, their event business will double within three years as a result of having a nearby resort of the size and quality that is planned. This means even more business leaders and organizations will experience Redmond’s culture and quality of life. If these business leaders like what they see in the community, they may have an interest in choosing Redmond as a location for expanding their businesses or starting new ones. According to Mr. Roger Lee, Director of Economic Development for Central Oregon, nearly 70% of the new business owners in Central Oregon were first visitors to the region. He views tourism and the marketing of tourism as “the foundation for successful business recruitment.”

Similarly, some visitors will be talented individuals who become attracted to Redmond’s quality of life and available amenities. They, too, may have an interest in relocating here. In this regard, it is envisioned that the resort will be a “recruiting tool” to help City officials attract and retain many types of desirable businesses, including industrial businesses. It will also be one of the available recruiting tools that help businesses attract highly talented employees.

Within a C-5 Zone the planned project will be able to incorporate many more tourist-oriented elements than is possible within an M-1 Zone. If the resort is able to reach its potential as a hospitality destination it will be a more valuable resource for the City as it strives to appeal to visiting business executives, and to talented employees to work for those businesses.

Goal 4) Improve the appearance of the community, particularly along Highways 97, 126 and other major arterial streets.

Finding: The planned facility will be a high-quality, attractive themed resort. The subject property is highly visible from US HWY 97, and includes highway frontage. Development in commercial zones is, typically, more attractive than typically industrial zone development. For instance, the M-1 zone allows junk yards and truck terminals. Those uses are not allowed in the C-5 zone.

Goal 8) Protect industrial lands from being converted to commercial uses.

Finding: The M-1 zone allows commercial use of the subject property with a hotel, bar, restaurants and other similar uses. The change in zoning, therefore, will not cause a violation of this goal as the City has already decided that commercial use is appropriate in M-1 zones. Given the choice of developing a resort complex within an M-1 Zone versus a C-5 Zone, there is a great advantage to having a C-5 Zone because of the potential to design the complex to more fully respond to the needs and desires of the tourist traveler. Additionally, the applicant believes that C-5 zoning is more appropriate for the subject property due to its prominent location at the south entrance to Redmond on Highway 97 and that a change of zoning is needed to assure compliance with Goal 4, above.

Given the fact that the subject parcel is:

- adjacent to the Deschutes County Fair and Expo Center,
- adjacent to Juniper Golf Club,
- less than three miles from Roberts Field,

it would appear that a C-5 classification would be beneficial in terms of the potential of the resort to benefit these important neighboring facilities, and the City, as a whole.

By reclassifying the subject parcel from M-1 to C-5, it would change the existing inventory of City land as follows:

Current Buildable Land Inventory *

M-1 Light Industrial: 857 acres C-5 Tourist Commercial: 81 acres

Revised Buildable Land Inventory

M-1 Light Industrial: 818 acres

C-5 Tourist Commercial: 120 acres

* Source: Redmond Comprehensive Plan, Addendum page 47.

According to the Redmond Comprehensive Plan (Addendum page 49), there is a current surplus of 386 acres of M-1 industrial land (and 494 total acres of industrial land) to meet expected demand through the year 2020. There is also surplus of 248 acres of total commercial land (C-1, C-2, C-3, C-4 and C-5) to meet expected demand. By reclassifying the subject parcel from M-1 to C-5, there would still be an expected inventory surplus of 347 acres of M-1 land (and a total surplus of 455 acres of total industrial land at the end of the planning period).

Finally, reclassifying the subject parcel from M-1 to C-5 will result in the presence of some C-5 Tourist Commercial land that is highly visible from, and that fronts on, US HWY 97, at the southern “gateway” to the City. Currently, the only C-5 designated land in the City is located north of Roberts Field, off of HWY 126. There is no land devoted to Tourist Commercial use along US HWY 97.

Applicable Policies – Industrial Development:

Policy 1) Sufficient vacant industrial lands with a diversity of sizes, types and service levels for future industrial development shall be designed on the comprehensive plan/zoning map.

Finding: It appears from the existing inventory of industrial lands, including M-1 parcels, that there is enough available industrial land to meet anticipated demand through the year 2020 and beyond.

Policy 4) Concurrent with the development of SW 19th Street, and as a means to protect the Deschutes County Fairgrounds from incompatible heavy industrial land uses, the City shall consider the re-designation of the adjacent lands to the west from heavy industrial to light industrial.

This policy, of “protecting” the Deschutes County Fair and Expo Center from the possible adverse effects of incompatible heavy industrial land uses, involves good logic and foresight. By reclassifying the subject parcel from M-1 – Light Industrial use to C-5 – Tourist Commercial use, the City will not only be “protecting” the fairgrounds, but “positioning” it to reach its full potential. Similarly, it will be positioning Juniper Golf Club to achieve better operating results. Each of these facilities will benefit by having a full-service hotel located close to them. A full-service hotel is permissible as a conditional use within either an M-1 Zone or a C-5 Zone. However, by reclassifying the subject property to C-5, the resort will enjoy a higher level of operating potential. Similarly, because of the synergy that will exist among the three entities, the fair and expo center and Juniper Golf Club will also experience higher levels of operating

potential. In turn, when all of these facilities reap greater benefits aids their performance, so likewise will the City reap greater benefits.

Applicable Policies – Commercial Development:

General Objectives:

Policy 13g) New commercial areas in outlying sections should be developed as centers rather than as strips along major roads.

Finding: The design of the planned development is envisioned to be consistent with the concept of a “center” rather than a “strip.” With a C-5 Zone classification, the project design will be that of a resort, which will be consistent with a “center-type” concept. It will include many amenities to serve the tourist traveler.

Tourist Commercial:

Policy 39) The City shall encourage appropriate commercial development aimed at attracting tourist-related commercial activity.

Finding: Tourism is an element of the Central Oregon and Deschutes County economy that continues to grow in importance. Evidence to this fact is:

- Central Oregon region receives approximately 2.1 million tourist visits annually. *
- Direct spending by tourists within Deschutes County was \$392,500,000 in 2004. **
- Direct employment generated by travel spending in Deschutes County totaled 5,350 jobs in Deschutes County in 2004. (This was 6.1 percent of total employment within the County.) **
- Direct tax receipts generated by travel spending in Deschutes County was \$15,900,000 in 2004. **

* Source: Central Oregon Visitors Association.

** Source: Dean Runyan Oregon Travel Impacts Study – 2006.

Without question, tourism is an important market segment of the Central Oregon and Deschutes County economy. Due to ever-increasing national competition for tourism dollars, area officials must continue to cultivate tourism development in order to ensure that it remains a strong element of the local economy.

Effect of C-5 Zone vs. M-1 Zone: Without a waterpark or other attractions and amenities associated with the planned development that are permissible within a C-5 Zone (but not within an M-1 Zone), its potential to attract tourists, and to generate revenues will be severally limited. This would cause the scope of development to be reduced, which in turn would cause a ripple effect that will reduce the overall amount of dollars entering the

Redmond economy. The amount of room tax dollars accrued by the City, and the number of direct and indirect jobs that would be created in the community will be reduced.

According to the Dean Runyan Oregon Travel Impact Study – 2006, 24.1% of Deschutes County tourism expenditures were made for accommodations. This means for every \$1.00 visitors spend on accommodations, they will spend another \$3.15 for other goods and services. “Overnight” visitors spend much more money in a community than “day trip” visitors spend. Therefore, if visitors are not drawn to spend the night in a particular community, it will drastically reduce other expenditures they would otherwise make in the community. The presence or absence of these additional dollars in the local economy will have both direct and indirect impacts on other elements of the community.

Chapter 10: Housing

Finding: No goals or policies within this chapter apply to land designated for commercial or industrial development.

Chapter 11: Public Facilities and Services

Goal 3) To provide public and private utility systems – water, sanitary and storm sewer, energy, communications, garbage and recycling – at levels necessary and suitable for existing and proposed uses.

Goal 6) The level of community facilities and services that can be provided shall be a principal factor in planning for various development densities.

Finding: The change of zoning can occur without compromising the City’s ability to provide sewer, water and other essential public services.

The proposed project will not place an excessive burden on water and sewer infrastructure. While the volume of use for the waterpark is not yet known because the design phase has not been completed, it is important to note that the park will feature ‘closed loop re-filtered’ water systems. In this environment, once pools and attractions have been filled, daily water usage will be low, as the water will be cleaned and re-circulated. Because the park will primarily be indoors, evaporation will also be minimal. Therefore, in comparison to a golf course, for example, water usage will be very low.

While the Applicant does not yet have a reliable estimate of its water and sewage usage rates, it was able to collect some limited water and sewer usage volume rates from three existing waterpark hotel facilities in order to offer a “ballpark” idea of its anticipated water and sewer usage volumes. Note: It was difficult to obtain this information, as resorts were oftentimes unwilling to share information or to take the time to compile it. As a result, the information is not in a standard format.)

Tundra Lodge (Green Bay, WI). 161 rooms; 30,000 square foot waterpark; restaurant; retail; banquet and meeting space.

- **Approximate annual water volume – 2005:**
- **Hotel – 6,092,544 gallons**
- **Waterpark - 5,088,264 gallons**
- **Approximate annual sewer volume – 2005:**
- **Hotel - 5,933,052 gallons**
- **Waterpark - 4,998,600 gallons**

Holiday Inn Select (North) (Indianapolis, IN). 344 room; 50,000 square foot waterpark; restaurant; retail; conference facilities.

- **Approximate annual water volume – 2006:**
- **Hotel – Not available.**
- **Waterpark – 2,872,320 gallons**

(This was based on the November 2006 meter reading, which was then extrapolated into an annual volume.

- **Approximate annual sewer volume – 2005:**
- **Hotel – Not available.**
- **Waterpark – 2,872,320 gallons**

(Sewer usage is not metered, but rather is based directly on water volume useage.)

The Lodge at Cedar Creek (Rothschild, WI). 140 rooms; 50,000 square foot waterpark; restaurant; restaurant; retail; meeting facilities.

- **Approximate annual water volume – 2005:**
- **Hotel – Not available – figures included a large irrigation system**
- **Waterpark - 5,933,052 gallons**
- **Approximate annual sewer volume – 2005:**
- **Hotel – Not available.**
- **Waterpark – 168,000 gallons – from hot tubs only. (Note: They drain and refill their water system once per year (except for hot tubs that are twice per month). Refilling their park requires 225,000 gallons. The water that is drained is backwashed into a retention pond.**

Clearly, water and sewer usage will vary from one waterpark facility to the next based on size of facility, mix of attractions and management practices. However, the research conducted offers a rough idea of the range of water and sewer usage volumes that can be expected.

Based on a Phase I planned resort consisting of: 370 rooms; 40,000 square feet of indoor waterpark space; 1-2 acres of outdoor waterpark space (with less intensive attraction mix than indoor); family entertainment center; restaurants; 7,500 of meeting space; specialty retail shops, projected water and sewer usage volumes would be expected to be as follows:

- **Approximate annual water volume:**
- **Hotel – 14,000,000 – 17,000,000 gallons**
- **Indoor waterpark – 2,500,000 – 9,000,000 gallons**
- **Outdoor waterpark – 2,500,000 – 9,000,000 gallons**
- **Approximate annual sewer volume:**
- **Hotel – 13,000,000 – 17,000,000**
- **Indoor waterpark – 1,000,000 – 9,000,000**
- **Outdoor waterpark – 1,000,000 – 9,000,000**

As it concerns the hotel and waterpark elements of Phase II of the development, water and sewer usage volumes should be similar to those of Phase I. However, the additional guest amenities and specialty retail elements that are included in Phase II will cause overall usage to be higher.

By comparison, reported water usage at Juniper Golf Club for the 2006 irrigation season was approximately 84,000,000 gallons.

According to City Public Works officials, there is a 12” water main and a 12” sewer main that extends down 19th Street. These facilities should be large enough to handle projected volumes without burdening the system. However, there is a potential concern that a lift station located at the Yew Avenue interchange may not be adequate to handle all of the future development in the area of the City served by this lift station. In a May 16, 2000, reported prepared for the City it was reported that, “The Yew Avenue Pump Station doesn’t appear to have an urgent problem at this time. However, a careful eye on the growth in this area is important.” The status of this lift station is reportedly unchanged since the report was published.

Given that hotel facilities are allowable only with a conditional use permit in either a C-5 Zone or an M-1 Zone, the granting of a conditional use permit for that intended use would not be dependent upon the underlying zoning code. However, because the level of development for this project will likely be higher with a C-5 Zone than with an M-1 zone, water usage volumes will coincidentally be higher for this project within a C-5 zone. However, it appears the hotel facility may produce much higher water and sewer volumes, than will the planned waterpark.

Finding: The City Engineer’s initial evaluation of the subject property is that it can be served with urban facilities and services, including water, sewer, drainage and transportation; however, it appears that further evaluation of water, sewer and transportation systems will be needed at the time an application is submitted for Site and Design Review. Please refer to the full Engineering comments for additional information relating to the sewer and water utilities. The Engineer states that the zone change can be approved provided that the Yew Avenue pump station is completely evaluated at the time of Site and Design Review; that the grey water treatment system be designed; that the Oregon DEQ approve the disposal if the discharge is off-site and not into the City’s sewer

system and that sewer flow calculations do not exceed the capacity of the existing system. The Engineer has a similar recommendation for the water system and states that the water system be re-evaluated during the Site Design review when the requirements of the water park are known. The storm drainage will be handled on-site and the City will require grading and drainage plans for the site at the time of Site Design and Review.

Development

Policy 4) Development within the Redmond UGB shall be subsequent to or concurrent with the provision of an adequate level of public facilities and services.

Policy 5) All developments shall comply with utility and facility plans intended to serve the area.

Finding: The development of the subject property will help fund the development of the City's street system in this area of the community so that adequate public facilities will exist to serve this and other uses in the area. The City has an adequate level of other public facilities, including sewer and water services, to serve the subject property and upgrades, if needed, can be required as a condition of approval of any future development of the subject property.

Chapter 12: Transportation

The Redmond Transportation System Plan (TSP) includes the goals, objectives and policies of this Chapter 12, plus transportation maps and all approved transportation projects and public documents supporting those elements. The applicable goals and policies are as follows:

Goal 1) Reduce through traffic, congestion, and improve circulation along HWY 97, especially along the 5th and 6th Street couplet.

Goal 2) Enhance east/west circulation.

Goal 3) Identify road system needs to serve undeveloped areas so that steps can be taken to preserve rights-of-ways and maintain adequate traffic circulation.

Finding: Access to the subject property for the proposed project will be from 19th Street to Elkhorn Avenue and 23rd Street. A condition of the land purchase from the City is that an elevated crossing be constructed to extend Elkhorn Avenue over the Burlington Northern railroad tracks in order to serve the west portion of the subject site and other properties between the railroad right-of-way and HWY 97. This requirement applies when land on the west side of the tracks is developed. The approval of the request zone change and plan amendment will allow development to occur sooner than would otherwise occur as there is an identified project for adjacent land that is a part of the subject property (waterpark and hotel) that will make this area desirable for additional development.

The extension of Elkhorn Avenue provides an opportunity to create an East-West arterial over HWY 97 that will reduce the amount of congestion that exists at times when large

events are taking place at the fair and expo center. If this road system option is selected by the City, it may be prudent to take steps to purchase vacant land for a road right-of way from other property owners.

Transportation System Management

Policy 1) Plan or ordinance amendments which significantly affect a transportation facility shall assure that the allowed land uses are consistent with the identified function, capacity, and level of service of the facility. This shall be accomplished by either:

- a) Limiting allowed land uses to be consistent with the present function, capacity and level of service of the facility, or
- b) Amending the TSP and capital improvement programs to provide the transportation facilities adequate to support the proposed land uses, or,
- c) Altering land use designations, densities, or design requirements to reduce demand for automobile travel and meet travel needs through other modes.

Policy 4) Land use decisions shall include a consideration of their impact on existing or planned transportation facilities for all modes.

Finding: The present request to amend the comprehensive plan and zone map to provide a C-5 zoning classification for the subject property comes with recognition that the TSP will be amended as a part of the purchase agreement between the City and the Applicant.

Based on the findings of the Transportation Impact Analysis conducted by Ferguson & Associates, it would appear that Phase I of the proposed project (which consists of approximately 11 acres of land east of the Burlington Northern railroad tracks) can be built with the attractions and amenities desired without adjusting the Transportation System Plan or capital improvement program.

However, as a part of the purchase agreement between the City and the Applicant, the Applicant will construct an extension of 19th Street approximately .6 miles to the southern City Limit. This project will take place within 12 months of the purchase of the subject property. The Applicant will also construct an extension of Elkhorn Avenue from 19th Street to the western edge of the subject property, including a grade-separated crossing over the Burlington Northern railroad tracks. To construct this extension, the Applicant will deed an 80' wide right-of-way, with a length of approximately 1,240' (approximately 2.3 acres) to the City for use in its TSP. Together, these two street extensions (amendments to the TSP) provide the City with key infrastructure pieces to enhance its future TSP. The road/ transportation facility improvements will not only benefit the subject site, but potentially, many other elements of the City's transportation system. In addition, as part of the purchase agreement between the City and the Applicant, the City retained and sold US HWY 97 access from the subject property to the Oregon Department of Transportation as part of its overall transportation system plan concerning the subject site and other adjacent properties.

Together, the Transportation Impact Analysis and transportation facility improvements that accompany this zone change application adequately consider the impact of the requested zone change on the City transportation system.

Policy 5) The City may require a traffic study prepared by a qualified professional Traffic Engineer to determine access, circulation and other transportation requirements.

Finding: The Applicant submitted a Traffic Impact Analysis prepared by G. Scott Ferguson, P.E., as part of this zone change application.

The City Engineer notes that additional traffic studies will be required at the time of Site Design review application and approval. This additional study will analyze the existing transportation system and will recommend appropriate mitigation measures that should be required to be undertaken by the developer, the City or both. The City is also in the process of updating the TSP and the new TSP will include additional improvements that the City should undertake in order to improve and maintain the existing system to meet future needs.

Transportation Demand Systems

Policy 6) The City shall maintain and enhance the function of the transportation system through the implementation of program of Transportation Demand Management measures to diminish use of the system by single occupant vehicles at peak demand periods. A transportation Demand Management program shall be implemented by the City. The TDM program shall include some or all of the following measures: staggering shift schedules, allowing flexible work hours, and encouraging car pooling, bicycling, walking and telecommuting.

Finding: The market for the planned facility is the tourist traveler. Vehicles used for tourism routinely average four or more occupants, as compared to single occupant commuter vehicles. The travel patterns of tourists are also different than that of commuters. Much tourism travel is done on weekends, when major City roadways generally have lower traffic volumes than on weekdays. In addition, with the exception of convention/business travel, tourism travel does not occur at peak times during the day. Arrival and departure times are more staggered than is commuter travel.

Although a C-5 Zone will allow for a much greater scope of development than will the current M-1 Zone, the primary users will be families engaged in tourism. They will typically be using the planned facilities on weekends, a time when traffic volumes are lower on City roadways. Therefore, on weekdays, when traffic volume is greatest, especially during commuter hours, the difference in traffic volumes between a development zoned as M-1 and a development zoned as C-5 will be fairly small, as the primary customer in each case will be the convention/business traveler.

Chapter 13: Energy

Goal) To conserve energy.

Finding: The Applicant's project will be designed with energy conservation in mind. In addition, because of the close proximity of the subject property to the Deschutes County Fair and Expo Center and Juniper Golf Club, resort guests using those facilities will be within walking distance of the planned resort. Shuttle service will also be provided to the expo center and to Roberts Field, which will help conserve energy, as compared to individual automobile ownership and travel between these locations and the planned resort.

C-5 zoning will comparatively have more energy efficiencies than will M-1 zoning, as the additional scope of development will attract greater numbers of guests to the resort, to the fair and expo center and to Juniper Golf Club. Therefore, there will be greater numbers of people walking between the various facilities than there would be with the scope of development that would be possible with the current M-1 zoning.

Chapter 14: Urbanization Element

Goal 1) To direct development within the Redmond Urban Growth boundary at urban level densities in a phased and orderly manner, and with the provision of an adequate level of urban services, including but not limited to; public water, sewer and urban streets.

Finding: The zoning proposed for the subject property is consistent with this goal. Because of the tourist-based nature of the project, the tourist commercial activities being considered are consistent with the land uses already occurring at the adjacent Deschutes County Fair and Expo Center and Juniper Golf Club. The urban water and sewer services available at the subject site are adequate to service the needs of the planned project. The planned road changes and improvements will accommodate the transportation needs of the planned project.

A C-5 zoning classification will allow for the development of more tourism-related services, amenities and attractions than are possible within the current M-1 zoning classification. These additional contemplated uses are consistent with, and complement, the tourism-related activities presently occurring at the fair and expo center, and at Juniper Golf Club.

4. *That there is a change of circumstances or further studies justifying the amendment or mistake in the original zoning.*

Finding: The applicant's burden of proof states that there has been a change of circumstances justifying the proposed amendment:

Justification for a revision in zoning of the subject property exists due to several changes in circumstances. These changes include:

a) There is a better understanding of the potential of the Deschutes County Fair and Expo Center to serve as a regional draw for business and travel-related events, and as a tourism draw for the City and Deschutes County. The County recently changed the scope of the fairgrounds zoning district to allow it to use its property as an RV campground, shifting the focus of the facility from events to events and tourist accommodations.

b) Juniper Golf Club has been relocated to the area of the subject property.

c) The concept of an indoor waterpark hotel as a tourist destination has evolved and is just now becoming recognized for its potential to serve as a tourism destination facility on a national level.

Effect of C-5 Zone vs. M-1 Zone: The concept of a waterpark resort fits very well with the environment that has been created at the subject site. Potential for a great amount of synergy exists between the nature of the fairgrounds, Juniper Golf Club and the proposed resort development. Together, these three entities can offer an outstanding destination location for tourism within the City. With the existing M-1 Zone classification a portion of this potential can be tapped. However, the M-1 classification is not geared to serving the tourism market to the extent that is possible with a C-5 Zone classification.

ADDITIONAL FINDINGS AND CONCLUSIONS:

1. Redmond's comprehensive plan and development code, including its zoning code classifications are instruments designed to promote and provide for development that is orderly and beneficial to the community. The comprehensive plan is a dynamic, living document. It is being updated as needed to reflect societal changes that are in the City's best interests. As support documents, the Redmond Development Code and 2020 Greater Redmond Area Comprehensive Plan and Zone Map are also dynamic documents.

2. Changes that have occurred within the City and within the national tourism industry are bringing about opportunities for the City that can be beneficial to its citizenry, and to its future. The City is on a course to expand its potential as a tourism destination location. This opportunity has been brought about by the relocation and expanded scope of the Deschutes County, Fair and Expo Center and by the relocation and upgrading of Juniper Golf Club. Increased passenger volumes and expansions at Roberts Field have also brought more visitors to the City. In order to take better advantage of the already existing synergy and economic benefits that can be provided by these now adjacent facilities, it would appear to be in the best interests of the City to consider rezoning the subject property from M-1 – Light Industrial to C-5 – Tourist Commercial. As discussed throughout this document, the planned resort project can provide many benefits to the City, and the subject property would appear to be an ideal location for the project.

3. A summary of the benefits the City will accrue as a result of the requested zone change are listed below:

- The property was sold by the City to the Applicant for use in the construction of a waterpark hotel resort facility. A hotel facility is allowable as a conditional use within either the existing M-1 Zone or a C-5 Zone. However, a Waterpark facility designed to serve the general public, including the tourism market is not permissible within an M-1 Zone.
- In addition to a waterpark, related attractions and amenities, including specialty retail shops, which are important elements of serving the tourism market, are not allowable within an M-1 Zone. Many of these uses are permissible within a C-5 Zone. Therefore, the current M-1 Zone severely restricts the nature and scope of the proposed facility.
- By re-zoning the subject property to C-5, it will be possible for the proposed project to be developed more fully to serve the needs and desires of Central Oregon tourists. As such, it will have much greater potential to assist the Deschutes County Fair and Expo Center in developing the volume of its business travel and event business. Officials estimate that the expo center will double its events and trade show revenues within three years with the presence of an adjacent full-service hotel. A larger and more diverse resort will have even more positive impact. Similarly, a large waterpark resort complex will also help to increase the volume of business experienced by Juniper Golf Club. Together, these three facilities will create a significant regional draw that enables Redmond to be a recognized tourism destination location.
- If the proposed project is developed as a destination location (permissible within a C-5 Zone), many Redmond businesses will benefit. Greater numbers of tourists spend money in a wide variety of business sectors within the community.
- A large-scale waterpark resort (permissible within a C-5 Zone) means higher levels of room tax revenues for the City. It also means more money in the economy, more tourism industry jobs, including family income level jobs, and more local jobs, including family income level jobs, in ancillary industries that support the travel industry either directly or indirectly. In addition, a large-scale resort will add a new dimension to the City's environment and quality of life. This will be helpful in attracting new businesses and also talented employees to the community.
- Development of a large-scale waterpark resort (permissible within a C-5 Zone) is consistent with a number of goals and objectives of the RCP. Some of these goals and objectives that have not been identified in other portions of this summary include, to: a) *expand, improve and diversify the economy within the Redmond Urban Growth Boundary area while maintaining Redmond's quality of life, b) improve the appearance of the community, particularly along Highways 97..., c) create a highly visible "Gateway to the Community," and d) encourage appropriate commercial development aimed at attracting tourist-related commercial activity.*
- A large-scale waterpark resort (permissible within a C-5 Zone) is supportable with existing City water and sewer system infrastructure. It will not place an undue burden on the system.

- Traffic patterns for a resort are much different than commuter-related traffic patterns. Major traffic times for a resort are on weekends. Arrival and departure times are more staggered than are typical commuter arrival and departure times. In addition, being that the subject property is located adjacent to the fair and expo center, Juniper Golf Club, and Roberts Field, major City arterial streets will not be burdened with any additional traffic caused by the users of those four facilities. Findings of the accompanying traffic impact analysis will document the differences in the traffic impact of a large-scale waterpark resort (permissible within a C-5 Zone) relative to a hotel development within an M-1 zone. Finally, in this document, an idea is presented for enhancing the east-west arterial system of the City. (See Chapter 12 – Transportation, beginning on page 26.)
- By rezoning the subject property from M-1 to C-5, the City will not unduly reduce its inventory of industrial land. Using historical absorption rates as a basis, the City's current inventory of industrial land should meet expected demand for a period of approximately 50 years (2000 – 2050).
- If the requested zoning classification change is not made, the City may inadvertently establish an undesirable precedent for allowing large, family attractions, such as waterparks and other tourism-related amenities, to be developed within an part of the industrial zone by means of using either a Conditional Use Permit where the use is not as well-suited as on the subject property.