



Community Development Department

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STAFF REPORT #2

To: Deschutes County Planning Commission
From: Terri Hansen Payne, Senior Planner
Date: November 8, 2007
Subject: Continued Public Hearing on Plan & Text Amendments PA-07-6/TA-07-6

I. PURPOSE

SilverStar Destinations has proposed plan amendment PA-07-6 and text amendment TA-07-6 to revise Deschutes County Code (DCC) to create a Town Center district in the Sunriver Urban Unincorporated Community. The Town Center would accommodate mixed-use development including retail, commercial, overnight lodging, live-work and multi-family residential uses.

II. LEGISLATIVE PROPOSAL

This proposal is a legislative request, meaning within the limits of State regulations, this is a policy decision. Sunriver is defined in the County Comprehensive Plan as an Urban Unincorporated Community, which means it falls under Oregon Administrative Rule (OAR 660-22), which provides land use regulations for unincorporated communities. Although Sunriver has many of the same features as a destination resort, it is governed under a different set of State regulations than destination resorts.

The Planning Commission will review the materials provided, take public testimony and decide whether the applicants have provided sufficient findings that the proposal meets State regulations and the proposed changes would be good public policy. The Commission will then make a recommendation to the Board of County Commissioners, who will make the final decision.

III. BACKGROUND

A public hearing was held on September 27, 2007 to discuss this proposal and because the applicants were still revising their amendments, the hearing was continued to November 8. A revised version of this application was submitted October 22. The revised proposal is being analyzed in this staff report.

This is a complex application. A complete copy of the application, including legal findings, geotechnical report, traffic reports and agency comments can be found on the County Website at www.deschutes.org/cdd under pending code amendments.

More background on Sunriver, the steps involved in this proposal, a summary of the traffic report and public and agency comments can all be found in the previous staff report dated September 13, 2007. For clarity and to avoid repetition, the full application and previous staff report are not attached. Only the revised proposed code changes, the revised parking analysis and a letter explaining the intent of this proposal are included. (Attachments 1-7).

IV. PROPOSAL SUMMARY

This application proposes a new comprehensive plan and zoning district. Applicants state that for the estimated area of approximately 28 acres, this proposal would replace the 150,000 square feet of existing commercial with 85,000-150,000 square feet of new commercial and would add approximately 600 new housing units. A summary of the basics of the proposal are highlighted below by Code section.

Comprehensive Plan Amendments

23.40.025

- This section adds a Town Center district to the comprehensive plan designations and adds policies that promote the applicant's vision of a mixed-use center.

Zoning Code Amendments

18.04.030 – Zoning Definitions

- There are six new definitions proposed to County Code, some of which only apply to the Sunriver Town Center. There is some precedence for this because there are currently definitions in code that apply only to La Pine.
 - Destination club – Sunriver only
 - Live/work residence – Sunriver only
 - Lock-off area – all code
 - Mixed-use – Sunriver only
 - Resort hotel – all code
 - Resort hotel unit – all code

18.108.020(B) - Zoning for Sunriver

- New language exempts housing in the Town Center district from the solar setbacks as defined in 18.116.180, unless the solar shadow projects outside the district. Language is added to encourage the use of passive solar.

18.108.055 – Zoning for the Town Center

Uses

- Permits a greater variety of commercial and residential uses.
- Permits a greater amount of residential than is currently allowed.
- Multi-family residential can not include commercial but may include live-work or lock-off units.
- Mixed Use must not allow more than 50% of the ground floor to be residential (not counting parking or storage).
- In mixed use buildings residential doesn't count for calculating commercial square footage for OAR regulations.

Heights

- Current commercial height limit is 30'
- New language
 - Mixed use can go to 60'
 - One mixed use building can go to 75'
 - All other uses can go to 45'
 - Height as defined allows height to be measured from a spot above natural grade (to account for underground parking)
 - If a building meets the height regulations, it meets the view protection requirements in DCC 18.124.060(A)

Lot Requirements

- Current commercial requirements
 - Lot depth 100'
 - Front yard 10'
 - Side and rear yard none required unless next to residential then 10' minimum with increase of ½ foot for every foot the building is over 20'
 - Frontage – minimum 50'
- New language
 - No lot depth
 - Front yard 10' - does not apply to below grade parking structures and if a lot has more than one front yard the 10' only applies to one of the front yards
 - No side or rear yard requirement
 - Frontage – each lot shall have access to parking, driveways and a private road through a perpetual easement

District Setbacks

- Current commercial has no district setbacks
- Setbacks are for structures bordering the Town Center boundary only
 - If the building borders commercial then a 5' setback applies
 - If the building borders any other zoning then there is a minimum 10' setback, increasing as the height of the building increases
 - Paths, driveways ,street trees and so on are allowed in the setbacks

Residential Density

- Overall 22 units/gross acre
- Multipart formula for determining density that includes hotel rooms, lock-off rooms and the potential redevelopment of Abbott House

Zone Coverage

- Buildings and enclosed structures are limited to 50% of gross acreage
- Multi-family residential can occupy a maximum of 20% of the district
- What constitutes a building or enclosed structure is defined to exclude items such as eaves, driveways, plazas or porches less than 12" above finished grade

Process

- A conceptual site plan will be used to provide an overview of the locations of proposed land uses
- Land under one ownership must be included and land under separate ownership must be depicted
- A list of what needs to be in the conceptual site plan is included
- Site specific site plans follow approval of the conceptual plan
- All proposed uses must demonstrate compliance with conceptual site plan
- Each site-specific site plan approval must demonstrate a defined ratio between commercial and residential

18.116.030 – Parking Requirements

- This section proposes reduced parking for residential, plus additional parking for lock off areas
- Language is added to permit parking reductions when the need is mitigated
- Tandem parking is allowed for residential units

18.124.070 – Site Plan Minimum Standards

- This section exempts the Town Center district from providing outdoor private space in ground level residential units and usable outdoor shared recreation space in residential developments.
- This section adds the Town Center to areas where new commercial buildings do not have to be located at the setback line.

V. PROPOSAL ANALYSIS

Issues for Discussion

The Sunriver Homeowners Association (SROA) represents the Sunriver Community. The SROA is responsible for internal planning and management at Sunriver, including the Covenants, Codes & Restrictions and the Master Plan. These documents are internal to Sunriver and not subject to County review. Regarding this proposal, the SROA has been in negotiations for approximately a year with the applicant. Together the SROA and the applicant have been working to find language that is acceptable to both. Historically, the County has given the Sunriver community, represented by the SROA, considerable latitude in formulating local land use policy.

Still, the County has a number of roles in this process. First, the County ensures that this proposal is compatible with State regulations for Urban Unincorporated Communities. Second, County staff determines that the proposed code can be implemented, is internally consistent and has no unintended effects. These pieces comprise the technical aspects of the proposal. Third, County staff analyzes the proposal for the Planning Commission and the community. County staff actively involved with this proposal include myself, Senior Current Planner Will Groves and Senior Transportation Planner Peter Russell.

The Code Implementation section below discusses staff concerns over implementation while the Policy Issues section analyzes the issues for community discussion.

Code Implementation

Height (18.108.055(F))

The proposed code regulating building height uses a complicated formula to measure building height. There is staff concern that this is a complex piece of code to apply and may be confusing to the public. (Also see height under Policy Issues.)

Density (18.108.055(I))

This section defines density with another complicated formula that would be difficult to administer. (Also see density under Policy Issues.)

Parking (18.116.030(E)(7))

This section allows reduced parking if a Transportation Demand Management (TDM) plan is put into place. This could be difficult to implement because there are no criteria to determine an effective TDM plan. Additionally, there is no guarantee that if a parking

reduction were granted in exchange for a TDM plan that the TDM plan would continue over time. For example, a shuttle bus could be approved as part of a TDM plan, but once the development is built out, the shuttle service could be stopped. At that point there would be little or nothing the County could do to obtain the additional parking that would have been required without the shuttle. (Also see parking under Policy Issues.)

Policy Issues

The intent of this proposal is to revitalize the Village Mall with a mixed use downtown. Town Center proposals commonly include a residential component. The theory is that for the commercial sector to thrive, there need to be enough 'rooftops' to provide a solid base of on-site shoppers and diners.

This concept is popular around the country but without doubt it allows a form of development that is very different from what exists now in Sunriver. The new development will be urban in nature, with increased density and height.

The following issues are those identified by staff as issues that should be discussed to ensure the Planning Commission and community understand this proposal.

Definitions (18.04)

Mixed Use and Live/work residence are both new definitions that apply only to the Sunriver Town Center. Both combine residential and commercial uses and are further defined in the Town Center District Code in 18.108.055(A)(10) and 18.108.055(E)(4). A Live/work residence is a unit for one family that includes a separate commercial area. Mixed use is a structure that includes a mix of both residential and commercial activities.

The applicants are adding a definition to allow for lock-off units. This is where a residential unit, usually a second home, has one bedroom (and usually a bath) with a separate entrance and lock so that it can be rented out like a hotel room.

The final definitions to note are those of Resort hotel and Resort hotel unit. Current County Code does not allow a hotel to include a suite. Hotel suites are increasingly common and these definitions are intended to address that type of hotel unit.

Solar Setbacks (18.108.020(B))

The proposal exempts the district from the solar setback requirements, except when the solar shadow would fall outside the district. The solar setback is intended to allow buildings to access solar energy on walls or roofs. It is not uncommon to exempt more dense urban developments from these requirements.

Uses (18.108.050(A-E))

These sections define the general allowed uses, conditional uses and use restrictions. One aspect to note is that mixed use structures are allowed to have up to 50% residential use along with parking and storage on the ground floor. That could potentially leave little room for ground floor commercial uses. The intent of mixed use is usually to ensure ground floor commercial uses that provide destinations for shoppers and contribute to a lively neighborhood. Many areas that allow mixed use do not permit any residential or other uses on the ground floor. Allowing the proposed amount of ground floor residential and other uses could impact the vitality of the commercial sector of the Town Center.

Heights (18.108.055(F))

The proposal raises allowed heights for most uses from 30' to 45'. Additionally, it allows mixed use structures to go to 60', with one exception that will be allowed at 75'. This is a considerable increase in height for Sunriver.

Additionally, the text language they propose allows mixed use buildings with below ground parking to mound the grade before measuring. The proposed code is used by the City of Portland to establish grade on steeply sloping lots. The applicant has proposed this code to accommodate underground parking on lots with complex finished grades. For a viewer at natural grade, for example adjacent residents, the effect will be that the 75' building will be 85' tall or higher. However, current County Code can also result in counter-intuitive height calculations on complex finished grades. Both the proposed and existing codes allow for padding of finished grades to increase building heights. Height increases from grade padding can be controlled by measuring from natural grade. Staff recognizes that this section of code was written after extensive negotiations between the applicant and the SROA. The issue here is to ensure that there is understanding of what is being proposed.

This section also exempts buildings in the Town Center from the existing view protection requirements written in the site plan code section (18.124.060(A)). This is not surprising given the height limits in the proposal. (Also see height under Code Implementation.)

Residential Density (18.108.055(I))

Like the height language, the density calculation is complicated. Again, the applicants and SROA have worked to find a solution acceptable to both parties. The intent of the code is to ensure that the density goes no higher than 22 dwelling units per gross acre. In order to achieve more accurate limits on population within the new district, a formula was created to also count hotel rooms, which are normally considered commercial uses and not counted as residential density. Additionally multi-family units could potentially have rentable lock-off units and these are also counted into the density through a formula. Finally, there is code language to address the possibility that Abbott House might at some point redevelop. The code allows that redevelopment to be at the existing density without counting into the overall district density. If the redeveloped density is higher than existing density, then the amount that is higher would be added to the existing density.

The density proposed is more urban than currently exists in the County outside of Urban Growth Boundaries. It is considerably different than what exists currently (Also see density under Code Implementation.)

Zone Coverage (18.108.055(J)) and Site Plan Standards (18.124.070(A)(1) and (2))

The zone coverage regulations restrict structures to no more than 50% of the gross acreage of the district. However, it should be noted that there is no provision for requiring any public green space. Additionally, the proposed site plan text eliminates the requirement for any private or shared outdoor space for the residential units. The combination of no specific public or private outdoor space should be discussed.

Application and Approval Process (18.108.055(K))

The conceptual site plan approval process has been defined to provide the community with a sense of certainty over what will be developed in the town center.

Parking (18.116.030)

Reduced parking is proposed based on the idea that the residential development will be primarily second homes or temporary vacation rentals (See Attachment 6). Thus the occupants will be temporary visitors with lower parking needs. Shared parking, tandem parking and Transportation Demand Management are also proposed to lower the required parking. (Also see parking under Code Implementation.)

VI. PUBLIC COMMENTS

Public comments received prior to a work session on September 13, 2007 were provided to the Planning Commission. There were additional public comments handed out at the public hearing of September 27, 2007. This packet includes two additional sets of comments. Those received between September 13 and September 27 and those received between September 27 and October 30. Additional comments are still being submitted to the County, but due to the need to get this packet produced in a timely manner, those additional comment will be provided at a later date.

Many of the comments submitted express support for this proposal as a way to revitalize the Village Mall. In general, these comments recognize that the mall has deteriorated and for Sunriver to be competitive the mall needs to be redone.

Many of the comments submitted express reservations about this proposal. The following is a brief summary of the concerns raised.

- The community does not really understand this proposal and more time is needed
- The height, density and form of development is out of scale for Sunriver
- The height, density and form of development will have too heavy an impact on the environment
- The height, density and form of development will have too heavy an impact on quality of life
- Traffic and parking issues have not been adequately addressed, especially for the workforce needed to maintain the new development
- Existing resort recreational facilities, such as pools and bicycle paths are already overcrowded and the amount of new residential will make this problem worse
- Fire, water and sewer needs have not been adequately addressed
- Specific properties adjacent to or nearby the proposed development would be adversely affected
- Green space and/or open space are not required
- The SROA has not communicated enough with the community

VII. NEXT STEPS

The Planning Commission will take additional public testimony on November 8. They then have the option of continuing or closing the public hearing. If the public hearing is continued it should be to a date and time that is certain. If the public hearing is closed, the Commission can immediately vote on the proposal or they can wait to discuss the proposal at their next meeting. The vote of the Planning Commission will be presented to the Board of County Commissioners, who will make the final decision on this proposal.

Attachments

1. Proposed DCC 23.40.025 (Comprehensive Plan)
2. Proposed DCC 18.04 (zoning definitions)

3. Proposed DCC 18.108 (Sunriver zoning)
4. Proposed DCC 18.116 (parking regulations)
5. Proposed DCC 18.124 (site plan requirements)
6. Revised parking study
7. Applicant letter dated 8-14-07 explaining the project
8. Community comments received between 9-13-07 and 9-27-07
9. Community comments received between 9-28-07 and 10-30-07
10. Sketch showing height calculations