

From: [Pamela Burry](#)
To: [Peter Gutowsky](#); [Nick Lelack](#)
Cc: [Tammy Baney](#); [Tony DeBone](#); [Alan Unger](#)
Subject: Concerns with Eagle Crest Text Amendment
Date: Sunday, November 29, 2015 10:08:55 PM

Dear Peter and Nick,

Below please find a letter concerning Eagle Crest Text Amendment. I am traveling for the holidays and therefore must send this via Pamela Burry's computer.

Thanks.

Jerry Norquist

To: Deschutes County Board of County Commissioners

Fr: Oregon Land and Water Alliance

Re: Concerns with Eagle Crest Text Amendment and request for answers to questions

November 30, 2015

Please submit these comments into the public record regarding Text Amendment proposal 247-15-000444-TA/Ordinance No. 2015-031 on behalf of the members of the Oregon Land and Water Alliance (OLAWA).

We agree that Eagle Crest is out of compliance with its overnight lodging requirement. But we do not agree with this proposal to bring them into compliance and find several aspects not in the public interest. **We urge the BOCC to craft something better.**

This proposal is more far-reaching than a simple modification of how Eagle Crest will provide Deschutes County with the required annual accounting on resort overnight lodging. OLAWA has six key concerns:

The method Eagle Crest proposes to come into compliance with the 2.5:1 residential to overnight lodging requirement is flawed because the voluntary survey they've based their calculations on doesn't provide a precise picture of actual overnight lodging occupancy.

This new overnight unit counting method may shift substantial administrative costs from private businesses to county taxpayers.

This new code language will NOT bring Eagle Crest into compliance with the state resort statute. By this statute, resorts must submit overnight lodging data from a central reservation system.

The language of this proposed amendment has been expanded to include “resorts,” plural. So Eagle Crest’s proposed method of counting overnight lodging may be adopted by all county resorts.

This new code **will likely make it harder, not easier, to ascertain compliance with actual overnight lodging requirements.** The county needs to define a better, “third way” to count overnights that accommodates the new trends in how vacation rentals are managed.

We are opposed to a “comply or just pay a fee” approach to overnight lodging units at Eagle Crest and every resort.

Specifics on these concerns follow. It is the job of county public officials to act in the public interest to assure that resorts perform their primary, statutory function: attracting and serving visitors. To that end, Deschutes County should take the time to work with all county resorts and stakeholders to create a modern, overnight lodging unit data collection and reporting system that will offer a true, timely and transparent view of resort compliance and reflects the changes in how rentals are managed online.

Respectfully,

Jerry Norquist, President, representing OLAWA

Incomplete analysis of existing overnight lodging units at Eagle Crest

Eagle Crest wants to “redefine” 300 individually-owned homes as used for transient rentals. But the survey data on what units are actually being used as overnights reflect less than a third of the properties contacted. And Eagle Crest had accurate email addresses for only 58 percent of the property owners in the neighborhoods surveyed. This is insufficient to determine what’s actually being rented to visitors. We recommend pausing on this code amendment until a truer picture of actual rentals is developed at Eagle Crest.

We agree that a new method for counting overnights is needed, to accommodate the shift to third-party rental websites such as VRBO and HomeAway. We also believe Eagle Crest’s current method used to calculate overnights—an annual, voluntary survey of property owners—is deficient for determining with any precision both what units may be redefined as visitor-serving and whether the resort is complying with state resort code.

Our understanding is the new method for counting overnight lodging units proposed

by Eagle Crest would be submission of monthly reports from online rental agencies and the central reservation system. **But there is no specificity in the proposed text amendment about how this data will be synthesized into one, clear report before submission to the County.** Without this synthesis, the monthly reports from one dozen sources will be difficult to impossible to make sense of. The County and the public will have less understanding, not more, about what's actually being rented to visitors at resorts.

Potential transfer of private business costs to county taxpayers

Taxpayers should be shielded from any costs of administering a new counting method. Synthesizing individual overnight lodging unit reports from a dozen third-party rental websites and the central reservation system at Eagle Crest each month will be a large, time-consuming, ongoing, potentially costly project. This cost must not be shifted to Deschutes County taxpayers. ***Imagine if all resorts adopt this counting methodology; should county taxpayers be on the hook for the cost of private businesses to comply with their basic statutory requirement?***

The proposed text amendment should spell out that it is resorts not county staff that will be responsible for this task and cost. If not, the County should develop a budget and allocate staff time to cope with this new demand, stating the projected costs. OLAWA opposes any potential shift of the overnight lodging reporting cost burden from resorts to county taxpayers.

Noncompliance with the state resort statute

The state requires calculation of overnight lodging unit occupancy to come from data from a central reservation system. Deschutes County may be obliged to request a state fix to resort code in order to adopt the new proposed counting methodology.

Unforeseen consequences when other resorts try to adopt this counting method

The text amendment language has been expanded to include "resorts," plural. Until the concerns outlined in this letter are addressed, we oppose allowing the proposed counting method to be expanded to other County resorts.

Deschutes County can do better.

OLAWA urges Deschutes County to use this opportunity to craft a new method for collecting overnight lodging data from resorts. We recognize central reservation systems are no longer the sole pathway for tracking this data. We urge the County and resorts to engage a consultant to create a uniform data collection and reporting method that is cost-effective for resorts, does not shift the burden of counting to taxpayers, and delivers timely data that will provide a picture of how resorts are complying.

Deschutes County should not enact the provision stating that this or any resort can simply “opt out” of building overnight lodging units by paying a fee.

Oregon destination resorts are meant to encourage **visitor-serving facilities** for the purpose of economic development and recreation. Because it's more profitable to build housing than overnight units, it's important for local government to do its job in assuring that resorts are abiding by this statutory mandate.

New building at Eagle Crest should conform with existing county and state resort statute. It should focus on verifiable, visitor-serving units that move the resort into compliance with the 2.5:1 required ratio. This is only fair to other new resorts that are building overnights.