





LAND USE RESTRICTION

(6/1/92)....

THIS GRANT OF DEED RESTRICTIONS is made this the day of une, 1992 by KMB Enterprises, an Oregon partnership, (Grantor), in favor of Deschutes County, a political subdivision of the State of Oregon, and any member of the public whose interest in real property is or may be affected by violation of these restrictions.

WHEREAS, Grantor is the sole owner of certain property in Deschutes County, including land platted in the Rim at Aspen Lakes subdivision, recorded on March 19, 1990 in Plat Cabinet C, Page 388 of Deschutes County Records, which plat constitutes a portion of a residential cluster development approved under conditional use permit No. 89-070, covering approximately 1084 acres formerly platted as the Wild Horse Plains subdivision and the Wild Horse Meadows subdivision; and

WHEREAS the plat of the Rim at Aspen Lakes shows two tracts, Tract A and Tract B, which pursuant to the approval process for said plat are required to remain in open space pursuant to County ordinances; and

WHEREAS said approvals require that Tracts A and B be bound by restrictive covenants to ensure that said tracts remain in open space in perpetuity;

NOW THEREFORE, Grantor hereby agrees to place, and Deschutes County agrees to accept, restrictive covenants, as set forth herein, on Tract A and on Tract B, as described on the plat known as The Rim at Aspen Lakes, referred to above. Said Tracts A and B (hereafter collectively known as the Property, except where referred to as individual tracts) are shown on Exhibit A, attached hereto and made a part hereof.

1. <u>Purpose</u>. The purpose of the deed restrictions contained herein is to assure that the Property is maintained as open space in a manner consistent with the requirements of the Deschutes County zoning ordinance and land use decisions made thereunder with respect to the Rim at Aspen Lakes subdivision.

2. <u>General Restriction</u>. Any activity on or use of the Property not explicitly provided for herein is prohibited, unless the area is brought within an urban growth boundary.

3. <u>Restrictions on Tract A</u>. Grantor agrees with respect to Tract A to the following deed restrictions. These restrictions shall burden Tract A, shall be perpetual, and shall run with Tract A.

3.1. Subject to the limitations set forth herein, Grantor may use Tract A for recreational purposes, for placement of the community water system serving The Rim at Aspen Lakes, and generally for preservation of open space values.

3.2. Grantor shall not place, use, erect, or maintain any structure of any kind on Tract A, including house trailers or mobile homes, except for fences and corrals and similar non-structural agricultural improvements, except for irrigation equipment, and except for placement of a community water system serving The Rim at Aspen Lakes subdivision as further detailed under paragraph 3.7.

3.3. Grantor shall not locate tents, travel trailers or camping facilities of any kind upon Tract A.

3.4. Grantor shall not install aboveground utilities or lines upon Tract A.

3.5. Grantor shall not materially alter the general topography or land surface, including excavation, road construction, quarrying or removal of rocks, sand, gravel, or oil, except as necessary for the construction of portions of a golf course. Nothing contained in this paragraph shall be construed as a waiver of any site plan approval required for any golf course that might be proposed for Tract A or as a waiver or relaxation of any site plan standards applicable to consideration of a golf course for this Tract A. Any portions of a golf course proposed for Tract A shall maximize compatibility with the natural landscape and any site plan submitted for portions of a golf course on Tract A shall be reviewed in that light.

3.6. Grantor shall not dump trash, debris, garbage or other unsightly or offensive material on Tract A.

3.7. Grantor and the Rim at Aspen Lakes Home Owner's Association or any assignee of either shall be permitted to construct, repair and maintain a community water system as approved by the County in SP 90-100. Grantor retains the right to perform ordinary maintenance on any such system, together with the right to replace, rebuild, or substitute any

such structures or equipment now existing or permitted with a similar structure or similar equipment in substantially the same location. Any such replacement, rebuilding, or substitution of any structures or equipment associated with said community water system may be undertaken only after obtaining site plan approval from the County.

4. <u>Restrictions on Tract B</u>. Grantor agrees with respect to Tract B to the following deed restrictions. These restrictions as set forth herein shall burden Tract B, shall be perpetual, and shall run with Tract B.

4.1. With respect to that portion of Tract B that lies to the west of Squaw Creek (referred to as wildlife area) the following deed restrictions shall burden the land:

4.1.1. Subject to the limitations set forth herein, Grantors may use the wildlife area for preservation of wildlife habitat and passive recreational activities, such as hiking, horseback riding or wildlife observation.

4.1.2. Grantor shall not place, use, erect, or maintain any structure of any kind, including house trailers or mobile homes, upon the wildlife area.

4.1.3. Grantor shall not locate tents, travel trailers or camping facilities of any kind upon the wildlife area.

4.1.4. Grantor shall not install aboveground utilities or lines upon the wildlife area.

4.1.5. Grantor shall not materially alter the general topography or land surface, including excavation, road construction, quarrying or removal of rocks, sand, gravel, or oil, except such trails as may be constructed in a manner consistent with preservation of wildlife habitat values.

4.1.6. Grantor shall not dump trash, debris, garbage or other unsightly or offensive material upon the wildlife area.

4.1.7. Grantor shall not operate or permit to be operated any motorized vehicles, except for emergency vehicles upon the wildlife area.

4.2. With respect to all that portion of Tract B lying to the east of Squaw Creek, excluding that portion adjacent to Camp Polk Road described in Paragraph 4.3 (hereinafter referred to as flood plain area) the following deed

restrictions shall burden the land. These restrictions shall burden the flood plain area, shall be perpetual, and shall run with the flood plain area.

4.2.1. Subject to the limitations set forth herein, Grantor may use the flood plain area for agricultural purposes (including grazing), wildlife habitat, and passive recreational activities, such as hiking, horseback riding, or wildlife observation.

4.2.2. Grantor shall not place, use, erect, or maintain any structure of any kind on the floodplain area, including house trailers or mobile homes, except for fences, corrals, watering troughs, feed bins and similar non-structural agricultural improvements, and except for irrigation equipment as further specified in paragraph 4.2.7.

4.2.3. Grantor shall not locate tents, travel trailers or camping facilities of any kind upon the flood plain area.

4.2.4. Grantor shall not install aboveground utilities or lines upon the flood plain area.

4.2.5. Grantor shall not materially alter the general topography or land surface, including excavation, road construction, quarrying or removal of rocks, sand, gravel, or oil, except for a small pond for livestock watering and irrigation purposes and except as may specifically be provided for under Paragraph 4.2.7. of these restrictions. However, this provision shall not prevent such activities for the purpose of flood restoration, fire restoration or erosion control if carried out under required federal, state or local permits.

4.2.6. Grantor shall not dump trash, debris, garbage or other unsightly or offensive material upon the flood plain area.

4.2.7. Grantor shall be permitted to construct, repair and maintain an irrigation system, including pumping facilities and other irrigation equipment of a nature customarily provided in conjunction with agricultural use.

4.3. With respect to all that portion of Tract B described as follows:

An 11.57 acre parcel being a portion of Tract B in the plat of THE RIM AT ASPEN LAKES

located in Section 35 in Township 14 South and Range 10 East of the Willamette Meridian in Deschutes County, Oregon, shown on the attached Exhibit A, and being fully described as follows:

Commencing at the southwest corner of the northwest guarter of said Section 35; thence North 00°37'12" West 1239.29 feet along the west line of said Section 35 to the point of beginning; thence North 00°37'12" West 562.99 feet to a %" iron rod on the southerly rightof-way of Camp Polk Road; thence leaving said west line 669.80 feet along the arc of a 686.20 foot radius curve right (the long chord of which bears South 67°20'40" East 643.52 feet) to a %" iron rod; thence South 39°22'45" East 115.89 feet to a %" iron rod; thence 174.30 feet along the arc of an 895.40 foot radius curve left (the long chord of which bears South 44°57'27" East 174.03 feet) to a %" iron rod; thence South 50°32'03" East 446.11 feet to a %" iron rod at the northerly most corner of Tract C in said plat; thence leaving said southerly right-of-way South 39°37'38" West 20.00 feet to a %" iron rod and the northerly most corner of Lot 19 in said plat; thence South 40°03'12" West 309.81 feet to a %" iron rod at the westerly most corner of said Lot; thence leaving said Lot, South 40°03′06" West 55.21 feet; thence North 25°14′31" West 253.89 feet; thence North 63°26′06" West 281.97 feet; thence North 67°11′44" West 140.46 feet; thence North 49°23′49" West 74.43 feet; thence North 87°01'34" West 335.01 feet to the point of beginning.

(hereafter stable area) the following deed restrictions shall burden the land. These restrictions shall burden the stable area, shall be perpetual, and shall run with the stable area.

4.3.1. Subject to the limitations set forth herein, Grantor may, if it so chooses, use the stable area for a horse stable and recreational activities related thereto, the purpose of which shall be in part to serve the residents of the residential cluster development approved under County Conditional Use Permit No. 89-070, and collectively platted or to be platted as the Rim at Aspen Lakes subdivision and the Golf Course Estates at Aspen Lakes subdivision (hereafter referred to as residents) and their guests.

4.3.2. Any stable facility shall be operated to benefit only Grantor and residents of the associated cluster development and their guests. Any stable facility shall stable only horses owned by the Grantor or Grantor's agent and, subject to the limitations set forth herein, by the residents of the development. Boarding or stabling of other horses is prohibited. Residents of the development shall be entitled to the use of a maximum of 25% of the stalls for boarding of resident-owned horses under such other conditions as Grantor may reasonably prescribe. Horse shows may be conducted only insofar as they do not adversely affect the neighbors or public safety, giving consideration to traffic, parking, noise and safety of travel along Camp Polk Road. Horseshows shall not involve the use of loudspeakers. Breeding of horses shall be allowed but shall be limited to those horses that are boarded at the stable facility or grazed on the Property. No breeding of horses outside the stable facility shall be allowed.

Grantor may use the stable area to support agricultural uses on the flood plain area only insofar as such agricultural uses are necessary to support an ongoing recreational horse stable operation. Grantor is specifically restricted from using the stable area to support general agricultural uses on the flood plain area, such as hay or livestock production, except as such haying operation is directly and completely related to supporting the forage needs of an ongoing recreational horse stable operation. All use of the stable area to support agricultural uses, including storage of equipment, shall cease if the stable area ceases (except for ordinary seasonal shutdowns) to be used for the purposes specified herein.

4.3.3. Grantor shall not place, use, erect, or maintain any structure of any kind, except for a stable facility (including horse barn, corral, associated feed and watering equipment, and associated storage for forage and farm equipment, subject to the limitations set forth in paragraph 4.3.8).

4.3.4. Grantor shall not locate tents, travel trailers or camping facilities of any kind upon the stable area.

4.3.5. Grantor shall not install aboveground utilities or lines upon the stable area.

4.3.6. Grantor shall not materially alter the general topography or land surface, including excavation, road construction, guarrying or removal of rocks, sand,

6 - LAND USE RESTRICTION - RIM AT ASPEN LAKES

ž

gravel, or oil, except as may be necessary to construct the stable referred to herein and related parking areas.

4.3.7. Grantor shall not dump trash, debris, garbage or other unsightly or offensive material upon the stable area.

4.3.8. Any stable built by Grantor or its assigns shall be limited in scale and scope to that necessary to serve the residents. The stable facility may allow for feed storage, not to exceed 50 tons of hay. The stable facility may have sufficient storage area to allow for storage of such farm equipment as is necessary to provide for the forage needs of the horses stabled at the recreational horse facility. Any stable built on the stable area shall maximize compatibility with the natural landscape.

4.3.9. Grantor shall place signs on the stable area only as allowed under this section. One sign may be allowed, not to exceed 20 square feet, for the purpose of identifying the facility and not for advertising what activities take place on the premises. Such sign may either be mounted on the wall of the stables or on a fence and may not be illuminated. Owner shall, subject to these limitations, be required to apply for a sign permit as part of site plan review for the horse stable facility. This provision shall not limit signs required for emergency identification.

4.3.10. Unless and until a stable facility is built, the stable area shall be subject to the deed restrictions set forth under Paragraph 4.2 herein.

4.3.11. If Grantor or its assignees decides to construct the stable, Grantor shall apply for site plan approval from the County. The restrictions contained herein, as a part of the Conditional Use Permit No. 89-070 approval, shall be applicable to site plan approval. Nothing contained in this paragraph shall be construed as a waiver or relaxation of any site plan standards applicable under the Deschutes County Zoning Ordinance to consideration of a stable for the stable area.

4.3.12. Any lighting placed within the stable area shall be limited to that necessary to reasonably conduct ongoing stable operations and any such lighting shall be shielded so as not to be directly visible from adjacent property. Lighting standards shall otherwise be subject to site plan review.

4.4. The deed restrictions burdening Tract B shall be cumulative and in addition to any restrictions, obligations and responsibilities imposed upon Grantors by virtue of that certain conservation easement covering a portion of Tract B granted by Grantors to Deschutes County and recorded in Book 209, Page 1935, Deschutes County Records.

4.5. No portion of Tract B shall be conveyed separately from any other portion of Tract B.

5. <u>Affirmative Obligations</u>. Grantor shall have the following affirmative obligations with respect to the Property:

5.1. Grantor shall manage the Property in conformance with prescriptions set forth in the Management Plan.

5.2. Grantor shall keep the Property free of garbage, trash, debris or other unsightly or offensive material.

5.3. Grantor shall retain all responsibilities and bear all costs and liabilities of any kind related to the ownership, operation, upkeep, and maintenance of the Property.

6. <u>Management Plan</u>. The activities and uses allowed herein shall be subject to a Management Plan for the Property approved by the County in consultation with the Oregon Department of Fish and Wildlife.

6.1. Said Management Plan may place limitations upon the extent to which activities and uses otherwise allowed herein may be engaged in on the Property. Where the Management Plan is more restrictive than the restrictions contained herein, the Management Plan shall control. Restrictions and obligations set forth in the management plan shall be deemed to be fully stated herein and are to be enforceable as if fully stated herein.

6.2. Said Management Plan may place affirmative duties upon the Grantor. Affirmative duties set forth in the management plan shall be deemed to be fully stated herein and are to be enforceable as if fully stated herein.

6.3. A copy of the Management Plan shall be recorded in the Deschutes County Board of County Commissioner's Journal. A memorandum referring to said management plan shall be recorded in the Deschutes County deed records.

6.4. The Management Plan may be revised to reflect changed natural conditions, such as due to flood or drought, to reflect new management techniques or to reflect changes amongst the uses allowed under this restriction.

7. <u>Remedies for Violation</u>. The restrictions set forth herein are enforceable by Deschutes County and, pursuant to ORS 215.185 (1991 Oregon Revised Statutes) or any similar state statute, by any member of the public whose interest in real property is or may be affected by a violation of these restrictions (hereafter "Interested Party"). If Deschutes County or any Interested Party determines that Owners are in violation of the terms of this restriction or that such a violation is threatened, then Deschutes County and/or Interested Party shall give written notice to Grantor of such violation and demand corrective action to cure the violation and, where the violation involves injury to the Property resulting from any use or activity inconsistent with the purpose of this restriction, to restore the portion of the Property so injured. If Grantor fails to cure the violation within thirty (30) days after receipt of notice thereof from Deschutes County, or under circumstances where the violation cannot reasonably be cured with a thirty (30) day period, fails to begin curing such violation within the thirty (30) day period, or fails to continue diligently to cure such violation until finally cured, Deschutes County and/or Interested Parties may bring an action at law or in equity in a court of competent jurisdiction to enforce the terms of this restriction, to enjoin the violation, ex parte as necessary, by temporary or permanent injunction, and to abate any condition created on the Property in violation of this restriction.

7.1. Enforcement of the terms of this Restriction shall be at the discretion of Deschutes County and/or Interested Parties, and any forbearance by Deschutes County and/or Interested Parties to exercise its rights under this Restriction in the event of the violation of any terms of this Restriction shall not be deemed or construed to be a waiver by Deschutes County and/or Interested Parties of such terms or any subsequent breach of the same or any other term of this Restriction. No delay or omission by Deschutes County and/or Interested Parties in the exercise of any right or remedy upon any breach by Grantor wall impair such right or remedy or be construed as a waiver.

7.2. Deschutes County shall have the right, in connection with enforcement of these Restrictions, to enter upon the Property at reasonable times in order to monitor Grantor's compliance with and otherwise enforce the terms of this Restriction; provided that such entry shall be upon prior reasonable notice to Grantor and Deschutes County shall not unreasonably interfere with Grantor's use and quiet enjoyment of the Property.

7.3. Enforcement actions under this Restriction may be taken only against an Owner having fee title to the Property, any person having a possessory right under an Owner, and any agent, operator or contractor acting under the authority of such Owner or holder of such possessory rights.

7.4. In addition to the remedies set forth under Paragraph 7 above, Deschutes County and/or any Interested Parties may treat any violation of this Restriction as a nuisance under current § 18.144.040 of the Deschutes County Code (or any comparable successor provision of the Deschutes County Code) and a violation under current § 18.144.050 (or any comparable successor provision of the Deschutes County Code).

8. <u>Recordation</u>. Grantor shall record this instrument and any addendum, memorandum or agreement contemplated herein in a timely fashion in the official records of Deschutes County, Oregon.

9. <u>Mortgage Subordination</u>. Grantor agrees to secure a subordination agreement from J.C. Compton Company of that certain trust deed recorded in Book 187, Page 2702 of the Deschutes County Deed Records and any other similar encumbrance of record subjecting and subordinating said interests, and any rights and remedies arising therefrom at all times to the rights of Deschutes County and/or any Interested Parties to enforce the provisions of this Restriction. Grantor specifically agrees that any subordination agreement entered into pursuant to this paragraph shall provide that this Restriction shall not be extinguished in the event that any Mortgagee whose interest is subject to subordination takes title by foreclosure or otherwise.

10. <u>Assignment</u>. Deschutes County may assign any right or interest it may have in this Restriction only upon consent of the Grantor.

11. <u>Subsequent Transfers</u>. Grantors agree to incorporate the terms of this Restriction in any deed or legal instrument by which they divest themselves of any interest in all or a portion of the Property, including, without limitation, a leasehold interest. The failure of Grantor to perform any act required by the paragraph shall not impair the validity of this Restriction or limit its enforceability in any way.

12. Extinguishment. Except as provided for in Paragraph 13, the restrictions contained herein shall be extinguished only in the event that Grantor chooses to abandon the land use approval, of which this Restriction is a condition. No abandonment can be deemed to occur once Grantor has sold any of the lots described in plat known as The Rim as Aspen Lakes.

13. <u>Modification</u>. In the event that the Property is brought within an urban growth boundary, Grantor or its successors in interest may seek from the County a modification of these restrictions to allow for development of the Property.

14. General Provisions.

12.

14.1 <u>Controlling Law</u>. The interpretation and performance of this Restriction shall be governed by the laws of the State of Oregon.

14.2. <u>Liberal Construction</u>. Any general rule of construction shall be liberally construed in favor of Deschutes County to effect the purposes of this Restriction and the policies and purpose of § 18.128.040(P)(b) (as codified in December 1991) of the Deschutes County Code.

14.3. <u>Severability</u>. If any provision of this Restriction, or the application thereof to any person or circumstance, is found to be invalid, the remainder of the provisions of this Restriction, or the application of such provisions to persons or circumstances other than those as to which it is found to be invalid, as the case may be, shall not be affected thereby.

14.4. <u>Entire Agreement</u>. This instrument and the Management Plan referred to in Paragraph 5 above set forth the entire terms of the Restriction burdening the Property and supersedes all prior discussions, negotiations, understandings, or agreements relating to the Property.

14.5 <u>Successors</u>. The covenants, terms, conditions, and restrictions of this Restriction shall be binding upon, and inure to the benefit of, the parties hereto and their respective personal representatives, heirs, successors, and assigns, and all who take through them, whether by voluntary or involuntary transfer, and shall continue as a servitude running in perpetuity with the Property.

14.6 <u>Termination of Rights and Obligations</u>. Grantor's rights and obligations under this Restriction terminate upon transfer of Grantor's entire interest in the Property, except that liability for acts or omissions occurring prior to transfer shall survive transfer. The rights and obligations of any party having a right of possession to the Property shall be extinguished upon going out of possession of the Property, except that liability for acts or omissions occurring prior to the transfer.

TO HAVE AND TO HOLD unto Deschutes County, its successors, and assigns forever.

IN WITNESS WHEREOF Owner and Deschutes County have set their hands on the day and year first above written.

DATED this $\underline{\gamma'}$ day of $\underline{\gamma'}$, 1992. KMB Enterprises, an Oregon Partnership

KEITH CYRUS, Managing Partner

STATE OF OREGON ss. County of Deschutes)

I certify that I know or have satisfactory evidence that managing partner of _____, an Oregon general partnership, is the person who appeared before me, and said person acknowledged that he signed this instrument on behalf of the partnership, acknowledged that he signed this instrument on voluntary act of the partnership for the uses and purposes mentioned in this instrument, and on oath stated that he was authorized to execute this instrument on this _____ day of , 1992.

Notary Public for Oregon My Commission Expires: DATED this 24th day of June, 1992. BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON THROOP / Commissioner SCHLANGEN, COMMISS ATTEST: MAUDLIN, Chairman

Recording Secretary

STATE OF OREGON ss. County of Deschutes

Before me, a Notary Public, personally appeared TOM THROOP, NANCY POPE SCHLANGEN and DICK MAUDLIN, the above-named Board of County Commissioners of Deschutes County, Oregon and acknowledged the foregoing instrument on behalf of Deschutes County, Oregon.

DATED this 24th day of June, 1992. and rea of June Notary Public for Oregon My Commission Expires: 10-9-92

contra\restr.cyr



12.14
12.14
12.14
14.15
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
14.14
<th

00-10-0-

~

House Bill could boost Aspen Lakes - Nugget Newspaper - Sist... Page 1 of 4



House Bill could boost Aspen Lakes - Nugget Newspaper - Sist... Page 2 of 4

Oregon.com

AdChoices [D

Black Butte Ranch Cabin www.blackbutteho... Central Oregon Golf, Swim, Tennis, Ski, Bike, Hike, Horses-Family Fun

Lodging in

Salem Oregon bestwestern.com/... Best Western Motel Internet Only Rate -Save morel

Bend Oregon Buyer's Agent www.BendHomeB... Accredited Pure Home Buyer's Broker Thom Gardner- Bend Home Buyers ONLY

<u>Experian®</u>

Credit Report www.FreeCreditR... A Good Credit Score = 700 or Above. Do You Know Yours? Get it for \$0!

AdChoices [D

Search Rent To Own Homes HiddenListings.co... As Low As \$305/mo - Search Listings Fast Access - Bad Credit Accepted.

Bend Oregon Retirement www.whisperingwi.... Retire in style and luxury 2 Bed, 1 Bed, & Studio Apt Homes

Black Butte Ranch Cabin www.blackbutteho... Central Oregon Golf, Swim, Tennis, Ski, Bike, Hike, Horses-Family Fun

Buy Oregon Mountain Land www.BillyLand.co... County Road Access, No backtaxes. 2 acres, 365day exchange policy. smaller than 320 acres and fewer than 240 units, disallowed golf courses and required \$1.5 million in off-site environmental improvements.

"With this bill, none of that happens," Dewey told The Nugget.

How the use of the TDOs would work in practice is not clear. They do not carry a cash value.

"They (Metolian investors) would be paid for their credits," Cyrus said. "(The value) is whatever we agree to."

Shane Lundgren of Camp Sherman, a partner with the development group Dutch Pacific in the Metolian proposal, told The Nugget that he is merely an observer as the bill hits the legislature.

"It's really the legislature and Matt's deal," he said. "I'm not involved. I don't know if that's where the TDOs would end up, but it's an option."

Lundgren said there have been no discussions of any financial transaction.

"I've had no financial discussions with anybody," he said. "I'm just watching the Aspen Lakes thing. It'll be a miracle if it goes through, but if it does, we can talk."

Further development in the area of Aspen Lakes has been a focus of controversy for years.

The introduction of HB 3536 brought an immediate response. Central Oregon Landwatch issued an "urgent action alert," which circulated via email among neighbors of Aspen Lakes.

The alert argued that the proposed legislation "would harm the hundreds of people who live and who have invested in the area and who would be negatively affected by all the new development."

Landwatch also protested the use of special-interest legislation: "Granting special privileges to individuals like this undermines our land-use system, local county control and the legislative process."

Dewey cried foul at the late-session introduction of the bill.

"This is no accident," he said. "They're doing this last-minute end run to avoid a meaningful public process," he said.

Cyrus counters that any development would still have to go through the master planning process at the county level, allowing opportunities for public input.

And, he says, the legislature has already established precedence for intervening and overruling local control.

"The TDOs were created through the Metolius legislation," he said. "In itself, it's been a carve-out or a set-out for state intervention in the land-use process."

Cyrus and his sister, Pam Mitchell, say that there is substantial, albeit quiet, support for the family's plans, which they believe will be an important stimulus for the Sisters Country economy, not only from the development





itself, but from increased tourism to the area.

"I think there's a lot of people who recognize that what we've done so far is quality and good for the community," Mitchell said.

Kathy Deggendorfer, a neighbor of Aspen Lakes, doesn't dispute that.

"They've done a beautiful job managing all that land," she said. And, she noted, "They've been very philanthropic with how they've managed their (golf) course."

However, she is strongly opposed to the proposed legislation, which opens up agricultural lands for development.

"I just think it's gross overdevelopment of the area," she said. "And I really don't like legislation written for a single user."

Matt Cyrus argues that the area will be developed one way or another, and this proposal is at a much lower density than what would be allowed if it develops as a destination resort.

Dewey disagrees with that assessment and, in any case, believes the argument should be tested through the land-use process, not through "one-off" legislation.

"Everybody else is going through the normal land-use process for destination resorts, why shouldn't they?" he said. "If they think they should get more, they should try."

Maximizing the development is not the issue for Matt Cyrus. He told The Nugget that the bill was crafted with "something for everybody," including mitigation for any impacts the development might have. That, he argues, is more than another developer might do.

"That property can be developed as a resort," he said. "If we don't develop it, I'm confident that somebody with a lot more money will."

A public hearing on the bill is scheduled for 3 p.m. on June 5 at Hearing Room HR F in the state capitol.

The full text of the bill can be viewed through a link with The Nugget's online version of this story at www.nuggetnews.com.

rs Country Medi

Related Links: • HB3536

HB 3536: Summary of Testimony of Paul Lipscomb in Opposition to the Bill

Mr. Chairman, and members of the Rules Committee, my name is Paul Lipscomb and our home is located just outside Sisters Oregon at 16991 Bartlemay Lane. Our property is quite literally surrounded by the various Cyrus family properties proposed for this development, and we oppose this bill.

My wife, Donna, and I purchased our 20 acre home site in 2004. After retiring from the Marion County Circuit Court in 2008, we built our retirement home on this parcel, moving onto our property 2010. In the course of choosing our retirement home site, I personally researched the surrounding zoning to insure that there were no danger signs on the development horizon. I knew that we were about to make the most significant financial commitment of our lives. Then, as now, everything in the immediate vicinity of our property was in an EFU agricultural zone.

Because I had been involved in real estate law as part of my legal practice in Salem, and because I had spent several years as a part time zoning hearings officer for both the City of Salem and the City of Keizer, I was also familiar with the protections for irrigated farm lands provided for by Oregon's land use statutes and by the LCDC Goals and Guidelines. Accordingly, we felt that our investment in our Sisters' property would be a wise and permanent one.

HB 3536 came along last week as a surprise, but, candidly, not really as a shock. There have been other increasingly bold attempts by the Cyrus family over the past few years to avoid the applicable county zoning and state land use laws that apply to all of the rest of us living in Deschutes County, and in Oregon. HB 3536 is just the most recent attempt, and, if past is prologue, it probably won't be the last. But HB 3536 is certainly the boldest and broadest to date. None of their prior legislative proposals have succeeded, and this one should not either.

HB 3536 not only seeks to insulate all of the Cyrus family properties from the effects of all of Deschutes County's zoning laws, but also from all Oregon state land use statutes, as well as the Oregon LCDC Goals and Guidelines. It also seeks to allow all current owners and any future developers of these Cyrus family properties to freely trade any of their in-stream water rights for groundwater rights without restriction as to priority or amount, and without regard to our precarious local water table. This is, without exaggeration, a serious risk to all of the water users in the Sisters area and one which deserves careful scrutiny before we even consider proceeding with any development with such potential impacts on a shared and finite water resource.

Even more boldly, HB 3536 would remove all discretionary decision making authority by the elected Deschutes County Commissioners; provided only that the application for approval of a master plan, or any proposed modification of that master plan "demonstrates its intention to substantially comply" with HB 3536. And HB 3536 is then specifically declared to be "the only standards and criteria for approval or amendment of the master plan and applications for associated land divisions and development permits." With this broad language, I submit, HB 3536 would wipe away all remaining vestiges of local control by the elected officials of Deschutes County and their constituents.

I have prepared four exhibits to assist the members of the Rules Committee in appreciating the full scope of this proposal. The first is a satellite image obtained from Google Maps showing the location of the irrigated farm lands captured by this proposal, as well as the surrounding land uses. The second is a copy of the applicable portion of the current Deschutes County zoning map showing that nearly all of these lands are located within an existing Exclusive Farm Use zone. The third exhibit is a copy of the recorded document granting to Deschutes County, and to its residents, a permanent conservation easement over the very same properties that the Cyrus family now offers to donate to a conservation organization of their own choosing in return for this body's approval of HB 3536. The fourth is a copy of an article in today's Nugget, our local Sisters weekly newspaper, quoting even the developer's spokesman, Shane Lundgren, as backing away from the Cyrus family's HB 3536 proposal: "It's really the legislature and Matt's deal. . . . I've had no financial discussions with anybody I'm just watching the Aspen Lakes thing. It'll be a miracle if it goes through, but if it does, we can talk."

Many people in our community, and indeed even many of our most directly affected neighbors, are just today learning about this latest Cyrus family proposal for the very first time. And they are not learning about it through the normal, orderly, and legally required land use proposal notification process, but rather by reading our local weekly newspaper which just came out this very day; the same date of this hearing.

These Oregonians deserve to know that their questions and concerns will be seriously heard and evaluated whenever a local proposal of this magnitude and severity is being considered within their own local community. Likewise, our locally elected County Commissioners need to be directly involved and supported in their efforts to responsibly evaluate and address local issues with citizen involvement. HB 3536 seeks to execute an end run around all applicable laws, rules, regulations and procedures set in place to protect Oregon's land and its people. I submit that this proposal does not justify such an extraordinary exception from the ordinary course of Oregon's normal government procedures.

In short, this proposed action represents neither responsible development nor good stewardship of the extraordinary resources entrusted to us as Oregonians. Central Oregon

already has quite a few failed or struggling destination resorts with mostly unsold lots. We simply don't need yet another.

Thank you for the opportunity to appear before this committee to share some of our concerns about HB 3536 and to express our very strong opposition to this bill.

Paul Lipscomb