

This attachment is Amendment #1 to the Master Declaration (Declaration of Covenants, Conditions and Restrictions for Rock Creek Village, April 18, 2006). Rock Creek Village is one portion of the Villages at Cascade Head Master Planned Community. Amendment #1, called "First Amendment to Declaration of Covenants, Conditions and Restrictions for Rock Creek Village," went into effect May 2011, and it pertains to the Maplewood Subdivision/PUD. When the Fernwood Subdivision/PUD is constructed, Amendment #2 would be created in a similar fashion to the attached Amendment #1.

Fernwood is a 6.5-Acre portion of a City-owned 363-Acre property purchased in 2013 that makes up the most of the undeveloped Villages at Cascade Head Master Planned Community (450 Acres). Both Fernwood and the developed Maplewood Subdivisions/PUDs are part of the Rock Creek Village.

136

RECORDING REQUESTED BY, AND
AFTER RECORDING RETURN TO:

Tonkon Torp LLP
1600 Pioneer Tower
888 SW Fifth Avenue
Portland, OR 97204
Attn: David J. Petersen

Recorded by First American
Title Insurance Co.
Order # 14 08891

Lincoln County, Oregon
06/30/2009 11:42:12 AM
DOC-AM/DECLAR Cnt=1 Pgs=23 Stn=2 LELY
\$115.00 \$11.00 \$10.00 - Total =\$136.00

2009-07681



00012876200900076810230235

I, Dana W. Jenkins, County Clerk, do hereby certify
that the within instrument was recorded in the Lincoln
County Book of Records on the above date and time.
WITNESS my hand and seal of said office affixed.

Dana W. Jenkins, Lincoln County Clerk



**FIRST AMENDMENT TO DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS FOR
ROCK CREEK VILLAGE**

TABLE OF CONTENTS

ARTICLE 1 NATURE OF THIS AMENDMENT 1

 1.1 Amendment. 1

 1.2 Purpose of Amendment..... 1

 (a) Supplemental CC&Rs for Maplewood Subdivision. 1

 (b) Amendment of Article 10. 1

 (c) Annexation of Additional Property. 1

 1.3 Compliance with Master Declaration. 1

 (a) Approval by Association. 2

 (b) Approval by VCHERC and City..... 2

ARTICLE 2 DEFINITIONS 2

 2.1 "Additional Property" 2

 2.2 "Maplewood" 2

 2.3 "Maplewood Conditions of Approval" 2

 2.4 "Master Declaration" 2

 2.5 "Special Expenditures" 2

ARTICLE 3 SUPPLEMENTAL CC&RS FOR MAPLEWOOD 2

 3.1 Prohibited Structures..... 2

 3.2 Maintenance of Structures and Landscaping. 3

 3.3 Parking. 3

ARTICLE 4 ASSESSMENTS 3

 4.1 Special Assessments. 3

 4.2 Special Assessment for Maplewood..... 3

ARTICLE 5 ANNEXATION OF ADDITIONAL PROPERTY 3

 5.1 Annexation. 3

 5.2 City Approval. 3

ARTICLE 6 MISCELLANEOUS PROVISIONS 4

 6.1 Nonwaiver. 4

 6.2 Construction; Severability..... 4

 6.3 Number..... 4

 6.4 Captions. 4

 6.5 Conditions of Approval..... 4

**FIRST AMENDMENT TO DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
ROCK CREEK VILLAGE**

THIS FIRST AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR ROCK CREEK VILLAGE (this "Amendment") is made this 13th day of May, 2009, by Teeny Development, LLC, an Oregon limited liability company, and Lincoln Highlands Limited Partnership, an Oregon limited partnership (together, "Declarants").

ARTICLE 1

NATURE OF THIS AMENDMENT

1.1 Amendment. This Amendment amends that certain Declaration of Covenants, Conditions and Restrictions for Rock Creek Village dated April 18, 2006 and recorded in the real property records of Lincoln County, Oregon on April 18, 2006 as Document No. 200605885 (the "Master Declaration"), which applies to the real property described in Exhibit A hereto ("Rock Creek Village"). This Amendment is made pursuant to Sections 12.1 and 12.2 of the Master Declaration.

1.2 Purpose of Amendment. This Amendment has been made and recorded to accomplish the following:

(a) Supplemental CC&Rs for Maplewood Subdivision. Declarants desire to adopt supplemental covenants, conditions and restrictions ("CC&Rs") that apply only to a portion of Rock Creek Village known as Maplewood. The real property that constitutes Maplewood is described in Exhibit B hereto. The supplemental CC&Rs for Maplewood shall be in addition to, and not in replacement of, the Master Declaration, except as expressly set forth herein. In the event of any conflict between the terms of the Master Declaration and this Amendment, the terms of this Amendment shall control.

(b) Amendment of Article 10. Declarants desire to amend Article 10 of the Master Declaration to permit assessment of certain costs and expenses to less than all Lots and Living Units within the Project, when the expenditures for which such assessments are made benefit less than all of the property within the Project. Declarants further desire to impose an additional assessment for Maplewood.

(c) Annexation of Additional Property. Declarants desire to annex additional property to the Project. The additional property is described in Exhibit C hereto.

1.3 Compliance with Master Declaration. This Amendment complies with Section 12.1 of the Master Declaration as follows:

(a) Approval by Association. Section 12.1(a) of the Master Declaration requires that this Amendment be approved by the vote or written consent of Owners holding not less than 75% of the Class A votes, together with the vote or written consent of all existing Class B members of the Association. There are no Class A members of the Association, and the Declarants are the only Class B members of the Association. Consequently, as required by Section 12.1(a) the President of the Association has executed this Amendment to certify compliance with Section 12.1(a) of the Master Declaration.

(b) Approval by VCHERC and City. This Amendment has been approved by VCHERC and the City as a "major amendment" pursuant to Section 12.1(b) of the Master Declaration. A copy of VCHERC's approval is attached hereto as Exhibit D. A copy of the final order of the City Planning Commission approving this Amendment is attached hereto as Exhibit E.

ARTICLE 2

DEFINITIONS

As used in this Amendment, all capitalized terms shall have the meaning set forth in the Master Declaration, except that the terms set forth below shall have the following meanings:

2.1 "Additional Property" means the real property annexed to the Project by this Amendment and described in Exhibit C hereto.

2.2 "Maplewood" means the real property described in Exhibit B hereto.

2.3 "Maplewood Conditions of Approval" means the Conditions of Approval for Maplewood, as set forth in City Planning Commission Final Order No. 06-13.

2.4 "Master Declaration" has the meaning given in Section 1.1 of this Amendment.

2.5 "Special Expenditures" has the meaning given in Section 4.1 of this Amendment.

ARTICLE 3

SUPPLEMENTAL CC&RS FOR MAPLEWOOD

3.1 Prohibited Structures. Notwithstanding Section 6.1 of the Master Declaration, Owners of Lots within Maplewood shall not construct or maintain any Improvements on such Lots. The foregoing restriction shall prohibit, without limitation, Improvements such as garages, greenhouses, storage units, swimming pools, vehicle canopies, structures for storage of boats, camping trailers or recreational vehicles, and similar Improvements. Improvements constructed prior to the initial sale of a Lot by Declarants are not subject to this restriction.

3.2 Maintenance of Structures and Landscaping. Each Owner of a Lot or Living Unit within Maplewood shall maintain such Owner's Lot and Living Unit, and Improvements thereon, in a clean and attractive condition, in good repair and in such fashion as not to create a fire hazard.

3.3 Parking. Notwithstanding Section 6.7 of the Master Declaration, no parking of any kind is permitted in Maplewood or on any public streets adjacent thereto, excepting only: (a) areas within Maplewood specifically designated for such purposes by the Association; or (b) wholly within the confines of an enclosed garage on a Lot. The foregoing restriction applies, without limitation, to parking of cars, trucks, boats, motorcycles, campers, recreational vehicles, off-road vehicles, ATVs, and dune buggies.

ARTICLE 4

ASSESSMENTS

4.1 Special Assessments. In addition to all powers of assessment set forth in Article 10 of the Master Declaration, the Association shall have the power to impose special assessments on less than all of the Lots or Living Units within the Project, provided that with respect to each special assessment, the Association finds that the special assessment is designed to pay expenditures made by the Association that provide a benefit to the Lots and Living Units that are subject to the special assessment in greater proportion to the benefit from such expenditures enjoyed by the Project as a whole ("Special Expenditures"). Special assessments pursuant to this Section shall be incorporated into the budget prepared by the Association Board of Directors pursuant to Section 10.1 of the Master Declaration, and shall be subject to all provisions of the Master Declaration regarding payment, enforcement and collection of assessments generally.

4.2 Special Assessment for Maplewood. Commencing with the next annual budget for the Association following the initial sale of the first Lot or Living Unit within Maplewood, the budget shall include one or more separate line items for Special Expenditures incurred by the Association with respect to Maplewood. The Association thereafter shall assess a special assessment for such Special Expenditures against all Lots and Living Units in Maplewood as provided in Section 4.1 hereof.

ARTICLE 5

ANNEXATION OF ADDITIONAL PROPERTY

5.1 Annexation. Pursuant to Section 12.2 of the Master Declaration, the Additional Property hereby is annexed to the Project and to the Declaration.

5.2 City Approval. Approval of the annexation of the Additional Property by the City Planning Commission, as required by Section 12.2(a) of the Master Declaration, is set forth in Exhibit E hereto.

ARTICLE 6

MISCELLANEOUS PROVISIONS

6.1 Nonwaiver. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

6.2 Construction; Severability. This Amendment shall be liberally construed to accomplish its purposes. Nevertheless, each provision of this Amendment shall be deemed independent and severable, and the invalidity or partial invalidity of any provision shall not affect the validity or enforceability of the remaining part of that or any other provision.

6.3 Number. As used herein, the singular shall include the plural and the plural the singular, and any gender-specific reference shall each include the masculine, feminine and neuter, as the context requires.

6.4 Captions. All captions used herein are intended solely for convenience of reference and shall in no way limit any of the provisions of this Amendment.

6.5 Conditions of Approval. Anything to the contrary in this Amendment notwithstanding, no portion of Maplewood shall be used, operated or maintained in violation of the Maplewood Conditions of Approval. The Association shall have the right to enforce any violation of the Maplewood Conditions of Approval in the manner provided in Article 11 of the Master Declaration, and the City may (but shall not have the obligation to) enforce any violation of the Maplewood Conditions of Approval by any remedy available to it, at law or equity.

[signatures on following page]

IN WITNESS WHEREOF, Declarants have executed this Amendment as of the date first set forth above.

TEENY DEVELOPMENT, LLC, an Oregon limited liability company By: <u>[Signature]</u> Jeffrey W. Teeny Director By: <u>[Signature]</u> Scott McManus Director By: _____ George Teeny Director	LINCOLN HIGHLANDS LIMITED PARTNERSHIP, an Oregon limited partnership By: <u>[Signature]</u> Marjorie M. Boyd General Partner
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Pursuant to Section 1.3(a) hereof, the undersigned certifies that this Amendment has been approved in the manner required by the Declaration.

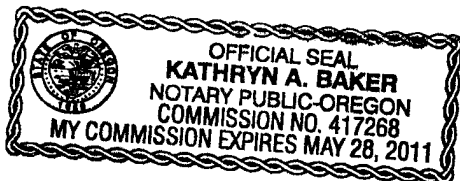
THE VILLAGES AT CASCADE HEAD HOMEOWNERS ASSOCIATION, INC.

By: [Signature]
Jeffrey W. Teeny
President

STATE OF OREGON)
County of Lincoln) ss.

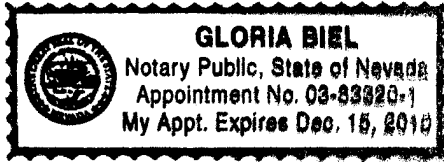
The foregoing instrument was acknowledged before me on this 9 day of June, 2009, by Jeffrey W. Teeny, Director of Teeny Development, LLC and President of The Villages at Cascade Head Homeowners Association, Inc.

[Signature]
Notary Public for Oregon
My Commission Expires: 28 May 2011



STATE OF NEVADA)
County of CLARK) ss.

The foregoing instrument was acknowledged before me on this 13th day of MAY, 2009, by Scott McManus, Director of Teeny Development, LLC.



Gloria Biel
Notary Public for Nevada
My Commission Expires: 12/15/10

STATE OF _____)
County of _____) ss.

The foregoing instrument was acknowledged before me on this ___ day of _____, 2009, by George Teeny, Director of Teeny Development, LLC.

Notary Public for Oregon
My Commission Expires: _____

STATE OF ~~HAWAII~~ OREGON)
County of hencol) ss.

The foregoing instrument was acknowledged before me on this 9 day of June, 2009, by Marjorie M. Boyd, General Partner of Lincoln Highlands Limited Partnership.



Kathryn A. Baker
Notary Public for Hawaii
My Commission Expires: 28 May 2011

STATE OF NEVADA)
) ss.
County of _____)

The foregoing instrument was acknowledged before me on this ___ day of _____, 2009, by Scott McManus, Director of Teeny Development, LLC.

Notary Public for Nevada
My Commission Expires: _____

STATE OF Washington)
) ss.
County of Clark)

The foregoing instrument was acknowledged before me on this 26th day of May, 2009, by George Teeny, Director of Teeny Development, LLC.

Joan M Ransier Joan M Ransier
Notary Public for ~~Oregon~~ Washington
My Commission Expires: September 26, 2009



STATE OF HAWAII)
) ss.
County of _____)

The foregoing instrument was acknowledged before me on this ___ day of _____, 2009, by Marjorie M. Boyd, General Partner of Lincoln Highlands Limited Partnership.

Notary Public for Hawaii
My Commission Expires: _____

EXHIBIT A

LEGAL DESCRIPTION OF ROCK CREEK VILLAGE

Real property in the County of Lincoln, State of Oregon, described as follows:

BEGINNING AT THE SOUTH QUARTER CORNER OF SECTION 35, TOWNSHIP 6 SOUTH, RANGE 11 WEST, WILLAMETTE MERIDIAN, POINT BEING MARKED BY A 1-INCH IRON ROD WITH A 3-1/4" BRASS CAP, THENCE NORTH 0°32'51" WEST, 2668.50' TO A 3-1/4" BRASS CAP MARKING THE CENTER OF SECTION 35, THENCE SOUTH 89°53'12" WEST 1785.10' TO A 5/8" IRON ROD MARKING THE SOUTHEAST CORNER OF THE PLAT OF SAL LA SEA, SAID POINT ALSO BEING ON THE EASTERLY RIGHT-OF-WAY LINE OF SAL LA SEA DRIVE, THENCE N31°13'21"E 744.61', THENCE 51.50' ALONG A 685.52' RADIUS CURVE RIGHT WITH A CHORD BEARING N33°22'29"E 51.49', THENCE S68°54'54"E 93.26', THENCE N53°25'20"E 94.46', THENCE N04°43'27"E 44.46', THENCE N54°50'35"E 237.41', THENCE N09°09'08"E 52.28', THENCE N72°47'33"E 166.71', THENCE N32°21'26"E 47.30', THENCE N87°53'46"E 201.25', THENCE N37°36'22"E 136.51', THENCE N63°16'15"E 256.02', THENCE S13°20'10"E 124.77', THENCE S38°32'50"W 83.25', THENCE S73°51'45"E 152.45', THENCE S10°23'59"E 38.95', THENCE S39°31'27"E 66.42', THENCE S49°51'39"E 99.38, THENCE N50°51'47"E 117.63', THENCE 277.16' ALONG A 475' RADIUS CURVE LEFT WITH A CHORD BEARING N34°08'50"E 273.24', THENCE N17°25'53"E 185.60', THENCE 250.86' ALONG A 233' RADIUS CURVE RIGHT WITH A CHORD BEARING N48°16'33"E 238.92', THENCE N79°07'13"E 142.41, THENCE 88.63' ALONG A 167' RADIUS CURVE LEFT WITH A CHORD BEARING N63°54'59"E 87.59', THENCE N48°42'45"E 196.76', THENCE 154.89' ALONG A 233' RADIUS CURVE RIGHT WITH A CHORD BEARING N67°45'24"E 152.05', THENCE N86°48'03"E 129.36', THENCE S00°01'22"E 458.59' TO THE NORTH LINE OF U.S. LOT 14 IN SAID SECTION 35, THENCE N89°59'53"W 412.50' ALONG SAID NORTH LINE TO A 1" IRON ROD WITH AN ALUMINUM CAP, THENCE S00°27'13"E 1304.78' ALONG THE WEST LINE OF SAID LOT 14 TO A 1" IRON ROD WITH ALUMINUM CAP MARKING THE NORTHWEST CORNER OF U.S. LOT 19, THENCE N89°50'21"E 50.99' ALONG SAID NORTH LINE OF U.S. LOT 19; THENCE S11°08'10"W 49.91'; THENCE 32.26' ALONG A 22.00' RADIUS CURVE LEFT WITH A CHORD BEARING S30°52'16"E 29.45'; THENCE 272.59' ALONG A 295.00' RADIUS CURVE RIGHT WITH A CHORD BEARING S46°24'25"E 262.99'; THENCE N50°15'35"E 40.31'; THENCE S36°33'31"E 228.13'; THENCE S75°11'42"E 46.66'; THENCE S09°32'22"E 104.78'; THENCE S49°42'02"W 48.43'; THENCE S13°35'13"W 109.28'; THENCE S30°22'17"E 116.90'; THENCE S06°01'43"W 51.82'; THENCE S22°25'26"W 217.16'; THENCE S16°52'46"W 131.52'; THENCE S28°01'11"W 106.76'; THENCE S02°10'03"W 93.18' TO A POINT ON THE NORTH LINE OF US GOVERNMENT LOT 30; THENCE S23°45'56"W 104.45'; THENCE S08°28'11"W 90.33'; THENCE S89°06'12"W 233.92'; THENCE 386.24' ALONG A NON-TANGENT 217' RADIUS CURVE TO THE RIGHT WHOSE CHORD BEARS S18°03'53"E 337.24; THENCE S12°20'33"E 130.42'; THENCE S06°10'04"E 96.45'; THENCE S03°55'45"W 165.92'; THENCE S11°49'55"W 212.07'; THENCE S19°43'42"W 140.43'; THENCE S39°44'15"W 126.84' TO A POINT ON THE SOUTH LINE OF SECTION 35; THENCE ALONG SAID SOUTH LINE S89°41'29"W 594.58' TO THE POINT OF BEGINNING.

EXHIBIT B

LEGAL DESCRIPTION OF MAPLEWOOD

Lots 1 to 18 and Tracts 1 and 2, Maplewood, City of Lincoln City, Lincoln County, Oregon.

EXHIBIT C

LEGAL DESCRIPTION OF ADDITIONAL PROPERTY

BEGINNING AT THE SOUTHWEST CORNER OF GOVERNMENT LOT 14, SECTION 35, TOWNSHIP 6 SOUTH, RANGE 11 WEST, WILLAMETTE MERIDIAN, POINT BEING MARKED BY A 1" IRON ROD WITH ALUMINUM CAP; THENCE N 89°50'21" E 50.99 FEET ALONG THE SOUTH LINE OF SAID LOT 14 TO THE TRUE POINT OF BEGINNING; THENCE S 11°08' 10" W 42.83 FEET; THENCE N 89°50'20" E 1386.35 FEET; THENCE S 22°09'11" W 291.97 FEET; THENCE S 00°47'00" E 321.21 FEET; THENCE S 67°17'08" E 151.74 FEET; THENCE N 60°28'02" E 37.43 FEET; THENCE S 67°09'13" E 68.44 FEET; THENCE S 18°14'44" W 133.62 FEET; THENCE S 09°33'56" W 277.63 FEET; THENCE S 30°40'48" E 261.53 FEET; THENCE N 25°18'32" E 316.17 FEET; THENCE N 12°20'40" E 175.59 FEET; THENCE IN 63°34'53" E 230.46 FEET TO A POINT ON THE EAST LINE OF GOVERNMENT LOT 17, SECTION 35, TOWNSHIP 6 SOUTH, RANGE 11 WEST WM; THENCE N 00°51'26" E ALONG SAID EAST LINE 767.62 FEET TO THE NORTHEAST CORNER OF SAID LOT 17; THENCE S 89°50'20" W ALONG THE NORTH LINES OF GOVERNMENT LOTS 17, 18, AND 19 A DISTANCE OF 1921.07 FEET TO THE TRUE POINT OF BEGINNING.

EXHIBIT D
VCHERC APPROVAL

LANDLINKS CONSULTING, LLC

P.O. Box 966; Beaverton, OR 97075
503*332*0355 and laine@earthstrategyliving.net



June 8, 2009

Jeff Teeny, President
Teeny Development LLC
4355 N. Hwy. 101, Suite A
Lincoln City, OR 97367

RE: REVIEW OF PROPOSED REVISIONS FOR COVENANTS, CONDITIONS AND
RESTRICTIONS (CC&Rs) FOR ROCK CREEK VILLAGE

The Environmental Resource Committee for the Villages at Cascade Head project met on Friday, June 5, 2009 and reviewed the revisions proposed for the CC&Rs for the Rock Creek Village. One of the duties of the ERC is to ensure implementation of the Environmental Management Plan (EMP) for Villages at Cascade Head (5/16/97). The committee acknowledges that the proposed CC&R revisions do not appear to change any conditions set forth in the EMP, nor change implementation aspects for the EMP. It is understood that the EMP will continue to apply to all areas of the Villages at Cascade Head development, including Rock Creek Village. Based on this, the ERC has no objection to the proposed changes. Because the new CC&Rs alter some homeowner association requirements, the ERC is requesting that acknowledgement of the EMP be included in all transactions to support implementation of the EMP after the development has been sold and the future homeowner's association assumes responsibility for fulfilling the EMP.

A handwritten signature in cursive script that reads "D. Laine Young". The signature is written in black ink and is positioned above the typed name and title.

D. Laine Young
Environmental Compliance Officer
Environmental Resource Committee
Villages at Cascade Head

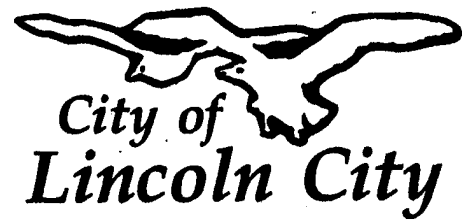
(Landlinks Consulting LLC Contract Project No. 04-010)

Defining your land options through stewardship and creative planning.

EXHIBIT E
PLANNING COMMISSION FINAL ORDER

033005/00011/965366v2

NOTICE OF PLANNING COMMISSION DECISION



Department of

PLANNING & COMMUNITY DEVELOPMENT

At the Planning Commission meeting of October 7, 2008 the Planning Commission adopted Final Order # 2008-27. Said final order approves a request for amendments of the Covenants, Conditions, and Restrictions applying to the Rock Creek Village portion of the Villages at Cascade Head Planned Unit Development (PUD 2008-02).

The amendments are: (1) to adopt supplemental CC&Rs for "Maplewood", which is the 18-unit first phase of the project; (2) to amend the Master Declaration to permit special assessments to specific phases of the project and to impose such a special assessment on "Maplewood"; and (3) to annex what is commonly known as "Block D" to the Master Declaration in accordance with Planning Commission Final Order #08-12.

The project site is generally located at the northerly boundary of Lincoln City, north of Highway 101 at NE Devil's Lake Boulevard, and east of Road's End. The properties involved in the requested amendment are located on Assessor's Maps 06-11-35-DC, Tax Lots 1200 through 3300 (Maplewood), and 06-11-35-00, Tax Lot 1100 (Block D), with an area of approximately 17.45 acres within the 127-acre Rock Creek Village. The project site is located in the R-1-7.5 Single-Family Residential zone. The applicant is Tonkon Torp LLP, by David J. Petersen, and the property owner is Teeny Development, LLC.

The project file may be reviewed at the Planning & Community Development Department at City Hall, 801 SW Highway 101, between 8:00 a.m. and 5:00 p.m., Monday through Friday. If additional information is necessary, contact Richard Townsend, Planning and Community Development Director, at (541) 996-2153.

Decisions of the Planning Commission may be appealed to the City Council by a party to the hearing within 10 days of the date of mailing of this Notice of Decision, pursuant to 17.76.040 of the Lincoln City Municipal Code. An appeal may only be filed concerning issues that were raised at the Planning Commission public hearing.

MAILED: October 8, 2008.

P.O. Box 50 • 801 S.W. Hwy 101
Lincoln City, Oregon 97367
www.lincolncity.org

PRIDE IN SERVICE

(541) 996-2153 • FAX (541) 996-1284
TDD (541) 994-7432
plancom@lincolncity.org

**LINCOLN CITY
PLANNING COMMISSION**

IN THE MATTER OF

Request for Amendment of the Covenants,
Conditions, and Restrictions applying to
the Rock Creek Village portion of the
Villages at Cascade Head Planned Unit
Development (PUD). (PUD 2008-02)

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FINAL ORDER
NO. 2008-27

NATURE OF THE APPLICATION

The applicants/owners submitted a request to amend the covenants, conditions and restrictions (CC&R's) applying to the Rock Creek Village portion of the Villages at Cascade Head Planned Unit Development (PUD). The proposed amendments include a set of supplemental CC&R's for the Maplewood section (a.k.a. Block A') of Rock Creek Village, authorization in the Master Declaration for the imposition of special assessments on specific phases of the PUD and imposing such an assessment on Maplewood, and annexation of Block D to the Master Declaration.

BACKGROUND FACTS

The following is a summary of the background facts found to be relevant to this decision.

A. Comprehensive Plan and Zoning Ordinance Designations

1. The Rock Creek Village site is designated by the Comprehensive Plan as Residential Single-Family (R-1-7.5). The site is zoned Residential Single-Family (R-1-7.5).

B. Site Location and Description

1. The 178-acre Rock Creek Village site is located on tax lots 6-11-35/301, 400, 402, 1000, and 1100.
2. There are approximately 3.7 acres in the Maplewood portion of the Villages at Cascade Head PUD and 14.8 acres in Block D.
3. The Maplewood portion of the Villages at Cascade Head PUD is located on Lincoln County Assessor's Map 06-11-35 DC as tax lots 1200 through 3300. Block D is located on Lincoln County Assessor's Map 06-11-35 as tax lot 1100.
4. The surrounding land uses are:
North: Woodland, (City: R-1-7.5 & County: T-C)
South: Single Family Residential, Golf Course (City: R-1-7.5 & R-C)

East: Single Family Rural Residential, Golf Course & Woodland (City: R-1-7.5 & County: R-1)
West: Single Family Residential (City: R-1-7.5)

C. Testimony Presented

1. On September 2, 2008 the Planning Commission held a duly noticed public hearing regarding this matter. All persons wishing to testify were given the opportunity to do so. In addition, all written correspondence received regarding this matter has been entered into the record.

FINDINGS

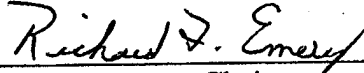
1. On January 2, 2007 the Planning Commission adopted Final Order 07-01 in the matter of a proposed preliminary master plan amending a previously approved final master plan, and PUD boundary amendment for the Chinook Winds Golf Resort PUD and a proposed conditional amendment of the boundary of the Villages at Cascade Head PUD and Rock Creek Village refined preliminary master plan. This final order had the effect of adjusting the boundary of the Golf Course PUD by adding 46 acres of land to it, and conditionally removing the 46 acres from the Villages PUD.
2. On May 6, 2008 the Planning Commission adopted Final Order 08-12 amending the boundaries of the PUD to be consistent with Final Order No. 07-01, and including Block D and Area WH2 within the scope of the Rock Creek Village Refined Preliminary Master Plan, among other things.
3. The applicant is requesting amendments to the covenants, conditions and restrictions (CC&R's) applying to the Rock Creek Village portion of the Villages at Cascade Head Planned Unit Development (PUD). The proposed amendments include a set of supplemental CC&R's for the Maplewood section (a.k.a. Block A') of Rock Creek Village, authorization in the Master Declaration for the imposition of special assessments on specific phases of the PUD and imposing such an assessment on Maplewood, and annexation of Block D to the Master Declaration.
4. Because the proposed amendments would add additional property (specifically, Block D) to the area covered by the master declaration (and therefore to Rock Creek Village) they constitute a "major amendment" under Municipal Code §17.52.210.N.
5. The usual PUD approval criteria are inapplicable to this specific proposed amendment. However, the procedural provisions relating to master plan amendments do apply.
6. The conditions of approval in Final Order No. 98-17 (at Exhibit A, Restrictive Covenants conditions 2 and 3, and Exhibit B, Restrictive Covenants conditions 2 and 3) require proposed amendments to the CC&R's to be submitted to the city attorney for review and approval.
7. The city attorney reviewed the proposed amendments and approved them.
8. Planning Department staff also reviewed the proposed amendments to the CC&R's and had no concerns regarding them.
9. The Planning Commission has reviewed the proposed amendments, considered the staff report and staff comments, considered the public testimony on the proposed amendments, and finds that they are consistent with Planning Commission Final Order No. 08-12 and Planning Commission Final Order No. 98-17.

10. The staff report in this matter dated September 2, 2008 is attached as Exhibit A and is incorporated herein as additional findings for decision.

ORDER

Based upon the foregoing, the Planning Commission approves the amendments to the covenants, conditions and restrictions (CC&R's) applying to the Rock Creek Village portion of the Villages at Cascade Head Planned Unit Development (PUD), including the set of supplemental CC&R's for the Maplewood section (a.k.a. Block A') of Rock Creek Village, the authorization in the Master Declaration for the imposition of special assessments on specific phases of the PUD, the imposition of such an assessment on Maplewood, and the annexation of Block D to the Master Declaration.

APPROVED THIS 7th DAY OF OCTOBER 2008.


Richard Emery, Chair
Planning Commission

ATTEST:

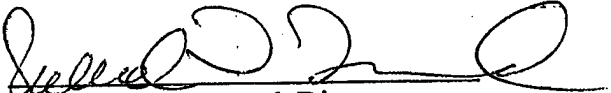

Richard T. Townsend, Director
Planning & Community Development Department

EXHIBIT A



Department of

PLANNING & COMMUNITY DEVELOPMENT

PLANNING COMMISSION STAFF REPORT

MEETING DATE: September 2, 2008

PUD 2008-02 Villages at Cascade Head

PROJECT INFORMATION

Applicant/Owner Teeny Development LLC
4355 N. Highway 101, Suite A
Lincoln City, Oregon 97367

Acreage There are 474 acres total in the approved Villages at Cascade Head PUD; 46 acres were removed to go into the Chinook Winds Golf Resort PUD but the Villages PUD master plans have not been amended to reflect this fact. There are approximately 3.7 acres in the Maplewood portion of the Villages at Cascade Head PUD and 14.8 acres in Block D.

Map & Tax Lots The Maplewood portion of the Villages at Cascade Head PUD is located on Lincoln County Assessor's Map 06-11-35 DC as tax lots 1200 through 3300. Block D is located on Lincoln County Assessor's Map 06-11-35 as tax lot 1100.

Comprehensive Plan & Zoning Residential Single-Family (R-1-7.5)

Surrounding Land Uses & Zoning
North: Vacant woodland, (City: R-1-7.5 & County: R-1)
South: Single Family Residential, Golf Course
(City: R-1-7.5 & R-C)
East: Single Family Rural Residential, Golf Course & Woodland
(City: R-1-7.5 & County: R-1)
West: Single Family Residential (City: R-1-7.5)

Public Notice On August 13, 2008, a public hearing notice was mailed to property owners within 500 feet of the project site. On August 20, 2007, notice was published in the News-Guard.

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PUD 2008-02 – Villages @ Cascade Head

**Applicable
Substantive
Criteria**

Lincoln City Municipal Code

Section 17.52.210.J. Modification of Approved Preliminary Master Plan

Section 17.52.210.N. Requirements Following Final Master Plan Approval

Planning Commission Final Order No. 08-12

Planning Commission Final Order No. 98-17

NATURE OF THE APPLICATION

The applicant is requesting amendments to the covenants, conditions and restrictions (CC&R's) applying to the Rock Creek Village portion of the Villages at Cascade Head Planned Unit Development (PUD). The proposed amendments include a set of supplemental CC&R's for the Maplewood section (a.k.a. Block A') of Rock Creek Village, authorization in the Master Declaration for the imposition of special assessments on specific phases of the PUD and imposing such an assessment on Maplewood, and annexation of Block D to the Master Declaration.

PROCEDURE

Because the proposed amendments would add additional property (specifically, Block D) to the area covered by the master declaration (and therefore to Rock Creek Village) they constitute a "major amendment" under Municipal Code §17.52.210.N.

ANALYSIS

On January 2, 2007 the Planning Commission adopted Final Order 08-12 amending the boundaries of the PUD to be consistent with Final Order No. 07-01 [transferring approximately 51 acres of land into the Chinook Winds Golf Resort PUD], and including Block D and Area WH2 within the scope of the Rock Creek Village Refined Preliminary Master Plan, among other things.

The applicant asserts, and staff agrees, that the usual PUD approval criteria are inapplicable to this specific proposed amendment. However, the procedural provisions relating to master plan amendments do apply. For this reason the matter is being brought before the Planning Commission.

The conditions of approval in Final Order No. 98-17 (at Exhibit A, Restrictive Covenants conditions 2 and 3, and Exhibit B, Restrictive Covenants conditions 2 and 3) require proposed amendments to the CC&R's to be submitted to the city attorney for review and approval. The city attorney has reviewed the proposed amendments and has, in fact, approved them.

Planning Department staff also has reviewed the proposed amendments to the CC&R's and has no concerns regarding them.

RECOMMENDATION

Staff recommends that the Planning Commission take testimony and determine whether to approve the request for an amendments to the covenants, conditions and restrictions (CC&R's) applying to the Rock Creek Village portion of the Villages at Cascade Head Planned Unit Development (PUD). Staff will prepare findings for the Commission's consideration as part of its final order.

Attachments:

A – Application materials