

WORKSHOP MEETING MINUTES  
SISTERS CITY COUNCIL  
520 E. CASCADE AVENUE  
MAY 06, 2010

**MEMBERS PRESENT:**

Lon Kellstrom Mayor  
Bill Merrill Council President  
Sharlene Weed Councilor  
Pat Thompson Councilor  
Jerry Bogart Councilor

**STAFF PRESENT:**

Eileen Stein City Manager  
Steve Bryant City Attorney  
Brad Grimm PW Director  
Lisa Young Finance Director  
Laura Lehman Associate Planner  
Kathy Nelson City Recorder

**GUESTS:**

Kate Moore Desc. Cty. Health Dept  
Dan Saraceno SHS Counselor  
Christine Jones SSD Board Chair  
Rob Roy Pacific Crest Affordable Housing, LLC  
Bill Willitts MMV Developer

**ABSENT:**

Eric Porter Community Devel Director

The meeting was called to order by Mayor Kellstrom at 8:07 a.m.

1. McKenzie Meadow Village Annexation Agreement

**Mayor Kellstrom** noted there were some people attending the workshop that would like to address the Council with regard to the proposed changes to McKenzie Meadow Village (MMV) annexation agreement. He invited them to give brief comments.

**Kate Moore, Program Manager, Deschutes County Health Services (DCHS)**

**Ms. Moore** stated she was the Program Manager at DCHS for maternal/child health. She stated DCHS has sponsored the creation of three health centers within the county. She stated DCHS is proposing a school based health center in Sisters and has been working towards that. She stated the center would serve children from birth to age 20, and some seniors on a limited basis. She stated medical, mental health, dentistry and other services would be provided. She stated DCHS would provide medical staffing, oversight, insurance billing and operations costs. She stated a grant would be secured to pay for construction of the building as she was aware from the beginning of the process that Sisters School District could not provide any financial support and so she has always pursued other funding sources. **Ms. Moore** stated St. Charles Medical Center has offered to provide three years of support and the State of Oregon Women, Infants and Children (WIC) program would also be a partner.

**Ms. Moore** stated that there are an increasing number of low income students in Sisters and that strong need is one of the motivations to open a health center.

**Dan Saraceno, Sisters School District High School Counselor**

**Mr. Saraceno** stated that as a 20 year employee of the district, it has always been a struggle to get the needed services and resources for students. He stated bringing the types of services that the health center would provide, especially mental health services, into the community would be invaluable since families would no longer need to travel to Bend or further to obtain services.

**Christine Jones, Sisters School District School Board Chair**

**Ms. Jones**, representing the Sisters School Board, stated she knew a great deal of prep work has gone into creating a school based health center and that the School Board looks forward to becoming better versed on what types of support and services it could bring to students and their families. She stated the School Board would still need to look carefully at the legal and financial implications prior to making a decision.

**Manager Stein** stated the purpose of the workshop was to discuss a request from the MMV developers to amend the annexation agreement in order to incorporate a school based health center project and affordable senior housing project into their plan.

**Mayor Kellstrom** stated he felt the Council is on board with the requested changes and the issue is if the changes can be accomplished in the necessary timeframe. He suggested talking through the requested changes.

*Section 2 – Affordable Housing*

Discussion centered on whether the developer could have the one in ten affordable housing component apply specifically to the senior affordable housing units buildings as opposed to having affordable housing spread throughout the entire development. **Councilor Merrill** argued that condition would exclude providing affordable housing to those under the age of 55 and that the intent of the Comprehensive Plan is to provide affordable housing to all age groups. **Councilor Weed** countered that it would be great if that occurs but the advantages of having Pacific Crest Affordable Housing build a complex outweighs the downside of how the affordable units will be spread. She stated the City could continue to work to see if a source for affordable family housing could be introduced into the development. **Mayor Kellstrom** stated it was a tradeoff but agreed it was worth it. The **Council** agreed to allow all the required affordable housing to be located in the senior affordable housing complex if it is built.

In the event the senior affordable housings complex is not built or is not built first, the **Council** concurred that the annexation agreement reverts back to requiring 10% of units be affordable. **Bill Willitts, McKenzie Meadow Village (MMV)** developer, added that if an agreement could not be

reached between MMV and Pacific Crest Affordable Housing, LLC, he would seek out another affordable housing provider to develop the land designated for that purpose.

Section 2/subsection C – Minimum Unit Size

The **Council** agreed to allow one bedroom units be reduced in size from 700 square foot to 675 square foot at a minimum. The **Council** also agreed to allow two bedroom units be reduced from 900 square foot to 875 square foot at a minimum. **Rob Roy, President of Pacific Crest Affordable Housing, LLC**, stated he normally builds to the maximum size he can but this change will provide a buffer if he needs it.

Section 4 – Senior Assisted Living Facility

The **Council** agreed that occupancy to the senior affordable housing complex and student health center could occur prior to occupancy of the senior living facility.

Section 11 – Other Development

MMV, LLC requests removing the word ‘commercial’ in this section. **Mr. Willits** stated it would allow a combined school based and senior medical facility. **Ms. Moore** stated she is proposing the facility provide care for individuals from birth to age 20 and on a limited basis, care to seniors residing in the MMV development. She anticipated the facility would be open 20 hours each week. **City Attorney Bryant** agreed that removing ‘commercial’ from the text would provide more flexibility and the **Council** concurred.

The **Council** requested City Attorney Bryant draft a revised annexation agreement for their review and to enable the project to move forward. The **Council** determined it would decide if a workshop would be necessary after the revised document is received.

2. Preview 05/13/10 Meeting Agenda

**Manager Stein** provided an overview of the May 13<sup>th</sup> regular meeting. She noted that besides the items listed there would be a motion to approve a change order for the sidewalk improvements on Main Street and a resolution seeking support to apply for an Oregon Department of Transportation (ODOT) bike and pedestrian grant for the Cascade Avenue project.

3. City Manager Update

**Manager Stein** reminded the Council that the start time for Budget Committee meeting that evening was changed to 6:00 p.m. She stated there would also be an executive session after the budget meeting.

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**Councilor Weed** responded to Mayor Kellstrom's request to provide feedback to a Gay Pride Month Proclamation request the City received from the Human Dignity Coalition. She stated she would be supportive of the proclamation as did Councilor Merrill. **Mayor Kellstrom** stated he was personally not interested in moving the proclamation forward but it was a decision for the entire Council to make. **Councilor Thompson** stated as he had just received the information he would like time to read the request. **Mayor Kellstrom** stated the Council could discuss the matter at a later time when there had been additional time to review the request.

The meeting was adjourned at 9:32 a.m.

Respectfully submitted,

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Kathy Nelson, City Recorder

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Lon Kellstrom, Mayor