

REGULAR MEETING MINUTES
SISTERS CITY COUNCIL
520 E. CASCADE AVENUE
MARCH 10, 2016

MEMBERS PRESENT:

Chris Frye Mayor
Nancy Connolly Council President
Amy Burgstahler Councilor
Andrea Blum Councilor

ABSENT:

David Asson Council

STAFF PRESENT:

Steve Bryant City Attorney
Patrick Davenport CDD Director
Paul Bertagna PW Director
Joe O'Neill Finance Officer
Kathy Nelson City Recorder

ABSENT:

Andrew Gorayeb City Manager

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE

The meeting was called to order by Mayor Frye at 7:06 p.m.

II. VISITOR COMMUNICATION

Shane Nelson, Deschutes County Sheriff

Sheriff Nelson stated he was in attendance to assure the Council that despite the numerous personnel changes the Sheriff's Office had undergone recently, the safety of the Sisters community had not been compromised at all. He reported the city was still receiving excellent service and being well served.

III. CONSENT AGENDA

A. Minutes

1. March 26, 2015 – Workshop
2. April 09, 2015 – Quarterly Workshop
3. February 25, 2016 – Regular Meeting - PULLED
4. March 03, 2016 – Workshop

B. Bills to Approve

1. March Accounts Payable

Councilor Connolly moved to approve the consent agenda. Councilor Burgstahler seconded the motion.

Councilor Connolly asked if the monthly tracking of vehicles had worked as hoped in alerting the City to maintenance issues for the vehicles. **Director Bertagna** replied it had been very useful and even alerted the City to recalls on vehicles prior to receiving notice from the dealerships. He remarked the greatest savings had been on fuel consumption, down 30 percent, due to public works staff becoming more cognizant of letting their trucks idle and instead were turning their trucks off even when they stopped momentarily.

The motion carried unanimously.

IV. STAFF REPORTS

A. March Staff/Council Work Plan

Councilor Connolly asked for an update on the sport court improvements at the elementary school. **Director Bertagna** reported the new basketball hoops had been installed and the base for the tennis courts had been installed. He reported that once weather permitted, tennis and pickle ball striping would take place. **Councilor Connolly** questioned if the lighting at the courts would be dark skies compliant and **Director Bertagna** replied there was an exemption for lighting of sports fields.

Councilor Connolly requested an update on the work being performed at Creekside Overnight Park. **Director Bertagna** replied dirt was being hauled in for screening, irrigation was being added, additional trees would be planted on March 22nd and 23rd, the current entry would be removed and the new wider entrance/exit would be created. He stated the electrical for some RV spots was being moved to accommodate the shortened spot length. **Councilor Connolly** asked how the new reservation system was working and **Finance Officer O'Neill** reported the first day the system came on-line, it had been extremely busy, with receipts of over \$20,000. He stated it was well received and dates for some of the big events were already filled. He reported the biggest complaint had been people having trouble finding the spot on the website where they made the reservation. He stated the issue had been resolved by adding a spot on the home page of the website that would immediately link people to the reservation system.

B. New Business License Report for February 2016 – list included

V. COUNCIL BUSINESS

A. **Public Hearing and Consideration of Ordinance No. 468: AN ORDINANCE AMENDING THE CITY OF SISTERS DEVELOPMENT CODE CHAPTER 1.3 (DEFINITIONS), CHAPTER 2.2 (RESIDENTIAL DISTRICT), CHAPTER 2.3 (MULTI-FAMILY RESIDENTIAL DISTRICT), CHAPTER 2.4 (DOWNTOWN COMMERCIAL DISTRICT), AND CHAPTER 3.2 (LANDSCAPING AND SCREENING)**

Mayor Frye read from the public hearing script for Ordinance No. 468, stating it was an ordinance amending the Sisters Development Code Chapter 1.3 (definitions), Chapter 2.2 (Residential District), Chapter 2.3 (multi-family residential district), Chapter 2.4 (downtown Commercial District) and Chapter 3.2 (landscaping and screening), referred to collectively as City file TA 15-03. He called the hearing to order. He described how the hearing would be conducted and how to provide testimony. He asked for disclosures from the City Council. **Councilor Burgstahler** stated she had a potential conflict of interest as she was in the process of building a home but would still participate. There were no members of the audience that wished to challenge the ability of any member of the Council to hear the matter. **Mayor Frye** asked for the staff report to be presented.

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Planner Reed reported the applicant was the City of Sisters for the text amendments that would amend various sections of the City's Development Code. She reported the Planning Commission held workshops on the matter on September 17, 2015, November 19, 2015 and December 17, 2015 and held a public hearing on February 18, 2016. She reported the Planning Commission approved their resolution with modifications. She advised the Council held a workshop on January 7, 2016 and authorized the Type IV application.

Planner Reed reported the text amendments were bundled and the Council could approve them as is, modify them or continue the public hearing to a future date. She reviewed the proposed text amendments for the effected chapter. They included changes to the definition of formula foods, building height, setbacks, permitting and open space requirements for higher density multi-family dwelling units and caliper of street trees.

The **Council** questioned why the formula foods definition had changed from 12 to 20 locations, **Planner Reed** explained it was based on the threshold of the Food and Drug Administration (FDA) of when restaurants were required to provide nutritional information. The **Council** also asked why the Planning Commission had gone from initially suggesting a 10 foot set-back for side and front loaded garages from an alley, back to 20 feet. **Planner Reed** stated the Planning Commission received testimony from a developer who was building single car garage dwellings that felt the reduced setbacks would not provide adequate space to park large vehicles since the space would need to act as the second parking space.

Mayor Frye asked if there was anyone that wished to provide public testimony.

Tom Kemper, Housing Works Executive Director

Mr. Kemper stated he wanted the Council to understand that allowing buildings up to 35 feet in height allowed three story complexes to be built which was a significant, positive change for affordable housing providers.

Steve McGhehey, 313 S. Pine Meadow Street

Mr. McGhehey stated he felt changing the number of establishments in defining formula food from 12 to 20 establishments was not a big deal. He noted there were not many formula food establishments that had between 12 and 20 franchise locations. He also voiced support for raising the allowable building heights to 35 feet.

Peter Hall, 1195 NW Redfield Circle, Bend, OR

Mr. Hall discussed the garage setbacks. He stated the Development Code shouldn't cater to a builder just because that builder wanted to build single car garage dwellings. He suggested the setbacks for front loaded and side loaded garages accessed from a 20 foot alley only needed to be five feet and provided illustrations to show how that configuration could work. He explained a vehicle needed 24 feet in order to back-up and the five foot setback could

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accommodate that in a 20 foot alley. He provided a rendering of a 1,700 square foot three bedroom home with a side loaded versus a front loaded garage. He noted how much more yard room there would be with the front loaded garage. He stated he was trying to get the best utilization of the lots. He agreed the longer setbacks needed to be maintained on the older alleys that were only 12 feet wide but the newer 20 foot alleys didn't need the larger setbacks.

Councilor Connolly noted at a previous meeting when Mr. Hall's Clear Pine development was being discussed, a comment had been made that he could build smaller homes or create larger lots. **Mr. Hall** replied he could create larger lots but that would equate to a higher cost for the home and he felt the size of his homes was right. He stated buyers in the current market appeared to prefer single story homes as opposed to two story homes. **Councilor Burgstahler** asked what means was used to keep cars from parking in the alley and blocking other cars. **Mr. Hall** reported that in Bend neighborhoods with alleys, cars that blocked other cars in alleys were ticketed by the Police Department as well as being fined by the home owners association. He stated by setting a five foot setback, it insured no one would even try to park in a driveway.

Councilor Connolly asked why the Planning Commission had changed its mind from its original recommendation for a 10 foot setback back to a 20 foot setback. **Planner Reed** explained their decision was influenced by the 24 feet of maneuvering space needed to back-up a vehicle and to make certain public safety and snow removal vehicles could get through.

Mayor Frye announced the Council could close the hearing or close the hearing for oral testimony and allow the record to be left open for written testimony for an additional seven days. He asked how the Council would like to proceed and the **Council** agreed the hearing should be closed without additional time for written testimony to be provided. **Mayor Frye** closed the public hearing.

The **Council** discussed at length what, if any, modifications it would make to the ordinance. After considering the matter, the **Council** choose to reduce the definition of formula food establishments from 20 locations down to 12 thus allowing any restaurants that had 12 or fewer locations to be eligible to establish a restaurant in any district that allowed the use and where the maximum number allowed had not yet been met. The **Council** felt since the City had received a lot of citizen input on the formula foods matter, it should respect their input and stay with the lower number. The **Council** was undecided on what setbacks for front and side loaded garages in alleys should be and decided to uphold the Planning Commission recommendation for the time being. The **Council** requested staff have the Planning Commission revisit the matter with the possibility of amending the setbacks in a future text amendment.

Councilor Connolly moved for the first and second reading, by title only, for Ordinance No. 468 with the amendment to revise the definition of formula food establishments to those that were “substantially similar” with a minimum threshold to 12. Councilor Blum seconded the motion. The motion carried unanimously.

City Attorney Bryant read Ordinance No. 468, as amended, by title only, twice.

Councilor Connolly moved to adopt Ordinance No. 468, as amended, amending the City of Sisters Development Code Chapter 1.3 (definitions), Chapter 2.2 (residential district), Chapter 2.3 (multi-family residential district), Chapter 2.4 (downtown commercial district), and Chapter 3.2 (landscaping and screening). Councilor Blum seconded the motion. The motion carried unanimously.

B. Discussion and Consideration of Ordinance No. 469: AN ORDINANCE OF THE CITY OF SISTERS CREATING THE HOUSING POLICY ADVISORY BOARD

Director Davenport reported Council had tasked staff with creating a Housing Policy Advisory Board to act as an advisory board to the Council and Planning Commission on matters pertaining to the development of housing, with a particular focus on affordable and workforce housing. He stated if approved, he hoped to have the board positions filled by July 1, 2016.

Councilor Connolly moved for the first and second reading, by title only, for Ordinance No. 469 creating the Housing Policy Advisory Board. Councilor Blum seconded the motion. The motion carried unanimously.

City Attorney Bryant read Ordinance No. 469 by title only, twice.

Councilor Connolly moved to adopt Ordinance No. 469 creating the Housing Policy Board. Councilor Blum seconded the motion. The motion carried unanimously.

C. Discussion and Consideration of a Motion to Approve the Request for Proposals (RFP) for a Transportation System Plan (TSP) Update.

Director Bertagna reported staff had researched the possibility of the City applying for a Transportation Growth Management (TGM) Grant from the Oregon Department of Transportation (ODOT) to fund the update of the TSP. He noted the City had submitted a grant application the previous year and been unsuccessful in receiving it. He stated the City could try again and if the City did receive the grant, it would add 12 to 18 months to the update process. **Mayor Frye** asked if the current system development charges the City imposed included collection of funds for the update and **Director Bertagna** replied it did.

He reported the focus of the update would be on the eastern portion of the city including Highway 20, Highway 126, the truck scales, red dirt triangle and Locust Street intersection. He stated approval of the RFP would also indicate approval of the selection review committee. He stated the impact to the Transportation System Development Charge (SDC) fund had been estimated at \$115,000 when the City has applied the previous year, but staff was hoping to bring that cost down some prior to bringing it to the Budget Committee for approval. The **Council** discussed the situation and decided to not apply for the grant since waiting so long would impact many projects that were dependent on the findings of the TSP update.

Councilor Connolly moved to approve the RFP for a TSP update. Councilor Burgstahler seconded the motion. The motion carried unanimously.

D. Discussion and Consideration of a Motion to Consider a Request for Waiver of System Development Charge (SDC) Fees for Three Single Family Lots of Affordable Housing at Sky Gate Subdivision

Director Davenport stated Housing Works had requested a waiver of SDC fees for three single family lots at Sky Gate subdivision. Accepting the waiver would require the homes to maintain affordability for a period of 50 years, as per the City's Charter. He explained Housing Works would hold title to the land and the qualified applicants would hold the mortgage. He disclosed the permits were ready to be pulled so construction could begin. He stated the transportation SDC's had been paid a number of years ago and so only the SDC's for water, sewer and parks would be due. The cost for the initial three homes was \$20,824.40.

Executive Director of Housing Works Tom Kemper explained how Housing Works strives to build high quality homes and could only offer the homes at the prices they did because of the SDC waiver option. He stated there seemed to be an issue with assuring the homes were owned by people who maintained a salary of 80% of medium family income (MFI) for the entire 50 years. He maintained that would be an impossible task for Housing Works to undertake and he was concerned that if a qualified person were to get a raise or promotion that raised the household above the 80% MFI after they moved in, they could be hit with a large SDC bill.

City Attorney Bryant agreed it was a challenge to create some type of documentation and monitoring system that would meet the provisions of the City's Charter without being punitive to Housing Works and the home owner. He stated it appeared when the Charter was created, the 50 years affordability requirement was intended to apply to apartment buildings and single family dwelling had not even been considered as a possibility. He agreed the Charter hamstrung Housing Works from what it wanted to do and the City from

what it wanted Housing Works to be able to do. He suggested the Council might consider a future amendment to the Charter to make it more functional.

The **Council** discussed the matter and were unanimous in their support of the City waiving the SDC's for the three homes being discussed and the remaining four homes Housing Works would be building in the future. They directed City Attorney Bryant and Mr. Kemper to continue to work together and find a solution that would be acceptable to both organizations while still following the tenets of the City Charter. **Mayor Frye** stated he wanted to make certain that Mr. Kemper understood his organization had the full support of the Council and to not confuse that with how the City was constrained by its City Charter.

VI. OTHER BUSINESS

Public Events

Finance Officer O'Neill stated an issue relating to public events had arisen with regard to the language in the ordinance stating only six events could be held by the same public event coordinator in the course of the year. He stated this was an issue for the Farmers Market as it runs one day a week from June through September, resulting in far more events than the allowed six. He stated he was bringing the issue to the attention of the Council to make certain this had been the intent. **City Attorney Bryant** explained he felt the language had been included to make certain that no one would set up on a particular piece of property every weekend. He stated the solution was to carve out an exception so that limitation did not apply to public events on public property. He stated the limitation from the ordinance would still apply to public events on private property.

The **Council** was supportive of amending the ordinance and directed staff to bring an ordinance back to do so.

Small Grant Application to Oregon Parks and Recreation District

Director Bertagna stated staff had created a list of projects that would qualify for the small grant (under \$75,000) being offered. He stated the projects included:

- Americans with Disability Act (ADA) compliant play structure for Village Green Park
- ADA compliant upgrades to the bridge at Creekside Park
- Electrical upgrades at Creekside Park
- Clemens Park restrooms

The **Council** discussed the options and determined they wanted to have restrooms installed as soon as possible at Clemens Park, and therefore, the City would pay for the restrooms and apply for a grant for the play equipment at Village Green Park. **Director Bertagna** reported he had reached out to the Kiwanis to see if there was interest in sharing some of the cost of installing the restrooms. He stated the Kiwanis Board needed to discuss the

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matter and the subsequent budget impacts before deciding and therefore had not received a definitive answer so far. He reported he also asked the restroom supply company if it could provide any discount and was informed that since the company had a contract with the state, the price the City received was already discounted and so additional discounts were not available.

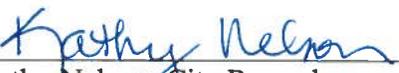
Councilor Connolly asked if the play equipment at Village Green was salvageable for another location and **Director Bertagna** replied since the equipment was old he was uncertain and he would need to check on whether there was any way to repurpose the equipment to become ADA compliant.

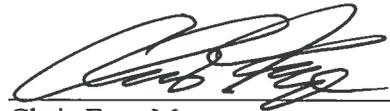
The **Council** directed staff to begin the restroom project at Clemens Park as soon as possible and **Finance Officer O'Neill** stated he would bring a supplemental budget resolution for the expenditure to the Council at its next regular meeting.

VII MAYOR/COUNCILOR BUSINESS

Mayor Frye provided an update on the City Manager investigation to the Council. **Council** members voiced their hope to have the matter resolved as soon as possible. Staff were encouraged to respond to the investigators email to approve the transcript of their conversation as soon as possible.

VIII. ADJOURN –10:00 p.m.


Kathy Nelson, City Recorder


Chris Frye Mayor