



CITY PLANNING COMMISSION
520 E Cascade Avenue Sisters, OR 97759
Thursday, January 21, 2016– 3:00 P.M.

AGENDA

- I. CALL TO ORDER
- II. VISITOR COMMUNICATION
This is the time provided for individuals wishing to address the Planning Commission, at the Commission's discretion, regarding issues that are not already on the agenda. Citizens who wish to speak should sign up prior to the beginning of the meeting on the sign-up sheet at the podium. Please use the microphone and state your name and address at the time the Planning Commission calls on you to speak.
- III. APPROVAL OF MINUTES: None
- IV. PUBLIC HEARINGS: None
- V. WORKSHOP:
 - A. Review: Draft Housing Needs Analysis and Affordable Housing Policy recommendations (Chapter 4 – 2016 Urbanization Study)
 - B. Review: 2016 City Parks Master Plan (update to 2011 Plan)
 - C. Continue discussion of future Development Code revisions
 - 1. Mobile Food Units
 - 2. Vacation Rentals
 - 3. Temporary Uses
- VI. OTHER COMMISSION BUSINESS
- VII. ADJOURN

*This agenda is also available via the Internet at www.ci.sisters.or.us. The meeting location is accessible to persons with disabilities. Requests for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting by calling Kathy Nelson, City Recorder, at the number below.
520 E. Cascade Ave. – P.O. Box 39, Sisters, OR 97759 – 541-323-5213.*

AGENDA ITEM SUMMARY



CITY OF SISTERS PLANNING COMMISSION

Meeting Date: January 21, 2016

Staff: Patrick Davenport

Type: Workshop

Dept: CDD

Subject: Review of Housing Needs Analysis and Affordable Housing policies

Action Requested: Review Housing Needs Analysis and Affordable Housing Policy recommendations, receive public input, forward recommendations to City Council

Summary: Staff is requesting that the Planning Commission perform a review of the Housing Needs Analysis (HNA) and Affordable Housing policy recommendations, receive public input and forward comments or recommendations to the City Council.

The HNA is intended to be Chapter 4 of a more expansive 2016 Urbanization Study. In turn, the 2016 Urbanization Study is intended to support an update to our Comprehensive Plan

The Affordable Housing Working Group has reviewed this document during multiple meetings in 2015 and on January 14, 2016. The City Council is scheduled to review this document during a workshop on 02/04/16 and approve the document on 02/11/16.

CHAPTER 4 - HOUSING NEEDS ANALYSIS

PURPOSE

The purpose of this Chapter is to provide a Housing Needs Analysis in support of various studies required to update the City's Comprehensive Land Use Plan. This Chapter will also provide policy recommendations to the City Council which are intended to support construction of appropriate levels of Affordable Housing stock within the City. This Chapter uses a 20 - year outlook as permitted by the Oregon Department of Land Conservation and Development (DLCD) for a Housing Needs Analysis. Although this is a "20-year plan", this Chapter should be updated approximately every 10 years or as population and economic development conditions change from the projections.

BACKGROUND

Within the Oregon Statewide Planning Goals, Goal 10: Housing - requires incorporated cities to complete an inventory of buildable residential lands and to encourage the availability of adequate land to support future housing stock commensurate with the needs of the City and nearby populations. Goal 10 Housing summary: "To provide for the housing needs of citizens of the state."

- *Buildable lands for residential use shall be inventoried and plans shall encourage the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type and density.*

Definition of **Affordable Housing** used in this report:

City of Sisters Development Code 1.3.100

Affordable housing is defined as housing in which low income residents spend no more than 30 percent of their gross household incomes on housing-related expenses. Households are considered "cost-burdened" if they pay more than 30 percent of total household income on housing costs. Housing-related expenses are defined by HUD as follows:

- For homebuyers, housing-related expenses include mortgage principle and interest, taxes, property insurance, mortgage insurance, and essential utilities;
- For renters, housing-related expenses include rent and utilities.

In addition to the Development Code definition, the term "Affordable Housing" in this report also refers to deed restricted properties with affordability requirements on the title which restrict resale value and/or rental rates according to a prescribed formula. The Affordability requirement is generally established at 80% or lower of Area Median Income as defined by the US Department of Housing and Urban Development (HUD). Additionally, housing developments or individual homes are considered Affordable Housing which are actively managed by Affordable Housing providers such as Housing Works, Habitat for Humanity and Pacific Crest Homes.

NEED FOR AFFORDABLE HOUSING

In January 2010, the City of Sisters approved a Housing Plan that examined many of the same topics that are covered in this report. It also provided an analysis using data available at that time. The 2010 Housing Plan offered several recommendations for policies to support affordable housing. The information this report provides along with the 2010 Housing Plan are used in supporting policies that should enable construction of suitable levels of Affordable Housing and lower cost housing in the City.

The 2010 City of Sisters Housing Plan provides the following definition of Affordable Housing: “Affordable Housing” is defined as housing in which residents spend no more than 30 percent of their gross household incomes on housing-related expenses. Households are considered “cost-burdened” if they pay more than 30 percent of total household income on housing costs. Housing-related expenses are defined by HUD as follows: For homebuyers, housing-related expenses include mortgage principle and interest, taxes, property insurance, mortgage insurance, and essential utilities; For renters, housing-related expenses include rent and utilities.

The most recent definition of Median Family Income (MFI) by the US Department of Housing and Urban Development (HUD) for Deschutes County/Bend Metropolitan Statistical Area (MSA) is **\$59,400**. **This would enable a family with this annual household income to afford a home valued no greater than \$180,500. Using this definition, a for-sale home valued at \$155,687 is considered Affordable (at 80% of MFI) for this income level. 80% of \$59,400**

Existing and Proposed Affordable Housing Units

The City has several Affordable Housing units constructed and additional units have been formally proposed. Table 4-1 provides a summary of existing and proposed Affordable Housing units in the City of Sisters. There are currently 55 Affordable Housing Units within the City limits. One development, Tamarack Village contains 33 multifamily units and the balance of the units have been constructed by Habitat for Humanity. The proposed Affordable Housing Units are located in Clear Pine (8 units), MMV (18 units), Skygate (7 units) and Village Meadows Phase 1 (15 lots).

Rental Assistance Vouchers

There are a total of 15 rental assistance vouchers provided by Housing Works to qualified recipients within the City limits. The rental vouchers are assigned to six multifamily units at Tamarack Village, three single family detached dwellings, and two manufactured homes. Four other vouchers are assigned to unknown dwelling types.

Table 4-1 Existing and Proposed Affordable Housing units

Development or Area Name	AH Units Built Now	AH Units To Be Built	AH Total Units at UGB Build Out
Clear Pine (3 Sisters Pship)		8	8
Davidson Addition	1		1
Edge O' The Pines	13		13
Hammond Place	5		5
McKenzie Meadow Village		18	18
Skygate		7	7
Tamarack Village	33		33
Village @ Cold Spgs ph. I, II	1		1
Village Meadows Ph. I	2	15	17
Total:	55	48	103

Using the estimate (as of December 31, 2015) from the Buildable Land Inventory (BLI) of total housing units at full build out of current UGB, there would be 103 Affordable Housing Units in the City limits that are either long term affordable via deed restriction or are part of a formal federal rent control program by the US Department of Housing and Urban Development. The percentage of Affordable Housing to market rate housing using the BLI would be 3.8% (103 AH units exist or proposed / 2725 total units X 100). The 2010 Housing Plan indicates a goal to have 10% of City housing stock be classified as Affordable Housing.

Deschutes County Efforts to Support Affordable Housing

Currently, Deschutes County is not actively involved in developing or implementing policies to support Affordable Housing. The County faces mandates from the State to direct growth toward urban centers where appropriate services are available. The main intent of these mandates are to conserve agricultural lands, preserve open space and reduce strain on public services. The unintended consequence of these mandates require very large lots in scattered development patterns in close proximity to City limits. This development pattern can cause property values and home prices to be priced above the affordability range for families. Additionally, due to the large lot zoning and scattered development patterns in the County, this escalates land costs within the City limits which in turn applies significant pressure on housing affordability, necessitating the City to develop policies which incentivize Affordable Housing and lower cost housing.

The City will consider adoption of various policies that can support Affordable Housing and lower cost housing using the information in this Chapter. However, the discussions that precede policy adoptions should be framed in an appropriate perspective for the City of Sisters' current population, financial capabilities and growth projections. As a local government jurisdiction adjacent to the City, Deschutes County should be encouraged to coordinate policy adoption with the City as necessary and to take appropriate measures to unilaterally support Affordable Housing and lower cost housing in the unincorporated areas around Sisters. For example, the County could consider reducing fees of building permit review for Affordable Housing units. Under an Intergovernmental Agreement (IGA), the County provides Building Official services and the income from the fees collected is shared between the City and County. If the City decides to reduce or eliminate certain fees for Affordable Housing, the County should consider a similar policy to support the same effort.

RECENT ACCOMPLISHMENTS

The City has adopted several of the recommendations that were part of the 2010 Housing Plan as well as strengthened relationships with regional and local Affordable Housing Developers. The accomplishments to date include adoption of the following Development Code revisions:

1. Development Code reference in Special Provisions 2.15.800
2. Accessory Dwelling Units
3. Density and Height Bonuses for Affordable Housing Developers
4. Mixed Use development standards in the Downtown Commercial District
5. Permitting stand-alone residential development in the Downtown Commercial District along Adams Ave
6. Cluster Development Code Chapter 4.6 was recently adopted but needs to be revised.

Other proposed Development Code amendments that should incentivize the construction of Affordable Housing and lower cost housing are in progress which include:

- Increasing building height for apartments (enabling a 3 story structure)
- Reducing the minimum density in the Multifamily Family District from (9 du/ac to 7 du/ac) to overlap with the maximum density (8 du/ac) Residential District
- Reducing certain rear yard setbacks for garages accessed from alleys.

Addressing Concerns Regarding Vacation Rentals and “Second Homes”

The potential for increased use of single family homes as vacation rentals and non-primary residences or “Second Homes” is a cause for concern that relatively significant units of existing housing stock is not available for long term rentals. There is a very low vacancy rate for rental housing in the City of Sisters and there is concern that housing which could be available for long term rentals is being used for vacation rentals. As illustrated in Table 4-3, approximately 25% of the City’s current housing stock is long term rentals. Research of the City’s records indicate that there are 20 known vacation rentals within the City limits comprising approximately 1.8% of the current housing stock. Although the ratio of total housing stock to vacation rentals is relatively low, with a very low rental vacancy rate, a surge in new vacation rentals could significantly exacerbate the already tight rental market within the City. The City should consider revising the Development Code to provide an appropriate balance between allowing some growth in vacation rentals while protecting the character of existing neighborhoods and enabling the availability of long term rentals.

HOUSING NEEDS ANALYSIS

The following evaluation is based on research from various sources conducted by City of Sisters staff to update the evaluation of trends that affect housing construction and future supply. A Working Group of individuals who are directly involved in active affordable housing programs or construction and other interested persons participated in reviewing background data, editing this Chapter and developing Affordable Housing policy recommendations.

Methods - There are seven essential steps in conducting a housing needs analysis:

1. Determine the number of new housing units needed in the next 20 years;
2. Identify relevant national, state, and local demographic trends that will affect the 20-year projection of dwelling distribution;
3. Describe the demographic characteristics of the population, and household trends that relate to demand for different types of housing;
4. Determine the types of housing that are likely to be affordable for the projected households;
5. Estimate the number of additional new units by dwelling type;
6. Within the current UGB, determine the density ranges for all plan designations and the average net density for all dwelling types;
7. Evaluate currently unfulfilled housing needs and the housing needs of special populations (Goal 10 needs).

The remainder of this chapter is organized into three sections. The first section describes residential development trends in City of Sisters, the second describes demand for new housing units over the 20-year planning period; and the third addresses housing needs.

Quality of Data

Readers of this chapter should be aware that discrepancies exist between data sources originating from the 2010 U.S. Census, Applied Geographic Solutions (Oregon Prospector), the American Community Survey (2009-2013), Deschutes County Tax Assessor records, and the City of Sisters internal records. Significant attempts have been made to reconcile the discrepancies but due to the nature of the data collection and reporting methods used by the various organizations, the reader of this section may notice some slight discrepancies in data sets that measure similar trends. Additionally, since the City continues to issue building permits and the development entitlement process is active, data sets maintained by the City of Sisters and Deschutes County are continually being updated. The data used in this chapter is updated through September 2015 and any new building permits issued or entitlements approved after the end of September 2015 are not included in this current draft unless otherwise noted.

Residential Development Trends Affecting the City Of Sisters

Narrative for City of Sisters Development Trends 2000-2015

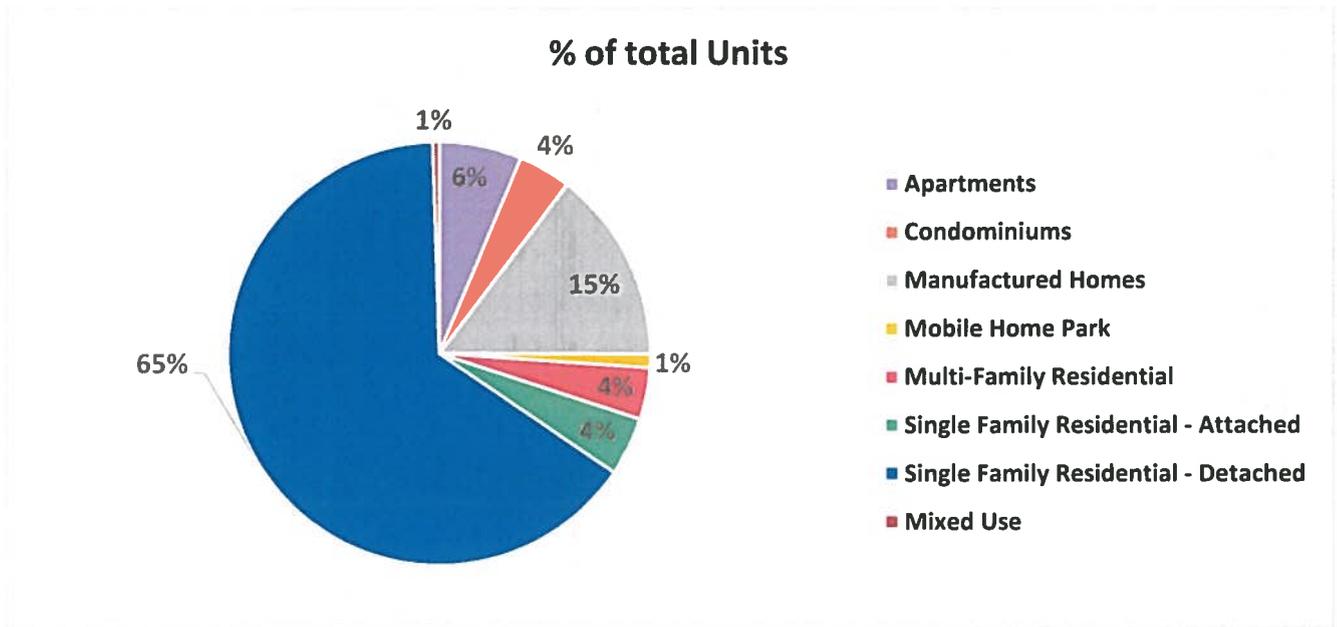
- Subdivisions previously dormant during the recession, are seeing a resumption of construction;
- Residential building permits have resumed a steady rate of issuance since the recession ended.
- Since 2013, the City has issued a total of 135 building permits for new residential construction at an average rate of approximately 4 per month;
- Previously approved subdivisions are advancing their entitlements and new developments are applying to be entitled;
- Two assisted living facilities comprising up to 82 units and 62 units respectively are ready for building permit issuance;
- In fill development is occurring on vacant lots;
- At present, no building permits for multifamily structures comprised of 4 or more units have been issued since 2013;
- As of December 31, 2015, 1142 dwelling units exist in the City. It is projected that this number will approximate 2,725 dwelling units at full buildout of the UGB (projected to occur by 2035).
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Table 4.2 Dwelling units by Type Sisters City Limits 2015 (as of December 31, 2015)

Dwelling Type	Number of Units Built	% of total Units	Number of Parcels	% of total Parcels
Apartments	72	6%	3	0%
Condominiums	46	4%	5	0%
Manufactured Homes	168	15%	165	16%
Mobile Home Park	12	1%	1	0%
Multi-Family Residential	45	4%	22	2%
Single Family Residential - Attached	51	4%	61	6%
Single Family Residential - Detached	742	65%	770	74%
Mixed Use	6	1%	7	1%
Total Dwelling Types	1,142	100%	1,034	100%

Source: City of Sisters GIS 2015

Figure 1. Dwelling units by Type Sisters City Limits 2015



Narrative for Table 4.2 and Figure 4.1

- Single family detached homes comprise nearly two-thirds of the housing stock
- Townhouses, apartments and condominiums comprise 15% of the City’s housing units.
- Only one development (Sisters RV Park) considered a Mobile Home Park exists in the City. However this development also contains recreational vehicles.

City of Sisters Development Code 1.3.300: Definitions of residential unit terminology:

- **Attached dwelling/townhome** – Two or more dwelling units attached side by side on two or more contiguous, separate lots with some structural parts connected at a common property line.
- **Duplex dwelling** – A building with two attached housing units on one lot or parcel. The units must share a common wall or common floor/ceiling.
- **Manufactured dwelling** – A residential trailer, mobile home or manufactured home.
- **Multi-family dwelling** – A structure that contains four or more dwelling units that share common walls or floor/ceilings with one or more units. The land underneath the structure is not divided into separate lots. Multi-family dwelling includes structures commonly called apartments, multi-plexes and condominiums. For purposes of this report condominiums
- **Single family detached dwelling** – One dwelling unit, freestanding and structurally separated from any other dwelling unit or buildings, located on a lot.
- **Triplex dwelling** – A building with three attached housing units on one lot or parcel.
- **Other: Mixed Use residential/commercial:** Is a residential dwelling unit leased or owned located within, above, or attached to a commercial building.

Table 4.3 Dwelling Units by Tenure Sisters City Limits 2015 (own vs rent)

Housing Tenure	2015 GIS Data	%
Owner-Occupied Dwellings	843	74%
Renter-Occupied Dwellings	299	26%
Total Dwellings	1,142	100%

Source: City of Sisters GIS and water customer billing records

Table 4.3 indicates that 26% of current housing stock is rented.

Table 4.4 Dwelling units by Type and Tenure, Sisters City Limit 2015

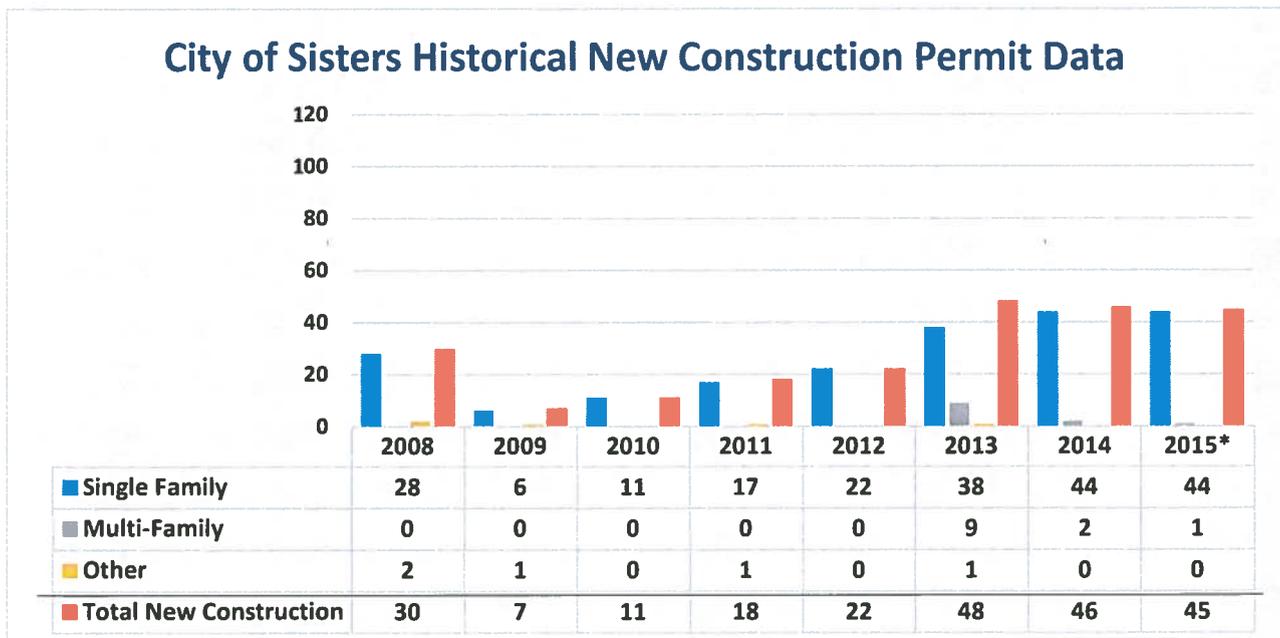
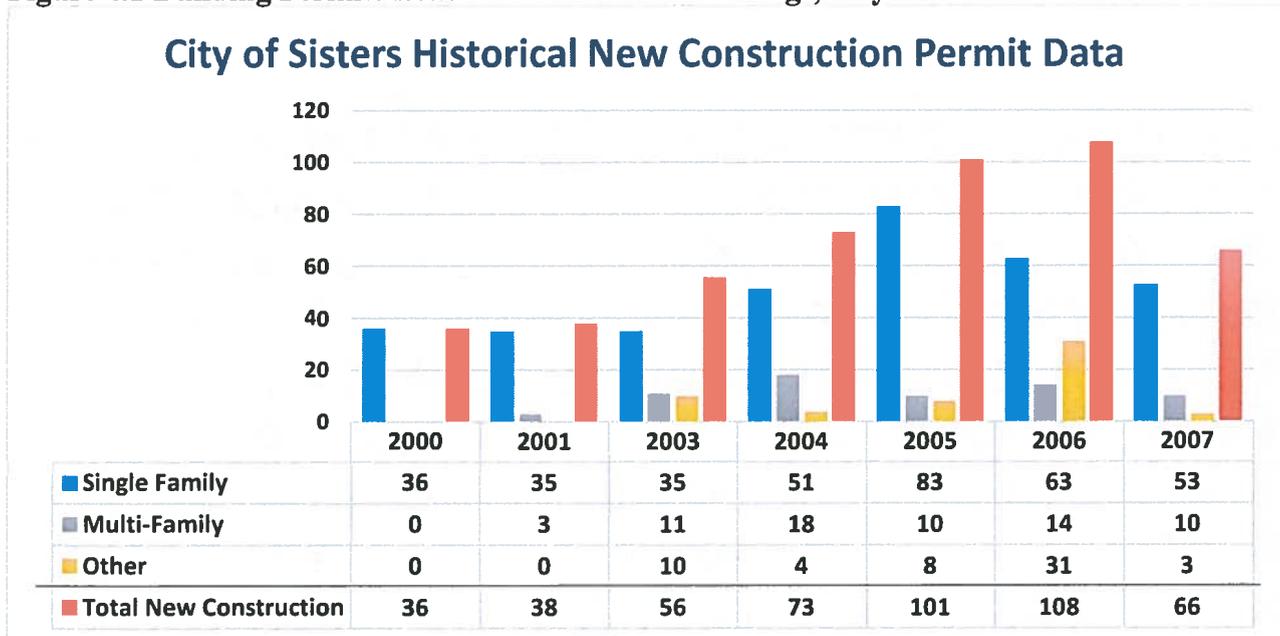
Dwelling Type	Owner Occupied		Renter Occupied		All Dwellings	
	DU by type	%	DU by type	%	DU by type	%
Apartments	0	0%	72	100%	72	6%
Condominiums	45	98%	1	2%	46	4%
Manufactured Homes	128	76%	40	24%	168	15%
Mobile Home Park	12	100%	0	0%	12	1%
Multi-Family Residential	19	42%	26	58%	45	4%
Single Family Residential - Attached	39	76%	12	24%	51	4%
Single Family Residential - Detached	598	81%	144	19%	742	65%
Mixed Use	2	33%	4	67%	6	1%
Total	843	74%	299	26%	1,142	100%

Source: City of Sisters GIS data & City of Sisters Water billing data

Narrative for Table 4.4

- Data for this Table was partially obtained by analyzing water billing data to determine if the customer's name is the same as the owner or different. If the water customer's name was different than the owner, the analysis assumed that the dwelling is occupied by a renter.
- 68% of current housing stock is single family detached housing.
- Approximately 48% of renters occupy single family detached dwellings.

Figure 4.1 Building Permits issued for residential dwellings, City of Sisters 2000-2015



Source: City of Sisters, 2015 (*2015 Building permits are through Dec. 31, 2015)

- Building permit issuances are keeping pace with 2013 and 2014; Most all of the permits issued for 2015 are for single family dwellings with the exception one permit issued for a three-unit multifamily structure;
- Permit issuance rates are still at approximately half as compared to 2005 and 2006;
- Multifamily units are being constructed at a very low rate compared to single family units; one multifamily dwelling building permit (for three units) was issued in 2015.

Table 4.5 Residential Buildable Lands and Development Inventory Summary (as of 12/31/15)

Neighborhood/Area	Year Approved	Acres	# Platted	Zone	Vacant Lots	Potential Vacant DUs	DUs Built Now	DUs If Built Out	Gross Density (DU/AC)	Type of Homes
Aspenwood	2002	2.69	26	R	20	20	5	26	9.67	SF Detached and Attached
Brooks Camp Rd THs & Apts	N/A	2.32	2	MFR	2	47	0	47	20.26	Expired plans
Buck Run	1991	5.68	72	R	9	9	63	72	12.68	SF Detached and Attached
Clear Pine (3 Sisters Pship)	2015	20.02	11	R/MFR	11	100	0	100	5.00	SF Detached, Multifamily
Cold Springs South	2014	1.42	12	MFR	0	0	12	12	8.45	SF Detached
Cottage Grove	2006	1.62	9	R	8	8	1	9	5.56	SF Detached
Covey Run	2003	1.78	8	R	2	2	6	8	4.49	SF Detached
Coyote Springs	1999	18.7	46	R	21	21	22	46	2.46	SF Detached
Creekside	1999	9.09	22	R	4	4	18	22	2.42	SF Detached
Davidson Addition	1918	70	147	MFR	17	17	132	150	2.14	SF Detached and Attached
Edge O' The Pines	1966	30.8	138	R	8	8	130	138	4.48	SF Detached
Fourth Sisters Condos	2010	2.89	14	R	0	0	14	14	4.84	Condominium
Hammond Place	2008	0.87	5	R	2	2	3	5	5.75	SF Attached and Detached
Highland Village	2015	4.55	24	R	24	24	0	24	5.27	SF Detached
Loe Brothers TrnC Addition	1970	46.3	140	R	8	8	132	140	3.02	SF Detached
McCaffery's 1st Addition	1910	40	39	DC	13	13	26	39	0.98	SF Detached
McKenzie Meadow Village	2010	30	1	MFR	1	257	0	175	5.83	Does not include 82 units ALF
Mountain View	1986	0.91	1	R	0	0	20	20	21.98	Apartments
North of Adams St: DC zone	Various	32	36	DC	6	254	10	264	8.25	Does not include 62 units ALF
Patterson Property	N/A	13.1	1	MFR	1	183	0	183	13.97	Zoning entitled only
Pine Mdw Village (PMV)	1998	50	125	R/MFR	52	84	72	156	3.12	SF and Condos
Roaring Springs	2006	1.92	13	R	8	8	5	13	6.77	SF Detached
Rolling Horse Meadow	1979	17.5	29	R	1	1	28	29	1.66	SF Detached
Saddlestone	2006	18	85	R	75	75	10	85	4.72	SF Detached
Sisters RV Park	1988	5.14	1	R	0	0	12	12	2.33	Manuf homes and RV Park
Sisters Park Place	2003	6.62	40	MFR	0	0	40	40	6.04	SF Detached
Skygate	2015	0.71	1	SRR	1	7	0	7	9.86	SF Detached
South View	2001	1.81	6	R	3	3	3	6	3.31	SF Detached
Spring Meadows	2001	2.31	12	R	0	0	12	12	5.19	SF Detached
SRR- Kuivato	2015	13.43	1	SRR	1	35	0	35	2.61	SF Detached
Tamarack Village	2003	2.09	1	MFR	0	0	33	33	15.79	Apartments
The Pines at Sisters	2005	13	79	MFR	7	7	72	79	6.08	SF Detached
The Village Apartments	2001	0.91	1	DC	0	0	19	19	20.88	Apartments
Timber Creek	1998	25	101	R	26	26	110	127	5.08	SF and multifamily duplexes
USFS property-east portal	N/A	47.06	2	PF	2	125	0	125	2.66	CLUP designation for PUD
Village @ Cold Spgs ph. I, II	2004	24	94	MFR	0	0	94	94	3.92	SF Detached
Village @ Cold Spgs ph. IV	2010	6.36	25	MFR	0	0	25	25	3.93	109 SF Attached and 164 Apts
Village at Cold Springs Phases III, V, VI VII	2005	18.37	1	MFR	1	273	0	273	14.86	SF Detached
Village Meadows Ph. I	2005	7.22	30	MFR	18	18	12	30	4.16	
West View Business Park	2012	2.16	11	DC	10	10	1	11	5.09	office
Total		598	1,412		362	1,649	1,142	2,705	6.89	Overall gross density
(assuming 20% difference between Gross and Net):									8.61	Overall net density

Densities by zone	Avg Gross	Avg Net
DC	8.80	11.00
MFR	8.79	10.98
PF	2.66	3.32
R	5.83	7.29
R/MFR	3.12	3.90
SRR	6.23	7.79
Average	5.90	7.38

Narrative for Table 4.5 Residential Buildable Lands Inventory

- The City of Sisters is comprised of a total of approximately 1,168 acres of which approximately 598 acres either contain existing residential uses or allow for future residential construction. Additional residential uses in certain circumstances are allowed in the Downtown Commercial which may or may not be ultimately developed with residential units.
- As of December 31, 2015, the City contains a total of 1,142 residential units.
- At full build out of current UGB, it is estimated that the City would contain 2,725 residential units at an approximate density of 6.89 dwelling units per gross acre of residential land (8.61 units per acre net density). The units estimate does not include 144 Assisted Living Units planned on two individual sites.
- Averaging densities by zoning district indicates 5.93 gross units per acre (7.41 acres net density). This number is relatively high due two apartment developments located in the Downtown Commercial zoning district.
- These densities include 147 assisted living units planned for construction in the near term.
- Of the 371 vacant lots that are able to have residential units constructed:
 - 10 lots are not platted
 - Of these 10 lots:
 - 9 have zoning designations that enable residential development
 - 2 parcels have appropriate zoning for residential development but do not have any other advanced entitlements.
 - 3 parcels have either master plans and/or preliminary plats approved
 - Only 2 parcels (US Forest Service) do not have zoning that enable residential development.

Detailed Analysis of select parcels with incomplete entitlements

At the current time, there are only three sites within the City limits (two sites containing one parcel each and one site containing three parcels) that have substantially incomplete entitlements. This means that these parcels do not have an approved master plan.

- **Adams Street vicinity and North of Adams St – Downtown Commercial (DC) zone:**
 - The Development Code allows for residential uses co-located with non-residential uses and stand-alone residential uses in the DC District adjacent to and north of Adams St.
 - A recently expired plan known as “Black Butte Crossing” entitled 243 residential units in a mixed use development proposal which significantly added to the estimates of overall future residential unit count. For the purposes of the Buildable Lands Inventory, an assumption of 140 potential residential units is made if the property was rezoned to Multifamily Residential. The property can still be developed as a mixed use residential/commercial development within the current zoning designation.
 - Other vacant DC zoned parcels in the Adams St Vicinity could yield additional residential units and estimating the anticipated units to be built is difficult.

○ **US Forest Service Property (East Portal)**

- The property is currently zoned Public Facility, Open Space, and Urban Area Reserve and recently received entitlements in the current Comprehensive Plan
- The Comprehensive Plan entitlements provide for a 3 – option scenario for development and one additional option for the entire parcel to become a park if purchased by the City. Each option includes residential, commercial/office and employment development and a dedication of a 6.3 acre park where the current rest area is located.
 - **Option A:** 60-70 residential units, 140,000 sq ft commercial and 20 acres reserved for employment development
 - **Option B:** 140-160 residential units, 112,000 sq. ft of commercial and 15 acres reserved for employment development.
 - **Option C:** 75 to 85 residential units. 100,000 sq. ft commercial and 12 acres of employment/light industrial.
- For the purposes of the Buildable Lands Inventory, an assumption of 125 potential residential units was made if the property was rezoned to accommodate residential development

○ **Patterson property north of McKenzie Highway**

- This 13.1 acre parcel is zoned Multifamily Residential and does not have an approved master plan.
- For the purposes of the Buildable Lands Inventory, an assumption of 183 potential residential units was made if the property is developed as it's currently zoned. A gross density of 14 units per acre was used in the assumption, a density slightly higher than mid-range of what is currently allowed per the Development Code.

Future Density vs Existing Density

This section provides a comparison between the density of future developments within the City that are in various stages of the entitlement process and not yet platted or developed and the remaining developments that are either platted or otherwise fully entitled. The figures in Table 4.7 are used for this comparison.

Table 4.7 Anticipated Density of Future Selected Developments or Parcels

Development Name	Acres	Residential Units	Gross Density (DU/AC)
Brooks Camp Rd (2 parcels)	2.32	47	20.26
Clear Pine	20.02	100	5.00
Adams St vicinity and North: DC zoning district	32	300	9.38
Patterson property North of McKenzie Highway	13.1	183	13.97
Kuivato (Sun Ranch Residential)	13.43	35	2.61
US Forest Service (East Portal)	47.06	125	2.66
Village at Cold Springs Phases III, V, VI and VII	18.37	273	14.86
Totals	146.3	1063	Avg=7.27 du/ac

Existing Improved Land Calculation: 428 acres X 1,385 total possible units = 3.24 du/ac gross or 4.05 du/acre net density

Unimproved Land Calculations: 146 acres X 1063 units = 7.28 du/ac gross or 9.10 du/ac net

The future density of parcels with incomplete entitlements is nearly twice the density of parcels that have completed the entitlement process and are ready to be developed.

Table 4.8 Net Density of Residential Development by dwelling type in City of Sisters.

Dwelling Type	Units	Net Acres	Net Density
Apartments	72	3.20	22.5
Condominiums	46	2.35	19.6
Manufactured Homes	168	33.99	4.9
Mobile Home Park	12	5.14	2.3
Multi-Family Residential	45	4.03	11.2
Single Family Residential	793	166.83	4.8
Mixed Use	6	1.38	4.3
Total/Average	1,142	216.91	10.0

Source: City of Sisters GIS data & U.S. Census

New Dwelling Units Needed

Estimating total new dwelling units needed during the planning period is a relatively straightforward process. Demand for new units is based on the county coordinated population forecast as required by ORS 195.036, ORS 197.296, and OAR 660-024-0040(1). Persons in group quarters are then subtracted from the total of changes in persons for the projected growth period to get total persons in households. Total persons in households is divided by persons per household to get occupied dwelling units. Occupied dwelling units are then inflated by a vacancy factor to arrive at total new dwelling units needed.

The following sections represent a step by step approach that describes the basis of assumptions applied estimate the demand for new dwelling units.

POPULATION

Table 4-9 City of Sisters Population Growth History (1990-2015) and Forecast (2015-2035)

Year	City of Sisters	% Change
1990	722	
1995	801	10.9%
2000	973	21.5%
2005	1,214	24.8%
2010	2,039	68.0%
2015	2,315	13.5%
2020	2,960	27.9%
2025	3,431	15.9%
2030	3,903	13.7%
2035	4,375	12.1%

Year	Population
2015	2,315
2035	4,375
Change 2015 to 2035	
People	2,060
Percent Change	89%
Average Annual Growth Rate	3.2%

*Source: Center for Population Research and Census – Portland State University
(Updated 10/12/15)*

Table 4-9 presents City of Sisters' historical population trend from 1990 to 2015 and the population forecast for the 2015 to 2035 (20 year) period. It estimates that the City will grow an average annual rate of 3.23% and by a total of 2,060 persons over the next 20 years. The historical average annual growth rate between 1990 and 2015 was 6.3% with an increase of 1,593 residents.

Persons in Group Quarters

- Persons living in group quarters are usually not included in population forecasts for the purpose of estimating future housing demand. The City of Sisters estimates that there are four group homes within the City limits housing a total of 20 persons.
- Two proposed assisted living facilities (ALF) at McKenzie Meadow Village and the Lodge are ready for building permit issuance at the time of writing this report. These two ALFs will add approximately 147 ALF units to the City's group quarters total. This number far exceeds the minimum expectations for a City's population the size of Sisters. The eventual development of these ALF's are a welcome addition to help relieve pent up demand for ALF's in the region but the numbers of anticipated clients in these two ALF projects are not being considered in this study. Using the above data and assuming the two ALF's will have full occupancy within the 20 year planning period, for purposes of this analysis, the total persons in group quarters is 167.

Average Household Size

Table 4-10.1 Average Household size in Deschutes County and City of Sisters

	Persons Per HH
Deschutes County	
Average household size	2.47
Owner-Occupied Dwellings	2.45
Renter-Occupied Dwellings	2.51
City of Sisters	
Average household size	2.08
Owner-Occupied Dwellings	2.20
Renter-Occupied Dwellings	1.52

Source: U.S. Census, 2009-2013 American Community Survey 5-Year Estimates and City of Sisters Water Billing Records

Table 4-10.2 Estimate of Occupants per Household

City of Sisters Dwellings	Avg. Persons Per Unit	Est. Persons Per Unit	% of Persons Per Unit
Apartments	1.63	117	5%
Condominiums	3.25	150	7%
Manufactured Homes	2.27	381	17%
Multi-Family Residential	1.29	54	2%
Single Family Residential	1.98	1,557	69%
Total/Average	2.08	2,259	100%

Source: City of Sisters Water Service Billing Records

Narrative for Tables 4-10.1 and 4-10.2

- City of Sisters data for average household size was derived using an assumption of 20 gallons of water usage per person per day based on actual usage and a sampling of 106 accounts.
- The average household size in the City of Sisters is lower than the average for all of Deschutes County
- Owner occupied dwellings contain more persons per household than rented dwellings.

VACANCY RATES

Vacant units are the final variable in the basic housing demand model. Vacancy rates are cyclical and represent the lag between demand and the market's response to demand in additional dwelling units. Analysts consider a 2%-4% vacancy rate typical for single-family units; 4%-6% is typical for multifamily residential units. According to the 2013 American Community Survey, about 7.5% of all housing stock in the City of Sisters was vacant at the time of the survey. However, examination of the City's water service billing indicates a current vacancy rate of under 2%. To adjust for a sufficient margin of error, the forecast of needed dwelling units assumes a vacancy rate of 5%.

FORECAST OF NEW HOUSING UNITS 2015-2035

Table 4-11. Demand for new housing units, Baseline Assumptions, City of Sisters 2015-2035

Variable	Baseline Estimate of Housing Units
Change in Persons	2,060
<i>minus</i> Change in persons in group quarters	167
equals Persons in households	1,893
Average Household size	2.08
New occupied DU	967
<i>times</i> Vacancy rate	5%
equals Vacant dwelling units	48
equals Total new dwelling units	1,015
Dwelling units needed annually	51

Source: U.S. Census, 2009-2013 American Community Survey 5-Year Estimates and City of Sisters records

Narrative for Table 4-11

- Persons estimated to be living in group quarters are derived by adding 82 units from McKenzie Meadow Village, 65 units from The Lodge, and 6 existing units for a total of 167.
- Since 2010, the City is issuing an average of 30 new residential dwelling building permits per year. This pace is insufficient to keep up with the projected population growth.
- Recent 2013-2015 permit issuance rate average 46 permits issued.
- The estimate for 967 dwelling units needed by 2035 at an annual rate of 51 per year exceeds the pace with the average number of permits issued since 2010.
- As mentioned in the narrative for Table 4-5, there are three parcels/locations in the City that could develop approximately 545 dwelling units but these parcels/locations do not have advanced entitlements and their development future is uncertain.
- The Buildable Land Inventory indicates 1,142 existing dwelling units with another 1,536 potential units that could be developed in the future. This includes land that is zoned Downtown Commercial that may or may not be developed with residential uses.
- If an average pace of 30 residential building permits per year are issued over the next 20 years, the projected housing needs will go unfulfilled.

HOUSING NEEDS ANALYSIS

The DLCDD Workbook describes five steps in analyzing housing needs in a community. The steps are:

1. Identify relevant national, state, and local demographic and economic trends and factors that may affect the 50-year projection of structure type mix.
2. Describe the demographic characteristics of the population and, if possible, housing trends that relate to demand for different types of housing.
3. Determine the types of housing that are likely to be affordable to the projected households based on household income.
4. Estimate the number of additional needed units by structure type.
5. Determine the needed density ranges for each plan designation and the average needed net density for all structure types.

Step 1. Identify Relevant National, State, and Local demographic And Economic Trends and Factors That May Affect The 20-Year Projection of Dwelling Type Mix

NATIONAL HOUSING TRENDS SUMMARY

Overview of national, state, and local housing trends

National housing market trends include:

1. Improvement in the housing market depression.
2. Decrease in the oversupply of housing.
3. Declines in homeownership.
4. Leveling off of foreclosures.
5. Increasing housing prices.
6. Growth in rentals.
7. Housing affordability.
8. Demographics shift
9. Long-term growth and housing demand.
10. Changes in housing preference.

STATE DEMOGRAPHIC TRENDS

Oregon's Draft *2011-2015 Consolidated Plan* includes a detailed housing needs analysis as well as strategies for addressing housing needs statewide. The plan concludes that "Oregon's changing population demographics are having a significant impact on its housing market." It identified the following population and demographic trends that influence housing need statewide. Oregon is:

- Growing more slowly than the national average since 2007
- Facing housing cost increases but higher unemployment and lower wages, when compared to the nation
- Increasingly older, more diverse, and, less affluent households
- Significant in-migration from out of state, especially households with retired persons.

Statewide in Oregon, most measurements of permit issuances for new private housing registered declines in the first quarter of 2015 (as accounted on a seasonally adjusted basis). The Oregon total for this type of permit in the first quarter was 3,413, a 21 percent decrease of 902 permits from the prior quarter and a year-over year decrease of approximately one percent or 50 permits.

Local and Regional Trends in Demographics and Housing Affordability

- Escalating homeownership related costs and cost of living
- Tight market and high demand for rental housing
- Population shifts
- Proximity to employment centers in Bend and Redmond
- Desirable location for retirees and active lifestyles

As reported in the August 2015 edition of the Center for Real Estate Quarterly Report, Housing markets tightened in Central Oregon. During the second quarter in Bend, 725 existing homes sold. This is 76 percent more than during the first quarter, and 16 percent more than second quarter 2014. The median sale price rose to \$320,500, two percent above the first quarter and 11 percent above second quarter 2014.

Redmond's existing single-family transaction total for the second quarter was 230 units: 58 percent more than the first quarter and four percent more than second quarter 2014. A median sale price of \$219,925 was reached, which represents a five percent increase over first quarter 2015 and a 14 percent increase over second quarter 2014.

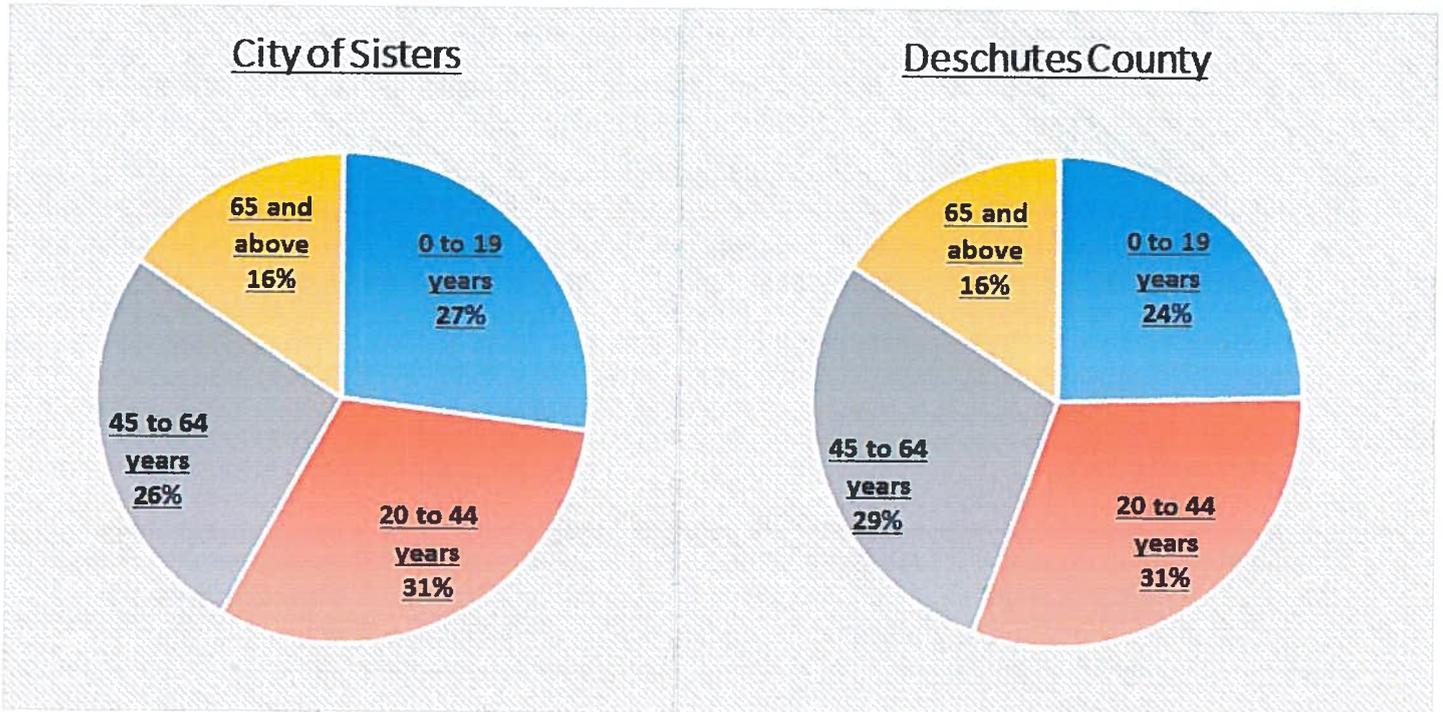
Step 2. Describe the demographic characteristics of the Population and, if possible, housing trends that relate to demand for different types of housing

Demographic characteristics are highly correlated with housing need. Factors such as age, income, migration and other trends affect both demand and need for housing.

Table 4-12 Population by Age, City of Sisters 2015 and projections for 2020

Age distribution	City of Sisters		Deschutes County		Oregon	
Under 5 years	135	6%	9,319	6%	233,715	6%
5 to 9 years	119	5%	10,270	6%	239,829	6%
10 to 14 years	133	6%	10,403	6%	240,635	6%
15 to 19 years	238	10%	9,589	6%	250,953	6%
20 to 24 years	187	8%	8,262	5%	259,756	7%
25 to 34 years	288	12%	20,011	12%	528,730	14%
35 to 44 years	244	11%	21,213	13%	504,518	13%
45 to 54 years	353	15%	22,787	14%	529,199	14%
55 to 59 years	181	8%	12,077	8%	273,427	7%
60 to 64 years	76	3%	11,283	7%	247,886	6%
65 to 74 years	175	8%	15,239	9%	312,897	8%
75 to 84 years	127	5%	7,066	4%	168,636	4%
85 years and over	59	3%	3,046	2%	78,540	2%
Total	2,315	100%	160,565	100%	3,868,721	100%

Source: U.S. Census, 2009-2013 American Community Survey 5-Year Estimates



Narrative for Table 4-12

- Table 4-12 reflects data from the American Community Survey. This data, although not aligned with Portland State University’s recent population estimate data (80 person-difference), is being used for the purposes of estimating age distribution.
- The largest age cohort group in the City of Sisters is 20 - 44 year olds (31%)
- The combined age cohorts of 60 years and older comprise 19% of the City’s population.
- The under 20 year old combined cohort group contains approximately 27% of the City’s population.

Table 4-13 Place of residence in the past year, City of Sisters, Deschutes County and Oregon (2010)

Location	City of Sisters		Deschutes County		Oregon	
	Persons	Percent	Persons	Percent	Persons	Percent
Population 1 year and over	2,220	98%	159,005	99%	3,825,695	99%
Same house	1,636	72%	130,774	81%	3,136,563	81%
Different house in the U.S.	559	25%	27,845	17%	668,833	17%
Same county	379	17%	17,772	11%	411,931	11%
Different county	180	8%	10,073	6%	256,902	7%
Same state	66	3%	4,690	3%	131,021	3%
Different state	114	5%	5,383	3%	125,881	3%
Abroad	25	1%	386	0%	20,299	1%

Source: U.S. Census, 2009-2013 American Community Survey 5-Year Estimates

- 72% of the City’s residents have lived in the same house during the past year

Table 4-14 Persons of Hispanic or Latino origin, City of Sisters Deschutes County and Oregon (2010 to 2015)

	City of Sisters	Deschutes County
2010		
Total Population	2,038	153,981
Hispanic or Latino	145	13,097
Percent of Hispanic or Latino	7%	9%
2015		
Total Population	2,315	170,605
Hispanic or Latino	162	14,511
Percent of Hispanic or Latino	7%	9%
Change 2010 - 2015 Projections		
Hispanic or Latino	17	1,414
Percent of Hispanic or Latino	1%	1%

Source: Applied Geographic Solutions, 2015 (Updated 09/29/15)

Step 3. Determine the types of housing that are likely to be affordable to the projected households based on household income

Step 3 of the housing needs assessment results in an estimate of need for housing by income and housing type. This requires some estimate of the income distribution of future households in the community. These estimates are based on HUD Section 8 program data for household income and fair market rents.

A typical standard used to determine housing affordability is that a household should pay no more than 30% of its total monthly household income for housing, including utilities. One way of exploring the issue of financial need is to review wage rates and housing affordability. Table 4-12 shows an analysis of affordable housing wage and rent gap for households in Sisters at different percentages of median family income (MFI). The data are for a typical family of four.

The results indicate that a household earning 50% of Median Family Income must earn approximately \$11.44 an hour to afford a two-bedroom unit according to HUD's market rate rent estimate.

Table 4-15. Analysis of affordable housing wage and rent gap by HUD income categories, Deschutes County, 2012

Value	Minimum Wage	30% MFI	50% MFI	80% MFI	100% MFI	120% MFI
Annual Hours	2080	2080	2080	2080	2080	2080
Derived Hourly Wage	\$9.25	\$7.66	\$11.44	\$18.27	\$28.56	\$34.27
Annual Wage At Minimum Wage	\$19,240	\$15,930	\$23,800	\$38,000	\$59,400	\$71,280
Annual Affordable Rent (30% of Wages)	\$5,772	\$4,779	\$7,140	\$11,400	\$17,820	\$21,384
Monthly Affordable Rent (30% of Wages)	\$481	\$398	\$595	\$950	\$1,485	\$1,782
HUD Fair Market Rent (2 Bedroom)	\$804	\$804	\$804	\$804	\$804	\$804
Is HUD Fair Market Rent Higher Than The Monthly Affordable Rent	Yes	Yes	Yes	No	No	No
Rent Paid Monthly OVER 30% of Income	\$323	\$406	\$209	na	na	na
Rent Paid Annually OVER 30% of Income	\$3,876	\$4,869	\$2,508	na	na	na
Percentage of Income Paid OVER 30% of Income for Rent	20%	31%	11%	na	na	na
Total Spent on Housing	50%	61%	41%	25%	16%	14%
For this area what would the "Affordable Housing Wage" be?	\$12.03	\$9.96	\$14.88	\$23.75	\$37.13	\$44.55
The Affordable Housing Wage Gap IS:	\$2.78	\$2.30	\$3.43	\$5.48	\$8.57	\$10.28

Source: U.S. Department of Housing and Urban Development

The total amount a household spends on housing is referred to as cost burden. Total housing expenses are generally defined to include payments and interest or rent, utilities, and insurance. HUD guidelines indicate that households paying more than 30% of their income on housing experience "cost burden" and households paying more than 50% of their income on housing experience "severe cost burden." Using cost burden as an indicator is consistent with the Goal 10 requirement of providing housing that is affordable to all households in a community.

Table 4-16 Housing cost as a % of household income, City of Sisters 2013 (Estimate)

Percent of Income	Owners		Renters		Total	
	Number	Percent	Number	Percent	Number	Percent
Less than 20%	59	20%	124	27%	183	24%
20% to 24.9%	22	8%	64	14%	86	11%
25% to 29.9%	43	15%	33	7%	76	10%
Not experiencing cost burden	124	42%	221	48%	345	46%
30% to 34.9%	56	19%	21	5%	77	10%
35% or more	113	39%	219	48%	332	44%
Experiencing cost burden	169	58%	240	52%	409	54%
Total	293	100%	461	100%	754	100%

Source: U.S. Census, 2009-2013 American Community Survey 5-Year Estimates

Narrative for Table 4-16

- According to the U.S. Census, 409 households (owners and renters) in the City of Sisters about 54%—paid more than 30% of their income for housing in 2013.

Table 4-17. Estimate of housing affordability, Sisters 2015

Des. Co. Assessor-Based RMV Clusters	Associated MFI Ranges to RMV Clusters	# of Housing Units ¹	% of Total Housing Units ¹	Associated Income Ranges to MFI	Number of HH within Associated Income ranges to MFI	%	
\$0 - \$54,884	0-20%	26	2%	0 - \$11,880	34	3%	
\$54,884 - \$109,768	21-40%	94	8%	\$11,881 - \$23,760	297	26%	
\$109,769 - \$164,652	41-60%	248	22%	\$23,761 - \$35,640	114	10%	
\$164,653 - \$219,537	61-80%	306	27%	\$35,641 - \$47,520	114	10%	
\$219,538 - \$274,421	81-100%	192	17%	\$47,521 - \$59,400	80	7%	
\$274,422 - \$387,279	101-120%	159	14%	\$59,401 - \$71,280	148	13%	
\$387,230 and above	Above 120%	117	10%	\$71,281 and above	354	31%	
		1,142	100%			1,142	100%

Sources: U.S. Census, 2009-2013 American Community Survey 5-Year Income Estimates and Deschutes County GIS

¹ The RMV for the 72 apartment units were derived by dividing the RMV by the number of units

Narrative for Table 4-17

- The data for Table 4-17 is comprised of two different sources. The income data are from estimates derived from the American Community Survey and the data on valuation is derived from Deschutes County Tax Assessor, Real Market Value records. It should be noted that data identifying the number of households by income distribution is derived from estimates by the ACS from the period between 2009 and 2013 (the great recession). This data may understate the income by households. Table 4-17 makes no assumption that the numbers of family units in each income bracket reside in dwellings that are valued in the range that are indicative of what that family unit can afford.

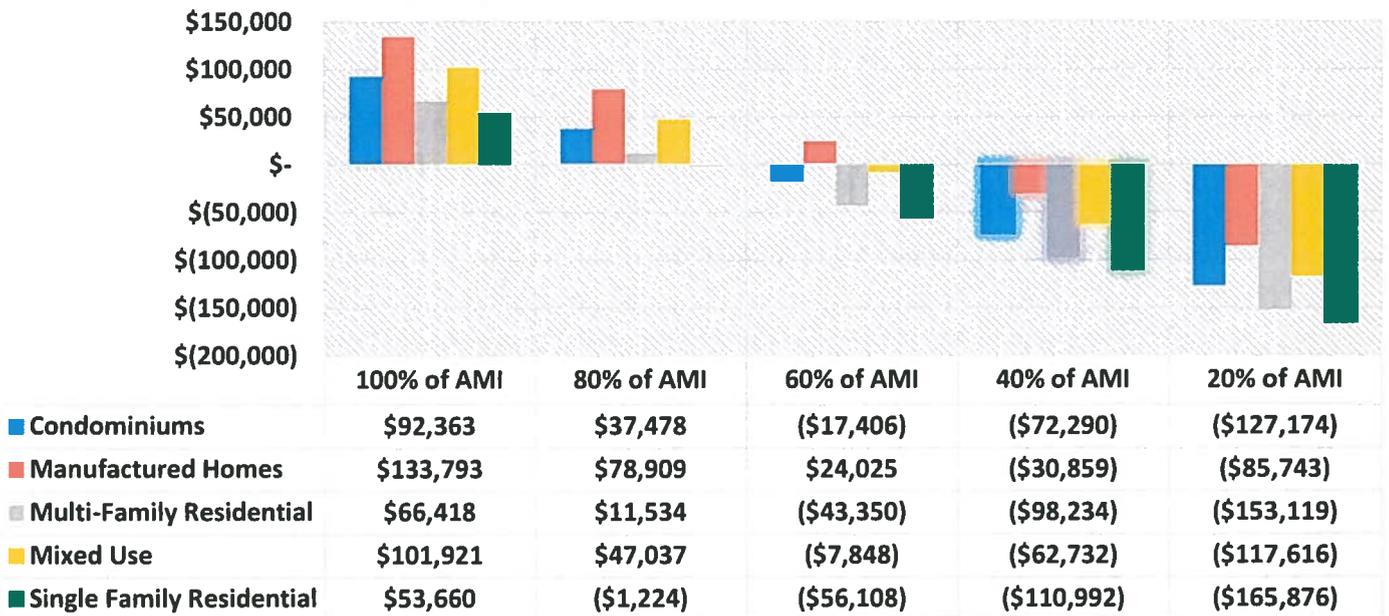
- Data from the Deschutes County Assessor, Real Market Value indicators were grouped into clusters that matches, as closely as possible, the associated MFI affordability ranges. The total number and percentage of housing units within these clusters are illustrated.
- Table 4-17 indicates that 59% of the City's total housing stock is valued by the Deschutes County Assessor – Real Market Value at a value that a family could afford that has an income of 80% or lower of MFI.
- 674 housing unit are assessed with a Real Market Value that falls below the <80% MFI range.
- 559 household units or roughly 50% of the population are estimated to have an income that falls below the <80% MFI.
- Approximately 24% of the City's housing stock is valued at the >100% MFI

Table 4-18. Financially attainable housing type by income range, 2006-2010

	Can Afford a Mortgage =	<u>Condominiums</u> (Surplus/Deficit)	<u>Manufactured Homes</u> (Surplus/Deficit)	<u>Multi-Family Residential</u> (Surplus/Deficit)	<u>Mixed Use</u> (Surplus/Deficit)	<u>Single Family Residential</u> (Surplus/Deficit)
Avg. Recent Sale:		\$ 182,058	\$ 140,627	\$ 219,824	\$ 172,500	\$ 220,760
%100 of MFI	\$ 274,421	\$ 92,363	\$ 133,793	\$ 54,596	\$ 101,921	\$ 53,660
%80 of MFI	\$ 219,537	\$ 37,478	\$ 78,909	\$ (288)	\$ 47,037	\$ (1,224)
%60 of MFI	\$ 164,652	\$ (17,406)	\$ 24,025	\$ (55,172)	\$ (7,848)	\$ (56,108)
%40 of MFI	\$ 109,768	\$ (72,290)	\$ (30,859)	\$ (110,056)	\$ (62,732)	\$ (110,992)
%20 of MFI	\$ 54,884	\$ (127,174)	\$ (85,743)	\$ (164,940)	\$ (117,616)	\$ (165,876)

Source: Source: City of Sisters GIS data

Difference Between Dwellings Avg. Recent Sales & AMI Derived Mortgage



Narrative for Table 4-18

- Table 4-18 shows the difference between what dwelling types are affordable at different percentages of MFI. This is done by subtracting what people can afford on a mortgage from the average recent sales of that dwelling type.
- Table 4-18 indicates that people with income levels at or below 40% of MFI, no dwelling type is affordable.
- It is also notable that at 60% of MFI only manufactured homes are affordable.

Step 4: Estimate the number of additional needed units by structure type

Step four of the housing needs assessment results in an estimate of need for housing by income and housing type. This requires some estimate of the income distribution of future households in the community.

The next step in the analysis is to relate income levels to tenure and structure type. Table 4-3 showed tenure by structure type from the City of Sisters Dwelling Units by Type and Tenure, Sisters City Limit 2015.

Table 4-19: Estimate of housing by structure type and tenure for the 2015-2035 planning period if the current percentages continue throughout the period.

Dwelling Type	All Dwellings	
	DU by type	%
Apartments	132	6%
Condominiums	85	4%
Duplexes (Two-Unit Multifamily)	77	4%
Manufactured Homes	331	16%
Mixed use	11	1%
Single Family Residential Attached (Townhouse)	94	4%
Single Family Residential Detached	1,361	65%
Triplexes	11	1%
Total	2,103	100%

Narrative for Table 4-19:

- This analysis assumes that the homeownership rates will not change substantially, resulting in owner-occupancy of 70% of new housing and renter-occupancy of 30% of new housing if the current % housing type distribution is constructed throughout the planning period.
- Projected population in 2035 is expected to be 4,375 residents. With the average household remaining at 2.08 persons per dwelling unit, this equates to a total number of expected dwellings of 2,103 in 2035. If we subtract the current inventory of 1,142 units, the City should plan for approximately 961 additional dwelling units needed by 2035. The above chart assumes that the distribution by type remains the same as today.
- By 2035, the City estimates that 1,367 single family detached homes and 134 apartment units will exist in the City if the current distribution of housing types remain constant. These estimates reflect a continuation of housing type distribution

Based on current household economic distribution statistics, the City may choose to adopt incentives that promote a future dwelling distribution, different from what is projected in Table 4-19. A desired dwelling type distribution is provided below.

Table 4-20.1 Estimate of total housing distribution in 2035 if the desired housing type is revised to the above % levels.

Model Input Variables	Desired Future Housing Distribution
Apartments	10%
Condominiums	4%
Duplexes (Two-Unit Multifamily)	5%
Manufactured Homes	10%
Mixed use	1%
Single Family Residential Attached (Townhouse)	4%
Single Family Residential Detached	61%
Triplexes	5%
Total	100%

Table 4-20.2 Calculation of future housing distribution in 2035 if the desired housing type is revised to the above % levels.

Dwelling Type	DU by type	%
Apartments	210	10%
Condominiums	85	4%
Duplexes (Two-Unit Multifamily)	105	5%
Manufactured Homes	210	10%
Mixed use	11	1%
Single Family Residential Attached (Townhouse)	94	4%
Single Family Residential Detached	1283	61%
Triplexes	105	5%
Total	2,103	100%

Table 4-20.2 reflects the calculations associated with a change in desired distribution of housing mix. This table reflects the total number of housing units within the City, projected to the year 2035.

- In the above modified projections of housing types, apartment units would increase from a total of 6% of projected total dwelling units to 10% of total dwelling units, an increase of 78 units. Additional triplexes are desired from a current projection of 1% of total to a future 6% of total dwelling units, an increase of 94 units. Using this modified projection, single family detached units would be reduced as a percentage of total units to 61%, down from 65%, a reduction of 78 units.
- This modified projection will be used in advancing the forecast of dwelling units needed by type and by land use classification.

Step 5: Determine the needed density ranges for each designation and the average needed net density for all structure types

The City of Sisters Development Code provides for various types and densities of residential development in three zoning districts: Residential (R), Multifamily Residential (MFR), Downtown Commercial (DC) and Sun Ranch Residential (SRR). A summary of the City's Development Code requirements in densities and dwelling types for each zoning district are provided below:

- **Chapter 2.2 Residential District (R):**
 - Minimum density - 3 dwelling units per gross acre
 - Maximum density – 8 dwelling units per gross acre
 - Permitted dwelling types:
 - Single family detached
 - Single family attached (townhouses)
 - Duplexes (two-unit multifamily)
 - Manufactured Homes
 - Manufactured Home park
 - Accessory dwelling
 - Cottage Developments
- **Chapter 2.3 Multifamily Residential (MFR)***
 - Minimum density – 9 dwelling units per gross acre
 - Maximum density – 20 dwelling units per gross acre
 - Permitted dwelling types:
 - Single family detached
 - Single family attached (townhouses)
 - Duplexes (two-unit multifamily)
 - Triplexes (three unit multifamily)
 - Manufactured dwelling
 - Manufactured dwelling park
 - Accessory dwelling
 - Cottage Developments
- The City is currently processing revisions to the Development Code (TA 15-03) that, if adopted, the revisions would affect the several sections within Chapter 2.3 MFR District. One affected section in Chapter 2.3 is associated with density. If adopted, staff anticipates that these revisions to the Development Code would become effective by March 31, 2016. This revision would change the minimum density from 9 dwelling units per gross acre to 7 dwelling units per gross acre.
 - This would allow for a 1 unit per gross acre density overlap with the Residential zone where there is currently a gap.
- Other Development Code revisions for the MFR District that would enable an increase in residential density are being discussed in concert with the minimum density topic are:
 - Increasing maximum height for multifamily structures for 5 or more units from 30' to 35' and allow non-inhabited architectural features to be constructed between 35' up to 50' maximum height. This would enable a three story multifamily building with appropriate architectural features.
 - Enable a fourplex (four unit multifamily dwelling on a 10,000 square foot minimum lot

- **Chapter 2.4 Downtown Commercial District (DC):**

- The DC zoning district provides additional opportunities for residential development. Mixed use residential uses are permitted above or attached to a commercial/office use throughout the District. Specific areas along Adams Street enable the development of stand-alone residential uses. There are no minimum or maximum density requirements associated with residential development in the DC zoning district. A summary of DC zoning district Development Code requirements are provided below:

- **Permitted Residential Uses**

- Dwelling(s) located above, within, or attached to a commercial building not including single family detached dwellings.
- Accessory dwelling on a single family or manufactured dwelling lot
- Single family, Duplex, Townhouses (up to 2 units),
- Manufactured Dwelling on an individual lot.
 - Applies to lots fronting Adams Avenue and on lots that are located within 114' of Adams Avenue to the south, and 256' to the north of Adams Avenue.
- Triplex, Multi-Family Dwellings
 - Applies to lots fronting Adams Avenue that are located within 114' of Adams Avenue to the south, and 256' to the north of Adams Avenue, and only west of Fir Street.
- Cottage Developments
 - Applies to lots fronting Adams Avenue and on lots that are located within 114' of Adams Avenue to the south, and 256' to the north of Adams Avenue.

- **Chapter 2.13 – Sun Ranch Residential (SRR) District**

- The purpose of the Sun Ranch Residential district is to provide an opportunity for housing for persons who work or own businesses within the Sun Ranch Tourist Commercial district, and neighboring North Sisters Business Park district. Another purpose of the Sun Ranch Residential District is to provide a residential transition area from the urban uses within the City to the low density, rural uses beyond the City limits.
 - A total of 45 single family residential units are allowed in the SRR District
 - A recently approved subdivision by Housing Works entitled 7 single family Affordable homes using a land trust model of tenure.
 - Another recently approved phased subdivision, Kuivato, has 35 single family residential homes for a total of 42 units planned in the SRR District.
 - Since the SRR District is fully entitled for a specific number of units (42), its density calculation is not included in the overall study.

Table 4-21 Estimates of mid-range density for current zoning districts

	Dwelling Units per Gross Acre	Dwelling Units per Net Acre
Residential (R)	5 DU/AC	6 DU/AC
Multifamily Residential (MFR)	13 DU/AC	16 DU/AC
Downtown Commercial (DC)	8 DU/AC	10 DU/AC

The calculations related to Step 5 as provided below assumes a mid-range of permitted gross density for the R District as: 5 DU/AC and the MFR District as 13 DU/AC. The City’s Development Code does not have a density requirement for the DC District, therefore a density of 8 DU/AC is selected. Net densities for dwelling units per acre are used in the calculations for Step 5. The following district densities have been converted from gross to net density using a 20% difference.

Table 4-22. Forecast of density by new dwelling units (dwelling units per acre), 2015-2035

Dwelling Types	Total DU	%	Density (DU/ Gross Ac)				Density (DU/ Net Ac)			
			R	MFR	DC	Average	R	MFR	DC	Average
Apartments	138	14%		13	8	11		16	10	13
Condominiums	39	4%	5	13		9	6	16		11
Duplexes (Two-Unit Multifamily)	63	7%	5	13	8	9	6	16	10	11
Manufactured Homes	30	3%	5	13	8	9	6	16	10	11
Mixed use	5	1%			8	8			10	10
Single Family Residential Attached (Townhouse)	43	4%	5	13	8	9	6	16	10	11
Single Family Residential Detached	544	57%	5	13	8	9	6	16	10	11
Triplexes	99	10%		13	8	11		16	10	13
	961	100%				9				11

Table 4-22 illustrates the forecast of dwelling units needed by density. The table provides the average gross and net density as 9 DU/AC for the gross density and 11 DU/AC as the net density.

Table 4-23. Forecast of new dwelling units and land need by type, 2015-2035.

Dwelling Types	New DU	%	Density (DU/Net Res ac)	Density (DU/Gross Res ac)	Gross Res Ac	Net Res. Acres
Apartments	138	14%	13.1	10.5	13.1	10.5
Condominiums	39	4%	11.3	9.0	4.3	3.5
Duplexes (Two-Unit Multifamily)	63	7%	10.8	8.7	7.3	5.8
Manufactured Homes	30	3%	10.8	8.7	3.5	2.8
Mixed use	5	1%	10.0	8.0	0.6	0.5
Single Family Residential Attached (Townhouse)	43	4%	10.8	8.7	5.0	4.0
Single Family Residential Detached	544	57%	10.8	8.7	62.8	50.2
Triplexes	99	10%	13.1	10.5	9.43	7.5
	961	100%	11	9	106	85

The forecast illustrated in Table 4-23 indicates that Sisters will need about 85 net residential acres, or 106 gross residential acres to accommodate approximately 961 new housing units between 2015 and 2035.

Table 4-24. Allocation of new dwelling units and land to residential plan designations, City of Sisters, 2015-2035

Dwelling Types	Plan Designation							
	Res		MFR		DC		Total	
	DU	Gross Ac	DU	Gross Ac	DU	Gross Ac	DU	Gross Ac
Apartments	0	0.00	63	6.02	74.75	7.12	138	13.14
Condominiums	12	1.32	27	3.01	0.00	0.00	39	4.33
Duplexes (Two-Unit Multifamily)	45	5.19	12	1.38	6.00	0.69	63	7.27
Manufactured Homes	16	1.86	14	1.58	0.18	0.02	30	3.46
Mixed use	0	0.00	0	0.00	5.00	0.63	5	0.63
Single Family Residential Attached (Townhouse)	3	0.29	40	4.67	0.00	0.00	43	4.96
Single Family Residential Detached	333	38.43	189	21.78	22.20	2.56	544	62.77
Triplexes	0	0.00	99	9.43	0.00	0.00	99	9.43
Total	409	47.10	444	47.88	108	11.02	961	106
Net density (du per acre)		10.8		11.6		12.3		11.3
Gross density (du per acre)		8.7		9.3		9.8		9.1
Percent of Acres and Units								
Apartments	0%	0%	7%	6%	8%	7%	14%	12%
Condominiums	1%	1%	3%	3%	0%	0%	4%	4%
Duplexes (Two-Unit Multifamily)	5%	5%	1%	1%	1%	1%	7%	7%
Manufactured Homes	2%	2%	1%	1%	0%	0%	3%	3%
Mixed use	0%	0%	0%	0%	1%	1%	1%	1%
Single Family Residential Attached (Townhouse)	0%	0%	4%	4%	0%	0%	4%	5%
Single Family Residential Detached	35%	36%	20%	21%	2%	2%	57%	59%
Triplexes	0%	0%	10%	9%	0%	0%	10%	9%
Total	43%	44%	46%	45%	11%	10%	100%	100%

Table 4-24 provides estimates of new dwelling units needed allocated to residential plan designation. The allocation estimate indicates that approximately 94 gross acres of land is necessary to accommodate future growth in both the R and MFR Districts. Approximately 11 acres is necessary to accommodate future residential growth in the DC District. The allocation estimate concludes that a total of 106 gross acres is necessary to accommodate 961 dwellings over the next twenty years if growth projects remain relatively constant.

As illustrated on Table 4.5, there are significantly sized subdivisions or selected areas within the City have received land use entitlements which are sufficient to calculate their dwelling units at full build out. One parcel in this category may be beginning the process to revise the approved master plan to reduce the density. Additionally, there are three areas or parcels that do not have completed land use entitlements causing some uncertainty in estimating future dwelling units.

Table 4-25 Selected parcels with land use entitlements to calculate full build out density

Subdivision/Area	Area (gross acres)	Units entitled	Potential Units	Units constructed
ClearPine	20.02	100	100	0
McKenzie Meadow Village	30	175 ¹	175	0
North of Adams St. DC District ²	32	0	254	0
Patterson property	13.1	0	183	0
US Forest Service property	47.06	0	125	0
Totals	160.55	548	1110	

¹ Does not include 82 units of Assisted Living

² Does not include 65 units of Assisted Living at The Lodge

Table 4-25 provides a snapshot summary of the status of land use entitlements on selected parcels or areas. This tables appears to illustrate that there may be sufficient land area with the current UGB/City limits to accommodate future needs for gross acres of residential land. However, parcels with incomplete entitlements cause uncertainty in estimating whether there is sufficient land to accommodate future residential growth. An analysis of potential land use entitlements for certain parcels with incomplete entitlements follow.

North of Adams Street DC zone: Estimating units in this area produces a wide variety of outcomes. The Buildable Lands Inventory (Table 4.5) indicates that this area has the potential for approximately 254 dwelling units. This assumption is derived from a recently expired master plan that was entitled for 243 residential units in a mixed use residential/commercial environment. The DC District also allows for multifamily and single family development in certain circumstances. Although 254 dwelling units is being used for the estimate in this area, this same area could be developed as commercial/nonresidential, especially as lodging and the entire 254 dwelling units could not become a reality.

US Forest Service Property: This area contains three separate parcels that have a 3-scenario Comprehensive Plan designation for mixed use residential/commercial/employment but does not yet have the appropriate zoning district approved. The Buildable Lands Inventory estimates a midrange of 125 residential units within the 3-scenario Comprehensive Plan approval. Although 125 units are being assigned to these three parcels, without a specific zoning designation and recognition of the ownership status, create uncertainty that these properties will receive land use entitlements appropriate to develop new residential units in the near future.

Patterson property: This property does have an appropriate zoning for residential development but a recent conversation with the property owner indicates that there is no near-term plans to develop this property. The Buildable Lands Inventory estimates 183 units are projected for this parcel.

Conclusions addressing uncertainty over future density: Table 4-24 indicates that approximately 961 dwelling units are needed on 106 gross acres over the next twenty years. However, the above described parcels have the potential to provide significant residential development but the future development future of these three areas are uncertain. If these three areas do not become entitled for residential development within the next twenty years, approximately 92 acres and 562 dwelling units would not be developed. This potential scenario leads to a conclusion that there may not be enough land within the City of Sisters UGB to support for a 20-year supply of housing.

CONCLUSIONS TO SUPPORT AFFORDABLE HOUSING POLICIES

Current status of Affordable Housing units

The adopted 2010 Housing Plan establishes a goal of having 10% of the City's housing stock developed as Affordable Housing. As noted in earlier in the Chapter, there are 55 units of Affordable Housing existing within the City limits and another 48 units are proposed. This brings the current total to 103 Affordable Housing units either existing or planned. These units are provided by either Sisters Habitat for Humanity or Housing Works.

As of December 31, 2015, there are 1,142 dwelling units within the City which equates to a 4.2% ratio of Affordable Housing units to market rate units. At the end of the 20-year planning outlook for this report, estimates project an additional 961 total dwelling units will be added to the existing 1,142 units for an estimated total of 2,103 housing units by the year 2035. When the 103 total anticipated Affordable Housing Units are divided by the estimated 2,103 total units by the year 2035, the ratio of Affordable Housing Units to market rate units would be 4.9%. To reach the goal of 10% of total housing stock within the City be classified as Affordable Housing, an additional 107 Affordable Housing units would be required.

Capabilities of the City to exact and/or incentivize Affordable Housing and market rate 'lower cost housing units within current UGB

Currently, local governments within Oregon have very limited capabilities to exact Affordable Housing requirements during the development process. The process known as "inclusionary zoning" is expressly prohibited by Oregon law. The relevant ORS reads as follows:

197.309 Local ordinances or approval conditions may not effectively establish housing sale price or designate class of purchasers; exception.

(1) Except as provided in subsection (2) of this section, a city, county or metropolitan service district may not adopt a land use regulation or functional plan provision, or impose as a condition for approving a permit under ORS 215.427 or 227.178, a requirement that has the effect of establishing the sales price for a housing unit or residential building lot or parcel, or that requires a housing unit or residential building lot or parcel to be designated for sale to any particular class or group of purchasers.

(2) This section does not limit the authority of a city, county or metropolitan service district to:

(a) Adopt or enforce a land use regulation, functional plan provision or condition of approval creating or implementing an incentive, contract commitment, density bonus or other voluntary regulation, provision or condition designed to increase the supply of moderate or lower cost housing units; or

(b) Enter into an affordable housing covenant as provided in ORS 456.270 to 456.295. The annexation process offers the best opportunity to exact Affordable Housing requirements.

A strict reading of this ORS section indicates that the City does not have the enabled authority by the State legislature to *require* Affordable Housing units during rezoning applications or subsequent land applications. However, securing Affordable Housing units during the annexation process is not expressly prohibited. As an example, the City of Ashland, OR has enacted an Affordable Housing requirements during the annexation process and the detailed development code provisions are provided in Annex 4-D.

Within the current UGB, there are very limited opportunities to secure voluntary concessions for additional Affordable Housing units. The only parcel that may have an opportunity to voluntarily obtain additional Affordable Housing Units, is the US Forest Service parcels if a rezoning application is submitted in the future. These parcels have an approved 3-option scenario of development in the City's Comprehensive Plan. This analysis estimates that, if developed according to its current Comprehensive Plan designation, the US Forest Service parcels have the potential for 125 dwelling units which would offer an additional 13 Affordable Housing units to be added to the 103 existing/planned units, bringing the Affordable Housing to market rate housing ratio to 5.5% within the UGB by the year 2035. Therefore, the only scenario that would enable the Affordable Housing inventory to reach the goal of 10% of total dwelling units would be during a future annexation process.

Appendix 4-B provides current City development code allowances of density and height bonuses for developments containing Affordable Housing units as defined. To-date, these options have not been used in any land use entitlement processes since being adopted.

Summary of need for Affordable Housing and market rate 'lower cost' housing

This chapter presents several forms of evidence to indicate the need to incentivize Affordable Housing in the City of Sisters. Table 4-16: *Housing cost as a % of household income, City of Sisters 2013 (Estimate)* indicates that over 50% of Sisters city residents are experiencing cost burden as a % of household income. Table 4-17: *Rough estimate of housing affordability*, indicates a significant shortage of approximately 125 housing units for the lowest income bracket of City residents. Due to the multiple sources of data for this Table, the estimates should be considered as general or as a rough order of magnitude.

Although Table 4-17 does not indicate a specific shortage of Affordable Homes for the next three higher income brackets above the lowest, comments received from the local business community, Affordable Housing developers, and other interested individuals indicate a substantial need for additional Affordable Housing and market rate 'lower cost housing' units to be constructed in the City.

Incentives to support construction of Affordable Housing and lower cost housing that are relatively simple to adopt should be considered by City Council as an initial course of action. The policy adoption recommendations are:

- Revise development review fee schedule to provide discounted fees applicable to Affordable Housing and lower cost market rate housing.
- Adopt recent text amendments which incentivize construction of lower cost housing detailed in Text Amendment application: TA #15-03

A generalized list policy recommendations are provided on the following page.

PROPOSED GENERAL POLICY RECOMMENDATIONS TO SUPPORT AFFORDABLE HOUSING

- 1. Appoint a part-time Housing Coordinator or designate an appropriate staff person to monitor housing related activity and to represent Sisters on a regional level.**
- 2. Develop a Housing Policy Board to assist the City Housing Coordinator in developing strategies, providing input on housing related policies and regarding housing activity within the City.**
- 3. Develop a Housing Trust Fund, and use other existing City funding sources on a limited basis.**
 - Potential sources of funds:
 - Urban Renewal Agency
 - ~~Surcharges on building permits~~
 - General Fund reserves
 - Transient Room taxes
- 4. Develop a comprehensive incentive program for developers of affordable housing.**
 - Potential program options:
 - Building permit and Development Plan review fee payments
 - Building permit and development review fees discounts for multifamily and single family attached housing units but not meeting the definition of Affordable Housing
 - SDC grants/underwritings
- 5. Draft amendments to the Development Code adopting an Annexation Plan and Rezoning Plan both of which combine effectively to provide needed Affordable Housing units through buildout of the current UGB.**
- 6. Draft Development Code revisions to encourage/facilitate Affordable Housing: All related codes should be examined to determine if they are adequate.**
 - Developers of Affordable Housing and other interested persons should be encouraged to closely examine the Sisters Development Code and advise what, if any revisions should be included.
- 7. Land development/acquisition**
 - Survey public land for building opportunities: USFS property (east portal)
 - Search for opportunities to purchase vacant or underutilized land
- 8. Financing Support/Tax Credits**
 - Encourage use of Low Income Housing Tax and other Credits by working with all taxing agencies in Sisters (SSD, SCSFD, and SPRD)
 - Encourage use of Oregon's Agricultural Workforce Tax Credit Program
 - Pursue Community Development Block Grant (CDBG) funds
 - Authorize staff to apply for grants as available
 - Pursue Oregon Rural Rehabilitation Loan (ORR) loans
 - Oregon Affordable Housing Tax Credit (OAHTC) Program
 - Any other viable capital sources

APPENDIX 4-A

CITY CHARTER REFERENCE TO AFFORDABLE HOUSING

Section 42. SYSTEM DEVELOPMENT CHARGES.

(3) The City of Sisters may waive system development charges for affordable housing provided by non-profit organizations. In exchange for a waiver, the housing shall be affordable for a period of fifty (50) years. Violation of this agreement shall require full payment of system development charges

Recommendation to revise Charter to include for-profit A/H developers

APPENDIX 4-B

CURRENT CITY DEVELOPMENT CODE ON AFFORDABLE HOUSING

Special Provisions 2.15.800

Affordable Housing

- A. Purpose. The purpose of this Section is to encourage the development of affordable housing for low-income residents, as defined in this section.
- B. Definitions. Affordable housing is defined as housing in which low income residents spend no more than 30 percent of their gross household incomes on housing-related expenses. Households are considered “cost-burdened” if they pay more than 30 percent of total household income on housing costs. Housing-related expenses are defined by HUD as follows:
- For homebuyers, housing-related expenses include mortgage principle and interest, taxes, property insurance, mortgage insurance, and essential utilities;
 - For renters, housing-related expenses include rent and utilities.
- C. Applicability. Except where explicitly stated otherwise in this Section, Affordable Housing must comply with the standards of this Code as they apply to all other residential development.
- D. Eligibility.
1. Residential portions of proposals using this bonus shall include one of the following:
 - a. At least 10 percent of units must be affordable to those earning no more than 30 percent of the area median family income;
 - b. At least 20 percent of units must be affordable to those earning no more than 60 percent of the area median family income; or
 - c. At least 40 percent of units must be affordable to those earning no more than 80 percent of the area median family income.
 2. In addition, the bonus provisions of this Section are exclusively available for development that meets one of the three following criteria:
 - a. The development will use funding or loans from State or Federal agencies designated for the purpose of developing low-income affordable housing. As determined by the City Community Development Director, developers utilizing the provisions of this Section may be required to enter into covenants stating that they have or will enter into Use and Regulatory Agreements with one of the following entities: Oregon Department of Housing and Community Services, Federal Department of Housing and Urban Development (HUD), and/or the USDA Rural Development Project.
 - b. The development will create low-income affordable housing and the developer agrees to enter into a covenant with the City, that must be reviewed by the City Attorney, approved by the City Community Development Director, and ratified by the planning commission. The covenant shall do all of the following as a minimum condition of approval with the exception of income monitoring for home ownership programs such as Habitat for Humanity:

1. State the percentage of the housing units that will be rented or sold at a rate that is affordable to low-income residents.
 2. Delineate a system that enables the City to easily monitor the specified percentage of units is in the fact rented affordably to low-income residents, who qualify under Section 8 HUD guidelines.
 3. Guarantee that the developer or any successor will maintain rent/payments and income controls for a period of 20 years.
 4. Stipulate that if the developer or any successors do not charge affordable rents as provided for in the covenant or do not make a good faith effort to monitor the income level of residents to ensure that they meet the definition of low income at the start of their occupancy, the City is entitled to significant recompense. The amount of recompense shall be specifically stated in the covenant and determined jointly by the developer and the City.
- c. The development will be built by a recognized non-profit organization (such as Habitat for Humanity) whose mission is to provide affordable housing. The organization will be required to provide the following documentation:
1. 501c3 Status
 2. Mission Statement
 3. Family Selection Criteria (including family income less than 60% of area median income).
 4. Trust Deed or Sales document used by the organization which ensures long-term affordability (such as a shared appreciation agreement or other deed restriction).
- E. Density Bonus. Housing developments that meet the eligibility requirements of this section may be up to 125% as dense as is otherwise allowed within the applicable district. This density bonus may be translated into the creation of new lots that are no smaller than 80% of the permissible lot size in any residential zone.
- F. Height Bonus. Housing developments that meet the eligibility requirements of this section may be up to 5 feet taller and multi-family housing may be up to 7 feet taller than is normally allowed within the applicable district.

APPENDIX 4-C

Summary of Affordable Housing Policy Recommendations from the City of Sisters 2010 Housing Plan

- 1) Develop organizational capacity to implement housing programs, housing strategies, and to monitor regional and statewide activity concerning housing efforts.
- 2) Establish a Housing Trust Fund and use other existing sources of City funding on a limited basis.
- 3) Develop a comprehensive incentive program for developers of affordable housing. Target less than 80% for some; 80-120% MFI for others. (See detailed description)
- 4) Upon release of 2010 Census data, revise the Comprehensive Plan target of "1-in-10" affordable units, to develop targets based on real data.
- 5) Examine existing public policies to ensure that regulations do not hinder affordable housing efforts.
- 6) Preserve Existing Housing Stock by Promoting Existing Housing Programs and Countywide Resources, which generally target up to 80% MFI.
- 7) Support and monitor statewide efforts that encourage affordable housing

Detailed Recommendations from the City of Sisters 2010 Housing Plan

Strategy 1: Develop Organizational Capacity to Implement Housing Programs and Strategies, and to Monitor Success in Achieving Housing Goals.

A. Appoint a part-time Housing Coordinator or designate an appropriate staff person to monitor housing related activity and to represent Sisters on a regional level.

Approach: In the past, the City has not had a resource for specifically tracking, monitoring housing inventories, or for representing the City on a regional level. The Housing Coordinator would also be responsible for recruiting and soliciting affordable housing opportunities related to new business development, and generally with public relations for the City's programs.

Potential Impact: The impact of having a person designated to track housing related programs, monitor affordable housing units, to apply for and track funding opportunities, and participate in regional discussions is substantial, not necessarily in terms of direct numbers of housing units, but in acquiring funds for future affordable housing opportunities, and serving Sisters' interests throughout Central Oregon.

Recommendations: Budget for the position to begin in Fiscal Year 2009/2010. Dependent on existing workload, assign an existing staff person in the immediate and short-term.

Timing: Immediately.

7. AHWG recommended adopting this policy

B. Develop a Housing Policy Board to assist the City Housing Coordinator in developing strategies, providing input on housing related policies and regarding housing activity within the City.

Approach: As the City grows, and housing issues become even more important, having a subcommittee to advise the City Housing Coordinator on housing related issues is critical to review strategies, assess the City's progress towards goals, and for forming recommendations on future policy issues for the City Council. The Policy Board would also be responsible for assessing income limits for qualifying for funds or incentives, which would be completed on an annual basis.

Potential Impact: No direct impact in terms of units achieved, but a means to ensure public participation, more local awareness of housing-related opportunities, and a system to continually monitor and review strategies with an ad-hoc group. In the future, as strategies are implemented, the Housing Policy Board would be responsible for reviewing and recommending courses of action for requests for funds, developing strategic plans for prioritizing future use of funds, and generally providing responses to the City Housing Coordinator.

Recommendations: Following adoption of the Housing Plan, and assignment of a City Housing Coordinator, establish a Housing Policy Board to advise the Housing Coordinator on policy-related issues. Initially, the Planning Commission could serve as the Policy Board. Meet only as needed initially, possibly quarterly.

Timing: Immediately.

C. Monitor housing-related activity

Approach: Provide an annual housing activity report to Planning Commission and City Council to keep them informed on housing trends in the City, not only related to prices, but to housing inventory, vacancy rates, and other relevant information.

Potential Impact: Depending on the trends in the City and Central Oregon, the impact of monitoring housing-related activity could be substantial for setting goals for achieving a specific number of units priced in a specific range, etc. Because the City has not been closely following the trends in the market, and reliable demographic data are not readily available, it is difficult to make recommendations on number of units to achieve, or on target prices, and further, recommendations for strategies to achieve housing goals. Additionally, because buildable lands analyses are conducted sporadically, they are time-consuming; developing an annual inventory analysis would make them less time consuming and more consistent. The Housing Coordinator could update and keep current information on a monthly, or as needed basis.

Recommendations: A responsibility of the Housing Coordinator position would be to develop and provide an annual report for the Planning Commission and City Council on housing-related activity, regional and local trends, and inventories. Use the findings of the annual report to refine housing strategies, modify, and revise goals as necessary.

Timing: Short-term.

Strategy 2: Develop a Housing Trust Fund, and use other existing City funding sources on a limited basis.

A. Develop a Housing Trust Fund through a variety of Funding Mechanisms

Approach: Adopt authorization, through ordinance, for the City to implement a Housing Trust Fund (HTF). The HTF could be funded through a variety of potential sources, including but not limited to: sale of land acquired through liens on property; administrative charge for SDC deferrals; private donations; or a limited use of room taxes. Although offering these deferral programs entails increased administration for the City, it is a proactive means for the City to generate some start-up funds for the HTF, or some supplies of land, and, additionally, may stimulate some additional permits during hard economic times.

Potential Impact; The amount of impact of an HTF can be small or large, depending on the amount of funds available. Uses could range from assistance with off-site improvements (sidewalks, parking areas, etc.), to underwriting the cost of land dedicated for affordable housing development. Initially, the HTF assistance would likely not be substantial.

Recommendations/Steps: By law, HTFs need to be adopted by ordinance. It is recommended that the City use a model ordinance, and adopt the authority, a general description of the use for the funds, and target income levels in the ordinance. Authorize the Housing Policy Board to evaluate and make recommendations regarding the use of the HTF funds, through the development of a Strategic or Action Plan.

Timing: Short term.

B. Use a limited amount of Urban Renewal Funds

Approach: Portland, for example, has used a minimum of 30 percent of the City's Urban Renewal funds since 2006 to stimulate development of affordable housing for households earning below 80 percent of MFI. The Sisters City Council, which serves as the Sisters Urban Renewal Board, discussed using a portion of its Urban Renewal Funds for promoting affordable housing, purchasing land for housing, or providing assistance for off-site improvements for affordable housing within the boundaries of the Urban Renewal Plan for a limited time (i.e., 3-5 years).

Potential Impact: The impact could generate 18-30 units, conservatively, in the 3-5 year period. The units would likely be apartments or mixed-use commercial/residential, because of the use of the funds only in the Urban Renewal District.

Recommendations: Authorize the City's Urban Renewal Board to consider a limited use of Urban Renewal funds to encourage development of housing for low-income (up to 80 percent of MFI) residents. The City's existing Urban Renewal Plan provides the authorization for housing in the downtown commercial districts, so the Plan would not need to be amended.

Timing: Short-term.

8. AHWG recommended adopting this policy

C. Develop a 5 to 10-year Strategic Action Plan identifying priorities for the allocation of funds.

Approach: Through the Housing Policy Board, develop a 5-to 10-year Strategic or Action Plan which prioritizes projects and priorities for funding, for example: rental housing or home ownership, new housing or homeowner rehabilitation programs, off-site improvements, underwriting the cost of land, or provision of rental subsidies.⁴

Potential Impact: Establishing a Strategic or Action Plan will provide clarity and definition for funding, and enables Fund recipients to know where funding will be targeted in the short and long term.

Recommendations: First establish HTF, and follow with the Housing Committee developing the Strategic or Action Plan, with oversight by the City's Housing Coordinator.

Timing: Long-term.

Strategy 3: Develop a comprehensive incentive program for developers of affordable housing.

Approach: Develop and implement an incentive program for developers of affordable housing, in order to offset some of the requirements for market-rate development.

A. Following adoption of the Housing Plan, identify which incentives are appropriate for the City

of Sisters, and which incentives to provide developers of housing for low-income (less than 80 percent MFI), based on a cost/benefit analysis of each incentive. Provide an additional list of incentives for non-profit housing developers.

Examples of incentives implemented through Development Code provisions, include the following:

- 1) **Planning and Building Fee Exemptions.** All or a portion of Planning Division and Building Division fees could be exempted for qualifying projects, with the exempted fees paid by the City, similar to the City of Bend's existing program. The percentage of fees waived for any project could be proportional to the percentage of units in a development that are affordable.
- 2) **Expedited Review and Permitting Processing.** For any qualifying project, review and permitting processing would be expedited. Although during hard economic times, this would likely not be an effective incentive, the incentive adds to the overall assistance provided by the City to encourage affordable housing and should be adopted to the menu of options for a developer.
- 3) **System Development Charge Deferrals.** For qualifying projects, defer SDCs for up to 1 year. SDCs are due upon transfer of ownership, or at the end of one year from the date the deferral is granted. This strategy varies from the market-rate deferral program (in Strategy 2B, above), in that interest is not charged for the period of deferral for a qualifying project.
- 4) **Off-site Improvement Assistance.** In Bend, developers of qualifying projects are eligible to apply for a grant from the City of Bend to assist with the cost of non-reimbursable off-site improvements. The grants will cover the cost of the off-site improvements required by the City, up to a maximum of \$10,000. This incentive could work with the HTF program, when available.
- 5) **Density and Height Bonuses.** The City does offer a density bonus for providers of "income and rent controlled housing", but the Code language implementing the provision is confusing and leads to disagreements in interpretations, so is not often-used. As part of the City's upcoming Code amendments, Section 2.1.200(L) should be rewritten, with more modern and relevant definitions added, for greater clarity.
- 6) **Minimum Lot Size Exemptions.** Allow qualifying projects an exemption from minimum lot size standards (in Bend, lots are still subject to minimum frontage and other requirements).

Potential Impact: As the economy improves and planning and building in Central Oregon recovers, the incentives will have greater potential to create affordable units.

Recommendations: Based on the housing priorities established by the City, have the Housing Policy Board develop a sliding scale of incentives based on the ratio of affordable housing units to total units to be built by a developer and on how affordable the units are. (For example, if the City wants to increase housing affordable to low wage service workers, it would offer incentives with greater value to a builder for a larger ratio of housing targeted at households making less than 50% of MFI, and incentives with lower value for a smaller ratio of housing targeted at households making more than that.) Depending on priorities of the City, all incentives might be offered to builders that provided a larger amount of affordable housing, and none offered to builders that provided housing at low market rates. It should be one of the first tasks of the Housing Policy Board to develop a menu of incentives linked to the ratio and affordability of affordable housing, to be provided, drawing on the examples of incentives listed above. The goal should be to offer more incentives to builders providing a larger share of affordable housing and to those providing a larger share affordable housing targeted at the lower income groups.

Timing: Immediate.

- B. **Develop a comprehensive annexation ordinance based on the needs of City residents, with requirements such as percentage of land for each income bracket; construction timing; construction standards; distribution of affordable units; land dedication; and additionally, other requirements such as roads, water, sewer, and other necessary public facilities. A component of the ordinance would be an "in-lieu-of" fee if a developer does not want to develop the housing themselves- the in-lieu-of fee could be used to fund the HTF fund, and support affordable housing efforts elsewhere in the City, as well as a provision for the developer to work with a non-profit affordable housing provider. An alternative to the strict requirement to provide affordable units would be to use an incentivized approach, so a developer would receive incentives for density bonuses, fee deferrals, or other incentive**

based on the amount of affordable housing provided.

Approach: City staff develops an Annexation Ordinance for adoption into the Sisters Development Code. The annexation ordinance can either require similar affordable housing units in a “1-in-10” ratio that currently exists, or be drafted as more of an incentivized approach. An incentivized approach would provide incentives (density bonuses, transfers, etc.) to a developer that provided “x” number of units. More incentives would be provided based on the amount of affordable or workforce housing that is provided in a given area.

Potential Impact: Because the City’s Buildable Lands Inventory indicates that additional supplies of residential land are not necessary for quantity of units, the impact of the Annexation Ordinance is not likely to provide substantial numbers of affordable units within the next decade. However, as the City grows, it is important to have a provision adopted to guide development in future growth areas.

Recommendations: Draft the Annexation Ordinance following adoption of the Housing Plan.

Timing: Short-term, with revision in Task C, below.

C. Examine a provision similar to the annexation ordinance for zone changes and/or plan amendments, to provide incentives for property owners who desire to provide affordable housing with market rate when choosing to apply for changes to existing zoning or plan designation.

Approach: Provide incentives for those who apply for zone changes, as opposed to making provision of affordable housing mandatory.

Potential Impact: In the past 3 years, 15 units dedicated to affordable housing were provided through zone changes and plan amendments. If an incentive program was provided, additional affordable units could be attained.

Recommendations: Draft the provisions for the Development Code following adoption of the Housing Plan.

Timing: Short term.

Strategy 4: Upon release of 2010 Census data, revise the Comprehensive Plan target of “1-in-10” affordable units, to develop targets based on real data.

Approach: Research completed for the Housing Plan indicates that roughly one-half of City residents are considered low-income, earning less than 80 percent of MFI, yet current City policy strives for a “1-in-10” ratio of affordable units to market rate units for areas proposed for annexation. Using data regarding the percentage of low income residents in Sisters, this ratio should be closer to 4-in-10. Without reliable, current data on residents’ income levels, it is difficult to address housing needs or create targets for various income levels. Immediately following release of 2010 Census data, the City should revise the affordable housing targeted income ranges, and tailor strategies to address documented needs.

The following table illustrates the number of Sisters residents within each income bracket, based on a population of 1,875 residents.

	< 30% MFI	31-50% AMI	51-60% AMI	61-80% MFI	81-100% MFI	101-120% MFI	120% + MFI	Totals
% of Residents	11.8%	12.1 %	10.3%	17.6%	10.3%	6.8%	31.1%	100.0 %
Number of Residents	221	227	193	330	193	128	583	1,875

Using this data, ratios of affordable to market rate housing units could be developed, based on units targeted at specific income ranges (or percentage of MFI). For example, instead of 1-in-10, ranges could be as follows:

Targeted MFI:

- Less than 30%= 1-in-7.
- Less than 50%= 1-in-3.
- Less than 60%= 1-in-2.

Potential Impact: Likely not a direct impact, but indirect impact as strategies and policies are better formulated to meet residents' needs.

Recommendations: Designated Housing Coordinator compiles Census data upon release, and provides recommendations for strategy or policy revisions to Housing Committee for review.

Timing: Short-term.

Strategy 5: Examine existing public policies to ensure that regulations do not hinder affordable housing efforts.

A. Amend Sisters Development Code to remove barriers to development of affordable housing.

Approach: Use inventory of barriers provided in **Appendix B** of this Plan to identify and prioritize barriers.

Potential Impact: Removing barriers would have an indirect impact, but would provide clarity where contradictory policies and regulations currently exist.

Recommendations: Initiate amendments where necessary to streamline regulations, provide greater clarity, and ensure all City regulations are encouraging affordable housing.

Timing: Short-term.

B. Amend/ revise City Charter to remove reference to 80 percent of MFI, and remove reference to SDC “waivers” for affordable housing developers for projects with a 50-year affordability requirement. Approach: The City Charter, while well-intentioned, contains a provision for SDC waivers for projects that maintain affordability for 50 years, for low-income residents. The legal opinion on this policy is that waiving SDCs is not legal in the State of Oregon. Further, the affordability period of 50 years is difficult to meet. As a result, the SDC waiver has never been used.

Potential Impact: No impact, because the provision has not been used. Revising the provision, following adoption of the Housing Plan and related strategies, would likely provide more effect in the long term.

Recommendations: Revise period of affordability; then revise this provision in the City Charter to “except” non profit housing providers from SDCs; following sales of homes after the required period of affordability, if the home is sold for market rate prices, the profits could go into the HTF (Strategy 2).

Timing: Short-term.

Strategy 6: Preserve existing housing stock by promoting existing housing programs and Countywide resources, which generally target up to 80% MFI.

A. Streamline Review processes, and examine planning and building fee waivers or deferrals for Housing Works, Habitat for Humanity, and other non-profit housing providers within the community.

Approach: A comment throughout the development of the Housing Plan was to support the existing “experts” in the nonprofit housing development field, such as Housing Works and Habitat for Humanity.

Potential Impact: The impact of supporting existing nonprofit housing providers is substantial. Not only does it build organizational capacity for local providers, but it also saves the City resources in terms of saving in administration of new programs.

Recommendations: Following adoption of the Housing Plan, begin to survey existing nonprofit housing providers to identify the type of incentives that would best suit their objectives, and which needs to prioritize first. Following, the City should initiate necessary code amendments, fee deferral programs, or other incentive-based programs to support the growth and sustainability of existing organizations.

Timing: Short-term.

B. Develop Public Information Program for existing Programs or use existing informational resources. Approach: Preserving existing housing stock, and promoting existing home rehabilitation programs is a relatively easy strategy to implement. Rural Development Initiatives (RDI) in Redmond provides home improvement grants and/or loans to improve or modernize homes for those who qualify as low and very-low income. The lifetime grant limit is \$7,500, and residents must be within household income limits established by Rural Development. For homeowners 62 and over who cannot repay a loan, grants funds are available to remove health and safety hazards or to remodel dwellings to make them accessible to household members with disabilities. Neighbor Impact has additional resources as well. The benefit of the existing programs are that it preserves existing housing stock and keeps residents in their homes, and moreover, funding and administration is available through other agencies, so it does not require substantial City resources.

Potential Impact: Likely 5-10 homes annually.

Recommendations: The City could support programs such as these by providing information at City Hall and by inventorying existing housing units that may be in need of repair and getting information to the owners. Alternatively, information on the program could go out in monthly utility bills.

Timing: Immediate.

Strategy 7: Support and monitor Statewide efforts that encourage affordable housing

A. Support efforts to establish a Document Recording Fee in Oregon.

Approach: An additional bill to be introduced is to establish a document recording fee, whereby the proceeds would be added to a State fund to support affordable housing throughout the State. The funds would be allocated as part of the Oregon Housing and Community Services competitive funding cycle.

Potential Impact: The impact is difficult to determine; because funds will be allocated on a competitive, Statewide basis, it will be critical for the Sisters Housing Coordinator to be involved in any regional discussions of potential projects in Central Oregon.

Recommendations: Appoint a Housing Coordinator to represent Sisters, and follow through with other strategies, in order to give Sisters regional representation.

Timing: Immediate.

Consideration of the 2010 Plan recommendations are combined in the following proposed policies forwarded to City Council.

APPENDIX 4-D EXAMPLE

CITY OF ASHLAND, OREGON ANNEXATION REQUIREMENTS REFERENCING AFFORDABLE HOUSING

Chapter 18.5.8 – Annexations

G. Except as provided in 18.5.8.050.G.7, below, annexations with a density or potential density of four residential units or greater and involving residential zoned lands, or commercial, employment or industrial lands with a Residential Overlay (R-Overlay) shall meet the following requirements.

1. The total number of affordable units provided to qualifying buyers, or to qualifying renters, shall be equal to or exceed 25 percent of the base density as calculated using the unit equivalency values set forth herein.
 - a. Ownership units restricted to households earning at or below 120 percent the area median income shall have an equivalency value of 0.75 unit.
 - b. Ownership units restricted to households earning at or below 100 percent the area median income shall have an equivalency value of 1.0 unit.
 - c. Ownership units restricted to households earning at or below 80 percent the area median income shall have an equivalency value of 1.25 unit.
 - d. Ownership or rental units restricted to households earning at or below 60 percent the area median income shall have an equivalency value of 1.5 unit.
2. As alternative to providing affordable units per section 18.5.8.050.G.1, above, the applicant may provide title to a sufficient amount of buildable land for development complying with subsection 18.5.8.050.G.1.b, above, through transfer to a non-profit (IRC 501(3)(c) affordable housing developer or public corporation created under ORS 456.055 to 456.235.
 - a. The land to be transferred shall be located within the project meeting the standards set forth in 18.5.8.050.G, subsections 4 - 6.
 - b. All needed public facilities shall be extended to the area or areas proposed for transfer.
 - c. Prior to commencement of the project, title to the land shall be transferred to the City, an affordable housing developer which must either be a unit of government, a non-profit 501(C)(3) organization, or public corporation created under ORS 456.055 to 456.235.
 - d. The land to be transferred shall be deed restricted to comply with Ashland's affordable housing program requirements.
3. The affordable units shall be comparable in bedroom mix and housing type with the market rate units in the development.
 - a. The number of bedrooms per dwelling unit in the affordable units within the residential development shall be in equal proportion to the number of bedrooms per dwelling unit in the market-rate units within the residential development. This provision is not intended to require the same floor area in affordable units as compared to market-rate units. The minimum square footage of each affordable unit shall comply with the minimum required floor based as set forth in Table 18.5.8.050.G.3.

Table 18.5.8.050.G.3

Unit Type Minimum Required Unit Floor Area (Square Feet)

Studio	350
1 Bedroom	500
2 Bedroom	800
3 Bedroom	1,000
4 Bedroom	1,250

- b. The required on-site affordable units shall be comprised of the different unit types in the same proportion as the market dwelling units within the development.
4. A development schedule shall be provided that demonstrates that that the affordable housing units per subsection 18.5.8.050.G shall be developed, and made available for occupancy, as follows.
 - a. That 50 percent of the affordable units shall have been issued building permits prior to issuance of a certificate of occupancy for the last of the first 50 percent of the market rate units.
 - b. Prior to issuance of a building permit for the final ten percent of the market rate units, the final 50 percent of the affordable units shall have been issued certificates of occupancy.
5. That affordable housing units shall be distributed throughout the project
6. That affordable housing units shall be constructed using comparable building materials and include equivalent amenities as the market rate units.
 - a. The exterior appearance of the affordable units in any residential development shall be visually compatible with the market-rate units in the development. External building materials and finishes shall be substantially the same in type and quality for affordable units as for market-rate units
 - b. Affordable units may differ from market-rate units with regard to interior finishes and materials provided that the affordable housing units are provided with comparable features to the market rate units, and shall have generally comparable improvements related to energy efficiency, including plumbing, insulation, windows, appliances, and heating and cooling systems.
7. Exceptions to the requirements of 18.5.8.050, subsections G.2 – G.5, above, may be approved by the City Council upon consideration of one or more of the following.
 - a. That an alternative land dedication as proposed would accomplish additional benefits for the City, consistent with the purposes of this chapter, than would development meeting the onsite dedication requirement of subsection 18.5.8.050.G.2.
 - b. That an alternative mix of housing types not meeting the requirements of subsection 18.5.8.050.G.3.b would accomplish additional benefits to the City consistent with this chapter, than would the development providing a proportional mix of unit types.
 - c. That the alternative phasing proposal not meeting subsection 18.5.8.050.G.4 provided by the applicant provides adequate assurance that the affordable housing units will be provided in a timely fashion.
 - d. That the distribution of affordable units within the development not meeting subsection 18.5.8.050.G.5 is necessary for development of an

affordable housing project that provides onsite staff with supportive services.

e. That the distribution of affordable units within the development as proposed would accomplish additional benefits for the city, consistent with the purposes of this chapter, than would development meeting the distribution requirement of subsection 18.5.8.050.G.5.

f. That the materials and amenities applied to the affordable units within the development, that are not equivalent to the market rate units per subsection 18.5.8.050.G.6, are necessary due to local, State, or Federal Affordable Housing standards or financing limitations.

8. The total number of affordable units described in this section 18.5.8.050.G shall be determined by rounding down fractional answers to the nearest whole unit. A deed restriction or similar legal instrument shall be used to guarantee compliance with affordable criteria for a period of not less than 60 years. Properties providing affordable units as part of the annexation process shall qualify for a maximum density bonus of 25 percent.

REFERENCES – CHAPTER 4

- Portland State University School of Business Administration: Center for Real Estate Quarterly
August 2015 Publication <https://www.pdx.edu/realestate/center-for-real-estate-quarterly>
- Portland State University College of Urban and Public Affairs Population and Research Center:
<http://www.pdx.edu/prc/region-1-documents>
- U.S. Census, 2009-2013 American Community Survey 5-Year
<https://www.census.gov/programs-surveys/acs/>
- Applied Geographic Solutions, 2015
Oregon Prospector 2015 <http://www.oregonprospector.com/>
- City of Sisters Water Service Billing Records
- U.S. Department of Housing and Urban Development <https://www.huduser.gov/portal/datasets/il.html>
- City of Sisters 2015 Building permits
- Deschutes County GIS Records
City of Sisters GIS 2015 <http://www.deschutes.org/it/page/gis-data>

AGENDA ITEM SUMMARY



CITY OF SISTERS PLANNING COMMISSION

Meeting Date: January 21, 2016

Staff: Patrick Davenport

Type: Workshop

Dept: CDD

Subject: Cursory Review of City Parks Master Plan

Action Requested: Review City Parks Master Plan, receive public input, forward recommendations to City Council

Summary: Staff is requesting that the Planning Commission perform a cursory review of the City Parks Master Plan, receive public input and forward comments or recommendations to the City Council.

The City Parks Advisory Board has reviewed this Plan during multiple meetings in 2015 and on January 6, 2016. The City Council is scheduled to review this Plan during a workshop on 02/11/16 and adopt the Plan on 02/25/16.

DRAFT Digital version of the City Parks Master Plan was made available on Dropbox.

AGENDA ITEM SUMMARY



CITY OF SISTERS PLANNING COMMISSION

Meeting Date: January 21, 2016

Staff: Patrick Davenport

Type: Workshop

Dept: CDD

Subject: Future Development Code Amendments: Mobile Food Units

Action Requested: Continue discussing options for potential Development Code revisions pertaining to Mobile Food Units; forward recommendations to City Council

Summary: During the December 17, 2015 workshop, the Planning Commission discussed several issues associated with MFU's and began to develop recommendations for revisions to the Development Code. The following is a summary of the discussion to date:

- Does the Commission want new Mobile Food Units operating within the City? **Yes**
- If new MFU's should continue to be permitted, how should they be regulated?
 - Specific zoning district with specific designation of Mobile Food Units
Allow new MFU's in DC and HC Districts
Match Oregon Department of Health's nomenclature and standards

Staff is requesting the Planning Commission to continue discussing the following issues and provide

- Special Provisions:
 - Permitted on vacant parcels or just parcels with existing development?
 - Allow clusters (pods) of MFU's or only single units? **Pods are acceptable**
 - Site plan review requirements:
 - Requirements for MFU's on vacant property
 - Paved areas of service?
 - Paved parking?
 - Restroom/hand washing?
 - Permanent facilities required or portable facilities allowed too?
 - Requirements on developed property
 - Western Frontier Architectural Design Theme applicability?
- Other recommendations

Once City Council provides input on Planning Commission recommendations, staff will return this issue to the Planning Commission for a formal public hearing if directed.

AGENDA ITEM SUMMARY



CITY OF SISTERS PLANNING COMMISSION

Meeting Date: January 21, 2016

Staff: Darcy Reed

Type: Workshop

Dept: CDD

Subject: Future Development Code Amendments: Vacation Rentals

Action Requested: Discuss options for direction on potential Development Code revisions pertaining to Vacation Rentals; forward recommendations to City Council

Summary: During the December 17, 2015 workshop, the Planning Commission discussed several issues associated with vacation rentals and began to develop recommendations for revisions to the Development Code. The Planning Commission is being requested to continue discussing issues associated with VR's and develop recommendations for revisions to the Development Code. The following is a summary of the discussion to date:

- Does the Commission want new Vacation Rentals operating within the City? **Yes**
 - Currently VR's are permitted in Residential, Multifamily Residential, and Sun Ranch Residential with Special Provisions (see SDC 2.15.2700 attached). In the Downtown Commercial and Highway Commercial zoning Districts, they are outright permitted with no special provisions required.
- If new VR's should continue to be permitted, how should they be regulated?
 - Allow VR's to be located anywhere in each of the permitted zones or establish a distance between VR's? **The PC did not recommend establishing a minimum distance between VR's.**
 - Parking requirements:
 - Requirements for number of vehicles
 - Requirements on location of parking
- Noise?
 - Current noise limitations are based on the City's Noise Standards contained in the Municipal Code.
- Maximum occupancy?
 - Current occupancy limitations are based on the Building Code's definition for R-3 Lodging House (16 people or less and no more than 5 guest rooms).

Attachments:

Exhibit A - SDC regulations for Vacation Rentals requiring special provisions

Exhibit B - Vacation Rental Ordinance from Shady Cove, Oregon

2.15.2700 Vacation Rental Housing Units

- A. **Type I Process.** Establishing a vacation rental housing unit in a Residential Zone and in the Urban Area Reserve zone is a Type I review process, however the approval of a vacation rental unit has a neighbor notice requirement that is not found in other Type I processes. Notice and process requirements are established in Chapter 4.1, 'Type I process', except as described herein:
1. *Neighbor notice.* A written notice shall be mailed to all neighboring properties within 100 feet of the subject site at least 14 days before the decision is issued. Any neighboring property owner who requests, shall receive notice of the decision. They may appeal the decision to the Planning Commission. Contents of the notice shall:
 - a. Provide a 14 calendar day period for submitting written comments before a decision is made on the permit, and shall list the relevant approval criteria by name and code section number;
 - b. State the place, date and time the comments are due, and the person to whom the comments should be addressed;
 - c. Include the name and telephone number of a contact staff person regarding the action;
 - d. Identify the specific request;
 - e. Describe the street address or other easily understandable reference to the location of the site;
 - f. State that if any person fails to address the relevant approval criteria with enough detail, they may not be able to appeal to the Land Use Board of Appeals or Circuit Court on that issue. Only comments on the relevant approval criteria are considered relevant evidence;
 - g. State that all evidence relied upon by the Community Development Director or designee to make this decision is in the public record, available for public review. Copies of this evidence can be obtained at a reasonable cost from the City;
 - h. State that after the comment period closes, the Community Development Director or designee shall issue a Type I Administrative Decision. The decision shall be mailed to the applicant and to anyone else who submitted written comments or who is otherwise legally entitled to notice;
 - i. Contain the following notice: "Notice to mortgagee, lien holder, vendor, or seller: The City of Sisters Development Code requires that if you receive this notice it shall be promptly forwarded to the purchaser."
- B. **Approval Criteria.** A vacation rental application review shall meet the following standards and criteria.
1. *Business license and Transient Room Tax.* The owner of the vacation rental unit shall annually renew a business license with the City, and shall coordinate with the City's Finance Department to pay the associated Transient Room Tax as is required by the City.
 2. *Prohibited uses.* No recreational vehicle, travel trailer or other temporary shelter shall be inhabited in conjunction with vacation home rental.
 3. *Pets.* Pets shall comply with the City's Municipal Code.

4. *Trash and Recycling Facilities.* Recycling and refuse storage bins shall not be stored within public view as established within the City's Development Code and Municipal Code except for the vacation rental units that are identified in Section E.
 5. *Noise Limits.* All activities associated with the vacation rental shall meet the Noise Standards contained within the City's Municipal Code.
 6. *Conditions.* For those vacation rental housing units subject to special provisions, the City shall require such conditions as it deems appropriate to minimize any impacts on the surrounding neighbors.
- C. **Inspection.** Before operating as a vacation rental housing unit, the City's Building Official may require the unit to be inspected for verification that the unit is in compliance with all applicable Building codes.
- D. **Permit Revocation.** Complaints to the City regarding the use of the vacation rental housing unit will be reviewed by the Community Development Department. The City shall notify the property owner in writing of any necessary corrective action. The property owner shall correct the identified problem within 30 days of the date of the City's letter. In the event the City receives three or more complaints within any twelve month period, the Community Development Department may recommend to the Planning Commission that the permit for use of the property as a vacation rental housing unit be revoked or that additional special provisions as determined to be appropriate by the Planning Commission be added to the permit. The owner of the unit may appeal this decision to the City Council. The determination of the City Council shall be final.
- E. **Existing Vacation Rentals.** Any vacation rental located in a Residential or Urban Area Reserve District shall not be required to undergo a Type I review as specified in subsection A of this provision, or to obtain an inspection under subsection C of this provision as a condition to obtaining a vacation rental housing unit permit if the Community Development Director or designee determines that the vacation rental was in existence and operating for more than one year prior to the effective date of this ordinance. The owner of the vacation rental shall have the burden to prove that the vacation rental meets the qualifications of this subsection E. Proof of existence and operation shall include payment of any transient room tax, if applicable, and any other evidence required by the City which demonstrates the existence and operation of the vacation rental. Any expansion of the vacation rental unit shall require an inspection. Existing vacation rentals must comply with and maintain compliance with all of the approval criteria contained in subsection B, except for Section B.4, and are subject to the provisions of subsection D and the enforcement provisions of this code section.

PROPOSALS FOR A VACATION RENTAL ORDINANCE

Approval of this ordinance adds vacation rentals as a conditional use in all areas zoned residential.

Vacation rentals that were included in the City's trial between June 1, 2014 and December 31, 2014 will be grandfathered and exempt from the conditional use requirement, provided that the owner of that property has a valid vacation rental Business License for fiscal year 2015-2016. Should the property owner of the grandfathered residence fail to meet the foregoing or expand the size of that residence, the conditional use process will be in effect.

STANDARDS

1. Maximum occupancy: 10 people
2. Maximum number of vehicles: 4
3. Vehicles must be parked on the rental property, not on the public right of way
4. Not more than 50% of the front yard setback area may be used for parking. The balance must be "landscaped" to prevent parking
5. No outdoor activities constituting a nuisance or loud noise are permitted after 9:00pm
6. Vacation rentals must comply with all City policies, standards and ordinances
7. Animals, other than service animals, are not permitted
8. Vacation rental property owners must subscribe to a scheduled waste collection service and provide garbage and recycling receptacles on the property
9. With the exception of enclosed barbecues, any outside fire is prohibited

SAFETY REQUIREMENTS

1. Smoke alarms must be present and functioning. Smoke alarms 10 years and older must be replaced with new smoke alarms that have a 10-year battery and hush button. Smoke alarms must be installed on each floor of the residence, including basement and attached garage, if existing
2. At least one 2A-10BC rated fire extinguisher must be visible and readily accessible for each floor of the residence including basement, if existing. Portable fire extinguishers shall be fully charged and serviced annually
3. Exit doors cannot be blocked to prevent egress. Corridors and exit ways must be free of obstructions. Each sleeping room will have at least one operable window for use as a secondary means of escape
4. At least one plug-in rechargeable flashlight will be readily accessible on each occupied floor of the residence
5. If on the second floor, there is no other means of escape, two-story vacation rentals must provide a roll-out ladder for use as a secondary means of escape
6. A carbon monoxide alarm must be present and functioning in a structure having a carbon monoxide source as defined in ORS 105836

GENERAL

1. A 500-foot minimum spacing between vacation rental properties, on the same side of the river, is required
2. A copy of the vacation rental standards shall be posted in a conspicuous place inside the vacation rental
3. Owners of vacation rental property must have a local contact and provide the City Administrator with the name and telephone number for that contact
4. Written consent is required from affected property owners if the vacation rental property is accessed by a shared driveway. A copy of the written consent is to be provided to the City Administrator
5. Transient Occupancy Tax will apply to all rentals of 30 days or less

ENFORCEMENT

- 1. Annually, prior to the issuance of a Business License for vacation rentals, the City's CSO will make a premise visit. The visit will ensure that all safety requirements (smoke alarms, fire extinguishers, flash lights and exit provisions) are in place as well as a posted sign reflecting vacation rental standards**
- 2. Complaint handling:**
 - a. Any confirmed complaint made to the City, regarding vacation rentals, will be evaluated by the City Administrator for validity. If deemed valid the complaint will be directed to the City's CSO for action**
 - b. Complaints filed directly with the Sheriff's Office, will be handled by that group. Information concerning resultant action will be provided to the City Administrator**
- 3. Valid complaint action:**
 - a. A first valid complaint will result in a warning.**
 - b. A second valid complaint is subject to a fine of up to \$500.00 per day, for each day during the period of the rental which generated the complaint**
 - c. A third valid complaint will result in cancellation of the Business License, and may include additional fine(s)**
- 4. With the exception of the grandfathered property noted in this ordinance, property owners offering their property for vacation rental without going through the conditional use process and/or possessing a valid Business License is a violation of this ordinance. In addition to a cease and desist order, the property owner will be subject to a fine of up to \$500.00 for each day the property is/was rented for vacation purposes.**

AGENDA ITEM SUMMARY



CITY OF SISTERS PLANNING COMMISSION

Meeting Date: January 7, 2016

Staff: Patrick Davenport

Type: Workshop

Dept: CDD

Subject: Future Development Code Amendments: Temporary Uses

Action Requested: Discuss options for potential Development Code revisions pertaining to Temporary Uses; forward recommendations to City Council

Summary: Staff has been requested to work with the Planning Commission on developing recommendations for amending the Development Code requirements pertaining to Temporary Uses. Temporary uses are defined in the City's Development Code as short-term, seasonal, or intermittent uses. A temporary use is one established for a fixed period of time with the intent to discontinue such use upon the expiration of such time. Such uses do not involve the construction or alteration of any permanent structure.

Staff's review of the applicable sections in the Development Code reveals some insufficient clarity on the City's ability to appropriately regulate the time, place and manner of temporary uses.

The following issues under consideration are intended to correlate only with Temporary Uses and not intended to amend the permitting process transient merchants go through when they get approval for City-wide events, including but not limited to the Rodeo and Quilt Show.

Issues for consideration:

- Does the Commission want to continue to allow temporary uses in the City?
 - Only in specific zoning districts?
- Is the 180 day maximum period too long, of sufficient length, or is it insufficiently defined?
- Should a developed and/or vacant site be required to submit a formal site plan or modification application?
- Site Plan Review (SPR) section in the Development Code
 - The SPR section should further specify how temporary uses are regulated.
- Compliance with Western Frontier Architectural Design Theme
- Other recommendations

The Planning Commission's recommendations will be forwarded to City Council to be discussed in a future workshop. Once City Council provides input on Planning Commission recommendations, staff will return this issue to the Planning Commission for a formal public hearing if directed.

Attachments: Existing Development Code for Section 2.15.1900 Special Provisions, Temporary Uses and Chapter 4.2 Site Plan Review

Existing Development Code for Temporary Uses:

2.15.1900 Temporary Uses

A. Purpose

Approval may be granted for structures or uses which are temporary in nature provided such uses are consistent with the intent of the underlying zoning district and comply with all provisions of this Code.

B. Application and Fee

The applicant shall pay the required fee as established by the City Council. The applicant is responsible for submitting a complete application which addresses all review criteria. Temporary use permits, except reviews for Temporary Sales Office, Model Home or Construction Building and Trailers, and seasonal sales as defined herein, shall be subject to a TYPE II review process.

C. Permit Approval

1. Approval Criteria

A temporary use permit (TUP) may be authorized by the Community Development Director or his/her designee provided that the applicant demonstrates that the proposed use:

- a. Meets all applicable City and County health and sanitation requirements.
- b. Meets all applicable Building Code requirements and zoning setbacks and will obtain permits for any proposed construction, electrical service or plumbing required to serve the temporary use.
- c. Is not being located in the public right-of-way or impeding the safety or movement of pedestrians.
- d. Is located in such a manner that they will not impede the normal use of driveways or circulation aisles, nor be located in a manner that encourages customers to stop in the street, driveway or circulation aisle to obtain vendor service.
- e. Is restricted to the immediate confines of the temporary stand or structure, or area approved as part of the permit.

2. Time Limits

Time Limits. Unless otherwise noted, the temporary use shall cease and any approved structure removed upon expiration of the temporary use permit, unless renewed by the Community Development Director or his/her designee. In no case shall a temporary use permit be issued for a period exceeding 180 days in any 365 day period.

3. Additional Conditions

In issuing a temporary use permit, the Community Development Director or his/her designee may impose reasonable conditions as necessary to preserve the basic purpose and intent of the underlying zoning district. These conditions may include, but are not limited to the following: increased yard dimensions; fencing, screening or landscaping to protect adjacent or nearby property; limiting the number, size, location or lighting of signs; restricting certain activities to specific times of day; refuse containers; and providing sanitary lavatory facilities or have a written agreement for use of lavatory facilities by operators and patrons within 200 feet of the vehicle's location.

4. Revocation

Any departure from approved plans not authorized by the Community Development Director or his/her designee shall be cause for revocation of applicable building and occupancy permits. Furthermore if, in the City's determination, a condition or conditions of TUP approval are not or cannot be satisfied, the TUP approval, or building and occupancy permits, shall be revoked.

D. Signs. All signs shall comply with Chapter 3.4.

E. Seasonal sales. The applicant shall pay the required fee as established by the City Council. The applicant is responsible for submitting a complete application which addresses all review criteria. Seasonal sales shall be subject to a Type I review procedure unless otherwise noted herein. The following standards shall apply to seasonal sales which are limited to:

1. Fireworks Sales

Fireworks sales shall be consistent with the Municipal Code.

2. Christmas Tree Sales

- a. The annual season for Christmas tree sales shall commence no sooner than the day after Thanksgiving and shall continue no longer than December 27.
- b. A business license shall be required pursuant to the Municipal Code.

3. Pumpkin Patch Sales

- A. The annual season for pumpkin sales shall commence no sooner than September 25 and continue no longer than November 5.
- B. A business license shall be required pursuant to the Municipal Code.

4. Signs. All signs for seasonal sales shall comply with Chapter 3.4 and shall be removed no later than the day after the holiday.

5. Non-profit fundraiser sales. Temporary non-profit seasonal sales are permitted up to 30 consecutive days per calendar year and are not subject to City review. However, temporary non-profit seasonal sales that operate for more than 30 consecutive days per calendar year shall pay the required fee and shall undergo the Type I review process established in Chapter 4.1. Verification of the non-profit status shall be required prior to waiving the City review.

Chapter 4.2 - Site Plan Review

Sections:

- 4.2.100 Purpose
- 4.2.200 Applicability
- 4.2.300 Application Procedure
- 4.2.400 Submittal Requirements
- 4.2.500 Approval Criteria
- 4.2.600 Modifications
- 4.2.700 Approval Period, Expiration and Extension
- 4.2.800 Bonding and Assurances

4.2.100 Purpose

The purpose of Site Plan Review is to ensure that structures, parking areas, walks, refuse containers, landscaping and street improvements are properly related to their sites and to surrounding sites and structures; to protect natural features; and to encourage originality in site design and development in a manner which will enhance the physical appearance and attractiveness of the community.

4.2.200 Applicability

- A. Any new development, structure, building, or substantial alteration of an existing structure or use shall require Site Plan Review in accordance with Chapter 4.1 and 4.2 . For the purposes of this Chapter, the term "substantial alteration" shall mean any development activity as defined by this Code that generally requires a building permit and may exhibit one or more of the following characteristics:
1. The activity structurally alters the exterior of a structure, building or property.
 2. The activity involves changes in the use of a structure, building, or property from residential to commercial or industrial.
 3. The activity involves non-conforming uses as defined in Chapter 5.2
- B. Exemptions from site plan review are as follows:
1. Exterior elevation alterations that do not increase the square footage of the existing structures' interior.
 2. Interior work which does not alter the exterior of the structure or affect parking standards by increasing floor area.
 3. Regular building maintenance including the repair or maintenance of structural members (e.g., roof, siding, paint, awnings, etc.), parking resurfacing.
 4. All residential development, except multi-family and group residential.
 5. Manufactured homes on individual lots;
 6. Child Care Home;

7. Home occupation; or
8. Residential accessory structures and accessory dwelling units.
9. Other Accessory structures 200 square feet or less
10. Landscaping, fences and similar developments/structures

4.2.300 Application Procedure

- A. Application Review. Site Plan Review shall be conducted as a Type II procedure using the procedures in Chapter 4.1, and using the approval criteria contained in Section 4.2.500.
- B. The Community Development Director shall have discretion to forward any site plan submitted for administrative approval to the Planning Commission for review.

4.2.400 Submittal Requirements

In addition to the submission requirements required in Chapter 4.1, the Community Development Director or designee shall require all of the following existing and proposed information as deemed applicable for Site Plan Review;

- A. The scale, north arrow, date of preparation, name and address of project designer, street address and tax lot number;
- B. Lot or site dimensions.
- C. All existing and proposed buildings and structures: location, square footage and height.
- D. Elevations, floor plans with dimensions, building materials, color, and details of all mechanical equipment screening.
- E. Setbacks and space between buildings.
- F. Walls and fences: location, height and materials.
- G. Off-street vehicular and bicycle parking and off-street loading: location, number of spaces and dimensions of vehicular and bicycle parking and loading areas, internal circulation pattern.
- H. Access - pedestrian, bicycle, vehicular, service: points of ingress and egress, internal circulation. Pedestrian and bicycle circulation areas, including sidewalks, internal pathways, pathway connections to adjacent properties, and any bicycle lanes or trails;
- I. Signs: location, size, height and type of illumination.
- J. Lighting in compliance with the Dark Skies Ordinance: location and general nature.
- K. Name all adjacent streets, roads or alleys, showing right-of-way and dedication widths, reservation width, easements, utilities and all types of improvements existing or proposed.
- L. Landscaping: location, type, and method of irrigation

- M. Outdoor recreation spaces, common areas, plazas, outdoor seating, street furniture, and similar improvements, as applicable
- N. Refuse enclosures: location, type and material.
- O. Location of mail boxes, if known
- P. Location and descriptions of any major topographic, natural or man-made features on the site such as rock outcrops, water features, existing vegetation, trees, graded areas, etc.
- Q. Preliminary grading plan. A preliminary grading plan prepared by a registered engineer shall be required for developments which would result in the grading (cut or fill) of 1,000 cubic yards or greater. The preliminary grading plan shall show the location and extent to which grading will take place, indicating general changes to contour lines, slope ratios, slope stabilization proposals, and location and height of retaining walls, if proposed. Surface water detention and treatment plans may also be required.
- R. Topographic contour lines at intervals determined by the City
- S. Such other data pertaining to site development as may be required by the Community Development Department to make the required findings.
- T. Emergency vehicle turning movements and wheel tracking.

4.2.500 Approval Criteria

Prior to issuance of building permits, the Community Development Director or designee shall approve, approve with conditions or disapprove the proposed site plan. In approving the plan, the Community Development Director or designee shall find that all provisions of the Development Code are met. The following criteria shall be considered:

- A. Conformance with applicable Design Standards in Chapter 3.
- B. Adequacy of public and private facilities.
- C. Traffic safety, internal circulation and parking, including pedestrian and bicycle safety;
- D. Provision for adequate noise and/or visual buffering from non-compatible uses.
- E. Conformance with applicable public works, building and fire code standards=
- F. Conformance with development requirements of the underlying zone.

4.2.600 Modifications

- A. Following site plan approval, an applicant may make modifications to the plan consistent with the following procedures. The Community Development Director or designee will determine whether the proposed modification is a minor or a major modification.

1. Minor modifications are those which are in substantial compliance with the layout, uses and conditions of the original plan review. Minor adjustments are those that entail minor changes in dimensions or siting of structures and location of public amenities, but do not entail changes to the intensity or character of the use or changes to the required development standards. The Community Development Director or designee may approve a minor modification upon finding that the modification is substantially consistent with the approved plan review, is consistent with the provisions of this code and the conditions of approval, and do not have substantially greater impacts on surrounding properties than the original plan.

Other modifications are major modifications. See Chapter 4.1

4.2.700 Approval Period, Expiration and Extension

A. Approval Period - General. Site Plan Review approvals shall be effective for a period of two (2) years from the date of approval for a single-phased development, and up to two (2) additional years for all subsequent phases. In no case however shall any approval exceed 4 years for single phase development, including extensions, and 6 years for multi phased development, including extensions, from the original approval date. The approval shall lapse if:

1. A building permit has not been issued within the time period stated herein; or
2. Construction on the site is in violation of the approved plan.

B. Single-Phased Project Extension.

1. The Community Development Director or designee may, upon written request by the applicant prior to the expiration date, grant a single one-year extension per project; provided that:
 - a. No changes are made on the original approved site plan;
 - b. The applicant can show intent of initiating construction on the site within the extension period;
 - c. There have been no changes to the applicable Code provisions on which the approval was based. If there have been changes to the applicable Code provisions and the expired plan does not comply with those changes, then the extension shall not be granted; in this case, a new site plan review shall be required;

- d. The applicant demonstrates that failure to obtain building permits and substantially begin construction within two years of site plan approval was beyond the applicant's control.
2. Additional Extension by Original Decision-Making Body. The original decision-making body may or may not, upon written request by the applicant prior to the expiration date granted by the Community Development Director, grant a single additional one-year extension at their discretion. In no case however shall extensions combined with original approval durations exceed four years for single phased development from the original approval date.
- C. Phased Development. Phasing of development may be approved with the Site Plan Review application, subject to the following standards and procedures:
1. Approval Procedures and Durations.
 - a. A phasing plan shall be submitted with the Site Plan Review application.
 - b. The Community Development Director or designee shall approve a time schedule for developing a site in phases, but in no case shall the total time period for all phases be greater than 2 years from the original date of approval for the first phase, and 2 additional years from the original date of approval for all subsequent phases without reapplying for site plan review.
 - c. Approval of a phased site plan review proposal requires satisfaction of all of the following criteria:
 - i. The public facilities required to serve each phase are constructed in conjunction with or prior to each phase;
 - ii. The development and occupancy of any phase dependent on the use of temporary public facilities shall require City Council approval. Temporary facilities shall be approved only upon City receipt of bonding or other assurances to cover the cost of required public improvements, in accordance with Section 4.2.4. A temporary public facility is any facility not constructed to the applicable City or district standard, subject to review by the Public Works Director or designee;
 - iii. The phased development shall not result in requiring the City or other property owners to construct public facilities that were required as part of the approved development proposal; and
 - iv. An application for phasing may be approved after Site Plan Review approval as a modification to the approved plan, in accordance with the procedures for minor modifications (Chapter 4.6).

2. Extensions.

- a. The Community Development Director or designee may, upon written request by the applicant prior to the expiration date, grant a single one-year extension per project provided that:
 - i. No changes are made on the original approved site plan;
 - ii. The applicant can show intent of initiating construction on the site within the extension period;
 - iii. There have been no changes to the applicable Code provisions on which the approval was based. If there have been changes to the applicable Code provisions and the expired plan does not comply with those changes, then the extension shall not be granted; in this case, a new site plan review shall be required;
 - iv. The applicant demonstrates that failure to obtain building permits and substantially begin construction within two years of site plan approval was beyond the applicant's control.
 - b. Additional Extension by Original Decision-Making Body. Upon written request by the applicant prior to the expiration date of the extension granted by the Community Development Director, the original decision-making body may or may not, grant a single additional one-year extension at their discretion. In no case however shall extensions combined with original approval durations exceed four years for single phased development, and six years from the original approval date for subsequent phases within a multiple-phased development.
3. Additional Approval Time Extension. Notwithstanding Sections A, B and C, above, all City Site Plan Review approvals, including approvals for which the City has granted an extension of time, that were due to expire on or after December 31, 2014, are hereby automatically and exceptionally extended to June 30, 2015. Site Plan Review approvals that were approved after January 1, 2015 shall comply with Sections A, B, and C, above. Approvals that have been automatically extended by this regulation may apply for an additional extension of time in accordance with Sections B and C, above.

4.2.800 Bonding and Assurances

- A. Performance Bonds for Public Improvements. On all projects where public improvements are required, the City shall require a bond in an amount not greater than 120% or other adequate assurances as a condition of site development approval in order to guarantee the public improvements;
- B. Release of Performance Bonds. The bond or assurance shall be released when the Community Development Director, Public Works Director or designee finds the

completed project conforms to the site development approval, including all conditions of approval.

- C. Completion of Landscape Installation. Landscaping shall be installed prior to issuance of occupancy permits, unless security equal to the cost of the landscaping as determined by the Community Development Director, designee or a qualified landscape architect is filed with the City Recorder assuring such installation within six months after occupancy. If the installation of the landscaping is not completed within the six-month period, the security may be used by the City to complete the installation.
- D. Business License Filing. The applicant shall ensure that all business occupants of the completed project, whether permanent or temporary, shall apply for and receive a City business license prior to initiating business.