

## 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.

References to **Lower Cost Housing** are intended to refer to market rate dwelling that are typically lower priced than average size single family residential dwelling. Typical dwelling types associated with lower cost housing are multifamily structures such as apartments, other multiplexes, manufactured homes and townhouses (single family attached). Single family detached housing may also be considered Lower Cost Housing. The definition of Lower Cost Housing types should be considered subjective and generally refers to homes valued at or below what the median family income is for Deschutes County.

## **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 minimally “Affordable” (at 80% of MFI) for this income level.

### **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 72 Affordable Housing Units within the City limits. One development, Tamarack Village contains 33 multifamily units and with the exception one unit in the Village of Cold Springs, 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**

<b>Development or Area Name</b>	<b>AH Units Built Now</b>	<b>AH Units To Be Built</b>	<b>AH Total Units at UGB Build Out</b>
Sisters Habitat	<b>36</b>		<b>36</b>
Tamarack Village	<b>33</b>		<b>33</b>
Other	<b>1</b>		<b>1</b>
Village Meadows Ph. I	<b>2</b>	<b>15</b>	<b>17</b>
Skygate		<b>8</b>	<b>8</b>
Clear Pine		<b>7</b>	<b>7</b>
McKenzie Meadow Village		<b>18</b>	<b>18</b>
<b>Total:</b>	<b>72</b>	<b>48</b>	<b>120</b>

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 120 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 at full build out of the UGB using the BLI would be approximately 5% (120 AH units exist or proposed / 2326 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 cause very large lots in scattered development patterns to be located in close proximity or adjacent to the 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 may assist in incentivizing 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 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.

City staff also analyzed the occurrences of “second homes” or non-primary residences by reviewing water service customer accounts. Using an initial criteria of a property ownership record having a mailing address outside the City, 23 residential water service accounts have been temporarily cutoff at the customer’s request because the customer stated they will not be using the dwelling for an extended period of time. An additional 33 residential accounts have had zero water consumption over a two month period for December 2015-January 2016. This indicates that at least 56 residential dwellings can be defined as “second homes” or non-primary residences or approximately 5% of total housing stock. When combining 20 known vacation rentals and 56 non-primary residences located within the City, approximately 6.6% of the City’s total housing stock are being used for either vacation rentals or non-primary dwellings.

## **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 200-2015

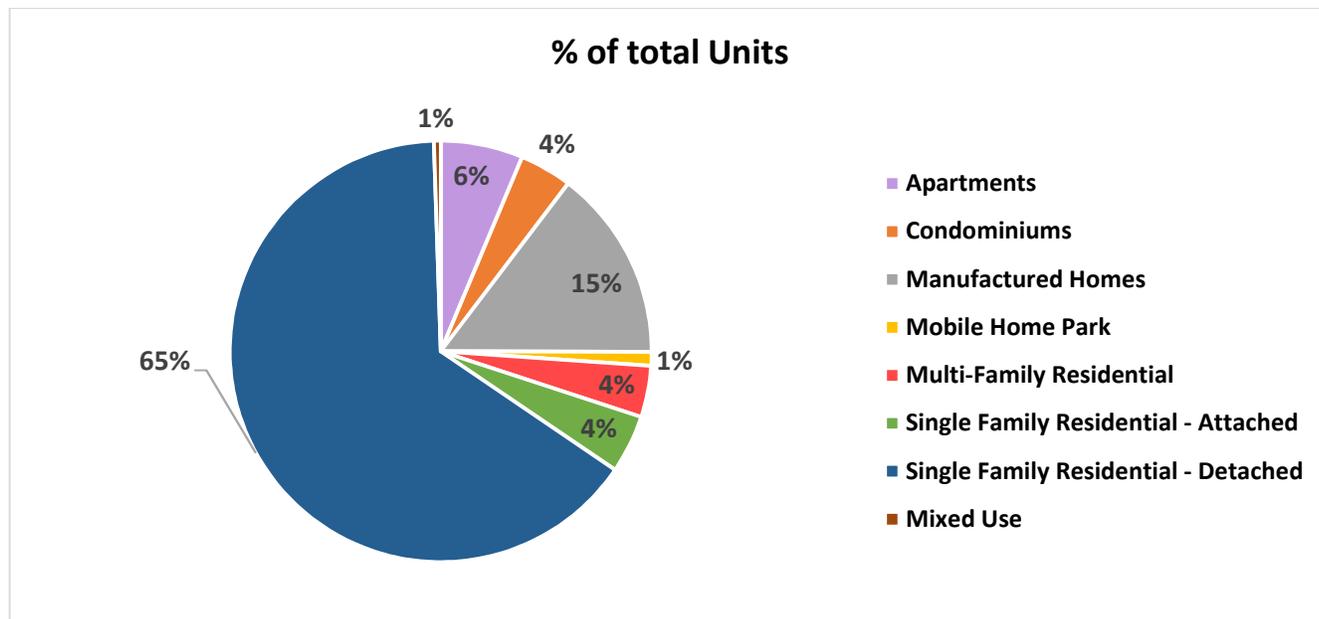
- Subdivisions previously dormant during the recession, are seeing a resumption of construction;
- Residential building permits have resumed a steady rate of issuance since the recession ended.
- Since 2013, the City has issued a total of 135 building permits for new residential construction at an average 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).

**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%	4	0.4%
Condominiums	46	4%	6	0.6%
Manufactured Homes	168	15%	165	15.9%
Mobile Home Park	12	1%	1	0.1%
Multi-Family Residential	45	4%	22	2.1%
Single Family Residential - Attached	51	4%	61	5.9%
Single Family Residential - Detached	744	65%	770	74.3%
Mixed Use	6	1%	7	0.7%
<b>Total Dwelling Types</b>	<b>1,144</b>	<b>100%</b>	<b>1,036</b>	<b>100%</b>

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 are included with single family residential housing types.
- **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	845	74%
Renter-Occupied Dwellings	299	26%
<b>Total Dwellings</b>	<b>1,144</b>	<b>100%</b>

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**

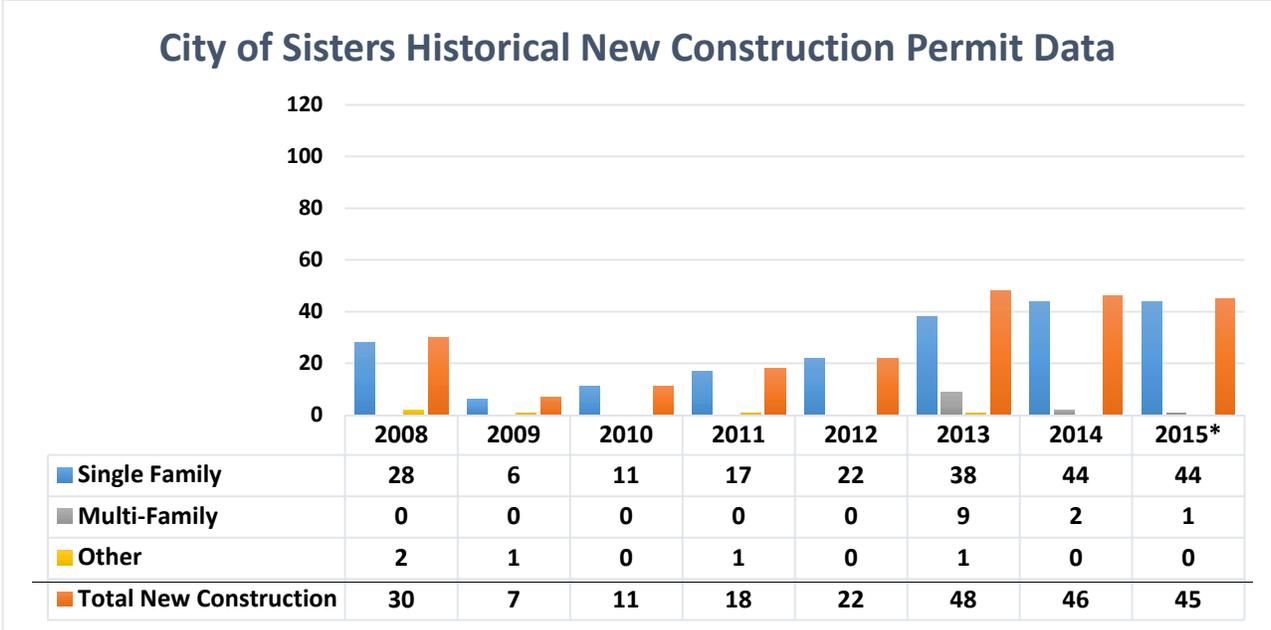
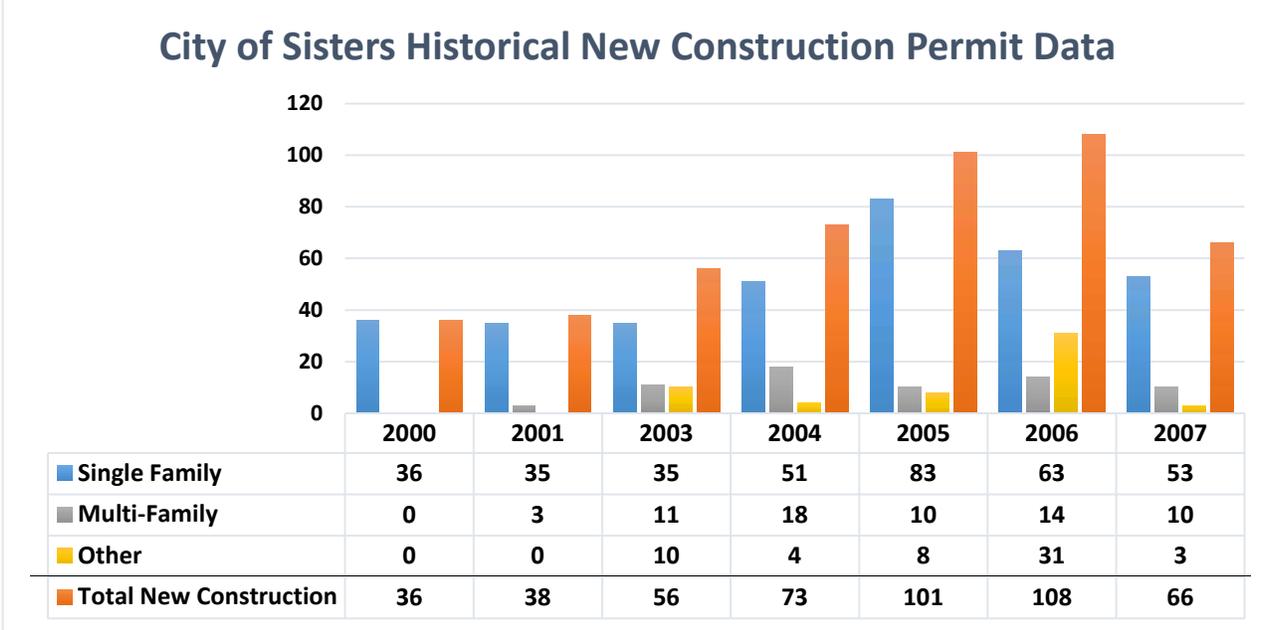
Dwelling Type	Owner Occupied		Renter Occupied		All Dwellings	
	DU by type	%	DU by type	%	DU by type	%
Apartments	0	0%	72	100%	72	6%
Condominiums	45	98%	1	2%	46	4%
Manufactured Homes	128	76%	40	24%	168	15%
Mobile Home Park	12	100%	0	0%	12	1%
Multi-Family Residential	19	42%	26	58%	45	4%
Single Family Residential - Attached	39	76%	12	24%	51	4%
Single Family Residential - Detached	600	81%	144	19%	744	65%
Mixed Use	2	33%	4	67%	6	1%
<b>Total</b>	<b>845</b>	<b>74%</b>	<b>299</b>	<b>26%</b>	<b>1,144</b>	<b>100%</b>

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 4.2 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	20.2	11	R/MFR	11	100	0	100	4.95	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	30.80	138	R	8	8	132	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 TnC Addition	1970	46.3	140	R	8	8	132	140	3.02	SF Detached	
McKenzie Meadow Village	2010	24.6756198	1	MFR	1	175	0	175	7.09	Does not include 82 units ALF	
Mountain View	1986	0.91	1	R	0	0	20	20	21.98	Apartments	
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	
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		
<b>Total</b>		<b>471.99</b>	<b>1,324</b>		<b>331</b>	<b>1,165</b>	<b>1,107</b>	<b>2,266</b>	<b>7.22</b>	<b>Overall gross density</b>	
									(assuming 20% difference between Gross and Net):	<b>9.02</b>	<b>Overall net density</b>

<sup>1</sup> The BLI assumes that there will be no future residential units built in the DC district.

Residential densities and acreage by zone	Total Acres	Developed Acres	Vacant Acres	Avg. Gross	Avg. Net
MFR	205.58	131.94	73.63	8.89	7.11
R	252.27	167.03	85.24	5.79	4.63
SRR	14.14	0.00	14.14	6.23	4.99

Average	471.99	298.97	173.02	6.97	5.58
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**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 1,144 residential units.
- At full build out of current UGB, it is estimated that the City would contain 2,326 residential units at an approximate density of 6.62 dwelling units per gross acre of residential land (8.28 units per acre net density). The units estimate does not include 147 Assisted Living Units planned on two individual sites.
- Averaging densities by residential zoning district indicates 6.97 gross units per acre (5.58 acres net density).
- 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 one site (US Forest Service) does not have zoning that enables residential development.
- The Buildable Lands Inventory (BLI) indicates that 73.63 gross acres in the MFR district and 85.24 gross acres in the Residential District are either vacant or are not yet built-out.

**Analysis of selected parcels with entitlements deemed insufficient to develop as future residential**

The purpose of this section is to provide an analysis on the justification regarding whether or not three parcels or areas were included on the BLI. Currently, 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.

- **Adams Street vicinity and North of Adams St – Downtown Commercial (DC) zone:**
  - The Development Code does allow for residential uses co-located with non-residential uses and stand-alone residential uses in the DC District adjacent to 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. The property could still be developed as a mixed use residential/commercial development within the current zoning designation but the certainty of its future uses is very limited.
  - Due to the uncertainty in forecasting yields of future residential units in the DC district, *the BLI will assume that the DC district will not yield any significant quantities of future residential units.*

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

- The property is currently zoned Public Facility, Open Space, and Urban Area Reserve and recently received approval for a Comprehensive Plan text amendment.
- The Comprehensive Plan text amendment provides 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.
- The Comprehensive Plan Map was not amended as part of this approval.
- Due to the unique ownership status of the properties and the Comprehensive Plan Map still illustrating non-residential future uses, *the BLI does not assume any future residential units on these parcels.*

**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 4.6 Anticipated Density of Future Selected Developments or Parcels**

<b>Development Name</b>	<b>Acres</b>	<b>Residential Units</b>	<b>Gross Density (DU/AC)</b>
Brooks Camp Rd (2 parcels)	2.32	47	20.26
Clear Pine	20.02	100	5.00
<b>Totals</b>	<b>22.32</b>	<b>147</b>	<b>Avg=6.59 du/ac</b>

**Existing Improved Land Calculation: 428 acres X 1,182 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 4.7 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	795	166.83	4.8
Mixed Use	6	1.38	4.3
<b>Total/Average</b>	<b>1,144</b>	<b>216.91</b>	<b>10.0</b>

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 4-8 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
<b>Change 2015 to 2035</b>	
People	2,060
Percent Change	89%
Average Annual Growth Rate	3.2%

Source: Center for Population Research and Census – Portland State University

Table 4-8 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 contains four group homes 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 typical ALF facility densities 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.

### Average Household Size

**Table 4-9 Average Household size in Deschutes County and City of Sisters**

<b>Persons Per HH</b>	
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 Estimate of Occupants per Household**

<b>City of Sisters Dwellings</b>	<b>Avg. Persons Per Unit</b>	<b>Est. Persons Per Unit</b>	<b>% of Persons Per Unit</b>
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%
<b>Total/Average</b>	<b>2.08</b>	<b>2,259</b>	<b>100%</b>

Source: City of Sisters Water Service Billing Records

**Narrative for Tables 4-9 and 4-10**

- 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	20
equals Persons in households	2,040
Average Household size	2.08
New occupied DU	959
<i>times</i> Vacancy rate	5%
equals Vacant dwelling units	48
<b>equals Total new dwelling units</b>	<b>1,007</b>
Dwelling units needed annually	50

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

**Narrative for Table 4-11**

- 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.
- The Buildable Land Inventory indicates 1,144 existing dwelling units with another 1,182 potential units that could be developed in the future.
- 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 DLCD 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**

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.

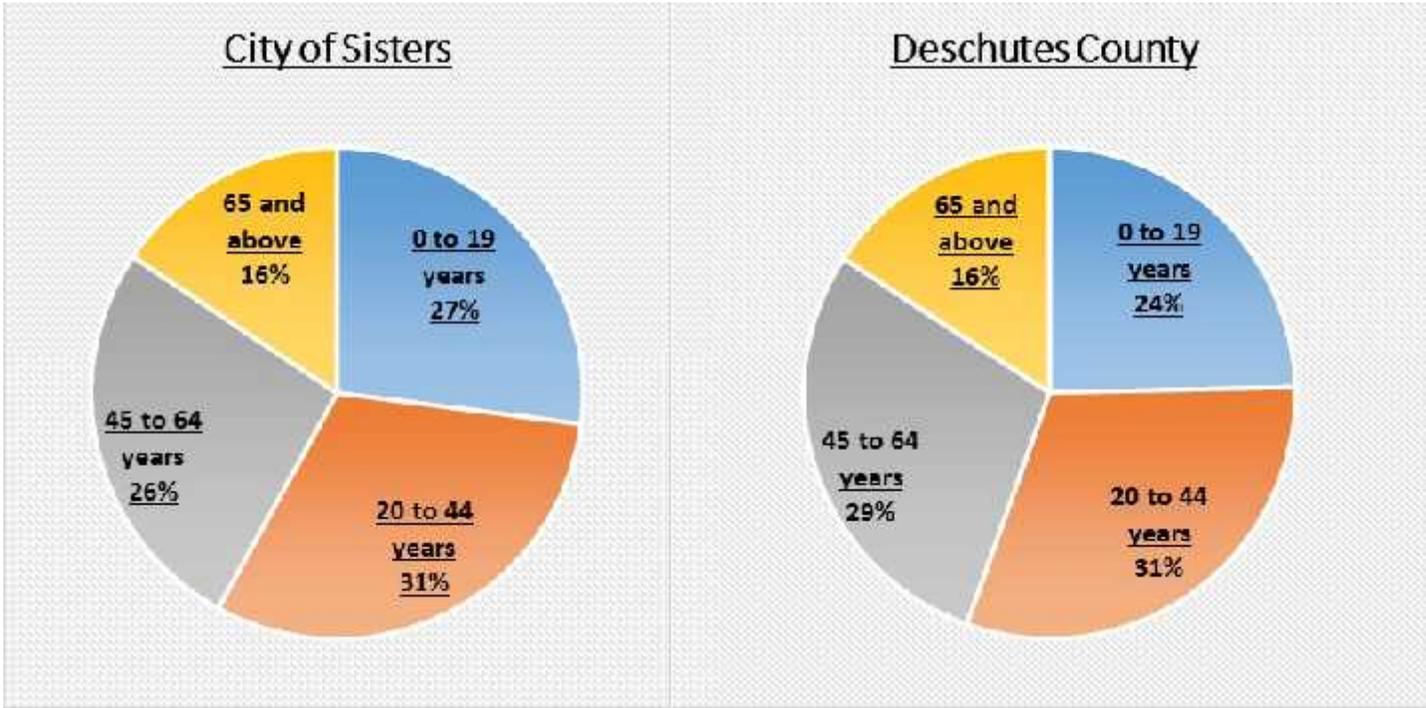
**Step 2. Describe the demographic characteristics of the Population and, if possible, housing trends that relate to demand for different types of housing**

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%
<b>Total</b>	<b>2,315</b>	<b>100%</b>	<b>160,565</b>	<b>100%</b>	<b>3,868,721</b>	<b>100%</b>

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



**Narrative for Table 4-12**

- Table 4-11 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 65 years and older comprise 16% of the City’s population.
- The under 20 year old combined cohort group contains approximately 27% of the City’s population.
- 42% of City residents are over the age of 44 years.

**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
<b>2010</b>		
Total Population	2,038	153,981
Hispanic or Latino	145	13,097
Percent of Hispanic or Latino	7%	9%
<b>2015</b>		
Total Population	2,315	170,605
Hispanic or Latino	162	14,511
Percent of Hispanic or Latino	7%	9%
<b>Change 2010 - 2015 Projections</b>		
Hispanic or Latino	17	1,414
Percent of Hispanic or Latino	1%	1%

Source: Applied Geographic Solutions, 2015

### 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
<b>The Affordable Housing Wage Gap IS:</b>	\$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%
<b>Not experiencing cost burden</b>	<b>124</b>	<b>42%</b>	<b>221</b>	<b>48%</b>	<b>345</b>	<b>46%</b>
30% to 34.9%	56	19%	21	5%	77	10%
35% or more	113	39%	219	48%	332	44%
<b>Experiencing cost burden</b>	<b>169</b>	<b>58%</b>	<b>240</b>	<b>52%</b>	<b>409</b>	<b>54%</b>
<b>Total</b>	<b>293</b>	<b>100%</b>	<b>461</b>	<b>100%</b>	<b>754</b>	<b>100%</b>

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	% of Total Housing Units	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%	249	22%	\$23,761 - \$35,640	114	10%
<b>Sub Totals</b>		<b>369</b>	<b>32%</b>		<b>445</b>	<b>39%</b>
\$164,653 - \$219,537	61-80%	305	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%
		<b>1,142</b>	<b>100%</b>		<b>1,142</b>	<b>100%</b>

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

<sup>1</sup> 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 4-16 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

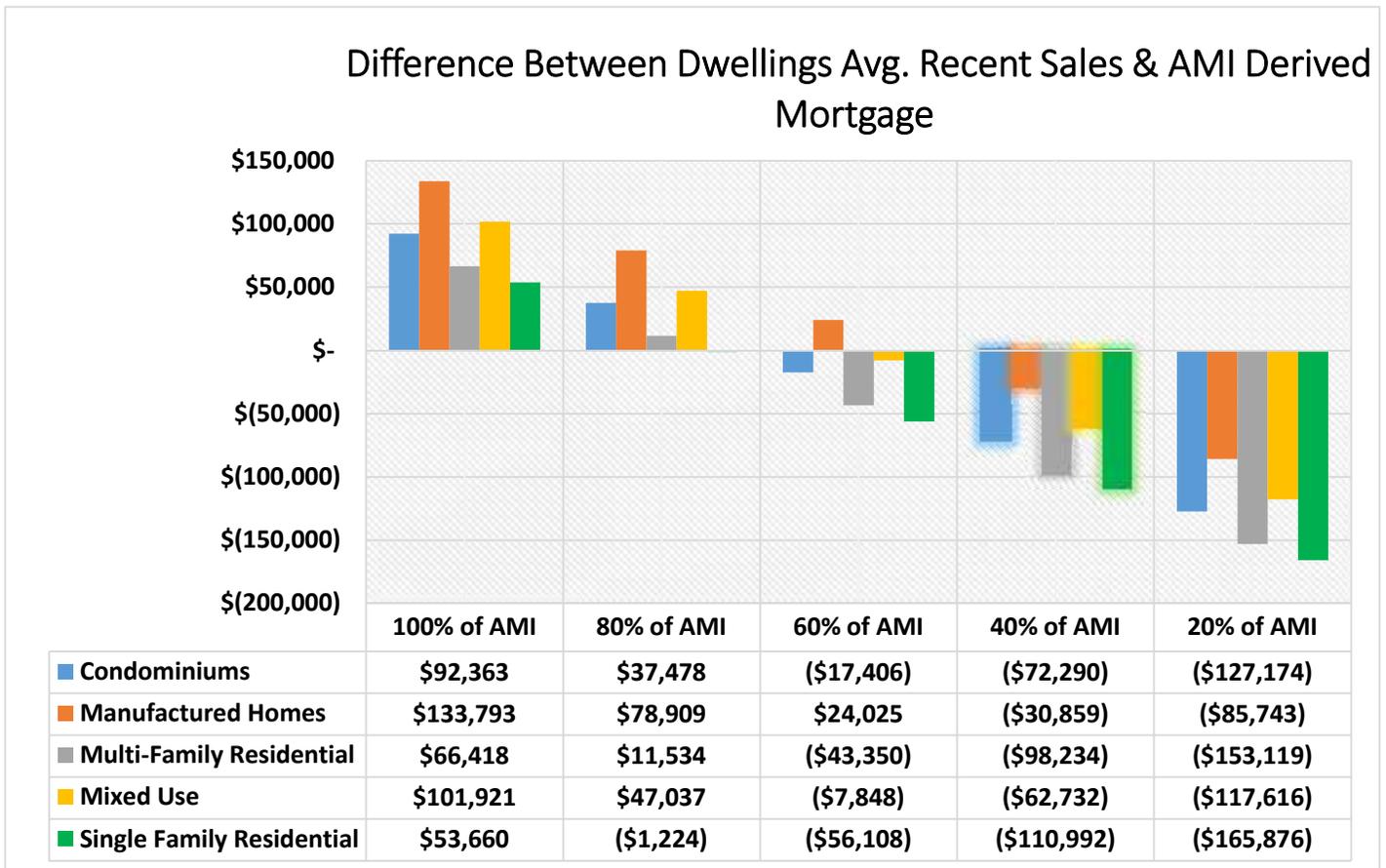
numbers of family units in each income bracket reside in dwellings that are valued in the range that are indicative of what that family unit can afford.

- 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 as valued by the Deschutes County Assessor is at a price that a family could afford which has an income of 80% of MFI.
- 674 housing units 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)
<b>Avg. Recent Sale:</b>		\$ 182,058	\$ 140,627	\$ 219,824	\$ 172,500	\$ 220,760
<b>%100 of MFI</b>	<b>\$ 274,421</b>	\$ 92,363	\$ 133,793	\$ 54,596	\$ 101,921	\$ 53,660
<b>%80 of MFI</b>	<b>\$ 219,537</b>	\$ 37,478	\$ 78,909	\$ (288)	\$ 47,037	\$ (1,224)
<b>%60 of MFI</b>	<b>\$ 164,652</b>	\$ (17,406)	\$ 24,025	\$ (55,172)	\$ (7,848)	\$ (56,108)
<b>%40 of MFI</b>	<b>\$ 109,768</b>	\$ (72,290)	\$ (30,859)	\$ (110,056)	\$ (62,732)	\$ (110,992)
<b>%20 of MFI</b>	<b>\$ 54,884</b>	\$ (127,174)	\$ (85,743)	\$ (164,940)	\$ (117,616)	\$ (165,876)

Source: City of Sisters GIS data



**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 illustrated 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	Current		Projected	
	DU by type	%	DU by type	%
Apartments	72	6%	131	6%
Condominiums	46	4%	85	4%
Duplexes (Two-Unit Multifamily)	42	4%	77	4%
Manufactured Homes	180	16%	331	16%
Mixed use	6	1%	11	1%
Single Family Residential Attached (Townhouse)	51	4%	94	4%
Single Family Residential Detached	741	65%	1,362	65%
Triplexes	6	1%	11	1%
<b>Total</b>	<b>1,144</b>	<b>100%</b>	<b>2,103</b>	<b>100%</b>

Source: City of Sisters GIS data

**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. Table 4-18 illustrates the assumption 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 4-18. A desired dwelling type distribution is provided next.

**Table 4-20 Estimate of total housing distribution in 2035 if the desired housing type is revised to the below % levels.**

<b>Model Input Variables</b>	<b>Current Housing Distribution</b>	<b>Desired Future Housing Distribution</b>
Apartments	6%	10%
Condominiums	4%	4%
Duplexes (Two-Unit Multifamily)	4%	5%
Manufactured Homes	16%	10%
Mixed use	1%	1%
Single Family Residential Attached (Townhouse)	4%	4%
Single Family Residential Detached	65%	61%
Triplexes	1%	5%
<b>Total</b>	<b>100%</b>	<b>100%</b>

Source: City of Sisters GIS data

**Table 4-21 Calculation of future housing distribution in 2035 if the desired housing type is revised to the above desired % levels.**

<b>Dwelling Type</b>	<b>Current Housing Distribution</b>		<b>Desired Future Housing Distribution</b>	
	<b>DU</b>	<b>%</b>	<b>DU</b>	<b>%</b>
Apartments	72	6%	210	10%
Condominiums	46	4%	85	4%
Duplexes (Two-Unit Multifamily)	42	4%	105	5%
Manufactured Homes	180	16%	210	10%
Mixed use	6	1%	11	1%
Single Family Residential Attached (Townhouse)	51	4%	94	4%
Single Family Residential Detached	741	65%	1,283	61%
Triplexes	6	1%	105	5%
<b>Total</b>	<b>1,144</b>	<b>100%</b>	<b>2,103</b>	<b>100%</b>

Source: City of Sisters GIS data

Table 4-20 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 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 April 30, 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 permits residential development in certain circumstances. Mixed use residential uses are permitted above or attached to a commercial/office use throughout the District and specific areas along Adams Street enable 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.

**Due to the difficulty in predicting future residential uses in the DC district, the BLI does not assume residential development of notable quantities will develop in the future within the DC zoning district.**

- **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) on approximately 11 gross acres (3.8 D.U./acre), its density calculation is not included in this study.**

**Table 4-22 Estimates of mid-range density for residential 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

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 D.U./acre. Net and gross densities for dwelling units per acre are provided in the calculations for Step 5. District densities have been converted from gross to net density using a 20% difference.

**Table 4-23. Forecast of density by new dwelling units (dwelling units per acre), 2015-2035**

Dwelling Types	New DU	%	Density (DU/ Gross Ac)			Density (DU/ Net Ac)		
			R	MFR	Average	R	MFR	Average
Apartments	143	15%		13	13		16	16
Condominiums	39	4%	5	13	9	6	16	11
Duplexes (Two-Unit Multifamily)	63	7%	5	13	9	6	16	11
Manufactured Homes	30	3%	5	13	9	6	16	11
Single Family Residential Attached (Townhouse)	43	4%	5	13	9	6	16	11
Single Family Residential Detached	542	56%	5	13	9	6	16	11
Triplexes	99	10%		13	13		16	16
	<b>959</b>	<b>100%</b>			10			13

Source: City of Sisters GIS data

Table 4-23 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 4-24. Forecast of new dwelling units and land need by type, 2015-2035.**

Dwelling Types	New DU	%	Density (DU/Res Acres)		Res. Acres	
			Net	Gross	Net	Gross
Apartments	143	15%	16.3	13.0	8.8	11.0
Condominiums	39	4%	11.3	9.0	3.4	4.3
Duplexes (Two-Unit Multifamily)	63	7%	11.3	9.0	5.6	7.0
Manufactured Homes	30	3%	11.3	9.0	2.7	3.4
Single Family Residential Attached (Townhouse)	43	4%	11.3	9.0	3.8	4.8
Single Family Residential Detached	542	56%	11.3	9.0	48.2	60.2
Triplexes	99	10%	16.3	13.0	6.1	7.6
	<b>959</b>	<b>100%</b>	<b>13</b>	<b>10</b>	<b>79</b>	<b>98</b>

Source: City of Sisters GIS data

The forecast illustrated in Table 4-24 indicates that Sisters will need about 79 net residential acres, or 98 gross residential acres to accommodate approximately 959 new housing units between 2015 and 2035.

**Table 4-25. Allocation of new dwelling units and land to residential plan designations, City of Sisters, 2015-2035**

	Plan Designation					
	Residential Zone		Multi-Family Zone		Total	
Dwelling Types	DU	Gross Ac	DU	Gross Ac	DU	Gross Ac
Apartments	0	0.00	143	11.03	143	11.03
Condominiums	12	1.31	27	2.99	39	4.30
Duplexes (Two-Unit Multifamily)	50	5.54	13	1.48	63	7.02
Manufactured Homes	16	1.82	14	1.54	30	3.37
Single Family Residential Attached (Townhouse)	3	0.28	40	4.49	43	4.77
Single Family Residential Detached	346	38.49	195	21.71	542	60.20
Triplexes	0	0.00	99	7.63	99	7.63
<b>Total</b>	<b>427</b>	<b>47.45</b>	<b>532</b>	<b>50.86</b>	<b>959</b>	<b>98</b>
<b>Net density (du per acre)</b>		<b>11.3</b>		<b>13.1</b>		<b>12.2</b>
<b>Gross density (du per acre)</b>		<b>9.0</b>		<b>10.5</b>		<b>9.8</b>
<b>Percent of Acres and Units</b>						
Apartments	0%	0%	15%	11%	15%	11%
Condominiums	1%	1%	3%	3%	4%	4%
Duplexes (Two-Unit Multifamily)	5%	6%	1%	2%	7%	7%
Manufactured Homes	2%	2%	1%	2%	3%	3%
Single Family Residential Attached (Townhouse)	0%	0%	4%	5%	4%	5%
Single Family Residential Detached	36%	39%	20%	22%	56%	61%
Triplexes	0%	0%	10%	8%	10%	8%
<b>Total</b>	<b>45%</b>	<b>48%</b>	<b>55%</b>	<b>52%</b>	<b>100%</b>	<b>100%</b>

Source: City of Sisters GIS data

Table 4-25 provides estimates of new dwelling units needed allocated to residential plan designation. The allocation estimate indicates that approximately 98 gross acres of land is necessary to accommodate 959 dwelling units in the R and MFR Districts 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 insufficient 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.

## CONCLUSIONS TO SUPPORT HOUSING NEEDS ANALYSIS

**Table 4-26 Summary of 20 year projections vs. Buildable Lands Inventory**

Zones	Need per 20 Year-Projection		Have per BLI			
	Acres	Units	Acres		Units	
			Vacant	Developed	Built	To Be Built
MFR	51	532	74	132	420	721
R	47	427	85	167	668	396
<b>Total</b>	<b>98</b>	<b>959</b>	<b>159</b>	<b>299</b>	<b>1,088</b>	<b>1,117</b>

*Source: City of Sisters GIS data*

- Table 4-26: **Summary of 20 year projections vs. Buildable Lands Inventory** indicates that approximately 959 dwelling units are *projected to be needed* on 98 gross acres over the next twenty years.
- Using a projected population growth of 2,040 persons over the next 20 years with a 2.08 persons per household ratio, approximately 50 residential building permits for new homes would need to be issued per year to keep pace with projected demand. This demand projection indicates that approximately 1,000 residential units would be required over the 20-year planning period.
- The BLI indicates that approximately 1,117 dwelling units are anticipated to be developed within the current UGB on lands that are zoned R and MFR through the land use entitlement process. The BLI is subject to continual revisions as the land use entitlement process evolves for particular parcels, most notably the 13.1 acre “Patterson property” and the remainder of Village of Cold Springs development. Due to the small area of the City UGB where residential development is authorized or possible, even moderate changes in land use entitlement status can significantly affect the BLI.
- Other areas or parcels within the UGB such as the US Forest Service properties and parcels within the DC zoning district may or may not yield new residential units during the next 20 years. Future residential growth on the USFS properties and notable residential growth in the DC district is not being accounted for in the BLI.
- When calculating an average between:
  - The allocation of new dwelling units and land to residential plan designations:
    - 959 new dwelling units needed;
  - Housing needs through a simple population projection of 2,040 additional persons using 2.08 persons per household, 50 new residential building permits per year:
    - 1,000 dwelling units
  - Buildable Land Inventory (BLI) as of 12/31/15 indicates:
    - 1,182 dwelling units estimated to be entitled in the future
    - 85.24 acres of vacant land/land remaining to be developed in the Residential District
    - 73.63 acres of vacant land/land remaining to be developed in the MFR District

One possible “first glance” conclusion made from Table 4-26 could be that there is sufficient quantity of land within the current UGB to accommodate 20 years of growth. However, this conclusion does not take into account the unknowns related to the variability and intensity of how certain parcels will develop in the future. Two parcels in the MFR District are currently not moving forward in the entitlement process. These parcels are:

- Patterson property: 13.1 acres with a BLI estimate of 183 residential units
  - Village of Cold Springs Phases III, V, VI and VII: 18.37 acres with a BLI estimate of 273 units
  - If both of the “Patterson property” and the Village at Cold Springs parcels remain vacant for the foreseeable future, 31.47 acres of MFR zoned land should be removed from the BLI estimates for future growth. This would cause a deficit in MFR zoned land of approximately 9 acres needed for the next 20 years
- Table 4-26 estimates that approximately 47 acres of land in the Residential zone is needed over the next 20 years. Considering the relatively high percentage of housing units (approximately 6.7%) that are being used as either vacation rentals or non-primary residences an additional 13 gross acres of Residential zoned land would be needed to reflect this assumption. This would increase the projected need for R zoned land estimated in Table 4-26 from 47 gross acres to 62 gross acres. The BLI illustrates approximately 85 vacant or undeveloped acres in the R District with an estimated surplus over the next 20 years of 13 gross acres.
  - When considering the lengthy process involved with annexations, UGB and Comprehensive Plan amendments, and subsequent approval process associated with rezoning, master plans, subdivision plans and final plats, a general assumption could be made that a property outside the UGB could expect a lead time of 3-7 years to be entitled sufficiently to construct the initial residential dwelling.
  - It is important to allow sufficient lead time for parcels outside the UGB to become incorporated and properly entitled to enable future development. Additionally, as various land use entitlements become fulfilled over the next 20 years and without additional land added to the UGB, it can be assumed that land costs will escalate significantly and exacerbate ever further, the Affordable Housing and lower cost housing challenges the City is currently facing. These considerations would ensure that a sufficient supply of land is available toward the end of the 20-year planning period (2015-2035).
  - Using the baseline assumption that 1,000 new dwelling units are needed to be constructed within the current UGB over the next 20 years, this would enable the bare minimum necessary to meet the requirements of Statewide Planning Goal 10: Housing. Any significant increases in the rate of housing construction to accommodate future increases of in migration on currently entitled land could drastically reduce the level of residential lands necessary to accommodate Goal 10. For example if the 50 building residential permits per years increases to 75 residential building permits per year, the estimated entitled dwelling units in the BLI would be consumed in approximately 13 years.
  - This should lead to the conclusion that the City should continue the process of evaluating the suitability of areas outside the UGB to accommodate future housing toward the “tail” end of the 20-year planning period.

## 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.

## **CONCLUSIONS TO SUPPORT AFFORDABLE HOUSING POLICIES continued**

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** (Planning Commission recommendations are in red)

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. PC recommendation: ASAP Hire new staff member instead of adding duties to existing staff**
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. PC recommendation: Approve Ordinance establishing this Board ASAP; Make membership representative of community but ensure sufficient representation of Affordable Housing developers.**
3. **Develop a Housing Trust Fund, and use other existing City funding sources on a limited basis. PC recommendation to adopt these measure this ASAP**
  - o Potential sources of funds:
    - o Urban Renewal Agency
    - o ~~Surcharges on building permits~~ (no longer permitted)
    - o General Fund reserves
    - o Transient Room taxes
4. **Develop a comprehensive incentive program for developers of Affordable Housing.**
  - o Potential program options:
    - o Building permit and Development Plan review fee payments
      - **For Affordable Housing**
      - **Building permit fees “discounts”:**
        - **For Affordable Housing:**
          - o Apartments (5+ units): 100% discount
          - o 4,3,2 plexes: 100% discount
          - o Single family detached and attached manufactured units: 50% discount
          - o Single family attached units: 50%
      - **Development Review fees**
        - **Affordable Housing: 50% discount on just the Affordable Housing all reviews, prorated fee for developments containing both Affordable Housing units and market rates**
    - o Building permit and development review fees discounts for multifamily and single family attached housing units not meeting the definition of Affordable Housing i.e.: Market Rate or Lower Cost Housing
      - **25% discount for apartments, 2, 3, and 4 plexes**
    - o SDC grants/underwritings **Keep per City Charter but consider revising to add for-profit A/H builders**
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. Continue with community supported amendments in the future**

**6. Land development/acquisition**

- Survey public land for building opportunities: USFS property (east portal)
- Search for opportunities to purchase vacant or underutilized land

**7. 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

**8. Legislative "lobbying" efforts:**

- **Lobby State legislature to revise enabling legislation regarding A/H requirements**

## 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.

**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.

7. 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>

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<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>