



CITY OF SISTERS

NOV 03 REC'D

RECEIVED

October 21, 2025

Attn: Mayor Jennifer Letz
Sarah McDougall, Council President
Michael Preedin, Councilor
Gary Ross, Councilor
Cheryl Pellerin, Councilor

CC: Jordan Wheeler, City Manager, and Scott Woodford, Community Development Director

To: Mayor Letz, Council President McDougall, and Sisters City Councilors:

This letter serves to address the following questions and concerns raised at the Council deliberation regarding a preferred UGB site alternative at the September 24, 2025 meeting.

Why are all three parcels owned by McKenzie Meadows Village, LLC (MMV) needed for development?

Housing affordability requires a mix of housing types and sizes to achieve homes that different income levels can afford. Having flexibility in design to allow for an array of housing types including cottages, attached townhomes, and single-family homes. In addition, to achieve a walkable neighborhood with greenspace and connectivity to schools and commercial areas, the streets, sidewalks and public right of way utilize approx. 35% of the land that results in only 65% of the land being available to produce much-needed housing. The existing McKenzie Meadows Village neighborhood is an example of how State and City middle-housing codes allow for a variety of housing types that can be priced for different AMI levels. The inclusion of all three parcels totaling ~58 acres is imperative to meet the MMV owners' 30% deed-restricted voluntary affordability commitment.

Why can't developers produce affordable housing quickly and at scale on proposed Concept A.a?

Enclosed, please find a map entitled "Barriers to Housing Production Concept A.a". This map uses the same ODFW and Deschutes County GIS data set that MIG used in the City of Sisters 2024 Draft Study Area Reports and subsequent evaluations of Priority One lands. Instead of showing each evaluation criterion in a separate map (improvement/land value ratios, existing pump station service areas, ODFW protection corridors, landscape management overlays, etc.). The enclosed map overlays the constraints to demonstrate the true compounding impact and actual impediments to building on the A.a area.

In A.a, 32 of the parcels' 314 gross acres can realistically be considered low-barrier areas for development of any kind. With so many barriers to housing production (not to mention industrial or commercial production) across much of A.a, housing built beyond the 32 acres is unlikely to be affordable for households in Sisters earning 120% AMI or below. Outside of the low-barrier 32 acres, it will take substantial and sustained subsidies to produce housing that can be priced affordably -- neither state nor federal subsidies are likely to be available in quantities necessary to produce affordable housing at scale.

Based on the land constraints map, it is clear that the A.a priority lands will not produce the number of housing units Sisters needs and will exacerbate Sisters' urgent housing need. Please consider identifying ~58 of the highest-barrier acres in Concept A.a and substituting them for the MMV parcels.



What about fire life safety access to the MMV property?

Enclosed, please find two letters – one from Fire Marshal Jeff Puller and one from Sisters District Ranger Ian Reid – outlining the meetings that MMV and Hayden Homes have had with both agencies. In the latest version of the MMV draft conceptual site plan (also enclosed), you’ll see proposed improvements to Forest Service Road 2000-031. This proposed improvement – subject to a NFS road use permit and conducted according to fire life safety requirements – would serve as gated access in the way the same Forest Service road currently has gated fire life safety access to the Tollgate development.

The County riparian and wildlife corridor voluntary conditions of approval can go away if/when the City annexes the property. What guarantees do we have that these will be retained inside City limits?

Hayden Homes and MMV owners are committed to retaining the two County voluntary conditions of approval (wildlife corridor and riparian corridor) as voluntary conditions of annexation into the City.

What are the terms of the deed-restricted housing units?

The voluntarily proposed deed restrictions would apply to 30% of the units and be in place for 60 years, (three times the length of the forward-planning timeline in a city’s UGB amendment). The deed restrictions would limit the sale price and buyer of the homes to households earning 120% AMI or below, and limit rent prices and leases to households earning 80% AMI and below.

Will Hayden Homes sell market-rate housing at prices Sisters community members can afford?

We are hopeful that additional homes can be built that meet the area median income. As stated above, affordability is 100% dependent on the size of the property, allowing for flexibility of land design and allowable housing types and sizes by the City of Sisters. In cities that are committed to housing affordability, we are achieving market-rate homes priced at or below the 100% AMI threshold. In Albany, our market-rate Meadowlark community homes begin at under \$343,000 (85% AMI and above). In Bend, our market-rate Parkside Place homes begin at under \$485,000 (priced for households earning 95% AMI and above).

If you have any additional questions, please do not hesitate to contact me. Like Council, Hayden Homes is concerned that the City’s multi-year UGB Amendment process and substantial resource investment produces the housing Sisters so urgently needs. Our thanks to the entire City Council for your continued service to the Sisters community, and for your commitment to planning for the City’s long-term vitality.

Sincerely,

Deborah Flagan

Deborah Flagan, VP of Community Engagement
Hayden Homes
dflagan@hayden-homes.com



File Code: 1560

Date: September 30, 2025

To: McKenzie Meadow Village LLC Partners

Re: Confirmation of meeting held on September 8, 2025

This letter is confirming that I met with Bill Willitts and Jenn Kovitz to discuss alternate access into your 58-acre parcel bordered by National Forest System lands to its north and east.

We discussed the process of building a private road on National Forest System lands under special use authority and I described some of the challenges with that approach. We also discussed another process for improving and maintaining an existing Forest Service Road (FSR) under a different authority, a road use permit.

After the meeting, I provided Mr. Willitts and Ms. Kovitz electronic application forms for the road use permit to improve and maintain an existing FSR adjacent to your parcel. I informed them that environmental review and analysis may still be required, depending on the scope of the proposal, and that the Forest Service accepting the completed application form does not imply eventual approval of the road use permit.

They confirmed that they would not begin the application process until the city formally brought McKenzie Meadow Village into the Urban Growth Boundary.

Please feel free to contact me at 541.410.7630 or at ian.reid2@usda.gov if you have questions or concerns.

Sincerely,

IAN REID
Sisters District Ranger





Sisters-Camp Sherman Rural Fire Protection District
"Protecting Life and Property through Quality Service"

Date: October 1, 2025

To: MMV partners

FR: Jeff Puller, Fire Marshal

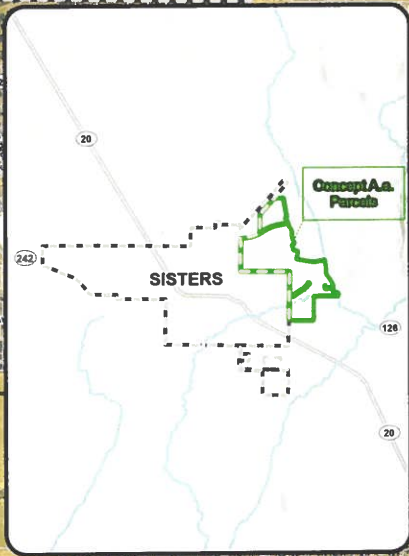
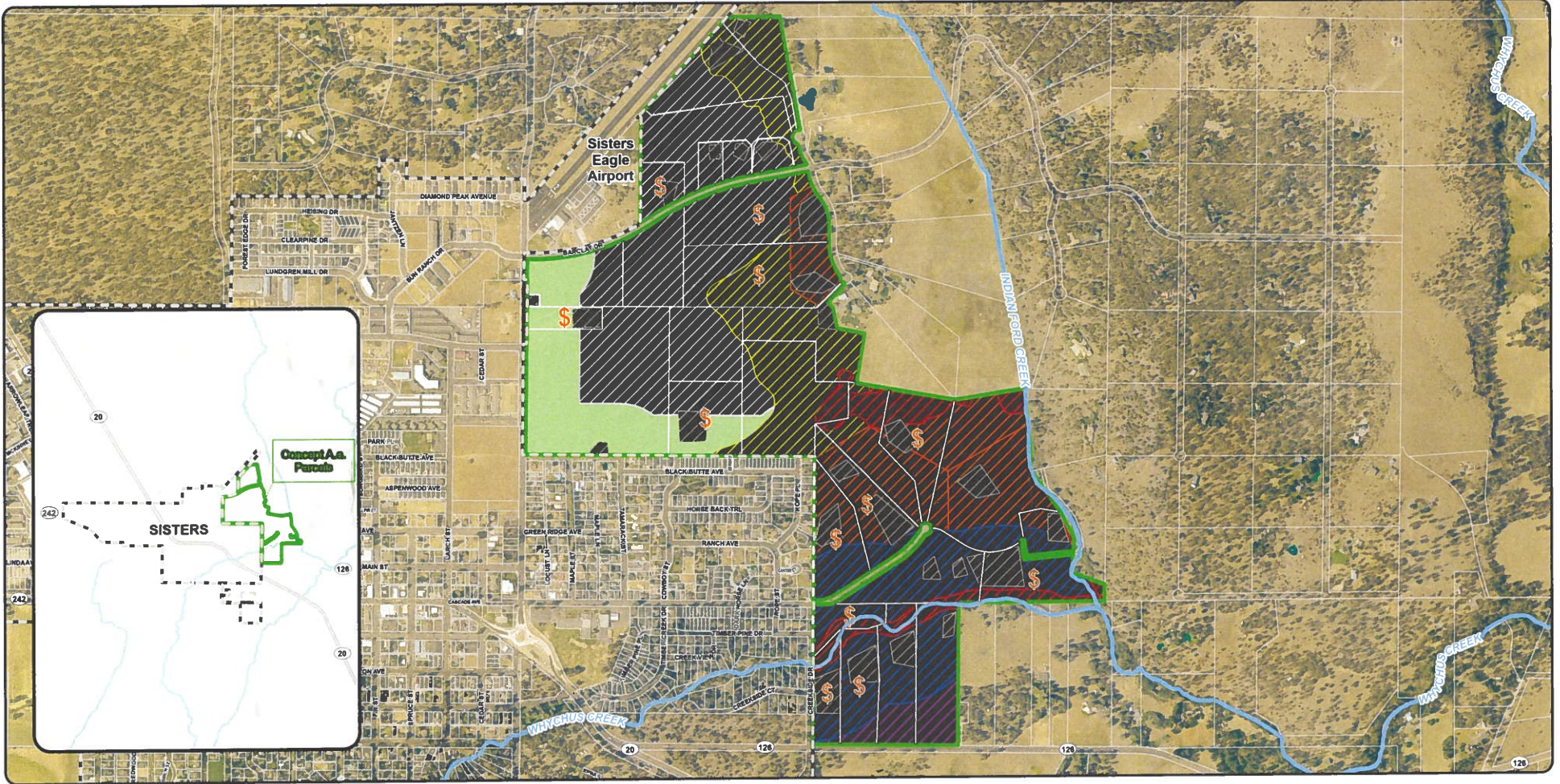
RE: Confirmation of Meeting held September 3, 2025

MMV Partners,

This letter is to confirm that I, Fire Marshal Jeff Puller, a representative of Sisters-Camp Sherman Fire District and Oregon State Deputy Fire Marshal Clara Butler met with Bill Willitts and Jenn Kovitz on September 3, 2025, at 0930 hours, to discuss fire code requirements for road access into a proposed subdivision west of Hwy 20 and north of W. Williams Ave in Sisters, OR. This discussion included topics of road widths and road weight specification requirements, along with other topics such as home hardening and defensible space to protect against wildfire.

Thank you,

Jeff Puller
Fire Marshal
Sisters-Camp Sherman Fire District



Print Date: 10/17/2025

This product is for informational purposes and may not have been prepared for, or be suitable for legal, engineering, or surveying purposes. Users of this information should review or consult the primary data and information sources to ascertain the usability of the information.

Source: 2024 aerial image obtained from Oregon Statewide Imagery Program (OSIP). Priority Wildlife Corridors obtained from Oregon Dept. of Fish and Wildlife (ODFW). All other data obtained from Deschutes County GIS.

Project: 1301



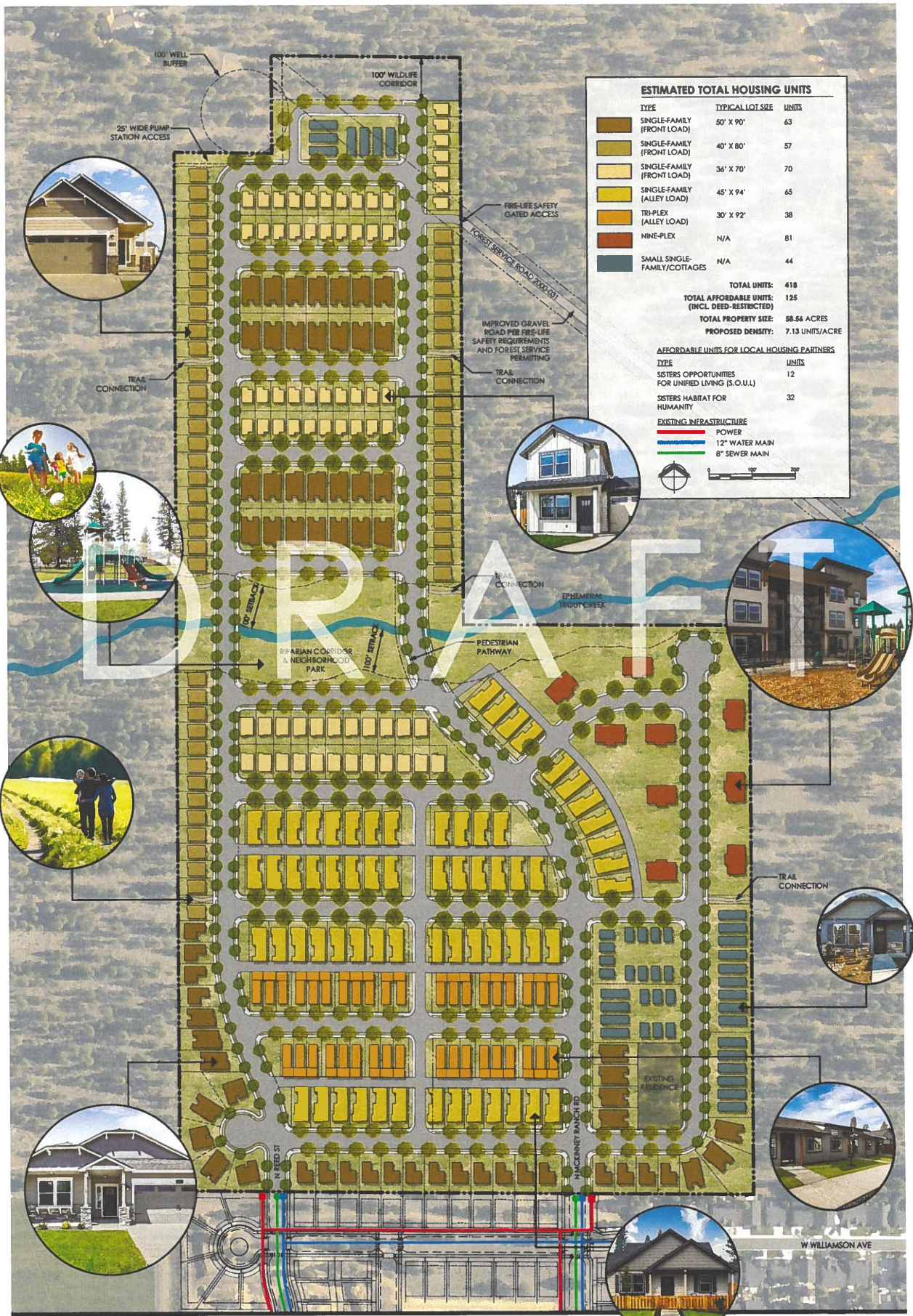
AKS Engineering & Forestry, LLC
 2777 NW Lolo Drive, Suite 150
 Bend, OR 97703
 P:541.317.8429 | aks-eng.com

- Background Features**
- Streams
 - Current UGB
 - City Limits
 - Preferred Concept A.a. [309 Acres]
 - Realistic Low-Barrier Development in Concept A.a. Parcels [32 Acres]
- Barriers [Area In Concept A.a.]**
- Improvement Value > Land Value [97 Acres]
 - Land Below 3,145 Feet (Existing Pump Station Insufficient) [144 Acres]
- Legend**
- Developed Areas [27 Acres]
 - Natural Resources Constraints**
 - Sleep slopes, potential wetlands, and waters [17 Acres]
 - Distance from Water/Sewer**
 - Distance > 1,000 Feet [250 Acres]
 - ODFW Priority Wildlife Corridors (Protect)
 - Protect [114 Acres]
 - Zoning Landscape Management**
 - Road [39 Acres]
 - Water [62 Acres]

Barriers to Housing Production Concept A.a.

City of Sisters
Deschutes County, OR





MCKENZIE MEADOWS VILLAGE

SISTERS, OREGON

DRAFT CONCEPTUAL SITE PLAN

THIS PLAN HAS NOT YET BEEN ENGINEERED NOR HAS IT BEEN REVIEWED BY THE REQUIRED CITY/COUNTY/STATE STAKEHOLDERS.



DATE LAST REVISED: 10/09/25