

MEMBERS PRESENT:

Michael Preedin	Mayor
Andrea Blum	Council President
Jennifer Letz	Councilor
Gary Ross	Councilor
Susan Cobb	Councilor- Zoom

STAFF PRESENT:

Jordan Wheeler	City Manager
Kerry Prosser	Assistant City Manager
Joe O'Neill	Finance Director
Scott Woodford	CDD Director
Paul Bertagna	PW Director
Matt Martin	Principal Planer

GUESTS:

Andrew Parrish	MIG
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Mayor Preedin called the workshop to order at 5:30 p.m.

1. Urban Growth Boundary Discussion

Director Woodford provided background on expanding the city's urban growth boundary (UGB). The discussion began in 2020 with the update of the Sisters Comprehensive Plan, a 20-year master plan for growth and development required by the state. The plan involved various technical studies, including a housing needs analysis and economic opportunities analysis based on population projections from Portland State University (PSU).

The updated UGB Sufficiency Report presented to the City Council and Planning Commission earlier this fall revealed the need to add 206 to 256 acres to the UGB. The report suggested a surplus of multifamily-zoned land but a deficiency in lower-density residential land.

Staff was seeking the Council's direction on whether to proceed with a UGB expansion. If expansion were chosen, a consultant would be hired for a 12 to 16-month process costing \$140,000 to \$300,000. The process involved a comprehensive plan amendment, with the county as a co-applicant.

City Manager Wheeler said the current workshop was not meant for decision-making but as an opportunity for the Council to ask questions and gather more information about the UGB expansion process. The intention was to return at the next meeting with a formal request to proceed. If approved, the next steps involved issuing a Request for Proposals (RFP), receiving proposals, and approving a contract in a future City Council meeting.

City Manager Wheeler mentioned that the state approved a tentative grant to assist with the UGB process, helping offset some of the associated costs. He said significant public involvement and community engagement would occur throughout the anticipated 12-to-16-month process. The costs incurred during this period included expenses related to town halls, public hearings, and the analysis of different proposed expansion areas. City Manager Wheeler noted that public participation was a crucial part of this process.

Councilor Cobb said that it was a lengthy period (12-16 months) for this process to unfold. She mentioned that if the decision were made to engage in area planning, which might take another year, it could take up to three years to complete all the stages.

Mayor Preedin noted the town's 5% growth rate over the past few years and the need to consider the implications of this growth on the current UGB, which was the same size as the city limits. The Mayor was concerned that with the current limited UGB, opportunities for amenities like parks, open spaces, and affordable housing were diminishing as the city grew.

He said starting this process was a significant decision, noting there were long-term impacts on future generations. Mayor Preedin emphasized that the decision was not about immediate needs but preparing for the future. He drew attention to the extended timeline for development, citing examples of past annexations and emphasizing that UGB expansion did not automatically grow the city limits.

Mayor Preedin said we were considering the town's rapid growth, the challenges it poses, and the importance of planning for the future. This decision was not only for the present but for the well-being of those who would be in the community 20 years from now.

Director Woodford addressed the connection between housing supply, affordability, and the period for expanding the UGB. He noted that the process, including annexation, development, master planning, and subdivision, took time, with a best-case scenario of around five years before tangible results would emerge. Director Woodford noted the importance of planning for the future to address housing challenges and increase open space. He believed good planning involved anticipating future needs and working towards solutions to alleviate housing crunches.

Councilor Ross expressed concerns about the "do nothing" option, noting that according to state regulations when a city runs out of available land, it must expand the UGB. He advocated for a thoughtful planning process and believed we should be prepared for future developments. Councilor Ross said that expanding the UGB was essentially drawing another line around the city. He pointed out that the land would remain in the county tax coffers until annexation, allowing the Council at that time to decide the extent and purpose of the annexed land, whether for housing or other uses. Councilor Ross did not want to delay the decision to expand the UGB; he thought it would be a mistake for the community and future leaders. Councilor Ross felt it was important to plan for the community's future proactively.

Council President Blum asked about the reliability of the population estimates provided by PSU, which the city was required to use. She asked about the record of PSU's

population projection, whether they had generally been accurate and consistent, or if there had been instances where they deviated significantly from the actual outcomes.

Director Woodford had not heard that PSU's population projections were significantly off track. He had confidence in PSU's estimates; they employed a complex and detailed methodology to arrive at their projections. Director Woodford added that PSU updated their population projections periodically to incorporate new information; the estimates were adjusted based on the latest data available.

Council President Blum asked about the effectiveness of the efficiency measures already implemented and whether these measures substantially impacted the city's housing capacity. She recalled information suggesting that, due to factors like parking limitations, the impact of these measures may not have been as significant as anticipated.

Director Woodford reviewed the steps taken to increase multifamily residential density, with the potential for densities up to fifty units per acre, which were contingent on providing a percentage of affordable housing. However, achieving the highest density levels might be challenging due to parking requirements and transit limitations. Director Woodford said the city had considered adjustments to parking requirements but decided against it due to the local reliance on driving and the desire for personal vehicles.

Similarly, proposed building height increases faced controversy and were eventually discarded. Achieving higher densities might be difficult, but Director Woodford sees the implemented measures as providing flexibility. He noted that the impact had yet to be fully realized but could begin as infill projects emerged.

Director Woodford highlighted ongoing discussions with affordable housing developers who were interested in utilizing increased development standards and density bonuses for their projects. While the prime time for these measures may not have arrived, he expected increased popularity and effectiveness over time as the city received feedback and adjusted standards to facilitate projects aligned with community needs.

Council President Blum asked about the urgency of expanding and the possible consequences of not expanding the UGB, particularly regarding housing availability, population demographics, and the community's overall development. She said that not expanding the UGB might not prevent people from wanting to move to the area but could result in residents being priced out of the housing market. She was concerned about the potential influx of people from outside the community or even outside the state, leading to a more mature population with fewer children in schools.

Council President Blum mentioned the sentiments of some residents who believed the current state of the community was ideal and questioned the need for further growth. However, she thought maintaining the status quo may not be a viable long-term option.

Director Woodford agreed with Councilor Blum's assessment of the potential impacts of not expanding the UGB. He acknowledged the existing challenges in finding housing for the workforce, attributing the difficulty to limited supply and unabated demand. Director Woodford expressed concern about the future trajectory of housing costs if the community did not expand the UGB. He highlighted the potential consequences, such as a diminished ability to attract and retain essential professionals like teachers due to high housing costs, leading to turnover in those positions. Not expanding the UGB could make maintaining a functioning and thriving community challenging.

Councilor Letz commended the staff for the thorough preparation in the three-year research and study leading up to the potential UGB expansion. While the decision to expand was still on the table, data suggested that expansion may be warranted. Councilor Letz stated that many residents were struggling with housing costs and noted the difficulty for various professionals, including teachers, Forest Service staff, and healthcare workers, to live in the community. The situation affects the community's overall health and creates challenges in attracting and retaining essential workers. Councilor Letz was particularly concerned about the lack of opportunities for young graduates from the local school system to settle in the community, which could contribute to an unhealthy and unsustainable situation.

Councilor Letz was in favor of moving forward with the expansion process. Her focus was on the lives of people in the community five, ten, and twenty years into the future.

Mayor Preedin noted the potential impact a UGB expansion would have on local businesses and the delicate balance of housing needs for business owners and retirees. He stressed the importance of planning for housing lands, considering benchmarks for affordable housing, and involving the community in decision-making. He noted the need for input from the public, stating that decisions would not move forward without community involvement. Mayor Preedin said that with the ongoing growth, we needed to take a thoughtful approach and avoid moving too fast or too slow.

Mayor Preedin mentioned the city of North Plains as an interesting case, with citizens attempting to overturn the decision to expand the UGB through a referendum. He acknowledged the challenges and complexities of the expansion process, including identifying suitable lands and engaging landowners outside the city limits.

Director Woodford clarified that the PSU population estimates were updated yearly.

Councilor Cobb thought that not moving forward with a consultant would be a dereliction of duty. She emphasized the importance of gathering information, conducting research, and involving the public to ensure that the town could progress into the future in a managed and informed manner. Councilor Cobb firmly believed that taking these steps was a responsibility the Council should fulfill.

Councilor Ross spoke about the importance of affordable housing for families so cities could sustain growth. He said we were not just looking at what we were doing five or ten years from now but also looking at where this community needed to be in 15, 20, or 30 years. Councilor Ross said that meant bringing in families and housing for people working here. He thought that was the only way the community could really grow and prosper.

Mayor Preedin asked how much of the UGB process the grant we received would cover. Director Woodford thought it would be in the \$100,000 range.

Mayor Preedin explained the importance of extensive public outreach and involvement in the decision-making process regarding the potential UGB expansion. He reviewed the city's long-term planning efforts, citing the Vision process and the Comprehensive Plan as foundational documents. He acknowledged the need to update the plan to accommodate potential UGB expansion and underscored the city's dedication to aligning decisions with the community's vision for Sisters.

The Council agreed staff should bring a formal motion to proceed with a UGB Amendment to the November 29th meeting.

2. Other Business - None

The meeting was adjourned at 6:22 p.m.


Kerry Prosser, Recorder


Michael Preedin, Mayor