

**MEMBERS PRESENT:**

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

**STAFF PRESENT:**

Jordan Wheeler      City Manager  
Kerry Prosser      Assistant City Manager  
Joe O'Neill          Finance Director  
Scott Woodford      CDD Director  
Paul Bertagna        PW Director  
Matthew Martin      Principal Planner  
Chad Davis            LT DCSO  
Rebecca Green       Deputy Recorder

**GUESTS:**

Steve Donovan      Donovan Enterprises, Inc.

The meeting recording is available here:

<https://www.ci.sisters.or.us/bc-citycouncil/page/city-council-workshop-meeting-0>

Mayor Preedin called the workshop to order at 5:00 p.m.

**1. Deschutes County Sheriff Office Update**

Lieutenant Davis announced that the newly hired Deputy, Aaron Myers, is scheduled to start work on January 31. Myers will fill the late-night service gap from Wednesday through Saturday, ensuring Sisters is now fully staffed. Lt. Davis will present year end statistics at the February 28<sup>th</sup> meeting, providing a detailed overview of services for 2021 through 2023, and make needed comparisons of staffing impacts. Discussion ensued about recent weather events and preparedness. Lt. Davis mentioned the unique challenges posed by the abundance of old growth ponderosa pines during weather events. Councilor Cobb asked whether it was worth looking at tree maintenance to mitigate hazard. Councilor Ross acknowledged the complexity of the City's forests, and suggested the concern be brought to the Urban Forestry Board.

**2. Water and Sewer System Development Charge Update**

Director Bertagna introduced the background of the System Development Charge (SDC) outlining the relationship between the adoption of both the [Sisters Water Master Plan](#) and the [Sisters Wastewater Facilities Plan](#) at the June 14, 2023, meeting, and the requirement to pay for those improvements. In part, those improvements would be paid for by developers with SDCs at the permit stage of a construction project. Bertagna described that the charge would be for newly required 16" pipes, and that the current 12" pipes will continue to be paid by water rates.

The City of Sisters has contracted with Donovan Enterprises to consult on the project. Steve Donovan [presented](#) background information, reiterating that SDCs are not charged to rate payers, but to new development at the time of permit issuance. This charge puts the City

of Sisters roughly in the middle of charges compared to surrounding cities. While the current timeline indicates that the SDCs would be incorporated into the 2024-2025 budget, COBA (Central Oregon Business Association) has requested a 90-day delay to give businesses time to plan for the change.

Discussion revolved around the need to fund upcoming and future projects while also creating better infrastructure ahead of the increase in growth. Efforts will be made to supplement needed funds through other programs. The SDC may rise moderately due to the needs of both street and parks services. The SDC policy ensures that costs are not borne by current ratepayers, but rather future homeowners and developers.

Director Bertagna addressed concerns presented in the COBA letter.

### **3. Short-term Rental Code Amendments**

Mayor Preedin recused himself as he owns a short-term rental. He passed the gavel to Council President Blum.

Principal Planner Martin made a [presentation](#) providing background information and new data to assist Council in considering amendments to the Short-Term Rental Code. This information is in response to the City Council Goal of evaluating the Short-Term Rental Code language to determine if that would shift the availability of housing units for long-term occupancy and reduce the number of nuisances created by STRs. These concerns have also been addressed at the [September 13, 2023](#), City Council Workshop and the [October 5, 2023](#), Planning Commission meeting. Martin outlined details related to three areas: Deschutes County Sheriff STR call data, results from the STR owner/operator survey, and analysis of increasing concentration limits. Council asked many questions to elicit distinctions related to the data, survey, and analysis presented.

Councilor President Blum asked whether amendments to the code would increase the availability of affordable housing or improve livability. Martin responded that the survey indicated that there is not a strong appetite for homeowners to provide long-term rentals. Also, it is unlikely many of those properties would be offered at an affordable price in the market. Councilor Letz suggested that the sustained housing crunch in Sisters is present whether the property would sell at a higher or lower price, and there is likely a market for homeowners at every level to buy or rent long-term.

Councilors Ross and Cobb indicated support for the 500-foot buffer as well as supporting STRs in the downtown commercial zone. Ross indicated there could be different rules for different types of dwellings and is not in support of increasing the number of days STRs can be rented. Councilor Cobb proposed that we mitigate the effects of change to the STR Code to the homeowner by requiring that when a current homeowner sells their property, the

STR permit is retained for the buyer, with the stipulation that a subsequent sell would not transfer the permit. Martin will consult with legal on all transferability questions.

Councilor Letz suggested Council consider a temporary moratorium on the issuance of permits until the STR Code is amended. Letz stated she was in support of different rules for different types of dwellings, saying that she is not in support of using single-family residences for STRs, unless it is offered by a homeowner at their primary residence.

Council President Blum stated that the Council would need to table the discussion for another time. Blum indicated support for STRs as a way for community members to obtain or supplement their income. She asked Council to further review the survey results before the next discussion.

Martin thanked Council and specified he would return to Council with legal analysis and strategies used by other communities on the transferability of STR permits, and other conditions.

**4. Other Business – None.**

The meeting was adjourned at 6:37 p.m.



Rebecca Green, Deputy Recorder



Michael Preedin, Mayor