

**BURDEN OF PROOF STATEMENT FOR COMPREHENSIVE PLAN TEXT AND MAP AMENDMENT
AND ZONE CHANGE**

**APPLICANT/
OWNER:** Three Sisters Holdings, LLC et al
63026 Lower Meadow Drive #200
Bend, OR 97701

**APPLICANT'S
ENGINEER:** HHPR
Nicolas Speros, PE
250 NW Franklin Avenue, Suite 404
Bend, OR 97703
(541) 318-1161

**APPLICANT'S
TRAFFIC
ENGINEER:** Lancaster Mobley
Todd Mobley, PE
321 SW 4th Avenue, Suite 400
Portland, OR 97204
(503) 248-0313

**APPLICANT'S
LAND USE
PLANNER:** Retia Consult, LLC,
Tammy Wisco, PE, AICP
PO Box 831
Bend, OR 97709
(210) 896-3432

LOCATION: The subject property is approximately 15.58 acres and is assigned map/tax lot number 151005D000100. The property is currently within the City of Sisters Urban Growth Boundary (UGB) and within City limits.

REQUEST: Consistent with the Land Use District Map and Text Amendment criteria outlined in SDC 4.7.300(B), the Applicant requests approval of a comprehensive plan map amendment and zone change from UAR to Light Industrial for the subject property, as well as a comprehensive plan text amendment, chapters 9 and 14 of the City of Sisters Comprehensive Plan.

I. APPLICABLE PROCEDURES AND CRITERIA:

Sisters Development Code

- Chapter 4.7 Land Use District Map and Text Amendments

City of Sisters Comprehensive Plan

Oregon Administrative Rules (OARs)
660-012, Transportation Planning Rule
660-015, Oregon Statewide Planning Goals

II. PROPOSED FINDINGS OF FACT:

A. Location:

The subject property is located north of W Barclay Drive, between W Pine Street and W Hwy 20. The subject property is assigned map/tax lot number 151005D000100. The property is within the City of Sisters Urban Growth Boundary (UGB) and within City limits.

B. Lot of Record:

Tax lot 100 was established as Parcel 3 of Partition Plat 2008-30, recorded on July 9, 2008 as instrument #2008-29101.

C. Zoning/Plan Designation:

The subject property is designated and zoned Urban Area Reserve (UAR).

D. Site Description & Surrounding Uses:

The subject property is currently vacant and undeveloped. The subject property is outside of any FEMA flood zones. The property to the west is developed as a Best Western hotel and to the east are light industrial properties. South of Barclay, the properties are still owned by the Forest Service.

E. Proposal:

Consistent with the Land Use District Map and Text Amendment criteria outlined in SDC 4.7.300(B), the Applicant requests approval of the following:

- Comprehensive Plan Text Amendments to Chapter 9 and 14 (Exhibit D)
- Comprehensive Plan Map Amendment from UAR to Light Industrial (Exhibit B)
- Zone Change from UAR to Light Industrial (Exhibit B)

F. Exhibits and Attachments:

Exhibit A. Existing Mapping

Exhibit B. Proposed Mapping

Exhibit C. Legal Description of Area to be Rezoned

Exhibit D. Comprehensive Plan Proposed Text Amendments

Attachment A. Transportation Impact Study

Attachment B. Water/Sewer Memo

Attachment C. Title Report

Attachment D. Deed

Attachment E. EDCO Sisters Economic Development Goals/Missed Opportunities

Attachment F. EDCO Sisters 2018-20 Strategic Plan

Attachment G. Sisters Vacant Lands Chart - Employment Land 2019

Attachment H. EDCO Central Oregon and Sisters Building Activity an Employment Land Trends Q1 2020

Attachment I. EDCO Sisters Employment Land Trends

Attachment J. EDCO Central Oregon Industrial Lands Summary

**Chapter 4.7 –
Land Use District Map and Text Amendments**

Sections:

- 4.7.100 Purpose**
- 4.7.200 Legislative Amendments**
- 4.7.300 Quasi-Judicial Amendment**
- 4.7.400 Conditions of Approval**
- 4.7.500 Record of Amendments**
- 4.7.600 Transportation Planning Rule Compliance**

4.7.100 Purpose

The purpose of this Chapter is to provide standards and procedures for legislative and quasi-judicial amendments to this Code and the Land Use District map. These amendments will be referred to as “map and text amendments.” Amendments may be necessary from time to time to reflect changing community conditions, needs and desires, to correct mistakes, or to address changes in the law.

4.7.200 Legislative Amendments

Legislative amendments are policy decisions made by City Council. They are reviewed using the Type IV procedure in Chapter 4.1, Section 600 and shall conform to Section 4.7.600, as applicable.

RESPONSE: This application includes proposed map and text amendments to the City Comprehensive Plan, which is a legislative amendment. The legislative criteria of 4.1.600 include:

4.1.600 Type IV Procedure (Legislative)

E. Decision-Making Considerations. The recommendation by the Planning Commission and the decision by the City Council shall be based on consideration of the following factors:

- 1. Approval of the request is consistent with the Statewide Planning Goals.**
- 2. Approval of the request is consistent with the Comprehensive Plan;**
- 3. The property and affected area is presently provided with adequate public facilities, services and transportation networks to support the use, or such facilities, services and transportation networks are planned to be provided concurrently with the development of the property. The applicant must demonstrate that the property and affected area shall be served with adequate public facilities, services and transportation networks to support maximum anticipated levels and densities of use allowed by the District without adversely impacting current levels of service provided to existing users; or applicant’s proposal to provide concurrently with the development of the property such facilities, services and transportation networks needed to support maximum anticipated level and density of use allowed by the District without adversely impacting current levels of service provided to existing users.**
- 4. Compliance with 4.7.600, Transportation Planning Rule (TPR) Compliance.**

RESPONSE: Compliance with the Statewide Planning Goals and Comprehensive Plan are demonstrated below. The portion of the application that is legislative

are proposed text amendments to the Comprehensive Plan which do not include specific proposals for the subject property. As such, the demonstration of compliance with the TPR and assessment of adequate public facilities is associated with the comprehensive plan map amendment and zone change, which are addressed herein.

4.7.300 Quasi-Judicial Amendment

A. Quasi-Judicial Amendments. Quasi-judicial amendments involve the application of adopted policy to a specific development application or Code revision. Quasi-judicial map amendments shall follow the Type III procedure as governed by Chapter 4.1.500, using standards of approval in Subsection “B” below. The approval authority shall be as follows:

1. The Planning Commission shall review and recommend Land Use District map changes which do not involve comprehensive plan map amendments;
2. The Planning Commission shall make a recommendation to the City Council on an application for a comprehensive plan map amendment. The City Council shall decide such applications; and,
3. The Planning Commission shall make a recommendation to the City Council on a land use district change application that also involves a comprehensive plan map amendment application. The City Council shall decide both applications.

RESPONSE: This application proposes three actions: 1. comprehensive plan text amendment, 2. comprehensive plan map amendment, and 3. zone change. The Applicant understands that the comprehensive plan map amendment and zone change will be reviewed by both the Planning Commission and City Council as quasi-judicial amendments.

B. Criteria for Quasi-Judicial Amendments. A recommendation or a decision to approve, approve with conditions or to deny an application for a quasi-judicial amendment shall be based on all of the following criteria:

1. Approval of the request is consistent with the Statewide Planning Goals;

RESPONSE: Consistency with Statewide Planning Goals is demonstrated below.

2. Approval of the request is consistent with the Comprehensive Plan;

RESPONSE: Consistency with the Comprehensive Plan is demonstrated below. Further, the Comprehensive Plan was developed to respond to the Statewide Planning Goals, which are also discussed below.

3. The property and affected area is presently provided with adequate public facilities, services and transportation networks to support the use, or such facilities, services and transportation networks are planned to be provided concurrently with the development of the property. The applicant shall update the City of Sisters Master Plans for Water, Sewer, Parks and Transportation Systems subject to City Council approval, to reflect impacts of the rezoning on those facilities and long-range plans. The applicant must demonstrate that the property and affected area shall be served with adequate public facilities, services and transportation networks to support maximum anticipated levels and densities of use allowed by the District without adversely impacting current levels of service provided to existing users; or applicant’s proposal to provide concurrently with the development of the

property such facilities, services and transportation networks needed to support maximum anticipated level and density of use allowed by the District without adversely impacting current levels of service provided to existing users; and,

RESPONSE:

Water: Exhibit A includes a water analysis, which addresses the adequacy of water facilities, as related to the subject property. The City's water infrastructure is outlined in the 2017 Water Capital Facilities Plan Update (WCFPU). As noted in this Plan, the subject property is already anticipated for development and will be required to connect the existing 12-inch water main on the Ponderosa Lodge property to the existing 12-inch water main in North Pine Street, which will improve system fire flow capacity. The water services include two categories - fire flow and water rights.

Fire Flow: Exhibit A demonstrates that an 8-inch water main (rather than the required 12-inch) will be adequate to serve the property and meet fire flows of 2,500 gpm (or 1,500 gpm if the facilities are sprinklered). Additional water system layout details will be finalized through future development projects.

Water Rights: Exhibit A includes a water volume analysis based on land use to determine acreage of water mitigation rights necessary to be purchased by the City, and the corresponding fee to be paid at building permit issuance to offset the City cost. As the City's WCFPU does not identify water usage rates associated with non-residential uses, the analysis utilizes rates from the City of Redmond, to estimate water usage and required water mitigation rights.

Sewer: Exhibit A includes a sewer analysis, which demonstrates that the proposed light industrial land use results in a significant decrease in the assumed design flow and EDU count. The proposed Comprehensive Plan Map amendment and Zone Change meet the above requirement that the property be provided with adequate sewer services, given that those services required by the new land use designation/zone will require less capacity than originally planned by the City previously. Similarly, as the impacts are lower than previously assumed by the City, the change will not adversely impact sewer levels of service.

Transportation: Exhibit B includes a transportation impact study (TIS), which includes several conclusions to demonstrate that the subject property is served with adequate transportation networks without adversely impacting current levels of service:

- Due to insufficient traffic volumes, traffic signal warrants are not projected to be met at the unsignalized study intersections of W Barclay Drive at N Pine Street and N Pine Street at US Highway 20 under any of the analysis scenarios.
- Three of the study intersections were shown to exceed operational standards for the year 2040 background scenario (US Highway 20 at W Barclay Drive, N Pine Street at US Highway 20, and N Locust Street at US Highway 20). Improvements to the intersections and/or nearby connecting roads are planned in the *2018 Sisters Transportation System Plan Refinement*.

- The proposed zone change will not produce types or levels of travel or access that are inconsistent with the functional classification of the existing transportation facility. In addition, the proposed development is not projected to degrade the performance of existing or planned transportation below performance standards identified in the City's Transportation System Plan. Transportation Planning Rule 660-012-0060 is satisfied for the proposed land use.

4. Evidence of change in the neighborhood or community or a mistake or inconsistency in the comprehensive plan or land use district map regarding the property which is the subject of the application; and the provisions of Section 4.7.600, as is determined to be applicable by the city of Sisters.

RESPONSE: The basis for all three proposed actions (Comp Plan text amendment, Comp Plan map amendment, zone change) is due to changing needs in the City of Sisters. Sisters has experienced significant population growth over the past twenty years. Employment levels have reached a new high with strategic economic development efforts. The job number increases are in industries other than tourism, indicating that the local economy is becoming more diverse.

As noted in Attachment I, the North Sisters Business Park zone allows for a mixed use of commercial and residential. All but two sites are less than one acre; several are narrow and impacted by the RPZ (runway protection zone). This zone had only one owner-occupied building from 2009 until 2014. However, in the last six years, development at the business park has increased significantly. Six projects are complete and occupied with site plans approved for three more. Additionally, four lots were bought by a rapidly expanding company for near future development. Occupancy rate is 100%. Future tenants are signing leases before construction is complete.

The Sisters Light Industrial zone has nine vacant underdeveloped lots, however all are currently being utilized (Attachment I). Only one is being actively marketed, is adjacent to residential and requires access through a developed site that is occupied (also for sale). Currently, all underdeveloped lots are used by area businesses for parking, storage of raw materials, etc. Occupancy rate for the entire zone is nearly 100% with one site vacant while under construction.

In 2014, the City of Sisters approved a request to convert approximately 20 acres from designated future employment land to residential. The loss of employment land has not yet been replaced and the proposed applications are the first step to entitle the subject property to partially replenish the needed employment land.

Based on information from Economic Development for Central Oregon (EDCO), Sisters has missed five economic development opportunities recently due to very low inventory levels (Attachment H). Most businesses aren't able or do not want to endure the building construction process. A diverse supply of lot sizes and buildings in an LI zone is needed to attract more traded sector projects (Sisters Country Economic Development Strategic Plan). Local companies desire to stay and expand in Sisters, but will require buildings in the LI zone for their operations.

In conclusion, Sisters has not had enough available light industrial inventory to take advantage of opportunities. In addition, land that was rezoned from employment to residential needs to be replaced to capitalize on future opportunities and to retain local expanding companies. The proposed actions

directly address this need for more light industrial lands, to meet the needs of the changing economic environment.

4.7.400 Conditions of Approval

A quasi-judicial decision may be for denial, approval, or approval with conditions. A legislative decision may be approved or denied.

RESPONSE: These applications for a Comprehensive Plan Map Amendment and Zone Change are quasi-judicial. Based on the responses provided herein, and the supporting documentation, it has been demonstrated that this quasi-judicial application should be approved.

4.7.500 Record of Amendments

The Community Development Department shall maintain a record of amendments to the text of this Code and the Land Use Districts map in a format convenient for public use.

RESPONSE: This is an action required of City staff and the Applicant understands that the City will comply with these requirements.

4.7.600 Transportation Planning Rule Compliance

A. When a development application includes a proposed comprehensive plan amendment or land use district change, the proposal shall be reviewed by the City to determine whether it significantly affects a transportation facility, in accordance with Oregon Administrative Rule (OAR) 660-012-0060. Significant means the proposal would:

- 1. Change the functional classification of an existing or planned transportation facility. This would occur, for example, when a proposal is projected to cause future traffic to exceed the capacity of “collector” street classification, requiring a change in the classification to an “arterial” street, as identified by the Transportation System Plan; or**
- 2. Change the standards implementing a functional classification system; or**
- 3. Allow types or levels of land use that would result in levels of travel or access what are inconsistent with the functional classification of a transportation facility; or**
- 4. The effect of the proposal would reduce the performance standards of a public utility or facility below the minimum acceptable level identified in the Transportation System Plan.**

B. Amendments to the Comprehensive Plan and land use standards which significantly affect a transportation facility shall assure that allowed land uses are consistent with the function, capacity, and level of service of the facility identified in the Transportation System Plan. This shall be accomplished by one of the following:

- 1. Limiting allowed land uses to be consistent with the planned function of the transportation facility; or**
- 2. Amending the Transportation System Plan to ensure that existing, improved, or new transportation facilities are adequate to support the proposed land uses consistent with the requirement of the Transportation Planning Rule; or,**

3. Altering land use designations, densities, or design requirements to reduce demand for automobile travel and meet travel needs through other modes of transportation.

RESPONSE: Conformance with the Transportation Planning Rule is addressed below, under OAR 660-12-0060.

Conformance with the State Administrative Rules (OARs)

OAR 660-015, Statewide Planning Goals

Goal 1 - Citizen Involvement, *"To develop a citizen involvement program that insures the opportunity for citizens to be involved in all phases of the planning process."* Statewide planning Goal 1 requires that the City provide the opportunity for citizens to be involved in the planning process.

RESPONSE: Notice of the public hearing to consider the proposed comprehensive plan text amendment, comprehensive plan map amendment and zoning ordinance amendment is expected to be posted, mailed to neighbors, and published in the local newspaper. Citizens will be provided the opportunity to comment on the proposed amendments at the public hearings before the Planning Commission and the City Council, or in writing in advance of the hearings.

Goal 2 - Land Use Planning, *"To establish a land use planning process and policy framework as a basis for all decision and actions related to use of land and to assure an adequate factual base for such decisions and actions."* Goal 2 outlines the basic procedures of Oregon's statewide planning program. Land use decisions are to be made in accordance with a comprehensive plan, and that suitable "implementation ordinances" to put the plan's policies into effect must be adopted. It requires that plans be based on "factual information"; that local plans and ordinances be coordinated with those of other jurisdictions and agencies; and that plans be reviewed periodically and amended as needed.

RESPONSE: As required by Goal 2, the City has adopted criteria and procedures through the Sisters Development Code to evaluate and make land use decisions. Goal 2 requires periodic review and amendments to ordinances as needed and in accordance with the Comprehensive Plan. The proposed amendments meet the requirements of Goal 2 by following the appropriate procedures for amendments and by considering the goals and policies outlined in the Comprehensive Plan. The proposal will be reviewed according to the established local land use regulations, including the City's Development Code and the Comprehensive Plan.

Goal 3 - Agricultural Lands

Goal 3 requires counties to inventory agricultural lands and to "preserve and maintain" them through farm zoning outside of urban growth boundaries.

RESPONSE: Goal 3 is not required for compliance within the Urban Growth Boundary. Additionally, the proposed map amendments do not adversely impact the ability of the City to plan for agricultural transition opportunities within the City.

Goal 4 - Forest Lands

This goal defines forest lands and requires counties to inventory them and adopt policies and ordinances that will "conserve forest lands for forest uses."

RESPONSE: The proposed map amendments are consistent with Forest Lands (Goal 4) and Goal policies, as they do not adversely impact the ability of the City to plan for the appropriate transition of Forest lands within the City of Sisters.

Goal 5 - Open Spaces, Scenic and Historic Areas and Natural Resources

Goal 5 covers more than a dozen natural and cultural resources such as wildlife habitats and wetlands. It establishes a process for each resource to be inventoried and evaluated. If a resource or site is found to be significant, a local government has three policy choices: preserve the resource, allow proposed uses that conflict with it, or strike some sort of a balance between the resource and the uses that would conflict with it.

RESPONSE: The proposed amendments are consistent with Goal 5 and the Goal policies, as they do not adversely impact the ability of the City to protect the important natural resource and environmental elements within the City. The subject properties have not been identified or listed as a Goal 5 resource for the City of Sisters.

Goal 6 - Air, Water and Land Resources Quality

This goal requires local comprehensive plans and implementing measures to be consistent with state and federal regulations on matters such as groundwater pollution. All waste and process discharges from future development, when combined with such discharges from existing development shall not threaten to violate, or violate applicable state or federal environmental quality statutes, rules and standards.

RESPONSE: The proposed amendments are consistent with Goal 6 and the Goal policies, as they do not adversely impact the ability of the City to protect air, water, and land resources quality. Any future development of the subject properties will be required to submit quadrant plan and subdivision plan applications, which are reviewed for compliance with water, sewer, stormwater, and transportation requirements.

Goal 7 - Natural Hazards

Goal 7 focuses on local government planning to protect people and property from natural hazards.

RESPONSE: The proposed amendments do not impact the City's ability to plan for natural hazards and mitigate risks. The subject property is not within the 100-year floodplain and the applicant is not aware of any known geologic faults on the property. There is no particular designation that makes the subject property more hazardous than any other properties in the area. The proposal is consistent with this goal.

Goal 8 - Recreational Needs

This goal calls for each community to satisfy the recreational needs of the citizens and visitors and, where appropriate, to provide for the siting of necessary recreational facilities including destination resorts.

RESPONSE: The proposed amendments do not impact the City's ability to plan for the recreational needs of the citizens and visitors. Additionally, the subject property has not been listed in any inventory of recreational needs, is not needed to provide recreational needs of the citizens of the state, and is not identified as a Goal 8 resources, therefore, Goal 8 is not directly applicable to this proposal.

Goal 9 - Economic Development

Goal 9 calls for diversification and improvement of the economy. It requires communities to inventory commercial and industrial lands, project future needs for such lands, and plan and zone enough land to meet those needs.

RESPONSE: The proposed amendments directly support the City's efforts to accommodate diversification and improvement of the economy by providing needed industrial lands. According to a recent EDCO report (see Attachment H), the Sisters area has missed five light industrial economic opportunities due to limited inventory. Of these five, four required one-acre or smaller lot sizes and one required a 55,000 sf lot size.

By early 2020, the amount of developable LI-designated lands inside the Sisters UGB has significantly decreased. All of the light industrial parcels in Sisters (50.69 acres/89 lots) are being utilized (nearly 100% occupancy for the entire zone), with only 9 lots (6.75 acres) listed as vacant (still utilized, but not developed). Development within the North Sisters Business Park zone has increased significantly and the occupancy rate is 100%. Current vacancy rates regionally are also lower than historic rates. Based on recent summaries by Economic Development for Central Oregon (EDCO), "Sisters has not had enough available light industrial inventory to take advantage of opportunities." EDCO further reports that the majority of light industrial lot needs in the area are currently less than one acre, but some flexibility in sizing is desired to accommodate an opportunity for a larger project.

Further, in 2014, more than half of the Three Sisters Business Park was rezoned from light industrial to residential. Justification for this change was the lull in lot sales and construction activity during and following the recession. The proposed comprehensive plan amendment and zone change of the subject property (from UAR to LI) support Goal 14 by replenishing a portion of these lost light industrial lands.

Goal 10 - Housing

This goal specifies that each city must plan for and accommodate needed housing types, such as multifamily and manufactured housing. It requires each city to inventory its buildable residential lands, project future needs for such lands, and plan and zone enough buildable land to meet those needs. It also prohibits local plans from discriminating against needed housing types.

RESPONSE: The proposed amendments do not impact the City's ability to provide for the housing needs of its citizens. The proposed amendments will not reduce residential inventories and the subject property has not been contemplated for residential uses.

Goal 11 - Public Facilities and Services

Goal 11 calls for efficient planning of public services such as sewers, water, law enforcement, and fire protection. The goal's central concept is that public services should to be planned in accordance with a community's needs and capacities rather than be forced to respond to development as it occurs. OAR 660-11 implements Goal 11, and notes, "Cities or counties shall develop and adopt a public facility plan for areas within an urban growth boundary containing a population greater than 2,500 persons..."

RESPONSE: The proposed amendments do not adversely impact the City's ability to plan and develop a timely, orderly and efficient arrangement of public facilities. As addressed herein, the City has adequate water, sewer and transportation capacities to serve the subject property. Any future impacts of development will be mitigated at the time of development.

Goal 12 - Transportation

The goal aims to provide "a safe, convenient and economic transportation system." Goal 12 is implemented through the Transportation Planning Rule (TPR), OAR 660-012-0060, in addition to local land use regulations.

RESPONSE: The proposed amendments do not adversely impact the City's ability to provide a safe convenient and economic transportation system. Details of the transportation design within the subject property and connecting to the subject property will be reviewed in detail at the time of subdivision application.

Further, the Applicant submitted a TPR analysis within the Transportation Impact Study, prepared by Lancaster Mobley. The TPR analysis concluded that the TPR is satisfied for the following reasons:

The proposed zone change will not result in the need for additional changes to the functional classification of existing or planned transportation facilities. The proposed zone change will not change any standards implementing the functional classification system. The proposed zone change will not produce types or levels of travel or access that are inconsistent with the functional classification of the existing transportation facility. In addition, the proposed development is not projected to degrade the performance of existing or planned transportation below performance standards identified in the City's Transportation System Plan. The data contained in this TIA is sufficient to address the impacts to the transportation system that will result from the zone change from UAR to LI. Transportation Planning Rule 660-012-0060 is satisfied for the proposed land use.

Goal 13 - Energy Conservation

Goal 13 requires that "land and uses developed on the land shall be managed and controlled so as to maximize the conservation of all forms of energy, based upon sound economic principles."

RESPONSE: The proposed amendments do not adversely impact the City's ability to create an arrangement and density of land uses to encourage energy conservation. In fact, the proposed amendments support the development of land within the UGB, near the center of the City, rather than outside of the UGB. The proposed amendments are the first step to entitle the subject property for needed light industrial uses within the City. Development of land within the UGB for light industrial uses encourages reduced vehicle miles traveled by keeping the destination within the city, rather than other regional cities or areas outside the city, supporting the City's goals for conservation. As such, compliance with Goal 13 is maintained.

Goal 14 - Urbanization

This goal requires cities to estimate future growth and needs for land and then plan and zone enough land to meet those needs. It requires cities to provide for an orderly and efficient transition from rural to urban land uses, and to accommodate urban population and employment inside urban growth boundaries, while ensuring efficient use of land.

RESPONSE: The proposed amendments directly support the City's efforts to accommodate urban populations and employment inside the urban growth boundary by creating much needed employment land within the UGB. According to a recent EDCO report (see Attachment H), the Sisters area has missed five light industrial economic opportunities due to limited inventory. Of these five, four required one-acre or smaller lot sizes and one required a 55,000 sf lot size.

By early 2020, the amount of buildable and vacant LI-designated lands inside the Sisters UGB has significantly decreased, to nearly zero. All of the light industrial parcels in Sisters (50.69 acres/89 lots) are being utilized (nearly 100% occupancy for the entire zone), with only 9 lots (6.75 acres) listed as vacant (still utilized, but not developed). Development within the North Sisters Business Park zone has increased significantly and the occupancy rate is 100%. Current vacancy rates regionally are also lower than historic rates. Based on recent summaries by Economic Development for Central Oregon (EDCO), "Sisters has not had enough available light industrial inventory to take advantage of opportunities." (Attachment I). EDCO further reports that the majority of light industrial lot needs in the area are currently less than one acre, but some flexibility in sizing is desired to accommodate an opportunity for a larger project.

Further, in 2014, more than half of the Three Sisters Business Park was rezoned from light industrial to residential. Justification for this change was the lull in lot sales and construction activity during and following the recession. The proposed comprehensive plan amendment and zone change of the subject property (from UAR to LI) support Goal 14 by replenishing a portion of these lost light industrial lands.

Goals 15-19

RESPONSE: These goals pertain only to areas in western Oregon and are not applicable to these amendments.

OAR 660-012-0060, Transportation Planning Rule

660-012-0060 Plan and Land Use Regulation Amendments

1. If an amendment to a functional plan, an acknowledged comprehensive plan, or a land use regulation (including a zoning map) would significantly affect an existing or planned transportation facility, then the local government must put in place measures as provided in section (2) of this rule, unless the amendment is allowed under section (3), (9) or (10) of this rule. A plan or land use regulation amendment significantly affects a transportation facility if it would:

(a) Change the functional classification of an existing or planned transportation facility (exclusive of correction of map errors in an adopted plan);

RESPONSE: The proposed zone change will not result in the need for additional changes to the functional classification of existing or planned transportation facilities. Accordingly, this section is not triggered.

(b) Change standards implementing a functional classification system; or

RESPONSE: The proposed zone change will not change any standards implementing the functional classification system. Accordingly, this section is not triggered.

(c) Result in any of the effects listed in paragraphs (A) through (C) of this subsection based on projected conditions measured at the end of the planning period identified in the adopted TSP. As part of evaluating projected conditions, the amount of traffic projected to be generated within the area of the amendment may be reduced if the amendment includes an enforceable, ongoing requirement that would demonstrably limit traffic generation, including, but not limited to, transportation demand management. This

reduction may diminish or completely eliminate the significant effect of the amendment.

(A) Types or levels of travel or access that are inconsistent with the functional classification of an existing or planned transportation facility;

(B) Degrade the performance of an existing or planned transportation facility such that it would not meet the performance standards identified in the TSP or comprehensive plan; or

(C) Degrade the performance of an existing or planned transportation facility that is otherwise projected to not meet the performance standards identified in the TSP or comprehensive plan.

RESPONSE: The proposed zone change will not produce types or levels of travel or access that are inconsistent with the functional classification of the existing transportation facility. In addition, the proposed development is not projected to degrade the performance of existing or planned transportation below performance standards identified in the City's Transportation System Plan. The data contained in this TIA is sufficient to address the impacts to the transportation system that will result from the zone change from UAR to LI. Transportation Planning Rule 660-012-0060 is satisfied for the proposed land use.

Conformance with the City of Sisters Comprehensive Plan

Goal 1, Policy 1.1. The City of Sisters shall seek out and encourage public participation in all aspects of the City planning process.

RESPONSE: The proposed amendments are subject to the procedures of the Sisters Development Code, which provides for notice, opportunities for written comment, and public hearings before the City's Planning Commission and the City Council to allow for public participation in this planning process.

...

Goal 9, Policy 3. The City shall continue to partner with the Community Action Team of Sisters, the Chamber of Commerce, Economic Development for Central Oregon, and other economic development agencies, to improve local and regional economic development efforts, attract businesses, and enhance and diversify the City's economic base. The City will participate with these agencies in periodic updating of the *Sisters Strategic Action Plan for Economic Development*.

RESPONSE: The City routinely coordinates with multiple agencies and committees regarding economic development. In the case of this application, the Applicant coordinated with EDCO and DLCD, which in turn, communicated with Regional Solutions. EDCO provided third party data about the economic development trends and industrial land needs in Central Oregon and in Sisters. In particular, the EDCO reports (included as attachments) highlight the dearth of industrial land in Sisters, which has resulted in lost economic development opportunities. The proposed comp plan map and text amendments and associated zone change seek to partially remedy the issue of limited industrial land by rezoning a little over 15 acres as light industrial.

Goal 9, Policy 4. The City should support efforts to attract businesses providing family-wage employment opportunities.

RESPONSE: A key aspect of attracting businesses to Sisters is the availability of employment land. By 2020, the amount of developable employment land inside the Sisters UGB has significantly decreased. All of the light industrial parcels in Sisters are being utilized (nearly 100% occupancy for the entire zone), with only 9 lots (6.75 acres) listed as vacant (still utilized, but not developed). EDCO notes in Attachment H that, due to limited industrial lands within the City, there have been five recent lost opportunities. The proposed comprehensive plan text/map amendments and zone change are the first steps to entitle the land as light industrial land, in support of Goal 9, Policy 4 to attract businesses providing family-wage employment opportunities.

...

Goal 9, Policy 6. The City shall ensure an adequate supply of land for the needs of commercial, mixed-use and light industrial purposes.

RESPONSE: This application directly supports Goal 9, Policy 6, by proposing to create light industrial lands to replenish the industrial lands that were rezoned to residential in past years.

In 2007, the City removed nearly 5 acres net buildable acres of land (approximately 11.7 gross acres) located in the Sun Ranch Mixed Use Community from the industrial land supply of the City. Also in 2007, the City re-zoned a net buildable acre (12.6 gross acres) parcel from Light Industrial to Residential and Multi-Family Sub-district for residential purposes. In 2014, more than half of the Three Sisters Business Park (approximately 20 acres) was rezoned from light industrial to residential. Justification for this change was the lull in lot sales and construction activity during and the years following the recession. As a result of these previous rezoning and the surge in economic development needs, the City has a dearth of industrial lands and an inadequate supply to serve the needs of development.

By early 2020, the amount of developable employment land inside the Sisters UGB has significantly decreased. All of the light industrial parcels in Sisters are being utilized (nearly 100% occupancy for the entire zone), with only 9 lots (6.75 acres) listed as vacant (still utilized, but not developed). Development within the North Sisters Business Park zone has increased significantly and the occupancy rate is 100%. The proposed application would create 15+ acres of much needed industrial land within the city limits, in direct support of Goal 9, Policy 6.

Goal 14, Policy 1. The City shall promote development within the UGB to minimize the cost of providing public services and infrastructure and to protect resource land outside the UGB.

RESPONSE: This application directly supports Goal 14, Policy 1 by entitling the subject property for development within the UGB, where public services and infrastructure are available. As noted herein and in Attachments H, I, and J, Sisters has a dearth of light industrial land that cannot support the local demand. Rather than proposing development outside of the UGB, this application promotes the development of currently vacant land within the UGB. Water, sewer and transportation services are available in the streets adjacent to the subject property and the submitted infrastructure analyses (Attachments A, B) demonstrate available capacity to serve the subject property.

Goal 14, General Requirements for United Forest Service Properties:

In the event that this land is purchased with the intent of developing the land with either commercial, residential or light industrial uses, then it is the policy of the City of Sisters that

any comprehensive plan and/or zoning amendment that affects the future development of the properties must meet specific criteria in order for the City to be able to support a potential plan amendment for the property. These criteria are as follows:

1. The amendment shall be based on a 20-year land need analysis for both employment and housing needs, including for affordable housing. The analysis shall include an updated buildable lands inventory for employment and housing needs as part of the 20-year land need analysis. The analysis shall be consistent with statewide planning Goal 9 (Economic Development) and Goal 10 (Housing).

RESPONSE: Attachments H, I, and J are summaries provided by EDCO and include employment land trends and building activity for Central Oregon and Sisters. These documents demonstrate a dearth of light industrial lands in Sisters, which has resulted in several “lost opportunities” as businesses have had to look elsewhere for suitable developable employment land.

As noted earlier in this narrative, on several occasions (2007 and 2014), industrial lands were rezoned residential to respond to land needs at that time, resulting in a significant decrease in industrial lands. The proposed comprehensive plan map amendment and zone change are the first step to entitle the subject property in order to replenish the loss of industrial lands within the city. Consistency with Statewide Planning Goal 9 is demonstrated herein, above.

The subject property has not been contemplated for residential uses, nor does the application affect the residential lands supply. The South of Barclay Parcel has been contemplated for residential uses, however, is not included in this application and must necessarily be considered separately.

2. The amendment shall demonstrate consistency and integration with the city’s 2018 update of its Transportation System Plan, as well as the state’s Transportation Planning Rule as found in OAR 660-012.

RESPONSE: Attachment A includes a Transportation Impact Study (TIS), which includes a Transportation Planning Rule (TPR) Analysis. As discussed earlier in this narrative, the TIS demonstrates that the TPR is satisfied for the subject applications.

3. The amendment shall demonstrate that it has maximized urban efficiency consistent with city and state planning requirements and quality in urban design.

RESPONSE: City land use requirements and state planning goals are addressed herein, demonstrating that the proposed amendments are consistent with city and planning requirements.

4. The amendment shall include a development plan for the South Barclay Parcel which integrates proposed land uses, transportation and building layout and design in a manner that meets the overall community needs. The development plan shall provide detailed commitments to design context, energy efficiency and public and private financing of public improvements.

5. The amendment shall demonstrate consistency and integration with the 2011 City of Sisters Parks Master Plan which recommends between 5 and 47 acres to be dedicated for a future community or regional park.

RESPONSE: These applications are for the property north of Barclay and do not include any portion of the property south of Barclay, as it is still owned by the Forest Service. As such, this application necessarily cannot include a development plan for the South Barclay Parcel or a park plan for the South Barclay Parcel. Items 4 and 5 do not apply to these applications.