CITY COUNCIL **Agenda**

520 E. Cascade Avenue - PO Box 39 - Sisters, Or 97759 | ph.: (541) 549-6022 | www.ci.sisters.or.us

Wednesday, September 23, 2020
520 E. Cascade Avenue, Sisters, OR 97759 - Council Chambers

The meeting will be accessible to the public via teleconference. Please use the following phone number to listen to the meeting: **1-844-802-5555** Access Code: **399434**

5:30 P.M. WORKSHOP

1. Sheriff Update- *Lt. Bailey*
2. Update on Future Strategic Plan for Existing Transient Room Tax-*C. Misley*
3. Other Business-*Staff/Council*

6:30 P.M. CITY COUNCIL REGULAR MEETING

I CALL TO ORDER/PLEDGE OF ALLEGIANCE

II ROLL CALL

III APPROVAL OF AGENDA

IV VISITOR COMMUNICATION-Via Teleconference

A request to speak must be made to the City Recorder at kprosser@ci.sisters.or.us by 4:00 pm the day of the meeting. Please include your name, address, phone number and the subject you will be speaking on. During this portion of the meeting the City Recorder will call your name and you will have three minutes to speak. Written communication can be submitted for the record to kprosser@ci.sisters.or.us or dropped in the utility mail drop by 4:00 pm the day of the meeting.

V CONSENT AGENDA

All matters listed within the Consent Agenda have been distributed to each member of the Sisters City Council for reading and study, are routine and will be enacted by one motion of the Council with no separate discussions. If separate discussion is desired, that item may be removed from the Consent Agenda and placed on the Regular Agenda by request.

A. Bills to Approve
   1. September 18, 2020- Accounts Payable

VI COUNCIL BUSINESS

A. **Public Hearing and Consideration of Ordinance 507-** AN ORDINANCE APPROVING PLANNING FILE NOS. CP 20-02, ZM 20-01, A COMPREHENSIVE PLAN MAP AMENDMENT, COMPREHENSIVE PLAN TEXT AMENDMENTS, AND ZONING MAP AMENDMENT FOR 800 W. BARCLAY DRIVE-*N. Mardell*

B. **Public Hearing and Consideration of Resolution 2020-29-** A RESOLUTION OF THE CITY OF SISTERS ADOPTING A SUPPLEMENTAL BUDGET AND ESTABLISHING APPROPRIATIONS WITHIN THE 2020/21 BUDGET -*J. O'Neill*

C. **Public Hearing and Consideration of Resolution 2020-30 -**A RESOLUTION OF CITY OF SISTERS APPROVING A COUNCIL-APPROVED AMENDMENT TO THE SISTERS URBAN RENEWAL PLAN. *C. Misley*

D. **Discussion and Consideration of Resolution 2020-31-** A RESOLUTION OF CITY OF SISTERS ADOPTING PUBLIC ART POLICY AND GUIDELINES- *K. Prosser*

VII OTHER BUSINESS

A. Staff Comments

VIII MAYOR/COUNCILOR BUSINESS

IX ADJOURN

Pursuant to ORS 192.640, this agenda includes a list of the principal subjects anticipated to be considered at the above referenced meeting; however, the agenda does not limit the ability of the Council to consider or discuss additional subjects. This meeting is subject to cancellation without notice.

This meeting is open to the public and interested citizens are invited to attend. This is an open meeting under Oregon Revised Statutes, not a community forum; audience participation is at the discretion of the Council. The meeting may be audio taped. The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made to the City Recorder at least forty-eighty (48) hours in advance of the meeting.

Executive Sessions are not open to the public; however, members of the press are invited to attend.

CITY COUNCIL

Agenda Item Summary

Meeting Date: September 23, 2020 **Staff:** N. Mardell

Type: Public Hearing **Dept:** CDD

Subject: Public Hearing on City File Nos: CP 20-02/ZM 20-01, a request to rezone and re-designate property located at 800 W Barclay Drive, Sisters.

Action Requested: Hold public hearing to gather testimony and consider draft Ordinance No. 507.

Summary Points: Council will hold a public hearing on City File Nos. CP 20-02/ZM 20-01. The application was submitted by Three Sisters Holdings LLC / Jeriko Development. The applicant is proposing to rezone and re-designate the 15.59-acre property from Urban Area Reserve to Light Industrial due to a dearth in industrial land supply within City of Sisters city limits. No specific development plans are proposed at this time.

The Planning Commission held a public hearing on this matter on July 16, 2020, deliberated on August 20, 2020, and voted unanimously to recommend approval of the application. As this item involves both a Comprehensive Plan Map Amendment and Zoning Map Amendment, a secondary hearing is required before City Council. Staff's detailed findings on the applications are found in Exhibit A of Draft Ordinance No. 507.

Following the posting of Ordinance No. 507 on September 15, 2020, three edits were made. The first to correct a typo in the legal description of the property in Exhibit C and in the staff report. And minor clarifications in language for conditions #7 and #12 in Exhibit B. Staff will discuss these changes further during the staff presentation portion of the public hearing.

As this meeting will take place via teleconference, powerpoint presentations are included in the packet for those listening to the meeting to follow along during the staff and applicant presentations.

Financial Impact: N/A

Attachments:

Draft Ordinance No. 507

- Exhibit A. Staff Findings
- Exhibit B. Draft Conditions of Approval
- Exhibit C. Legal Description of Property
- Exhibit D. Amended Zoning Map
- Exhibit E. Amended Comprehensive Plan Map
- Exhibit F: Comprehensive Plan Text Amendments

Draft Conditions of Approval Agreement
Staff Presentation
Applicant Presentation

ORDINANCE NO. 507

AN ORDINANCE APPROVING PLANNING FILE NOS. CP 20-02, ZM 20-01, A COMPREHENSIVE PLAN MAP AMENDMENT, COMPREHENSIVE PLAN TEXT AMENDMENTS, AND ZONING MAP AMENDMENT FOR 800 W. BARCLAY DRIVE.

WHEREAS, Three Sisters Holdings LLC ("Applicant") sought approval of a comprehensive plan amendment, comprehensive plan text amendments, and zoning map amendment under Planning File Nos. CP 20-02, ZM 20-01 (collectively, the "Application") for certain property addressed as 800 W. Barclay Drive, and further identified as Tax Lot 100 of Deschutes County Assessor's Map 15-10-05D ("the "Property");

WHEREAS, after due notice, a public hearing on the Application was held before the Sisters Planning Commission ("Planning Commission") on July 16, 2020 with deliberations conducted on August 20, 2020;

WHEREAS, the Planning Commission, after reviewing the record and fully deliberating the matter, voted to recommended that the Sisters City Council ("City Council") approve the Application;

WHEREAS, the Sisters Development Code requires a second hearing before the City Council for quasi-judicial plan amendments involving both a comprehensive plan amendment and a zoning map amendment;

WHEREAS, after due notice, a public hearing was held before the City Council on September 23, 2020 with deliberations conducted September 23, 2020; and

WHEREAS, the City Council, after reviewing the record and fully deliberating the matter, voted to approve the Application with conditions of approval.

NOW, THEREFORE, THE CITY OF SISTERS ORDAINS AS FOLLOWS:

1. Findings. The findings contained in the recitals and those found in the staff report attached hereto as Exhibit A are hereby adopted in support of the land use decisions made by this Ordinance No. 507 (this "Ordinance").

2. Approval; Conditions of Approval. The Application is hereby approved subject to the conditions of approval contained in the attached Exhibit B.

3. Amended Maps. The amendments to City's Zoning Map and Comprehensive Plan Map proposed as part of the Application, which are legally described in the attached Exhibit C, are hereby adopted. The Zoning Map and Comprehensive Plan map, as amended by the Application, are attached hereto as Exhibit D and Exhibit E respectively.

4. Text Amendments. The amendments to City's Comprehensive Plan contained in the attached Exhibit F are hereby adopted.

5. Authorization. The City Manager, or designee, is authorized to execute any documents and to take such actions as are necessary to further the purposes and objectives of this Ordinance including, without limitation, integrating the adopted text amendments into City's Comprehensive Plan.

6. Severability; Corrections. If any section, subsection, sentence, clause, and/or portion of this Ordinance is for any reason held invalid, unenforceable, and/or unconstitutional, such invalid, unenforceable, and/or unconstitutional section, subsection, sentence, clause, and/or portion will (a) yield to a construction

permitting enforcement to the maximum extent permitted by applicable law, and (b) not affect the validity, enforceability, and/or constitutionality of the remaining portion of this Ordinance. This Ordinance may be corrected by order of the City Council to cure editorial and/or clerical errors.

This Ordinance was PASSED by the City Council by a vote of ___ for and ___ against and APPROVED by the mayor on this _____ day of _____, 2020

_____
Chuck Ryan, Mayor

ATTEST:

_____
Kerry Prosser, City Recorder

DRAFT

Exhibit A

STAFF REPORT

[attached]

DRAFT

STAFF FINDINGS & RECOMMENDATION

FILE NUMBERS: CP 20-02, ZM 20-01

LOCATION: 800 W Barclay Drive, Sisters OR 97759
Tax Map/Lot Number: 151005D000100

APPLICANT/ OWNER: Three Sisters Holdings LLC/Jeriko Development, Inc.

APPLICANT'S ENGINEER: Nicholas Speros, PE, HHPR

APPLICANT'S TRAFFIC ENGINEER: Todd Mobley, PE, Lancaster Mobley

APPLICANT'S LAND USE PLANNER: Tammy Wisco, PE, AICP, Retia Consulting LLC

CITY STAFF: Nicole Mardell Principal Planner

REQUEST: The Applicant is requesting approval of a Comprehensive Plan Map and Zoning Map Amendment (Type III/IV) to re-designate the property from Urban Area Reserve to Light Industrial. The applicant is also requesting supporting text amendments to the Comprehensive Plan.

APPLICABLE CRITERIA: City of Sisters Development Code (SDC):
- Chapter 4.1 – Types of Applications and Review Procedures
- Chapter 4.7 – Land Use District Map and Text Amendments

Statewide Land Use Goals
City of Sisters Comprehensive Plan
Oregon Administrative Rules
- Division 9 – Economic Development
- Division 12 – Transportation Planning

CITY COUNCIL HEARING DATE:
September 23, 2020 at 6:30 PM**,** Sisters City Council Chambers, 520 E. Cascade Avenue, Sisters, Oregon

PROJECT WEBSITE: https://www.ci.sisters.or.us/community-development/page/n-barclay-rezone-application-cp-20-02-zm-20-01

PLANNING COMMISSION DECISION & RECOMMENDATION: On July 16, 2020 a public hearing on CP 20-02/ZM 20-01 (the "Application") was held before the Sisters Planning Commission. Two individuals provided testimony in support of the application – Caprielle Foote-Lewis of Economic Development of Central Oregon and Kevin Eckert (resident) citing the need for industrial land for economic opportunities in Sisters. The applicant provided an overview of their proposal and discussed at length the conditions of approval as proposed by staff and modifications requested by the applicant. The Planning Commission closed the oral portion of the public hearing on July 16 and left the written record open for a total of 21 days, in part to allow staff and the applicant to provide additional testimony on conditions of approval related to mitigation for water, sewer, and transportation impacts. At the August 20, 2020 meeting, the Planning Commission reviewed amended conditions of approval proposed by staff and a supplemental staff report that outlined the changes to the proposed conditions of approval. The applicant agreed with the amended conditions of approval. During deliberations, the Planning Commissioners found the proposal to meet the applicable code requirements and the amended conditions of approval to be appropriate to mitigate the impacts of the rezoning of the property. Greater discussion of these conditions is found below in the Findings of Fact.

Ultimately, the Planning Commission voted unanimously (with one abstention) to recommend conditional approval of the request to City Council through Planning Commission resolution 20-04. As this application is for a Comprehensive Plan Text Amendment, Comprehensive Plan Map Amendment, and Zoning Map Amendment, a second hearing is required before City Council.

FINDINGS OF FACT:
ZONING: Urban Area Reserve (UAR)
COMPREHENSIVE PLAN DESIGNATION: Urban Area Reserve (UAR)

PROPOSAL DESCRIPTION: The applicant requests amendments to the comprehensive plan map and zoning map to re-designate the subject property and from Urban Area Reserve to Light Industrial. The applicant is also seeking several comprehensive plan amendments to Chapters 9 and 14 to reflect the re-designation of the property and its impact on Economic Development and the City's industrial land supply.

Comprehensive Map
15.59 acres of Urban Area Reserve (UAR) changed Light Industrial

Zoning Map
15.59 acres of Urban Area Reserve (UAR) changed to Light Industrial

SITE DESCRIPTION & SURROUNDING LAND USES: The subject property is located at the northwest corner of W. Barclay Drive and N. Pine Street and is immediately adjacent to the Best Western Ponderosa Lodge located within the Highway Commercial (HC) zone. Property to the east contains primarily industrial uses as part of the Sisters Industrial Park within the Light Industrial (LI) zone. Property to the north is Deschutes National Forest area and is outside of City limits and the urban growth boundary. Property to the south is property owned by the Forest Service, including the Sisters Ranger Station, and is zoned Public Facilities (PF). The property is currently vacant and undeveloped. Topography on the site is generally flat and heavily treed with ponderosa pine and other native underbrush species.

BACKGROUND: The site was annexed in 1979 through Ordinance 123. The ordinance stated that the property would maintain it's County zoning status as "Urban Area Reserve". The original property was

divided into three parcels through MNR 07-07 and FP 08-05. The property is Parcel 3 of Partition Plat 2008-030, is 15.58-acres in size, and constitutes a legal lot of record.

In 2010, prior to the sale of the property to its current owner, the City of Sisters received a Transportation and Growth Management Grant from the Department of Land Conservation and Development. The purpose of this grant was to identify potential development scenarios for each of the three properties (67 net acres) owned by the Forest Service in Sisters. These projects resulted in four development scenarios that included a mixture of residential, commercial, light industrial, and park space. These development scenarios were intended to spur private development interest in the property, as a previous sale was unsuccessful. A description of the grant project and the development scenarios were incorporated into the City's Comprehensive Plan to provide guidance for potential development scenarios.

In 2019, the property was purchased by its current owner. As the development scenarios created in the 2010 project are now outdated and do not reflect today's market conditions, the applicant is requesting to remove the graphics and detail from the Comprehensive Plan and to rezone the entirety of the property to Light Industrial.

SUMMARY OF CONCLUSIONARY FINDINGS: The subject applications can either be approved, approved with conditions, or denied on the basis of whether the applicable standards and criteria can be satisfied either as submitted, or as mitigated through conditions of approval. A detailed analysis of applicable standards and conclusionary findings specific to the requested Comprehensive Plan Amendments, Comprehensive Plan Map Amendment, and Zone Change are provided below.

STAFF RECOMMENDATION:
ZM 20-01: ***Approve with Conditions***. Based on the information and findings contained in this staff report, staff and the Planning Commission conclude that the requested Zoning Map Amendment satisfies the approval criteria and recommends that the City Council approve the request with conditions (Exhibit D).

CP 20-02: ***Approve with Conditions***. Based on the information and findings contained in this staff report, staff and the Planning Commission conclude that the requested Comprehensive Plan Text and Map Amendments satisfies the approval criteria and recommends that the City Council approve the request with conditions (Exhibit D).

EXHIBITS:
The following Exhibits are included in this staff report:

- **A. Vicinity Map**
- **B. Public Notice & Comments as of September 15, 2020**
- **C. Agency Review Comments as of September 15, 2020**
- **D. Recommended Draft Conditions of Approval**

APPLICABLE CRITERIA & STAFF FINDINGS

CONCLUSIONARY FINDINGS
The following findings relate to compliance with applicable criteria. The terms "subject property" or "site" refers to the subject site under consideration. The criteria applicable to this land use application are as follows:
City of Sisters Development Code (SDC):

Chapter 4.1 – Types of Applications and Review Procedures
Chapter 4.7 – Land Use District Map and Text Amendments

Statewide Land Use Goals
City of Sisters Comprehensive Plan
Oregon Administrative Rules
Division 12 – Transportation Planning

SISTERS DEVELOPMENT CODE
CHAPTER 4.1 – TYPES OF APPLICATIONS AND REVIEW PROCEDURES

4.1.200 Description of Permit/Decision-Making Procedures
All land use and development permit applications, except building permits, shall be decided by using the procedures contained in this Chapter. General provisions for all permits are contained in Section 4.1.700. Specific procedures for certain types of permits are contained in Section 4.1.200 through 4.1.600. The procedure "type" assigned to each permit governs the decision-making process for that permit. There are four types of permit/decision-making procedures: Type I, II, III, and IV. These procedures are described in subsections A-D below. In addition, Table 4.1.200 lists all of the City's land use and development applications and their required permit procedure(s).

…

C. Type III Procedure (Quasi-Judicial). Type III decisions are made by the Planning Commission after a public hearing, with appeals heard by the City Council. Type III decisions generally use discretionary approval criteria;

D. Type IV Procedure (Legislative). Type IV procedures apply to legislative matters. Legislative matters involve the creation, revision, or large-scale implementation of public policy (e.g., adoption of land use regulations, zone changes, and comprehensive plan amendments which apply to entire districts). Type IV matters are considered initially by the Planning Commission with final decisions made by the City Council and appeals possible to the Oregon Land Use Board of Appeals.

Table 4.1.200 **Summary of Development Decisions/Permit by Type of Decision-making Procedure**		
Action	**Decision Type**	**Applicable Regulations**
Subdivision	Type III	Chapter 4.3
Land Use District Map Change		
Quasi-Judicial (no plan amendment required)	Type III/IV	Chapter 4.7
Legislative (plan amendment required)	Type IV	Chapter 4.7

E. Notice of all Type III and IV hearings will be sent to public agencies and local jurisdictions (including those providing transportation facilities and services) that may be affected by the proposed action. Affected jurisdictions could include ODOT, the Department of Environmental Quality, the Oregon Department of Aviation, and neighboring jurisdictions.

***Staff Findings*:** The proposal includes a Comprehensive Plan Map Amendment, Comprehensive Plan Text Amendment, and Zoning Map Amendment (a Type III/IV, Quasi-Judicial Land Use Action) to alter both the zoning and Comprehensive Plan designation for the property from Urban Area Reserve (UAR) to Light Industrial (LI).

Staff notes that the "Summary of Development Decisions/Permit by Type of Decision-making Procedure" table identifies quasi-judicial zone changes without a plan amendment as either a Type III or IV decision. This "summary" is inconsistent with the language of SDC 4.1.200(D), which identifies that zone changes and plan amendments only constitute a Type IV decision when such amendments "apply to entire districts", and SDC 4.7.300, which describes "the application of adopted policy to a specific development application" as a quasi-judicial amendment that "follow the Type III procedure". Here, the plan amendments are specific to a specific property under common ownership to facilitate a specific development application. Accordingly, the Type III procedures are the correct procedures.

Nonetheless, where there are differences between the Type III and Type IV procedures, Staff followed the procedures that imposed the higher standard or allowed for greater notice and opportunity for public participation.

4.1.500 Type III Procedure (Quasi-Judicial)

…

***Staff Findings*:** Staff provided the required notice to those persons entitled to notice at least 14 calendar days before the July 16, 2020 Planning Commission public hearing and the September 23, 2020 City Council public hearing. The notice contained all of the required information. Staff also published notice in a local newspaper as would be required for a Type IV decision. The public hearing will follow the requirements of SDC 4.1.500(C) and a decision will be issued in accordance with SDC 4.1.500(D) through (F).

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; and
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

***Staff Findings*:** To the extent applicable, these requirements largely mirror the requirements for a quasi-judicial amendment and are more specifically addressed below.

4.1.700 General Provisions

….

***Staff Findings*:** The submitted applications contained all of the materials set forth in this Section and was deemed complete on May 14, 2020. The subject property constitutes a lot of record for the reasons set forth above.

CHAPTER 4.7 – LAND USE DISTRICT MAP AND TEXT AMENDMENTS

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.

Staff Finding: Staff finds that this provision is advisory.

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.

Staff Finding: The proposal involves a comprehensive map amendment (UAR to LI), zoning map amendment (UAR to LI), and Comprehensive Plan Text Amendment. Such amendments are quasi-judicial and not legislative in nature because they are specific to certain properties. However, as discussed above with respect to Type IV reference in Table 4.1.200, Type IV procedures were followed when it would afford greater notice or public participation as compared to Type III procedures.

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.

Staff Finding: The applicant is proposing a land use district change (UAR to LI) that also involves a Comprehensive Plan Map amendment (UAR to LI). Using the standards of approval in Subsection "C" above, 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 and the City Council shall decide both applications.

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;

Staff Finding: Findings for specific statewide planning goals with respect to the proposed zone change and comprehensive plan amendment are as follows:

Goal 1, Citizen Involvement: During the plan amendment and zone change process, public notice of the proposal was provided to affected agencies and property owners in the surrounding area. Planning staff mailed and published notice of the proposal and public hearings. The City will hold public hearings before the Planning Commission and City Council. These opportunities for public involvement satisfy Goal 1.

Goal 2, Land Use Planning: The City of Sisters, through the Sisters Development Code, adopted criteria and procedures related to review of applications that have been acknowledged as compliant with State Land Use Goal 2. In accordance with Goal 2, the applicant applied for the plan amendment and zone change following the procedures set out in the Sisters Development Code. The City will provide public notice and conduct public hearings on the application in accordance with the Sisters Development Code. Staff finds that Goal 2 is satisfied because the proposal has been submitted and reviewed in accordance with the City's acknowledged planning review process.

Goals 3 and 4, Agricultural and Forest Lands: These Goals are not applicable as the Subject Property is not designated as either Agricultural or Forest Lands nor qualify as resource lands as the Subject Property is located within an urban growth boundary.

Goal 5, Natural Resources, Scenic and Historic Areas, and Open Spaces: Goal 5 aims "*To protect natural resources and conserve scenic and historic areas and open spaces*." The Subject Property does not contain any resources identified in the City's Goal 5 inventory, which is a component of the City's Comprehensive Plan. Because there is no impact on the City's acknowledged Goal 5 inventory, the proposal does not implicate Goal 5.

Goal 6, Air, Water and Land Resources Quality: The applicant is proposing to rezone and re-designate the property from Urban Area Reserve to Light Industrial. The application does not propose any development or site work as part of this application and thus provides no change to the city's air, water, or land resources quality. Estimated impacts to the City's water and sewer systems are reviewed further below. At the time of development, the applicant will be required to provide more detailed plans relating to transportation, water, wastewater, and stormwater management on and adjacent to the site to ensure compliance with Goal 6 through the City's Development Code.

Goal 7, Areas Subject to Natural Hazards: The Subject Property does not include areas subject to flooding or landslide activity. The Subject Property is not located in a known natural disaster or hazard area. The natural hazard of wildfire for the Subject Property is the same as other properties in this geographic area. The proposal to rezone and re-designate the property from Urban Area Reserve to Light Industrial does not pose any additional natural hazard risk.

Goal 8, Recreational Needs: The proposed amendments do not impact the City's ability to plan for the recreational needs of citizens and visitors. The subject property is not noted as a needed park or recreational facility in the City's Comprehensive Plan or Parks Master Plan. The changes proposed by the applicant do not alter any park space needs within City limits. Because the proposal is to allow for industrial development, and not residential development, the proposal does not change any assumptions of the City's Parks Master Plan regarding demand for parks.

Goal 9, Economic Development: The applicant is seeking the proposed amendments in order to increase the City's industrial land supply and promote additional opportunities for industrial development. The applicant provided the following response to this goal in the burden of proof:

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. Attachments K, L, and M illustrate the status of the City's recent inventory of employment lands within the UGB. These documents clearly demonstrate a severe lack of needed industrial land within the UGB. As the attachments indicate, there is currently only one light industrial parcel of 0.58 acres remaining in the City that is not developed, constrained, or utilized with an active use. 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 9 by replenishing a portion of these lost light industrial lands.

Staff finds that there is a need to augment the City's supply of industrial lands to meet demand for such lands within the planning period. The re-designation and rezoning of lands within the City's urban holding area to an industrial district will promote increased economic development opportunities within the City limits. Staff finds the proposal to be in compliance with Goal 9.

Goal 10, Housing Development: The proposed application does not affect the amount of designated residential land within the City limits. The property is designated as an urban holding zone and was not previously contemplated for housing. Staff finds the proposal complies with Goal 10.

Goal 11, Public Facilities and Services: The proposal provides additional impact to City services as the uses in the Light Industrial district require more water and sewer capacity than was previously contemplated for the urban holding area. The applicant has provided sufficient detail through its water and sewer impact analyses to determine appropriate mitigation to serve the site and ensure adequate capacity Citywide. Additional detail regarding mitigation is provided in section 4.7.300(B)(3) below.

Goal 12, Transportation: Statewide Land Use Goal 12 is implemented through OAR 660 Division 12 and more specifically the "Transportation Planning Rule" (TRP) in OAR 660-12-0060. The applicant provided a Traffic Impact Statement prepared by Lancaster Mobley titled "Updated Transportation Impact Study for Sisters Industrial Subdivision" and dated May 6, 2020. The City Traffic Engineer reviewed the traffic study for compliance with Goal 12 and the TPR. The analysis noted a significant impact to three City intersections: US 20/Barclay Drive, US 20/Pine Street, and US 20/Locust Street. The applicant proposed to mitigate the degradation of the three intersections through a pro-rata share of the cost ($98,469) to construct a single-lane roundabout at US 20/Locust Street. This roundabout project and partial funding sources have been identified in the City's Transportation System Plan.

The analysis showed that there would still be significant impact to the three intersections even if the US 20/Locust Street Roundabout were constructed. To ensure compliance with the TPR, the City's Traffic Engineer is requiring the applicant to instead provide a pro-rata share ($98,604 as detailed below) toward improvements for the City's Alternate Route. The Alternative Route, as the name suggests, is a project contemplated by the City's TSP to establish a route through Barclay Drive as an alternative to Highway 20 in an effort to reduce demand on the three impacted intersections. This payment would specifically support: variable messaging signs, alternate route wayfinding signs, and completion of the Barclay/Locust roundabout. The Oregon Department of Transportation provided a response to this requirement and are in agreement with the proposed mitigation conditions of approval surrounding transportation and TPR compliance. Additional detail regarding mitigation is provided in section 4.7.300(B)(3) below.

Goal 13, Energy Conservation: The applicant is proposing to re-designate the property from Urban Area Reserve to Light Industrial. The location of the subject property adjacent to Highway 20 and other LI zones will facilitate energy conservation than location of need industrial lands at more remote locations.

Goal 14, Urbanization: The proposed application seeks to re-designate existing land within the City limits and the City's Urban Growth Boundary from a holding zone to a Light Industrial Zone The proposed amendments directly support the City's efforts to accommodate urban populations and employment inside the urban growth boundary by creating needed employment land within the UGB.

Per the applicant's response in the burden of proof:
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. Attachments K, L, and M illustrate the status of the City's recent inventory of employment lands within the UGB. These documents clearly demonstrate a severe lack of needed industrial land within the UGB. As the attachments indicate, there is currently only one light industrial parcel of 0.58 acres remaining in the City that is not developed, constrained, or utilized with an active use. 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.

Staff agrees that the proposed amendments are supportive of utilizing land effectively within City Limits to accommodate future industrial land need.

Goals 15 through 19: Goals 15, 16, 17, 18 and 19 are not applicable because they only pertain to areas in western Oregon.

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

Staff Finding: Compliance with applicable policies are 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,

Staff Finding: The applicant has provided detail regarding impacts to water, sewer, and transportation systems resulting from anticipated uses of the subject property under the proposed zoning. As a note, the entirety of the area being rezoned is 16.59 acres and includes the right-of-way associated with Pine Street. As Pine Street is not developable, staff is only reviewing the remaining area of the property (15.58 acres) for the purposes of infrastructure impacts. The property currently does not contain any designated park or open space; therefore this item will remain unaffected. Specific details on impacts to public facilities are addressed below.

<u>Water Impacts</u>
The applicant's engineer provided a water and sewer analysis memorandum dated May 6, 2020 for review by the City. The applicant provided the following water analysis:

This memo addresses two water service issues. Available Fire Flow and Water Rights.
Fire Flow - As shown on Attachments 1 and 2, Conceptual FH Layout and Fire Flow Calculation Worksheets, although a 12-inch water main will need to be constructed to meet the City's water system needs, a minimum sized 8-inch water main is adequate to serve the property and meet required fire flows of 2,500 gpm (or 1,500 gpm if the facilities are sprinklered). In conjunction with a future Preliminary Plat package submittal, the water system layout will be finalized, fire flow calculations re-verified, and any potential reimbursements identified. City staff has previously confirmed adequate water is available to serve the property.

Water Rights – As requested, a water volume analysis based on land use was performed to determine the acreage of water mitigation rights necessary to be purchased by the City and the corresponding fee required to be paid at building permit issuance to offset this City cost. Water volumes are typically calculated on a per capita basis, but this approach is not applicable to non-residential uses and the WCFPU does [not] identify any water usage rates associated with non-residential uses. As directed by City staff, the water volume analysis shall utilize a volume of 2,000 gallons per acre per day (gpad) for the subject property.

With this water usage rate the acres of water rights to be purchased and the associated fee is calculated as follows:
15.58 acres x (2,000 gallons / acre / day) = 11,373,400 gallons / year = 34.90 acre-ft / year
Reduce by 180 days per year (use 0.5) and 40% consumption factor ➡

(34.90 acre-ft / year) x 0.5 x 0.40 = 6.98 acre-ft / year
One acre purchased of water rights provides 1.8 acre-ft / acre / year at a cost of $6,800 / acre.
Acres needed to be purchased (6.98 acre-ft) / (1.8 acre-ft / acre) = 3.88 acres
Fee Calculation ➡ 3.88 acres x ($6,800 / acre) = $26,384 total due at building permit issuance.
The fee total is for the entire project and will be divided on a per lot/acreage basis.

The City Engineer reviewed the water analysis and found the following mitigation is required to reduce the proposal's impact on the City's water infrastructure

Water Main Extension: A 12" water main is shown across the property in the City's Water Capital Facilities Plan. Development on the property shall include the extension of a 12" water main extending from the existing water main at the northeast corner of the Ponderosa Lodge to the existing water main in North Pine Street, per the City Water Capital Facilities Plan. Reimbursement for cost of construction of this water main upsize from 8" to 12" may be submitted to the City if the developer is able to provide evidence that development on the property does not require 12" water main to provide adequate domestic and fire flows.

During the Planning Commission public hearing process, the applicant requested to construct the water main in phases to align with road construction as the property develops incrementally. The application does not include details regarding the phasing plan, timing, and estimated intensity of uses per phase. Due to this uncertainty, staff finds that an allowance for phased construction of the water main is not appropriate at this time, but could potentially be allowed as more details surrounding the development are provided through subsequent applications. Staff and the Planning Commission added language to condition #6 to clarify that a phasing plan for the water main could be approved during the master planning process as more detail is provided.

Water Mitigation: No water demand is allocated for this property as UAR zoned land. The developer has proposed a water mitigation fee for the anticipated EDU increase on the property. The water mitigation fee is based on typical City calculations for water mitigation. The calculated water right acreage is 3.88 acres at $6,800 per acre, a calculated total of $26,384. Water mitigation fees for 3.88 acres of water rights shall be required at the time of building permit. Cost per acre is $6,800. Total water mitigation cost is $26,384, which may be provided proportionally as building permits are obtained at the cost of $705.45 per EDU ($26,384 total mitigation required / 37.4 EDUs = $705.45 per EDU). This number will continue to be refined at the time of subdivision or future land use application review.

Stamped Engineering Memo: As the application does not include specific development plans at this time, staff is requiring the applicant to provide a stamped engineering memo at the time of each subsequent site plan review or development application. This memo serves two purposes: 1) to ensure water systems continue to operate at an acceptable level of service at the time a development proposal is submitted to ensure adequate capacity is available in the system and; 2) to track the Equivalent Dwelling Units (EDUs) on the property to ensure development is consistent with the worst case scenario provided by the applicant during this rezoning process. If EDUs were to exceed the worst-case scenario, staff may require a full water analysis and potentially additional mitigation. In working with the applicant, staff has clarified the scope and detail required as part of this memo and is included in the conditions of approval.

<u>Sewer Impacts</u>
The applicant's engineer provided a water and sewer memorandum analysis dated May 6, 2020 for review by the City. Per the City's Wastewater System Capital Facilities Plan (WWCFP) dated February 2016, a Light

industrial property is assumed to generate 1 Equivalent Dwelling Unit (EDU) per 20,000 square feet. The EDU calculation determines the anticipated design flow from City systems to provide for uses in that specific land use district.
The applicant provided the following sewer analysis:
15.58 acres Light Industrial x (43,560 SF / acre) x (1 EDU / 20,000 SF Light Industrial) = 34 EDU's.

As requested by city staff, a 10% increase was conservatively added to account for some potential higher sewer uses within the development. The EDU project total then becomes 34.0 x 1.1 = 37.4 EDU's.

The corresponding design flow in gallons per minute can then be calculated. In the [Wastewater System Capital Facilities Plan Update], a design flow of 125 gallons per day (gpd) is assigned to each EDU, however City staff has stated the actual flow is 165 gpd per EDU (75 gpcd x 2.2 capita/dwelling) and requested the design flow calculation utilize this value. Utilizing this more conservative value, the design flow of the project is: 37.4 EDU x 165 gpd / EDU x (1 day / 1,440 minutes) x 2.4 peak factor = 10.3 gpm, rounded to 10 gpm. The analysis of the downstream sanitary sewer infrastructure components confirms that the existing system is adequate to accommodate the additional design flow of 10 gpm.

The analysis goes on to discuss anticipate impacts to specific pump stations and gravity lines within the City to be impacted by this additional projected usage. The City Engineer reviewed the proposal for compliance and found the need for the following mitigation measures based on the sewer analysis:

Pump Station #1: Upgrades to Pump Station #1 are included in the WWCFP, an impact fee is required at a rate of $1,372 toward Pump Station #1 upgrades. During the Planning Commission public hearing process, the applicant requested that this contribution be eligible for System Development Charge (SDC) reimbursement. System Development Charges (SDCs) are governed by state statute and the City's SDC policy, administered through the Public Works Department. Because the collection of SDCs and reimbursements are submitted through a separate process, outside of land use review, this language has not been added to the condition of approval.

Barclay Sewer Main and Locust Interceptor: The property in its current zoning has no allocated sewer use in the WWCFP. The Barclay Sewer Main is nearing capacity and the Locust Interceptor is included in the WWCFP to alleviate flows in the collection system. An impact fee is required at a rate of $19,546 toward Locust Interceptor Improvements. Additionally, the Developer shall provide and install telemetry equipment at Pump Station #2 and #4 to eliminate simultaneous pumping. During the Planning Commission public hearing process, the applicant requested that the impact fee be prorated and allowed to be paid in phases as the property develops. As stated previously in this report, the application does not include details regarding the phasing plan, timing, and estimated intensity of uses per phase. Due to this uncertainty, staff finds that an allowance for phased payment of the mitigation fees is not appropriate at this time. Due to the need surrounding these projects, staff and the Planning Commission recommend that the developer be required to pay these contribution amounts prior to initial land division plat, or issuance of initial building permit – whichever may come first. The applicant has stated they are agreeable to the timing requirements.

Telemetry equipment is required per the City Engineer to monitor operations at Pump Station #2 and Pump Station #4 due to an anticipated increase in usage resulting from the proposed development. The applicant proposed inserting a figure of $6,000 to cover the cost of the telemetry equipment. Staff is unable to condition a specific dollar amount at this time, as the technology is continuously advancing and estimates for the equipment are rapidly outdated. Additionally, the applicant requested the ability to bond for the telemetry equipment rather than purchase and install it, although if a bond is posted, they

would be seeking a time limit of three years in which a bond could be active or it would expire and the condition would no longer be required. As this application is only for a rezoning and comprehensive plan re-designation of the property, the timeline in which the property will be developed is uncertain. As the submittal date for a final plat application could be tomorrow, or in 10 years, staff prefers to allow the amount to be determined by the City Engineer with no expiration date. In the event the equipment was not needed due to infrastructure upgrades in other areas of the City, staff has added a statement that the City Engineer may alter or waive the condition at the time of subsequent land use review. The applicant stated they are agreeable to this requirement.

Pump Station #2: The property in its current zoning has no allocated sewer use in the WWCFP. Pump Station #2 has limited wet well capacity. The memo provided by the applicant indicates that the development will generate 37.4 EDUs or 10 gpm. The adjacent development on the south side of Barclay will drain at 27 gpm above the amount anticipated by the master plan. To mitigate these impacts, the project shall be required to contribute 10/37 times the cost of the wet well expansion and emergency backup generator. The anticipated cost of the improvements are $100,000 based on cost analysis of similar improvements. An impact fee of $27,027 is required toward Pump Station #2 wet well capacity improvements and an emergency backup generator.

Stamped Engineering Memo: As the application does not include specific development plans at this time, staff is requiring the applicant to provide a stamped engineering memo at the time of each subsequent site plan review or development application. This memo serves two purposes: 1) to ensure sewer systems continue to operate at an acceptable level of service at the time a development proposal is submitted to ensure adequate capacity is available in the system and; 2) to track the Equivalent Dwelling Units (EDUs) on the property to ensure development is consistent with the worst case scenario provided by the applicant during this rezoning process. If EDUs were to exceed the worst-case scenario, staff may require a full sewer analysis and potentially additional mitigation. In working with the applicant, staff has clarified the scope and detail required as part of this memo and is included in the conditions of approval.

<u>Transportation</u>

The applicant provided a Transportation Impact Study dated May 6, 2020 by Lancaster Mobley. In summary, the analysis found the following:

- 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 are either currently operating or projected to operate with v/c ratios in excess of the maximum allowable ODOT performance standards:
    - US Highway 20 at W. Barclay Drive: Per the City's Transportation System Plan (TSP), placing additional emphasis on Barclay Drive as an alternate route, particularly for trucks, will help distribute demand. This emphasis would serve to balance volumes at the roundabout, improving operation and extending the capacity of the intersection.
    - N. Pine Street at US Highway 20: During peak hours when delays are long, drivers will self-select how they enter US Highway 20 to avoid excessive delays. Local traffic may choose a number of other routes to avoid US Highway 20 and utilize the local street system. For this reason, no mitigation is recommended.
    - N. Locust Street at US Highway 20: The applicant proposes mitigation in the form of a proportional share payment for improvements at the intersection of N. Locust Street at US Highway 20. The identified proportional share payment of $98,469 will be due as a lump sum prior to site development.

Within the application, the applicant states the Transportation Planning Rule is met and the proposal will either (a) not produce levels of service or access that are inconsistent with the functional classification of existing transportation facilities, or (b) for the intersection that will be impacted, the proportional share of payment will mitigate the impacts.

The City's Traffic Engineer reviewed the proposal and found the proposed mitigation payment of $98,469 toward the Locust/20 Roundabout to be unsatisfactory in meeting the Transportation Planning Rule. The single lane roundabout is already included within the City's Transportation System Plan with partial funding. The applicant's analysis notes that even with the roundabout in place, there would still be a significant impact to the system associated with the rezone. Accordingly, this mitigation (although generally supported) would not meet the mitigation criteria within subsection (2) of the Plan and Land Use Regulation Amendments section of the Transportation Planning Rule.

The City's Traffic Engineer found that improvements to the US 20 Alternate Route along Barclay Drive, as noted in the applicant's traffic report, would better mitigate significant impacts in the immediate and long term. As traffic would be diverted from Highway 20 and onto the alternative route, better relief could be provided for those intersections identified to be impacted. The City's Traffic Engineer and the Oregon Department of Transportation are therefore requiring the following method for mitigation associated with the proposal.

Alternate Route Improvements:

- Variable Message Signs for eastbound and westbound US 20 traffic (Est. $400,000 with overhead mount, cabinet, and wireless communication system)
- Alternate Route Wayfinding Signage (Est. $10,000 with fabrication/installation)
- Completion of single-lane US 20/Locust roundabout (Assumed funded, $0)
- Completion of Barclay/Locust roundabout (50% costs from SDC, 50% unfunded -$1,250,000)

Total Unfunded Projects: $1,660,000
Estimated Pro-Rata Impact to US 20: 89 / 1,498[1] Through Trips = 5.94%
Total Contribution: $98,604

Staff initially proposed the allowance of two payments in order to reduce the upfront cost of the transportation improvements in conjunction with a trip bank or trip cap on the property. This would ease the upfront cost of the mitigation payment, while still adding a tracking mechanism for the City to analyze the generation of trips as the property develops. During the Planning Commission public hearing process, the applicant found the trip cap to be too arduous to track, and instead stated they would be willing to pay then entirety of the mitigation amount prior to the initial final plat or building permit, whichever comes first and acknowledged that future development would be subject to additional traffic analysis as required under the Sisters Development Code, which may result in additional mitigation. Staff and the Planning Commission are supportive of this approach and a condition of approval has been added.

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.

Staff Finding: The basis for all three proposed actions (Comprehensive Plan text amendment, Comprehensive Plan map amendment, zone change) as cited by the applicant is due to the rapid recent growth of the City and the current and projected lack of industrial lands available within City limits. The

applicant provided several sources of information, including the City's Buildable Lands Inventory, noting the lack of available land supply for industrial lands as well as information from Economic Development of Central Oregon noting a lack of vacancy and several missed opportunities for industrial development and job creation within the City. In 2007, two industrial areas were rezoned from Light Industrial to Residential to accommodate residential subdivisions (ClearPine and Kuivato/Grand Peaks). The applicant states that the removal of this land contributed to the decrease in available industrial space and that the proposal to re-designate the subject property could provide additional land area to meet this need. Staff finds that the rapid growth of the City's population, in conjunction with the low supply and vacancy of existing industrial lands warrants the request for the rezoning and re-designation of the property from Urban Area Reserve to Light Industrial.

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.

Staff Finding: This section is procedural.

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.

Staff Finding: This section is advisory. If approved, the Community Development Department will maintain a record of amendments to the Land Use Districts map in a format convenient for public use.

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.

Staff Finding: This provision largely mirrors the requirements of OAR 660-012-0060 – Transportation Planning Rule which is reviewed below.

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);

Staff Finding: The proposed application, as discussed in the traffic study and City Traffic Engineer's analysis 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

Staff Finding: The proposed application, as discussed in the traffic study and City Traffic Engineer's analysis 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.

Staff Finding: 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. Upon rezoning properties within the subject site, three study intersections are currently or projected to operate with v/c ratios in excess of acceptable levels of operation per their respective jurisdictional standards. However, these intersections may be reasonably mitigated through a pro-rata payment toward the alternate route improvements as required by the City Traffic Engineer and discussed further below.

(2) If a local government determines that there would be a significant effect, then the local government must ensure that allowed land uses are consistent with the identified function, capacity, and performance standards of the facility measured at the end of the planning period identified in the adopted TSP through one or a combination of the remedies listed in (a) through (e) below, unless the

amendment meets the balancing test in subsection (2)(e) of this section or qualifies for partial mitigation in section (11) of this rule. A local government using subsection (2)(e), section (3), section (10) or section (11) to approve an amendment recognizes that additional motor vehicle traffic congestion may result and that other facility providers would not be expected to provide additional capacity for motor vehicles in response to this congestion.

(a) Adopting measures that demonstrate allowed land uses are consistent with the planned function, capacity, and performance standards of the transportation facility.

(b) Amending the TSP or comprehensive plan to provide transportation facilities, improvements or services adequate to support the proposed land uses consistent with the requirements of this division; such amendments shall include a funding plan or mechanism consistent with section (4) or include an amendment to the transportation finance plan so that the facility, improvement, or service will be provided by the end of the planning period.

(c) Amending the TSP to modify the planned function, capacity or performance standards of the transportation facility.

(d) Providing other measures as a condition of development or through a development agreement or similar funding method, including, but not limited to, transportation system management measures or minor transportation improvements. Local governments shall, as part of the amendment, specify when measures or improvements provided pursuant to this subsection will be provided.

(e) Providing improvements that would benefit modes other than the significantly affected mode, improvements to facilities other than the significantly affected facility, or improvements at other locations, if:

- **(A)** The provider of the significantly affected facility provides a written statement that the system-wide benefits are sufficient to balance the significant effect, even though the improvements would not result in consistency for all performance standards;
- **(B)** The providers of facilities being improved at other locations provide written statements of approval; and
- **(C)** The local jurisdictions where facilities are being improved provide written statements of approval.

Staff Finding: As discussed in the memo provided by the City Traffic Engineer, Joe Bessman, the traffic study proposes mitigation through payment of a pro-rata cost toward the single-lane roundabout at the US 20/Locust Street intersection. Per the City Traffic Engineer:

However, this project [Locust/20 Roundabout] is already included within City plans and has an established funding mechanism within the City's System Development Charge methodology, and is assumed within the applicant's traffic study. Even with this improvement in place the traffic study shows that there is a significant impact associated with the rezone. Accordingly, this mitigation, while generally supported by the City and ODOT, would not meet the mitigation criteria within subsection (2) of the Plan and Land Use Regulation Amendments section of the Transportation Planning Rule. As summarized by the applicant's traffic report, the solution to the capacity needs within this area is to more fully implement the identified Alternate Route. The diversion of traffic from the highway onto the Barclay – Locust corridor will provide the necessary mitigation to avoid a significant impact at these cited highway intersections. *City and ODOT staff agree with these overall findings, and offer the following revisions to the applicant's proposed mitigation:*

A pro-rata payment shall be provided toward improvements along US 20 and the parallel Alternate Route to support east-west mobility needs along the US 20 corridor. Improvements to either facility is considered

adequate mitigation for the finding of a significant impact based on OAR 660-12-0060(2)(e). The specific improvements that were identified by the City and ODOT include the following:

Alternate Route Improvements:

- *Variable Message Signs for eastbound and westbound US 20 traffic (Est. $400,000 with overhead mount, cabinet, and wireless communication system)*
- *Alternate Route Wayfinding Signage (Est. $10,000 with fabrication/installation)*
- *Completion of single-lane US 20/Locust roundabout (Assumed funded, $0)*
- *Completion of Barclay/Locust roundabout (50% costs from SDC, 50% unfunded -$1,250,000)*

Total Unfunded Projects: $1,660,000
Estimated Pro-Rata Impact to US 20: 89 / 1,498[1] Through Trips = 5.94%
Total Contribution: $98,604

With payment of this pro-rata contribution toward needed transportation infrastructure (and payment of Transportation SDC fees at time of site plan application) the impact of the rezone is adequately balanced with the benefit provided to the City and State system, which is the combination of US 20 and the Alternate Route. These fees should be earmarked for improvements to projects that benefit either the US 20 corridor or the alternate route.

Staff finds the identified mitigation provided by the City Traffic Engineer and relating to the Alternate Route Improvements offsets the potential impacts from the project and avoids further degradation of key infrastructure in Sisters from the zone change from UAR to LI. Transportation Planning Rule 660-012-0060 is satisfied for the proposed land use.

SISTERS COMPREHENSIVE PLAN
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.

***Staff Finding*:** 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. The applicant has met this policy as they sought partnership to increase local economic development efforts through adding additional industrial land supply within City limits.

Goal 9, Policy 4.

> The City should support efforts to attract businesses providing family-wage employment opportunities.

***Staff Finding*:** Within the burden of proof, the applicant describes the correlation between the need for industrial land within the City and highlights five missed opportunities for business development as cited by EDCO. 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. This goal is met.

…

Goal 9, Policy 6.

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

***Staff Finding*:** 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 recent years, several industrial areas have been rezoned to accommodate needed housing within the City. While rezoning these properties to Sun Ranch Residential, Multi-Family Residential, and Residential, it also led to a decrease in the City's industrial land supply. As stated within the applicant's burden of proof, there is currently only one light industrial parcel of 0.58 acres remaining in the City that is not developed, constrained, or utilized with an active use. The proposed application would lead to the creation of 15+ acres of industrial land within the city limits and assist in providing an adequate land supply for light industrial purposes.

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.

***Staff Finding*:** This application promotes development of a property that is currently within the UGB, City limits, and is adjacent to existing infrastructure. Staff finds the rezoning of a property that is currently designated as an urban holding zone to Light Industrial meets the intent of this goal and will lead to the protection of resource lands outside of the UGB.

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).

***Staff Finding*:** Within the burden of proof, the applicant provided detail surrounding employment land trends and building activity within Sisters and the broader Central Oregon region. 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.

***Staff Finding*:** As discussed previously, the applicant demonstrates consistency for integration with the City's TSP and the State's Transportation Planning Rule. No amendments to the City's TSP are required as the Alternative Route necessary to support the zone change is already contemplated by the TSP.

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

***Staff Finding*:** The proposal maximizes urban efficiency by locating Lighting Industrial zoning in proximity to Highway 20 and other Light Industrial zone lands. This location minimizes the level of urban services necessary to serve the property, minimizes transportation demand as compared to other more remote locations, and meets a need of augmenting the supply of industrial lands within the City. Compliance with city and state planning requirements are addressed in other findings within this staff report. Development of the subject will be subject to a requirement for master planning which will further insure efficient and coordinated use of the land. Development of the subject will also be subject to site plan review, which includes design review requirements. Both the City's master planning and site plan review requirements have been acknowledged as consistent with state 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.

***Staff Finding*:** 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. Applicant's proposal includes modifying the Comprehensive Plan to eliminate the requirement for simultaneous planning of the South Barclay Parcel. Because the South Barclay Parcel is still owned by the Forest Service with no definitive development plan, staff does not find it necessary to create a development plan for the South Barclay Parcel at this time.

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.

***Staff Finding*:** This section relates to the entirety of the Forest Service owned property within City limits. The property has since been divided into three parcels. The East Portal property (7.73 net acres) or Parcel 1, 2008-30 is identified as a future park space in the City's 2016 Parks Master Plan and also in the 2019 Sisters Country Community Vision. Staff finds the intent of this policy is being met on a separate parcel, and therefore is not applicable to the subject property.

---------- ***End of Conclusionary Findings*** ----------

EXHIBIT A: VICINITY MAP

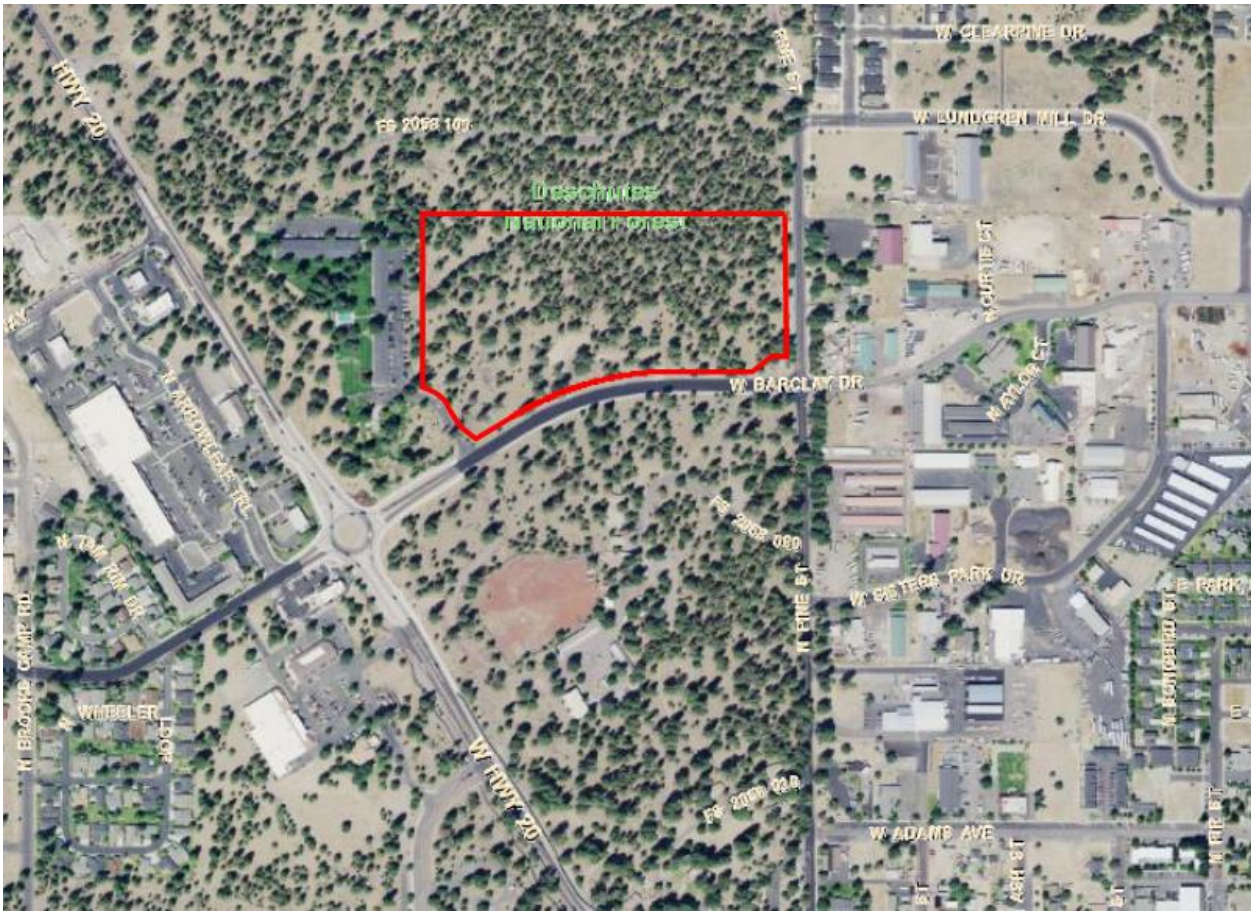


EXHIBIT B: PUBLIC NOTICE & COMMENTS

Public Notice & Comments: Notice of the proposed Comprehensive Plan Map, Comprehensive Plan Text, & Zoning Map Amendment, was posted in accordance with SDC 4.1.500.B. Staff has received one public comment from Rima Givot, which is attached.

Public comments that are received after the completion of this staff report will be part of the public record and added to the project file.

From:	Rima Givot
To:	Nicole Mardell
Subject:	Proposed zoning USFS - parcel 3
Date:	Friday, July 10, 2020 2:27:50 PM

Hi Nicole,
I am emailing to make a comment regarding the notice of land use application by Three Sisters Holdings LLC, file #s CP 30-02, ZC 20-01 for the property north of Barclay and west of Pine Street.

It makes sense that this area be zoned as light industrial, however, I am concerned because there are many large ponderosa pine and related ecosystem providing critical habitat to native species on this land. I would like to see a larger wildlife corridor be included to maintain connectivity for wildlife to safely move through the area. I also would like to see stipulations that prohibit the large trees from being cut.

As more area is developed in and around Sisters, I would like to see the City implementing policy to keep land with native ecosystems intact that create wildlife corridors thorough the developed area connecting native lands to support wildlife movement. This is in the best interest of future value of property and the surrounding natural system.

Sincerely,
Rima Givot

EXHIBIT C: AGENCY REVIEW COMMENTS

Notices were sent to City Departments and other affected agencies for comment. The following Department and Agency comments were received:

PUBLIC WORKS (PAUL BERTAGNA)/ENGINEERING (ERIK HUFFMAN & JOE BESSMAN):

See attached.

ODOT

See attached.

SISTERS/CAMP SHERMAN FIRE DISTRICT (DOUG GREEN):

No comments.

CENTRAL OREGON ELECTRIC COOPERATIVE (PARNELI PERKINS):

CEC has no concerns.

HIGH COUNTRY DISPOSAL (ABIE BURKUS):

No Comments.

520 E. Cascade Ave.
P.O. Box 39
Sisters, OR 97759

(541) 323-5212
Fax: (541)549-0561
www.sisters.or.us

CITY OF SISTERS

Public Works Department

TO: Paul Bertagna, Director of Public Works

FROM: Erik Huffman, City Engineer

DATE: June 15, 2020

SUBJECT: CP 20-02, ZC 20-01 Engineering Review

---

800 West Barclay Drive. Parcel 2 of Partition Plat

Streets Review:

Separate review document to be submitted to address transportation impacts.

Water Review:

W Barclay Drive

Existing Conditions
No water main exists in Barclay Drive along the property.

Proposed Improvements
Preliminary plans show connections to existing 2" water service with backflow device and 4" fire line.

Additional Requirements:
None

N Pine St

Existing Conditions
A 12" water main exists in N Pine St.

Proposed Improvements
No improvements proposed.

Additional Requirements:
None

Water Main Extension in WCFP

Existing Conditions
No water main exists across the subject property. A 12" water main is shown in the WCFP.

Proposed Improvements
The requirement for a 12" water main connection is acknowledged in the submitted Re-Zone Impact Summary memo.

Additional Requirements:
Development on the parcel shall include extension of a 12" water main extending from the existing water main at the northeast corner of the Ponderosa Lodge to the existing water main in North Pine Street, per the City Water Capital Facilities Plan. Reimbursement for cost of construction of this water main upsize from 8" to 12" may be submitted to the City if the developer is able to provide evidence that development on the property does not require 12" water main to provide adequate domestic and fire flows.

Water Mitigation

Existing Conditions
No water demand is allocated for the property as UAR land.

Proposed Improvements
The developer has proposed a water mitigation fee for the anticipated EDU increase on the property. The water mitigation fee is based on typical City calculations for water mitigation. The calculated water right acreage is 3.88 acres at $6,800 per acre, a calculated total of $26,384.

Additional Requirements:
Water mitigation fees for 3.88 acres of water rights shall be required at building permit. Cost per acre is $6,800. Total water mitigation cost is $26,384, which may be provided proportionally as building permits are obtained.

Sewer Review:

Barclay Drive

Existing Conditions
No sewer main exists in Barclay Drive

Proposed Improvements
No sewer improvements proposed.

Additional Requirements
None

N Pine St

Existing Conditions
An 8" sewer main exists in N Pine St.

Proposed Improvements
No improvements proposed.

Additional Requirements
None

Pump Station #1 WWCFP Improvements

Existing Conditions
The subject property has no allocated sewer use. Upgrades to Pump Station #1 are included in the WWCFP.

Proposed Improvements
The Re-Zone Impact analysis indicates the project will generate 37.4 EDUs, or 10 gpm.

Additional Requirements
An impact fee is required at a rate of $1,372 toward Pump Station #1 upgrades.

Barclay Sewer Main and Locust Interceptor

Existing Conditions
The subject property has no allocated sewer use. Barclay Sewer Main is nearing capacity and Locust Interceptor is included in the WWCFP to alleviate flows in the collection system.

Proposed Improvements
The Re-Zone Impact analysis indicates the project will generate 37.4 EDUs, or 10 gpm.

Additional Requirements
An impact fee is required $19,546 toward Locust Interceptor Improvements.

Developer shall provide and install telemetry equipment at Pump Station #3 and Pump Station #4 to eliminate simultaneous pumping.

Pump Station #4

Existing Conditions
The subject property has no allocated sewer use. Pump Station #4 has limited wet well capacity.

Proposed Improvements
The Re-Zone Impact analysis indicates the project will generate 37.4 EDUs, or 10 gpm. The memo provided by the applicant indicates that the adjacent development on the south side of Barclay will drain at 27gpm above the amount anticipated by the master plan.

Additional Requirements
The project shall be required to contribute 10/37 times the cost of the wet well expansion and emergency backup generator. The anticipated cost of the improvements are $100,000 based on cost analysis of similar improvements. An impact fee of $27,027 is required toward Pump Station #4 wet well capacity improvements and an emergency backup generator.

EXHIBIT G: AGENCY REVIEW COMMENTS

Notices were sent to City Departments and other affected agencies for comment. The following Department and Agency comments were received:

PUBLIC WORKS (PAUL BERTAGNA)/ENGINEERING (ERIK HUFFMAN & JOE BESSMAN):

See attached.

ODOT

See attached.

SISTERS/CAMP SHERMAN FIRE DISTRICT (DOUG GREEN):

No comments.

CENTRAL OREGON ELECTRIC COOPERATIVE (PARNELI PERKINS):

CEC has no concerns.

HIGH COUNTRY DISPOSAL (ABIE BURKUS):

No Comments.

From:	MOREHOUSE Donald
To:	Joe Bessman
Cc:	Nicole Mardell; BARRETT Mark S; AMITON David; Garrett Chrostek (Chrostek@bljlawyers.com) (Chrostek@bljlawyers.com); Paul Bertagna; WELLS Miranda
Subject:	RE: Sisters Industrial Subdivision Mitigation Approach
Date:	Monday, June 15, 2020 10:35:23 AM
Attachments:	image001.png image002.png

Hi Joe,

ODOT agrees with this approach. Thanks,

Don Morehouse
Senior Transportation Planner
ODOT Region 4
Desk: (541) 388-6046
Personal Cell: (805) 458-3320
Work Cell: (541) 233-6558
Donald.Morehouse@odot.state.or.us

***I will be working from home for the week of June 15-June 19:*

- *Monday - Thursday (7:30AM-5:00PM)*
- *Friday - (7:30AM-11:30AM)*

From: Garrett Chrostek <Chrostek@bljlawyers.com>
Sent: Friday, June 12, 2020 2:47 PM
To: Paul Bertagna <pbertagna@ci.sisters.or.us>; Joe Bessman <Joe@transightconsulting.com>; WELLS Miranda <Miranda.WELLS@odot.state.or.us>; MOREHOUSE Donald <Donald.MOREHOUSE@odot.state.or.us>
Cc: Nicole Mardell <nmardell@ci.sisters.or.us>
Subject: RE: Sisters Industrial Subdivision Mitigation Approach

Same here, good work Joe. Clearly lays out the methodology and I believe better addresses the requirements of the TPR.

Thanks,

Garrett Chrostek *Attorney & Shareholder*
E chrostek@bljlawyers.com **P** 541-382-4331 | **F** 541-389-3386 | 591 SW Mill View Way, Bend, OR 97702 | www.bljlawyers.com

BLJ BRYANT, LOVLIEN & JARVIS

NOTICE: This communication may contain privileged or other confidential information. If you are not the intended recipient or believe that you may have received this communication in error, please reply to the sender indicating that fact and delete the copy

you received. In addition, you should not print, copy, retransmit, disseminate, or otherwise use this information.
—

From: Paul Bertagna <pbertagna@ci.sisters.or.us>
Sent: Friday, June 12, 2020 11:45 AM
To: Joe Bessman <Joe@transightconsulting.com>; WELLS Miranda <Miranda.WELLS@odot.state.or.us>; MOREHOUSE Donald <Donald.MOREHOUSE@odot.state.or.us>
Cc: Nicole Mardell <nmardell@ci.sisters.or.us>; Garrett Chrostek <Chrostek@bljlawyers.com>
Subject: RE: Sisters Industrial Subdivision Mitigation Approach

This looks good to me,

Thanks a lot Joe-

Paul Bertagna
Public Works Director
City of Sisters | Public Works Dept.
PO Box 39 | 520 E. Cascade Ave., Sisters, OR 97759
Direct: 541-323-5212 | City Hall: 541-549-6022
pbertagna@ci.sisters.or.us | www.ci.sisters.or.us

-

This email is public record of the City of Sisters and is subject to public inspection unless exempt from disclosure under Oregon
Public Records Law. This email is also subject to the City's Public Records Retention Schedule.

From: Joe Bessman <Joe@transightconsulting.com>
Sent: Friday, June 12, 2020 10:43 AM
To: WELLS Miranda <Miranda.WELLS@odot.state.or.us>; MOREHOUSE Donald <Donald.MOREHOUSE@odot.state.or.us>
Cc: Paul Bertagna <pbertagna@ci.sisters.or.us>; Nicole Mardell <nmardell@ci.sisters.or.us>; Garrett Chrostek <Chrostek@bljlawyers.com>
Subject: Sisters Industrial Subdivision Mitigation Approach

Good morning Miranda and Don,
Please see the enclosed mitigation proposal for the Sisters Industrial Subdivision (Spencer Rezone) and supporting documentation for your review and comment. Let me know your thoughts on this approach – I've copied Garrett as well as he wanted to see more specific projects which I believe this now addresses.

Take care,
Joe

Joe Bessman, PE
Principal, Owner

Transight Consulting, LLC
Bend, Oregon
office: (458) 202-5565
cell: (503) 997-4473
email: joe@transightconsulting.com
web: https://transightconsulting.net/

TRANSIGHT CONSULTING, LLC
Transportation Engineering and Planning Services

Date:	June 12, 2020
To:	Erik Huffman, PE, BECON
Cc:	Paul Bertagna, City of Sisters
	Miranda Wells, PE, and Don Morehouse, PE, ODOT
From:	Joe Bessman, PE
Project Reference No.:	1237
Project Name:	Sisters Industrial Subdivision (Spencer Rezone)
Subject:	Recommended Mitigation Proposal

The purpose of this memorandum is to provide a proposed mitigation for the significant impact created by the Spencer Light Industrial Rezone in Sisters, Oregon. This memorandum is based on data provided by Lancaster Engineering, dated May 6, 2020 that shows a significant impact at the following intersections:

- US 20/Barclay Drive
- US 20/Pine Street
- US 20/Locust Street

The traffic report shows that these three intersections will exceed ODOT mobility standards in the year 2040 even with the new single-lane roundabout at the US 20/Locust Street intersection regardless of the proposed rezone. The additional trips from the rezone create an incremental degradation in intersection performance, and the solution remains improvements to the Alternate Route as identified within the City's adopted Transportation System Plan.

Within the traffic study the proposed mitigation is to pay a pro-rata cost toward the single-lane roundabout at the US 20/Locust Street intersection. However, this project is already included within City plans and has an established funding mechanism within the City's System Development Charge methodology, and is assumed within the applicant's traffic study. Even with this improvement in place the traffic study shows that there is a significant impact associated with the rezone. Accordingly, this mitigation, while generally supported by the City and ODOT, would not meet the mitigation criteria within subsection (2) of the Plan and Land Use Regulation Amendments section of the Transportation Planning Rule.

As summarized by the applicant's traffic report, the solution to the capacity needs within this area is to more fully implement the identified *Alternate Route*. The diversion of traffic from the highway onto the Barclay – Locust corridor will provide the necessary mitigation to avoid a significant impact at these cited highway intersections. City and ODOT staff agree with these overall findings, and offer the following revisions to the applicant's proposed mitigation:

> A pro-rata payment shall be provided toward improvements along US 20 and the parallel Alternate Route to support east-west mobility needs along the US 20 corridor. Improvements to either facility is considered adequate mitigation for the finding of a significant impact based on OAR 660-12-0060(2)(e):

> *(e) Providing improvements that would benefit modes other than the significantly affected mode, improvements to facilities other than the significantly affected facility, or improvements at other locations, if:*
>
> *(A) The provider of the significantly affected facility provides a written statement that the system-wide benefits are sufficient to balance the significant effect, even though the improvements would not result in consistency for all performance standards;*
>
> *(B) The providers of facilities being improved at other locations provide written statements of approval; and*
>
> *(C) The local jurisdictions where facilities are being improved provide written statements of approval.*

The specific improvements that were identified by the City and ODOT include the following:

- Variable Message Signs for eastbound and westbound US 20 traffic (Est. $400,000 with overhead mount, cabinet, and wireless communication system).
- Alternate Route Wayfinding Signage (Est. $10,000 with fabrication/installation)
- Completion of single-lane US 20/Locust roundabout (Assumed funded, $0)
- Completion of Barclay/Locust roundabout (50% costs from SDC, 50% unfunded - $1,250,000)

Total Unfunded Projects: $1,660,000

Estimated Pro-Rata Impact to US 20: 89 / 1,498[1] Through Trips = 5.94%

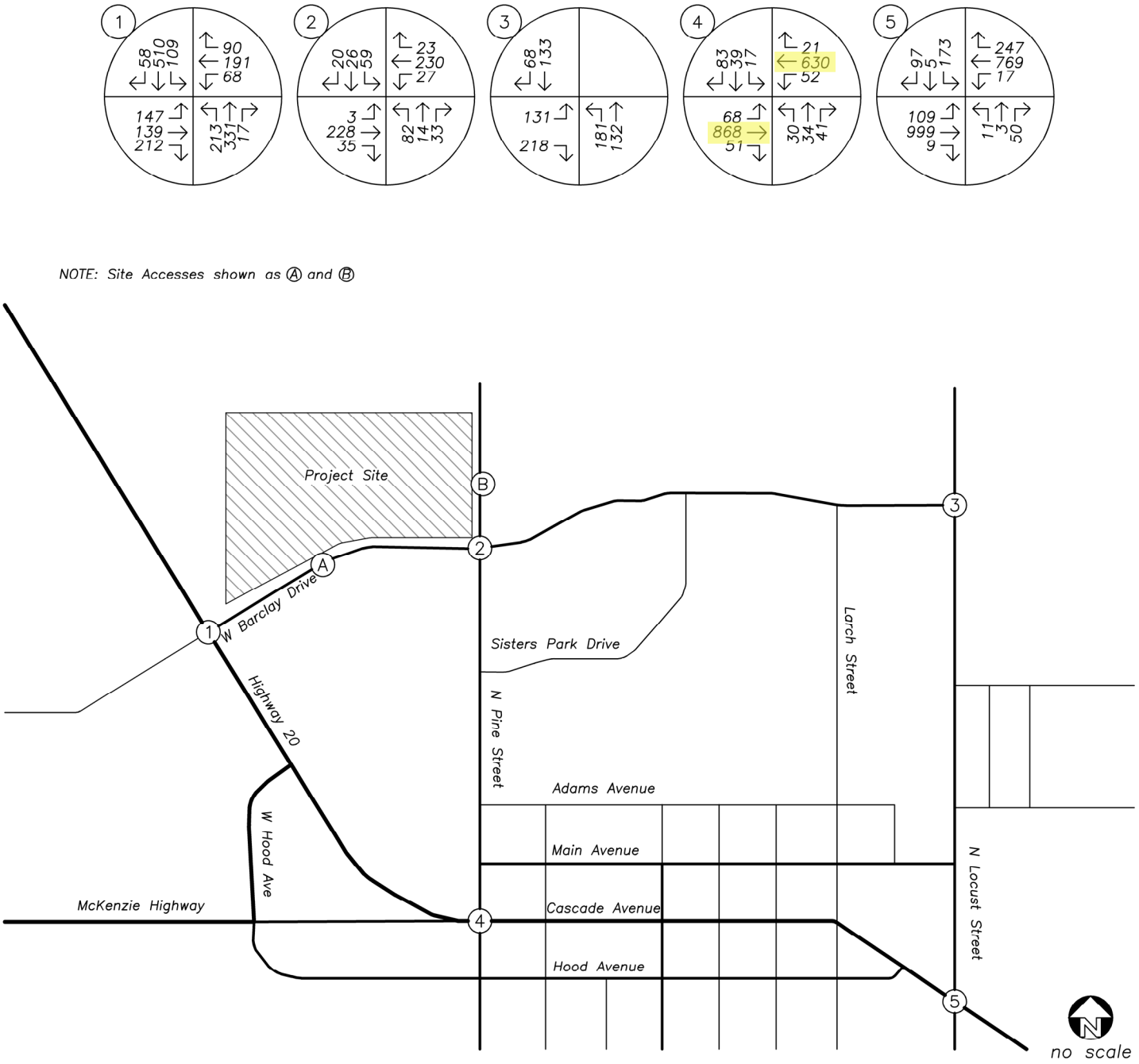
Total Contribution: $98,604

With payment of this pro-rata contribution toward needed transportation infrastructure (and payment of Transportation SDC fees at time of site plan application) the impact of the rezone is adequately balanced with the benefit provided to the City and State system, which is the combination of US 20 and the Alternate Route. These fees should be earmarked for improvements to projects that benefit either the US 20 corridor or the alternate route.

Please let me know if you have any questions on this methodology memorandum at (503) 997-4473 or via email at joe@transightconsulting.com.

Attachments: Pro-Rata Worksheets

[1] Based on projected 2040 highway through trips at US 20/Pine Street as identified within Figure 6 of the TIA (868 eastbound, 630 westbound)



lancaster mobley

TRAFFIC VOLUMES

Year 2020 Buildout Conditions

PM Peak Hour

Figure 6

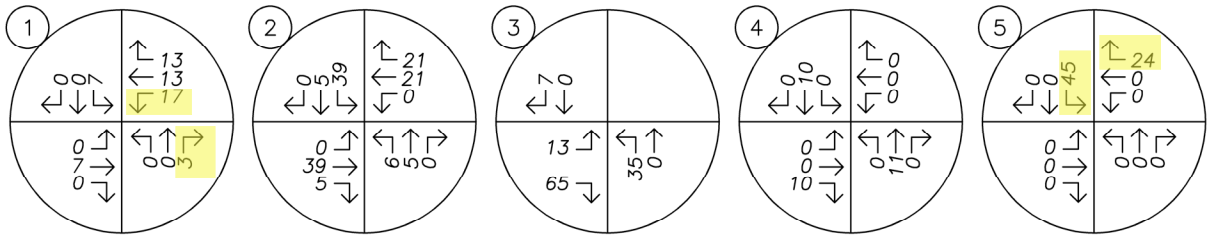
Sisters Industrial Subdivision

4/21/2020

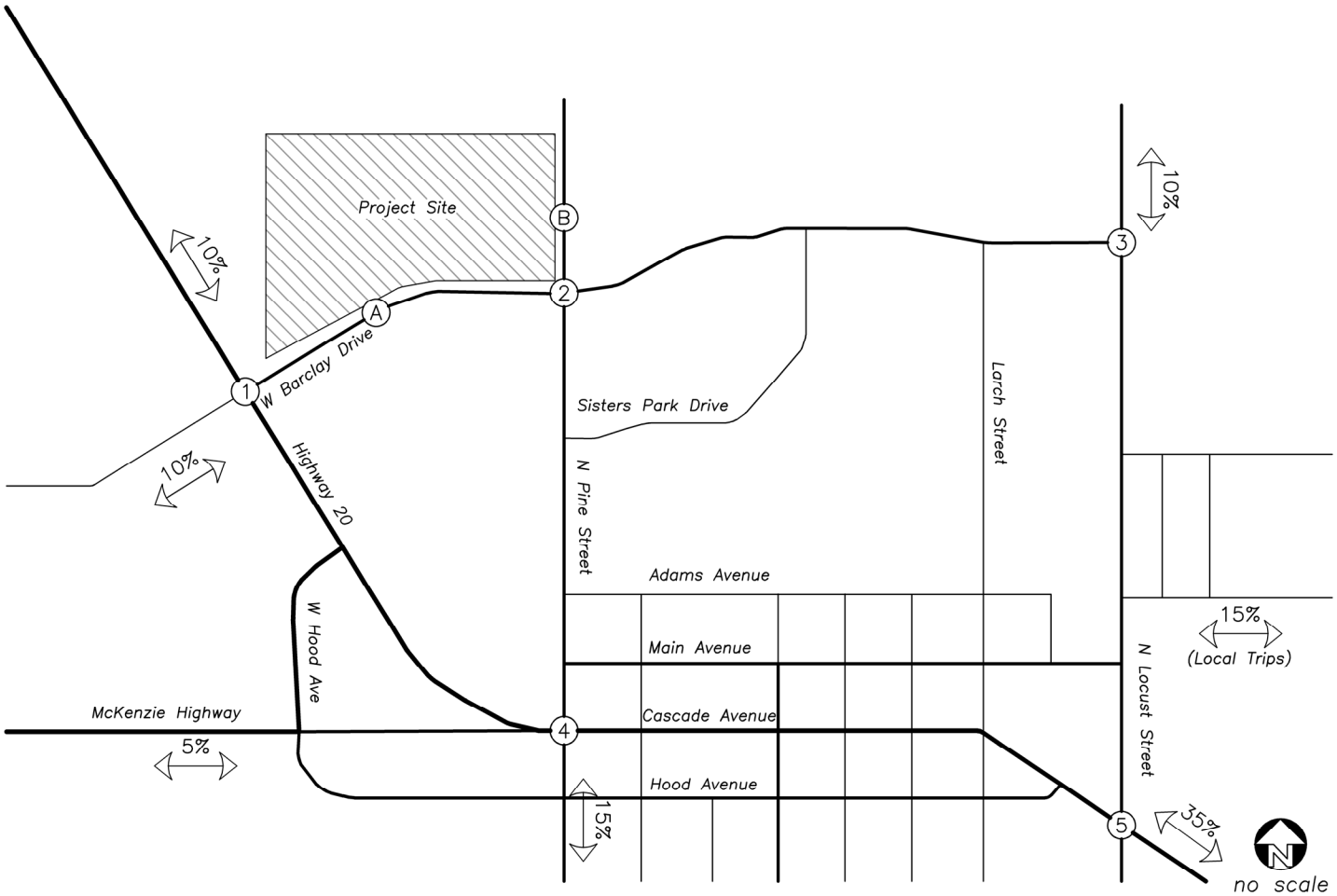
LEGEND

XX% PERCENT OF PRIMARY TRIPS

TRIP GENERATION			
	IN	OUT	TOTAL
PM	70	131	201



NOTE: Site Accesses shown as Ⓐ and Ⓑ



lancaster mobley

SITE TRIP DISTRIBUTION & ASSIGNMENT

Proposed Development Plan - Site Trips

PM Peak Hour

Figure 3

Sisters Industrial Subdivision

4/20/2020

Oregon

Kate Brown, Governor

Oregon Department of Transportation
Region 4 Headquarters
63055 N. Highway 97
Bend, OR 97703
(541) 388-6180
FAX (541 388-6231

DATE: 5/29/20

NICOLE MARDELL, PRINCIPAL PLANNER
CITY OF SISTERS COMMUNITY DEVELOPMENT
520 EAST CASCADE
PO BOX 39
SISTERS, OR 97759

Project Name: Sisters Industrial Subdivision	**Applicant:** Three Sisters Holdings, LLC
Jurisdiction: City of Sisters	**Jurisdiction Case #:** CP 20-02, ZC 20-01
Site Address: No address assigned.	**Legal Description:** 151005D000 **Tax Lot(s):** 100
State Highway: US 20	**Milepost:** Roughly 99.9

ODOT Response

Thank you for sending agency notice of a request for approval of a Comprehensive Plan Text and Map amendment to alter the designation of the property from Urban Area Reserve (UAR) to Light Industrial (LI). The applicant is also seeking approval of a Zoning Map amendment to alter the zoning of the property from UAR to LI. ODOT agrees that the following statement from the Sisters Industrial Subdivision Traffic Impact Study (dated May 6, 2020) will satisfy the Transportation Planning Rule (660-012-0060 Plan and Land Use Regulation Amendments):

Three study intersections are either currently operating or projected to operate with v/c ratios in excess of the maximum allowable ODOT performance standards:

- *US Highway 20 at W Barclay Drive: Per the City's Transportation System Plan (TSP), placing additional emphasis on Barclay Drive as an alternate route, particularly for trucks, will help distribute demand. This emphasis would serve to balance volumes at the roundabout, improving operation and extending the capacity of the intersection.*

- *N Pine Street at US Highway 20: During peak hours when delays are long, drivers will self-select how they enter US Highway 20 to avoid excessive delays. Local traffic may choose a number of other routes to avoid US Highway 20 and utilize the local street system. For this reason, no mitigation is recommended.*

- *N Locust Street at US Highway 20: The applicant proposes mitigation in the form of a proportional share payment for improvements at the intersection of N Locust Street at US Highway 20. The identified proportional share payment of $98,469 will be due as a lump sum prior to site development.*

- *The mitigation described above offsets the potential impacts from the project and avoids further degradation of key infrastructure in Sisters. Accordingly, the Transportation Planning Rule is satisfied.*

ODOT will develop a Cooperative Improvement Agreement (CIA) with the City of Sisters and Three Sisters Holdings, LLC to be signed by all parties specifying the mitigation as described above.

You may contact me at 541-388-6046 if you have any further questions or require additional information on our response to this proposal.

Thank you,

Don Morehouse

Don Morehouse
Senior Transportation Planner, Development Review

Please send any further project related correspondence to:

ODOT Region 4 Planning
Development Review
63055 N. Highway 97, Bldg M
Bend, OR 97703

Donald.Morehouse@odot.state.or.us

Development Review Planner: Don Morehouse	541.388.6046
Region 4 Traffic Manager: Mark Barrett	541.388.6120
District Contact: Aaron Smith	541.388.6054

From:	Perkins, Parneli
To:	Nicole Mardell
Subject:	RE: Request for Agency Comments - CP 20-02, ZC 20-01
Date:	Tuesday, March 17, 2020 3:46:26 PM
Attachments:	image001.png

Nicole,
CEC has no concerns.
Thank you

Parneli Perkins • Central Electric Cooperative, Inc. • Lands Specialist
Office: 541.312.7747 | Fax: 541.923.3549 | pperkins@cec.coop
2098 NW 6th St., PO Box 846, Redmond OR 97756 www.cec.coop

This e-mail message contains information that may be confidential. Use by parties other than the intended recipient is unauthorized and prohibited.

From: Nicole Mardell <nmardell@ci.sisters.or.us>
Sent: Monday, March 16, 2020 8:32 AM
To: Paul Bertagna <pbertagna@ci.sisters.or.us>; Erik Huffman <ehuffman@beconeng.com>; Joe Bessman <Joe@transightconsulting.com>; Perkins, Parneli <pperkins@cec.coop>; Doug Green <dgreen@sistersfire.com>; Burkus, Albert <ABurkus@republicservices.com>; ian.reid2@usda.gov; Peter Gutowsky <Peter.Gutowsky@deschutes.org>
Cc: Patrick Davenport <pdavenport@ci.sisters.or.us>; Cory Misley <cmisley@ci.sisters.or.us>
Subject: Request for Agency Comments - CP 20-02, ZC 20-01

WARNING: This email is not from a CEC email address.
Please do not click links or open attachments unless you requested them and know the content is safe.

Good morning,

We have received an application for a Comprehensive Plan/Map Amendment and Zone Change. The attached pdfs include the burden of proof and exhibits of the proposed map changes, as submitted by the applicant. Additional information – including water, sewer, and transportation analysis, can be found through Accela. Please send your comments and recommended conditions of approval to me (nmardell@ci.sisters.or.us) by Friday, April 12, 2020.

Accela File No: 793-20-0000012-PLNG.

File #s: CP 20-02, ZC 20-01
Applicant/
Owner: Kevin Spencer, Three Sisters Holdings LLC
Site Location: No Address Assigned
Tax Map and Lot: 151005D000100
Request: The applicant is requesting approval of a Comprehensive Plan Text and Map amendment to alter the designation of the property from Urban Area Reserve

From: Doug Green
To: Nicole Mardell
Subject: RE: Request for Agency Comments - CP 20-02, ZC 20-01
Date: Wednesday, March 25, 2020 8:37:48 AM
Attachments: image001.png

No additional comments from the Fire.

Doug Green
Fire Safety Manager
Sister-Camp Sherman Fire District
541-549-0771 Office
dgreen@sistersfire.com

From: Nicole Mardell <nmardell@ci.sisters.or.us>
Sent: Monday, March 16, 2020 8:32 AM
To: Paul Bertagna <pbertagna@ci.sisters.or.us>; Erik Huffman <ehuffman@beconeng.com>; Joe Bessman <Joe@transightconsulting.com>; Perkins, Parneli <pperkins@cec.coop>; Doug Green <dgreen@sistersfire.com>; Burkus, Albert <ABurkus@republicservices.com>; ian.reid2@usda.gov; Peter Gutowsky <Peter.Gutowsky@deschutes.org>
Cc: Patrick Davenport <pdavenport@ci.sisters.or.us>; Cory Misley <cmisley@ci.sisters.or.us>
Subject: Request for Agency Comments - CP 20-02, ZC 20-01

Good morning,

We have received an application for a Comprehensive Plan/Map Amendment and Zone Change. The attached pdfs include the burden of proof and exhibits of the proposed map changes, as submitted by the applicant. Additional information – including water, sewer, and transportation analysis, can be found through Accela. Please send your comments and recommended conditions of approval to me (nmardell@ci.sisters.or.us) by Friday, April 12, 2020.

Accela File No: 793-20-0000012-PLNG.

File #s: CP 20-02, ZC 20-01
Applicant/
Owner: Kevin Spencer, Three Sisters Holdings LLC
Site Location: No Address Assigned
Tax Map and Lot: 151005D000100
Request: The applicant is requesting approval of a Comprehensive Plan Text and Map amendment to alter the designation of the property from Urban Area Reserve (UAR) to Light Industrial (LI). The applicant is also seeking approval of a Zoning Map amendment to alter the zoning of the property from UAR to LI.

Applicable Criteria: Sisters Comprehensive Plan, Oregon State Planning Goals, Sisters Development Code (SDC):

EXHIBIT D: STAFF RECOMMENDED CONDITIONS OF APPROVAL

Staff Recommended *DRAFT* Conditions of Approval for CP 20-02/ZM 20-01
9.15.2020

Based on the submitted plans and foregoing findings, Staff recommends that the Planning Commission recommend that the City Council approve the land use applications in files CP 20-02/ZM 20-01 subject to the following conditions of approval. **All conditions shall be met prior to master plan application,** unless otherwise stated within each condition of approval. References to the subject property refer to the property subject to this CP 20-02/ZM 20-01. All payment amounts are in 2020 dollars. Such amounts will be adjusted for inflation on January 1 of each calendar year proportionate to the yearly change in the Consumer Price Index for All Urban Consumers for the West Region, as published by the U.S. Bureau of Labor Statistics or similar inflation index.

Planning

1. Prior to dividing the property or obtaining site plan approval, the applicant shall submit an application and receive approval for a master plan covering the entirety of the subject property.
2. Within 30 days after this approval becomes final, applicant will record a conditions of approval agreement against the subject property in form satisfactory to City to place future owners on record notice of these conditions of this approval.

Public Works & Engineering

Transportation

3. A payment of $98,604 shall be paid by Applicant as its proportionate share of improvements along US 20 and the parallel Alternate Route to support east-west mobility needs along the US 20 corridor in satisfaction of the Transportation Planning Rule.
4. Additional traffic analysis will be required for subsequent land use applications as prescribed in the Sisters Development Code, which may require additional mitigation.
5. Transportation System Development Charges still apply to this property and will be assessed at the time of site plan application and/or building permit.

Water

6. Prior to recording the initial land division plat or issuance of the initial building permit, whichever occurs first, Applicant shall construct, with construction plans approved by City, a 12" water main extending from the existing water main at the northeast corner of the Ponderosa Lodge to the existing water main in North Pine Street, per the City Water Capital Facilities Plan. Notwithstanding the foregoing, a phasing plan for construction of the water main may be approved as part of a master plan for the subject property.
7. The applicant must pay $705.45 per EDU, payable at the time of building permit issuance for the number of EDUs subject to the building permit, to mitigate impacts to water supply. City may increase this rate proportionally if subsequent development of the property exceeds the 3.88 acres of water rights mitigation assumed for calculating the rate.
8. A stamped engineering memo must be included as part of each site plan/building permit application indicating the number of EDUs proposed, total EDUs for all development on the subject property to date, and confirmation of required system pressure at peak demand for the development subject to site plan approval. If required system pressures cannot be met, mitigation satisfactory to the City shall be required prior to the issuance of any building permits in furtherance of the proposed site plan.
9. Water System Development Charges still apply to this property and will be assessed at the time of site plan application and/or building permit.

Sewer

10. Prior to recording the initial land division plat or issuance of the initial building permit, whichever occurs first, applicant will contribute $1,372 toward Pump Station #1 upgrades.
11. Prior to recording the initial land division plat or issuance of the initial building permit, whichever occurs first, applicant will contribute $19,546 toward Locust Interceptor Improvements.
12. Prior to recording the initial land division plat or issuance of the initial building permit, whichever occurs first, developer shall install telemetry equipment at Pump Station #2 and Pump Station #4 to eliminate simultaneous pumping or pay a fee in lieu or bond in an amount determined by the City Engineer. Where appropriate, the City Engineer may alter or waive this condition as part of any subsequent land use approval concerning the Property.
13. Prior to recording the initial land division plat or issuance of the initial building permit, whichever occurs first, applicant will contribute $27,027 towards Pump Station #2 wet well capacity improvements and an emergency backup generator.
14. A stamped engineering memo must be included as part of each site plan/building permit application indicating the number of EDUs proposed, total EDUs for all development on the subject property to date, and peak flow for the proposed development subject to site plan review. If peak flows exceed maximum operating conditions as determined by AWWA guidelines applicant shall be required to provide mitigation satisfactory to the City prior to any building permits in furtherance of the proposed site plan.
15. Sewer System Development Charges still apply to this property and will be assessed at the time of site plan application and/or building permit.

----------*End of Conditions*----------

Exhibit B

CONDITIONS OF APPROVAL

[attached]

DRAFT

EXHIBIT B: STAFF RECOMMENDED CONDITIONS OF APPROVAL

Staff Recommended Conditions of Approval for CP 20-02/ZM 20-01
9.17.2020

Based on the submitted plans and foregoing findings, Staff recommends that the Planning Commission recommend that the City Council approve the land use applications in files CP 20-02/ZM 20-01 subject to the following conditions of approval. **All conditions shall be met prior to master plan application,** unless otherwise stated within each condition of approval. References to the subject property refer to the property subject to this CP 20-02/ZM 20-01. All payment amounts are in 2020 dollars. Such amounts will be adjusted for inflation on January 1 of each calendar year proportionate to the yearly change in the Consumer Price Index for All Urban Consumers for the West Region, as published by the U.S. Bureau of Labor Statistics or similar inflation index.

Planning

1. Prior to dividing the property or obtaining site plan approval, the applicant shall submit an application and receive approval for a master plan covering the entirety of the subject property.
2. Within 30 days after this approval becomes final, applicant will record a conditions of approval agreement against the subject property in form satisfactory to City to place future owners on record notice of these conditions of this approval.

Public Works & Engineering

Transportation

3. A payment of $98,604 shall be paid by Applicant as its proportionate share of improvements along US 20 and the parallel Alternate Route to support east-west mobility needs along the US 20 corridor in satisfaction of the Transportation Planning Rule.
4. Additional traffic analysis will be required for subsequent land use applications as prescribed in the Sisters Development Code, which may require additional mitigation.
5. Transportation System Development Charges still apply to this property and will be assessed at the time of site plan application and/or building permit.

Water

6. Prior to recording the initial land division plat or issuance of the initial building permit, whichever occurs first, Applicant shall construct, with construction plans approved by City, a 12" water main extending from the existing water main at the northeast corner of the Ponderosa Lodge to the existing water main in North Pine Street, per the City Water Capital Facilities Plan. Notwithstanding the foregoing, a phasing plan for construction of the water main may be approved as part of a master plan for the subject property.
7. The applicant must pay $705.45 per EDU, payable at the time of building permit issuance for the number of EDUs subject to the building permit, to mitigate impacts to water supply. City may increase this rate proportionally if subsequent development of the property exceeds the 3.88 acres of water rights mitigation assumed for calculating the rate.
8. A stamped engineering memo must be included as part of each site plan/building permit application indicating the number of EDUs proposed, total EDUs for all development on the subject property to date, and confirmation of required system pressure at peak demand for the development subject to site plan approval. If required system pressures cannot be met, mitigation satisfactory to the City shall be required prior to the issuance of any building permits in furtherance of the proposed site plan.
9. Water System Development Charges still apply to this property and will be assessed at the time of site plan application and/or building permit.

Sewer

10. Prior to recording the initial land division plat or issuance of the initial building permit, whichever occurs first, applicant will contribute $1,372 toward Pump Station #1 upgrades.
11. Prior to recording the initial land division plat or issuance of the initial building permit, whichever occurs first, applicant will contribute $19,546 toward Locust Interceptor Improvements.
12. Prior to recording the initial land division plat or issuance of the initial building permit, whichever occurs first, developer shall install telemetry equipment at Pump Station #2 and Pump Station #4 to eliminate simultaneous pumping or pay a fee in lieu or bond in an amount determined by the City Engineer. Where appropriate, the City Engineer may alter or waive this condition as part of any subsequent land use approval concerning the Property.
13. Prior to recording the initial land division plat or issuance of the initial building permit, whichever occurs first, applicant will contribute $27,027 towards Pump Station #2 wet well capacity improvements and an emergency backup generator.
14. A stamped engineering memo must be included as part of each site plan/building permit application indicating the number of EDUs proposed, total EDUs for all development on the subject property to date, and peak flow for the proposed development subject to site plan review. If peak flows exceed maximum operating conditions as determined by AWWA guidelines applicant shall be required to provide mitigation satisfactory to the City prior to any building permits in furtherance of the proposed site plan.
15. Sewer System Development Charges still apply to this property and will be assessed at the time of site plan application and/or building permit.

----------*End of Conditions*----------

Exhibit C

LEGAL DESCRIPTION OF AREA SUBJECT TO ZONE CHANGE AND PLAN DESIGNATION CHANGE

[attached]

DRAFT

Exhibit

A tract of land lying in the North One-Half of the Southeast One-Quarter of Section 5, Township 15 South, Range 10 East, Willamette Meridian, City of Sisters, Deschutes County, Oregon and being a portion of Document Numbers 2019-49934 and 2019-13420 Deschutes County Records, being more particularly described as follows:

Bearings are based on the Central Oregon Coordinate System.

Beginning at the northwest corner of Document Number 2019-49934, Deschutes County Records marked by a 5/8" iron rod with orange plastic cap marked "HHPR INC"; thence along the north line of said Document Number 2019-49934 South 89°44'36" East, 1188.45 feet to the northeast corner of said Document Number 2019-49934 marked by a 3-1/4" brass cap marked "U.S. DEPARTMENT OF THE INTERIOR BUR. OF LAND MANAGEMENT CADASTRAL SURVEY" and the westerly Right of Way of Pine Street as dedicated by Document Number 2019-13420 Deschutes County Records; thence tracing the bounds of said Document Number 2019-13420 the following four courses: South 89°44'36" East, 79.22 feet; thence South 00°06'11" West, 524.09 feet; thence North 85°29'48" West 132.96 feet to a 3-1/4" aluminum cap marked "U.S. DEPARTMENT OF THE INTERIOR BUR. OF LAND MANAGEMENT CADASTRAL SURVEY"; thence North 89°51'41" West, 54.79 feet to the south line of said Document Number 2019-49934; thence tracing the boundary of said Document Number 2019-49934 the following seven courses: North 89°51'41" West, 256.90 feet to a 3-1/4" aluminum cap marked "U.S. DEPARTMENT OF THE INTERIOR BUR. OF LAND MANAGEMENT CADASTRAL SURVEY" and the beginning of a 1023.98 foot radius curve to the left; thence along said curve left (central angle = 31°24'00", the long chord of which bears South 74°26'42" West, 554.18 feet) 561.17 feet to a 3-1/4" aluminum cap marked "U.S. DEPARTMENT OF THE INTERIOR BUR. OF LAND MANAGEMENT CADASTRAL SURVEY"; thence South 58°44'28" West, 135.33 feet to a 3-1/4" aluminum cap marked "U.S. DEPARTMENT OF THE INTERIOR BUR. OF LAND MANAGEMENT CADASTRAL SURVEY"; thence North 50°09'43" West 61.78 feet to a 2" aluminum cap marked "LS 53270 2008"; thence North 31°17'04" East 75.35 feet to a 2" aluminum cap marked "LS 53270 2008 and the beginning of a 161.23 foot radius non-tangent curve left; thence along said curve left (Central angle = 40°04'53", Radius Point Bears South 18°39'21" West, 161.23 feet, Long Chord bears South 51°18'12" East, 110.50) 112.79 feet to 5/8" iron rod with orange plastic cap marked "HHPR INC"; thence North 00°00'32" West 564.33 feet to the **Point of Beginning.**

Containing 15.59 acres, more or less.

REGISTERED
PROFESSIONAL
LAND SURVEYOR

OREGON
Nov. 08, 2010
JOHN TAYLOR HAGLUND
55022PLS

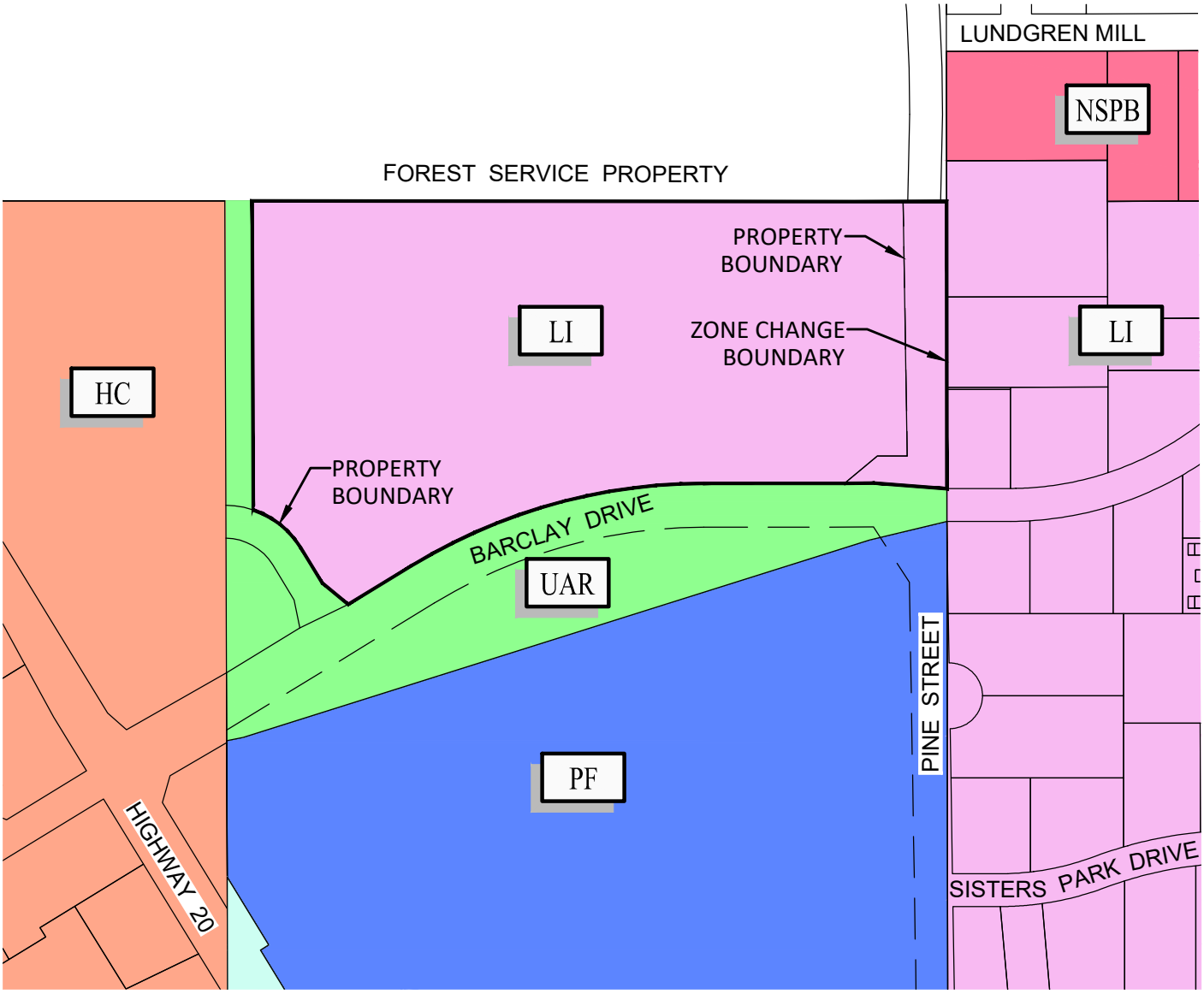
RENEWS: 6-30-2021

Exhibit D

AMENDED ZONING MAP

[attached]

DRAFT



LEGEND

- UAR - URBAN AREA RESERVE
- LI - LIGHT INDUSTRIAL
- HC - HIGHWAY COMMERCIAL
- NSPB - NORTH SISTERS BUSINESS PARK
- PF - PUBLIC FACILITY

SHEET NO. 2	DATE / # / DESCRIPTION	DESIGNED:	Harper Houf Peterson Righellis Inc.
JOB NO. KSP-01	R E V I S I O N S	DRAWN: HHPR	ENGINEERS ♦ PLANNERS LANDSCAPE ARCHITECTS ♦ SURVEYORS
		CHECKED: HHPR	250 NW Franklin Avenue, Suite 404, Bend, OR 97703 phone: 541.318.1161 www.hhpr.com fax: 541.318.1141
		DATE: 03/16/20	

PROPOSED ZONING EXHIBIT

USFS - PARCEL 3

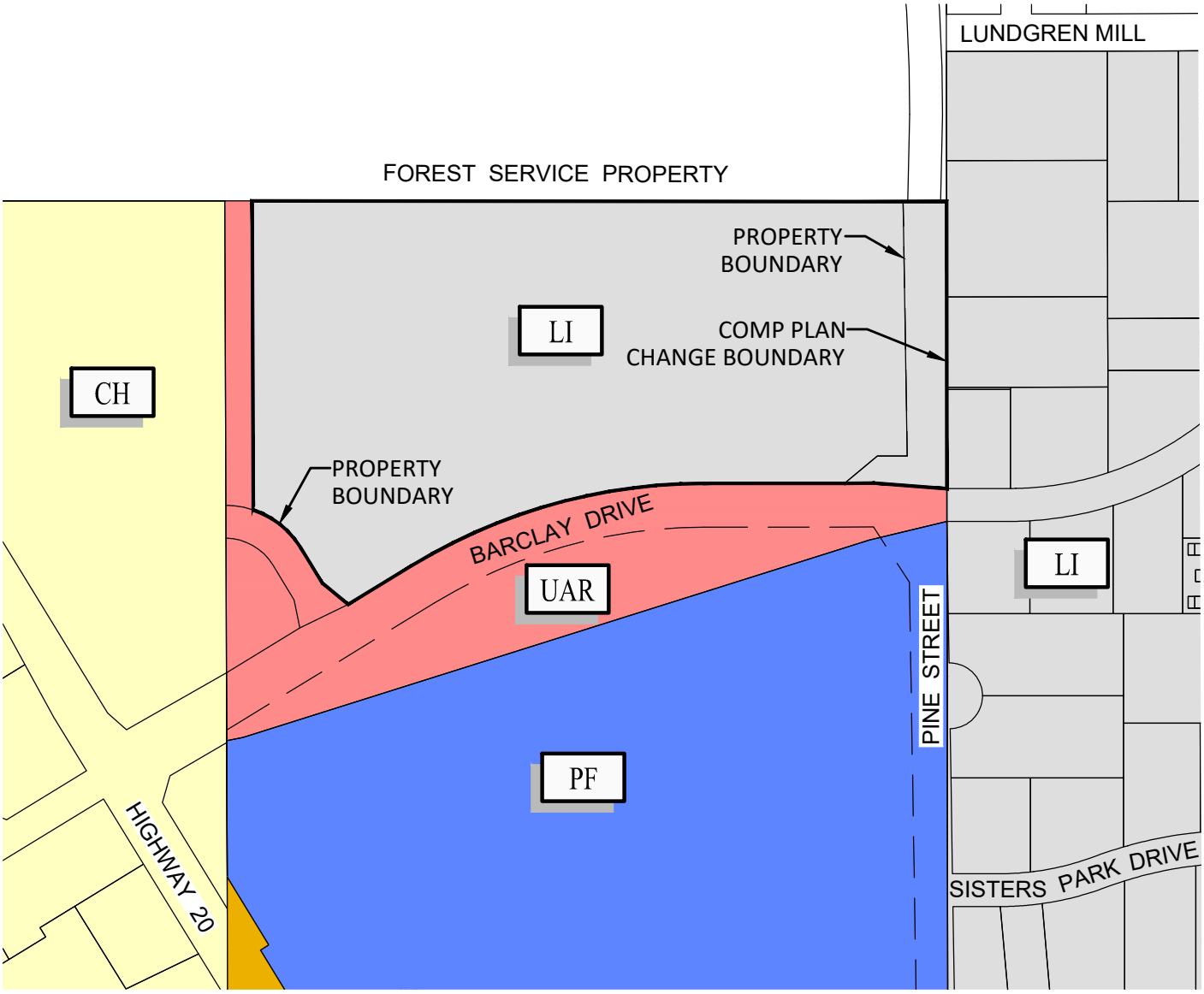
SISTERS, OREGON

Exhibit E

AMENDED COMPREHENSIVE PLAN MAP

[attached]

DRAFT



LEGEND

- UAR - URBAN AREA RESERVE
- LI - LIGHT INDUSTRIAL
- CH - COMMERCIAL HIGHWAY
- PF - PUBLIC FACILITY

SHEET NO.	DATE	#	DESCRIPTION	DESIGNED:	Harper Houf Peterson Righellis Inc.	PROPOSED COMPREHENSIVE PLAN EXHIBIT
2				DRAWN: HHPR	ENGINEERS♦PLANNERS LANDSCAPE ARCHITECTS♦SURVEYORS	**USFS - PARCEL 3**
JOB NO. KSP-01	R E V I S I O N S			CHECKED: HHPR	250 NW Franklin Avenue, Suite 404, Bend, OR 97703 phone: 541.318.1161 www.hhpr.com fax: 541.318.1141	SISTERS, OREGON
				DATE: 03/16/20		

Exhibit F

COMPREHENSIVE PLAN TEXT AMENDMENTS

[attached]

DRAFT

Double underline = proposed additions
~~Strikethrough~~ - proposed deletions

Goal 9: Economic Development

9.1 GOAL

"To provide adequate opportunities for a variety of economic activities vital to the health, welfare, and prosperity of the City's citizens."

9.2 BACKGROUND

Historic Employment and Recent Trends
Sisters originated as an overnight stop for travelers of early-day wagon roads and for sheepherders in the area. From the 1920's through the early 1950's, the town was also a center for local logging and sawmills.

After the sawmills closed, the town's population decreased until recreational developers came to the area in the late 1960's and started subdividing lands for recreational homes. The area was discovered by a new generation of Oregonians and visitors, and tourism became the new economic base. Tourism has continued to be the main attraction for Sisters, but in recent years there have also been light industrial businesses that have located in town. The City of Sisters is becoming a service center for the growing year-round population.

Local Businesses and Employment by Sector
The City of Sisters issues business licenses for all businesses located in Sisters and firms or individuals doing business in the City. These licenses include brief descriptions of the types of business activities taking place. Table 9.1 below, describes recent business licenses by type and number, not including transient business licenses.

Table 9.1: Business Licenses Issued in City of Sisters, 1999-2003

Years	Number of Business Licenses Issued	Most Frequent General Business Types
1999-2000	290	Retail, Real Estate and Construction Related Businesses, Restaurant
2000-2001	299	
2001-2002	364	
2002-2003	360	

Source: City of Sisters Business Licenses, 1999-2003

As shown, the number of business licenses issued in the City since 1999 has been steadily growing. Year 2002-2003 is the current year and additional licenses are expected to be issued, slightly exceeding 364 business licenses. The column titled "Most Frequent General Business Types" refers to the type of employers, not employees, and is intended to demonstrate the most common types of businesses in Sisters. The spike in the Number of Business Licenses Issued between year 2000-2001 and 2001-2002 is likely due to a

surge of construction activities during that time associated with completion of the sewer and adoption of a new Development Code.

Another indicator of local employment is the number of employees in Sisters and the top employers. The *Technical Report, City of Sisters Commercial and Industrial Future Land Needs Analysis*, February 2, 2003 (see Appendix B) describes existing and anticipated employment by sector in Sisters. This report is incorporated herein by reference and is adopted with the adoption of this Plan. Table 9.2 describes the differences between employment by sector in Deschutes County and Sisters. The data for the column "2002 Estimated Employment by Sector in Sisters" was obtained by analyzing business licenses and interviews with local businesses. Business licenses describe the type of business and number of employees. This information was then used to determine the businesses sector, resulting in the number of employees by sector for business located in Sisters for the year 2002.

Table 9.2: Sector Comparisons between Deschutes County and the City of Sisters

Industry	Deschutes County (1)	City of Sisters (2)	2002 Estimated Employment by Sector in Sisters (3)
Total Non-Farm Payroll Employment	**100%**	**100%**	**1,633**
Goods Producing (4)	19%	19%	307
Services Producing (4)	81%	81%	1,326
Manufacturing, Total	**11%**	**12%**	**198**
Non-Manufacturing Total	**89%**	**88%**	**1,435**
Construction & Mining	8%	7%	109
Transportation, Communications, Utilities	4%	1%	15
Wholesale and Retail Trade	27%	40%	656
Finance Insurance Real Estate	6%	7%	119
Services	30%	18%	298
Government	14%	15%	238
(subset) Federal	2%	4%	65
(subset) State	1%	1%	22
(subset) Local	11%	9%	151

(1) Source: Oregon Employment Department, Workforce Analysis, November 2002
(2) Source: Based on 2002 Estimated Employment by Sector in Sisters
(3) Source: City of Sisters analysis of number of employees by business type from business licenses in 2002-2003
(4) Goods producing and durable and non-durable goods include all manufacturing sector plus construction and mining portion of the non-manufacturing sector. Service producing represents all non-manufacturing minus construction and mining sectors.

Table 9.2 illustrates the similarities between the sector distribution in Deschutes County and the City of Sisters. The most notable differences between Sisters and Deschutes County is that Sisters has fewer businesses in the Service, Construction and Mining, and Transportation, Communications, Utilities sectors, and more dependence upon the

Wholesale and Retail Trade sector. Wholesale and Retail Trade is the sector that employs the most people in Sisters.

Table 9.3 shows the results of a review of 2002 City of Sisters' business licenses and interviews with local businesses.

Table 9.3: Five Largest Employers in Sisters in 2002-2003 (by number of employees)

Employer	Number of Employees
Sisters School District	140
Multnomah Publishers, Inc.	131
U.S. Forest Service	65
Gallery Restaurant	45
Ray's Food Place	45

Source: City of Sisters Business Licenses, 2003-2003

Anticipated Population and Employment Growth

Since the early 1990's Central Oregon and the areas around Sisters have experienced rapid population growth. The majority of growth in the Sisters planning area has occurred in rural residential subdivisions beyond the city limits and the Urban Growth Boundary (UGB). Historically, the lack of a municipal sewer system, small lot sizes unable to support on-site sewage systems and lack of mountain view properties discouraged development within the City.

As described in the *Technical Report, City of Sisters Commercial and Industrial Future Land Needs Analysis* (LNA), February 2, 2003 (see Appendix B), the rate of population growth in the City of Sisters is expected to outpace Bend, Redmond, and the rural areas in Deschutes County. The primary factor driving this growth is the completion of a municipal sewer system (as described in Goal 11). Development of this sewerage system will continue to provide opportunities for population and economic growth in the City. As the City's population increases, economic growth is also expected.

The LNA used a gravity model to predict economic growth. Such models assume that a city will attract employment relative to a given region based on its relative size. The analysis predicted the City will grow by an additional 1,083 non-farm jobs over the period from 2000 to 2025 in addition to the current 1,636 employees in 2000. This indicates that the City will create and provide for nearly double the number of current jobs in the City.

Assuming the same distribution of jobs between sectors in 2002, of 1,083 new jobs, 880 jobs are expected to be in Service Producing and 203 in Goods Producing sectors. Within the Service Producing category, 40% of the jobs or approximately 435 new jobs are anticipated to be in the Wholesale and Retail Trade sector. After Wholesale and Retail Trade, the Services, Government, and Construction and Mining Sectors are expected to be significant contributors to new job growth.

If the City is successful in diversifying its economic base as discussed later in the Findings portion of this chapter, then the distribution of jobs within non-manufacturing will be more evenly distributed than in 2002. In particular, the percentage of employees in the Wholesale and Retail Trade sector may decrease, and increases are sought in the Construction and Mining, Finance Insurance Real Estate, and Services sectors. The City is also undertaking efforts to maintain and increase employment in the sectors identified in the "*Sisters Strategic Action Plan for Economic Development*", in particular, light industrial employment opportunities.

In September 2010, the Leland Consulting Group prepared a memorandum identifying potential development that could occur on the 67+ (net) acre Forest Service property – this occurred in conjunction with the development of three 'Design Options', which included a variety of residential, commercial and light industrial areas. ~~referred to as Design Options A, B and C (discussed at length in Chapter 14). Note: also added is "Design Option D", the Park option, which would use between 5 and 47 acres of the same Forest Service land as a public park.~~ Since then, the Forest Service long range plans were revised and the property north of Barclay was sold to a private developer, increasing the flexibility in design and layout of uses in this area.

The Leland memorandum summarized key market and demographic information to produce a Development Option Summary, which highlighted the feasibility of developing the land with varieties of mixed-use development, such as retail / commercial (12 to 15 acres), light industrial (18 to 22 acres), and some housing (10 to 14 acres).

Lands for New Employment

Through the Development Code, the City established zoning or land use districts that will accommodate a range of businesses. As discussed in detail below, the pertinent zoning districts for economic development in Sisters include the Commercial and Highway Commercial Sub-Districts, Airport District and Light Industrial District. Additional zoning districts may be adopted during the planning period to fulfill the goals and policies of the Comprehensive Plan.

Commercial Lands

The Commercial District (C District) is located along Hood, Cascade, and Main Avenues. In addition, Adams Avenue, and land to the immediate west of North Locust Street and south of Barclay Drive is zoned Commercial. The Commercial District establishes locations for the continuation and development of a center for commerce and provides for the shopping, consumer and service requirements for area residents and visitors. Retail and commercial service areas for Sisters residents and visitors are primarily concentrated within Sisters along Cascade/Highway 20, Main and Hood Streets. The community believes that enhancing the pedestrian environment in this District will establish long-term economic vitality for the downtown core. To achieve this end, public works, parks, trails, urban renewal, and roadway projects have all been planned for this area to enhance the pedestrian environment.

The Highway-Commercial Districts (HC Districts) are located at the entrances to Sisters along U.S. Highway 20 and U.S. Highway 20/ Oregon Highway 126. This District is intended to provide areas for commercial uses and services primarily oriented to automobile traffic.

An 1880's Western Architectural Design Theme applies to the Downtown Commercial District (DC District) and Highway Commercial District (HC District). This design theme creates an appealing and distinctive appearance that separates the commercial areas of Sisters from all other commercial areas in Deschutes County.

Land developed as the Conklin Guest House on Camp Polk Road has been annexed into the City Limits. The guest house property is developed as a bed and breakfast Inn. It is used as a site for local events and provides lodging for visitors to Sisters. The Inn is a landmark building at the north entrance to the City on Camp Polk Road. The Inn is located close to the Sisters Eagle Airport and adjacent to the City's light industrial zoning district. In this location, the Inn can provide lodging, restaurant and event services to serve businesses that locate in the light industrial zone, while continuing to serve tourists.

The Conklin Guest House property was included in the City's UGB for tourist commercial uses with the adoption of the 2005 Sisters Urban Area Comprehensive Plan. Initially the property was zoned Urban Area Reserve. Later in 2005, the property was annexed to the City and a commercial zoning district with special use limitations was applied to the property. In 2007, the City adopted the Sun Ranch Tourist Commercial zoning district for the property. It also added 0.8 acres of land that include the Conklin Guest House barn to the district.

The 1880's Western Architectural Design Theme provisions of the Comprehensive Plan and City's zoning ordinance shall not be applied to the Sun Ranch Tourist Commercial zoning district. The design of the Sun Ranch Tourist Commercial zoning district shall be allowed greater flexibility to match the design of the historic Conklin Guest House and existing barn to provide a first-quality lodging experience for guests. As the Sun Ranch Tourist Commercial district is located outside the downtown and highway areas of the community, this variation will not detract from the unique downtown experience offered by the City of Sisters. A 1900s Rural Farm/Ranch House design theme is required for buildings within the Sun Ranch Tourist Commercial district. This theme is consistent with the history of the property and is compatible with and provides a good transition from the 1880s Western Design Theme.

Airport Lands

At 3168', Sisters Eagle Airport is located one mile north of downtown Sisters and is located next to the North Sisters Business Park. It is categorized by the Oregon Department of Aviation as Category IV (local general aviation airport). Although Sisters Eagle Airport is privately owned, the airport is open to public use. It is also used for wildfire aircraft support. The privately owned airfield has a heliport and a runway that is 60' wide by 3,560' long.

In 2013, the City of Sisters amended the Comprehensive Plan to add an Airport land use designation and also amended the Development Code to add an Airport District. The Sisters Eagle Airport property was annexed into the City of Sisters on March 15, 2014, and designated as Airport in the Comprehensive Plan and rezoned to Airport (A) District. The property owners plan to build an expanded terminal and an array of facilities for

pilots. In addition, the Sisters Eagle Airport is a center for local businesses, and several successful traded-sector companies, including ENERGYneering, have their headquarters at the airport.

Light-Industrial Lands

The Light Industrial District (LI) is located in the northern portion of the UGB, west of Locust Street and east of Pine Street, and north of Adams Street. The District provides for business parks and a mix of industrial and commercial uses. The LI District presents industrial opportunities for non-offensive industrial activities that do not cause noise, light, water, or air pollution.

There are currently four industrial subdivisions in the City; the Sisters Industrial Park containing 28 lots, the Mountain View Industrial Park containing 17 lots, the Sun Ranch, Phase I containing 20 lots and the Three Sisters Business Park containing 8 lots. The four industrial subdivisions encompass approximately 45 acres and two expansion areas. All of these subdivisions are designated Light Industrial by this Comprehensive Plan.

The North Sisters Business Park Sub-district, adopted in 2007, is an innovative mixed-use zoning district that provides additional opportunities for employment. The North Sisters Business Park Sub-district provides for ground floor light industrial uses with the flexibility to build second story loft apartments above industrial operations, and can be applied under the Light Industrial Comprehensive Plan designation. The second story loft units may be utilized as employee or workforce housing or provide additional rental revenues to support the underlying industrial operations.

<u>1880's Design Theme for Commercial Areas</u>
The concept of a central architectural and sign theme based on Western and/or Frontier building styles of the 1880's has been initiated in the Commercial Districts of the City. This is presently expressed through several store fronts remodeled in this style and many new commercial developments in the downtown area.

The result of this interest and endeavor has been adoption of a community development objective to "encourage the development of a central architectural and sign theme based on Western and/or Frontier building styles of the 1880's." This particular goal originally was formed in the 1979 Plan and continues today to improve the City's image, visual appearance, a tourist oriented economy. It has also been prompted by the desire to establish city identity, interest and attraction of visitors and tourists in support of a significant community economic activity.

A legislative mandate for this architectural design and construction is in the City's Development Code. Additional encouragement and results may also be fostered through the local Chamber of Commerce by the business community and a continuing program of business community education and support.

The following information and illustrations in Appendix D of this Plan concern the architectural styles, materials, methods of construction, color and miscellaneous features of the 1880's. It is not intended as a precise interpretation of the architectural design and building philosophy in its purest form, but as a methodology of approaching an overall period expression of architectural style.

Principal features of the period's architectural style revolve around the renaissance or rebirth of the elements of classical architectural orders, expressed in period building materials and methods of construction, with the presentation of an impressive rectangular false store front. In relation to Western and/or Frontier towns, with their explosive boom and usual economic "bust", this was principally carried out in light wood frame and bearing wall masonry (brick) construction. Light wood frame construction predominates construction in the majority of Western towns in this category; however there are substantial exceptions as exemplified by Jacksonville, Oregon, Virginia City, Nevada and Granite City, Montana.

The following sections are keyed to subsequent illustrations to exemplify methodology of use of materials and construction techniques.

Materials

Structure: Light wood framing, post and beam and masonry bearing walls are typical structural systems. Light wood framing may be achieved through current construction practices utilizing Ballon Framing and/or Western or Platform Framing with light wood framing details, up to two and three stories in height. Here attention will have to be given to building code requirements for fire resistive construction and building separation. Masonry bearing wall construction, particularly I brick, provides an alternative with inherent fire protective benefits.

Roof: Roof systems may be supported by a standard rafter system or pre-fabricated light wood trusses. Typical roof coverings may be realized with shingles or shakes at a minimum slope of four inches in one foot. Alternative coverings are metal with standing or batten/ribbed seams or asphaltic shingles.

Exterior Finishes: Typical materials are varieties of horizontal wood drop siding, vertical board and batten (rough sawn or surfaced four sides) and cedar shingles, with the later particularly applicable to ornamental patterns on residential structures and brick masonry. Modern composite materials such as T1-11, vial siding, and the like are not appropriate exterior finishes.

Windows: Wood sash windows are typical, to include double hung, casement, horizontal sliding and fixed sash. Availability of currently manufactured stock in styles keeping with the period is limited as to capturing the period window style. This is particularly true for large expanses of glass in commercial store fronts and will undoubtedly require special fabrication.

Doors: Combination glass and wood panel doors are typical and are available in certain standard types in single and divided glass lights. To approach the variety of period door styles will require modification of standard door types, particularly in arrangement of glass lights or necessitate special manufacture.

Ornamentation and Trim: The principal features of period ornamentation are concerned with the revival of elements of classical architectural orders. This primarily concerns the entablature or the upper section of wall or story that is usually supported on columns or pilasters and consists of the architrave, the lowest division of the entablature resting immediately on the capital or top of the column and the molding around a door or other rectangular wall opening; frieze or the part of the entablature between the architrave and cornice (top), the richly ornamented band; and the cornice or the molding and projecting horizontal member that crowns the architectural composition. In addition, this revival was manifest in the use of wood columns supporting the porch or covered entrance along the front of a building, reminiscent of the classical portico or colonnaded building entrance. This architectural embellishment also embraced the use of balustrade or "fence" between columns and at the periphery of second story porches.

Exterior Surface Finishes: Depending upon the intended longevity of a particular structure and the quality of exterior finish materials, period structures present variety within the basic construction practices of the era.

Rough sawn or milled board and batten surfaces were unfinished to oiled and/or stained to protect the surface materials. This is practical with the use of Cedar or Redwood which both contain natural oils that protect the wood. As a practical matter for extended protection of any board and batten surface, the use of a sealer or oil base or solid color stain is warranted. The same is true of vertical surfaces finished with Cedar shingles.

Horizontal wood drop siding was normally finished with paint; however in many instances, no finish applied. Here a sealer or stain would be appropriate, in lieu of a painted surface.

In consideration of providing boardwalks in lieu of concrete sidewalks, only pressure treated wood members should be used.

Color: Rough sawn or milled board and batten, particularly Cedar and Redwood, may be retained in a natural finish which ultimately weathers to silver-gray in color.

During the period, there was a lack of high gloss finishes; therefore color applications were generally flat in nature. To duplicate this character, flat or low gloss products currently on the market should be utilized.

Applied surface colors were predominantly flat white for most buildings, particularly the exposed surfaces of porches or covered walkways and ornamentation attached to brick masonry buildings. Large area surface colors other than white were primarily flat earthy ochres, yellows, browns and reds. These colors are generally contrasted with white trim

at the cornice, vertical corner trim of the building, windows and doors, porch and balustrade.

Modern interpretation of color application has tended toward a broader color selection in keeping with the white-dark contrast, by adding deep blues, blue-greens and red-oranges.

Color availability and selection for stains is readily obtained from product manufacturers. One example of such product used extensively in the Northwest is Olympic stain, particularly the solid color stains. These stains offer a fairly broad range of color selection and provide a flat, deep colored finish in keeping with the period.

Latex based paints also produce a flat finish color and low-gloss oil base enamels offer additional applications for colored finishes. Color selection samples are readily available from local paint suppliers.

The City Council has adopted an approved color pallet recommended by the Deschutes Landmarks Commission to represent typical 1880's colors. This makes color selection and matching easy for applicants.

Methods of Construction
General: Adherence to presently accepted methods of construction and compliance with applicable building codes and development ordinances is recommended as the minimum standards. Fire and life safety are of particular concern.

As the majority of new construction and existing building renovation is adjacent to public walkways, attention to good construction safety practices is necessary. This is particularly true in the more congested commercial areas.

Standard False Front Commercial Structure: The following graphic illustrations keyed to this sub-section illustrate standard approaches to the construction of this element.

Miscellaneous
See the graphic illustrations in Appendix D for various details for:

- Construction Details
- Ornamentation
- Fences
- Gates

Signs: Signing was generally handled by painting the sign directly on the façade of the building, either directly on the finish material or on a sign board which was subsequently affixed to the building. Ornamentation is achieved at the edge of the sign board by its particular shape and the application of edge molding or individually cut raised letters utilized for relief and contrast.

Other signing methods include projecting double faced boards affixed high on the façade of the building and structurally supported by wires.

Free hanging sign boards attached under covered porches were also utilized.

Lettering was generally ornamental and/or shaded and pained in contrasting colors on flat white surfaces. Examples of lettering are provided in the following graphic illustrations keyed to this sub-section. Individual cut-out letters applied to the sign surface and routed lettering provides additional acceptable techniques for signing.

The City's sign code in the Development Code requires adherence to these standards and regulate all signs in the City Limits.

9.3 FINDINGS

Anticipated Demand for Economic Lands and Inventory of Economic Lands

In the greater Sisters area, most of the industrial and commercial activity takes place within the City limits. Land is needed for these activities and an adequate supply of economic lands is needed for expansion of the City's economic base. The *Technical Report, City of Sisters Commercial and Industrial Future Land Needs Analysis* (LNA) was completed to compare the supply and demand of industrial and commercial land until the year 2025 (See Appendix B).

Commercial Land
The LNA identified that there are approximately 37 net buildable acres of vacant C and C-HC designated lands inside the Sisters UGB. The term "net" refers to the amount of land after subtracting approximately 20% for roads and other infrastructure. Adding approximately 12 net buildable acres of re-developable and 40 net buildable acres of developable acreage of partially developed lands, a total of 89 net buildable acres of buildable C and C-HC lands are inside the Sisters UGB. Since the projected future demand is 28 net buildable acres, there is a surplus of commercial land of approximately 61 acres. Even without considering the re-development of partially developed lands, there is sufficient vacant and re-developable land in the existing UGB to accommodate demand for commercial lands within the next 20 years.

As part of the LNA needs, the City has determined that it needs to include five acres of tourist commercial land in the UGB. This property is needed by the City to better serve the needs of tourists and local business in the City's light industrial district adjacent to the airport. The Conklin Guest House was included in the UGB in 2005 to encourage the retention and expansion of this important business as a part of the Sisters Community to meet the needs of nearby existing and future businesses. The Sun Ranch Tourist Commercial zoning district has been written and applied to this property. The new zoning district assures conformance with the goals, policies, and findings of the Comprehensive Plan by limiting uses to lodging, restaurants, and other uses that serve the Industrial Park businesses and tourists alike.

Airport Land

Annexing the Sisters Eagle Airport into City limits and rezoning it to Airport (A) District allows the continued vitality of the Airport as a permitted use. As a permitted use, the Airport and associated businesses will be able to develop and provide living wage jobs to members of the community. In addition to on-site development, the Airport provides access for businesses within the community who may benefit from air service.

Industrial Land

Sisters has experienced a significant population growth of the past twenty years. Employment levels have also reached a new high with strategic economic development efforts. The job number increases are in industries other than tourism, indicating a more diverse economy.

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%.

~~There are approximately 44 net buildable acres of vacant LI designated lands inside the Sisters UGB. Adding 3 net buildable acres of re-developable and 17 acres of developable acreage of partially developed lands, a total of 64 acres of buildable light industrial (LI) lands are available inside the Sisters UGB. The 2005 Sisters Urban Area Comprehensive Plan added approximately 3.07 net buildable acres of industrial land to the UGB (Carpenter property). This land was not included in Table 9.4 in the 2005 Comprehensive Plan Update.~~ In 2007, the City removed 4.9~~548~~ net buildable acres of land (approximately 11.684 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 7.62 net buildable acre (12.58 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. Therefore, the City's existing vacant land and surplus of light industrial land has decreased significantly. ~~by a total of 9.5 net buildable acres~~. The LNA projects a demand for 34 net buildable acres of industrial land inside the Sisters UGB until the year 2025. ~~A surplus of approximately 24.5 acres of net buildable industrial land is predicted based on anticipated supply and demand of undeveloped industrial lands until the year 2025. There is a sufficient supply of vacant acreage alone to satisfy anticipated demand, without considering re-developable and partially developed lots. Table 9.4 illustrates that with re-developable and existing vacant land, there is still a surplus of 20.5 net buildable acres of industrial land with the two rezones from 2007.~~

~~*Table 9.4: Summary of Commercial and Industrial Future Land Needs until Year 2025 (net acres)*~~

~~Land Designation~~	~~Existing Vacant Land~~	~~Re-developable and Partially Developed~~	~~Total Available Land~~	~~Projected Land Demand~~	~~Surplus~~
~~Commercial~~	~~37~~	~~52~~	~~89~~	~~28~~	~~61~~
~~Industrial~~	~~34.59~~	~~20~~	~~54.59~~	~~34~~	~~20.59~~

~~Source: Technical Report, City of Sisters Commercial and Industrial Future Land Needs Analysis, February 2, 2002, as amended by files CP06-01/02 and Z06-01, and files C06-04 and Z06-02.~~

~~In addition, there is a 17.54 acre parcel of land zoned UAR intended for future urban use. That is in addition to the acreages indicated in Table 9.4.~~

~~Lastly, there is a 4.34 acre tract of land north of Barclay Drive and west of the Conklin Guest House intended for development with adjacent light industrial zoned land. This property was annexed into the City Limits in 2007.~~

Public Infrastructure and Economic Development

As addressed in Goal 11, Public Facilities, the City developed a public sewerage system within the City, which was completed in 2001. The construction of this system ~~will~~ enabled the City to meet the demands for new commercial and industrial development. Adoption of System Development Charges for water and sewer systems provides a mechanism to ensure that systems can be expanded to accommodate increased demands over time.

Goal 3 of the City's Transportation System Plan (adopted January, 2010) calls for promoting the development of the City, Region, and State economies through the efficient movement of people, goods, and services and through the distribution of information. This goal is supported by a policy that states "Ensure a safe and efficient freight system that facilitates the movement of goods to, from, and through the City, Region, and State while minimizing conflicts with other travel modes." Efficient truck movement through Sisters plays a vital role in maintaining and developing Central Oregon's economic base as Highway 20 is a key freight corridor for the region. As identified within the City's TSP, high levels of truck traffic likely affect highway performance. Therefore, as part of the TSP update, Barclay Drive and Camp Polk Road/Locust Street from Highway 20 to Barclay Drive are upgraded from collectors to arterials. These arterials are also identified in the TSP as proposed truck routes with the completion of the Alternate Route. The Alternate Route will provide relief to Highway 20 and consists of 3-lane arterial streets on Barclay Drive and Locust Street, adequate traffic control devices (either traffic signals or multilane roundabouts), at either end of the route where it intersects with the state highway, a roundabout at the Barclay Drive/Locust Street intersection, and, possibly, intelligent transportation system (ITS) technology that detects congestion on the highway and directs traffic onto the alternate route. These improvements will provide for the economical movement of raw materials, finished products and services while enhancing public safety and the pedestrian-friendly quality of the City's downtown core.

The airport, Sisters Eagle Airfield, does have an impact on the development of industrial uses, as the Runway Protection Zone overlays a portion of a few lots in the industrial area. The Runway Protection Zone precludes uses including structures and water features. However, the airfield also creates opportunities by enabling corporate aircraft to use the facility as well as encouraging aviation-related businesses. An Airport Overlay District has been adopted in conformance with the Land Conservation and Development Commission Transportation

Planning Rule. The Sisters Eagle Airport was annexed into the City of Sisters on March 15, 2014.

Enterprise Zone.

The City of Sisters has partnered with the City of Redmond and Deschutes County to expand the 'Greater Redmond Enterprise Zone' to include portions of the City of Sisters. The City is currently looking to amend the zone boundary to include the Sisters Eagle Airfield within this zone, which is expected to occur following annexation of the land. The Enterprise Zone offers benefits to qualifying business, and is administered by Economic Development of Central Oregon (Bend office). Qualifying businesses receive tax incentives on the portions of their facilities that are upgraded to provide additional employees, and

Downtown Sisters Urban Renewal Plan

The City recognizes that tourism will continue to be important to the economic development of the City of Sisters. *The Downtown Sisters Urban Renewal Plan*, adopted in July of 2003 (Urban Renewal Plan), is intended to promote the development of downtown as the commercial and cultural center of the Sisters community. The Urban Renewal Plan is incorporated herein, by reference by this Plan.

The Urban Renewal Plan's goals are stated below.

1. Strengthen Downtown Sisters' Role as the Heart of the Community
2. Improve Vehicular and Pedestrian Circulation Through and Within the Downtown to Accommodate Through Traffic and Downtown Patrons
3. Promote a Mix of Commercial and Residential Uses Oriented to Pedestrians
4. Enhance the Pedestrian Environment On Streets and In Public Parks, a Town Square and Public Gathering Places
5. Promote High-Quality Design and Development Compatible with the Sisters Western Frontier Architectural Theme
6. Encourage Intensive Development of Downtown Properties
7. Promote Employment Uses to Generate Year-Round Jobs

These goals are met by forming an Urban Renewal District overseen by the Sisters Development Commission. Within the boundaries of the Urban Renewal District, tax increment financing, grants, loans, developer contributions, and donations will generate funds to use for improvement projects. The Sisters Development Commission, which is the urban renewal agency of the City, will implement the Urban Renewal Plan. The implementation will involve public improvements; assistance to property owners/lessees for rehabilitation, redevelopment or development; and the creation of civic and community facilities. Overall, the improvements are intended to enhance the vitality of the downtown area by improving streetscapes, reinforcing the existing design theme, and creating community amenities.

Business Recruitment and Outreach Activities

The Sisters Area Chamber of Commerce is a non-profit corporation founded in 1974 to "unify and coordinate the efforts of businesses and residents in promoting the civic, industrial, commercial, agricultural, environmental and general welfare of the City of Sisters, Oregon and its economic area."

The Sisters Chamber promotes economic development in the City as well as the outlying area. The Chamber assists visitors, answers inquiries, and promotes business relocations to the Sisters area. It also sponsors community events throughout the year that encourage people to visit and support local businesses.

The Sisters Chamber of Commerce with the assistance of the Community Action Team of Sisters (CATS) sponsored the *Sisters Strategic Action Plan for Economic Development*, 2002. This plan identifies overall goals for local businesses and the community as well as specific sector strategies for retail, agribusiness, light industrial/manufacturing, entrepreneurial/professional services, and tourism. Overall, these strategies focus on maintaining and promoting the uniqueness of Sisters' natural, clean, and friendly environment as the City's economic base diversifies and grows. The plan seeks to reinforce the existing strengths of the local economy (tourism/retail, traditional agricultural economy, light industrial) by improving the City's infrastructure (pedestrian environment, roadway function) and promoting and collaborating business-related activities.

The *Sisters Strategic Action Plan for Economic Development* also focuses economic development efforts on targeted industries:

- Light Industry/Manufacturing
- Entrepreneurial/Small Office Home Office/Professional Services
- Tourism
- Retail
- Culture and the Arts
- Real Estate Development
- Agribusiness

Efforts to recruit and relocate businesses will be concentrated on these industries. To this end, a business relocation brochure was created by the Sisters Chambers and CATS. This effort involved many businesses, City Council members, and City staff. The purpose of this document is to encourage targeted industries to relocate to Sisters. These industries are expected to provide the types of economic opportunities appropriate for, and a benefit to, the local economy, while also being compatible with the environment and character of the City. This relocation guide describes the Sisters area, lifestyle, location and climate, community, a calendar of events, the school district, housing, local businesses, and other local resources.

The City of Sisters should focus on attracting the types of industries that will choose to locate in the City. Traditional industrial uses may not find the City attractive for their needs due to the relative isolation. Focusing on ideas such as creating and attracting better jobs and boosting incomes is a better approach than focusing on attracting more jobs. Providing a better place for business versus a cheaper place for business is also pertinent.

Companies the City hopes will be attracted to the area will tend to be smaller companies with educated workers and relatively high pay scales. The demographics of the Sisters area (affluent, well educated) will also draw companies to the area. Innovative regulations geared towards attracting the desired industries, mixed use zoning, etc. will provide a competitive advantage to help attract businesses that will contribute to Sisters' long term economic health.

Although the City hopes to attract smaller companies and industry to the area, the City acknowledges that rising land values, increasing rents, and the shortage of affordable workforce housing will continue to impact the City's ability to recruit and attract new businesses to Sisters. In recognition of these factors, as further outlined in the findings in *Chapter 10, Housing*, the North Sisters Business Park Sub-district allows the development of second story residential units above industrial operations. The additional flexibility created by this zoning district provides numerous advantages to industrial operators and will assist the City in its efforts to recruit and attract new business opportunities. The second story residential units can be utilized by industrial land owners who want/need to reside above operating industrial facilities. The units can also be utilized to provide employee housing, either as a compensation incentive or as an additional source of revenue for the industrial operator. If the units are not utilized by the industrial operator, they can serve as low-cost rental units that provide additional rental income to help offset the cost of industrial operations. By allowing limited housing with industrial uses, these low cost housing units will provide the type of workforce housing that is needed to support existing commercial and industrial operations within the City limits.

Two light-industrial subdivisions in the northern portion of the city (Sun Ranch and Three Sisters Business Parks) are unique and must be developed sensibly to achieve economic prosperity while respecting their surrounding uses. These two subdivisions are appropriate for live-work mixed use development for a number of reasons. First, both subdivisions are vacant so new policies guiding development will create a consistent and well functioning built environment. To the east of both parcels is the Sisters Eagle Airport, providing convenient small engine aircraft service. Adjacent to the north of both parcels are existing low-density rural residential uses, creating potential conflicts with intensive industrial development. To the south of both parcels lie existing light-industrial subdivisions which are ripe for more intensive development and redevelopment. The Sun Ranch Business Park is unique as it borders a commercial area to the southeast and is a gateway to downtown Sisters from the rural areas to the north. Three Sisters Business park is also unique as it is adjacent to UAR-zoned lands to the west that may be subject to future redevelopment.

The Sun Ranch and Three Sisters industrial parks are in transition areas between typically conflicting uses (residential and light industrial). The transition is also from increasingly rural areas to the north and more intensive development to the south. The development of these parcels should reflect the unique role these business parks play in adding value to the community while also protecting existing property values in the surrounding areas.

The unique location and site characteristics of the Sun Ranch and Three Sisters business parks require the city to create specific policies and development codes for these properties accomplishing the following goals:

1. Decrease opportunities for highly intensive polluting and hazardous industrial uses to protect the natural beauty of the Sisters area, city, and neighboring residents

2. Encourage economic growth in the city by making the primary uses in the business parks a combination of light manufacturing and professional services
3. Allow secondary and accessory uses such as retail and dwelling units to foster a more lively and unique development and provide an incentive for new businesses to locate in Sisters
4. Create design standards that favor the economic uses while creating attractive, healthy, and stable living environments
5. Protect the long-term economic uses of the land and prevent a reversion to intensive residential uses

9.4 POLICIES

1. The City shall guide growth in a manner that will result in a balance between economic and environmental interests.

   Tasks -

   a. The City shall maintain and enhance the appearance and function of the Commercial Districts by providing a safe and aesthetically pleasing pedestrian environment, mixed use development, and requiring adherence to the Sisters Western Frontier Architectural Design for all types of development and signage. The Sisters Western Frontier Architectural Design Theme does not apply to the Sun Ranch Tourist Commercial District. In its place a more historically accurate 1900s Rural Farm/Ranch House design standard applies. The City shall establish standards for this design theme in the Development Code.

   b. Auto Oriented developments such as restaurants with drive-up windows are not appropriate in the downtown area or Commercial District. Auto oriented uses shall only be permitted in the Highway Commercial District, Light Industrial District, and North Sisters Business Park District, and shall be limited and managed based on their impacts.

   c. The City shall assure development contiguous to commercial and residential zones is designed and built in a manner that is consistent and integrates with the character and quality of those zones.

   d. The City's Development Code should continue to allow mixed-use development within the Commercial Districts, and in transitional light-industrial areas such as the Sun Ranch and Three Sisters Business Parks (as previously noted in the findings), and small commercial uses and home occupation mixed with residential uses.

   e. Commercial and Industrial uses shall minimize their impacts on residential areas by being subject to additional development standards, i.e. buffers, setbacks, landscaping, sign regulation and building height restrictions.

   f. The City has adopted the Sun Ranch Tourist Commercial District to apply to the Conklin Guest House property. This property is intended to provide

commercial uses that will serve the needs of the nearby light industrial uses and visitors to the area. Drive through facilities are not appropriate for this zoning district.

g. Development standards shall be added to the City's Development Code for unique light-industrial parks in transition areas. Standards shall be developed to accomplish the goals outlined in the Business Recruitment and Outreach Activities findings of this chapter.

2. The City shall support the tourist industry and special events that have a positive year-round economic impact on the community.
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*.
4. The City should support efforts to attract businesses providing family-wage employment opportunities.
5. The City should work with area educational institutions to maintain high standards of educational opportunity.
6. The City shall ensure an adequate supply of land for the needs of commercial, mixed-use and light industrial purposes.

Goal 14: Urbanization

14.1 GOALS

"To provide for an orderly and efficient transition from rural to urban land use."

14.2 BACKGROUND

Definitions

Urban Lands: Lands inside the City of Sisters Urban Growth Boundary (UGB) for which sewer and water services are available and capable of supporting planned levels of development, including associated open space and unbuildable land.

Urbanizable Lands: Land inside the City of Sisters UGB that is designated for urban development for which sewer and water services capable of supporting planned development are not available.

Urban Services: Key facilities to support urban types and levels of development and to include at least the following: City water and sewer services, storm drainage facilities, and transportation infrastructure.

The City of Sisters' City Limits coincide with the City's adopted Urban Growth Boundary (UGB). The current (2007) city limits contains approximately 1176 gross acres. Table 14.1 below shows the approximate gross acres of lands in the Sisters UGB by land use district. The data is approximate, includes public roadways, and is based on engineering estimates and public records available to the City.

Table 14.1: Gross Acreage of Areas in Urban Growth Boundary by Land Use District

Land Use District	**Approx. Gross Acre**
Public Facility District (PF District)	
School District Properties	144.30
Forest Service Property	42.58
Middle and Elementary School Properties	19.00
Wastewater Treatment Facility and Fire Training Facility	62.80
PF District Total	**268.68**
Open Space District (OS District)	
Forest Service Property	7.56
City and State Parks including the unplatted McKenzie Meadow Park	44.80
OS District Total	**52.36**
Flood Plain District (FP District) Total (not including area in City and State Parks the OS District)	**24.00**
Commercial Districts (C District)	

Downtown Commercial District (DC) & Tourist Commercial	134.41
Highway Commercial District (HC)	66.00
C and HC Districts Total	**200.41**
Light Industrial District (LI District) Total	**101.08**
Residential (R District)	
Residential District (R District)	288.00
Residential Multi-Family District (R-MFD District)	188.90
R Districts Total	**476.90**
Urban Area Reserve District (UAR District)	
UAR ~~(Residential 2.5-acre Minimum)~~	30.00
UAR ~~(Business Park 5-acre Minimum~~ (Formerly owned by the U.S. Forest Service)	17.54
Fire Training Facility	4.00
UAR Districts Total	**51.54**
Airport District Total	**34.3**
Total Area in Urban Growth Boundary	**1,210.54**

Source: City of Sisters GIS based on Deschutes County GIS tax lots, and as amended by files CP06-01/02, Z06-01 and CP 08-02. Recalculated on 6/28/11 following the survey of the Forest Service property in 2008, and the annexation of the McKenzie Meadow Village and Fire Training Properties in 2010 - 2011.

The Conklin Guest House property was included in the UGB in 2005 with a commercial zoning designation. In 2007, the Sun Ranch Tourist Commercial zoning district was adopted and applied to the property and an additional area of 0.8 acres was added to the district. The Sun Ranch Tourist Commercial District allows uses that serve tourists and the Light Industrial areas to the west.

14.3 FINDINGS

Population Forecast

The population used in the 2005 Comprehensive Plan update was for year 2004, which was estimated at 1,490 persons (Portland State University, PRC July 1, 2004 estimates). Year 2010 census numbers showed a total population of 2038 persons. These statistics are for the Sisters City limits and Urban Growth Boundary, which are coincident. The City of Sisters (hereafter referred to as Sisters or City) population is forecast to remain small compared to the other jurisdictions, but will experience consistent growth over the long-term. Sisters uses the population forecast numbers for long-range planning purposes, including the residential buildable lands supply and demand analysis. Refer to Appendix A for City of Sisters 2004 coordinated population forecast.

Summary of Population Forecast

Table 14.2 is a summary of the City's 20-year population forecast. The expected population growth rate between 2000 and 2005 is 12.54% per year. This rate is expected to decrease during the 20-year planning period to above 3 percent per year. The year 2025 population is expected to be 3,747 people.

14.2 Population Forecast Summary

Year	City of Sisters Population [2]	5-year Average Annual Growth Rate (previous to current year)
2000	975 [1]	NA
2005	1,768	12.64%
2010	2,306	5.46%
2015	2,694	3.16%
2020	3,166	3.28%
2025	3,747	3.43%

[1] Source: PRC July 1, Official Population Estimate for City of Sisters.
[2] Source: Population Estimates by City of Sisters.

The City of Sisters' methodology for determining population is based on the current estimates of the City's population (from PRC) plus estimates of population growth based on the number of new residential building permits that will be issued in the city between 2004 and 2025. The housing unit method approximates population for the city based on the number of occupied housing units in the city multiplied by the city's average household size. Based on the number of building permits issued each year, and the number of people per household (considering vacancy rate and local demographics) it is possible to forecast how many people will be "added" to the City in the future. For years beyond 2004, the number of building permits for residential units was estimated based on past and recent building trends, then population was estimated from the growth in housing represented by residential building permit issuance.

This technique is one of the most feasible, accurate, and cost-effective among the major methods of population estimation available for small geographies such as Sisters. Using the number of building permits coupled with other demographic information to estimate population is commonly used to estimate populations for small geographic areas. Different versions of the housing unit model are used by the US Census Bureau to estimate sub-County populations and by a wide variety of cities, counties, states and special districts. The official yearly estimates of the City's population determined by Portland State University's Center for Population Research and Census are based on a housing unit method.

14.3 Housing Units and Building Permit Issuance, 1990-2000

Period	Number of Total Housing Units In City of Sisters	Average Annual Growth Rate of Building Permit Issuance
1990-2000 [1]	354 to 482 housing units	3.13%

[1] Source: 1990 and 2000 U.S. Census, Summary File 1 (SF-1) 100-Percent Data

Between 1990 and 2000, the number of housing units increased 3.13 percent/year as shown in Table 14.3. Note in Table 14.4, using the exact same source of data (U.S.

Census data), the rate of population growth was 3.51 percent per year. These two rates of average annual growth are very similar. This information demonstrates why it is appropriate to use the number of new dwelling units to predict population, in combination with other important data.

14.4 Population Growth, 1990-2000

Period	Population by Year, City of Sisters	Average Annual Growth Rates of Population
1990-2000 [1]	679 to 959 people	3.51%

[1] Source: 1990 and 2000 U.S. Census, Summary File 1 (SF-1) 100-Percent Data

The factual information presented in tables 14.3 and 14.4 supports the City's assumption that using residential building permits to approximate the growth of housing units and to predict population is appropriate when used with other information such as the number of people per dwelling unit. The rates of growth of the City's housing units and population mirror each other over a decade between 1990 and 2000 as well as during a short period such as 2001-2003. Increases in housing unit construction are mirrored by the increases in the official population estimates by PRC. Multiple sources of public data verify these conclusions.

Table 14.5 below, shows how many building permits for residential units after subtracting demolitions were issued by year in the City between 1990 and 2003. This demonstrates the slow rate of building in the early 1990's, the acceleration in anticipation of construction of the municipal sewer in 1996, the dramatic and sustained increases in issuance of building permits as the sewer became operational, and the continued rate of building permit issuance since the sewer's completion.

Table 14.5 Housing Unit Growth Rates, 1990-2003

Period	Number of Total Housing Units	Average Annual Growth Rate of Housing Construction
1990-2000 [1]	354 to 482 housing units	3.13%
2001-2003 [2]	482 to 725 housing units	14.57%

[1] Source: 1990 and 2000 U.S. Censuses, Summary File 1 (SF-1) 100-Percent Data
[2] Source: City of Sisters Building Permits for Residential Units, after subtracting demolitions.

In years 1990 through 2000, no municipal sewer was available and residential development was limited to single-family development on large (1/2 acre) lots. The relatively low average annual population growth rate of 3.68 percent per year between 1990 and 2000 reflects this when compared to the rate of population growth after the municipal sewer installation in 2001. In years 2001 to 2003 the average annual rate of population growth in the City was 13.62 percent per year, nearly four times the rate during the 1990s. In addition, the City's development codes were dramatically updated in 2001, facilitating infill development and smaller lot sizes. Thus, the conditions (new sewer and code) present in 2004 and beyond are significantly different than in the 1990's.

The population forecast assumes that the high rate of growth seen after the installation of the municipal sewer will slowly decrease and long-term growth for the remainder of the planning period will be at rates slightly higher than population and housing growth rates during the 1990s. The yearly population forecast, which is part of the Deschutes County Coordinated Population Forecast 2000-2025, is presented in Table 14.6. For a detailed discussion of the population forecast and methodology, please refer to Appendix 1.

Table 14.6: Population Forecast for City of Sisters, 2003-2025

Forecast Year	Forecasted Rate of Building Permit Growth [1]		Forecasted Residential Housing Units [2]	Forecasted New Residential Building Permits Issued/Yr. [3]	Persons per Dwelling Unit [4]	Population Forecast [5]
2003	NA		725	104	NA	1,430
2004	11.10%		805	80	1.99	1,590
2005	11.10%		895	89	1.99	1,768
2006	8.90%	**Declining**	975	80	1.99	1,927
2007	5.40%	**Influence of**	1,027	53	1.99	2,031
2008	4.30%	**New Sewer**	1,071	44	1.99	2,119
2009	4.30%		1,117	46	1.99	2,211
2010	4.30%		1,165	48	1.99	2,306
2011	3.13%		1,202	36	1.99	2,379
2012	3.13%		1,240	38	2.00	2,454
2013	3.13%		1,278	39	2.00	2,532
2014	3.13%		1,318	40	2.00	2,612
2015	3.13%	**Rate of**	1,360	41	2.00	2,694
2016	3.13%	**Building**	1,402	43	2.00	2,780
2017	3.13%	**Permit**	1,446	44	2.10	2,872
2018	3.13%	**Growth**	1,491	45	2.10	2,967
2019	3.13%	**same rate as 1990**	1,538	47	2.10	3,065
2020	3.13%	**through**	1,586	48	2.10	3,166
2021	3.13%	**2000**	1,636	50	2.20	3,275
2022	3.13%		1,687	51	2.20	3,388
2023	3.13%		1,740	53	2.20	3,504
2024	3.13%		1,794	54	2.20	3,624
2025	3.13%		1,850	56	2.20	3,747

[1] Source: Rates between 2004 through 2010 based on weighted average of growth rates before and after the construction of the municipal sewer. Rates of Building Permit Growth between 2011 and 2025 based on rate of housing unit growth between 1990-2000 as determined by the U.S. Census.

[2] Source: "Forecasted Residential Housing Units" based on "Forecasted Rate of Building Permit Growth" applied to base of 725 Residential Housing Units in 2003, and grown by the applicable rate per year.

[3] Source: Current year minus previous years "Forecasted Residential Housing Units", for example in 2004, 805 Forecasted Residential Units in 2004 minus 725 Forecasted Housing Units in 2003 equals 80.

[4] Source: Persons per Dwelling Unit of 1.99 is from the 2000 U. S. Census, SF-1. This statistic accounts for vacancy rates and second homes. The statistic increases over time as estimated here by the City of Sisters Planning Department based on the assumption that the City will approach the State of Oregon statistic of 2.4 Persons Per Dwelling Unit as determined by the 2000 U.S. Census, SF-1. In other words, the City of Sisters will become more like the state in terms of persons per household in the future.

[5] Source: Calculated by adding the total of (Total Res. Permits/Yr. in Sisters UGB x Persons Per Dwelling Unit) to previous year's Population Forecast.

Infrastructure

The City has community facilities plans for water, wastewater, parks and transportation. A voter mandated Charter amendment that Systems Development Charges be paid as development permits are issued ensures there will be adequate capacity in those systems to accommodate growth. As more building permits are issued, the amount of SDCs collected increases directly. If additional land is needed to accommodate anticipated housing, industrial, or commercial growth, the City will comply with State of Oregon requirements to provide the necessary land base. Water, sewer, and transportation

facility plans will be updated to reflect anticipated population growth, necessary infrastructure will be planned, and SDCs updated and required to fund needed improvements.

The Sisters School District has three schools, all of which are rated as excellent. Sisters High School has one of the highest average SAT scores for graduating seniors, which attracts families to the district. Sisters schools offer full educational experiences including arts and music. The District uses a place-based environmental education model called 'IEE', which teaches and promotes education by locale, and good stewardship of natural resources. The School District has recently created many public and private partnerships which help us to maintain adequate funding in challenging budgetary times

Sisters school capacities and current enrollments are as follows**;

School:	Capacity:	Current Enrollment*:	Percent:
Sisters Elementary School	525	310	59%
Sisters Middle School	459	390	85%
Sisters High School	750	504	67%

*school year 2011-2012…

**source: Jim Golden, Sisters School District Superintendent, via email on 12-16-2011.

Future Land Needs

Public Facility and Landscape Management Districts (PF and LM Districts)

Additional lands for Public Facilities are not anticipated within the planning period with the possible exception of land needed for a public works shop and additional surface dispersal of treated effluent and the training facility for the Sisters / Camp Sherman Fire District.

The Sisters School District completed its new school campus including a new high school, fields, and recreation facilities for the Sisters Organization for Athletics and Recreation on the 98-acre parcel. The site is not fully utilized and could accommodate additional development.

The United States Forest Service (USFS) Properties.

The USFS owns several properties in Sisters, including a 42.58 acre property designated and zoned Public Facilities, which is commonly referred to as the 'South Barclay Parcel'; a 7.56 acre property designated and zoned Open Space that is commonly referred to as the 'East Portal Triangle', and, until recently, a 17.54 acre parcel that is designated and zoned Urban Area Reserve and is commonly referred to as the 'North Barclay' property. The properties are generally located along the east side of Highway 20 west of Pine Street.

It is anticipated that the USFS will seek to sell most of these ~~three~~ parcels in order to fund a new headquarters building in Sisters. In 2008, the USFS attempted to sell the land but received no bids. Feedback received by the USFS and the City was that there were too many uncertainties associated with future zone changes and the likely application of the Transportation Planning Rule (TPR). This, in combination with a suddenly volatile economy, appeared to be the reason that the property did not sell in 2008. In 2019, the Forest Service made the decision to stay at the current location and sold the 17+-acre parcel north of Barclay for private development.

In 2010, the City, ODOT, DLCD and the USFS coordinated efforts, and through a $74,900 Transportation and Growth Management grant, agreed to produce two design options (Options A and B) that would establish density thresholds and land use types without triggering the TPR. A third design option (Option C) was also developed at the request of the City of Sisters. A fourth option, Option D which is referred to herein as the 'Park Option', was developed by the Technical Advisory Committee who provided input on the Park Master Plan update. ODOT Region 4 reviewed the methodology used for each of these design options, and found the methodology and street placements to be acceptable. ~~These options, and their associated development densities, are as follows;~~

However, the Forest Service long range plans changed, resulting in the 2019 sale of the property north of Barclay and the consolidation of Forest Service operations on a portion of the property south of Barclay. This departure from previous planning allows other configurations and land uses to be considered, both north and south of Barclay.

~~*Option A*~~

~~Retail / Commercial:~~	~~7 ac. (gross)~~	~~80,000 s.f. (maximum)~~
~~Highway Commercial:~~	~~5 ac. (gross)~~	~~60,000 s.f. (maximum)~~

~~Residential: 10 ac. (gross) 70 dwelling units (max.)~~
~~Light Industrial: 20 ac. (gross)~~

~~Park: 6.3 ac. (gross; the 'East Portal Triangle')~~
~~Add'l Park: min. 5 ac. (gross; can be required open space)~~

~~USFS Property – Design Option A~~

~~*Design Option B*~~
~~Retail / Commercial: 7 ac. (gross) 80,000 s.f. (maximum)~~
~~Resort Commercial: 10 ac. (gross) up to 12,000 s.f. + 20 vacation units~~
~~Residential: 10 ac. (gross) up to 160 dwelling units (max.)~~
~~Light Industrial: 15 ac. (gross)~~

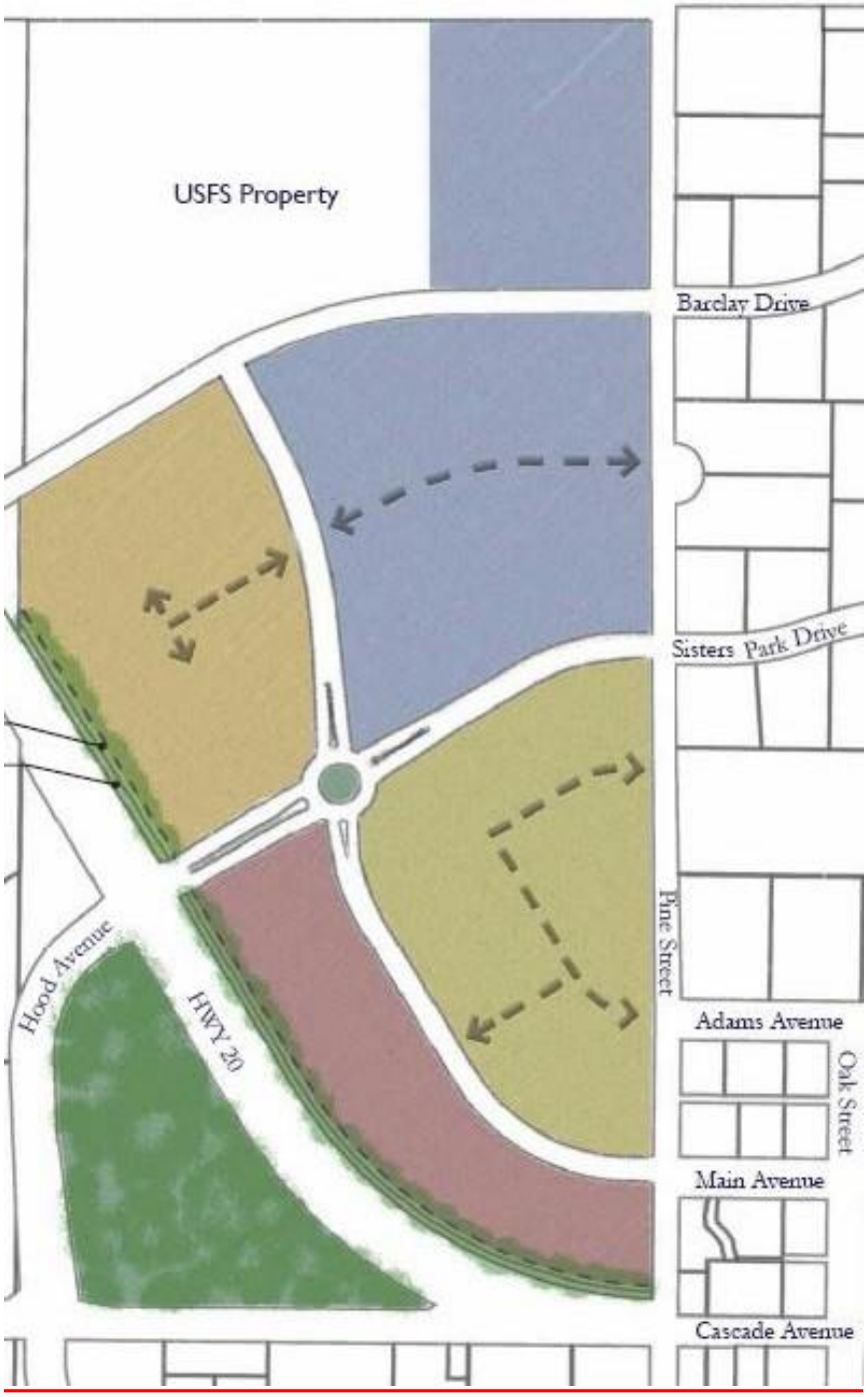
~~Park: 6.3 ac. (gross; the 'East Portal Triangle')~~
~~Add'l Park: min. 5 ac. (gross; can be required open space)~~

~~USFS Property – Design Option B~~

~~*Design Option C*~~
~~Retail / Commercial: 6 ac. (gross) – 50,000 s.f. (maximum)~~
~~Resort Commercial: 9 ac. (gross) – up to 60,000 s.f. + 25 vacation units~~
~~Residential: 10 ac. (gross) – up to 85 dwelling units (max.)~~
~~Light Industrial: 12 ac. (gross)~~

~~Park: 6.3 ac. (gross; the 'East Portal Triangle')~~
~~Add'l Park: min. 5 ac. (gross; can be required open space)~~

~~USFS Property: Design Option C~~



The location of these parcels, and in particular the South Barclay Parcel is strategic to the city's downtown as a gateway into Sisters from the west side. The City anticipates that some or most of the land will be developed for urban uses related to its downtown planning theme under mixed use principals, as well as for light industrial uses. There is a possibility that some or most of this land could be

purchased through public and/or private funding for use as a park; this possibility is addressed further in Goal 5 of this document.

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).

2. The amendment shall demonstrate consistency and integration with the city's ~~2008-09~~ 2018 update of its Transportation System Plan, as well as the state's Transportation Planning Rule as found in OAR 660-012.

3. The amendment shall demonstrate that it has maximized urban efficiency consistent with city and state planning requirements~~,~~ and quality in urban design~~, and complies with the city's Western Theme design standards~~.

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.

The 2011 City of Sisters Parks Master Plan identifies service area needs within the City. To serve the needs of a diverse population, it is important that a parks system contain parks of different types and sizes distributed throughout the community. It is also important that residents have convenient access to a developed public park within their neighborhood (defined as a ¼ mile or less walking distance). Map 3-2 of the 2011 City of Sisters Parks Master Plan illustrates park service areas. Service areas of 1-mile for community parks, ½ mile for neighborhood parks, and ¼ mile for mini parks are used as a measurement to analyze how well Sisters residents are served by their parks system. Although a number of parks exist throughout Sisters, the service area analysis in the 2011 Parks Master Plan indicates that sections of the City are currently underserved or not served at all by developed parks.

The 2011 City of Sisters Parks Master Plan identifies that the central core of Sisters is well serviced by parks, with Barclay Park, Creekside Park, and Cliff Clemens Park all contributing in this area. The north-central portion of Sisters (north of Black Butte Avenue) is entirely serviced by Cliff Clemens Park and the south-central portion of Sisters (south of St. Helens Avenue) is entirely serviced by Creekside Park. Although these parks are geographically located in appropriate locations to serve these areas, both parks currently contain minimal amenities and do not provide the full range of features typically found in a neighborhood park. Outside of the central core, three general areas of Sisters are underserved by park facilities:

- Northeast – east of Cowboy Street and north of Whychus Creek;
- South – south of St. Helens Avenue and north of the southern City limits; and
- West – west of Pine Street and east of Sisters High School.

The service area analysis also indicates that the southwest portion of Sisters, south of Highway 242 and west of Pine Street, is underserved. However, this area benefits from private facilities in the Pine Meadow subdivision. The underserved areas described above consist predominately of single-family residential properties or undeveloped properties zoned for residential use. The service area analysis supports land acquisition and parkland development in the northeast, south, and west portions of Sisters, with the stated goal of establishing park facilities that serve residents and residential areas within ¼ mile. By promoting parks that are within walking distance, and within underserved areas, the City of Sisters can better serve its residents.

In addition, Sisters does not have an adopted Level of Service (LOS) standard. The basic function of the LOS is to ensure quality of service delivery and equity. It is a needs-driven, facility based, and land measured formula; expressed as the ratio of developed parkland per 1,000 residents. The City's current LOS is 3.47 acres of parkland per 1,000 residents. This is based on the estimated 2010 population of 1,935 residents. Compared to other communities of similar size, Sisters' LOS is slightly lower than average. As Sister's population increases, it will be necessary to develop additional parkland in order to maintain or increase the current LOS. In order to better serve the residents of Sisters, the 2011 Parks Master Plan recommends adopting a LOS standard of 5.0 acres per 1,000 residents.

The City of Sisters anticipates needing new land for wastewater treatment facilities above their current holdings. The City currently owns 160 acres designated for use as a wastewater treatment facility. The City will require additional land, possibly as much as 80 acres adjacent to the current site, for future treatment capacity. As additional land for facilities is required, land will be annexed into the City and UGB consistent with State and local UGB expansion policies, requirements, and laws.

A UGB expansion of 13.8 acres of Public Facility land for the wastewater treatment facility occurred in 2005 during the Comprehensive Plan update. This expansion is for the area adjacent to the shop at the wastewater treatment facility and may be used for equipment storage and a public works headquarters. This expansion is discussed in

greater detail in the UGB Findings Document, incorporated herein by reference and available from the Planning Department.

A UGB expansion of 4 acres of future Public Facility land for the Sisters – Camp Sherman Fire District occurred in 2009. This expansion affected land located immediately east of S. Locust Street leading to the city's sewage percolation ponds. This expansion is discussed in greater detail in the UGB Findings Document (2008), incorporated herein by reference and available from the Planning Department.

Flood Plain Lands (FP District)
The FP District and 100-year flood plain are not expected to change in the planning period. If improved maps of the 100-year flood plain are made available by FEMA or local survey efforts, the City will make the appropriate changes in the boundaries of this district.

Residential Lands (R and R-MFD Districts)
As found in the 2010 Sisters Housing Plan, given anticipated population growth, the existing supply of residential land by district, number of platted and planned units in subdivisions, and current density ranges, a surplus of 'R' zoned residential land to meet the 20-year demand is predicted in the planning period. This surplus was evidenced after supplies of vacant residential land were developed, as existing platted subdivisions were developed, and as infill occurred, which increased the average density in the 'R' District to nearly 9 units per acre between 2005 and 2009. As a consequence, there is not a demand for additional 'R' zoned land through the planning period. However, there are insufficient R-MFD lands to meet anticipated needs during the planning period, as described in Chapter 10 of the Comprehensive Plan. As a consequence of Sisters' tourist and service-based economy, and economic forecasts which indicate slow job growth into the future, there is a need for additional multi-family units, units targeted specifically at workforce and lower-income populations. Additionally, there is a need for housing for special needs and elderly populations, due to Sisters' higher-than-average median age. In 2005, the City included a UGB expansion of 30 acres and designated it as 'R' land, in order meet the demand for 'R' zoned land that was anticipated at the time. In 2010, the City reevaluated this demand, and found this land was better-suited as R-MFD, in order to meet the demand for multi-family, low-income and workforce housing, and housing targeted specifically at senior populations.

Commercial and Light Industrial Lands (DC, HC, LI Districts)
Given anticipated population growth, the existing supply of economic lands by district and anticipated employment by sector there are approximately 37 net buildable acres of vacant DC and HC designated lands inside the Sisters UGB. Adding approximately 12 net buildable acres of re-developable and 40 net buildable acres of developable acreage of partially developed lands, a total of 89 net buildable acres of buildable DC and HC lands are inside the Sisters UGB. Since the projected future demand is 28 net buildable acres, there is a surplus of commercial land of approximately 61 acres. Even without considering the re-development of partially developed lands, there is sufficient vacant and re-developable land in the existing UGB to accommodate demand for commercial

lands within the next 20 years. For more information see Appendix B, *Technical Report, City of Sisters Commercial and Industrial Land Needs Analysis*.

By early 2020, the amount of available 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.

~~"There are approximately 35.68 net buildable acres of vacant LI designated lands inside the Sisters UGB. Adding 3 net buildable acres of re-developable and 17 acres of developable acreage of partially developed lands, a total of 55.68 acres of buildable light industrial (LI) lands are available inside the Sisters UGB. There is a projected demand for 34 net buildable acres of industrial land inside the Sisters UGB by the year 2025. A surplus of 21.68 acres of net buildable industrial land is predicted based on anticipated supply and demand of industrial lands until the year 2025. There is a sufficient supply of vacant acreage alone to satisfy anticipated demand, without considering re-developable and partially developed lots. For more information see Appendix B."~~

Airport (A District)
In 2012, the citizens of the Sisters voted to annex the Sisters Eagle Airport, 34.3 acres, by popular vote during the November 2012 general election, by approximately 85%.
The Sisters Eagle Airport was then annexed into the City of Sisters on March 15, 2014.

Annexing the Sisters Eagle Airport and rezoning it to Airport District (A) provides an orderly and efficient transition from rural to urban land use. Annexing the Sisters Eagle Airport is an efficient accommodation of land needs because it will allow the community to use an existing resource that has been developed historically adjacent to the City and is approved by the Oregon Department of Aviation (ODA).

There are no other available locations to develop an airport within the UGB. It is more efficient to use an already developed airport rather than develop a redundant airport to meet the community's needs.

Urban Area Reserve (UAR District)
The City has adopted and mapped the Urban Area Reserve (UAR) Sub-District which contains a minimum lot size of 2.5 acres to preserve land for future development at urban densities. There are a total of 51.54 acres of UAR inside the current UGB. Of this, 30 acres are intended as a holding zone for future residential development re-zoning to residential uses. As part of the UGB Site Evaluation process, the UAR properties were examined for use as residential properties since the UAR is a holding zone for residential uses. City staff

estimates that 8.8 gross acres of R-MFSD can be obtained from the re-zoning and re-development of these properties. 30 acres of UAR-zoned land was removed from the inventory in 2010 when McKenzie Meadow Village annexed into the city limits and was subsequently re-zoned from UAR 10 to R-MFD, PF and OS.

The Needs Assessment and Site Selection findings are found separately from this Comprehensive Plan in the 2008 burden of proof statement incorporated herein by reference, and available from the Planning Department.

23 acres of UAR inside the City Limits/UGB are owned by the U.S. Forest Service and are intended as a holding zone for the future development of a business park or a light industrial area. While this parcel is zoned UAR, a holding zone for residential development, it is intended as a holding zone for light industrial/business park uses. If this parcel is rezoned it would be for light industrial/business park uses or for a relocated Forest Service Ranger Station. In 2019, the Forest Service sold the property north of Barclay to a private developer, obviating the possibility of the use of the property for a relocated Forest Service Ranger Station.

The remaining 13.8 acres of UAR land are owned by the City (described earlier herein) as possible future use for equipment storage and a Public Works warehouse / maintenance building.

Urban Growth Management

Any proposal to annex new areas to the City must demonstrate that sufficient public facilities (including water, sewerage and transportation) are available or will be installed in conjunction with any land development. In Sisters, the annexation must also be approved by a majority of voters in an election. New policies included in the section below also guide urban growth consistent with State of Oregon laws.

State of Oregon laws require sufficient supplies of buildable lands inside the UGB to accommodate anticipated demand, provide choices in the marketplace, and livability. Some factors influencing the need for land include population growth, required development densities, economic development goals, land needs of public institutions, and market forces. Some specific ways to accommodate the 20-year need for residential land include expanding the UGB, re-zoning UAR lands to urban zoning designations, increasing residential densities, and converting non-residential lands to residential use.

UGB Expansion

The City of Sisters completed a modest Urban Growth Boundary expansion during the 2005 Comprehensive Plan update process to implement its amended Sisters Urban Area Comprehensive Plan policies and tasks. This expansion and its compliance with applicable state and local requirements is presented in greater detail in a UGB Expansion Findings document, incorporated herein by reference. The Urban Growth Boundary (UGB) expansion occurred for number of purposes, including:

1. accommodating anticipated 20-year demand for residential uses such as single-family housing
2. adding additional land for Public Facility uses, specifically a new City Public Works Department headquarters building (office, maintenance, and storage facility) adjacent to the existing City of Sisters wastewater treatment facility,
3. bringing a small existing developed urban use on an Exclusive Farm Use parcel adjacent and outside the City of Sisters (City) UGB inside the UGB,
4. bringing a small Exclusive Farm Use parcel entirely surrounded by the City UGB into the UGB.

The 2005 Plan update brought a total of approximately 53 acres of land into the City of

Sisters Urban Growth Boundary (UGB). 8.9 acres is intended for commercial and light industrial uses – reflecting an existing commercial use and a parcel surrounded by the

city. The 2005 Plan update also brought approximately 13.8 acres of land into the City of Sisters UGB and rezoning the property from F1 to Public Facility as a site for a new Public Works Department headquarters adjacent to the existing wastewater treatment facility.

The need for additional residential land use is not until 2010-2020. Since the need is later in the 20-year planning period the land is proposed to be added to the UGB as Urban Area Reserve-10 acre minimum, outside the City Limits. As land is needed it would be annexed by the land owners, rezoned, and then developed for the urban use. Until then, uses would be limited outside the City Limits and would be subject to the development standards of Title 21 of the Deschutes County Code. When rezoned inside the City Limits, the site would be designated as Residential, or other zoning district based on documented need at the time of rezoning and redesignation.

In 2011, a four-acre portion of land was brought into the UGB and subsequently into the City limits for purposes of providing a training facility for the Sisters – Camp Sherman Fire District. The Needs Analysis and all accompanying Site Alternative Study documentation are found in a separate burden of proof document referenced herein and available at the Planning Department.

Determining Need and Comprehensive Plan Designation

Residential Uses (lands zoned UAR-10 with Plan designation Residential

The Residential Buildable Land Supply and Demand Analysis (see Appendix C) predicted the amount of residential land needed until year 2025 based on anticipated population growth, historic and anticipated building trends, housing needs by income group, existing zoning, and the current supply of buildable residential land. This report estimated a need for additional land to be added to the Sisters UGB to meet anticipated demand. Specifically, 25 gross acres of land zoned for residential (predominately single-family) development (Residential-R District) were needed to accommodate 20-year demand. To meet the need for residential land, a single parcel of 30 acres (McKenzie Meadows parcel) was included in the UGB as a result of the Comprehensive Plan, and has since annexed into the city limits. Because the density in the single-family 'R' District increased so substantially between the period of 2005 and 2010, when the Mckenzie Meadows parcel was annexed to the City, there was no longer a demand for 'R' zoned land, but a demand for multifamily, workforce and low-income housing, and housing targeted at the senior population. Eventual urban development of this parcel will be in the form of a Master Plan, so any area subject to restrictions can be used to fulfill open space and access requirements.

Public Facility Uses (Land zoned Public Facility (PF) with PF Plan designation)

The City's old Public Works Department facility had been located at 175 W. Washington Avenue, and has since ~~has~~ been sold to the Sisters Camp Sherman Rural Fire Department. A new facility for the Public Works headquarters has been constructed adjacent to the sewage treatment plant percolation ponds. Uses at the new headquarters include a centralized office and repair shop, storage for garbage trucks, tractors, back hoes, street sweepers, solid waste

dumpsters, and rooms and structures holding equipment and supplies such as sand, gravel, pilings, pipes, and other associated uses.

The Sisters – Camp Sherman Fire District entered into an Agreement with the City of Sisters. The purpose of this Agreement is for the Fire District to allow the City to use a property owned by the Fire District for a new recycle center, which has subsequently been constructed. The City then became obligated to provide 4 acres of land for a Fire Training Facility, which occurred in year 2010. This Comprehensive Plan amendment followed.

The site has been fully evaluated for soil suitability, and comparable sites have been evaluated as is required by Oregon Administrative Rules. The Deschutes County Hearings Officer had made a formal recommendation to approve the 4 acre UGB expansion request, and the Board of County Commissioners voted unanimously to allow Sisters to amend its UGB by vote that occurred in April 2009. The support documentation referenced herein is found at the Planning Department, City Hall, 520 E. Cascade Avenue, Sisters.

Commercial and Industrial Uses (Lands zoned UAR –10 with Plan designations Commercial and Light Industrial)
In 2000, City voters approved the annexation of a 4.6-acre parcel of Exclusive Farm Use land adjacent to the northern portion of the Sisters UGB. The site is developed as the Conklin Guest House and has a bed and breakfast, small water feature, a barn, landscaping, and other improvements. This parcel is irrevocably converted to urban uses and so no loss of farm land would occur.

The proposal is to include the parcel in the UGB with a zoning designation of Urban Area Reserve UAR-10 (10-acre minimum, hereafter referred to as UAR-10) and a Plan designation of Commercial. This would preserve the use at current levels until a time when it applies for a zone change and annexation. Adding the site to the UGB would also enable the owner to intensify the development consistent with the Airport Height, Commercial District, and other land use guidelines in place in the Sisters Development Code. This parcel of land is also surrounded by the Sisters UGB to the north, west, and south, creating a gap in the urban area that will result in less efficient extension of utilities to the parcels inside the current UGB to the north.

With the Conklin Guest House parcel included in the UGB, the parcel adjacent to the west would be an Exclusive Farm Use Parcel that would be entirely surrounded by Urban Lands. This parcel has no water rights, is only 4.3 acres, and is currently a vacant dry parcel.

The proposal is to include the parcel in the Sisters UGB zoned UAR-10 with a Plan designation of Light Industrial. This preserves the use at current levels or would allow the development of a single-family house, or other low intensity developments until the site successfully annexes and rezones consistent with City Development Codes. After rezoned, the use could be intensified consistent with the Airport Height, and Light Industrial guidelines in place in the Sisters Development Code.

Overview of Site Selection Process

After the need for additional land was determined and new Plan policies developed, the 2005 and 2009 UGB expansion was determined through a methodology implementing State of Oregon statute and rule as well as the City's Plan policies. As mentioned previously, the site selection process for the 4 acre expansion occurred through a separate set of documents which are available at the Sisters Planning Department, and are referenced as file no. CP 08-2 / ZC 08-1.

A site evaluation strategy was developed to determine the best sites to be included in the UGB to meet the need for additional residential land. Generally, all properties surrounding the current coincident UGB and city limits that were determined to have significant developable lands were rated according to 17 criteria that implemented State of Oregon statutes and rules and local policies. All parcels were evaluated as either Good (3 points), Fair (2 points), or Poor (1 point) in each criterion and the total points were added to a total score and weighted total score. The best parcels (ones with the highest point totals) were considered to meet anticipated needs. Refer to the UGB Site Evaluation Matrix and Maps (Appendix 5) of the Findings for UGB Expansion document for the resulting evaluation matrix.

This matrix is referred to many times in the Findings document. The methodology resulting in parcels selected for inclusion in the UGB is as follows:

1. Parcels adjacent to the UGB determined to have developable lands were identified and are shown in the Productivity Spreadsheet
2. Only developable parcels that were not in public ownership were selected to be evaluated further
3. Criteria were developed to implement the "seven factors" of Goal 14 as well as Plan policies and ORS 197.298 prioritization criteria
4. Parcels were evaluated based on the criteria and each received as score according to the parcels characteristics
5. Scores were 3 points for a "Good" evaluation, 2 points for a "Fair" evaluation, and 1 point for a "Poor" evaluation
6. Scores were added together to arrive at the overall score for the parcel (see Appendix 2 column named "Overall Score" in the UGB Expansion Findings document)
7. Scores for criteria under the column headings "ORS 197.298 Priority of Lands for UGB" and "Factor 3" were doubled and added to the rest of the criteria to arrive at the "Overall Weighted Score" column. The purpose of this was to evaluate how a parcel's score might change compared to the non-weighted "Overall Score". This demonstrates possible differences in the overall scores when placing more importance on two factors.
8. "Overall Rank" and "Weighted Rank" were calculated based on the parcels scores on "Overall Score" and "Overall Weighted Scores", respectively. This shows the ordinal rank of parcel according to these scores and a snapshot of a best to worst evaluation for all parcels evaluated.

9. A parcel had to score “Fair” on average in both the “Overall Rank” and “Weighted Rank” to be considered further. Those parcels that scored “Fair” on average in both categories were scored with a “Yes” in this column.
10. The top ranked sites in the “Overall Rank” and “Weighted Rank” category were considered for addition to the Sisters UGB.

The 30 acre parcel that was considered to best meet the needs of the City and ranked highly in the UGB Site Evaluation Matrix is the McKenzie Meadows parcel. The City decided that it best met the need because it is virtually surrounded by urban uses where the other highly ranked parcels weren’t. In addition, it was sited closer to the majority of schools in the City. Lastly, it has more potential to be developed for needed residential uses within the planning period.

Location and Designation of New Lands Brought Into UGB

The locations of the properties selected for inclusion in the Sisters UGB are shown in figures 14 -1, 14-2, 14-3, and 14-4. Each figure shows different information. *Figure 14-1: City of Sisters Proposed Additions to the UGB*, shows parcels that were added to the City’s UGB in 2005. Figure 14-2: City of Sisters Zoning Map, shows the zoning of lands within the UGB following adoption of the 2005 Comprehensive Plan update. Figure 14-3: City of Sisters: Comprehensive Plan Map shows the Comprehensive Plan designation for lands within the UGB, including the 4 acre portion of land to be used by the Sisters – Camp Sherman Fire District which is under consideration at this time. Figure 14-4 is the survey map of the 4 acre portion of land mentioned herein. Land uses shall be consistent with the Comprehensive Plan map. As parcels are added to the City limits, the Urban Area Reserve designation would be changed to match the Comprehensive Plan Map.

After Recording, Return to:
City of Sisters
P.O. Box 39
Sisters, Oregon 97759

CONDITIONS OF APPROVAL AGREEMENT

This Conditions of Approval Agreement ("Agreement") is executed this ___ day of _____, 2020 (the "Effective Date") by and between the City of Sisters ("City"), an Oregon municipal corporation, and Jeriko Development, Inc. ("Developer"), an Oregon corporation.

RECITALS

A. Developer is the owner of the real property identified as Tax Lot 100 on Deschutes County Assessor's Map 15-10-05D and legally described on the attached Exhibit A (the "Property").

B. Though Ordinance No. 507 (approving City Planning File Nos. CP 20-02/ZM 20-01), the Property received approval, subject to conditions of approval, to change the zoning and comprehensive plan designation of the Property from Urban Area Reserve (UAR) to Light Industrial (LI) along with supporting text amendments to City's Comprehensive Plan.

C. This Agreement memorializes the conditions of approval to Ordinance No. 507 that run with the Property.

AGREEMENT

In consideration of the foregoing recitals, the obligations contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Master Plan. Prior to dividing the property or obtaining site plan approval, Developer shall submit an application and receive approval for a master plan covering the entirety of the Property.

2. Transportation.

    a. Concurrent with submittal of the master plan application, Developer must pay $98,604 to City as Developer's proportionate share of improvements along US 20 and the parallel "Alternate Route" to satisfy the "Transportation Planning Rule."

b. Developer acknowledges that additional traffic analysis will be required for subsequent land use applications as prescribed in the Sisters Development Code, which may result in a requirement for additional mitigation.
c. Developer acknowledges that transportation system development charges still apply to all development on the Property and will be assessed at the time of site plan application and/or building permit.

3. Water.
   a. Prior to recording the initial land division plat or issuance of the initial building permit, whichever occurs first, Developer must construct a 12" water main extending from the existing water main at the northeast corner of the property identified as Tax Lot 3400 on Deschutes County Assessor's Map 15-10-05DB to the existing water main in North Pine Street, per the City Water Capital Facilities Plan. All construction plans for the water main must be approved by City.
   b. Notwithstanding the foregoing, a phasing plan for construction of the water main may be approved as part of a master plan for the Property.
   c. Developer must pay $705.45 per EDU, payable at the time of building permit issuance, for the number of EDUs subject to the building permit, to mitigate impacts to City's water supply. City may increase this rate proportionally by EDUs if subsequent development of the property exceeds the 3.88 acres of water rights mitigation assumed for calculating the rate.
   d. A stamped engineering memo must be included as part of each site plan/building permit application indicating the number of EDUs proposed, total EDUs for all development on the Property to date, and confirmation of required system pressure at peak demand for the development subject to site plan approval. If required system pressures cannot be met, mitigation satisfactory to the City will be required prior to the issuance of any building permits in furtherance of the proposed site plan.
   e. Developer acknowledges that water system development charges still apply to all development on the Property and will be assessed at the time of site plan application and/or building permit.

4. Sewer.
   a. Prior to recording the initial land division plat or issuance of the initial building permit, whichever occurs first, Developer will pay $1,372 to City for upgrades to Pump Station #1.
   b. Prior to recording the initial land division plat or issuance of the initial building permit, whichever occurs first, Developer will pay $19,546 to City for improvements to the Locust Interceptor.
   c. Prior to recording the initial land division plat or issuance of the initial building permit, whichever occurs first, Developer must install telemetry equipment at Pump Station #2 and Pump Station #4 to eliminate simultaneous pumping or pay a fee in lieu or bond in an amount determined by the City Engineer. Where appropriate, the City Engineer may alter or waive this condition as part of any subsequent land use approval concerning the Property.

d. Prior to recording the initial land division plat or issuance of the initial building permit, whichever occurs first, Developer will pay $27,027 to City for wet well capacity improvements and an emergency backup generator at Pump Station #2.
e. A stamped engineering memo must be included as part of each site plan/building permit application for development on the Property that indicates the number of EDUs proposed, total EDUs for all development on the Property to date, and peak flow for the proposed development subject to site plan review. If peak flows exceed maximum operating conditions as determined by AWWA guidelines, Developer shall be required to provide mitigation satisfactory to City prior to any building permits in furtherance of the proposed site plan.

5. Inflation. All payment amounts in this Agreement are in 2020 dollars. Such amounts will be adjusted for inflation on January 1 of each calendar year corresponding with the yearly change in the Consumer Price Index for All Urban Consumers for the West Region, as published by the U.S. Bureau of Labor Statistics or similar inflation index.

6. Remedies. The issuance of land use approvals or building permits within the Property will be suspended if Developer breaches any provision of this Agreement. After no less than thirty (30) days' written notice to Developer, City may seek an injunction for any violation of this Agreement without any obligation to post bond or prove monetary damages. The remedies in this Section 6 are in addition to, and will not preclude, any other remedy available to City under applicable law or at equity. City may pursue any or all of its remedies consecutively or concurrently.

7. Binding Effect. The Agreement runs with the land and be binding upon the successors and assigns to any interest in the Property. All prospective interest holders in the Property are advised to consult City as to the status of the Agreement prior to assuming any interest in the Property.

8. Developer Representations. Developer and the person executing this Agreement on behalf of Developer, represents, warrants, and certifies that:
   a. Developer possesses all necessary power and authority to execute this Agreement and to comply with the terms and conditions of this Agreement;
   b. The person executing this Agreement on behalf of Developer has been duly authorized to act in such capacity and to take such other action as may be necessary to accomplish the purposes of this Agreement;
   c. Execution and delivery of this Agreement will not conflict with any provision of Developer' governing documents; breach any agreement to which Developer is a party; or violate any law, rule, regulation, covenants, conditions, restrictions, easements, judgement or order to which Developer is subject; and
   d. This Agreement is the legal, valid, and binding obligation of Developer enforceable against Developer in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, or other similar laws of general application, or by general principles of equity.

9. No Partnership. Developer acknowledges and agrees that it is acting in its own independent capacity under this Agreement, and not as an agent, employee, or subcontractor for City. City is not, by virtue of this Agreement, a partner of or in a joint venture with Developer in connection with Developer's development activities. City shall have no obligation with respect to Developer's debts or other liabilities of any nature.

10. Governing Law & Venue. This Agreement is governed by the laws of the State of Oregon, without giving effect to any conflict-of-law principle that would result in the laws of any other jurisdiction governing this Agreement. Any action, suit, or proceeding arising out of the subject matter of this Agreement will be litigated in courts located in Deschutes County, Oregon.

11. Attorney Fees. In the event of any suit, arbitration, or action arising from or related to this Agreement, the prevailing party in such suit, arbitration, or action shall be entitled to all costs and expenses incurred in connection with such suit, arbitration, or action, including title reports, expert witness fees, and such amount as the court may determine to be reasonable as attorney's fees and costs, including those incurred by the prevailing party in any appeal.

12. Severability. If any term or provision of this Agreement shall, to any extent, be held invalid or unenforceable in any respect, such invalidity or unenforceable shall not affect such term or provision in any other respect nor affect the remaining terms and provisions. It is in the intention that this Agreement be held valid and enforced to the fullest extent permitted by law.

13. Waiver. No waiver of any breach of any of the provisions herein shall be construed as, or constitute, a waiver of any other breach or a waiver, acquiescence in, or consent to any further or succeeding breach of the same or any other easement, covenant, or agreement.

14. Amendment. Any amendment or repeal of a provision of this Agreement or the adoption of any additional provision shall become effective only upon the recording in the official records of Deschutes County, Oregon, of an amendment that contains the signature of an authorized representative of the City.

15. Costs. Developer will be responsible for all costs to record this Agreement and any costs to record a release or partial release of this Agreement.

16. Counterparts. This Agreement may be executed in one or more counterparts.

[signatures on next page]

EXECUTED EFFECTIVE as of the Effective Date.

CITY OF SISTERS	**JERIKO DEVELOPMENT, INC.**
_____	_____
Cory Misley, City Manager	Jerry R. Freund, President

State of Oregon, County of Deschutes) ss.

This instrument was acknowledged before me on _____ by Cory Misley who stated that he is the City Manager for the City of Sisters.

_____
Notary Public for _____

State of Oregon, County of Deschutes) ss.

This instrument was acknowledged before me on _____ by Jerry R. Freund, who stated that he is the President of Jeriko Development, Inc.

_____
Notary Public for _____

DRAFT

Exhibit A
LEGAL DESCRIPTION

A tract of land lying in the North One-Half of the Southeast One-Quarter of Section 5, Township 15 South, Range 10 East, Willamette Meridian, City of Sisters, Deschutes County, Oregon and being a portion of Document number 2019-49934 and 2019-13420 Deschutes County Records, being more particularly described as followings:

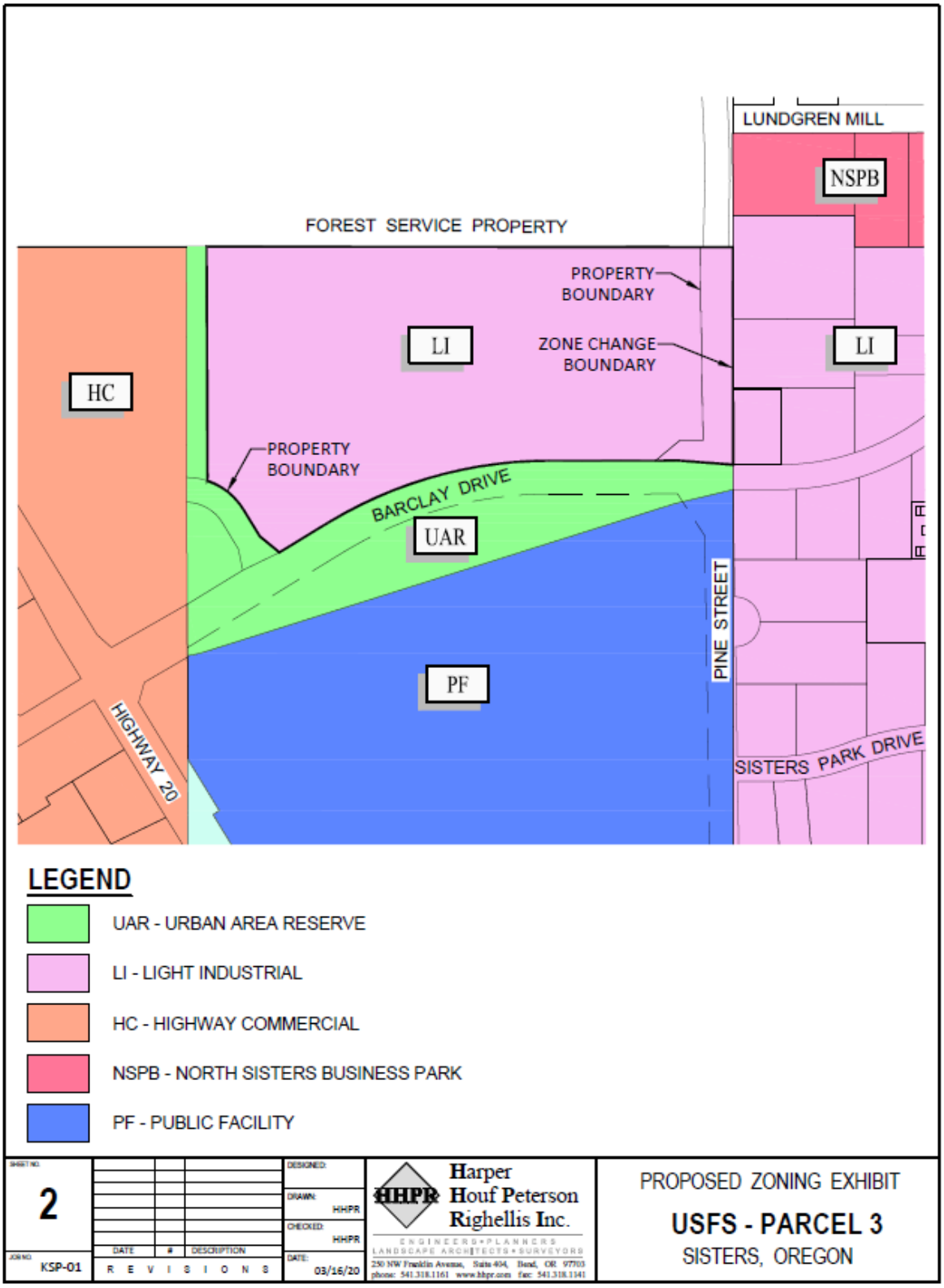
Bearings are based on the Central Oregon Coordinate System.

Beginning at the northwest corner of Document Number 2019-49934, Deschutes County Records marked by a 5/8" iron rod with orange plastic cap marked "HHPR INC"; thence along the north line of said Document Number 2019-49934 South 89°44'36" East, 1188.45 feet to the northeast corner of said Document Number 2019-49934 marked by a 3-1/4" brass cap marked "U.S. DEPARTMENT OF THE INTERIOR BUR. OF LAND MANAGEMENT CADASTRAL SURVEY" and the westerly Right of Way of Pine Street as dedicated by Document Number 2019-13420 Deschutes County Records; thence tracing the bounds of said Document Number 2019-13420 the following four courses: South 89°44'36" East, 79.22 feet; thence South 00°06'11" West, 524.09 feet; thence North 85°29'48" West 132.96 feet to a 3-1/4" aluminum cap marked "U.S. DEPARTMENT OF THE INTERIOR BUR. OF LAND MANAGEMENT CADASTRAL SURVEY"; thence North 89°51'41" West, 54.79 feet to the south line of said Document Number 2019-49934; thence tracing the boundary of said Document Number 2019-49934 the following seven courses: North 89°51'41" West, 256.90 feet to a 3-1/4" aluminum cap marked "U.S. DEPARTMENT OF THE INTERIOR BUR. OF LAND MANAGEMENT CADASTRAL SURVEY" and the beginning of a 1023.98 foot radius curve to the left; thence along said curve left (central angle = 31°24'00", the long chord of which bears South 74°26'42" West, 554.18 feet) 561.17 feet to a 3-1/4" aluminum cap marked "U.S. DEPARTMENT OF THE INTERIOR BUR. OF LAND MANAGEMENT CADASTRAL SURVEY"; thence South 58°44'28" West, 135.33 feet to a 3-1/4" aluminum cap marked "U.S. DEPARTMENT OF THE INTERIOR BUR. OF LAND MANAGEMENT CADASTRAL SURVEY"; thence North 50°09'43" West 61.78 feet to a 2" aluminum cap marked "LS 53270 2008"; thence North 31°17'04" East 75.35 feet to a 2" aluminum cap marked "LS 53270 2008 and the beginning of a 161.23 foot radius non-tangent curve left; thence along said curve left (Central angle = 40°04'53", Radius Point Bears South 18°39'21" West, 161.23 feet, Long Chord bears South 51°18'12" East, 110.50) 112.79 feet to 5/8" iron rod with orange plastic cap marked "HHPR INC"; thence North 00°00'32" West 564.33 feet to the Point of Beginning.

Containing 15.59 acres, more or less.

DRAFT

Exhibit B
Property Map



CITY COUNCIL PUBLIC HEARING
09.23.2020
CP 20-02/ZM 20-01

NICOLE MARDELL, PRINCIPAL PLANNER

NMARDELL@CI.SISTERS.OR.US

OVERVIEW

REQUEST: Zoning Map Amendment and Comprehensive Plan Map Amendment to rezone and redesignate the property from Urban Area Reserve to Light Industrial, and supporting text amendments.

LOCATION: 800 W Barclay Drive

SITE ACREAGE: 15.59 acres

OWNER: Three Sisters Holdings LLC

AGENT: Tammy Wisco, PE, AICP, Retia Consulting LLC

LOCATION AND HISTORY

BACKGROUND

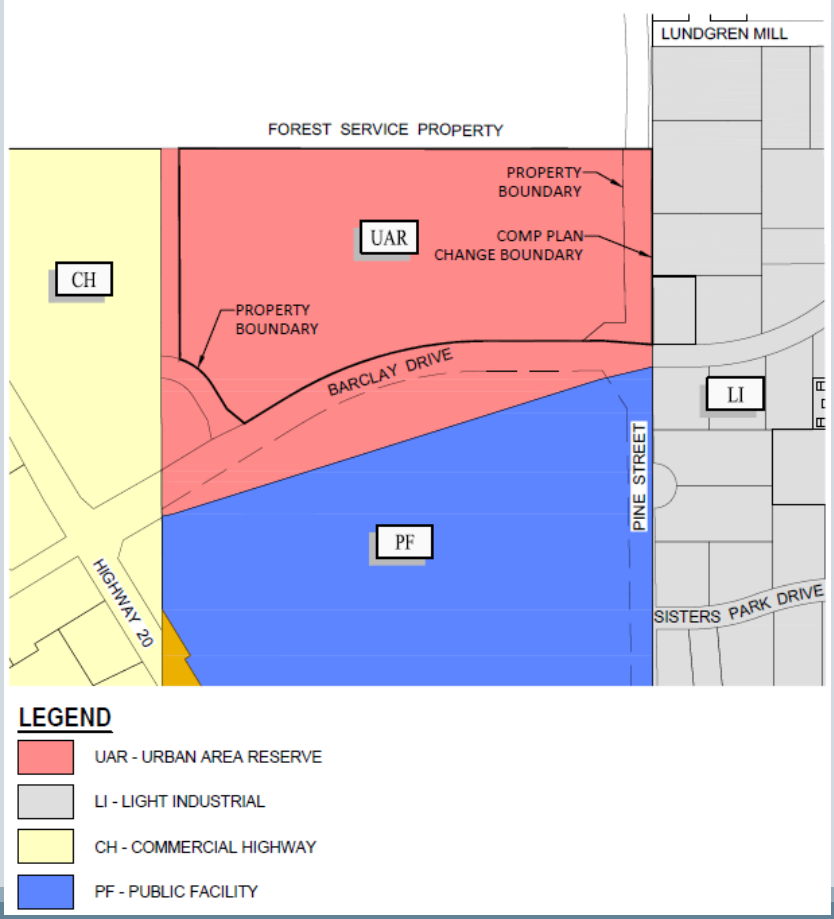
- First step in land use review process
- No development plans provided
  - Layers of subsequent plan review required
    - Master Plan
    - Subdivision
    - Site Plan
    - Building Permit

TEXT AMENDMENTS

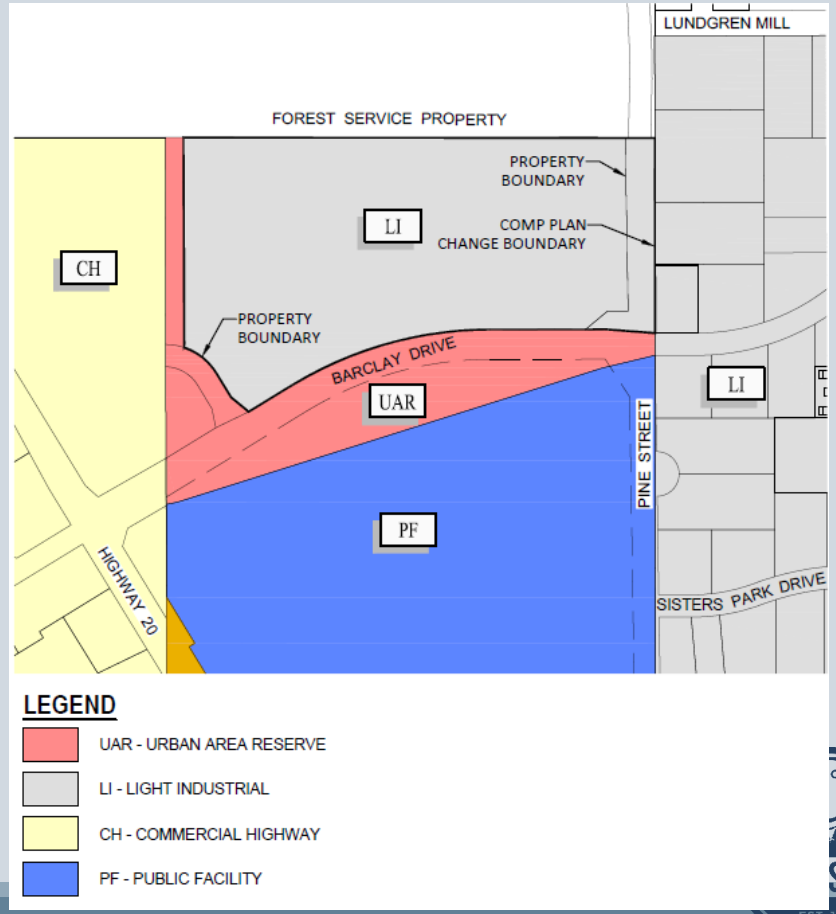
- Add detail regarding need for rezoning
- Remove 2010 site development scenarios

EXISTING AND PROPOSED COMP PLAN MAP

Existing

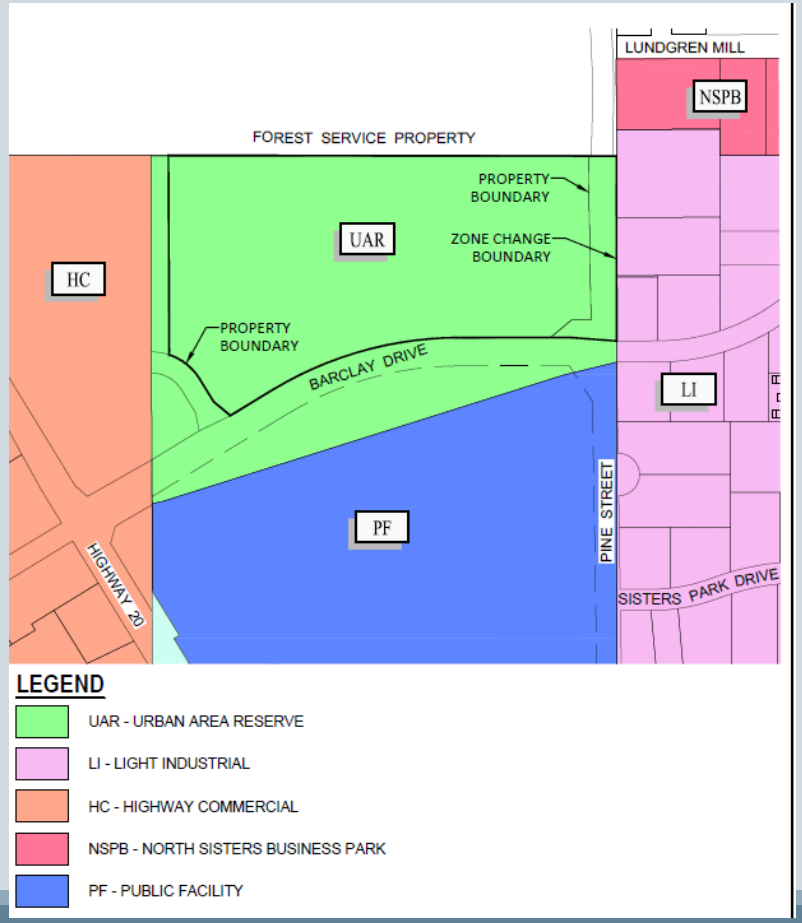


Proposed

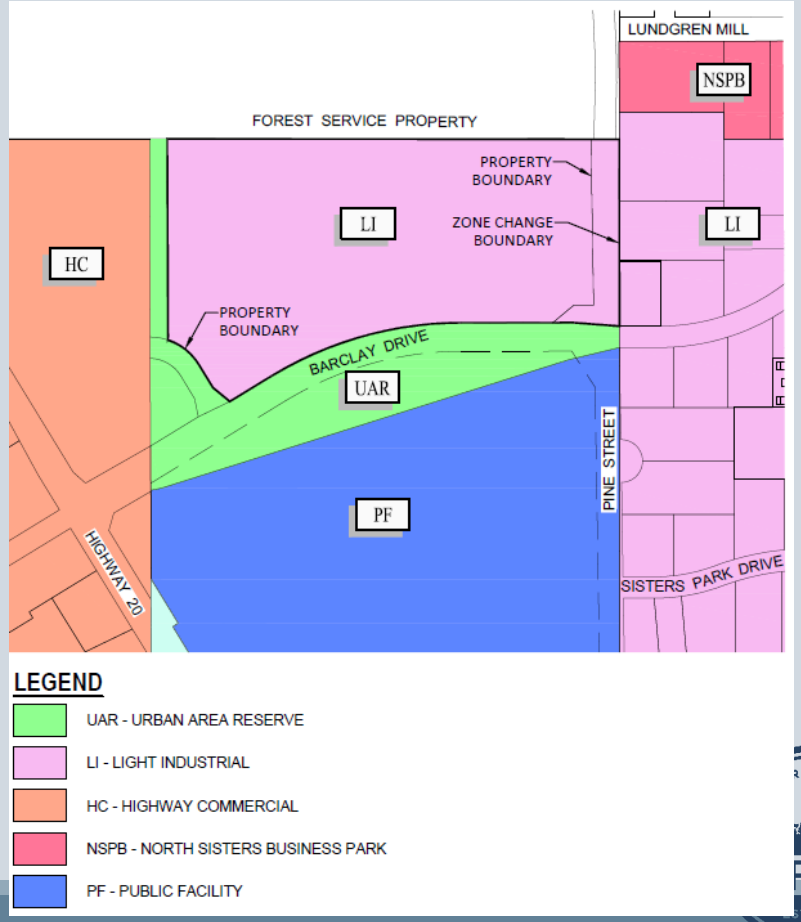


EXISTING AND PROPOSED ZONING MAP

Existing



Proposed



APPLICABLE CODE CRITERIA

- Application must prove:
  1. Compliance with Statewide Land Use Goals
  2. Compliance with Comp Plan Goals/Policies
  3. Adequate infrastructure (water, sewer, transportation) is available or can be built to serve maximum anticipated level and density of used allowed by new district.

WATER AND SEWER MITIGATION

- **Water Analysis**
  - 12 inch water main extension required
  - Water mitigation fee of $705.45 per EDU due at time of building permit
- **Sewer Analysis**
  - Pump Station #1 upgrades
  - Barclay Sewer Main/Locust Interceptor
  - Pump Station #2 wet well improvements
  - Telemetry equipment

TRANSPORTATION IMPACTS

- 201 new P.M. peak hour trips
- Significant impact to three intersections:
  - US 20/Barclay
  - US 20/Pine
  - US 20/Locust
  - Mitigation fee required for improvements to **Alternative Route**, based on proportional share of impact.

DRAFT ORD 507

- Minor Edits
  - Legal description
  - Clarification on Conditions #7 & 12
- Emergency Adoption Request
    - 21 day notice/appeal period
    - Public health, safety, welfare

PLANNING COMMISSION RECOMMENDATION

Recommend approval with conditions to City Council.

QUESTIONS?

Nicole Mardell

Principal Planner

nmardell@ci.sisters.or.us

Sisters, North of Barclay

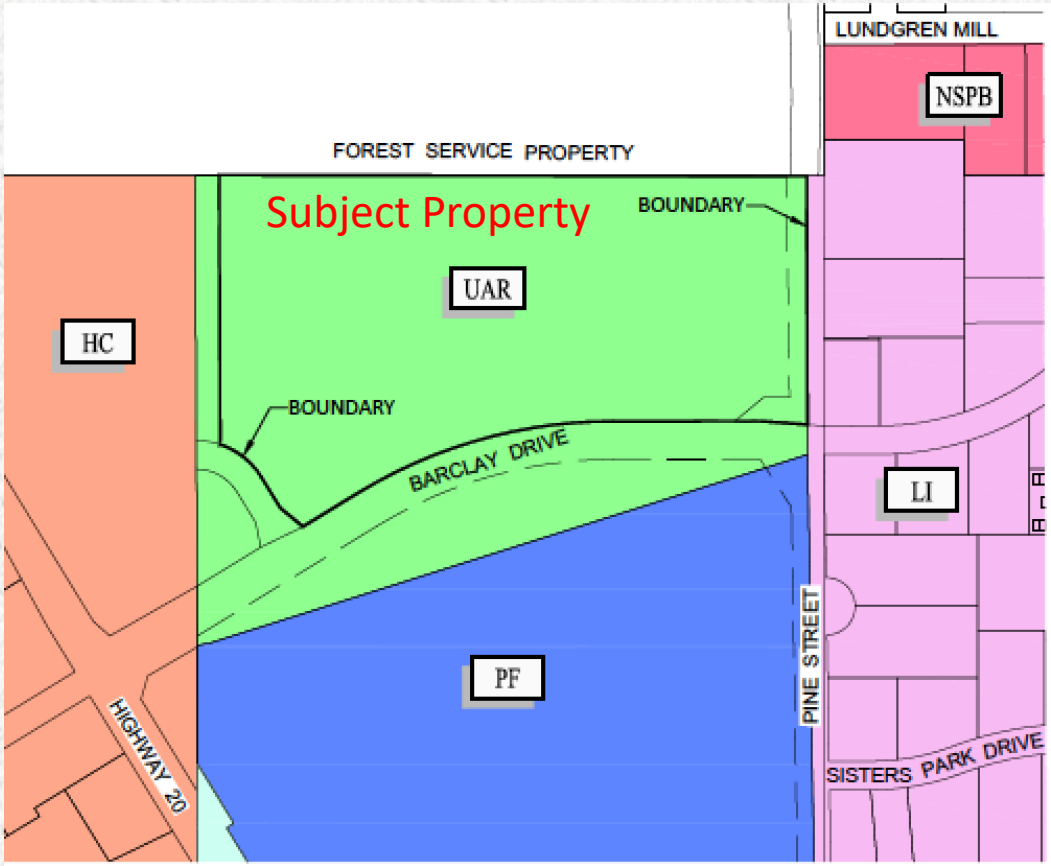
Comprehensive Plan Text/Map Amendments, Zone Change

CP 20-02, ZM 20-01

City Council Commission Hearing

September 23, 2020

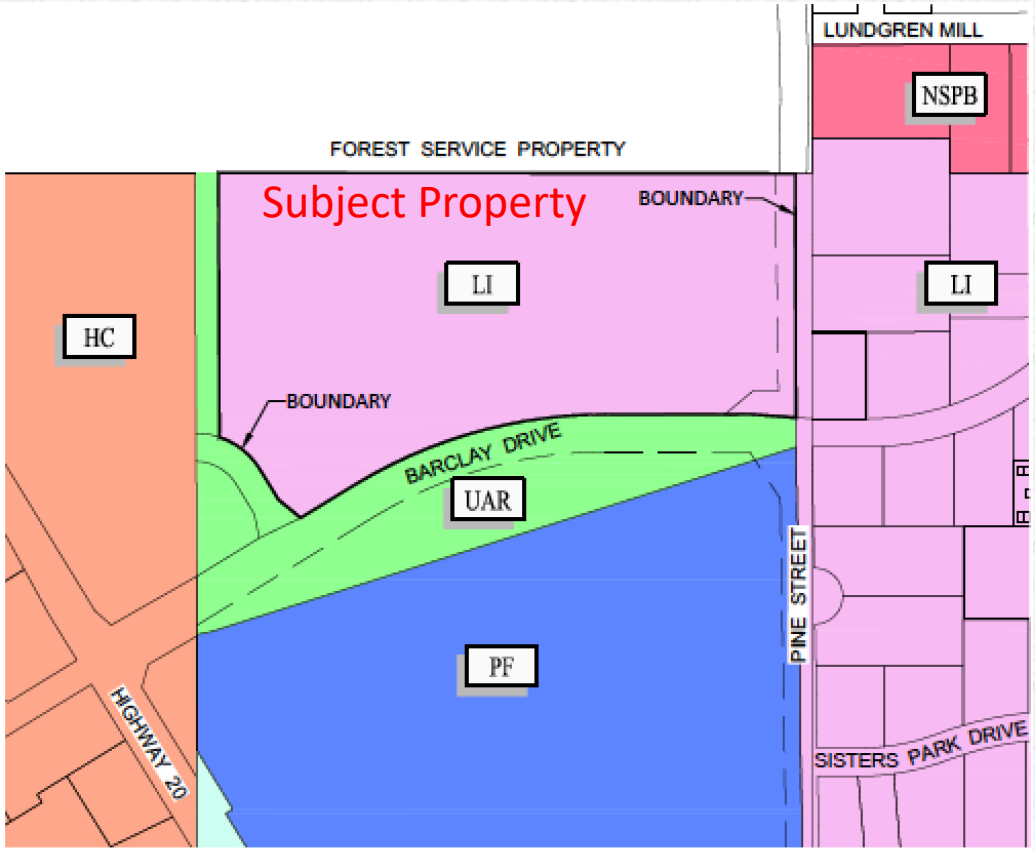
Existing Zoning - UAR



LEGEND

- UAR - URBAN AREA RESERVE
- LI - LIGHT INDUSTRIAL
- HC - HIGHWAY COMMERCIAL
- NSPB - NORTH SISTERS BUSINESS PARK
- PF - PUBLIC FACILITY

Proposed Zoning - LI



LEGEND

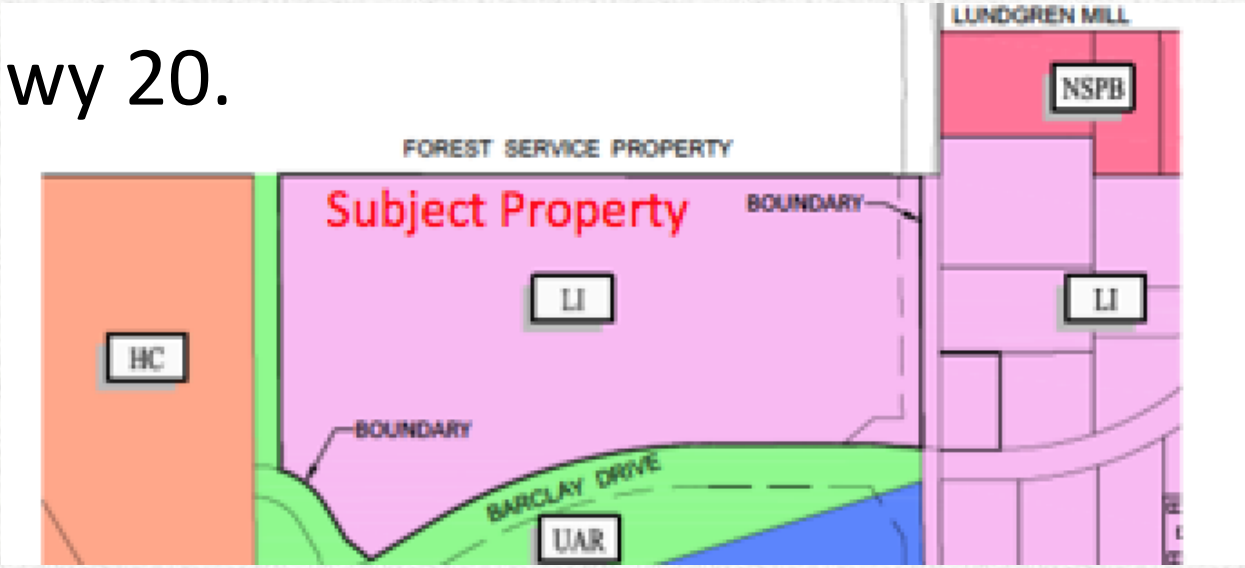
- UAR - URBAN AREA RESERVE
- LI - LIGHT INDUSTRIAL
- HC - HIGHWAY COMMERCIAL
- NSPB - NORTH SISTERS BUSINESS PARK
- PF - PUBLIC FACILITY

Dearth of Available Industrial Land, Not enough to attract new businesses

- Based on City and EDCO data:
  - Occupancy in the NSBP is 100%.
  - Occupancy in the light industrial zone is nearly 100% (one remaining site is under construction).
  - In 2015, 20 acres of employment land converted to residential land (Clear Pine).
- **Time is of the essence.**
  - EDCO has reported several lost opportunities due to land not being available.

Location Prime for Light Industrial

- Subject property located on edge of City.
- Logical extension of existing light industrial zone.
- No abutting residential zones.
- Adequate infrastructure.
- Proximity to Hwy 20.



SDC 4.7.300 - Criteria

1. Consistent with the Statewide Planning Goals;

2. Consistent with the Comprehensive Plan;

3. Adequate public facilities, services and transportation.

4. Evidence of change in the neighborhood or community or a mistake or inconsistency in the comprehensive plan or land use district map.

Statewide Planning Goals

Goal 9, Economy

Goal 11, Public Facilities & Service

Goal 12, Transportation

Goal 14, Urbanization

Goal 9, Economy

To provide adequate opportunities…for a variety of economic activities vital to the health, welfare, and prosperity of Oregon citizens…

This project <u>partially replenishes industrial land:</u>

- Replenishes some of the 20+ acres of industrial land that were rezoned and removed from inventory.
- Current industrial occupancy is at 100%.
- Will help retain expanding businesses and attract new businesses currently being lost to other areas.

Goal 11, Public Facilities

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."

Applicant and City staff coordinated to determine water, sewer, and transportation impacts as well as appropriate mitigation, outlined in conditions of approval.

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.

This project:

- Will rezone land inside the UGB for urban development.
- Will rezone UAR zoned land, intended for future urban development.
- Supports City's efforts to accommodate population & employment growth inside City limits.

City of Sisters Comprehensive Plan

- Goal 9, Policy 3. The City shall…partner with the 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…**

- Goal 9, Policy 4. The City should **support efforts 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.

- 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.

Conditions of Approval

- Applicant has agreed to City's proposed conditions of approval.

Emergency Adoption

- Applicant requests adoption by emergency.
  - **Economic health of Sisters is imperative**
    - EDCO: New & expanding businesses are continually being lost to other areas due to unavailable space.
    - Emergency adoption will facilitate earlier availability of industrial lands to retain and attract businesses in Sisters.