

Sisters, Oregon has experienced significant population growth over 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 meaning the local economy is becoming more diverse.

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

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

In 2014, the City of Sisters approved a request to convert approximately 20 acres from designated future employment land to residential. The loss of employment land has not been replaced.

Sisters has missed seven economic development opportunities recently due to very low inventory levels. Most businesses aren't able or do not want to endure the building construction process. A diverse supply of lot sizes and buildings in an LI zone is needed to attract more traded sector projects (Sisters Country Economic Development Strategic Plan).

Local companies desire to stay and expand in Sisters, but will require buildings in the LI zone for their operations.

New construction in Sun Ranch Business Park is filling with companies requiring less space (2,000-5,000 square foot). The market rate for these spaces is \$0.87-\$1.00 per square foot.

New Construction in Three Sisters Business Park is leased by a company requiring much larger space. They contracted with a local developer to construct three build to suits. Two building are completed and occupied totaling over 23,000 square feet and the third will be approximately 30,000 square feet. There was not enough land inventory in the LI zone for their rapid expansion.

In 2015 Sisters attracted a company needing 55,000 square feet in LI. However, most of LI projects Sisters has attracted have required 8,000-10,000 square feet buildings.

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

Supporting docs:

Population Growth Chart

Job Growth Chart

Industry Mix

NSBP Zone

LI Zone

Employment Land Inventory

2018-2020 Sisters Country Economic Development Strategic Plan

2019 Sisters Country Vision -Prosperous Sisters Strategies