



Urban Growth Boundary Sufficiency Report

DRAFT | 4/12/2021

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Executive Summary

This report provides a framework for evaluating the results of the City of Sisters Housing Needs Analysis (HNA) and Economic Opportunities Analysis (EOA), conducted as part of the Sisters 2040 Comprehensive Plan Update, in the context of the City’s Urban Growth Boundary (UGB). This report provides a high-level look at whether these analyses indicate that the City currently has enough land within its UGB to meet 20-year needs; what efficiency measures it should consider prior to pursuing a UGB expansion; which areas outside the existing UGB may represent viable expansion opportunities; and what criteria and steps would be needed to further evaluate and expand the boundary if there is a documented need to do so.

Land Needs

Table ES-1 summarizes the need for land within the Sisters UGB for residential land, employment land, parks and open space, schools, and public facilities. Based on this analysis, the City of Sisters may need to evaluate expanding its UGB to accommodate anticipated residential growth and associated parks/open space needs, while the City’s existing stock of available land for employment needs appears sufficient to meet growth projections.

Table ES-1. Summary of UGB Sufficiency for All Land Needs

Type of Land	Type of Need	Estimated Acreage of Need
Residential Land <i>(See Section 1)</i>	Land to accommodate new residential development to meet forecasted growth	Up to 100 acres
Employment Land <i>(See Section 2)</i>	None	0
Park/Open Space Land <i>(See Section 3)</i>	Land for new developed parks as part of future residential subdivisions	0-13 acres (addressed as part of residential land)
Schools <i>(See Section 3)</i>	None	0
Public Facilities <i>(See Section 3)</i>	Potential need for expanded shop location	Requires further discussion. Likely 0.

Process for UGB Amendments

Efficiency Measures

Cities proposing to amend their UGBs must first consider measures to utilize land within the existing UGB more efficiently. ORS 197.296 notes the following measures as examples:

- (a) Increases in the permitted density on existing residential land;
- (b) Financial incentives for higher density housing;
- (c) Provisions permitting additional density beyond that generally allowed in the zoning district in exchange for amenities and features provided by the developer;
- (d) Removal or easing of approval standards or procedures;
- (e) Minimum density ranges;
- (f) Redevelopment and infill strategies;
- (g) Authorization of housing types not previously allowed by the plan or regulations;
- (h) Adoption of an average residential density standard; and

- (i) Rezoning or redesignation of nonresidential land to residential designations.

Preliminary discussions of potential efficiency measures for the City of Sisters have identified the following items to consider:

- Amendments to the development code for the MFR zone to ensure that the remaining multifamily land within the city is developed with multifamily housing (and at higher densities than recent single family development in that zone).
- Reduction of minimum lot sizes for single family detached housing in all zones.
- Zoning code amendments to allow and encourage a wider variety of middle housing types (e.g., duplexes, triplexes, quadplexes, townhomes or cottage cluster housing).
- Adoption of policy language and implementing actions in support of infill development.
- Targeted rezoning of vacant land from nonresidential to residential uses.
- Zoning code amendments to allow for more flexibility for housing in the Downtown Commercial zone.

A number of these strategies were identified and described in more detail in the City’s recently prepared Housing Strategies Report. The impacts of these efficiency measures on the need for a UGB expansion must be determined. The City is required to consider these and/or possibly other similar strategies. However, the City does not necessarily need to adopt or implement all of the measures if it can demonstrate that some of them are not feasible or beneficial in improving the efficiency of land use. Any of these measures that are adopted will likely result in a reduction of the land needed for a UGB expansion.

UGB Study Area, Priority, and Location Factors

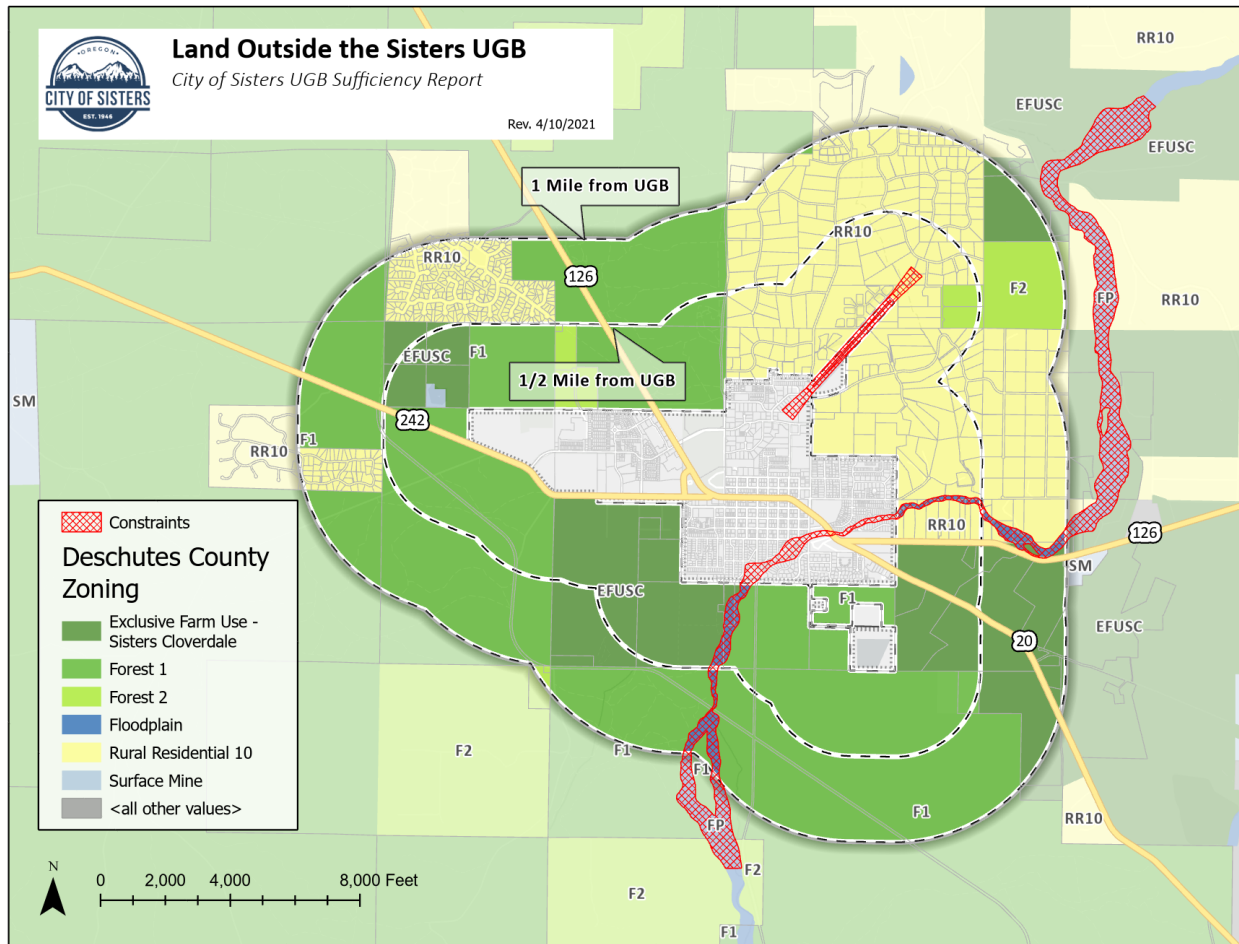
If the City determines that the use of selected efficiency measures will not be sufficient to completely eliminate the need for a UGB expansion, the City may proceed with a proposed UGB expansion process. In doing so, the City must evaluate the land outside its UGB by (1) creating a study area, (2) identifying the priority of land to be included in the UGB, and (3) balancing the Goal 14 “factors” for land ultimately included in the UGB amendment.

- 1) For the City of Sisters, the study area must be ½ mile from the current UGB, except for contiguous areas of “exception land” where it must be 1 mile from the UGB. Figure ES-1 shows the land in the vicinity of the Sisters UGB.
- 2) Priority of land is as follows:
 - a. **First Priority:** Urban reserve, exception land, and non-resource land
 - b. **Second Priority:** “Marginal land” (an outdated term, not applicable to Sisters).
 - c. **Third Priority:** Forest land or farm land that is not predominantly high-value.
 - d. **Fourth Priority:** Agricultural land that is predominantly high-value.
- 3) The Goal 14 factors are:
 - a. Efficient accommodation of identified land needs;
 - b. Orderly and economic provision of public facilities and services;
 - c. Comparative environmental, energy, economic, and social consequences; and

- d. Compatibility of the proposed urban uses with nearby agricultural and forest activities occurring on farm and forest land outside the UGB.”

The City will need to weigh and balance these factors in order to determine the final UGB location. These factors often lie in tension with one another, and the values of the Sisters community should guide the ultimate decision about how best to balance them and determine the most appropriate location for an expansion of the UGB.

Figure ES-1. Land in the vicinity of the Sisters UGB



Introduction

This report provides a framework for evaluating the results of the City of Sisters Housing Needs Analysis (HNA) and Economic Opportunities Analysis (EOA), conducted as part of the Sisters 2040 Comprehensive Plan Update, in the context of the City’s Urban Growth Boundary (UGB). This report will provide a high-level look at whether this analysis indicates the City currently has enough land within its UGB to meet 20-year needs; what efficiency measures it should consider prior to pursuing a UGB expansion; which areas outside the existing UGB may represent viable expansion opportunities; and what criteria and steps would be needed to further evaluate and expand the boundary if there is a documented need to do so.

Background Information: Urban Growth Boundaries in Oregon

What is an Urban Growth Boundary? Each city in Oregon is required to establish a UGB. The purpose of UGBs in Oregon is to protect the state’s farmland and forests from the pressures of urbanization and sprawl and to promote more compact, efficient development within urban areas. A UGB designates where a city expects to grow over the next 20 years, and cities are not allowed to extend urban services such as water or sewer lines outside the UGB.

How can cities expand their UGBs? Cities may expand or amend their UGBs to accommodate growth for housing, employment, or other needs if they find that the existing UGB does not include enough land within it to support new homes, businesses, and other development projected over the next 20 years. These needs are established by various planning studies, such as a “Housing Needs Analysis” and an “Economic Opportunities Analysis,” which have specific requirements laid out in the Oregon Revised Statutes (ORS) and Oregon Administrative Rules (OARs). UGB amendments are coordinated with the County government and ultimately are reviewed and acknowledged by the Oregon Department of Land Conservation and Development (DLCD). The use of UGBs, and the review process for UGB expansion, helps to preserve Oregon’s agriculture, forest, and open space, and control the sprawl of each city.

What else does Sisters need to think about if it wants to expand the UGB? The process of determining whether, how much, and where to expand a city’s UGB is complex and involves many stakeholders and regulatory bodies. Generally, cities need to show that there is insufficient capacity within the UGB to accommodate their projected growth in the next 20 years. Before expanding a UGB, cities also must consider “efficiency measures,” such as changes to the development code or changes to the zoning map that have the goal of using land within the UGB more efficiently.

How will the City decide where to expand the UGB? If the City demonstrates a need to expand the UGB, it must evaluate different alternative expansion areas consistent with Oregon laws and administrative rules. The state requirements related to UGB expansions include Oregon Revised Statutes (ORS) 197.298 and 197A and Oregon Administrative Rules (OAR) 660, Division 24. These requirements identify two types of processes for identifying and evaluating potential expansion areas. First, cities must consider four types of areas in priority order. These include areas within urban reserves, “exception lands,” “marginal lands,” and land zoned for farm and forest use (listed from highest to lowest priority). These terms are defined in ORS 197.298 and other related ORS provisions. The City must first determine if there is enough land in a higher priority category

to meet the total expansion need before considering lands in a lower priority category. In looking at these lands, the City is allowed to discount areas that are considered unbuildable or incompatible with urbanization. Once the City has identified the areas within the categories of lands described above, it must evaluate the relative suitability of potential alternative expansion areas based on the following criteria: 1) Efficient accommodation of identified land needs; 2) Orderly and economic provision of public facilities and services; 3) Comparative environmental, energy, economic and social consequences; and 4) Compatibility of the proposed urban uses with nearby agricultural and forest activities occurring on farm and forest land outside the UGB. In conducting this evaluation, the City must show that all the factors were considered and balanced. The process of identifying and evaluating land for inclusion in a UGB expansion is a relatively complex undertaking and typically does not hinge on a single characteristic or factor but involves consideration of multiple issues (e.g., whether the area is in a wildfire hazard area). More information about this topic can be found in the ORS and OAR provisions noted above, as well as in a variety of legal decisions related to this topic.

Who gets to decide whether the UGB is expanded? A proposal to expand the UGB would need to be jointly reviewed and decided upon by the City of Sisters and Deschutes County based on an application prepared by the City. If the City and County support the proposed expansion and it is approved by the County Board of Commissioners, it would be forwarded to the Oregon Department of Land Conservation and Development (DLCD) for their review. Upon receipt of the proposal, DLCD must either 1) approve the local decision; 2) deny the decision and return it to the local government for revision; or 3) refer it to the Land Conservation and Development Commission for their review and decision.

When will the City expand the UGB? The City will not undertake a UGB expansion as part of the current Comprehensive Plan update process. It will be a follow-up action and the City is currently assessing the timing which will depend on the cost and availability of staff resources, as well as the potential need for and cost of consultant assistance. Once the City embarks on the process, it is likely to take approximately 18-24 months but could take longer to complete the state review and approval process, particularly if there are any appeals or objections.

Section 1: Residential Land Sufficiency

This section summarizes information contained in the 2021 Sisters Housing Needs Analysis and 2021 Buildable Lands Inventory (BLI). Additional detail is provided in those documents, available at www.sisters2040.com.

Population Forecast and Housing Need

As shown in the 2021 Sisters Housing Needs Analysis, the City of Sisters is forecast to grow from a 2020 population of 3,270 to 5,399 by the year 2041, a growth of 2,130 residents. To accommodate this growth the City needs to add a total of 1,100 new housing units by 2041, which would represent a 65% increase in the current estimated supply. This figure includes both owned and rented housing units of all types, assumes a market vacancy rate of 5%, and accounts for continued development of vacation homes in the area.

Table 1. Projected Need for New Housing Units (2041), Sisters HNA

TOTAL HOUSING UNITS									
Unit Type:	Single Family		Multi-Family					Total Units	% of Units
	Detached	Attached*	2-unit	3- or 4-plex	5+ Units MFR	Mobile home	Boat, RV, other temp		
Totals:	702	103	68	50	125	50	0	1,100	100%
Percentage:	63.9%	9.4%	6.2%	4.6%	11.4%	4.6%	0.0%	100%	

Sources: PSU, City of Sisters, Census, Environics Analytics, JOHNSON ECONOMICS

Residential Land Supply

Figure 1 identifies the residentially-designated land available for housing growth in the City of Sisters. Land identified as “Vacant” and “Partially Vacant” is assumed to be available to accommodate future housing growth. This analysis is a snapshot in time using final building inspection data as of March 15, 2021; there are currently several areas of the city undergoing development that are likely to become developed in the near term. Land within the City’s floodplain overlay zone and airport protection zone are not considered available for development.

Figure 1. Residential Development Status, 2021 Sisters Buildable Lands Inventory

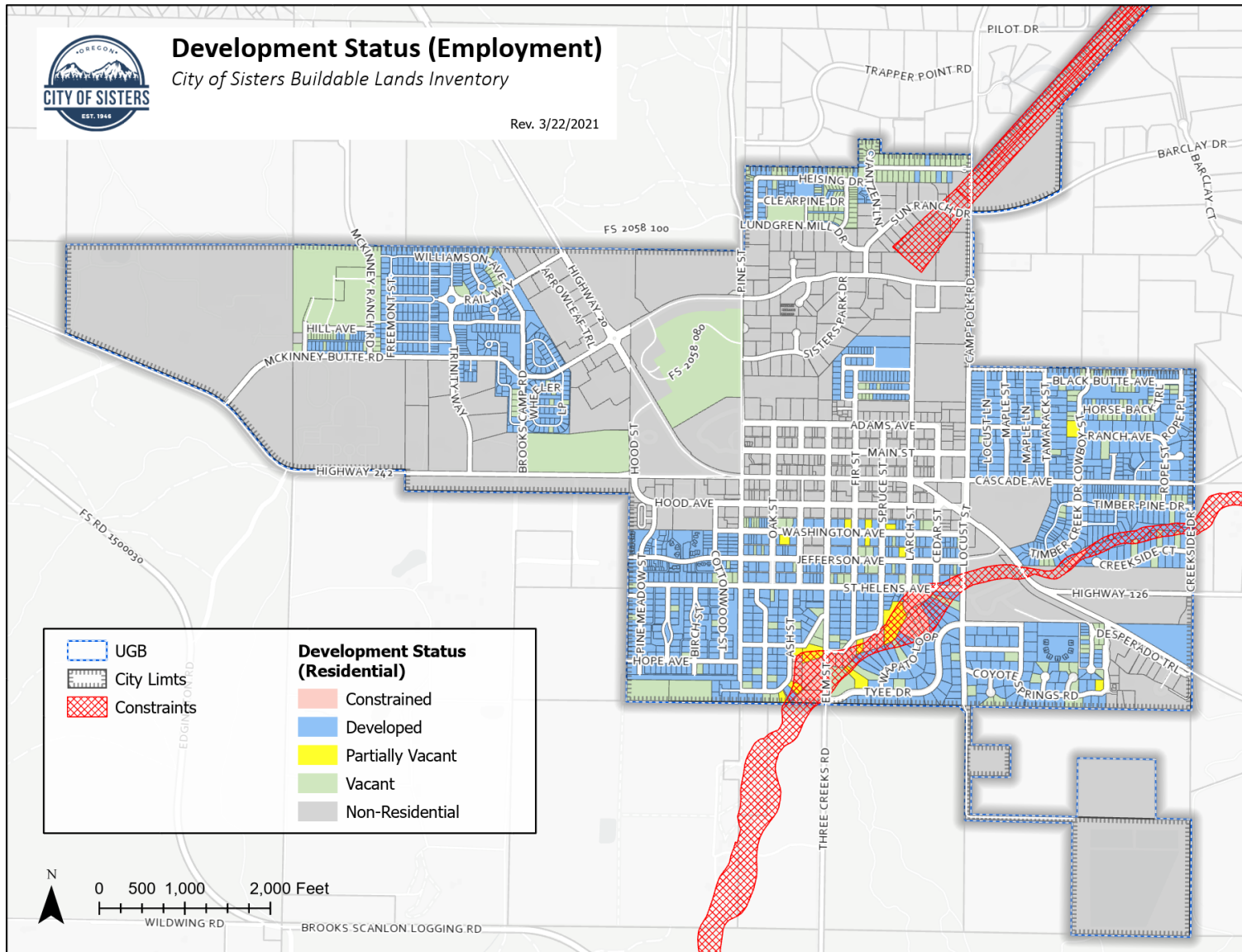


Table 2 describes the amount of residential land that is buildable in each residential zoning designation. A 25% conversion from gross acres to net acres is used in order to account for land that will be dedicated to street rights of way, public utilities, and open spaces as properties develop.

Table 2. Potentially Buildable Acres by Zoning Designation, 2021 Sisters Buildable Lands Inventory

Residential Zoning Designation	Partially Vacant or Vacant Parcels	Gross Vacant Acres			Net Vacant Acres ¹
		Partially Vacant	Vacant	Total	
R – Residential	156	3.0	35.8	38.8	33
MFR – Multi-Family Residential	92	1.3	70.4	71	63
SRR – Sun Ranch Residential	35	0	7.1	7	5
Total	283	4.3	113.3	115	102

¹ Subtracting 25% of acreage to account for public utilities and open space, as well as .25 acres for “partially vacant” properties.

The net acreages are converted into housing unit capacity using average density assumptions for each residential district. As shown in Table 3, there is an estimated capacity of 996 additional units across all residential districts and building types (single family detached, attached, multifamily, etc.) within the existing Sisters UGB.

Table 3. Housing Unit Capacity by Zone, 2021 Sisters Buildable Lands Inventory

Residential Zoning Designation	Estimated Housing Unit Capacity		
	Net Vacant Acres	Projected Density (for unplatted parcels)	Projected Housing Capacity*
R – Residential	33	5 units/acre	211
MFR – Multi-Family Residential	63	15 units/acre	750
SRR – Sun Ranch Residential	5	4 units/acre	35
Total	102	--	996

* The City of Sisters has many parcels that have been platted but are currently vacant. These subdivisions are assumed to develop at one unit per parcel. Where available, more specific information is used (such as an approved land use application). While these assumptions differ somewhat from the overall projected density for a given zone, they provide a more accurate picture of the City’s projected housing capacity.

Comparison of Residential Need to Residential Land Supply

Based on the forecast of housing growth and analysis of available residential land for new housing, the City will need to take steps to accommodate its future need for housing, particularly for single-family detached housing. More information on what these steps may entail is found in Section 4: UGB Sufficiency.

SISTERS 2040 COMPREHENSIVE PLAN UPDATE

Table 4. Comparison of Need to Land Supply, 2021 Sisters Housing Needs Analysis

<u>NEED vs. LAND SUPPLY</u>	Residential Land Class		<u>TOTAL</u>
	Single Family Detached	Multi-Family	
Surplus Unit Capacity (or Need):	-507	403	-104
Estimated Avg. Density:	5	15	
Surplus Acreage Capacity (or Need):	-101.3	26.9	-74

Sources: City of Sisters, Johnson Economics

Section 2: Employment Land Sufficiency

This section summarizes information contained in the 2021 Sisters Economic Opportunities Analysis and 2021 Buildable Lands Inventory. Additional detail is provided in those documents.

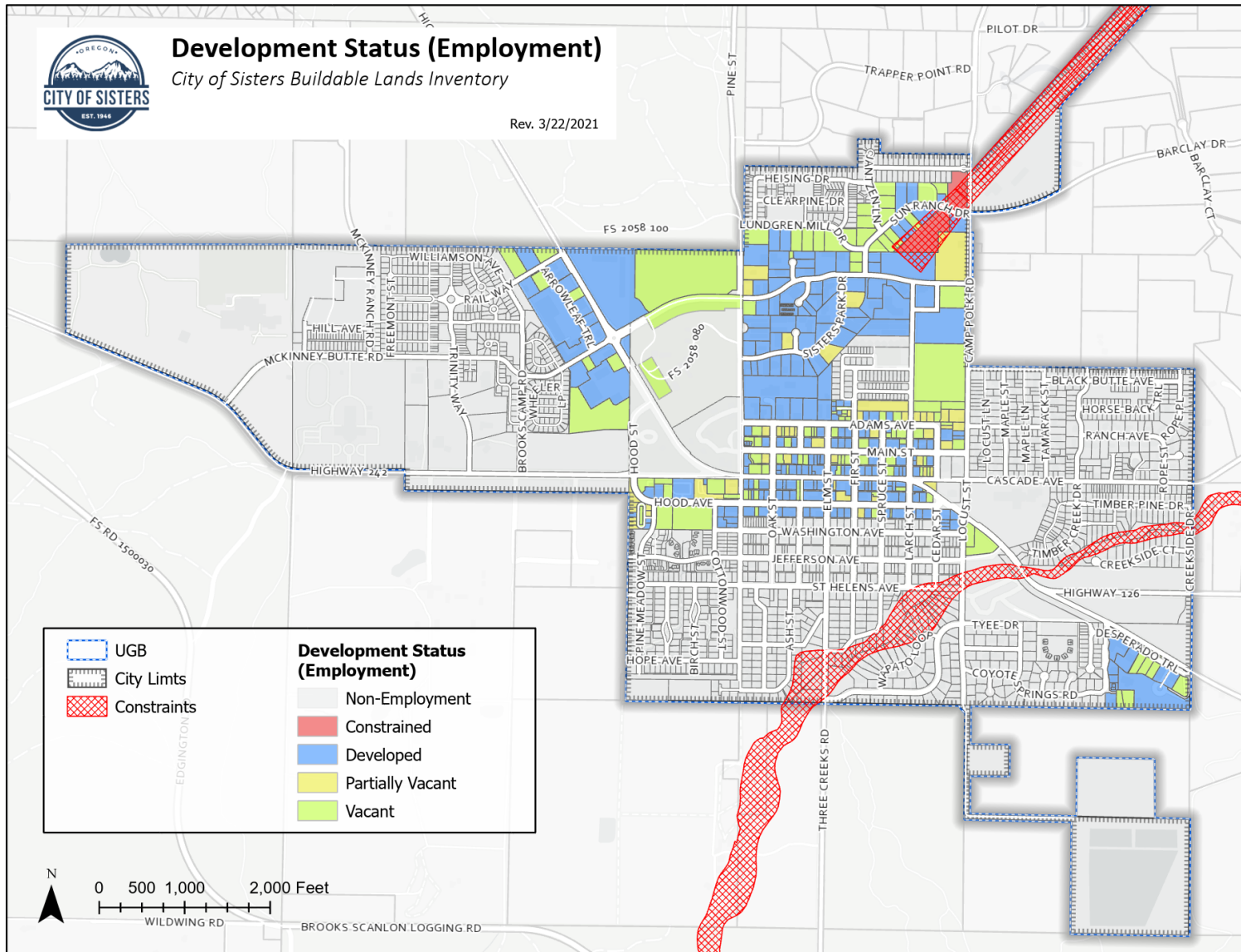
Employment Forecast and Needed Employment Land

The 2021 Economic Opportunities Analysis identified a demand for roughly 29 acres of land in commercial zones for retail and office uses and 23 acres of land in industrial zones, totaling approximately 52 acres of additional employment land needed overall in the 20-year planning period (through the year 2041). Figure 2 identifies the land in employment zones considered buildable for future employment uses in the City of Sisters. Table 5. shows the reconciliation of BLI capacity and projected demand for the 20-year planning period.

Table 5. Net Acres Required by Building Typology, 2021 City of Sisters Economic Opportunities Analysis

	DEMAND BY GENERAL USE TYPOLOGY, 2020-2040						Total
	Office	Institutional	Flex/B.P	Gen. Ind.	Warehouse	Retail	
Employment Growth	252	103	93	94	63	505	1,110
Avg. SF Per Employee	350	600	990	600	1,850	500	602
Demand for Space (SF)	88,000	62,000	92,400	56,700	115,800	252,600	667,500
Floor Area Ratio (FAR)	0.25	0.25	0.30	0.30	0.30	0.20	
Market Vacancy	10.0%	0.0%	10.0%	5.0%	5.0%	10.0%	
Implied Density (Jobs/Acre)	28.0	18.1	11.9	20.7	6.7	15.7	16.2
Net Acres Required	9.0	5.7	7.9	4.6	9.3	32.2	68.6

Figure 2. Development Status of Employment Land, 2021 Sisters Buildable Lands Inventory



Employment Land Supply

Figure 2 identifies buildable employment land in the City of Sisters. Land identified as “Vacant” and “Partially Vacant” is assumed to be able to accommodate future growth during the 20-year planning period. This analysis is a snapshot in time using final building inspection date of March 15, 2021. Land within the City’s floodplain overlay zone and airport protection zone are not considered available for development. Table 6 describes the employment land supply broken down by zoning designation.

Table 6. Potentially Buildable Acres by Zoning Designation, 2021 Sisters Buildable Lands Inventory

Employment Zoning Designation	Vacant or Partially Vacant Parcels	Unconstrained Acres	Net Vacant Acres**
DC - Downtown Commercial	110	41.9	38.2
LI - Light Industrial	10	25.4	23.3
NSBP - North Sisters Business Park	20	14.1	14.1
HC - Highway Commercial	13	14.8	13.6
TC - Tourist Commercial	1	4.3	3.3
TOTAL	154	100.5	92.9

**Generally assumes 50% of partially vacant properties developable. Assumptions for TC zone differ somewhat based on aerial photo review.

Comparison of Employment Land Need to Employment Land Supply

Table 7 shows the comparison of capacity and projected demand for employment land. Based on the forecast of employment growth and the analysis of land available within the City of Sisters, there is an adequate supply of buildable land within the UGB to accommodate projected employment growth and an amendment to the UGB is not needed to accommodate that growth.

Table 7. Reconciliation of Capacity and Projected Demand, 2021 Sisters Economic Opportunities Analysis

EMPLOYMENT ZONING DESIGNATION	NET DEVELOPABLE ACRES/BLI	PROJECTED 20 YR. DEMAND	DEMAND AS A % OF AVAILABLE
COMMERCIAL (RETAIL AND OFFICE)	55.1	46.9	85.1%
DC - Downtown Commercial*	38.2		
HC - Highway Commercial	13.6		
TC - Tourist Commercial	3.3		
INDUSTRIAL (INDUSTRIAL AND OFFICE)	37.4	21.8	58.2%
LI - Light Industrial*	23.3		
NSBP - North Sisters Business Park	14.1		
TOTAL	92.5	68.6	74.2%

*Office and institutional land demand split between commercial and industrial zoned parcels

Section 3: Other Land Needs

In addition to land needed to meet residential and employment forecasts, there are other types of land that will be needed to accommodate growth for the next 20 years. OAR [660-024-0040](#) states that a local government may estimate that the 20-year land needs for streets and roads, parks, and school facilities will together require an additional amount of land equal to 25 percent of the net buildable acres determined for residential land needs. These needs are generally accounted for in the analysis under Section 1: Residential Land Sufficiency and described in additional detail in this section.

Parks and Open Space

The City of Sisters has an adopted Parks Master Plan, last updated May 2016. This plan identifies a Level of Service (LOS) of 5.0 acres of developed parkland per 1,000 residents as a system-wide standard for the Sisters park system. The current Comprehensive Plan contains this LOS as a policy as well (Chapter 14, Policy 8). In order to meet this standard, the City would require 27 acres of park land for the 5,399 Sisters residents projected by the year 2041.

As of 2016, the City of Sisters contains 14 acres of developed parkland, in addition to 5.6 acres of undeveloped parkland owned by the City and 2.3 acres proposed by private developers. This information is shown in Table 8.

Table 8. Existing Parks in the City of Sisters, 2016

EXISTING PARKS	ACRES
Mini Parks	
Buck Run Park	0.02
Harold & Dorothy Barclay Park	0.44
Neighborhood Parks	
Cliff Clemens Park	2.28
Community Parks	
Village Green	1.32
Creekside Park	2.65
Special Use Parks	
Creekside Campground	6.72
Fir Street Park	0.31
Veterans Memorial Park	0.25
Wild Stallion Park	0.02
Sun Ranch Park	0.50
TOTAL DEVELOPED PARKLAND	14.51
Undeveloped Parkland	

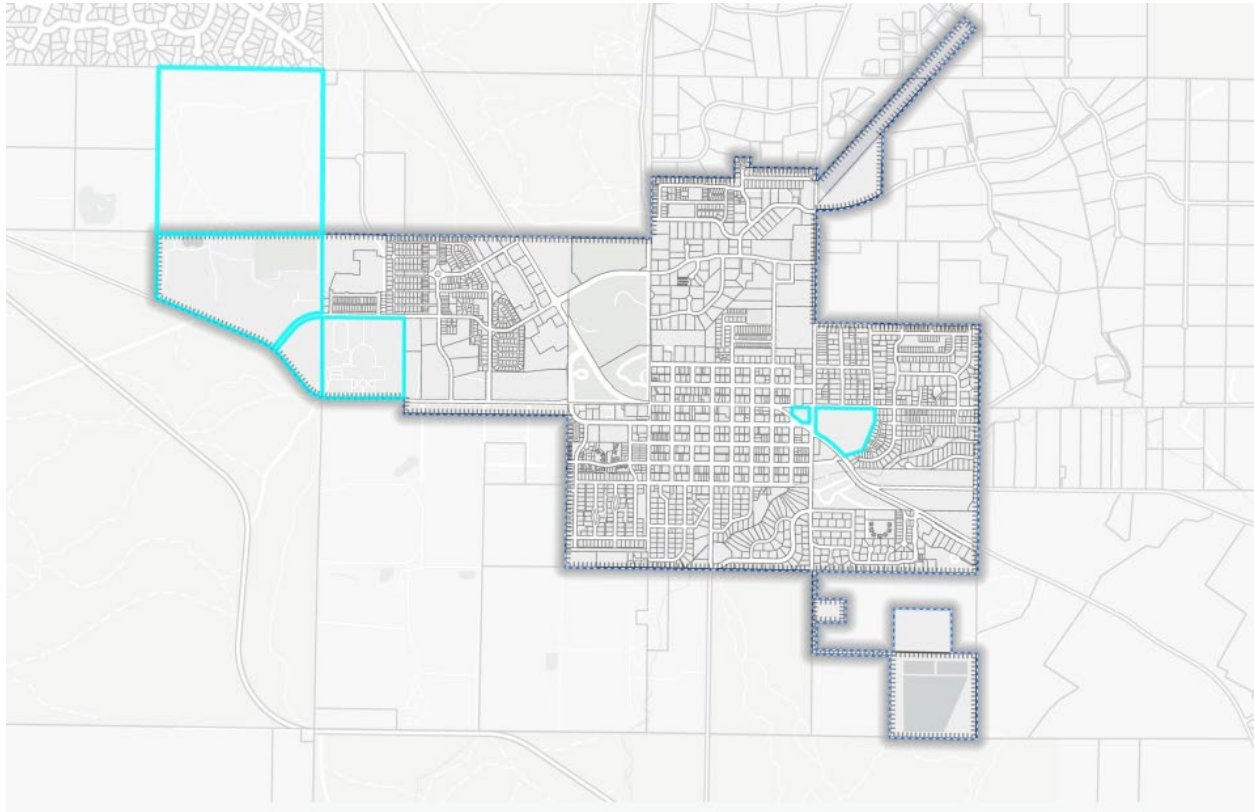
Creekside Park Eastward Expansion	4.68
Undeveloped City ROW (St. Helens Ave, South of Cedar St)	0.50
Undeveloped City ROW (Oak St, b/t St. Helens & Jefferson)	0.41
McKenzie Meadow Village Park (in progress)	1.80
TOTAL UNDEVELOPED PARKLAND	7.39

Depending on how each of these park types is counted, there is a total need of roughly 13 additional acres of developed parkland to meet the LOS, some of which may be met by developing City’s existing undeveloped parkland. The remaining park need would be met by park/open space requirements of any new residential developments outside the UGB, and is accounted for as part of a net-to-gross conversion in the determination of residential land need (see Section 1).

Schools

Based on a March 9, 2021 conversation with Sisters School District Superintendent Curtiss Scholl, the Sisters School District has sufficient land within the current UGB to accommodate needed growth through the planning horizon. Plans for growth include a new elementary school on the western edge of the City on the same site as the existing middle school, while retaining the existing elementary school for possible future school uses. The school district owns other property, such as the Frisbee Golf area, that could be used to accommodate further growth if needed. However, district staff noted that there is a need in the community for ball fields and parks for active recreation that is unmet by city-owned parks. The map below shows land owned by the Sisters School District, highlighted in turquoise. A significant piece of this land lies outside the existing UGB.

Figure 3. Land Owned by Sisters School District



Utilities and Public Works

Based on conversations with the City of Sisters Public Works department, there may be a need for the expansion of specific utilities/public facilities sites in the future. The current site of the Public Works Shop (see Figure 5) was added to the Sisters UGB in 2006¹ after the previous Public Works headquarters was sold to the Sisters Camp Sherman Rural Fire Protection District. The current location is part of a larger 160-acre site owned by the city and used for on-site sprinkler application of treated wastewater.

It appears that the existing Public Works shop is located near vacant land that is outside the city limits but within the Urban Growth Boundary.

1

https://scholarsbank.uoregon.edu/xmlui/bitstream/handle/1794/16471/COUNTY_2006_Deschutes%20County_006-05_.pdf?sequence=1

Figure 4. Public Works Shop Location



Future lift stations, water storage facilities, and stormwater facilities would likely be required of future residential development if growth outside the UGB were to occur. This need is addressed in the 25% conversion factor used when identifying the residential need.

Supply of Land to Meet Other Needs

As noted previously, OAR [660-024-0040](#) states that a local government may estimate that the 20-year land needs for streets and roads, parks, and school facilities will together require an additional amount of land equal to 25 percent of the net buildable acres determined for residential land needs. These needs are generally accounted for in the analysis under Section 1: Residential Land Sufficiency. In addition, the assessment in this section of the report shows that the City and School District have adequate land and sites to meet the majority of these land needs.

Section 4: UGB Sufficiency and UGB Amendment Process

Table 9 summarizes the surpluses and deficiencies of land within the Sisters UGB described in the previous sections. Based on this initial information, the City of Sisters may need to evaluate expanding its UGB to accommodate anticipated residential growth and associated parks/open space needs, while the City's existing stock of available land for employment needs appears sufficient to meet growth projections.

Table 9. Summary of UGB Sufficiency for All Land Needs

Type of Land	Type of Need	Estimated Acreage of Need
Residential Land	Land to accommodate new residential development to meet forecasted growth	Up to 100 acres
Employment Land	None	0
Park/Open Space Land	Land for new developed parks as part of future residential subdivisions	0-13 acres (addressed as part of residential land)
Schools	None	0
Public Facilities	Potential need for expanded shop location	Requires further discussion. Likely 0.

The process for evaluating the size and location of a proposed UGB expansion is laid out in statute and rule, described in the remainder of this section. This report provides some initial suggestions for the City of Sisters, but the work of evaluating potential efficiency measures, creating a study area for potential UGB expansions, and evaluating land within that study area is a significant undertaking and beyond the scope of this effort.

Efficiency Measures

Cities proposing to amend their UGBs must first consider measures to utilize land within the existing UGB more efficiently. ORS 197.296 notes the following measures as examples:

- (j) Increases in the permitted density on existing residential land;
- (k) Financial incentives for higher density housing;
- (l) Provisions permitting additional density beyond that generally allowed in the zoning district in exchange for amenities and features provided by the developer;
- (m) Removal or easing of approval standards or procedures;
- (n) Minimum density ranges;
- (o) Redevelopment and infill strategies;
- (p) Authorization of housing types not previously allowed by the plan or regulations;
- (q) Adoption of an average residential density standard; and
- (r) Rezoning or redesignation of nonresidential land to residential designations.

Preliminary discussions of potential efficiency measures for the City of Sisters have identified the following items to consider:

- Amendments to the development code for the MFR zone to ensure that the remaining multifamily land within the city is developed with multifamily housing (and at higher densities than recent single family development in that zone).
- Reduction of minimum lot sizes for single family detached housing in all zones.
- Zoning code amendments to allow and encourage a wider variety of middle housing types (e.g., duplexes, triplexes, quadplexes, townhomes or cottage cluster housing).
- Adoption of policy language and implementing actions in support of infill development.
- Targeted rezoning of vacant land from nonresidential to residential uses.

A number of these strategies were identified and described in more detail in the City’s recently prepared Housing Strategies Report. The impacts of these efficiency measures on the need for a UGB expansion must be determined. The City is required to consider these and/or possibly other similar strategies. However, the City does not necessarily need to adopt or implement all of the measures if it can demonstrate that some of them are not feasible or beneficial in improving the efficiency of land use. Any of these measures that are adopted will likely result in a reduction of the land needed for a UGB expansion, and will be part of future analysis (see the end of this report for next steps)

UGB Study Area, Priority, and Location Factors

If the City determines that the use of selected efficiency measures will not be sufficient to completely eliminate the need for a UGB expansion, the City may proceed with a proposed UGB expansion process. In doing so, the City must evaluate the land outside its UGB by creating a study area, identifying the priority of land to be included in the UGB, and balancing the Goal 14 “factors” described in this section. Findings related to consistency with all of the factors are required.

Creating a Study Area

OAR 660-024-0065 describes the process for establishing a study area for land to include in the UGB. The process is as follows:

1. Create a “preliminary study area” that includes:
 - a. All lands in an urban reserve (if applicable);
 - b. All land within ½ mile of the existing UGB (for cities under 10,000, such as Sisters); and
 - c. All exception areas² contiguous to land within the ½ mile buffer of (b) that are within 1 mile of the UGB.
2. Exclude land from the “preliminary study area” if:
 - a. It is impracticable to provide necessary public facilities or services to the land.
 - b. The land is subject to significant development hazards due to landslides, flooding, or tsunamis.
 - c. The land consists of a significant scenic, natural, cultural, or recreational resource (restrictions apply).
 - d. The land is owned by the federal government and managed primarily for rural uses.
3. The resulting study area must contain at least twice the amount of land needed to accommodate growth.

Evaluating Land Within the Study Area

OAR 660-024-0067 describes the process for evaluating the land within the UGB study area.

Land is categorized into several “priority” categories. If there is insufficient land in the “First Priority” category to meet the needs of future growth, the evaluation can move on to “Second Priority,” and so on.

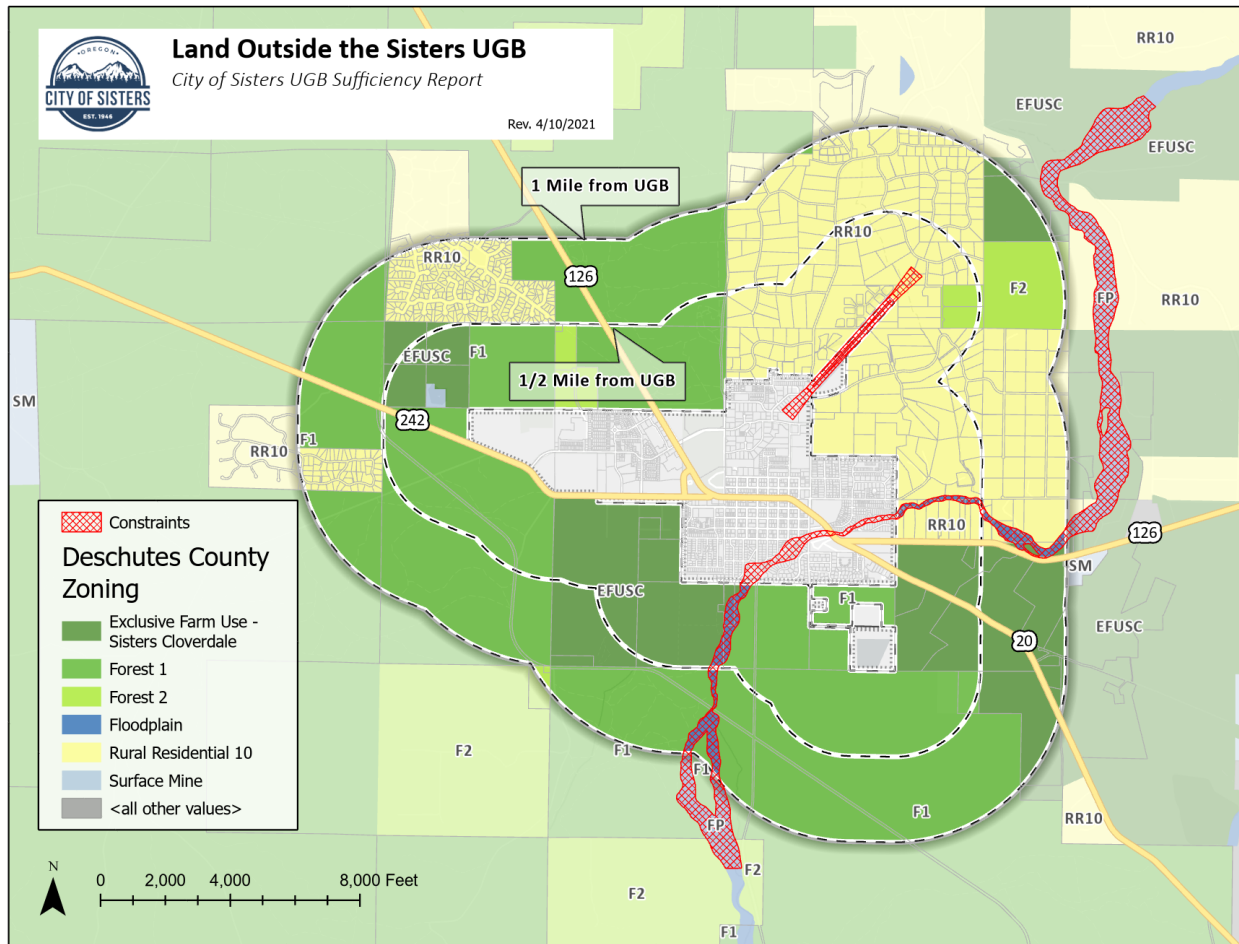
- a) First Priority: Urban reserve, exception land, and non-resource land
- b) Second Priority: “Marginal land” (an outdated term, not applicable to Sisters).

² “Exception Areas” are lands that have an approved “exception” to Statewide Planning Goals 3 (Agricultural Lands) or 4 (forest Lands). Generally, these are rural residential/commercial lands that have been physically developed or irrevocably committed to non-farm and non-forest uses.

- c) Third Priority: Forest land or farm land that is not predominantly high-value.
- d) Fourth Priority: Agricultural land that is predominantly high-value.

Figure 6 shows the zoning of land in the vicinity of Sisters. Land that is designated “Rural Residential 10 (RR10)” is exception land and is the first priority for inclusion in a UGB amendment. Due to the fairly small size of the City’s identified deficit for residential uses, the use of first priority land would likely be sufficient to accommodate growth.

Figure 5. Land in the Vicinity of Sisters



Capacity of Land Added to the UGB

The amount of land that may ultimately be added to the Sisters UGB depends on the capacity of that land to accommodate future growth. For the purposes of a UGB analysis, OAR 660-024-0067(5) states that the City must consider land that is vacant or partially vacant to be suitable to accommodate growth unless:

- The land is heavily parcelized (land that consists primarily of parcels 2 acres or less in size).
- Existing development patterns prohibit the land from being reasonably redeveloped or infilled in the planning period.
- The land is subject to natural resource protections such that no development capacity is available.

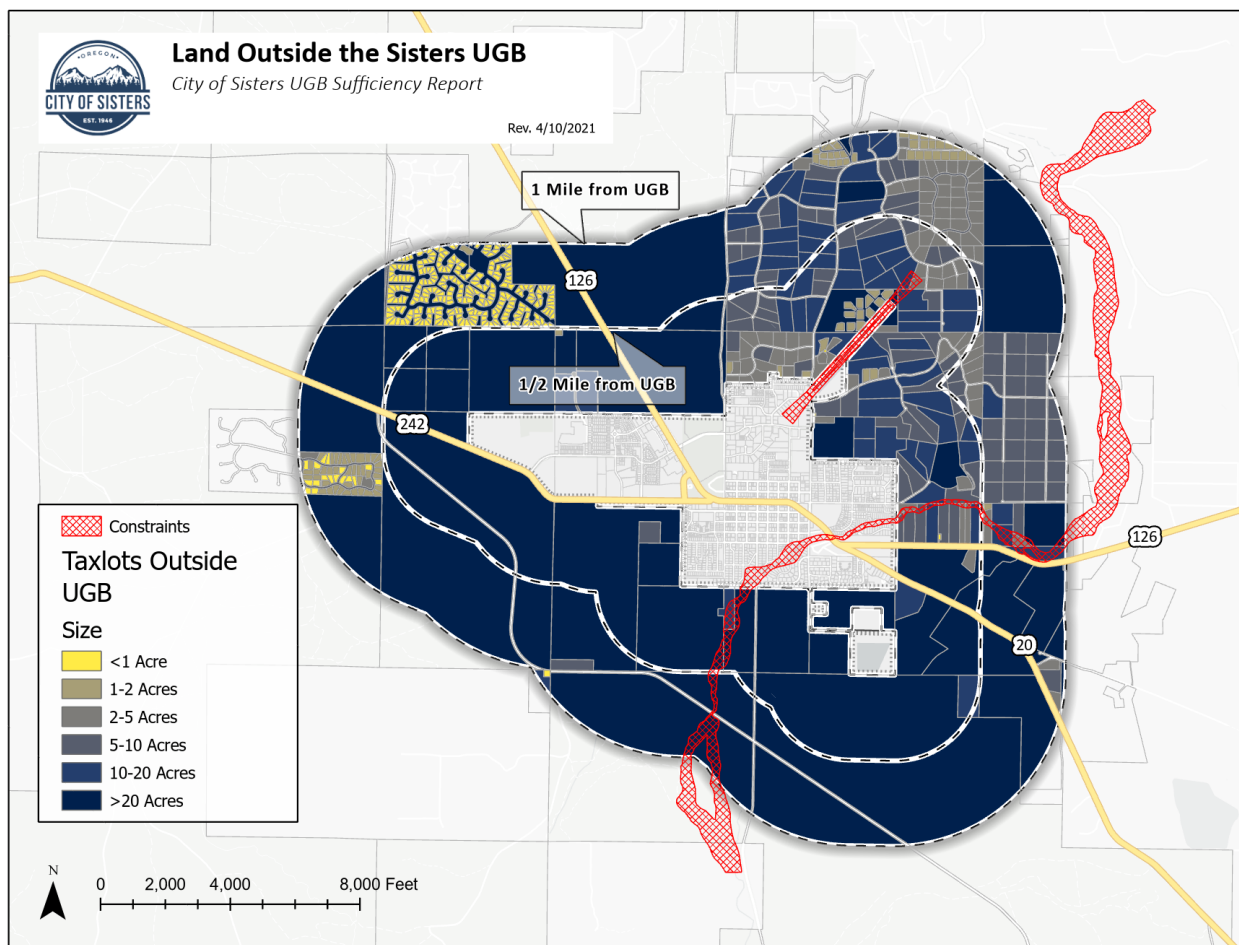
- The land is committed to a particular use, such as a public park, church, school, cemetery, or airport.
- The land contains slopes over 10 percent, or has lot sizes smaller than 5 acres (if being evaluated for industrial uses).

In evaluating the capacity of vacant and partially vacant residential land in potential UGB expansion areas, the administrative rules state that:

- Existing lots or parcels one acre or less may be assumed to have a development capacity of one dwelling unit per lot or parcel.
- Existing lots or parcels greater than one acre but less than two acres shall be assumed to have an aggregate development capacity of two dwelling units per acre.

Figure 7 shows the parcel size in the vicinity of the City of Sisters. The parcelization of exception land in the area will likely be a key issue for future evaluation.

Figure 6. Parcel Size, Sisters Vicinity



Factors to Evaluate Lands for UGB Inclusion

Goal 14 states that “The location of the urban growth boundary shall be determined by evaluating alternative boundary locations...with the consideration of the following factors:

1. Efficient accommodation of identified land needs;
2. Orderly and economic provision of public facilities and services;
3. Comparative environmental, energy, economic, and social consequences; and
4. Compatibility of the proposed urban uses with nearby agricultural and forest activities occurring on farm and forest land outside the UGB.”

The City will need to weigh and balance these factors in order to determine the final UGB location. These factors often lie in tension with one another, and the values of the Sisters community should guide the ultimate decision about how best to balance them and determine the most appropriate location for an expansion of the UGB.

Next Steps

The City of Sisters is currently in the process of updating its comprehensive plan, which is a significant undertaking, **and is not pursuing a UGB amendment as part of this comprehensive plan update.**

The timing of embarking on the process of a future UGB amendment would depend on many factors, including:

- Staff availability and funding for consultant help, if needed.
- The desired amount of public outreach and committee process involved.
- Direction from City Council.

Similarly, the amount of time needed to conduct the process will depend on these same factors, as well as the process for coordinating with other public agencies such as Deschutes County and DLCD. It also will depend on whether any organizations object to or appeal the decision. At a minimum, the process likely would take approximately 18-24 months. Future steps in a UGB expansion study process would include:

- City Council direct City staff to create a workplan and budget for a potential expansion process, including City staff and consultant assistant needs and costs.
- Budget resources for the effort through the City’s annual budgeting process.
- If assistance is needed, solicit proposals from and select a consultant.
- Establish a process for community review and engagement in the UGB process.
- Conduct the analysis and planning needed to support and proposed an amendment to the UGB, including the following activities:
 - Consider “efficiency measures” that would help the City use its existing base more efficiently and reduce the size and scope of the proposed boundary expansion.
 - Revise the factual base (Buildable Lands Inventory, etc), as needed to document any changes in land supply and need, including the estimated impact of any efficiency measures the City expects to pursue.
 - Evaluate lands outside the UGB using the Goal 14 factors noted in the previous section.

- Prepare findings and adopt i the UGB amendment package through Planning Commission and City Council in coordination with Deschutes County.
- Secure DLCD Acknowledgement & address any objections or appeals as part of the State’s appeals period.
- Proceed with annexation and rezoning of lands added to the UGB.