

DOWNTOWN SISTERS
URBAN RENEWAL PLAN

July 24, 2003

City of Sisters, Oregon

Downtown Sisters Urban Renewal Plan

PARTICIPANTS

The Downtown Sisters Urban Renewal Plan was prepared with the active participation of the Urban Renewal Plan Advisory Committee. Committee members included:

Sisters City Council	Dave Elliott, Deb Kollodge
Planning Commission	Bill Friedman, Dayton Hyde
Chamber of Commerce	Peter Storton
Property Owners	Caroline Lucas Ken Merrill Bill Reed
Citizens at Large	Bob Grooney Steve Wilson

The Plan and Report were prepared by:

Tashman Johnson LLC
Seder Architects pc
Jeannette Launer, Attorney

TABLE OF CONTENTS

I.	Introduction.....	1
II.	Goals and Objectives	2
III.	Map and Legal Description of Urban Renewal Area.....	5
IV.	Urban Renewal Projects.....	7
	A. Outline of Major Project Activities.....	7
	B. Urban Renewal Projects.....	7
V.	Relationship to Local Objectives	12
VI.	Proposed Land Uses.....	13
	A. Commercial District.....	13
	B. Residential Multi-Family	13
	C. Public Facilities.....	13
	D. Landscape Management.....	13
VII.	Property Acquisition and Disposition.....	14
	A. Property Acquisition for Public Improvements	14
	B. Property Acquisition for Private Redevelopment	14
	C. Disposition of Land for Private Redevelopment	14
VIII.	Relocation Methods	15
IX.	Tax Increment Financing of Plan.....	16
	A. General Description of the Proposed Financing Methods	16
	B. Tax Increment Financing and Maximum Indebtedness.....	16
	C. Prior Indebtedness.....	16
X.	Duration of Plan.....	18
XI.	Future Amendments to Plan.....	19
	A. Substantial Amendments	19
	B. Council-Approved Amendments	19
	C. Minor Amendments	19
	D. Amendments to the City of Sisters Comprehensive Plan, Ancillary Documents and the City’s Development Code	19

I. INTRODUCTION

The Downtown Sisters Urban Renewal Plan (the “Plan”) is intended to promote the development of downtown as the commercial and cultural center of the Sisters community. The Plan will provide for improvements to streets, sidewalks, pedestrian ways, public gathering places, parks and public parking. It will also assist property owners in the rehabilitation, development or redevelopment of their properties.

The Plan was developed with the guidance of the Urban Renewal Advisory Committee, a group of Sisters residents, business and property owners. The planning process included meeting with representatives of the taxing districts that levy taxes within the Downtown Sisters Urban Renewal Area (the “Area”) including Deschutes County, the Sisters/Camp Sherman Rural Fire Protection District, the Sisters Organization for Activity and Recreation (SOAR) and the Sisters School District, to review and discuss the proposed urban renewal plan. On June 19, 2003, the City of Sisters Planning Commission held a public hearing on the proposed plan and recommended its approval by the City Council. On July 10, 2003, the City of Sisters City Council held a public hearing on the proposed plan, notice of which was provided to each individual household within the city of Sisters. On July 24, the Council approved Ordinance # 340, adopting the Plan.

The Plan is accompanied by the Report on the Downtown Sisters Urban Renewal Plan (the “Report”). The Report provides information on conditions within the Area, a projection of urban renewal revenues, the estimated costs and timing of projects to be undertaken, an analysis of how the tax increment financing of the Plan (see Chapter IX) is projected to affect taxing districts and other material relating to the Plan.

The Plan will be administered by the Sisters Urban Renewal Agency (“Agency”) which is the urban renewal agency of the City of Sisters. The Agency shall provide for public involvement in administration of the Plan.

II. GOALS AND OBJECTIVES

The goals of the Plan represent its basic purposes. The objectives for each goal generally show how the goals are to be achieved. The urban renewal projects called for in Chapter IV of the Plan are the specific means of meeting the objectives.

Goal 1: Strengthen Downtown Sisters' Role as the Heart of the Community

Strengthen downtown's role as the retail, services, office and cultural heart of the Sisters community.

Objectives:

- 1A: Expand the range of commercial services in downtown Sisters.
- 1B: Promote the development of civic and cultural facilities.
- 1C: Assist in improvement, redevelopment and/or reuse of existing public buildings to expand the range of civic, commercial and residential services.

Goal 2: Improve Vehicular and Pedestrian Circulation Through and Within the Downtown to Accommodate Through Traffic and Downtown Patrons.

Help develop improvements to the street system to resolve conflicts between through traffic and local traffic and improve vehicular and pedestrian circulation throughout downtown.

Objectives:

- 2A: Provide an alternative (to Cascade Avenue) route for through traffic and especially trucks and recreational vehicles, that relieves downtown congestion.
- 2B: Use the alley system downtown for pedestrian and bicycle circulation, as well as to connect existing informal pedestrian ways.

Goal 3: Promote a Mix of Commercial and Residential Uses Oriented to Pedestrians

Promote development of a mix of retail, service, office, civic and residential uses that benefit from and enhance the downtown pedestrian oriented environment.

Objectives:

- 3A: Develop a year round pedestrian environment that encourages use and patronage of downtown businesses.
- 3B: Provide professional and technical expertise to assist property owners in maximizing the benefits of pedestrian circulation.

3C: Provide on-street and off-street parking in locations that make pedestrian circulation safe and convenient.

3D: Promote development of housing units above commercial space to enhance the range of housing opportunities and create more downtown activity.

Goal 4: Enhance the Pedestrian Environment on Streets and In Public Parks, a Town Square and Public Gathering Places

Create an environment that is attractive for pedestrians, whether as part of a streetscape system or within a public park, town square or other gathering place.

Objectives:

4A: Develop a consistent system of streetscape improvements that create a continuous pedestrian environment throughout the downtown.

4B: Develop a town square, parks and other public gathering spaces that provide pedestrian destinations and accommodate public events.

4C: Use roadway paving materials and design in conjunction with a town square to create a public “living room” in the heart of downtown.

Goal 5 : Promote High Quality Design and Development Compatible with the Sisters Western Frontier Architectural Theme

Promote high quality design and materials to enhance the existing downtown Sisters Western Frontier Architectural Theme.

Objectives:

5A: Make available professional and technical expertise to help property and business owners achieve design objectives.

5B: Provide financial assistance for rehabilitation, development or redevelopment in order to promote design that incorporates and enhances the Western Frontier Architectural Theme.

Goal 6: Encourage Intensive Development of Downtown Properties

Encourage intensive development of downtown properties by providing public parking, parks and other gathering spaces.

Proposed Downtown Sisters Urban Renewal Plan

Objectives:

6A: Provide public parking facilities to reduce the need for private on-site parking.

6B: Assist in ongoing review of on-site parking requirements.

6C: Design streetscape improvements to reduce the need for private on-site pedestrian space.

6D: Assist in ongoing review of development standards to encourage the appropriate scale and intensity of development.

Goal 7: Promote Employment Uses to Generate Year-Round Jobs

Encourage development of appropriate light manufacturing (e.g. craft shop, furniture shop) uses that are commercial in nature.

Objectives:

7A: Work with state, regional and county economic development staff to attract appropriate light manufacturing uses that are commercial in nature to downtown Sisters.

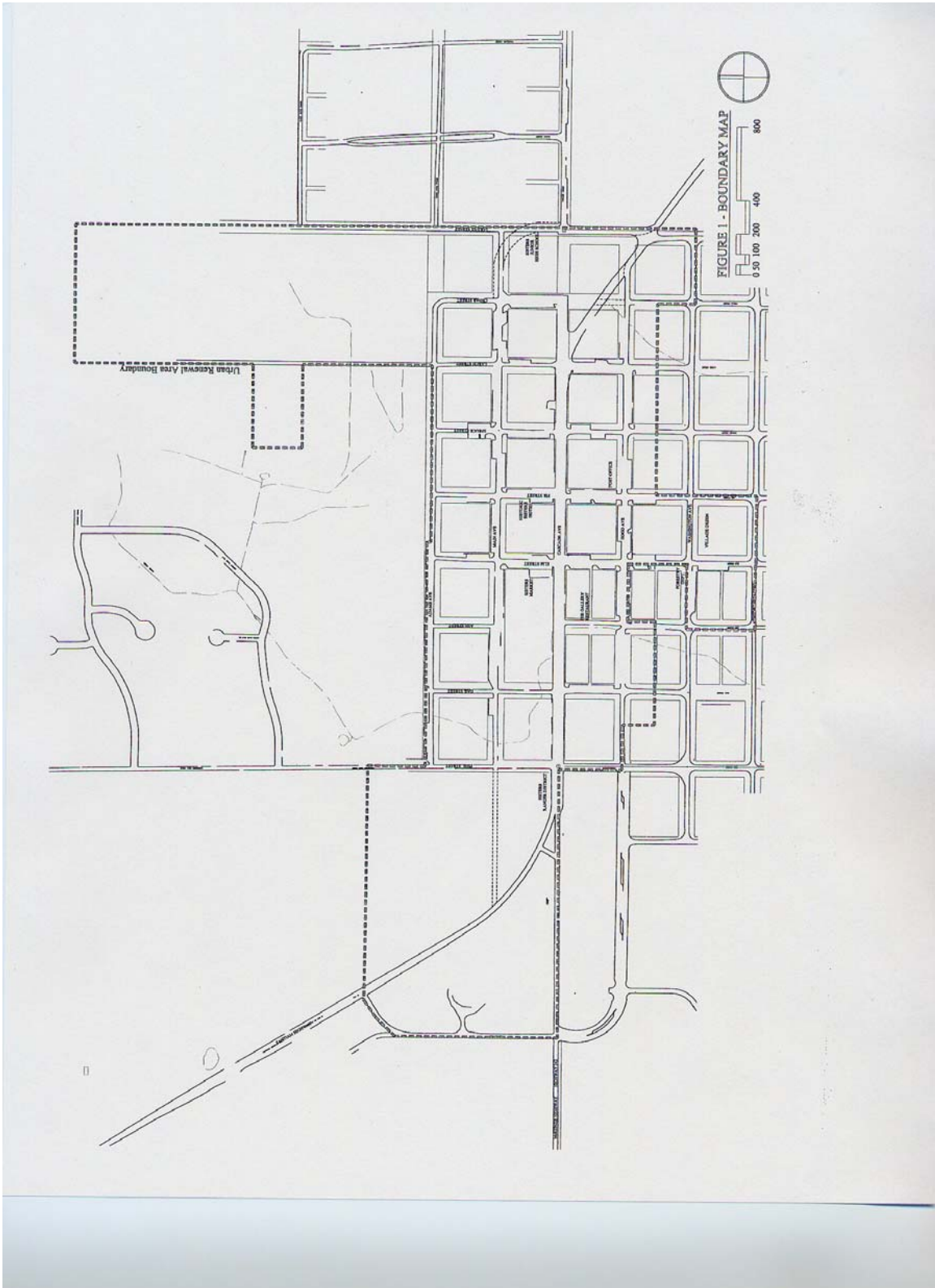
7B: Assist in ongoing review of land use regulations to encourage employment uses appropriate for downtown Sisters.

III. MAP AND LEGAL DESCRIPTION OF URBAN RENEWAL AREA

Figure 1. shows the boundaries of the Downtown Sisters Urban Renewal Area. Exhibit A. contains a legal description of the boundaries. Information provided in the Report shows that the area contains 24.5% of the assessed value and 11% of the acreage of the City of Sisters.

Proposed Downtown Sisters Urban Renewal Plan

Figure 1: Urban Renewal Area



IV. URBAN RENEWAL PROJECTS

This section describes the projects and programs called for in the Plan to achieve the Plan's goals and objectives.

A. Outline of Major Project Activities

The major project activities authorized by the Plan are:

- development of public improvements to streetscape, parks, public parking facilities, a town square and public gathering space;
- on a case-by-case basis, provision of financial and technical assistance to property and business owners for development that achieves the Plans goals and objectives;
- acquisition of land where necessary for public improvements (see Chapter VII); and
- relocation of residents or businesses occupying land acquired for public facilities (See Chapter VIII.)

B. Urban Renewal Projects

Urban renewal projects authorized by the Plan are described below. The general location of several of these projects is shown in Figure 2. The nature and location of the projects shown will be refined during project planning and design, and Figure 2 is not intended to show specific, final project locations. Exhibit B to the Plan contains the overall urban design vision of the Area that formed the basis for the selection of urban renewal projects.

1. Public Improvements

Public improvements authorized under the plan include developing, replacing or upgrading streets and utilities, sidewalks and streetscape, parks, gathering places and open spaces, and public parking facilities. As shown in the Report, urban renewal funds will be combined with existing and other future sources of funding to finance project costs.

Specific public improvement projects that may be undertaken under the Plan are:

a) Transportation System Improvements

The Transportation System Plan calls for the development of a one-way couplet as a means of addressing the severe traffic congestion at peak tourism times. The preferred alternative for the couplet consists of eastbound traffic on Hood Avenue and westbound traffic on Main Avenue. Intersection improvements will be developed where Hood and Main Avenues connect with Highway 20. Improvements to Hood and Main Avenues will also be developed as required. The final alignment and design of the couplet will be undertaken cooperatively by the City of Sisters and the Oregon Department of Transportation.

b) Cascade Street Streetscape Improvements

Improvements to Cascade Street will narrow driving lanes, widen sidewalks, and provide bulb-outs at street corners. Priority segments for major improvements are from Pine Street on the west to Cedar Street on the east, but improvements will be undertaken for the full length of Cascade Street within the Area.

The segment of Cascade Street between Elm and Spruce will be developed as the center of downtown Sisters. The intent of the design of this space would be that sidewalks and streets have no curbs, with only materials, textures, and objects such as bollards, benches, trees, planters, art, etc. defining the driving lanes and parking.

c) Cascade Street Town Square

A town square may be developed in the vicinity of Cascade Street to create a major urban open multi-use space in the heart of Downtown Sisters. This project would be intended to tie directly into the Cascade Streetscape project and a possible building accommodating civic uses. Local and indigenous materials will be used to create a true “sense of place” emphasizing the Town Square as being the true heart of Sisters.

d) Cascade Street Commercial Plaza

These improvements would carry streetscape elements into the property at the northwest corner of Cascade Avenue and Elm Street, without removing the primary parking function of the lot in normal conditions. It is envisioned that during certain festival and celebration times, parking could be prohibited and the entire parking plus street area could be used for special events, sales and celebrations.

e) Fir Street Streetscapes

The Fir Street Streetscape improvements will ultimately extend from Main Street to the Village Green Park and should emphasize Fir as a major pedestrian corridor. Additional benches, street trees, lighting and other streetscape accessories should be used to further strengthen the perception of Fir as a very supportive pedestrian pathway connecting major downtown features.

f) Elm Street Streetscapes

Like the Fir Street Streetscapes, the Elm Street Streetscape improvements should ultimately extend from Main Street to the Village Green. Additional benches, street trees, lighting and other streetscape accessories will be used to emphasize Elm as a major pedestrian corridor.

g) Main Street Streetscapes

The streetscapes on Main Street between Fir and Elm will be improved as the northern loop connection of these streets for pedestrians,

Proposed Downtown Sisters Urban Renewal Plan

complementing yet contrasting the Village Green as the southern connection.

h) New Off-Street Public Parking Facilities

Properties to be determined will be developed as public parking lots. Such lots will be located to provide easy access to Cascade Street and other downtown retail/commercial, and could be screened and minimized by existing and new buildings. Especially well located properties for this use appear to be available south of Main Street and north of the alley between Main and Cascade. Newly designed off-street parking should carefully consider the requirements for vehicles of all sizes, including recreational vehicles, mobile homes and vehicles towing trailers.

i) Other Street, Parking and Streetscape Improvement

Unimproved and under improved streets and sidewalks in the Area will be improved, including the creation of additional diagonal head-in parking per the standards already set in the downtown. Guidance for such projects will be taken from the City of Sisters' Transportation System Plan.

j) Existing Alleyway Improvements

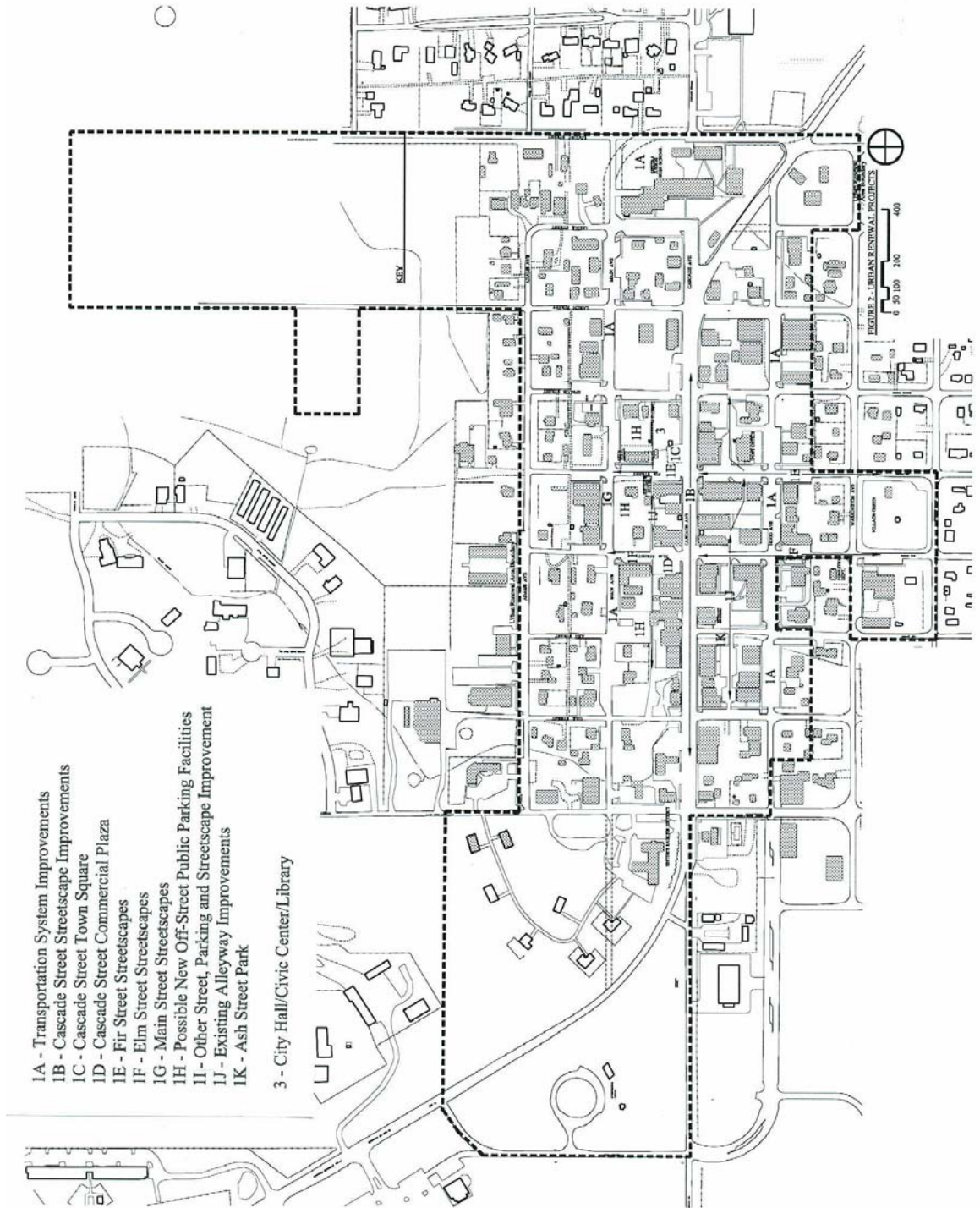
The east-west running alley system both north of and south of Cascade Street will be improved as a multi-modal pedestrian, bicycle, and service vehicle route.

k) Barclay Park and Larch Park

Participate in the development of improvements to Barclay Park and Larch Park as planned by the City of Sisters.

Proposed Downtown Sisters Urban Renewal Plan

Figure 2: Project Locations (Subject to Refinement)



2. Assistance to Property Owners/Lessees for Rehabilitation, Redevelopment or Development

The Plan authorizes assistance to property and/or business owners, in making capital improvements to property within the Area which support the goals of the Plan. Specific programs and rules and regulations for their administration will be developed to ensure that urban renewal funds are used properly and for the agreed upon purposes. The adoption and amendment of such programs, rules and regulations by the Agency shall not be considered changes to the Plan.

Programs may include the following:

- Loans and/or grants for property rehabilitation and development, redevelopment and other improvements. Property to be improved may be residential or commercial. Loans may be at or below market rates, and assistance can include direct loans or guarantees of loans made by third parties.
- Technical assistance, in the form of site studies, market studies, feasibility analyses, engineering and design and other activities directly related to development of property in the Area.

One example of the use of financial assistance would be participation in the adaptation and re-use of public buildings and property, such as the Sisters Middle School and the US Forest Service Ranger station.

3. Civic Facilities

Because such uses are key to the vitality of the downtown, the Plan authorizes participation in the development of civic, social, recreational and educational facilities. The participation in the project shall be proportional to the benefits of the public facility to the Area. Anticipated benefits to the Area include increased downtown activity that stimulates commercial and residential development, provision of facilities for administration of the Plan and maximizing the use of outdoor public spaces adjacent to the facilities.

Before allocating Agency funds to the improvements described in this paragraph 3, the Agency shall be required to adopt a minor amendment of the Plan that states findings of proportionality and benefits to the Area specific to the allocation of funds.

V. RELATIONSHIP TO LOCAL OBJECTIVES

The City's Comprehensive Plan was adopted in 1979. In 2001, the City of Sisters adopted an entirely new comprehensive land use and Development Code that governs all land within the City and which complies with the existing Comprehensive Plan. The most specific objectives to which the Plan responds are those contained in the Development Code.

Most of the Area is within the City's Commercial District, but outside the Highway Commercial and Recreational Vehicle Park sub districts. (A very small part of the Area is in the Residential Multifamily sub district and most of this part is under public ownership and is not anticipated to redevelop.)

The stated goal of the Commercial district is to strengthen the downtown as "the heart of the community and as the logical place for people to gather and create a business center." "Elements of design and appropriate mixed use development" are intended to support this goal.

Stated principles for the development of the Commercial District are:

- to promote "a mixture of land uses to encourage walking as an alternative to driving, and provide more employment and housing options."
- to continue the "Sisters Western Frontier Architectural Theme" that currently provides a strong identification to the downtown.
- to provide tourism amenities.

The Plan has been developed primarily as a means of implementing these very objectives. The streetscape improvements, development of gathering places and participation in development of civic facilities that are called for under the Plan are focused on improving the downtown as the heart of the Sisters community and as an amenity for tourism. These investments will be reinforced and complemented by assistance to property owners (on a case-by-case basis) to encourage appropriate mixed use projects that create employment and housing opportunities.

VI. PROPOSED LAND USES

Land uses within the Area are governed by the City of Sisters Development Code. The Development Code establishes Land Use Districts which govern the allowed uses (included outright permitted uses and conditional uses) and contain development standards.

Currently, land within the Area is within the General Commercial, Residential Multi-Family, Public Facilities and Landscape Management Land Use Districts. The purposes of these districts are described in the Development Code as follows:

A. Commercial District

“A City goal is to strengthen the Commercial Districts as the ‘heart’ of the community and as the logical place for people to gather and create a business center. The Districts are intended to support this goal through elements of design and appropriate mixed-use development.” Development is to be based “on the following principles:

- Efficient use of land and urban services;
- A mixture of land uses to encourage walking as an alternative to driving, and providing more employment and housing options;
- There is a Sisters Western Frontier Architectural Theme which identifies the Commercial Districts;
- The Commercial District is connected to neighborhoods and other employment areas;
- Provide visitor accommodations and tourism amenities.

B. Residential Multi-Family

“The Multi-Family Sub District is designed to provide land for larger multiple family housing... that provides four or more dwellings on an individual lot (e.g. multi-plexes, apartments, condominiums, etc.).

C. Public Facilities

“The Public Facilities District is intended to provide area for buildings and facilities that are owned and operated by federal, state, or local governments, public utilities, special districts, or non-profit organizations, and which are occupied to provide governmental or public services. This district is also intended to provide for school sites, public park and recreational facilities, natural areas, trails and similar types of open space owned and managed by a local government or special district.”

D. Landscape Management

“The LM District is intended to recognize the unique scenic character of the Sisters area, by providing tree buffers, or large areas of open spaces without trees, between high density vehicular travel and residential areas, scenic foregrounds for residents and visitors, and as buffers between other conflicting uses.

VII. PROPERTY ACQUISITION AND DISPOSITION

The Plan authorizes the acquisition and disposition of property as described in this section. Property includes any and all interests in property, including fee simple ownership, lease, easements, licenses or other rights to use.

A. Property Acquisition for Public Improvements

Property may be acquired for public improvement projects authorized in the Plan by all legal means, including use of eminent domain. Prior to acquisition of any property under eminent domain, the Agency shall identify such property in this section of the Plan by means of a minor amendment. Good faith negotiations for such acquisition must occur prior to institution of eminent domain procedures.

Procedures for property acquisition requiring eminent domain shall conform to all statutory requirements which ensure that property owners' rights are fully respected.

B. Property Acquisition for Private Redevelopment

Property may be acquired for resale or lease for private development from willing sellers. Property purchased by the Agency under the Plan shall be purchased at fair market value as determined and agreed to by the buyer and willing seller. Property owners may sell or otherwise convey property to the Agency at less than fair market value if such terms are agreeable to the Agency and the property seller.

C. Disposition of Land for Private Redevelopment

Land sold or leased by the Agency for private redevelopment shall be sold or leased at its fair re-use value, which is the value at which the Agency determines such land should be made available in order that it may be used for the purposes specified in the Plan.

Where land is sold or leased, the purchaser or lessee must agree to use the land for the purposes designated in the urban renewal plan and to begin the building of their improvements within a period of time which the Agency determines is reasonable.

VIII. RELOCATION METHODS

Where property is acquired under the Plan and the acquisition is through or under the threat of eminent domain, residential or commercial occupants of such property shall be offered relocation assistance as required under applicable state law. Prior to acquisition by eminent domain, the Agency shall adopt rules and regulations as necessary for the administration of relocation assistance.

IX. TAX INCREMENT FINANCING OF PLAN

Tax increment financing consists of using annual tax increment revenues to make payments on loans, usually in the form of tax increment bonds. The proceeds of the bonds are used to finance the urban renewal projects authorized in the Plan. Bonds may be both long-term and short-term.

Tax increment revenues equal most of the annual property taxes imposed on the cumulative *increase* in assessed value within an urban renewal area over the total assessed value at the time an urban renewal plan is adopted. (Under current law, the property taxes for general obligation (“GO”) bonds and local option levies approved after October 6, 2001 are not part of the tax increment revenues.)

A. General Description of the Proposed Financing Methods

The Plan will be financed using a combination of revenue sources. These include:

- tax increment revenues;
- advances, loans, grants and any other form of financial assistance from the Federal, State or local governments or other public body;
- loans, grants, dedications or other contributions from private developers and property owners; and
- any other source, public or private.

Revenues obtained by the Agency will be used to pay or repay costs, expenses, advancements and indebtedness incurred in planning or undertaking project activities or otherwise exercising any of the powers granted by ORS Chapter 457 in connection with the implementation of this Plan.

B. Tax Increment Financing and Maximum Indebtedness

The Plan may be financed, in whole or in part, by tax increment revenues allocated to the Agency as provided in ORS Chapter 457. The ad valorem taxes, if any, levied by a taxing district in which all or a portion of the Area is located, shall be divided as provided in section 1c, Article IX of the Oregon Constitution, and ORS 457.440. Amounts collected pursuant to ORS 457.440 shall be deposited into the unsegregated tax collections account and distributed to the Agency based upon the distribution schedule established under ORS 311.390.

The maximum amount of indebtedness that may be issued or incurred under the Plan, based upon good faith estimates of the scope and costs of projects in the Plan and the schedule for their completion is \$9,889,199. This amount is the principal of such indebtedness and does not include interest or indebtedness incurred to refund or refinance existing indebtedness.

C. Prior Indebtedness

Any indebtedness permitted by law and incurred by the Agency or the City of Sisters in connection with the preparation of this Plan or prior planning efforts

Proposed Downtown Sisters Urban Renewal Plan

related to this Plan may be repaid from tax increment revenues from the Area when and if such funds are available.

X. DURATION OF PLAN

No projects may be commenced and no new indebtedness may be incurred after twenty years from the effective date of the Plan. Tax increment revenues may continue to be collected beyond this date, until it is found that deposits in the Agency's debt service fund are sufficient to fully pay principal and interest on indebtedness issued during the twenty years following the effective date of the Plan, either through direct payment of the indebtedness or by payment of principal and interest on bonds or notes issued to finance the indebtedness.

XI. FUTURE AMENDMENTS TO PLAN

The Plan may be amended as described in this section.

A. Substantial Amendments

Substantial amendments are solely amendments:

- Adding land to the urban renewal area, except for an addition of land that totals not more than one percent of the existing area of the urban renewal area.
- Increasing the maximum amount of indebtedness that can be issued or incurred under the plan.

Substantial amendments shall require the same notice, hearing and approval procedure required of the original Plan, including public involvement, consultation with taxing districts, presentation to the Planning Commission and adoption by the City Council by non-emergency ordinance after a hearing notice of which is provided to individual households within the City of Sisters.

B. Council-Approved Amendments

Council-approved amendments consist solely of:

- Material changes to the goals and objectives of the Plan.
- Extension of the duration of the Plan as described in Chapter X.
- Addition of a project, which adds a cost in 2002 dollars of more than \$500,000 and which is materially different from projects previously authorized in the Plan.
- Authorization of use of eminent domain for acquisition of property for private redevelopment.

Council approved amendments require approval by the Agency by resolution and by the City Council, which may approve the amendment by resolution.

C. Minor Amendments

A minor amendment is an amendment that is not a substantial or council-approved amendment. A minor amendment requires approval by the Agency by resolution.

D. Amendments to the City of Sisters Comprehensive Plan, Ancillary Documents and the City's Development Code

Amendments to the City of Sisters Comprehensive Plan, Ancillary Documents and the City's Development Code that affect the Plan and/or the Area shall be incorporated within the Plan without any action required by the Agency or the City Council.

EXHIBIT A

Legal Description

EXHIBIT B

SISTERS DOWNTOWN URBAN DESIGN CONCEPT:

In order to identify individual downtown improvement projects, an ***overall urban design/planning concept*** is important for the downtown. Such a concept informs individual projects, making sure that they contributed to a shared larger vision. Working closely with the Sisters Urban Renewal Task Force and from previous studies and documents, a strong but flexible urban design concept was generated for Downtown Sisters.

The Sisters Downtown concept is rooted in the coming major transportation change creating a one-way couplet on Main and Hood Streets. This change can greatly affect traffic and adjacent uses. Such a change also provides a great opportunity to re-create the present highway, Cascade Avenue, as a more pedestrian-oriented main street. Such a redesign of Cascade could very possibly limit vehicles to passenger cars only, or at the least, give the drivers of many different vehicle types the option of Cascade or Hood/Main for their trips in and through Sisters.

The downtown concept also recognizes existing public and private open space, the Village Green, existing landmark buildings and significant structures, and the scale and density of existing development. Existing conditions creating special opportunities are also considered.

The key elements of the Sisters Downtown Urban Design Concept as developed during the project process are as follows:

- Create the Main Street/Hood Street one-way couplet system.
- Redevelop Cascade Avenue as a more pedestrian-oriented retail/commercial hub of Sisters, yet allowing slower moving and smaller vehicular traffic.
- Further develop Fir and Elm Streets as major pedestrian north-south links from Main Street to the Village Green
- Improve existing urban open space at Barclay Park and the Sisters Market parking lot/Elm Street
- Create new improved urban open space and a major Civic structure at the Sisters Oil Company property on the northeast corner of Cascade and Fir.
- Adaptively re-use the existing Sisters Middle School.