



# Oregon

Theodore R. Kubongoski, Governor

Department of Land Conservation and Development

635 Capitol Street, Suite 150

Salem, OR 97301-2540

(503) 373-0050

Fax (503) 378-5518

www.lcd.state.or.us



## NOTICE OF ADOPTED AMENDMENT

9/21/2010

TO: Subscribers to Notice of Adopted Plan  
or Land Use Regulation Amendments

FROM: Plan Amendment Program Specialist

SUBJECT: City of Sisters Plan Amendment  
DLCD File Number 001-10

The Department of Land Conservation and Development (DLCD) received the attached notice of adoption. Due to the size of amended material submitted, a complete copy has not been attached. A Copy of the adopted plan amendment is available for review at the DLCD office in Salem and the local government office.

Appeal Procedures\*

DLCD ACKNOWLEDGMENT or DEADLINE TO APPEAL: Monday, October 04, 2010

This amendment was submitted to DLCD for review prior to adoption pursuant to ORS 197.830(2)(b) only persons who participated in the local government proceedings leading to adoption of the amendment are eligible to appeal this decision to the Land Use Board of Appeals (LUBA).

If you wish to appeal, you must file a notice of intent to appeal with the Land Use Board of Appeals (LUBA) no later than 21 days from the date the decision was mailed to you by the local government. If you have questions, check with the local government to determine the appeal deadline. Copies of the notice of intent to appeal must be served upon the local government and others who received written notice of the final decision from the local government. The notice of intent to appeal must be served and filed in the form and manner prescribed by LUBA, (OAR Chapter 661, Division 10). Please call LUBA at 503-373-1265, if you have questions about appeal procedures.

\*NOTE: The Acknowledgment or Appeal Deadline is based upon the date the decision was mailed by local government. A decision may have been mailed to you on a different date than it was mailed to DLCD. As a result, your appeal deadline may be earlier than the above date specified. NO LUBA Notification to the jurisdiction of an appeal by the deadline, this Plan Amendment is acknowledged.

Cc: Eric Porter, City of Sisters  
Gloria Gardiner, DLCD Urban Planning Specialist  
Angela Lazarean, DLCD Urban Planner

Bill Holmstrom, DLCD Regional Representative

<paa> YA



FORM **2**

**DLCD**

# Notice of Adoption

In person  electronic  mailed

**DATE STAMP**

**DEPT OF**

**SEP 14 2010**

**LAND CONSERVATION AND DEVELOPMENT**

For Office Use Only

This Form 2 must be mailed to DLCD within **5-Working Days after the Final Ordinance is signed** by the public Official Designated by the jurisdiction and all other requirements of ORS 197.615 and OAR 660-018-000

Jurisdiction: **City of Sisters**

Local file number: **CP 10-02, ZC 10-01**

Date of Adoption: **September 9, 2010**

Date Mailed: **9/12/2010**

Was a Notice of Proposed Amendment (Form 1) mailed to DLCD?  Yes  No Date: 6/2010

Comprehensive Plan Text Amendment

Comprehensive Plan Map Amendment

Land Use Regulation Amendment

Zoning Map Amendment

New Land Use Regulation

Other:

Summarize the adopted amendment. Do not use technical terms. Do not write "See Attached".

**Zone change (ZC) and Comprehensive Plan (CP) amendment affecting a 30 acre property recently annexed into the City Limits. ZC would change the zoning of the property from Urban Area Reserve to 27.88 ac of MFD (Multi Family), .32 ac. of PF (Public Facility) for a school-based health clinic and 1.80 ac of OS (Open Space) for use as a park. The CP amendment would affect the CP map and provide minor CP text changes to the text related to this specific property.**

Does the Adoption differ from proposal? Slightly. The original proposal called for two zones. The City's Development Code was amended (May 2010) in a manner that separated School facilities from Parks, thus creating the need for 3 zoning categories in total.

Plan Map Changed from: **R-Residential Facility (0.32 ac) and OS Open Space (1.8 ac)**

to: **RMF Multi Family (27.88 ac), PF Public**

Zone Map Changed from: **UAR 10 Facility (0.32 ac) and OS Open Space (1.8 ac)**

to: **RMF Multi Family (27.88 ac), PF Public**

Location: **Tax lot T15 R10 Section 5, lot 1204**

Acres Involved: **30.00**

Specify Density: Previous: **1 unit / 10 ac.**

New: **8+ units / ac.**

Applicable statewide planning goals:

**1**  **2**  **3**  **4**  **5**  **6**  **7**  **8**  **9**  **10**  **11**  **12**  **13**  **14**  **15**  **16**  **17**  **18**  **19**

Was an Exception Adopted?  YES  NO

Did DLCD receive a Notice of Proposed Amendment...

45-days prior to first evidentiary hearing? Yes, on approx. June 1, 2010

Yes  No

DLCD File No. 001-10 (18357) [16325]

If no, do the statewide planning goals apply?

Yes  No

If no, did Emergency Circumstances require immediate adoption?

Yes  No

**DLCD file No.** \_\_\_\_\_

Please list all affected State or Federal Agencies, Local Governments or Special Districts:

ODOT, DLCD; potentially the Sisters-Camp Sherman Fire District

Local Contact: **Eric Porter, Principal Planner**

Phone: (541) 323-5219 Extension:

Address: **PO Box 39**

Fax Number: **541-549-0561**

City: **Sisters**

Zip: **97759**

E-mail Address: **eporter@ci.sisters.or.us**

## ADOPTION SUBMITTAL REQUIREMENTS

**This Form 2 must be received by DLCD no later than 5 days after the ordinance has been signed by the public official designated by the jurisdiction to sign the approved ordinance(s) per ORS 197.615 and OAR Chapter 660, Division 18**

1. This Form 2 must be submitted by local jurisdictions only (not by applicant).
2. When submitting, please print this **Form 2** on light **green paper if available**.
3. Send this Form 2 and One (1) Complete Paper Copy and One (1) Electronic Digital CD (documents and maps) of the Adopted Amendment to the address in number 6:
4. **Electronic Submittals: Form 2 – Notice of Adoption will not be accepted via email or any electronic or digital format at this time.**
5. The Adopted Materials must include the final decision signed by the official designated by the jurisdiction. The Final Decision must include approved signed ordinance(s), finding(s), exhibit(s), and any map(s).
6. **DLCD Notice of Adoption must be submitted in One (1) Complete Paper Copy and One (1) Electronic Digital CD via United States Postal Service, Common Carrier or Hand Carried to the DLCD Salem Office and stamped with the incoming date stamp.** (for submittal instructions, also see # 5)] **MAIL the PAPER COPY and CD of the Adopted Amendment to:**

**ATTENTION: PLAN AMENDMENT SPECIALIST  
DEPARTMENT OF LAND CONSERVATION AND DEVELOPMENT  
635 CAPITOL STREET NE, SUITE 150  
SALEM, OREGON 97301-2540**

7. Submittal of this Notice of Adoption must include the signed ordinance(s), finding(s), exhibit(s) and any other supplementary information (see [ORS 197.615](#) ).
8. Deadline to appeals to LUBA is calculated **twenty-one (21) days** from the receipt (postmark date) of adoption (see [ORS 197.830 to 197.845](#) ).
9. In addition to sending the Form 2 - Notice of Adoption to DLCD, please notify persons who participated in the local hearing and requested notice of the final decision at the same time the adoption packet is mailed to DLCD (see [ORS 197.615](#) ).
10. **Need More Copies?** You can now access these forms online at <http://www.lcd.state.or.us/>. You may also call the DLCD Office at (503) 373-0050; or Fax your request to: (503) 378-5518.

**ORDINANCE NO. 400**

**AN ORDINANCE OF THE CITY OF SISTERS, OREGON ADOPTING  
CHANGES TO THE URBAN AREA COMPREHENSIVE PLAN AND  
MAP, AND CITY ZONING MAP AFFECTING THE THIRTY-ACRE  
PROPERTY KNOWN AS MCKENZIE MEADOW VILLAGE**

**WHEREAS**, McKenzie Meadow Village LLC, property owner of record, is requesting to rezone a 30.00 acre property known as 'McKenzie Meadow Village' located in Sisters, Oregon, identified as tax lot T15 R10 S0500, lot 01204 (as legally described in Exhibit A) from Urban Area Reserve 10 (UAR 10) to 27.88 acres of Multi Family Residential (MFD), 0.32 acres of Public Facility (PF), and 1.80 acres to Open Space (OS); and,

**WHEREAS**, McKenzie Meadow Village LLC, property owner of record, is requesting to amend the Comprehensive Plan land use description of the 30.00 acre property known as 'McKenzie Meadow Village' from Urban Area Reserve 10 (UAR 10) to 27.88 acres of Multi-Family Residential Sub District land, 0.32 acres of Public Facility land and 1.8 acres of Landscape Management land; and,

**WHEREAS**, the McKenzie Meadow Village property was annexed to the City of Sisters in November 2006, and this property is subject to an amended Annexation Agreement between the property owner and City of Sisters (recorded at Volume 2010, Page 22024 or June 7, 2010); and,

**WHEREAS**, the findings contained in City file numbers ZC 10-01 and CP 10-02 demonstrate that the action proposed zone change by McKenzie Meadow Village LLC either will not adversely impact the City's sewer, water and/or road infrastructure, or can be mitigated to resolve any impacts to the City's infrastructure through conditions of approval; and,

**WHEREAS**, the Department of Land Conservation and Development (DLCD) received the required notice at least 45 days prior to the 1<sup>st</sup> Evidentiary Hearing held on July 29, 2010 (and continued to August 19, 2010); and,

**WHEREAS**, after due notice, a public hearing on the proposed zone change and Comprehensive Plan amendment was held by the Sisters Planning Commission on July 29, 2010 and on August 19, 2010; and

**WHEREAS**, the Council finds that it has received all information necessary to consider this Ordinance, that it complies with the Statewide Planning Goals, that it meets the standards for legislative adoption under ORS chapter 197, and that it complies with the Sisters Municipal Code, the Sisters Urban Area Comprehensive Plan, and the Sisters Development Code.

**NOW, THEREFORE, IT IS HEREBY ORDAINED BY THE CITY OF SISTERS AS FOLLOWS:**

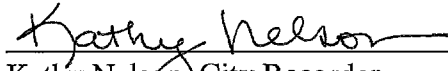
The Sisters City Council approves the zone change for McKenzie Meadows Village as shown on Exhibit C and subject to the conditions set forth on Exhibit D. The City Council also adopts the findings as recommended by the Planning Commission, located within files no. ZC 10-01 and CP 10-02. The Sisters City Council further approves and adopts the amended text to the Comprehensive Plan attached as Exhibit B, and adopts the amended adopted Comprehensive Plan and Zoning maps attached as Exhibit C.

PASSED by the Common Council of the City of Sisters this 9<sup>th</sup> day of September 2010 and APPROVED by the Mayor of the City of Sisters.



\_\_\_\_\_  
Lon Kellstrom, Mayor

ATTEST:



\_\_\_\_\_  
Kathy Nelson, City Recorder



**City of Sisters  
City Council  
Agenda Item Summary**

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**Meeting Date:** September 9, 2010                                  **Staff:** Eric Porter  
**Type:** Public Hearing    **Dept:** CDD  
**Subject:** **McKenzie Meadow Village – Public Hearing - Comprehensive  
Plan Amendment and Zone Change**

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**Action Requested:** Public hearing to approve Ordinance No. 400: AN ORDINANCE OF THE CITY OF SISTERS, OREGON ADOPTING CHANGES TO THE URBAN AREA COMPREHENSIVE PLAN AND MAP, AND CITY ZONING MAP AFFECTING THE THIRTY-ACRE PROPERTY KNOWN AS MCKENZIE MEADOW VILLAGE.

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**Background:** The 30 acre McKenzie Meadow Village (MMV) site was brought into the Sisters Urban Growth Boundary (UGB) during the 2005 Comprehensive Plan update process. The inclusion of the land into the UGB was intended to satisfy the projected 20 year supply of residential land needed by the city. The city first had to demonstrate that there was a projected shortage of land zoned for low-density residential development over a 20-year planning period. The city then evaluated several potential candidate sites using a number of factors such as soil quality, proximity to the UGB, and the ability of the city to provide urban services to each site. The city ultimately determined that the MMV property was the primary candidate for the future low-density residential land supply, and the Comprehensive Plan map and text were amended accordingly.

**Measure 9-38.** In 2006, the City Council approved Resolution No. 2006-01 which gave formal city consent to allow a popular vote to occur as the next step in annexing the MMV property into the city limits. Voters subsequently passed Measure 9-38 by a 2 to 1 margin. The final step remaining was for the City Council to agree to allow the property to annex into the City limits.

**Annexation Agreement.** The City Council and developers came to agreement regarding several development parameters for this site, which resulted in the creation of an Annexation Agreement. Several changes to the originally-recorded agreement were subsequently made, and the final Annexation Agreement (Exhibit B) was recorded with the County on June 7, 2010.

**Zone Change and Comprehensive Plan Amendments.** When a property is brought into the UGB, it assumes a zoning designation of Urban Area Reserve 10 (UAR) until the property is rezoned as it had been intended once property development is ready to occur. The process of rezoning a specific property is a quasi-judicial review. Quasi-judicial zone changes and Comprehensive Plan amendments are decided by the City Council following a Planning Commission recommendation.

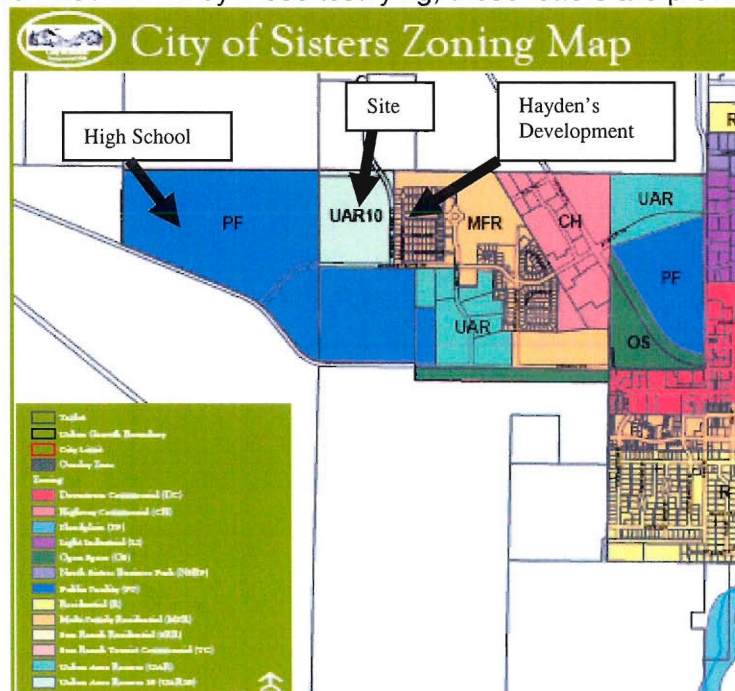
These applications differ from site development (land use) reviews in the respect that the city evaluates capacity of the overall city infrastructure (transportation, sewer, water and park land) versus the demand on the infrastructure that would result from rezoning the land. For residentially zoned land, the city also looks at whether there is any shortage or surplus of housing types, either in the category of the proposed zoning (Multi Family) or originally-intended zoning (Residential Low Density).

**Capacity.** The applicant has provided three analyses in support of their requests. The sewer and water analyses, prepared by West Ridge Development, are included within the Planning Commission resolution and exhibits. The sewer and water analyses were reviewed by Planning, Public Works and the City Engineer; all agree that there is sufficient capacity to accommodate the demand differences that would result from the land being re-zoned to Multi-Family. The third analysis submitted by the applicant is a 21-page transportation analysis ('TPR Analysis' prepared by Ferguson and Associates). The TPR analysis was reviewed by ODOT as well as the City, who agree that this rezoning would yield less p.m. peak hour trips than the originally-intended zoning would have produced based on the types of units that would result from this request. Since the developer is proposing to construct a 1.8 acre park and dedicate it to the City, no evaluation of the sufficiency of existing park land was undertaken.

**Shortage vs. Surplus of Housing Types.** The second item that is evaluated during a zone change is whether there is sufficient need for specific housing types in the zoning district that will be losing land from its inventory (in this case from the Low-Density Residential category, which is what the land had been intended on being zoned) versus the category in which the land would be rezoned (Multi-Family Residential). The recently-adopted Housing Plan determined that there is a projected shortage of multi-family housing over the 20-year planning period. The burden of proof statement offered by the applicant's consultant (who also prepared the Housing Plan) refers to a market study undertaken by the Assisted Living Facility provider, which indicates that there is a shortage of senior housing within the Sisters area. A detailed analysis of each land category is provided in the 'Findings' document that accompanies Attachment A and its exhibits.

**Planning Commission's Recommendation.** The Planning Commission held two hearings on these requests on July 22 and August 19, 2010. Several people in the neighboring (Hayden) development testified at both hearings. Their concerns pertained to high density development next to their community, and to site-specific development issues (primarily the placement of larger buildings). However the site development details have yet to be solidified and can be addressed when the Master Plan is brought to the Planning Commission on September 16. The relevant concern raised to this action pertained to concerns about higher density than what had originally been contemplated when the land was brought into the UGB in 2005.

The City also received three letters by those testifying; those letters are provided as Exhibit I.



**Figure 1 – Existing Zoning Map of Subject Site and Surrounding Area**

The Planning Commission then voted to recommend approval of the two requests and have accepted staff's findings in support of their recommendation for City Council approval of the zone change and Comprehensive Plan amendment.

**Options:**

**Option 1** – Approve the zone change and Comprehensive Plan text and map amendments with conditions as recommended by the Planning Commission.

**Option 2** – Deny the zone change and Comprehensive Plan text and map amendments proposed by the developer.

Staff's recommendation: **Option 1.**

**Fiscal Impact:** Rezoning the property will increase the taxable value of the land; the City will receive additional tax revenues as the result. Further, rezoning the land will enable site development to occur which will further enhance the City's tax base as well as provide development-related fees coupled with short and long-term employment opportunities as the site develops.

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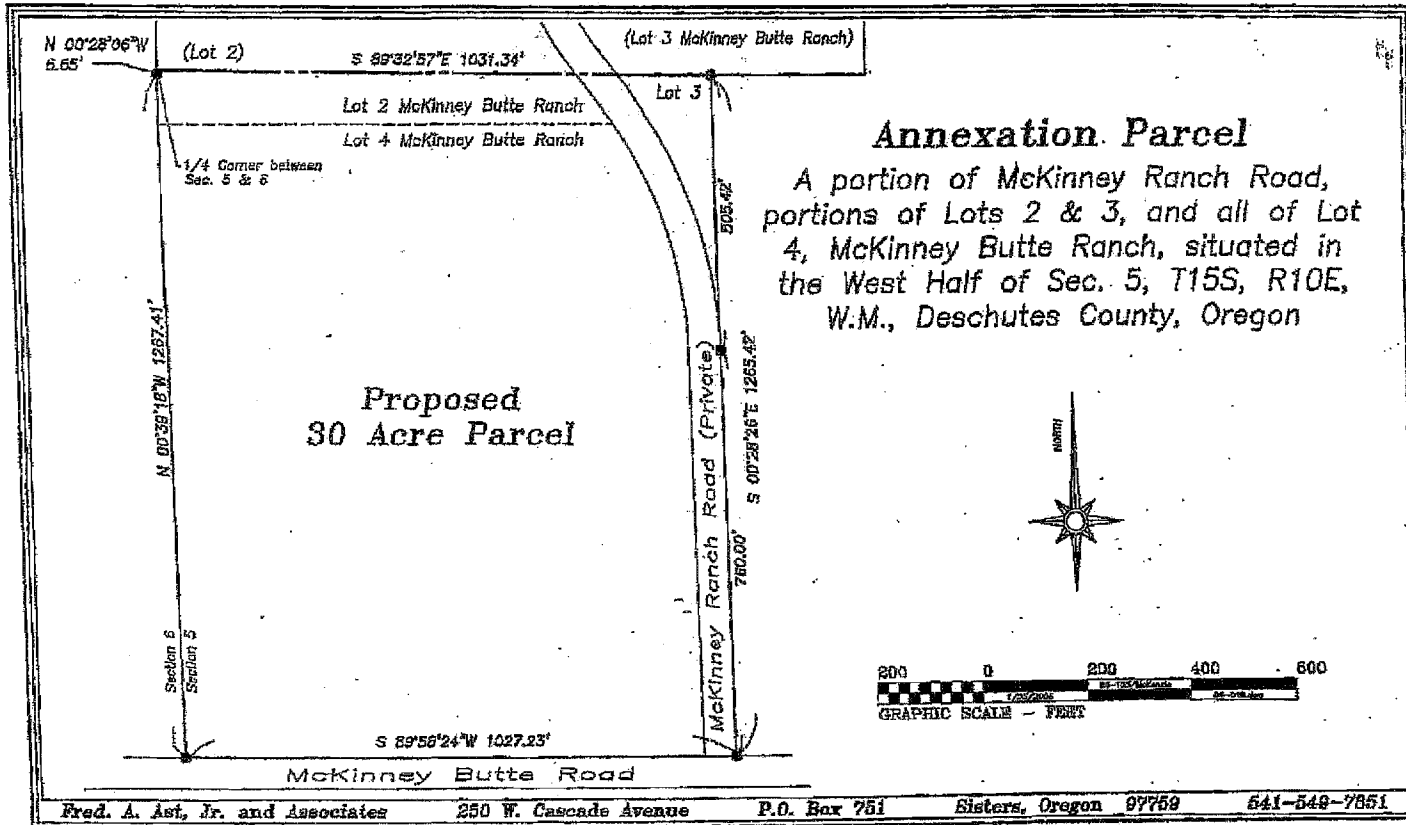
**Attachment(s):** A – PC Resolution 2010-06

- Exhibit A – Staff Recommendation with Findings, incl. Aug 12, 2010 Memo
  - Exhibit B – Recorded Annexation Agreement for McKenzie Meadow Village
  - Exhibit C – Sewage Analysis, prepared by West Ridge Development
  - Exhibit D – Proposed Comprehensive Plan text changes (mark up copy)
  - Exhibit E – Recommended Conditions of Approval
  - Exhibit F – Comprehensive Plan Map
  - Exhibit G – Proposed Zoning of Site
  - Exhibit H – Letter from HGE Inc.
  - Exhibit I – Letters submitted at the Aug. 19, 2010 PC hearing
- B – Ordinance No. 400

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**Concurrence:** CM: \_\_\_\_\_ A&F: N/A PW: BA CDD: EP





**EXHIBIT A – LEGAL DESCRIPTION pg 2 of 2**

Legal Description

Annexation Parcel

A portion of McKinney Ranch Road, a private way, portions of Lots 2 and 3, and all of Lot 4, McKinney Butte Ranch, a subdivision of record situated in the West Half of Section 5, Township 15 South, Range 10 East, Willamette Meridian, Deschutes County, Oregon, being more particularly described as:

Beginning at a 2 1/2" brass-capped iron pipe at the West-Quarter Corner of said Section 5 on the west boundary of said Lot 2; thence, along the west line of said Section and said boundary of Lot 2, N00°28'06"W, a distance of 6.65 feet to a point; thence, leaving said Section Line and lot boundary, S89°32'57"E, a distance of 1031.34 feet to a 5/8" iron rod at an angle point on the boundary of said Lot 3; thence, along said boundary, S00°28'26"E, a distance of 505.42 feet to a 5/8" iron rod at the southernmost corner of said Lot 3 on the east right-of-way of McKinney Ranch Road; thence, leaving said lot boundary and along said right-of-way, S00°28'26"E, a distance of 760.00 feet to a 5/8" iron rod at the intersection of said east right-of-way of McKinney Ranch Road and the north right-of-way of McKinney Butte Road; thence, along the north right-of-way of McKinney Butte Road, S89°58'24"W, a distance of 1027.23 feet to a 5/8" iron rod at the southwest corner of said Lot 4 on the west line of said Section 5; thence, along said Section line and lot boundary, N00°39'18"W, a distance of 1267.41 feet to the point of beginning.

Containing 30.0 acres, more or less.

**EXHIBIT B – PROPOSED COMPREHENSIVE PLAN TEXT CHANGES p. 1 of 2**

**(page 100)**

*Residential Lands (R and R-MFSD 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 shortage of 'R' zoned residential land to meet the 20-year demand is predicted in the planning period. This shortage ~~was predicted~~ **is evidenced** after existing 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-MFSD lands to meet anticipated needs during the planning period, but insufficient R-District 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 to 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-MFSD, in order to meet the demand for multi-family, low-income and workforce housing, and housing targeted specifically at senior populations.** An anticipated need for an additional twenty five (25) gross acres of land zoned Residential is needed to meet the demand for new housing. A UGB expansion is proposed as part of this Plan to meet this need and is discussed in more detail later in this section and in the UGB Expansion Findings document.

**(page 101)**

*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 70.8 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. ~~Since there is not a current need for R-MFSD lands, this land will be held until a future need determines that it is needed for rezoning to R-MFSD.~~ A total of 4 acres of UAR land is intended to be rezoned as PF Public Facility land for purposes of establishing a fire training facility for the Sisters – Camp Sherman Fire District.

**(page 103, 3<sup>rd</sup> paragraph)**

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

**EXHIBIT B – PROPOSED COMPREHENSIVE PLAN TEXT CHANGES p. 2 of 2**

(con't) 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.**

**(page 103 and 104)**

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) ~~is were~~ needed to accommodate 20-year demand. To meet the need for residential land, a single parcel of 30 acres (McKenzie Meadows parcel) ~~is proposed to be~~ **was** included in the UGB as a result of ~~thise~~ **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 multi family, workforce and low-income housing, and housing targeted at the senior population.** ~~The 30-acre parcel provides about 30 gross acres of buildable land for development.~~ Eventual urban development of this parcel will ~~most likely~~ be in the form of a Master Plan, so any area subject to restrictions can be used to fulfill open space and access requirements.



**A RESOLUTION OF THE PLANNING COMMISSION  
OF THE CITY OF SISTERS  
STATE OF OREGON  
PLANNING COMMISSION RESOLUTION PC 2010-06**

**THE CITY OF SISTERS PLANNING COMMISSION DOES HEREBY FIND AND RESOLVE THAT:**

**WHEREAS**, McKenzie Meadow Village LLC, property owner of record, is requesting to rezone a 30.00 acre property known as 'McKenzie Meadow Village' located in Sisters, Oregon, identified as tax lot T15 R10 S0500, lot 01204 from Urban Area Reserve 10 (UAR 10) to 27.88 acres of Multi Family Residential (MFD), 0.32 acres of Public Facility (PF), and 1.80 acres to Open Space (OS) District; and,

**WHEREAS**, McKenzie Meadow Village LLC, property owner of record, is requesting to amend the land use description of the 30.00 acre property known as 'McKenzie Meadow Village' found in the adopted Comprehensive Plan as Urban Area Reserve 10 (UAR 10) to 27.88 acres of Multi-Family Residential Sub District land, 0.32 acres of Public Facility land and 1.8 acres of Landscape Management land; and,

**WHEREAS**, the City of Sisters voters approved the annexation of the subject site in November 2006 by approving Measure 9-38 by a 2 to 1 margin; and,

**WHEREAS**, the Sisters City Council approved an amended Annexation Agreement between subject property and City of Sisters (Volume 2010, Page 22024; recorded June 7, 2010); and,

**WHEREAS**, the findings presented within City file numbers ZC 10-01 and CP 10-02 determined that the action proposed by McKenzie Meadow Village LLC either will not adversely impact the City's sewer, water and/or road infrastructure, or can be mitigated to resolve any impacts to the City's infrastructure through conditions of approval; and,

**WHEREAS**, the Department of Land Conservation and Development (DLCD) received the required 45 day notice at least 45 days prior to the 1<sup>st</sup> Evidentiary Hearing that took place on July 29, 2010 and was continued to August 19, 2010; and,

**WHEREAS**, after due notice, a public hearing on the proposed zone change and comprehensive plan amendment was held by the Sisters Planning Commission on July 29, 2010 and continued to August 19, 2010, at which time findings were reviewed, witnesses were heard, and evidence and written testimony was received.

**NOW, THEREFORE, BE IT RESOLVED THAT THE CITY OF SISTERS PLANNING COMMISSION FINDS THAT:**

1. All required notices have been sent in the time and in the manner required by state law and city code; and,
2. The findings of fact in this matter are located in the staff report dated August 19, 2010, herewith attached and by this reference incorporated herein as Exhibit A.

**NOW THEREFORE, BE IT FURTHER RESOLVED THAT BASED ON THE FINDINGS, THE PLANNING COMMISSION HEREBY FINDS AND RECOMMENDS THAT THE CITY COUNCIL ADOPT THE ZONE CHANGE (FILE NO. ZC10-01) AND COMPREHENSIVE PLAN AMENDMENT (FILE NO. CP 10-02) SUBJECT TO THE FOLLOWING EXHIBITS:**



**CITY OF SISTERS**

**Planning Commission Resolution**

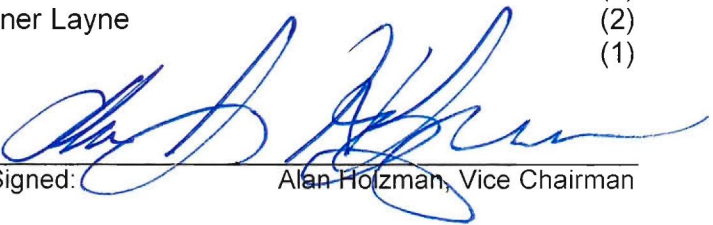
(RECOMMENDATION BY THE PLANNING COMMISSION, AUGUST 19, 2010)

- Exhibit A – Staff Report with Findings, Memo (Aug 12, 2010)**
- Exhibit B – Annexation Agreement**
- Exhibit C – Sewage Capacity Analysis**
- Exhibit D – Proposed Comprehensive Plan Text**
- Exhibit E – Conditions of Approval**
- Exhibit F – Comprehensive Plan map**
- Exhibit G – Zoning Map**
- Exhibit H – Letter from HGE Engineering**
- Exhibit I – Letters from Concerned Neighbors (3 total)**

**THE FOREGOING RESOLUTION IS HEREBY ADOPTED THIS 19<sup>th</sup> DAY OF AUGUST 2010.**

Members of the Commission: Gentry, Holzman, Auerbach, Layne, Protas, Roberts and Tewart

AYES:	Acting Chairman Holzman; Commissioners Auerbach, Protas and Tewart	(4)
NOES:		(0)
ABSENT:	Chairman Gentry; Commissioner Layne	(2)
ABSTAIN:	Commissioner Roberts	(1)

Signed:  Alan Holzman, Vice Chairman



## City of Sisters

### Memo

**To:** Planning Commissioners, Applicant, Interested Parties  
**From:** Eric Porter  
**Date:** August 12, 2010; Hearing Date is August 19, 2010  
**Re:** Continued Hearing – files no. CP 10-02 and ZC 10-01; McKenzie Meadow Village

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This memo is an addendum to the staff report for the above-referenced files that were presented at the July 29, 2010 public hearing. The composition of this memorandum is as follows;

1. Corrections to the staff report presented at the July 29, 2010 hearing
  2. Revised equivalent dwelling unit (EDU) projection
  3. Exhibit E - revised Conditions of Approval.
  4. Additional Exhibit F – Comprehensive Plan map
  5. Additional Exhibit G – Proposed Zoning map
  6. Additional Exhibit H – Letter from HGE Engineering
1. **Corrections to staff report.**
    - a. Cover page: land areas found in 'Request' section should state 1.8 acres of OS Open Space land for a future park, and 0.32 acres for a school-based health clinic.
    - b. Page 5, 8, 36 – reference to 84 assisted living facility units; the actual number is 82 units.
    - c. Page 6, 7, 18, 25, 36 – reference to 231 units' worth of EDU demand; revised projection is for 240 units' worth of EDU demand.
    - d. Page 36 – condition no. 5 indicates that if the water mitigation fee is included within the SDC fee, that a water mitigation fee would no longer be charged. In fact, if the fee amount changes, it would still be charged as a separate fee.
  2. **Revised equivalent dwelling unit (EDU) projection.** The City Engineer has revised his estimate of the total number of EDU's that would be needed (and used) by this project from 231 to 240. The calculations are contained in the four letters are attached to this memorandum. The City Engineer (and city staff) agree that there is adequate capacity to serve the entire project as it is proposed.
  3. **Revised CONDITIONS OF APPROVAL**

The following conditions of approval are associated with the zone change and Comprehensive Plan amendment known as city file no. CP 10-02 and ZC 10-01, and shall occur in the time frames specified within each condition.



City of Sisters  
Exhibit A – Staff Findings and Recommendation

**File Numbers:** CP 10-2 and ZC 10-1

**Owner / Applicant:** McKenzie Meadow Village, LLC  
Attn: Bill Willitts  
1021 Desperado Trail  
Sisters, OR 97759

**Consultant:** Sage Land Use, Inc.  
19865 Robinwood Place  
Bend, OR 97702

**Traffic Engineer:** Ferguson Associates  
PO Box 1336  
Bend, OR 97709

**Civil Engineer:** West Ridge Development LLC  
1180 SW Lake Road, Suite 204  
Redmond, OR 97756

**Request:** Change the zoning of the 30.00 acre property from Urban Area Reserve 10 (UAR 10) to 27.88 acres of Multi Family Residential (MFD); 1.8 acres of OS Open Space (park), and 0.32 acres of Public Facility (PF) zoning (school-based health clinic). The change affects the City's zoning and Comprehensive Plan maps. Also a request to change the text of the Comprehensive Plan to reflect the zoning changes proposed.

If these requests are approved, the applicant intends on seeking development approval for a mixed use facility that would include a senior affordable housing component, a senior assisted and independent living facility, a school-based medical clinic, a park, and multi-family and single family dwelling units.

**Staff Reviewer:** Eric J. Porter

**Hearing Date:** July 29 and Aug 19 2010 (1<sup>st</sup> evidentiary – Sisters Planning Commission)  
5:30 pm; Sisters City Hall, 520 E. Cascade Avenue, Sisters OR 97759

**Recommendation:** Approval with conditions.

**Applicable Standards and Criteria:**

1. **Oregon Administrative Rules**, Chapter 660, including;
  1. Division 12, **Transportation Planning Rule**  
\* OAR 660-12-060, Plan and Land Use Regulation Amendments
  2. Division 15, **Statewide Planning Goals and Guidelines**



2. **Oregon Revised Statutes** (ORS) Chapter 197 (as is applicable for notification and procedural requirements) and Chapter 227 as applicable to this request.
3. **City of Sisters Urban Area Comprehensive Plan**
4. **Sisters Development Code**, including the following chapters;
  - a. Chapter 4.1 – Types of Application Review
  - b. Chapter 4.7 – Land Use District Map and Text Amendments
  - c. Chapter 2.2 - Multi Family Residential District
  - d. Chapter 2.7 – PF Public Facility District
  - e. Chapter 2.8 – OS Open Space District

**II. Exhibits.** The following exhibits make up the material presented to the Planning Commission at the first evidentiary hearing;

- Exhibit A – this Recommendation and Findings document.
- Exhibit B – recorded Annexation Agreement for McKenzie Meadow Village
- Exhibit C – Sewage Capacity analysis, prepared by West Ridge Development
- Exhibit D – Proposed Comprehensive Plan text changes (mark up copy)
- Exhibit E – Conditions of Approval

Additional material submitted by the applicant includes the following (on file with the Planning Department for the City of Sisters);

1. Transportation Planning Rule (TPR) analysis, dated June 8, 2010 and prepared by Ferguson and Associates.
2. Water analysis, dated June 8, 2010, and prepared by West Ridge Development.
3. Sewer analysis, dated June 8, 2010, and prepared by West Ridge Development.
4. Burden of proof statement, dated 'submitted June 10, 2010', prepared by Sage Consulting, Inc.
5. Application with fee
6. Preliminary concept development plan
7. Preliminary title report

**III. Findings of Fact.**

**A. Existing Zoning and Comprehensive Plan Designations.** The subject property is designated as Urban Area Reserve on the City of Sisters Comprehensive Plan Map and is zoned Urban Area Reserve 10. The property is known as tax lot T15 R10 Section 05, TL 1204.

**B. Location:** The 30 acre subject site is located immediately east of Sisters High School on the north side of McKinney Butte Road, and immediately west of phase III of the 'Village at Cold Springs' subdivision.

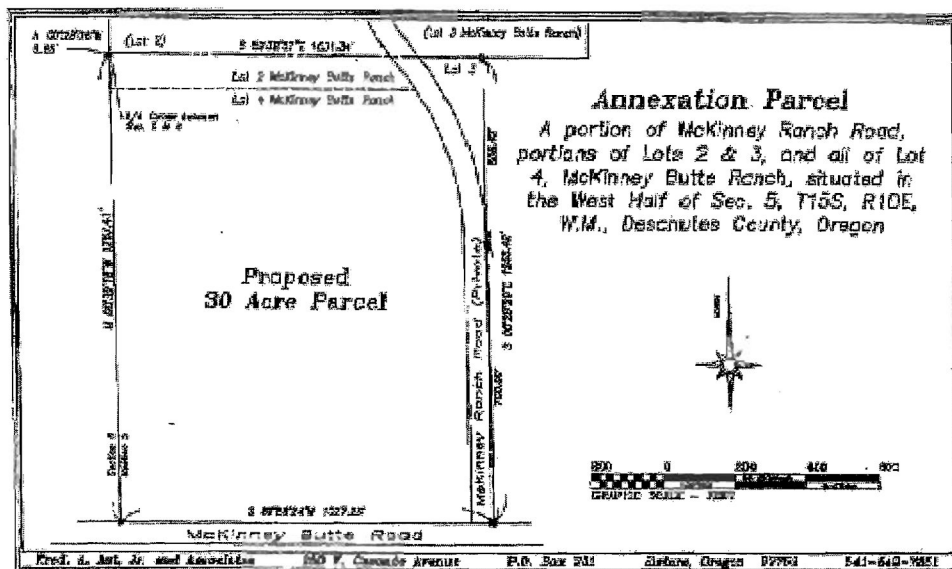
**C. Site Description:** The subject site has a gentle downhill slope in a northwest to southeast direction, and is mostly treed with mature Ponderosa Pines and some Juniper trees. According to Ron Rainey, USDA Soil Quality Specialist (Natural Resources Conservation Service), the soil quality within Section 5 (including this site) has not been mapped. Given the soil composition throughout Sisters, it is probable that the soil on the site consists of either 'Lundgren Sandy Loam' or 'Ermabelle Sandy Loam' soil. Both soils are relatively low yielding in terms of lumber production. Lundgren Sandy Loam soil (mapping Unit 85A; 0 – 3% slopes) has a woodland suitability productivity classification of 3 and is capable of producing 46 cubic feet per acre per year of wood fiber. Ermabell Sandy Loam soil (mapping

Unit 47A, 0 – 3% slopes) has a woodland suitability productivity classification of 4 and is capable of producing 69 cubic feet per acre per year of wood fiber. Both soil types are well drained with compositions being 90% inclusions and 10% contrasting inclusions. Permeability is rapid with both soil types, having an available water capacity of between 4 and 5 inches. According to the Soil Interpretations Record contained in the NRCS soils inventory, trees common to both soil types are ponderosa pines. The site contains no known endangered species, however the western adjacent site contains ‘Peck’s Penstemon’, an endangered shrub. This portion of the subject site has no known history of flooding or other recorded natural disasters. There are anecdotal recollections from long-timers in Sisters about flooding occurring slightly north of the subject site during extreme rainfall years (Indian Ford creek).

**D. Surrounding Zoning and Land Uses:** The properties to the west and south are zoned ‘PF Public Facility’ and are developed with Sisters High School and Junior High School. The properties to the east (Hayden’s Village at Cold Springs, phases I and II) are partially developed with single family dwellings and zoned Multi Family Residential. The property to the north is outside the Sisters Urban Growth Boundary and is zoned ‘F-2’ Forest according to the Deschutes County Zoning Map for the Sisters area.

**E. Procedure and Background:** The subject site was brought into the Sisters Urban Growth Boundary during the 2005 Comprehensive Plan update undertaken by the city in order to satisfy the projected 20 year supply of residential land. At that time, the city evaluated different potential candidate sites using a number of factors such as soil quality, proximity to the UGB, and the ability of the city to provide urban services. The city determined that this property was the primary candidate for future residential land supply, and the Comprehensive Plan map showed the property as ‘R-Residential’, which was the intended zoning once the property was re-zoned formally.

In 2006, the City Council approved Resolution No. 2006-01 which consented to allow a popular vote to occur as the next step in the annexation of the property, and Sisters voters approved Measure 9-38 by a 2 to 1 margin.



**Figure 1 – Survey Map of Subject Site**

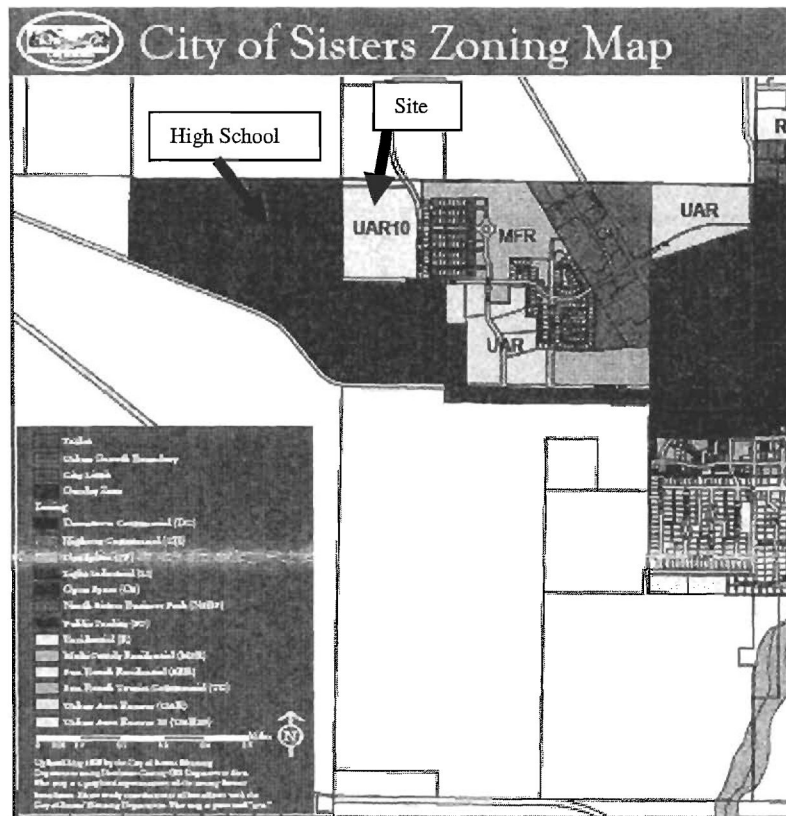
In November 2009, the City Council and developers came to agreement regarding some key development parameters for this site, which resulted in an Annexation Agreement ('Agreement'; Exhibit B) which was approved by the City Council and was subsequently recorded with the Deschutes County Clerk's office on December 4, 2009.

The significance of the Agreement is that it establishes several key parameters for water mitigation fees, the ability of the city to require system upgrades if necessary, and the manner that the site develops. Although unusual, this is not unprecedented, and is an effective and simple way for a jurisdiction to get assurance that the result of the zone change won't cause the infrastructure to fail, and that it matches the advertized development of the site.

Regarding the review and decision processes for these two application requests, these are quasi-judicial reviews since they relate to a specific site. Quasi-judicial zone changes and Comprehensive Plan amendments affecting land within the City of Sisters are processed by the City of Sisters, and a 45 day notice was also provided to the State Department of Land Conservation via certified mail on June 11, 2010.

Two public hearings will be held by the City with regard to these two applications. The first hearing will be with the Sisters Planning Commission on July 29, 2010. The second hearing will take place with the Sisters City Council and is tentatively scheduled for Sept. 9, 2010.

If approved and adopted, the Comprehensive Plan amendment and zone change decisions must be sent to DLCD for acknowledgement pursuant to ORS 197.610 within five (5) days from the date the final decision is made by the City Council.



**Figure 2 – Zoning Map of Subject Site and Surrounding Area**

**IV. SUMMARY OF ISSUES.** This summary is intended to identify the issues that are potentially controversial to make them easier to read and use as the basis for the decision of whether to approve these requests.

**City determination of adequate capacity needed.** At the time of a zone change, the city must determine whether changing the zoning of a property will create more demand on the city's infrastructure than the originally-intended zoning would have created, and if so, can this increased demand can be handled by the City's existing infrastructure, or whether it must be mitigated by the developer, the city, or both.

The next section discusses each potential capacity-related issue (water, sewer and roads), and what fixes to the system are both necessary and are legal to impose during the zone change process in order for this development to mitigate its impacts to the city's infrastructure. The next section also discusses the legal limits that the City has in imposing conditions of approval during a zone change process.

**Background and the Applicant's Capacity Assumptions.** The McKenzie Meadow Village property was brought into the Urban Growth Boundary (UGB) in 2005. At this time, the City had made assumptions about the intensity of development that would occur on this site based on anticipated zoning (low density residential). This was done in part to prepare for future site development and its demand on city infrastructure. The City assumed that an average density of 4.36 units per acre would be constructed (a total of 131 dwelling units), which is an average density for R-Residential zoned property.

This developer now seeks higher density residential development (MFD, or Multi Family District), and projects a total of 257 total dwelling units will be built, rather than the original 131 units that the City anticipated, or the 263 initially requested. It was unknown whether the City's infrastructure could accommodate the increased density proposed by the applicant.

Consequently the applicant provided sewer, water and road analyses addressing the increased demand for each, which are evaluated herein.

The analyses provided by the applicant indicate capacity assumptions that are based on a total of 263 actual dwelling units producing 217 units' worth of demand on the system. Of note here is that the applicant now seeks to reduce the total number of units to 257, thus further reducing the impact to the system. The difference in actual number of units proposed (263) versus projected unit demand (217) is based on the applicant's belief that senior assisted living units and the senior affordable housing project each use less water and sewer than would non-senior apartments or dwelling units, and as such, would place less demand on the system.

The city agrees with part of the developer's position. The *senior assisted living facility*, which will contain 84 dwelling units at buildout, will contain an average of less than two persons per dwelling unit, and thus will generate less than 84 units' worth of demand on the system. The applicant believes that there will be a 30% reduction in demand per unit (each unit will use 70% of water and sewer typically used by a single family dwelling). The city agrees with this assertion, and finds that the demand of 84 senior assisted living units will equal 59 EDUs.

However, the city disagrees with the developer's notion that the senior affordable housing units will use less water and sewer than would any other dwelling unit. There is no empirical data to back this assertion up to the City's satisfaction; therefore the City is not recommending any EDU reduction consideration be given to the units that are not Assisted Living units. Therefore, for the purpose of assessing water mitigation fees on this

development, *the City supports allowing a total of 231 dwelling units' worth of demand to be assumed to the system rather than the 217 units' worth of demand as stated by the applicant.*

Since the City believes that there is adequate capacity in the existing system to accommodate a total of 217 dwelling units, the relevance of the impact reduction consideration issue is limited to the water mitigation fee that will be charged to each unit, and to the demand differential between 217 units' worth of demand, and 231 units' worth of demand. The units that have 'partial usage' (specifically the Senior Assisted Living Facility) will be charged 70% of the total EDU fee that non-partial usage units will be required to pay.

**Issues.** The following identifies the issues and solutions related to water, sewer and road capacity as each is potentially impacted by this zone change request.

1. **Water.**

- a. **Water adequacy.** The applicant has provided data in the form of a water system analysis that lists water demands and capacity for this project as well as for the surrounding area.

There is an existing 12" waterline located in the McKinney Butte Road right of way adjacent to the site. The minimum pressure required for single family dwellings is 1,000 gallons per minute (GPM) with at least 20 lbs of residual pressure per square inch (PSI; assisted and senior living facilities have a higher associated water demand, which will be presented in greater detail during the Master Plan review subsequent to this request).

The measurements taken from an adjacent site yield a total GPM of 1590 with 64 PSI, which is over the minimum flow requirement necessary for adequate fire flow to occur.

The applicant's water analysis lists several system improvements that they have determined are necessary to assure adequate water capacity for the McKenzie Meadow Village at project buildout. These system improvements are as follows;

- Water rights transfers to Well No. 3 and continued improvements to Well No's 1 and 2.
- Future reservoir for additional storage capacity
- Continued improvement transmission and distribution system which includes additional internal water line looping in the vicinity of the McKenzie Meadow Village property
- Updating the City of Sisters Water Master Plan

Of these system fixes needed to meet projected water demands, the one offered by the developer is the payment of water mitigation fees in lieu, which is acceptable to the City. It is likely that the developer will be required to loop the water system internally to provide additional pressure and flow on the interior of the property. This will be more closely evaluated at the time of Master Plan and Subdivision review.

- b. **Water Rights.** As a matter of policy, the city has historically required that water rights be transferred to the city so that the city has adequate water to serve newly-annexing properties. In lieu of transferring water rights, the developer may instead pay an 'in lieu' fee according to the current value of water rights and based on the projected water need for the property.

The City Engineer has determined that, based on projected density of the property, a total of 21.89 acres of vintage 1880's water rights will be needed. This is consistent with the terms of the Annexation Agreement (Exhibit B), which describes a 'water mitigation fee'

for each Equivalent Dwelling Unit (EDU) based on a 'per EDU' fee of \$670. The 'per EDU' fee will no longer be required once the water System Development Charges (SDCs) are amended to include the average cost for water mitigation that should be assessed to each new dwelling. This will probably occur within a calendar year. For now, the 'in lieu' fee is an acceptable alternative.

Thus a condition has been added that requires the developer to either transfer 21.89 acres of vintage 1880's water rights to the city, or pay the in-lieu fee for each EDU based on these projected water needs of the property.

## 2. Sewer.

- a. **Sewer adequacy.** The site is served by an oversized sewer line, which the applicant asserts was paid for by the developers when the sewer system was constructed. The City is aware of a contribution made at the time the applicant contends, but cannot verify whether it was the applicant or the School District (or both) who made the actual contribution. The issue may be moot however, given that there is no substantial disagreement between city and developers regarding available capacity, with the possible exception of 14 dwelling units' worth (the difference between 217 units and 231 units' worth of capacity). The city can add a condition requiring further sewer analysis, and potential system upgrade, if this supplemental sewage analysis determines that in fact there is not enough system capacity to accommodate 14 additional dwelling units.

As with water, there is an assumed sewer capacity allowance given to the site resulting from assumptions made at the time the sewage treatment plant was designed and built – these assumptions equal the outflow resulting from 131 single family dwelling units.

The applicants' sewer analysis states that there is a 12" sewer line serving the subject site, which leads to a 15" line located along Highway 20, and eventually connecting with an 18" main line which leads to pump station #1, located on Rope Street. This pump station is the weak point in the system; it is near capacity and will need to be upgraded in the near future to accommodate growth anticipated on the west side, including the Forest Service property if and when it develops.

The analysis indicates that there were originally 289 projected dwelling units for the McKenzie property in the city's wastewater capital facility plan. As previously stated, they indicate that the more accurate projected impact would be the equivalent of 217 dwelling units based on reduced projected flow for senior housing.

The City Engineer does not agree that the applicant's projected demand assessment number of 217 dwelling units. He believes that the closer estimate would be 231 units' worth of demand.

The city's system design is based on flow rates, both actual current and projected. The Department of Environmental Quality (DEQ) requires a specific mathematical formula be used the calculates the rate of line resistance combined with the pipe size, the rate of flow, the rate of line descent, and the actual and projected flows during regular and peak hour usage. The design of the system assumes that no more than 50% of each line can be full at any time.

According to the applicant's sewer analysis, the system is designed to accommodate 263,809 gallons per day at peak times of use. The demand required from McKenzie

Meadows is 25,125 gallons per day (average) or 65,300 gallons per day (peak demand), which equates to 2.8% to 6.6% of the average flow based on current usage.

The applicant asserts that SDC contributions are satisfactory to meet their contribution towards future system improvements.

Richard Nored is the City Engineer for the City of Sisters; he offered the following comments dated July 1, 2010 in response to the sewage capacity analysis provided by the applicant;

**Sewer**

1. A basis needs to be provided for the EDU/Unit Rate numbers provided in the sewer system impact report. Careful consideration of the values needs to be made. A decision will need to be made regarding any reductions in values for the various types of dwelling units.
2. We believe that total EDUs for this property should be raised to at least 231 EDUs, when consideration of unit rate numbers are complete.
3. Sewer capacity to serve existing and proposed development, with the zone change, appears adequate but marginal West of Highway 20. We have concern with the analysis provided, which should utilize DEQ regulations for assumed Manning 'n' coefficients, but the existing system appears adequate to contain the increased density of development in the sewer system existing West of Highway 20. Remaining sections of the sewer system were not analyzed, but current plans include a Westside Sewer Pump Station that will transfer flows to the Wastewater Treatment Plant without an impact on remaining portions of the wastewater system.
4. Construction of the Westside Pump Station should be at least partially funded by Systems Development Charges, or the City could elect to obtain construction revenues from development.
5. Details of sewer construction and interconnections for adjacent properties should be addressed during site development review.

Overall, the City Engineer agreed that there is adequate sewage capacity available to serve the anticipated zoning that would occur on the property. Perhaps the only question that needs to be answered now is whether reduced EDU credits should be given for any aspect of the project. Staff is comfortable reducing the EDU amounts related to sewer, but only for the Senior Assisted Living Facility containing 84 units at buildout. The acceptable multiplier for each of these units should be no less than 0.7 EDUs per unit.

3. **Transportation (Roads).** The issue of 'adequate road capacity' is an issue which also falls under the purview of the Oregon Department of Transportation (ODOT) regarding whether the zone change will have any adverse impact to the state's highways / intersections of state highways with local roads. ODOT and the City each apply the standards found within the state's Transportation Planning Rule (TPR) to any zone change request. ODOT has the ability to weigh in on zone changes in a manner unlike most other land use processes.

Consequently they have been notified of this action; they're comments were sent via email dated July 9, 2010, and are found on pg. 10 of this report.

As mentioned, the Development Code (Chapter 4.7) also requires compliance with the TPR. The TPR is found in Oregon Administrative Rules section 660-12-0060(1), and states:

"Where an amendment to a functional plan, an acknowledged comprehensive plan, or a land use regulation *would* significantly affect an existing or planned transportation facility, *the local government shall put in place measures* as provided in section (2) of this rule to assure that allowed land uses are consistent with the identified function, capacity, and performance standards (*e.g.* level of service, volume to capacity ratio, etc.) of the facility. 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);

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

"(c) As measured at the end of the planning period identified in the adopted transportation system plan [(TSP)]:

"(A) Allow land uses or levels of development that would result in types or levels of travel or access that are inconsistent with the functional classification of an existing or planned transportation facility;

"(B) Reduce the performance of an existing or planned transportation facility below the minimum acceptable performance standard identified in the TSP or comprehensive plan; or

"(C) Worsen the performance of an existing or planned transportation facility that is otherwise projected to perform below the minimum acceptable performance standard identified in the TSP or comprehensive plan."

**ODOT Comments on the TPR Analysis.** The McKenzie Meadow Village applicant provided a TPR analysis which was routed to ODOT for review. ODOT then offered the following comments via email;

**From:** BRYANT James R [mailto:James.R.BRYANT@odot.state.or.us]

**Sent:** Friday, July 09, 2010 1:39 PM

**To:** Eric Porter

**Cc:** BOYD David W

**Subject:** McKenzie Meadow Village - ZC 10-01 and CP 10-02

"We have reviewed the traffic impact letter report for the proposed project (Ferguson and Associates, June 8, 2010) and concur with the findings of no significant impact to the transportation system. As detailed in the letter report, the proposed zone change and subsequent master plan will generate no more peak-hour or daily vehicle trips than was assumed for the property in the recently adopted Sisters TSP which fully accounted for twenty years of growth in the City.



“It should be noted that the adequacy of the transportation system to accommodate the actual trips created during subsequent development permits will need to be assessed during the site plan review process.”

**Making a Finding of Adequate Road Facilities.** In order for the city to make a finding that the traffic resulting from the zone change will not adversely impact the existing or proposed transportation system, the affected roads need to be evaluated in terms of existing capacity, design capacity, existing trips and proposed trips.

The TPR analysis provided by the applicant’s engineer states that a total of 138 new pm peak-hour trips would be generated under the previously anticipated R-Residential zoning. This projected number is based on 5 dwelling units per gross acre (to correspond with the TSP update document), each of which average 0.92 pm peak hour trips.

By comparison, the applicant then states that the project will produce 110 new pm peak hour trips at buildout, in spite of the MFD Multi Family zoning that would occur on 27.88 acres of the 30 acre site. The remainder, the PF Public Facility zoned property, would have negligible trips associated with the zoning (the medical clinic will have some trips, but this will be evaluated during land use review at a later time).

The site is served by McKinney Butte Drive, recently upgraded from a local street to a collector street during the just-completed Transportation System Plan (TSP) update. Fully improved collector streets are designed to accommodate up to 1000 pm peak hour trips, and up to 12,000 average daily trips. McKinney Butte Drive presently has 90 pm peak hour trips at the intersection of 242 and McKinney Butte, and 295 pm peak hour trips at the intersection of McKinney Butte / Barclay and Highway 20. The projected 110 pm peak hour trips that would result from the subject site at buildout is relatively insignificant given the volume capacity of McKinney Butte Road as a collector street.

The other potential transportation-related situation is the intersection of Barclay / 20. The City has been collecting system development charge (SDC) money over the past several years, ultimately to be used to improve this intersection when it meets ‘signal warrants’ (levels of delay that cause the intersection to need improvements according to ODOT’s mobility standards). This intersection was closely scrutinized at the time that the new Ray’s market was undergoing land use review. The result was that, in spite of public perception of the intersection being at-capacity and even dangerous, the intersection still did not meet or exceed ODOT’s mobility standards, even with the new Ray’s store and associated retail uses.

The City will continue to collect SDC money in anticipation of this intersection eventually exceeding ODOT’s mobility standards and needing some type of traffic control device (either a signal or a roundabout). Meanwhile, a ‘roundabout feasibility study’ is expected to take place in fall or winter 2010; this will ultimately give the City a better idea of what type of traffic control feature will be desired at this intersection.

The conclusion reached by ODOT, the City and the developer within their TPR analysis is that, based on the previously anticipated zoning for the property, the rezoning of this property as proposed will not adversely affect the city or state’s transportation system. The specific analysis findings are found later in this report, and additional information is found in the TPR analysis provided by the applicant.

**Legal Rules and Conditions of Approval for Zone Changes.** The legal rules for putting conditions of approval on zone changes are a bit different than conditions for actual site

development. The reason is that a zone change by itself creates no impact – it is merely a change on paper that precedes later site development. It is the subsequent site development that creates the impacts to the city’s infrastructure.

Because of this, the city is limited to putting conditions on the zone change that only apply to the effects of the zone change rather than to the impacts associated with site development.

Therefore, the issue that must be addressed for this application is whether enough *capacity* exists to serve the intended *zoning*, not whether adequate water, sewer or roads exist to serve the actual development. If adequate capacity does not presently exist to serve the projected density based on the zoning, then the applicant is required to show exactly how they will be able to accommodate future development on this site (Sisters Development Code, Chapter 4.7, “Land Use District Map and Text Amendments”, subsection 4.7.300 A.3).

-----END OF SUMMARY OF ISSUES-----

## V. CONCLUSIONARY FINDINGS

1. **Oregon Administrative Rules**, Chapter 660.
  - a. Division 12, *Transportation Planning Rule*  
\* OAR 660-12-060, Plan and Land Use Regulation Amendments
  - b. Division 15, *Statewide Planning Goals and Guidelines*

**Finding:** The Sisters Development Code (Chapter 4.7) requires that any application for a zone change or change to the Comprehensive Plan meets the applicable Oregon Administrative Rules (‘Rules’), including Chapter 660. Compliance with the Rules are found later in this report.

2. **Oregon Revised Statutes** (ORS) Chapter 197 (as is applicable for notification and procedural requirements), and Chapter 227 as applicable to this request.

**Finding:** Regarding consistency with ORS Chapter 197, this ORS chapter establishes among other regulations the findings necessary regarding coordination between state agencies and local governments (section 197.173); the City’s planning responsibilities and compliance with state and local planning goals (section 197.175); how local jurisdictions may process development applications, and rules for reporting certain types of application decisions to Department of Land Conservation and Development (section 197.178).

The Sisters Development Code (SDC) is structured in a manner that is consistent with ORS 197 in regards to application review, notification process and zone change / comprehensive plan amendment processing requirements (SDC 4.7); therefore by reviewing these requests against the requirements found within SDC section 4.7, the result is findings that are redundant with the applicable standards found within ORS 197. These findings are found later in this report under the findings for section 4.7 of the Sisters Development Code.

3. **City of Sisters Urban Area Comprehensive Plan.** The City of Sisters Comprehensive Plan is structured similarly to the Statewide Planning Goals referred to in Section 1 (subsection b).
4. **Sisters Development Code**, as follows;

a. Chapter 4.1- Types of Application Review

**Finding:** Both applications are site-specific, including the changes needed to the Comprehensive Plan, which specifically identify this site. According to Chapter 4.1, both applications could fall under the category of a Type IV review since they must be reviewed and decided by the City Council. However, given the site-specific nature of the requests, each is more accurately being processed as a Type III decision in terms of neighbor notices and Planning Commission review leading to a recommendation to the City Council. These requests will undergo at least two public hearings; the first before the Planning Commission which will result in a recommendation to the City Council; the second being the decision by the City Council.

b. Chapter 4.7- Land Use District Map and Text Amendments

**Finding:** As stated in the prior finding, these requests are being evaluated as Type III / Quasi-Judicial requests, given their site-specific nature. Therefore, the applicable standards and criteria found in section 4.7 include compliance with subsections 300, 400, 500 and 600 as follows.

**4.7.300 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

**Finding:** This request involves a comprehensive plan map amendment. The Planning Commission’s recommendation is sought, which is consistent with a Type IV process.

**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.

**Findings:** The *Statewide Planning Goals* are found in Oregon Administrative Rules (OAR) 660-015. Staff finds that the application submitted complies with these goals as follows;

**Goal 1- Citizen Involvement** requires that the jurisdiction provide the opportunity for citizens to be involved in the planning process. Notice of the public hearing will be completed by the City, in accordance with the City’s acknowledged notice requirements for Type III (quasi-judicial) applications, as provided in Chapter 4.16.600(B). Citizens will be offered the opportunity to provide written and/or oral testimony prior to and during the public hearings scheduled to take place in July and September 2010; the times, dates and locations of each hearing are identified

within the notice that will be provided to neighbors within 250 feet of the subject site by the City. Providing the opportunity for public input complies with Goal 1.

**Goal 2- Land Use Planning** provides that quasi-judicial decisions such as these sought by the applicant be based on adequate factual grounds. The proposal to change the zoning and plan designation from UAR-10 and R respectively is based on a documented need for additional multi-family housing targeted at the senior population, and an unmet need for such housing within the City of Sisters. Additionally, as illustrated in the Sisters Housing Plan, there is a surplus of single family residential housing, and the current comprehensive plan designation of the property was based on a previous determination that such housing was needed in the past. Because the proposal appears to be based on a documented factual need, the proposal complies with Goal 2.

**Goal 3- Agricultural Land, and Goal 4- Forest Lands.** The subject site is not designated as agricultural or forest land, therefore the requirements of Goal 3 and 4 are not applicable to the Zone Change or Plan Amendment.

**Goal 5- Natural Resources, Scenic and Historic Areas, and Open Spaces.** There are no identified Goal 5 resources on the subject property. There is an endangered plant, 'Peck's Penstemon', which is located and mapped near the subject site on the northern portion of the western adjacent property owned by the School District, however there is no evidence that this plant exists on the subject site. Therefore Goal 5 is not applicable to the proposal.

**Goal 6- Air, Land, and Water Resources Quality.** The applicant has provided capacity studies for water and sewer impacts. These studies were prepared by professional Engineers, and provide substantive evidence that this proposal will have a minimal affect on the quality of the air, land, and water quality within the City jurisdiction. In terms of transportation-related impacts, the analysis provided by Ferguson Associates show that the change to zoning and subsequent land uses anticipated for the site will actually reduce the transportation impacts that would be generated under the current Residential zoning shown on the comprehensive plan map. It is further anticipated that the MMV master plan will be designed to incorporate tree retention, drainage swales and a mix of smaller housing types which will help to minimize impacts associated with air, land, and water resources quality.

**Goal 7- Areas Subject to Natural Hazards** requires the protection of people and property from natural hazards. The land in the vicinity of the subject site is generally flat. Indian Ford Creek, located approximately 1/8 mile north of the subject site, has flooded on several occasions. It is not clear whether the prior flooding has affected the subject site. The site is not mapped as being within any floodplain, leaving staff to conclude that there is a remote chance that Indian Ford Creek may flood again in the future in a manner that adversely affects this site. Since there is no data to back up the speculation that the site might at some point be prone to flooding, staff concludes that the proposal complies with Goal 7.

**Goal 8- Recreational Needs** requires that the recreational needs of the citizens of the City and the state be satisfied. The applicant states in their burden of proof that this goal is not applicable to this proposal; however the applicant intends on dedicating approximately 1.5 acres of land as a city park, and as such, satisfies the intent of this goal, assuming the City accepts the park as a city park. Nevertheless, the applicant must zone the land as OS Open Space for assurance that the land will remain a park, regardless of whether the park is public or private.

The city has established parameters regarding the elements that must be included within this park before the city would consider accepting the maintenance of the park. These elements are found

in the Annexation Agreement (Exhibit B), and will be further examined during the Master Plan review process rather than during the zone change process.

**Goal 9- Economic Development** requires jurisdictions to provide adequate opportunities for economic development. The applicant asserts that the project will provide employment opportunities in construction and development trades, and when operational, will provide some permanent jobs potentially for city residents.

Additionally, according to the applicant, the development will have a relatively low impact on city infrastructure and will benefit taxing districts such as the School District, the Sisters-Camp Sherman Fire District, and the City of Sisters through higher property values following property development. Conversely, the senior population expected to occupy much of this development will not increase the population of local schools. Staff agrees to the extent that a portion of the development will contain senior housing, but a larger portion will contain single family dwellings that may or may not be limited to seniors. The city has little control over the remaining attached and detached single family dwelling-type housing, which may or may not be limited to seniors, and which may or may not increase the student population in local schools.

The applicant states that “as an estimate of the economic impact of the development, for the market-rate Senior Lodge only, at buildout the facility is estimated to employ 35 employees, and generate over \$2 million for the local economy when fully-operational. Again, this estimate only includes the market-rate Senior Lodge, and does not include the additional 181 units of other residential apartments, townhomes, and other housing options, or the impact of the medical clinic.” Staff concurs, and finds that this development will have a positive economic impact regarding jobs provided and to the overall tax base.

The applicant also indicates that the MMV Mixed Use Neighborhood will also benefit the Sisters community by providing affordable housing and a variety of housing types for seniors in Sisters, allowing Sisters residents to remain in Sisters and keep them from relocating to neighboring communities as a consequence of inadequate senior housing. The economic link is provided by the applicant, who states that the development will allow residents to stay in Sisters, contribute to the local tax base, and to the local economy by supporting local business and professions in trades such as health care.

Staff concurs that overall the development will contribute positively to the Sisters local economy, in compliance with Statewide Planning Goal 9.

**Goal 10- Housing.** Statewide Planning Goal 10 states that the overall housing goal is “to provide for the housing needs of citizens of the state”. The goal requires that buildable lands for residential use are to be inventoried, and plans established by jurisdictions that relate to affordable housing are to encourage the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type, and density.

The applicant states in their burden of proof that the proposal complies with Goal 10 / Housing in three general respects:

1. That there is an unmet demand for Senior Housing opportunities within the City;
2. That there is an unmet need for an additional 131 apartment or other multi family living units as established in the recently-adopted Sisters Housing Plan (also found within the City Comprehensive Plan). The applicant states that ‘beyond the multi-family residential units,

*there is a demand for approximately 134 senior housing units in the City, comprised of both assisted and independent living units, at a variety of housing types and prices or rents. The senior housing unit projection is based on market analyses conducted produced by the Senior Lodge developers.’ (emphasis added)*

3. That given the effects of the recent economic downturn, it is reasonable to assume that there is demand for additional multi-family rental opportunities, beyond what the Comprehensive Plan originally estimated.

Staff neither confirms nor disputes the second portion of Number 2 above regarding the specific need for senior housing, since no actual city-sponsored inventory of senior housing has occurred to date. It is clear however that there are limited opportunities within Sisters for ‘affordable senior housing’ (to be proposed during site development review), and for ‘assisted senior housing’ (also to be proposed during site development review). To that end, staff concurs with the second portion of statement 2 in addition to the other statements offered by the applicant found in sections 1 through 3.

The applicant and staff also agree that statewide Planning Goal 10, Housing, stipulates that cities need to provide opportunities for a variety of housing types to be built. As anticipated, the McKenzie Meadow Village development plan will consist of a variety of housing types which will likely meet the needs of some of the seniors living in and around the City. The development plan will likely contain housing targeted at low-income, middle-income, and higher-income seniors in a range of housing types.

The Comprehensive Plan designation of the subject property is currently R-Residential, which is considered to be low density residential. The present zoning of the site is UAR-10. The property was recently annexed to the City of Sisters, and accordingly, the zoning of the parcel must be changed from UAR-10 to a zoning district that is consistent with the intended higher-density residential use of the site.

The applicant contends that based on trends in the community since the adoption of the 2005 Comprehensive Plan, and based on the documented lack of senior housing and multi-family housing within the City, the property is better suited to accommodate multi-family dwelling types of uses, which in turn would be better suited to support the demand for the senior lodges, apartments, townhomes, and other transitional housing types for the aging population.

Staff agrees with the applicant’s assertion here, which is borne out by the documented and projected shortage of multi-family (rental) dwellings over a 20 year planning period according to the recently-adopted Housing Plan, and by the inherent limits that are established in the R-Residential zone ‘uses allowed’ table 2.1.100, which does not allow several of the uses proposed by the applicant.

**Applicant’s Market Study Demand for Senior Housing.** The City’s Comprehensive Plan does not specifically address the senior population needs; however, based on 2000 Census and regional economic data, according to the applicant’s data, the City of Sisters has a median age that is older than any other Central Oregon community with the exception of La Pine as illustrated in the following table.

**Median Age by Central Oregon Community**

<b>City</b>	<b>Median Age (Years)</b>
La Pine	44.7
Sisters	38.8
Bend	34.8
Prineville	32.9
Redmond	32.7
Madras	28.7
Warm Springs	23.7

*Source: EDCO, 2000 U.S. Census*

The applicant states that Sisters has a lack of affordable units directed solely at seniors. Because of the lack of data specifically addressing the need for senior housing in Sisters, the individual developers of senior lodges conducted two separate market studies to determine the demand for senior housing in Sisters. Both studies indicate a strong demand and potential market for senior housing; however both studies show a lack of senior housing within the market area. The market area was determined to be 25 minutes driving distance from the subject site, and therefore does not include demand from either Bend or Redmond.

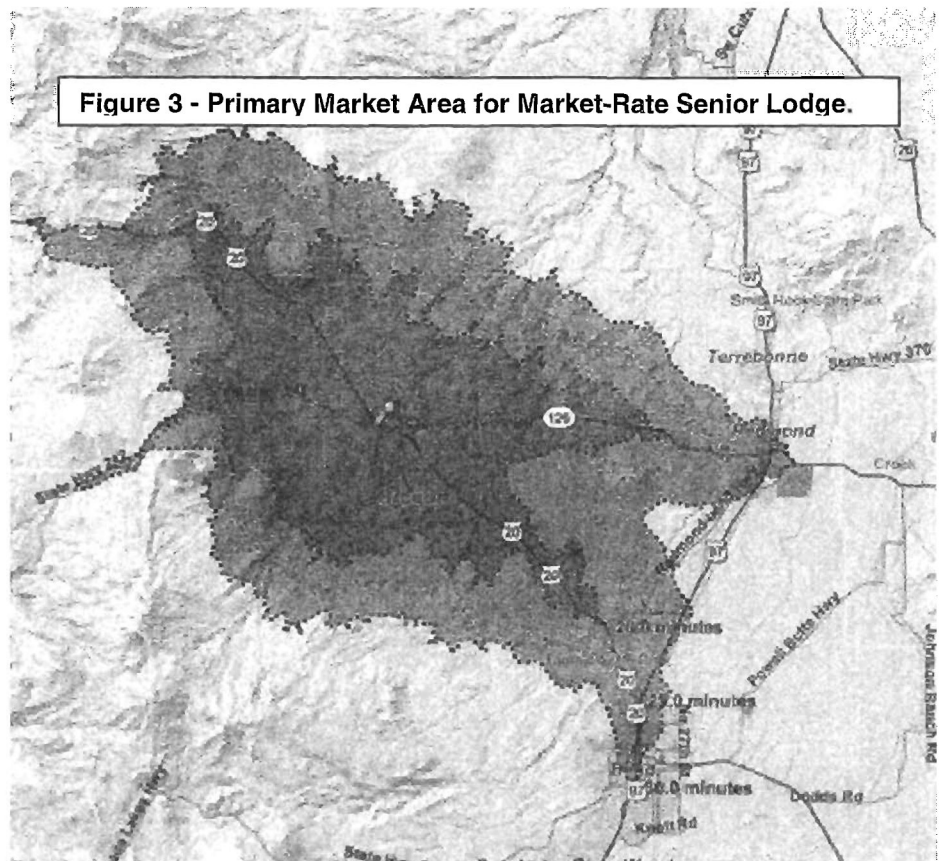
If validity is given to the Senior Housing studies undertaken by the developer, and staff sees no reason why it shouldn't be regarded as factual, then the proposed zone change / plan amendment is the first step in setting the groundwork to ultimately provide what the applicant describes as needed affordable units to the City to serve the senior population in and around Sisters.

According to the needs analysis conducted for the Senior Lodge Affordable Housing (52 units in 2 phases), the City presently has only 39 affordable units representing 2 percent of its total housing units. The analysis states that in terms of affordable units in relation to total population, Bend has 47 percent of the County's population and 71 percent of the affordable units; Redmond has 12 percent of the population and 25 percent of the affordable housing units. The study concludes that only the City of La Pine is lower in terms of affordable units per population<sup>1</sup>. Furthermore, there are no opportunities for senior housing in the City of Sisters. Most of the senior housing in Central Oregon is located within Bend and Redmond, where most of the housing consists of institutional-style skilled nursing, assisted living and independent living residences.

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<sup>1</sup> The developer of the Senior Lodge affordable housing has recently constructed senior housing in the City of La Pine.

The affordable housing market analysis concluded there is an initial demand for 26 units of affordable housing for very low-income seniors; however, this number would still not provide a ratio of affordable units to market rate units that compares to the rest of Central Oregon communities; therefore the developer is proposing two phases of affordable housing units containing 26 units in each phase in order to meet future demand for affordable senior housing. The housing will be targeted at seniors with incomes that are 30-50 percent of Deschutes County Median Family Income (MFI).



According to the applicant, the market rate Senior Lodge pro forma determined that within the primary market area (defined as 25 minutes, as illustrated in **Figure 3**), there were 819 senior households aged 75 years and older in 2008, and that this age group will grow approximately 31.9 percent over the five year period, to 1,080 senior households age 75 and older in 2013. The pro forma did not include summer residents, and this growth compares to an average overall growth within the market area of 6.4 percent.

Therefore, the applicant concludes that there is an immediate need for 45 units of market rate senior housing, and a total of 68 units needed by the year 2013, with a mix of 14 independent living units and 30 assisted living units. The applicant will propose building an additional 14 units in order to meet the additional anticipated demand. According to the developer of the market rate Senior Lodge, they currently have nearly twice as many letters of interest than what is standard throughout the nation. Therefore, they are proposing a total of 82 units to be constructed in two phases.

**Demand for Rental and Multi-Family Housing.** The Sisters Housing Plan identifies a need for an additional 131 units of multi-family housing over the next 20 years. Using the “1-in-10” affordable to market rate housing ratio established within the Comprehensive Plan, a demand for an additional 126 units of affordable housing (defined by the City as those earning less than 80 percent of MFI) are needed to meet the demand for affordable housing to the year 2025. Additionally, Sisters historically has a higher percentage of renters than that of the state and the nation. As stated in the Housing Plan:



*“According to the 2000 Census, out of 397 occupied housing units, 58.4 percent were owners and 41.6 percent were occupied by renters. The percentage of owner-occupied units is lower in Sisters than the average in the State of Oregon, which was 63.2 percent in 2003, and than that of the nation, which was 66.8 percent in 2003 (State of Oregon Progress Board 2005 Benchmark Report). Given that Sisters has a relatively large percentage of renters when compared to the State and National average, planning to provide housing of varying types to renters is important in meeting Goal 10 and Comprehensive Plan objectives.” (page 10)*

In response to the need for rental housing in the City, the applicant states that in addition to the Senior lodges, an additional 48 units in four separate 12-plex buildings are intended to be built to provide additional needed rental housing. The applicant further states that these may be targeted at residents earning 80-100 percent AML, depending on the demand at the time of construction. By providing these apartments, roughly 18.2 percent of the housing units planned for McKenzie Meadow Village will be dedicated to rental housing. An additional 5 percent of the townhome units will likely be rental units.

Because these processes are limited to a zone change and comprehensive plan amendment, there is limited opportunity to impose specific conditions requiring the developer to adhere to these housing-related development plans (as stated earlier, rules for conditions of approval on zone changes are not as ‘cause and effect’ oriented as are development proposal conditions). The assurance to the City is more closely found in the Annexation Agreement (Exhibit B).

**Goal 11- Public Facilities and Services** requires verification that adequate public facilities and services are available to serve development. The applicant’s burden of proof states that the property is served with City services, such as sewer, water, transportation, schools and parks. There are some unknowns regarding the adequacy of sewer and water, and a need to evaluate the impacts associated with multi-family zoning (versus the previously anticipated Residential zoning).

**Sewer.** The 30 acre McKenzie Meadow Village site was taken into consideration at the time the sewage treatment plant was designed by HGE Engineering, Inc. A density of 4.36 units / acre (single family dwellings) was assumed to be built on the property at build-out for a total of 131 single family dwelling units. The actual development proposal for this land would double the total number of dwelling units that were previously anticipated for this site. City staff and the developer have met to discuss how much (if any) sewer and water capacity shall be ‘credited’ to the property. The city’s position is that a total of 131 single family dwelling units’ worth of sewer and water capacity is available to the property; this corresponds to the sizing of the sewage treatment plant. However, at the preliminary meeting stage, it was unclear whether the infrastructure would be able to accommodate additional units that exceed the original 131 units that had been anticipated to be built on the site at buildout.

The applicant’s engineer has provided a Sewage Capacity Analysis (Exhibit C) that evaluates the existing capacity and design characteristics of the system, then evaluates the impacts associated with this project at buildout. This study finds that there is adequate capacity to serve this zone change without any system upgrades.

The City Engineer then reviewed this capacity analysis. His assessment is that reduced EDU demand should be considered for the Assisted Living portion of the project (because each unit would hold less than 2 persons on average), but that the remaining dwelling units, including the affordable senior housing project, should each be considered as using one EDU per dwelling unit.

Therefore, the city believes that the total impact associated with this project should be based on a total of 231 EDUs, not the 217 EDUs as requested by the applicant.

Also, it is staff's position that the city should not consider lowering monthly sewer or water fees for any units based on the demand usage estimates provided by the applicant at this time.

The city's sewer infrastructure appears to be adequate to serve this site at buildout based on existing and projected flows, design capacity and overall age of the system.

**Water.** On June 11, 2010 (submittal date), the applicant's engineer, West Ridge Development, provided a water capacity analysis to the City of Sisters. The water capacity analysis is attached here in its entirety. Staff has reformatted minor portions for consistency with this report. Note: the calculations represent a total of 263 dwelling units; however the actual number of dwelling units was lessened to 257 on July 21, 2010. *The recalculations using the reduced dwelling unit total has not yet occurred.*

**Project:** McKenzie Meadow Village, Project No. 06-054  
**Re:** Water System Impacts Statement  
**Date:** June 8, 2010  
**By:** David D. Abbas, P.E.

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West Ridge Development Services has prepared this water impact statement in accordance with the City of Sisters requirements. Please refer to the body of this document and the referenced documentation for additional clarification.

The objective of this document is to look at the Water System Capital Facilities Management Plan (prepared by HGE Inc, dated Sept. 2005), existing population the water system is currently serving, existing capacity within the existing water system, and the impacts the McKenzie Meadow Village will have to the existing water system to determine that the system can adequately handle the proposed project.

This Water System Impacts Analysis is divided into the following sections:

- Population and Facility Plan Area
- Water Sources
- Water Storage
- Water Transmission and Distribution
- McKenzie Meadow Village Impacts on Water System
- Conclusion

**Population and Facility Plan Area.** The existing population of The City of Sisters is approximately 1,925. The estimated population at the time the Water System Capital Facilities Plan (WSCFP) was prepared (Sept. 2005) was 1,768. The City of Sisters experienced rapid growth in the early – mid 2000's. The WSCFP had anticipated growth the City of Sisters would grow over 5% per year between 2005 and 2011 and 3.13% growth rate between 2010 and 2025. The WSCFP therefore anticipated an overall growth over the planning period (2005 – 2025) of 3.8% per year.

The growth rate over recent years has been reflective of the economic downturn that we have experienced. Therefore, we have seen an average annual growth rate of approximately 1.5% since 2005.

It is important to note that the September 2005 WSCFP included the McKenzie Meadow Village property in the planning area as evidence by Figure 1.2 within the planning document. The WSCFP however reflected the McKenzie Meadow Village property as a Residential “R” zone. The McKenzie Meadow Village project however, is requesting Multi-Family Residential “MFR” zoning to enable the senior assisted living aspects of the project. We had previously coordinated with the City that the original “R” zoning correlated to 131 EDU’s based on conservative “R” zoning densities. Therefore, 131 EDU’s of this project were included into the WSCFP, as also noted in the annexation agreement for this property.

Due to density requirements within the “MFR” zone, the project is master planned to comply with the minimum density requirements within the “MFR” zone of 9 units per acre. The proposed master plan therefore contains 263 units (reduced to 257 as of July 21, 2010). At full buildout (263 units), the entire McKenzie Meadow Village will consume 217 Equivalent Dwelling Units (EDU’s), as shown in the following table:

MIXED USE	NO. OF UNITS	EDU / UNIT RATE	TOTAL EDU’S
Senior Lodge (SL-1)	82	0.7	57.4
Senior Lodge (SL-2)	26	0.7	18.2
Senior Lodge (SL-3)	26	0.7	18.2
Senior Independent Living Cottages (C1-C36)	36	0.9	32.4
Cottages C37-C69 (All Ages)	33	1.0	33.0
Health Care Facility (HC-1)	6 exam rooms	1.3 per exam room	7.8
Townhomes (TH1-TH12)	12	1.0	12.0
Apartments	42	0.8	38.4
<b>TOTALS</b>	<b>263</b>		<b>217.4</b>

Therefore, the proposed master plan contains 86 additional EDU’s (217-131) in addition to what was accounted for this property in the WSCFP. At an occupancy rate of 2.2 persons per EDU per the WSCFP, the McKenzie Meadow Village property at full build-out would increase the population by an estimated 477 people (217 edu’s x 2.2), resulting in a population base of 2,402. The McKenzie Meadow Village project is a phased project with full build-out occurring likely in the 6-10 year horizon.

**Water Sources.** The City of Sisters has three developed well sources: Well No. 1 (City Well), Well No. 2 (High School Well), and the recently constructed Well No. 3 (Sun Ranch Business Park). Well No. 3 primarily operates during the summer months, during peak demand. The City is working on water rights transfers from Well No. 2 to Well No. 3 to enable additional operating parameters for Well No. 3. The existing well capacities are summarized in the following table:

WELL SOURCE	WELL CAPACITY
Well No. 1 (City Well)	750 gpm
Well No. 2 (high School Well)	750 gpm
Well No. 3 (Sun Ranch Business Park)	1550 gpm
<b>TOTAL WELL CAPACITY</b>	<b>3,050 gpm</b>

The City recently constructed the Well No. 3 as recommended in the WSCFP to improve source capacity and to tremendously improve water system capabilities.

**Water Storage.** The City of Sisters has a single 1.6 MG concrete reservoir constructed in 1995. The reservoir is believed to be in excellent condition, and will provide good service through the planning period. While a new additional reservoir will be needed within the 20 planning horizon, the existing storage reservoir and well sources are capable of providing good service to the existing City of Sisters population and the McKenzie Meadow Village project.

**Water Transmission and Distribution.** The City of Sisters overall has a very good transmission and distribution system consisting of well looped 10” and 12” waterlines forming a distribution gridiron with internal loops. McKenzie Meadow Village is adjacent to McKinney Butte Road which currently has an existing 12” diameter waterline within the right of way. The existing 12” waterline is part of a main loop for this area with additional internal looping. The main loop consist of mostly 12” diameter waterlines with some 10” diameter waterlines and with the loop generally routed along McKinney Butte Road and McKenzie Highway 242 with internal looping. There are two existing water stubs out to the McKenzie Meadow Village property.

West Ridge Development Services contacted the Sisters-Camp Sherman Rural Fire District to research and determine fire flow availability in the area. The most recent fire hydrant test were performed in this area were in 2008 which is prior to the new Well No. 3 being on line. It is believed that the new Well No. 3 improves the fire flow availability within town while in operation. The following table summarizes the available fire flows:

EXTG FIRE HYDRANT AND TEST DATE	LOCATION	STATIC PRESSURE (psi)	RESIDUAL PRESSURE (psi)	OBSERVED FLOW (gpm)	CALCULATED FLOW AT 20 PSI RESIDUAL
208 (2008)	McKinney Butte Road adjacent to MMV	64	53	841	1778
188 (2008)	High School Property West of MMV	51	44	713	1592
96 (2008)	McKinney Butte Road East of MMV	58	46	752	1401

Taking the average of the tests shows that 1590 gpm is available within the water system in this area. Per the Sisters-Camp Sherman Fire District, the minimum fire flow requirement for single family type housing is 1,000 gpm. The fire flow requirements for the senior lodges however, will depend on size, building materials, and internal sprinkler system design to determine if adequate fire flow is available for these structures or if the senior lodges will require supplemented fire flows. This review will occur during the Site Design submittal for the lodges.

**McKenzie Meadow Village Impact on the Water System.**

**Water Sources.** West Ridge Development Service reviewed the WSCFP to apply and relate the methodology used in the plan, to compare and describe the impacts of the McKenzie Meadow Village Project to the City water system. The WSCFP had calculated the water requirements at the time of the plan preparation based on known population and records. The water demands at the time of WSCFP are summarized as:

**Water Requirements at Time of WSCFP Planning Document (Sept. 2005)**

<b>FLOW PARAMETER</b>	<b>ESTIMATED PRODUCTION FLOW PER CAPITA (gpcd)</b>	<b>RATIO OF DEMAND PARAMETER TO ADD</b>	<b>WSCFP DEMAND (MGD)</b>
ADD: Average Daily Demand	421	1	0.602
MMD: Maximum Monthly Demand	977	2.32	1.396
MDD: Maximum Day Demand	1360	3.23	1.944
PHD: Peak Hour Demand	2442	5.80	3.490

As described in the WSCFP, the 421 gpcd value is a high consumption rate. An overall average for water production on a per capita basis would normally be in the 100-120 GPCD range with a design value of 235 gpcd. The influences of tourists in the City of Sisters are a factor in this high value. Water conservation is an important element described in the WSCFP to limit water usage to aid in protecting a limited resource, such as water. The most important method to achieving water conservation is to address reduction of system losses within the system. Therefore, while anticipating water conservation efforts to reduce system demands in the system, but while also recognizing the impact that tourism has on the system, the WSCFP identifies 346 gpcd as the design basis for per capita demands and water production.

The existing water demands based on the current population are then summarized as follows:

**Current Water Requirements Based on Current Population of 1,925**

<b>FLOW PARAMETER</b>	<b>ESTIMATED PRODUCTION FLOW PER CAPITA (gpcd)</b>	<b>RATIO OF DEMAND PARAMETER TO ADD</b>	<b>CURRENT DEMAND (MGD)</b>
ADD: Average Daily Demand	346	1	0.666
MMD: Maximum Monthly Demand	803	2.32	1.545
MDD: Maximum Day Demand	1118	3.23	2.151
PHD: Peak Hour Demand	2007	5.80	3.863

Accounting for the McKenzie Meadow Village project by adding 477 people to the population base for a population of 2,402 at buildout, as described above, provides for water demands summarized as follows:

**McKenzie Meadow Village Full Buildout Water Requirements Based on Population of 2,402**

<b>FLOW PARAMETER</b>	<b>ESTIMATED PRODUCTION FLOW PER CAPITA (gpcd)</b>	<b>RATIO OF DEMAND PARAMETER TO ADD</b>	<b>FUTURE BUILDOUT DEMAND (MGD)</b>
ADD: Average Daily Demand	346	1	0.831
MMD: Maximum Monthly Demand	803	2.32	1.928
MDD: Maximum Day Demand	1118	3.23	2.684
PHD: Peak Hour Demand	2007	5.80	4.820

Therefore, a summary of the water demands and production requirements for the existing served population and with the addition of the McKenzie Meadow Village at full buildout is as follows:

**McKenzie Meadow Village Full Build-Out Water Demands and Production Requirements  
Based on Population of 2,402**

FLOW PARAMETER	ESTIMATED PRODUCTION FLOW PER CAPITA (gpcd)	RATIO OF DEMAND PARAMETER TO ADD	WATER PRODUCTION REQUIREMENTS	
			(mgd)	(gpm)
ADD: Average Daily Demand	346	1	0.831	577
MMD: Max. Monthly Demand	803	2.32	1.928	1,339
MDD: Maximum Day Demand	1118	3.23	2.684	1,865
PHD: Peak Hour Demand	2007	5.80	5.80	3,348

**Water Storage.** The WSCFP analyzed the water storage needs for the City of Sisters and determined that based on the extremely high estimated production flow per capita rate of 421 gpcd, that the City’s water storage requirement was approximately equal to the existing reservoir capacity. Therefore, the capital improvement recommendations called for a new 2.5 MG reservoir to be SDC funded. The City has since constructed the new Well No. 3 within the system which will be a large benefit to the overall system. WRDS analyzed the water storage needs for the current population of 1925 and for the future population of 2402 people to include the McKenzie Meadow Village project, with an allowance for the new existing well capacity and the update per capita flow production rate.

Results show the city currently has approximately their reservoir capacity needs with the existing 1.6 MG reservoir and well capacity. As growth occurs within the City, the need for additional storage space will increase. West Ridge Development Services suggest that the City continue to plan for the SDC funded new reservoir as detailed in the WSCFP.

The McKenzie Meadow Village project is a phased project with ultimate build-out occurring years down the road. As the initial phases of McKenzie Meadow Village develop, the project will be contributing to the future reservoir and other water capital improvement projects through System Development Charges (SDC) fees.

**Water Transmission and Distribution.** As previously discussed, there is 1590 gpm available in the system, at 20 psi residual, in the area of the McKenzie Meadow Village project, according to 2008 fire flow test data acquired from the Sister-Camp Sherman Rural Fire District. Note that this flow data is prior to the completion of the new Well No. 3. The following table summarizes the water demands by phase:

**McKenzie Meadow Village Phased Water Demand Summary**

PHASE	# OF UNITS	# OF EDU’S	TOTAL # OF EDU’S BY PHASE	WATER DEMAND GPD	AVERAGE DAILY WATER DEMAND GPM	PEAK HOUR DEMAND GPM
1	76	62.6	62.6	47,651	33	192
2	52	38.8	101.4	29535	21	119
3	13	11.7	113.1	8906	6	36
4	20	17.6	130.7	13397	9	54
5	11	10.7	141.4	8415	6	33
6	12	12	153.4	9134	6	37
7	9	9	162.4	6851	5	28
8	24	19.2	181.6	14615	10	59
9	14	11.6	193.2	8830	6	36
10	26	18.2	211.4	13854	10	56
11	6	6	217.4	4567	3	18

TOTAL	263	217.4	217.4	165485	115	661
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Notes: Water demands estimated an average daily demand rate of 346 gpcd.

As previously discussed, the McKenzie Meadow Village property was included in the WSCFP for a total of 131 EDU's. As you can see by the above phasing summary, phases 1 through 4 utilize 130.7 EDU's.

The affordable housing Senior Lodge (SL-2) is anticipated within phase 1 of the project. While all EDU's impact the system, no matter what the project, for clarification, the agreement between the owners and the affordable senior housing developers is that the affordable senior housing phase 1 and 2 projects (SL-1 and SL-2), will be required to coordinate and mitigate with the City for EDU's associated with their projects, separate from the original 131 EDU's identified for this property. I believe the affordable senior housing development has already been in contact with the city regarding this.

Each affordable senior lodge (SL-2 and SL-3) accounts for 18.2 EDU's each for a total of 36.4 EDU's. Phase 1 and phase 2 of the senior affordable housing projects are anticipated in Phase 1 and Phase 10 of the overall masterplan, respectively. To compare the current McKenzie Meadow Village project to the original 131 EDU's accounted for in the WSCFP and to account for the affordable senior housing projects coordinating and mitigating EDU's for their projects, we looked at each of the initial phases.

The WSCFP 131 EDU's for the McKenzie Meadow Village project would be fully utilized within Phase 6 of the project (153.4 EDU's minus 18.2 EDU's for senior affordable housing (SL-1) = 135.2 EDU's). Build-out of phases 1-6 results in calculated average daily water demand of 81 gpm and a peak hour demand of 470 gpm. If phase 1 of senior affordable housing (SL-1) is included in the EDU usage count, the 131 EDU threshold would be fully utilized with phase 4 at 130.7 EDU's. Build-out of phases 1-4 results in calculated average daily water demand of 69 gpm and a peak hour demand of 401 gpm.

Complete build-out of the McKenzie Meadow Village project results in 217.4 EDU's. The full build-out of McKenzie Meadow Village results in a calculated average daily water demand of 115 gpm and a peak hour demand of 667 gpm.

The water system appears to have adequate system pressure and flow capacity available for the McKenzie Meadow Village project.

In summary, with the inclusion of 131 EDU's for the McKenzie Meadow Village property in the current WSCFP and with the recent addition of the new Well No. 3 to the water system, the water system appears adequate to handle the current McKenzie Meadow Village master plan project. Due to other potential developments and growth which could occur within the City of Sisters, it is important for the City of Sisters to continue pursuing the Water Capital Improvement Plan as outlined in the WSCFP including:

- Water rights transfers to Well No. 3 and continued improvements to Well No's 1 and 2.
- Future reservoir for additional storage capacity
- Continued improvement transmission and distribution system which includes additional internal water line looping in the vicinity of the McKenzie Meadow Village property
- Updating the City of Sisters Water Master Plan

The SDC fees generated from this project, and other projects, will help fund the implementation of the water capital improvement projects and updating the Water Master Plan.

-----END OF APPLICANT'S WATER ANALYSIS-----

The water capacity analysis was reviewed by the City Engineer, and on a letter dated July 13, 2010, he offered the following comments:

“We have reviewed the calculations provided by David Abbas on behalf of McKenzie Meadows Village, and have assumed that the City will be willing to reduce the EDU capacity per dwelling unit for the senior lodges, which ultimately should be a decision by the City Council. We have also verified the approach to be consistent with the recent OWRD approval of mitigation requirements developed by GSI for the City of Sisters. Our analysis of needed water rights follows, based on 231 EDUs anticipated in the McKenzie Meadows development, and on advance information provided by Adam Sussman of an OWRD order anticipated on mitigation for the City.

**“Water Study System Needs - Based on Average Daily Demand**

346 gpcd, assuming 2.2 people/EDU \* Per Section 5.3 of Water System Capital Facilities Plan.

**“McKenzie Meadows Proposal is for 231 EDU s per our review of 6/30/2010.**

$Q_R = 231(2.2 \text{ People/EDU})(346 \text{ gpcd}) = 175,837 \text{ gpd}$

For 1880 Water Rights, State will allow 1.8 Ac-ft of water/Acre of Water Rights

$Q_{CFS} = 175,837 \text{ gpd}/646,272 \text{ gpd/cfs} = 0.2721 \text{ cfs}$

**“Now, to convert need in CFS to cubic feet per year**

$Q_{CF(MAY-OCTOBER)} = 0.2721 \text{ ft}^3/\text{sec}(60 \text{ sec/min})(1440 \text{ min/day})(365 \text{ days/year})/2$

$Q_{CF(MAY-OCTOBER)} = 4,290,473 \text{ ft}^3/\text{year}.$

**“Mitigation Required** =  $Q_{CF(MAY-OCTOBER)}(40\%) = 1,716,189 \text{ ft}^3/\text{year}$

**“Water Available Per Acre**

$Q_A = 1.8 \text{ Ac-ft/acre}(43,560 \text{ ft}^2/\text{acre}) = 78,408 \text{ ft}^3/\text{acre}$

**“Water Rights Needed in Acres**

$W_{R\text{-acres}} = 1,716,189 \text{ ft}^3/\text{year}/78,408 \text{ ft}^3/\text{acre}$

$W_{R\text{-acres}} = 21.89 \text{ acres of water rights for 231 EDU 's.}$

Thus, the City shall require a mitigation fee be paid for each dwelling unit in lieu of providing water rights in order to offset the impacts to the City's water volume.

**Goal 12- Transportation**

**Finding:** Goal 12 requires jurisdictions to provide a safe, convenient and economic transportation system. The applicant has provided a ‘TPR\* Analysis for McKenzie Meadow Mixed Use Neighborhood- Sisters Oregon (TPR Analysis)’, which was prepared by Ferguson & Associates dated June 8, 2010. The TPR Analysis provided by the applicant is on file at the Community Development Department.

The Analysis illustrates that the proposal to change the zoning of the site from UAR 10 to MFR and PF/OS, and the subsequent densities that would result from such a change would not significantly impact the transportation system. In order to assess the impacts of the development



on the transportation system, traffic conditions were analyzed for a 20-year horizon. The 20-year analysis compared relative traffic conditions between the proposed zone change scenario and a reasonable buildout scenario under the existing zoning.

According to OAR 660-012-0060, a change significantly affects a transportation facility if the proposed land use action would:

- (a) *Change the functional classification of an existing or planned transportation facility (exclusive of correction of map errors in an adopted plan);*
- (b) *Change standards implementing a functional classification system; or*
- (c) *As measured at the end of the planning period identified in the adopted transportation system plan:*
  - (A) *Allow land uses or levels of development that would result in types or levels of travel or access that are inconsistent with the functional classification of an existing or planned transportation facility;*
  - (B) *Reduce the performance of an existing or planned transportation facility below the minimum acceptable performance standard identified in the TSP or comprehensive plan; or*
  - (C) *Worsen the performance of an existing or planned transportation facility that is otherwise projected to perform below the minimum acceptable performance standard identified in the TSP or comprehensive plan.*

\*TPR stands for "Transportation Planning Rule" and is applied and enforced by ODOT and DLCD.

As noted in the TPR Analysis, per the Oregon Department of Transportation's guidelines for TPR analyses, the applicant contends that the Land Use Board of Appeals (LUBA) has held that zone changes do not trigger a significant effect under Section 660-012-0060 if they do not have the effect of allowing more trip generation than the existing zoning would allow. Staff concurs with this assertion, given discussions with ODOT and given staff's understanding of prior case-law in this regard.

The applicant states that the land use scenario would be limited by the approved Master Plan. In fact, the limits of the Annexation Agreement are more binding than the Master Plan at this time.

According to the material submitted by the applicant, the TPR analysis is based on the buildout of the MMV Master Plan, and found that the trip generation of the Master Plan would be less than the anticipated trip generation for the site under the R-Residential designation. The Master Plan land use scenario will propose a total of 11 phases of development that will generate a total of 110 p.m. peak hour trips and 1,332 daily trips.

By comparison, under the R-Residential zoning designation, the proposal would generate 138 p.m. peak hour trips. This number was taken from the recently-adopted 2010 Transportation System Plan (TSP), which assumed that the site would be zoned as R Residential and would be developed with 5 units per acre.

The TPR Analysis submitted by the applicant determined the proposed change would not significantly affect any of the transportation facilities in the study area, and therefore, the proposed change would meet the requirements of the TPR without any additional action.

ODOT and the City agree with this assertion, and accordingly find that the rezoning of the property as proposed will not adversely impact the existing transportation system if the zoning changes from UAR 10 to MFD Multi Family District and PF Public Facility and/or OS Open Space (for the park portion) as proposed.

**Goal 13- Energy Conservation.** The objective of Goal 13 is to conserve energy. The applicant indicates that this proposal may reduce energy costs through a mixed-use development scenario, with ample walking opportunities and nearby retail services. Staff is unsure of which nearby retail services are being referred to here; the nearest is Ray's plaza, located approximately ¼ of a mile east of the subject site.

The applicant indicates that the subject site is within close proximity to neighborhood shopping opportunities and downtown; the downtown is actually located approximately 1 mile from the site, which may not be considered walkable to some elderly or infirmed persons.

According to the applicant, the market-rate Senior Lodge will provide transportation for the residents, which will reduce the impact on the surrounding road system, and help to minimize transportation impacts. Staff is not aware of any obligation on the part of the Senior Lodge to provide this service, however this type of service is typical with Senior residency lodges in the region, and may well be programmed for this site as well.

One final aspect of energy conservation that is being discussed at this time is the use of a bio-mass energy system that might serve a portion or the entirety of this project. The City has been awarded a grant that will help fund a renewable energy source, and one of the potential sites for the efficiency analysis of this heat source is this project. Unfortunately the timing of the feasibility analysis will likely not conclude until after the zone change process concludes, consequently the issue is for now more of an idea than a likely outcome.

**Goal 14- Urbanization** requires that urban land uses occur inside urban growth boundaries, and development outside urban growth boundaries must remain rural in nature.

The applicant states that this proposal complies with the requirements of Goal 14, as the subject site was included in the UGB in 2005 and was annexed to the City of Sisters in December 2009.

Staff concurs to a point, but only to a point. The statement made by the applicant is factual but incomplete – a zone change also enables jurisdictions to look at adequacy of capacity; in fact, being able to serve a property with utilities is much different from having the system capacity to serve the property.

The applicant has prepared three capacity analyses that evaluate the ability of the city's infrastructure to serve this site as proposed; a traffic analysis (discussed under finding for Goal 10 previously); a water analysis (discussed under findings for Goal 8 beginning on pg. 12 in this report), and a sewage capacity analysis (Exhibit C).

Each of these analyses were prepared by registered Professional Engineers. ODOT has reviewed and commented on the TPR analysis prepared by Ferguson Associates, and the City's Civil Engineer (HGE Inc.) and Public Works Department staff have reviewed sewer and water analyses provided by the applicant, and had no adverse comments on any of the analyses provided.

**2. Approval of the request is consistent with the Comprehensive Plan.** In general, the Comprehensive Plan (Plan) for the City of Sisters mirrors the statewide planning goals in the

manner that the Plan is written. The Plan's goals match the statewide planning goals. The policies and tasks established within the plan are tailored to the City of Sisters' needs and vision.

The applicant has applied for some minor changes to the text of the Comprehensive Plan that refer to the McKenzie Meadow Village property. The Plan text changes proposed by the developer reflect the development plan sought for this property, and are shown in their entirety in Exhibit D.

Staff finds that the changes proposed by the applicant accurately reflect the City's anticipation of how this property would develop in accordance with the Annexation Agreement, and in a manner consistent with how the property development has been portrayed by the developer throughout this process (including the voter's statement found in Measure 9-38).

**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.**

This paragraph contains a consistent theme – that the property either can be adequately served 'as is' by all vital utilities and infrastructure, or that the developer will make sure that all necessary improvements occur to adequately serve the property with vital utilities. The specific infrastructure identified as 'facilities, services and transportation networks' include;

- Streets / transportation
- Sewer
- Water
- Power

The applicant has provided substantial evidence of adequate service available 'as is' for each of the four types of infrastructure that staff regards as vital utilities. The only non-city provider is Central Electric Cooperative (CEC) who provided the following 'will serve' letter;



CENTRAL ELECTRIC  
COOPERATIVE, INC.

June 21, 2010

David D Abbas, PE  
West Ridge Development Services, LLC  
1180 SW Lake Rd, Ste 204  
Redmond, OR 97756

RE: Will Serve- 68945 McKinney Ranch Rd

In response to your inquiry, please be advised that property located in T.15S, R.10E, W.M., Section 05, Tax Lot 1204, Deschutes County, Oregon, is within the service area of Central Electric Cooperative, Inc.

Central Electric Cooperative is prepared to serve this location in accordance with the ~~current conditions and available service capacity of the Cooperative~~

Sincerely,

Robert E Fowler  
Engineering Service Rep

Staff finds that the site can be served by all necessary utilities. The capacity analyses provided by the applicant indicate that the site can be adequately served 'as is' at buildout by three of the four utilities (in this case the City of Sisters). CEC typically does not do a capacity analysis to verify that enough power exists in the grid to satisfy this proposal at buildout, leaving staff to assume that this is not an issue for CEC or the developer.

**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 applicable.**

The applicant contends that this proposal is consistent with Criteria 4, using the justification that the proposal to change the zoning and plan designation to Multi Family addresses change in the community that was not evident when the 2005 Comprehensive Plan was adopted.

Staff concurs. Year 2005 was characterized by a boom period in demand for land needed for single family dwellings. The McKenzie Meadow property was in fact intended to represent the 20 year supply of buildable low-density residential land, according to the Comprehensive Plan.

The applicant points out that when the Comprehensive Plan was adopted, the City's Residential Lands Needs and Inventory determined there was a need for an additional 25 gross acres of land in order to meet the need for low-density single family residential at the time. As described on page 100 of the Comp Plan:

*"There are sufficient R-MFSD lands to meet anticipated needs during the planning period, but insufficient R District lands to meet anticipated needs during the planning period. An anticipated need for an additional twenty five*

*(25) gross acres of land zoned Residential is needed to meet the demand for new housing. A UGB expansion is proposed as part of this Plan to meet this need and is discussed in more detail later in this section and in the UGB Expansion Findings document.”*

The applicant then goes on to state the following, using quotes taken from the 2005 Sisters Comprehensive Plan document:

“(f)urthermore, on page 103 of the Comp Plan, it is explained that the land in the UGB expansion area was planned to accommodate a need for uses such as single-family housing:

*“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.”*

“When the McKenzie Meadow Village property was designated as “R-Residential” for single family / low density housing, there was sufficient R-MFSD land to meet the future demand but a lack of land projected for single family dwellings. Consequently the land was included in the UGB to address future single family residential land needs.

“Dramatic shifts in the economy coupled by prior land use actions in Sisters have caused a shift to the needed housing inventory in Sisters. The Sisters Housing Plan (adopted January 2010) demonstrates that there is no longer a need for additional single family residential land, but that there is a shortage of R-MFSD zoned land that will accommodate higher density and multi family housing.

“Pages 4 and 5 of the Housing Plan contain text that states the change in housing characteristics in the City between the years 2004 and 2008 was due in part from Comprehensive Plan and Development Code provisions that encouraged development of smaller lot, single family residential development. During 2003 and 2007, the average density within the City for single family housing increased from 5.3 units per acre to 8.8 units per acre through July 2007.

“In contrast, the 2005 Comprehensive Plan and estimates of future land needs were estimated on densities of roughly 5 units per acre. As a consequence, the land needs estimates were inaccurate, based on what really occurred in the Sisters housing market following adoption of the Comprehensive Plan.”

Staff generally agrees with these assertions made by the applicant.

Ironically, the explanatory statement placed in the fall 2006 voter pamphlet for the McKenzie Meadow Village property’s public annexation vote (measure 9-38) more accurately reflects the developer’s proposed use for the property than does the text found within the Comprehensive Plan. The Explanatory Statement was provided by Eileen Stein, and stated the following;

“...Upon annexation, the property will be rezoned primarily for residential uses and will be *developed under a Master Plan* which allows for *a mix of uses and building types*, while maintaining open (space?) and density standards. *Among the mix of residential uses*, development of the property is expected to serve community needs by *including a senior housing center* to assist seniors with limited means and *a sizeable amount of affordable housing* (approximately 10 percent) to help serve the entire range of needs identified in the City’s housing analysis and comprehensive plan. Also anticipated for development is an early childhood development and education center, which will support the community’s residents and create synergy with the surrounding campuses of the School District and the Sisters Organization for Activities and Recreation (SOAR). Finally, the property is adjacent to the City’s trail system, and development is expected to advance that system by including pedestrian-friendly footpaths.” (emphasis added)

As a further irony, the intended R-Residential zoning could *not* have accommodated a Senior Housing Center or an Early Childhood Development and Education Center according to the rules found within the code that were in place at the time of the annexation vote, thus causing the property to have to be re-zoned to Multi-Family anyway.

In summary, the staff finds that the city now has an oversupply of single family residential units and a lack of multi family housing to meet the future demand, and that the originally-intended R-Residential zoning would not have enabled the types of development contemplated by the developer at the time the actual popular annexation vote occurred. Consequently, no additional “R” designated land is necessary, and this change in a community characteristic is consistent with the requirements of Criteria 3.

As an addendum to the issue of single family dwellings, these types of housing are ‘outright uses’ in the multi-family district. Although the city currently has a glut of single family dwellings as well as lots zoned and sized to build new single family dwellings, the opportunity for higher density / lower cost housing exists on this development, even if single family dwellings are built on the portions of land that do not consist of other land uses. Staff views this advent as a market issue, not a zoning issue, and has no problems with detached single family dwellings being built on portions of this site if the developer chooses to do so.

**Criteria from 4.7.600, Transportation Planning Rule (TPR).** This discussion occurred in the finding for compliance with Statewide Planning Goal 12 previously in this report.

**VI. Conclusion.** These requests appear to meet, or are able to be conditioned to meet, all applicable standards and criteria that apply to such actions.

\_\_\_\_\_  
Eric Porter, Principal Planner

\_\_\_\_\_  
Date

\_\_\_\_\_  
Mailed by:

\_\_\_\_\_  
Date

**EXHIBIT B – ANNEXATION AGREEMENT pg. 1 of 6**

After Recording Return To:  
Steven D. Bryant  
Bryant, Emerson, Fitch, LLP  
PO Box 457  
Redmond, OR 97756

DESCHUTES COUNTY OFFICIAL RECORDS  
NANCY BLANKENSHIP, COUNTY CLERK  
2010-22024  
\$63.00  
06/07/2010 10:51:06 AM  
D-ANXCON Cnt=1 Str=3 PG  
\$20.00 \$11.00 \$16.00 \$10.00 \$2.00



RECEIVED

CITY OF SISTERS JUN 09 2010  
AMENDED ANNEXATION AGREEMENT CITY OF SISTERS

This AMENDED ANNEXATION AGREEMENT ("Agreement") is entered into this 27<sup>th</sup> day of May, 2010, by and between THE CITY OF SISTERS, an Oregon municipal corporation ("City") and MCKENZIE MEADOWS VILLAGE, LLC, an Oregon limited liability company ("Owner").

**RECITALS**

1. Owner is the sole owner of that certain real property more particularly described on Exhibit A hereto (the "Owner Property").
2. Owner and City previously entered into an Annexation Agreement for the Owner Property as a condition of annexation of the Owner Property into the City of Sisters.
3. Owner desires to amend the Annexation Agreement on the terms and conditions set forth below, and City is agreeable to the proposed amendments set forth in this Amended Annexation Agreement.
4. Owner plans a senior residential and commercial development on the Owner Property and, prior to such development, Owner will be required to rezone the Owner Property and obtain development approval from the City (the "Land Use Approvals").
5. Except as amended, all terms of the Annexation Agreement shall remain in effect.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, the parties agree to amend the Annexation Agreement as follows:

**AGREEMENT**

1. **City Approval of Annexation:** The City has approved the annexation of the Owner Property.
2. **Affordable Housing:**
  - A. Owner shall provide affordable housing units at a ratio of not less than one affordable housing unit for every ten residential units.
  - B. Owner may transfer 1.5 acres of land to a third party for the construction of a senior apartment complex that will include a minimum of 20 units of affordable senior housing.

**EXHIBIT B – ANNEXATION AGREEMENT pg. 2 of 6**

In the event this apartment complex is constructed, all of the affordable senior housing units shall be applied to Owner's affordable housing obligation.

C. In the event the senior apartment complex is not constructed at the time other residential construction begins or the senior apartment complex does not fully meet the affordable housing unit requirements, the affordable housing requirement shall apply to all residential units developed on the Owner Property. The location and type of affordable housing units shall be proportional to all other residential units. The present estimate of affordable housing units is 16 (based on 163 housing units). The affordable housing units shall not be clustered, but shall be evenly distributed throughout the residential development.

D. One half of the affordable housing units provided will be affordable (based on City's calculation) for individuals or families earning 80% of the Deschutes County AMI. One half of the affordable housing units will be affordable (based on City's calculation) for individuals or families earning 50% of the Deschutes County AMI.

E. The size of the affordable housing units shall be, at a minimum:

- |     |                     |          |
|-----|---------------------|----------|
| (1) | 1 bedroom home:     | 1,000 sf |
| (2) | 2 bedroom home:     | 1,200 sf |
| (3) | 3 bedroom home:     | 1,400 sf |
| (4) | studio apartment:   | 450 sf   |
| (5) | 1 bedroom apartment | 675 sf   |
| (6) | 2 bedroom apartment | 875 sf   |

All affordable housing units shall have a similar exterior appearance to surrounding non-affordable units and shall comply with the CCRs applicable to the development.

F. Owner is required to maintain the affordability of the affordable housing units for a period of 20 years. If owner fails to maintain the affordability of the housing units, Owner shall pay to City the estimated cost, as determined by the City, for purchase of alternate property and construction of a comparable home. The funds received from Owner shall be used by the City to facilitate additional affordable housing.

3. **Water Rights:** Owner shall pay an fee of \$670 per EDU for water mitigation. This fee is in addition to any water SDC or other SDC that may be required as a condition of development of the property. If the City amends its water SDC to included a water mitigation component within its water SDC within 5 years of this agreement, Owner shall pay to the City or City shall reimburse or provide SDC Credit based on the difference between the \$670 EDU fee assessed and the actual SDC water mitigation component.

4. **Senior Assisted Living Center:** Owner shall designate no less than 6.3 acres of the Owner Property for the purpose of construction and operation of a Senior Living Center. The Center will provide senior (55 years old and older) assisted and independent living, and non-senior assisted living options. The Senior Living Center (or a phase of it) shall be built in the first phase of construction. Except for the senior apartment complex and the medical facility, no other occupancy permits will be issued for any other development on the Owner Property until



**EXHIBIT B – ANNEXATION AGREEMENT pg. 3 of 6**

the Senior Living Center has received its occupancy permit.

**5. Infrastructure:** Owner may develop the property in a manner that uses no more than 131 EDUs. If the development requires more than 131 EDUs, the City may require, at the time of the zone change or at the application for Master Plan, Owner to provide an additional capacity analysis acceptable to the City. The City may (and Owner agrees) to further require Owner to construct at Owner's expense any necessary mitigation measures (including payment of mitigation fees) or infrastructure improvements necessary to provide the additional capacity requested by Owner.

**6. Master Plan:** Owner shall not submit any development application or seek to divide or subdivide the Owner Property in any manner until Owner has an approved Master Plan from the City of Sisters.

**7. Public Park:** Owner shall designate at least 1.8 acres of contiguous property, at a location acceptable to the City, as a public park. Owner shall develop the park in a manner that when completed it will be comparable to and resemble, in concept and amenities, the City's Village Green Park. The park will include the following improvements:

- A. six-foot wide paved pathways constructed to city standards;
- B. a 200 square foot covered, open sided picnic shelter constructed with wood timbers, rock base columns and a 30 to 50 year composite roof with a barbeque area and at least three picnic tables;
- C. new or custom built playground equipment,
- D. irrigated lawn and landscaping that incorporates and preserves the existing ponderosa trees on the site to the maximum extent possible.

In addition, Owner agrees to stub water, sewer and electricity to an acceptable location by the Public Works Director for a future restroom facility to be developed by the City. Owner agrees to dedicate the park and full improvements to the City, at no cost to the City, as a public park prior to the issuance of the 25<sup>th</sup> residential building permit. City and Owner agrees that the park may be used to satisfy open space requirements applicable to the development of a Master Plan.

**8. Mediation.** In the event the parties have a dispute as to any of the terms or applicability of this Agreement, the parties agree to use their best efforts to resolve the dispute through a mutually acceptable mediation process prior to any party filing a lawsuit. Each party participating in mediation shall pay its own costs of mediation, including their proportionate share of the compensation of the mediator selected by the parties. If a mediator has not been selected by the parties within thirty (30) days after one of the parties has requested that a dispute arising under this Agreement be mediated, then any of the parties may commence a lawsuit or commence such other method of pursuing such remedies as may be available to any of the parties.

**9. Defaults.** A failure to comply with the terms of this Agreement shall constitute a default hereunder. The party in default shall have thirty (30) days, after receiving written notice from the other party of the event of default, to cure that default. If the default is not cured within that

**EXHIBIT B – ANNEXATION AGREEMENT pg. 4 of 6**

time period, the non-defaulting party may sue the defaulting party for specific performance under this Agreement or for damages or both; or may pursue such other remedies as may be available. The prevailing party in any such action shall be entitled to recover its costs and attorney fees from the other party.

**10. Beneficiaries.** This Agreement shall inure to the benefit of and shall be binding upon the Owner and City, and their respective successors and assigns (and any liability shall be joint and several). This Agreement is intended to and shall run with the Owner Property. Owner will provide proof of recording this agreement against the Owner Property within 10 days of the approval of this Agreement.

**11. Other Development.** Owner may use not more than 1.22 acres of the Owner Property for a medical facility. The remainder of the Owner Property (exclusive of the public park and Senior Living Center and Senior Apartments) shall be used for residential purposes with no age restrictions.

IN WITNESS WHEREOF, the Owner and the City have caused this Agreement to be duly signed in their respective names by their duly authorized officers as of the date first above written.

City of Sisters

McKenzie Meadows Village, LLC:

Eileen Stein  
Eileen Stein, City Manager

Bill Willitts  
Bill Willitts, Managing Member

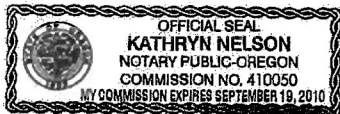
STATE OF OREGON        )  
  ) ss  
County of Deschutes    )

On May 27, 2010, Eileen Stein, City Manager for the City of Sisters, personally appeared before me and acknowledged the foregoing to be her and the City of Sister's voluntary act and deed.

Kathryn Nelson  
Notary Public for Oregon  
My Commission Expires: 9/19/10

STATE OF OREGON        )  
  ) ss  
County of Deschutes    )

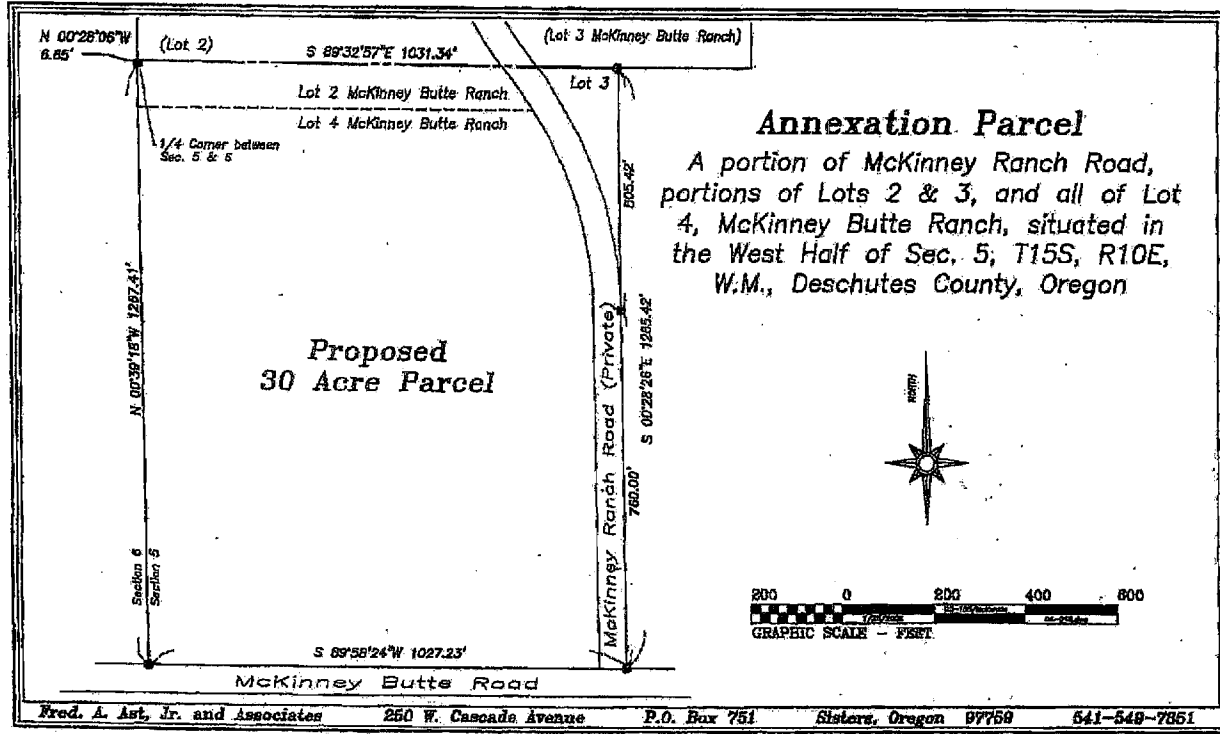
On May <sup>June</sup> 3, 2010, Bill Willitts, the Managing Member of McKenzie Meadows Village, LLC, personally appeared before me and acknowledged that he had authority to sign on behalf of the LLC and that the foregoing to be his and the McKenzie Meadows Village, LLC's voluntary act and deed.



Kathryn Nelson  
Notary Public for Oregon  
My Commission Expires: 9/19/10



EXHIBIT B - ANNEXATION AGREEMENT pg. 5 of 6



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**EXHIBIT B – ANNEXATION AGREEMENT pg. 6 of 6**

Legal Description

Annexation Parcel

A portion of McKinney Ranch Road, a private way, portions of Lots 2 and 3, and all of Lot 4, McKinney Butte Ranch, a subdivision of record situated in the West Half of Section 5, Township 15 South, Range 10 East, Willamette Meridian, Deschutes County, Oregon, being more particularly described as:

Beginning at a 2 ½" brass-capped iron pipe at the West-Quarter Corner of said Section 5 on the west boundary of said Lot 2; thence, along the west line of said Section and said boundary of Lot 2, N00°28'06"W, a distance of 6.65 feet to a point; thence, leaving said Section Line and lot boundary, S89°32'57"E, a distance of 1031.34 feet to a 5/8" iron rod at an angle point on the boundary of said Lot 3; thence, along said boundary, S00°28'26"E, a distance of 505.42 feet to a 5/8" iron rod at the southernmost corner of said Lot 3 on the east right-of-way of McKinney Ranch Road; thence, leaving said lot boundary and along said right-of-way, S00°28'26"E, a distance of 760.00 feet to a 5/8" iron rod at the intersection of said east right-of-way of McKinney Ranch Road and the north right-of-way of McKinney Butte Road; thence, along the north right-of-way of McKinney Butte Road, S89°58'24"W, a distance of 1027.23 feet to a 5/8" iron rod at the southwest corner of said Lot 4 on the west line of said Section 5; thence, along said Section line and lot boundary, N00°39'18"W, a distance of 1267.41 feet to the point of beginning.

Containing 30.0 acres, more or less.

C:\Documents and Settings\Owner\Local Settings\Temporary Internet Files\Content.IE5\2E8ZB101\MoKenzie Meadows Annexation.doc

  
WEST RIDGE  
DEVELOPMENT SERVICES LLC  
1180 SW LAKE ROAD, SUITE 204  
REDMOND, OR 97759  
PH: 541-526-0530, FAX: 541-526-0790

## SEWER SYSTEM IMPACT STATEMENT

**Project:** McKenzie Meadow Village, Project No. 06-054

**Re:** Sewer System Impacts Statement

**Date:** June 15, 2010

**By:** David D. Abbas, P.E.

---

West Ridge Development Services has prepared this sewer impact statement in accordance with the City of Sisters requirements. Please refer to the body of this document and the referenced documentation for additional clarification.

The objective of this document is to look at the Wastewater System Capital Facilities Plan (WSCFP) (prepared by HGE Inc, dated Feb. 2006), the sewer basin area being served in the area of this project, existing capacity within the existing sewer system, and the impacts the McKenzie Meadow Village (MMV) will have to the existing sewer system to determine that the system can adequately handle the proposed project.

This Sewer System Impacts Analysis is divided into the following sections:

- Population and Facility Plan Area
- Sewer Basin Description
- Sewer Basin Flow Estimation
- Existing Sewer Facility and Flow Capacity
- McKenzie Meadow Village Impacts on Sewer System
- Conclusion

### POPULATION AND FACILITY PLAN AREA:

The existing population of The City of Sisters is approximately 1,925. The estimated population at the time the Water System Capital Facilities Plan (WSCFP) was prepared (Feb. 2006) was 1,768. The City of Sisters experienced rapid growth in the early – mid 2000's. The WSCFP had anticipated growth the City of Sisters would grow over 5% per year between 2005 and 2011 and 3.13% growth rate between 2010 and 2025. The WSCFP therefore anticipated an overall growth over the planning period (2005 – 2025) of 3.8% per year.

The growth rate over recent years has been reflective of the economic downturn that we have experienced. Therefore, we have seen an average annual growth rate of approximately 1.5% since 2005.

It is important to note that the February 2006 WSCFP included the McKenzie Meadow Village property in the planning area within the document. The WSCFP however envisioned the McKenzie Meadow Village property as a Residential "R" zone. The McKenzie Meadow Village project however, is requesting Multi-Family Residential "MFR" zoning to enable the senior assisted living aspects of the project. We had previously coordinated with the City that the original "R" zoning correlated to 131 EDU's based on conservative "R" zoning densities. Therefore, 131 EDU's of this project were included into the WSCFP, as also noted in the annexation agreement for this property. It is also West Ridge Development Services understanding that the owners of the McKenzie Meadow Village property were a part of the consortium at the time the sewer main was constructed within McKinney Butte Road and had contributed funds to the construction and over sizing of the sewer main.

Due to density requirements within the "MFR" zone, the project is master planned to comply with the minimum density requirements within the "MFR" zone of 9 units per acre. The proposed master plan therefore contains 263 units. At full buildout, the entire McKenzie Meadow Village will utilize 217 Equivalent Dwelling Units (EDU's), as shown in the following table:

MIXED USE	NO. OF UNITS	EDU / UNIT RATE	TOTAL EDU'S
Senior Lodge (SL-1)	82	0.7	57.4
Senior Lodge (SL-2)	26	0.7	18.2
Senior Lodge (SL-3)	26	0.7	18.2
Senior Independent Living Cottages (C1-C36)	36	0.9	32.4
Cottages C37-C69 (All Ages)	33	1.0	33.0
Health Care Facility (HC-1)	6 exam rooms	1.3 per exam room	7.8
Townhomes (TH1-TH12)	12	1.0	12.0
Apartments	48	0.8	38.4
<b>TOTALS</b>	<b>263</b>		<b>217.4</b>

Therefore, the proposed master plan contains 86 additional EDU's (217-131) in addition to what was accounted for this property in the WSCFP.

At an occupancy rate of 2.2 persons per EDU per the WSCFP, the McKenzie Meadow Village property at full build-out would increase the population by an estimated 477 people (217 edu's x 2.2), resulting in a population base of 2,402. The McKenzie Meadow Village project is a phased project with full build-out occurring likely in the 6-10 year horizon.

**SEWER BASIN DESCRIPTION:**

The McKenzie Meadow Village project is located northwest of Sisters off of McKinney Butte Road and is located in between the existing Sisters High School (to the west) and Village at Cold Springs project (to the east). This area is currently provided sanitary sewer service via an existing 12" pvc (3034) sewer main constructed within the McKinney Butte Road right-of-way. The 12" sewer main transitions to a 15" sewer main at Highway 20 and ultimately to an 18" sewer main, which carries sewage flows to the existing sewer pump station #1.

The sewer basin areas served by this existing 12" sewer main, the zoning descriptions, and the design flow parameters per the WSCFP are summarized in the following table:

<b>ZONE</b>	<b>AREA</b>	<b>DESIGN FLOW PARAMETER</b>
CH: Commercial Highway	1,481,065 SF 34.0 Acres	5,000 SF / EDU
R-MFSD: Residential Multi-Family Sub District	3,671,571 SF 84.3 Acres	5,000 SF / EDU
UAR: Urban Area Reserve	1,470,272 SF 33.8 Acres	10,000 SF / EDU
PF: Public Facilities Schools	6438506 SF 147.8 Acres	10,000 SF / EDU
MFR: Multi Family Residential for M.M.V.	1,214,453 SF 27.88 Acres	5,000 SF / EDU
PF: Public Facilities (Park and Health Clinic)	92347 SF 2.12 Acres	2000 SF / EDU
<b>TOTAL SEWER BASIN AREA</b>	<b>14,368,214 SF 329.8 Acres</b>	

**SEWER BASIN FLOW ESTIMATION:**

Based on the above sewer basin areas and zoning designations, the sewer flows were estimated for full build-out to assess the capacity status of the existing 12" sewer trunk main serving this area. The full build-out estimated sewer flows are summarized in the following table:

<b>ZONE</b>	<b>No. of EDU's</b>	<b>DESIGN FLOW at 125 Gallons per Day</b>
CH: Commercial Highway	296	37,027 gpd
R-MFSD: Residential Multi-Family Sub District	734	91,789 gpd
UAR: Urban Area Reserve	147	18,378 gpd
PF: Public Facilities Schools	644	80,481 gpd
MFR: Multi Family Residential for M.M.V.	243	30361 gpd
PF: Public Facilities (Park and Health Clinic) for M.M.V.	46	5772 gpd
<b>TOTALS</b>	<b>2110</b>	<b>263,809 GPD</b>

Note that the above table, using the parameters provided for in the WSCFP, estimates the EDU count for the MMV property at 289 EDU's (243 + 46). The actual EDU count for this property based on the master plan is 217.4, as discussed above. These are comparable figures considering that McKenzie Meadow Village master plan is proposed at the lower end of the density range for Multi-Family Residential zone.

The design flow parameter for daily flow of 263,809 GPD from the above table correlates to:

263,809 gallons per day  
 10,992 gallons per hour  
 183 gallons per minute  
**0.408 cubic feet per second**

Per the WSCFP, utilizing a peaking factor of 2.4 for a pipeline designed to run no greater than 50% full, the daily peak flows for this sewer basin therefore are:

633,141 gallon per day peak  
 26,381 gallons per hour peak  
 440 gallons per minute peak  
**0.980 cubic feet per second peak**

#### **EXISTING SEWER FACILITY AND FLOW CAPACITY:**

The capacity of the existing 12" pvc sewer main within McKinney Butte Road was researched to confirm adequate capacity exists for above build-out scenario of the sewer basin.

The 12" sewer trunk main starts at Hwy 20 where it transitions into a larger 15" sewer main. Working from Highway 20 west along Mckinney Butte Road, the existing 12" sewer main design was reviewed for slope and capacity of the sewer main. The slope of the existing sewer main varies from 0.0035 FT/FT (0.35%) through the majority of the line, to 0.01 FT/FT (1.0%) near the Sisters High School. Utilizing the Manning's Equation to calculate the flow capacity of the existing 12" sewer trunk main flowing half full provides:

- Mannings "n" coefficient = 0.009
- Flow Area = 0.3927 SF (flowing half full)
- Wetted Perimeter = 1.5708 FT (flowing half full)
- Hydraulic Radius = 0.25 FT (flowing half full)
- Slope = 0.0035 FT/FT
- **Flow Capacity = 1.5264 CFS**

The existing sewer main therefore has capacity to handle the daily peak flow of 0.98 cubic feet per second for the sewer basin.

Per the WSCFP, the existing sewer pump stations and waste water treatment plant have sufficient capacity to handle the projected influent flows through the planning year



2025, which utilized and estimated population of 3,747 people. Therefore, with the WSCFP already including the McKenzie Meadow Village property in the planning area for 131 EDU's and the slower than anticipated population growth, it is WRDS opinion that the existing sewer facility and flow capacities are able to handle the proposed McKenzie Meadow Village project.

**McKenzie Meadow Village Impacts on the Sewer System:**

The proposed master plan for McKenzie Meadow Village project, and the corresponding 217 EDU's (217.4), will generate an average daily sewage flow of 27,125 GPD (217 edu's x 125 gpd/edu) or 0.042 CFS, and peak daily flow of 65,100 GPD (27,125 gpd x 2.4 peak factor) or 0.101 CFS. This correlates to 2.8% (daily) and 6.6% (peak) of the existing 12" sewer main capacity.

**Conclusion:**

In summary, with the inclusion of 131 EDU's for the McKenzie Meadow Village property in the current WSCFP, the sewer system appears adequate to the handle the current McKenzie Meadow Village master plan project.

The SDC fees generated from this project, and other projects, will help fund the implementation of the sewer capital improvement projects and updating the Sewer Master Plan.

**EXHIBIT D – PROPOSED COMPREHENSIVE PLAN TEXT CHANGES (pg 1 of 2)**

**(page 100)**

*Residential Lands (R and R-MFSD 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 shortage of **‘R’ zoned residential land** to meet the 20-year demand is predicted late in the planning period. This shortage ~~was predicted~~ **evidenced** after existing 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-MFSD lands to meet anticipated needs during the planning period, ~~but insufficient R-District 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-MFSD, in order to meet the demand for multi-family, low-income and workforce housing, and housing targeted specifically at senior populations.** An anticipated need for an additional twenty five (25) gross acres of land zoned Residential is needed to meet the demand for new housing. A UGB expansion is proposed as part of this Plan to meet this need and is discussed in more detail later in this section and in the UGB Expansion Findings document.

**(page 101)**

*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 70.8 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. ~~Since there is not a current need for R-MFSD lands, this land will be held until a future need determines that it is needed for rezoning to R-MFSD.~~ A total of 4 acres of UAR land is intended to be rezoned as PF Public Facility land for purposes of establishing a fire training facility for the Sisters – Camp Sherman Fire District.

**(page 103, 3<sup>rd</sup> paragraph)**

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

**EXHIBIT D – PROPOSED COMPREHENSIVE PLAN TEXT CHANGES (pg 2 of 2)**

(Con't) 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.**

**(page 103 and 104)**

Determining Need and Comprehensive Plan Designation

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

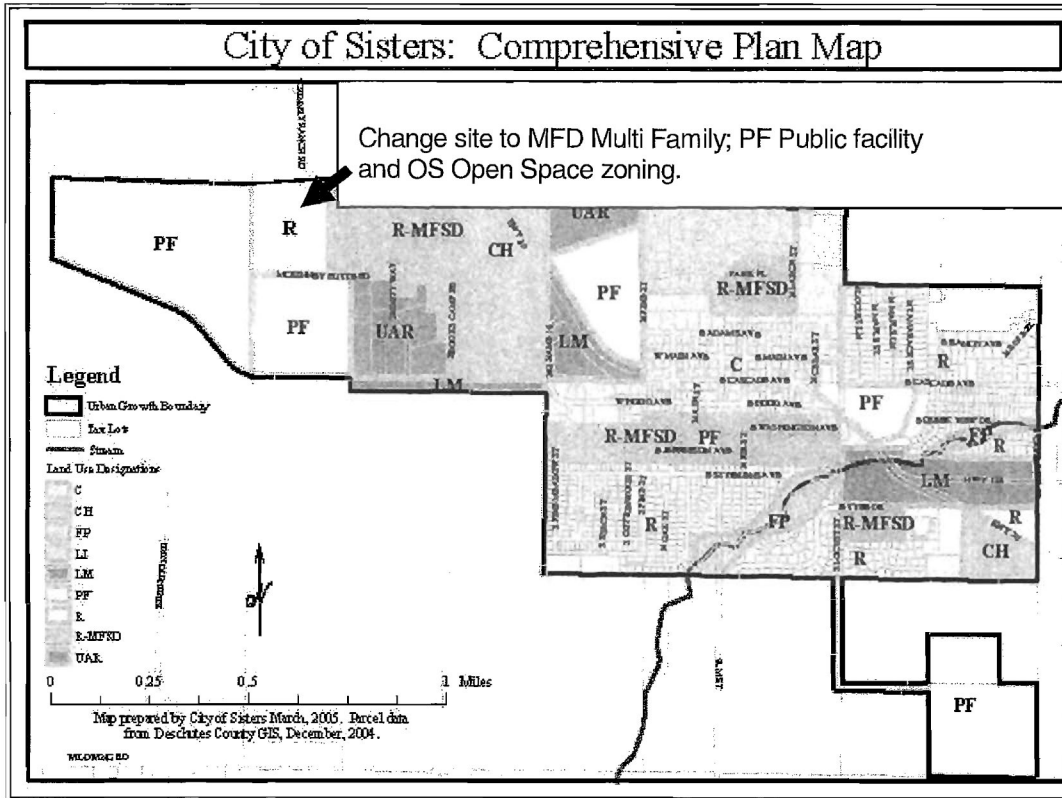
The Residential Buildable Land Supply and Demand Analysis (see Appendix C) predicted the amount of residential land needed until year 2025 based on anticipated population growth, historic and anticipated building trends, housing needs by income group, existing zoning, and the current supply of buildable 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) ~~is~~ **were** needed to accommodate 20-year demand. To meet the need for residential land, a single parcel of 30 acres (McKenzie Meadows parcel) ~~is proposed to be~~ **was** included in the UGB as a result of this Comprehensive Plan. **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 multi family, workforce and low-income housing, and housing targeted at the senior population.** ~~The 30-acre parcel provides about 30 gross acres of buildable land for development.~~ Eventual urban development of this parcel will ~~most likely~~ be in the form of a Master Plan, so any area subject to restrictions can be used to fulfill open space and access requirements.

**EXHIBIT E – CONDITIONS OF APPROVAL**

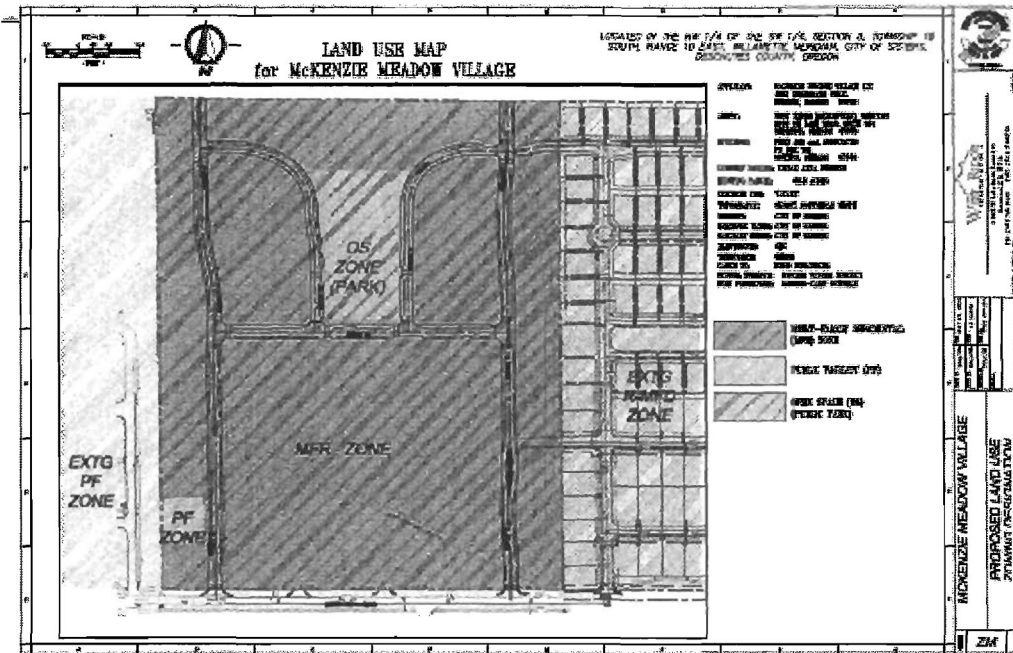
The following conditions of approval are associated with the zone change and Comprehensive Plan amendment known as city file no. CP 10-02 and ZC 10-01, and shall occur in the time frames specified within each condition.

1. The Owner shall pay a fee of \$670 per EDU for water mitigation. This fee is in addition to any water SDC or other SDC that may be required as a condition of development of the property. If the City amends its water SDC to include a water mitigation component within its water SDC within 5 years of the revised Annexation Agreement (May 27, 2015), the Owner shall pay to the City or the City shall reimburse or provide SDC credit based on the difference between the \$670 EDU fee assessed and the actual SDC water mitigation component.
2. The water mitigation fee shall be equal to one ‘equivalent dwelling unit’ (EDU) for each dwelling unit seeking a building permit within the boundary of the McKenzie Meadow Village development, with the exception of the Senior Assisted Living facility, where each dwelling unit shall use a multiplier of 0.7 for each dwelling unit (EDU) to determine the ‘per unit’ water mitigation fee owed up to a total of 82 dwelling units..
3. All future uses of the property shall comply with the revised Annexation Agreement for McKenzie Meadow Village property dated May 27, 2010.
4. The sewer and water capacity analyses provided by the applicant demonstrate that sewer and water capacity exists to accommodate a total of 240 equivalent dwelling units’ (EDUs) worth of capacity. The city may at its sole discretion require additional capacity study(s) prior to the construction of any units that are in excess of the 240 EDU’s worth of capacity that was accounted for in the capacity studies provided by the applicant, in order to assure the city that the existing system can accommodate up to a total of 240 equivalent dwelling units’ worth of impact to the system.
5. In the event that the city requires supplemental analysis of water capacity, and if the supplemental analysis provided to the city indicates that any system upgrades are needed to provide additional capacity to the additional units that are not identified in the originally-submitted sewer capacity analysis, the developer shall pay a pro-rata share of system upgrade fee for each unit based on the cost of the total upgrade divided by the total number of unbuilt units city-wide that would benefit from the system upgrade. If imposed, this fee would be paid at the time a building permit is sought.

**EXHIBIT F – COMPREHENSIVE PLAN MAP**



## EXHIBIT G – PROPOSED ZONING OF SUBJECT SITE



**EXHIBIT H – LETTER FROM HGE ENGINEERING**



ARCHITECTS  
ENGINEERS  
SURVEYORS  
PLANNERS

375 PARK AVE  
COOS BAY  
OREGON  
97420

541.269.1166  
FAX 541.269.1833  
CELL 541.404.3791  
rnored@hge1.com

Richard D. Nored, P.E.  
Joseph A. Slack, A.L.A.  
Russ Dodge, PLS  
Stephen R. Cox

August 12, 2010

City of Sisters  
P.O. Box 39  
Sisters, OR 97759

Attn: Eric Porter  
Community Development Director

Re: McKenzie Meadow Village  
(Revised) Review of Impacts From Zoning Modification to MFR.  
Project No. 07.20

Dear Eric:

We have reviewed impact analyses for water, sewer, and transportation due to the potential change in zoning from residential (R) to multi-family residential (MFR) for McKenzie Meadow Village. The water and sewer analyses were provided by West Ridge Development Services, LLC. and the transportation analysis by Ferguson & Associates, Inc. A summary of infrastructure issues to be addressed for the zone change to occur are provided as follows:

**Water**

1. A basis needs to be provided for the EDU/Unit Rate numbers provided in the water system impact report. Careful consideration of the values needs to be made. A decision will need to be made regarding any reductions in values for various types of dwelling units.
2. We believe that total EDU s for this property should be raised to at least 240 EDU s, when consideration of unit rate numbers are complete.
3. Water availability to the site would appear to be adequate for fire protective purposes for the increased zoning density.
4. The development should be prepared to provide water rights, or the cash equivalency, to the City of Sisters at a level necessary to provides water service to the improved density of development. Based on 240 EDU s, this would require a minimum of 22.76 acres of 1880 vintage water rights.
5. We are not comfortable with their request to consider separate consideration for various uses of the property, and we recommend that any approvals for the zone change consider the entire development on the property, and mitigation for water rights for the entire proposed level of system demands.
6. Water system looping and interconnections with existing and proposed development on adjacent property should be addressed during site development review.

**Sewer**

1. A basis needs to be provided for the EDU/Unit Rate numbers provided in the sewer system impact report. Careful consideration of the values needs to be made. A decision will need to be made regarding any reductions in values for the various types of dwelling units.

2. We believe that total EDU s for this property should be raised to at least 240 EDU s, when consideration of unit rate numbers are complete.
3. Sewer capacity to serve existing and proposed development, with the zone change, appears adequate but marginal West of Highway 20. We have concern with the analysis provided, which should utilize DEQ regulations for assumed Manning n coefficients, but the existing system appears adequate to contain the increased density of development in the sewer system existing West of Highway 20. Remaining sections of the sewer system were not analyzed, but current plans include a Westside Sewer Pump Station that will transfer flows to the Wastewater Treatment Plant without an impact on remaining portions of the wastewater system.
4. Construction of the Westside Pump Station should be at least partially funded by Systems Development Charges, or the City could elect to obtain construction revenues from development.
5. Details of sewer construction and interconnections for adjacent properties should be addressed during site development review.

#### **Transportation**

1. The transportation system impact report compared system impacts with the original Residential Zoning (R) and with the proposed Multi-Family Residential Zoning. Comparisons were made with the TSP recommendations adopted by the City Council in January 2010, and study conclusions indicate that the proposed zone change will not significantly impact transportation. Comparisons were made between the TSP and the TIR analysis, and requirements of the Oregon Transportation Planning Rule (TSR) would appear be met without offsite improvements.
2. Copies of the TIR Analysis have also been forwarded to ODOT for staff consideration and recommendations, and any recommendations should be integral with our review of the transportation impact on existing facilities.
3. Details of transportation improvements should be further addressed during site development review.

Please contact me if you have any questions or concerns in this regard. We appreciate the opportunity to be of assistance to the City of Sisters.

Very truly yours,

**HGE INC., Architects, Engineers,  
Surveyors & Planners**

Richard D. Nored, P.E.  
President

c. Brad Grimm, Paul Bertagna



ARCHITECTS, ENGINEERS, SURVEYORS & PLANNERS  
375 Park Avenue, Coos Bay, Oregon 97420



**JAMES AND KAREN DOHERTY  
623 N. FREEMONT STREET  
SISTERS, OR 97759**

EXHIBIT I 1 a

August 19, 2010

City of Sisters Planning Commission  
Sisters City Hall  
520 E. Cascade Avenue  
Sisters, OR 97759

**RE: CP 10-2 and ZC 10-1  
Applicant: McKenzie Meadow Village, LLC**

Dear Commissioners:

Our names are Jim and Karen Doherty and we live at 623 N. Freemont Street, Sisters, OR, 97759, Lot 38 in the Village at Cold Springs immediately adjacent to the subject property in the above-referenced Application.

We are generally supportive of the Application and the Applicant's proposed Master Development Plan so long as the senior lodge and club house are centrally located and the senior single family housing units (single-level cottages) are located along the eastern boundary consistent with the existing development pattern. We are not in favor of any apartment buildings on the property due to high-density issues, but if they are allowed, they should be placed on the western boundary of the property.

We are opposed to the Applicant's request for a zone change from a UAR-10, with a maximum density of 1 unit for every 10 acres to Multi Family Residential with a maximum density of 20 units for every 1 acre – **a 200% increase in density** – without some development plan or other restriction on the use of the property.

We understand the Applicant **intends** to develop the property in accordance with the Application, above-referenced Master Development Plan and the Amended Annexation Agreement (dated May 27, 2010), however, development plans can change and owners can change over time. We would like this zoning approval (which results in such a massive increase in density) to be linked to a **specific** development plan that protects the adjacent single family property owners in the Village at Cold Springs. Therefore, we request either: 1) the zone change and development applications be approved together; or 2) an overlay zone be placed on the subject property which restricts development to that shown on the Master Development Plan; or 3) zoning which allows only detached single-level, single-family housing (cottages) along the eastern boundary of the property.

EX. I - 1

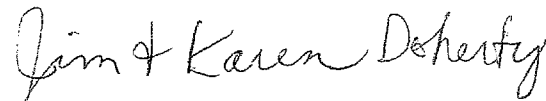
City of Sisters Planning Commission  
August 19, 2010  
Page 2

In addition, as it relates to the proposed Master Development Plan, we would request that the City and the Owner be considerate of its adjoining neighbors by re-thinking the placement of the public open space and incorporate a portion of that space along the adjoining eastern property line where the existing gravel road (proposed alley) exists, which would provide a natural buffer between their property and their adjoining neighbors' properties. We would propose at least a 30 foot open space with perhaps a walking/biking path meandering through it. This open space would also promote the saving of a tree or two that currently provide a natural habitat for scores of birds, squirrels and chipmunks that we and our neighbors enjoy from our backyards.

As stated earlier, we are not generally opposed to the development of a senior-assisted living center or single-level cottages for seniors on this property. Our concerns lie in the zone change effectively allowing high-density structures (i.e. apartments) potentially being built adjacent to our property in the future and the loss of the current open space behind our property and the natural enjoyment that it provides.

We appreciate your consideration of our concerns and requests.

Sincerely,



Jim and Karen Doherty

cc: Eric Porter  
McKenzie Meadow Village, LLC

August 19, 2010

City of Sisters  
Planning Commission

Re: McKenzie Meadows Zone Change

We relocated to the City of Sisters in June Of 2009 and began the process of finding a new home to purchase. After careful consideration, we opted to purchase a lot in the Villages at Cold Springs, a Hayden Homes Community. The lot that appealed to us was considered a premium lot as the backyard faces the open space between the Villages At Cold Springs and the High School (McKenzie Meadows). The lot is also next to an area designated as open space. Our realtor at the time did divulge some information regarding the McKenzie Meadows Project and also escorted us to City Hall to obtain additional information which would enable us to make an informed decision regarding the purchase of the lot. We were told that a total of 131 dwelling units would probably be built and the zoning would be low density residential.


After much consideration, we made the decision to purchase the lot and have our home built based on the current information we received. The fact that this intended project has now almost doubled in size is extremely disconcerting to us. We purposely practiced due diligence by obtaining information prior to making a final decision on our purchase.

We are also aware that when the annexation of McKenzie Meadows property was put to a vote by the city residents, it was conveyed to voters, " the anticipation for development of an early childhood development and education center which would support the community's residents and create synergy with the surrounding

campuses of the School District and the Sisters Organization for Activities and Recreation". No where is this mentioned in the new Master Plan. As voters we should realize that perhaps we are being fed erroneous information which prevents us from making informed decisions.

We also feel the process in place for residents of this beautiful community to voice their concerns and have them heard is lacking to say the least. The old cliché "small town government" is definitely alive and well here in Sisters. Will we move on? Definitely not, it takes residents who are willing to see the injustices and do something about it that will continue to make the City of Sisters a place that people will feel proud to be a part of.

Respectfully submitted,



Donald E. Olsen



Deborah J. Olsen

653 N Freemont St  
Sisters, OR 97759

August 19, 2010

Sisters City Hall  
Attn: Sisters Planning Commission  
520 E. Cascade Ave  
PO BOX 39  
Sisters, OR 97759

Dear Sisters Planning Commission,

We own a home and live in the Village at Cold Springs near Sisters High School. We are writing to express concern over the proposed zoning change in our neighborhood from Urban Area Reserve 10 to Multi Family Residential for McKenzie Meadow Village. The property is known as tax lot T15 R10 section 05, TL 1204. It is our understanding that this zoning change would bring more people into the neighborhood and force property values down. Increasing the zoning level will allow developers to build apartment buildings that would have an adverse affect on our property value.

The value of our house is important to our family, our future and our retirement fund. If our property declines in value so does our family security. In addition, the zoning change would bring with it higher density, crowding, increased traffic, noise and crime. When we purchased our home in Sisters Oregon we did so with the belief that it was a wonderfully unique community that did not have designs on growing or expanding at the expense of home owners or the community.

The current Master Plan submitted for McKenzie Meadow Village Mixed Use Neighborhood reflects 42 Multi-Family Apartments in the plan with two, ten unit apartments that are directly adjacent to the Village at Cold Springs where we own our home. The inclusion of apartments in the Master Plan and their location is a major concern that it will significantly affect our property value in a negative way.

The Sisters Community has always been sensitive to the preservation of the unique character of its neighborhoods and community. We hope that outlook does not suddenly change and allow for multi-family apartments to be built with the proposed zoning change.

Our property value as well as those of other Sisters residents would be impacted in a negative way by this zoning change. Respectfully, we ask that each member of the Sisters Planning Commission vote - NO - on the McKenzie Meadow Village zoning change. The zoning of McKenzie Meadows Village should remain as is. Those wishing to build apartments rather than single family homes should look elsewhere to build.

Sincerely Sisters Residents,

  
Aaron Leslie and Tina Leslie  
703 N. Freemont St.  
Sisters, OR 97759

Please see the attached copy of the Master Plan submitted for McKenzie Meadow Village reflecting the proposed apartment units location and the proximity to our property.

Attachment for Aug 19, 2010 Master Plan for Aaron & Tina Leslie

Proposed apartments - very close to our lot/home.

# MASTER PLAN for MCKENZIE MEADOW VILLAGE MIXED USE NEIGHBORHOOD

LOCATED IN THE NW 1/4 OF THE SW 1/4, SECTION 5, TOWNSHIP 15 SOUTH, RANGE 10 EAST, WILLAMETTE MERIDIAN, CITY OF SISTERS, DESCHUTES COUNTY, OREGON

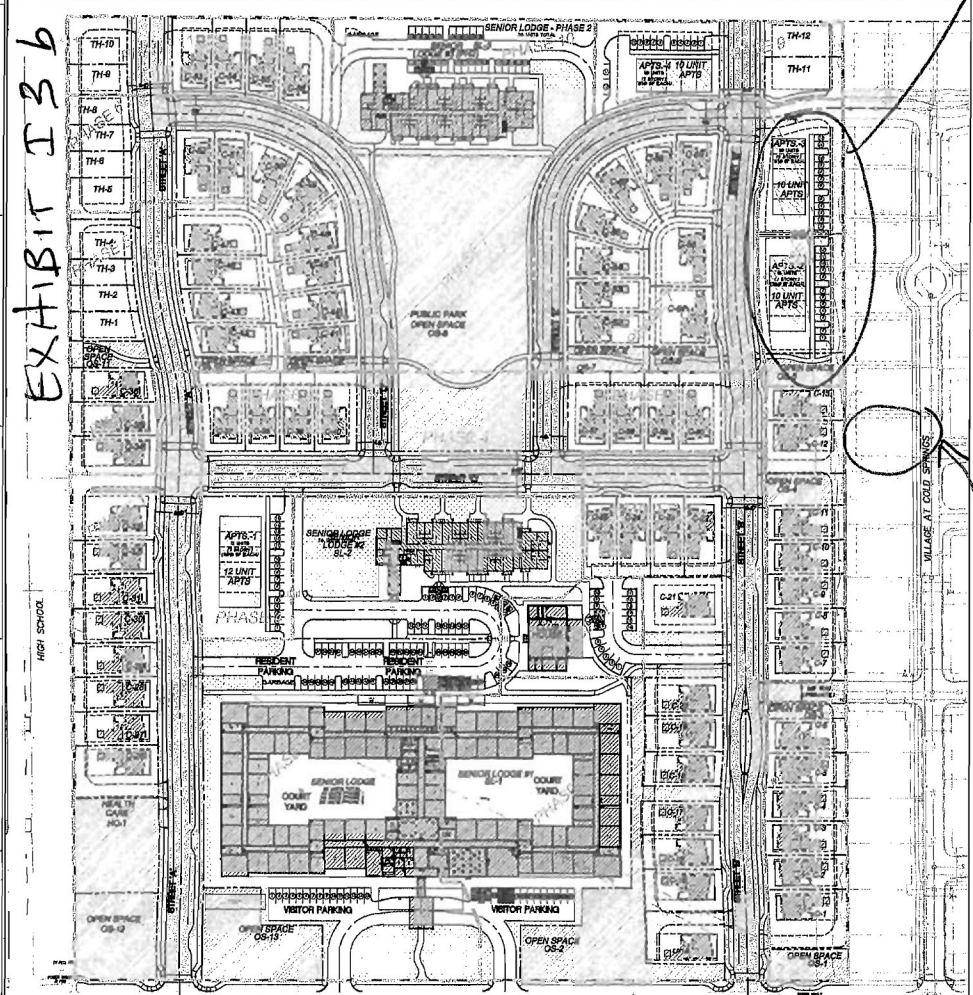


EXHIBIT I 3 b

APPLICANT: MCKENZIE MEADOW VILLAGE LLC  
1021 RESERVOIR TRAIL, SISTERS, OREGON 97769  
ENGINEER: WEST RIDGE DEVELOPMENT SERVICES  
760 BUCKAROO TRAIL, SUITE 204, SISTERS, OREGON 97769  
SURVEYOR: FRED AST AND ASSOCIATES  
PO BOX 761, SISTERS, OREGON 97769  
CURRENT ZONING: URBAN AREA RESERVE  
EXISTING PARCEL: 30.0 ACRES

CURRENT USE: VACANT  
TOPOGRAPHY: SLIGHT NORTHERLY SLOPE  
STREETS: CITY OF SISTERS  
DOMESTIC WATER: CITY OF SISTERS  
SANITARY SEWER: CITY OF SISTERS  
ELECTRICITY: CEC  
TELEPHONE: QWEST  
CABLE TV: BRND BROADBAND  
SCHOOL DISTRICT: SISTERS SCHOOL DISTRICT  
FIRE PROTECTION: SISTERS-CAMP SHERMAN

### PROPOSED USES:

- RIGHT-OF-WAY DEDICATED TO CITY OF SISTERS (5.82 ACRES)
- PUBLIC OPEN SPACE (9.71 ACRES)
- PRIVATE LOT OPEN SPACE AVAILABLE TO PUBLIC (1.38 AC.)
- MULTI-FAMILY APARTMENTS (42 UNITS/1.77 ACRES)
- 50+ SENIOR LODGE (5.0 ACRES)
- 50+ AFFORDABLE SENIOR LODGE (1.5 AC)
- 50+ AFFORDABLE SENIOR LODGE PH2 (1.42 AC)
- 50+ SENIOR COTTAGES: C1-C36 (4.52 AC)
- CLUB HOUSE (0.66 AC)
- HEALTH CARE MEDICAL FACILITY (0.32 ACRES)
- COTTAGES (ALL AGE GROUPS) LOTS: C37-C69 (4.16 ACRES)
- TOWNHOMES (1.12 ACRES)

### OPEN SPACE

GROSS AREA = 30.0 ACRES  
TOTAL R/W AREA = 5.82 ACRES  
NET ACREAGE = 30.0 AC - 5.82 AC = 24.18 ACRES  
15% OPEN SPACE REQUIRED = 24.18 ACRES X 15% = 3.63 ACRES  
PUBLIC OPEN SPACE PROVIDED = 3.71 ACRES

### RESIDENTIAL MULTI-FAMILY DISTRICT (RMF) DENSITY CALCULATIONS

GROSS ACREAGE = 30.0 ACRES  
AREA FOR DENSITY CALCULATION = GROSS AREA - HEALTH CARE LOT (PF ZONE) AND PUBLIC PARK OS-8 (PF ZONE). THEREFORE DENSITY AREA = 30.0 AC - 0.32 AC - 1.80 AC = 27.88 AC

MINIMUM DENSITY REQUIRED = 27.88 AC X 9 UNITS/ACRE = 250.92 UNITS = 251 UNITS  
MAXIMUM DENSITY = 27.88 AC X 20 UNITS/ACRE = 557.60 UNITS = 558 UNITS

### PROPOSED DEVELOPMENT UNIT SUMMARY:

- SENIOR LODGE (SL-1) = 82 UNITS
- AFFORDABLE SENIOR LODGE, PHASE 1 (SL-2) = 26 UNITS
- AFFORDABLE SENIOR LODGE, PHASE 2 (SL-3) = 26 UNITS
- SENIOR COTTAGES, AGE 50+ (C1-C36) = 36 UNITS
- COTTAGES, ALL AGES (C37 - C69) = 33 UNITS
- APARTMENT COMPLEXES (1-12 UNIT, 3-10 UNIT) = 42 UNITS
- ATTACHED TOWNHOMES (TH1 - TH12) = 12 UNITS

### PHASE DENSITY SUMMARY:

PHASE	# UNITS
1	76
2	52
3	13
4	20
5	11
6	12
7	9
8	20
9	12
10	26
11	6
<b>TOTAL UNITS =</b>	<b>257</b>

### PROPOSED DEVELOPMENT AREA SUMMARY:

- PUBLIC OPEN SPACE TRACTS (MFR ZONE) = 1.91 ACRES
- PUBLIC OPEN SPACE PARK TRACT (PF ZONE) = 1.80 ACRES
- SENIOR LODGES SL-1, SL-2, SL-3 (MFR ZONE) = 7.92 ACRES
- 50+ SENIOR COTTAGES: C1-C36 (MFR ZONE) = 4.52 ACRES
- COTTAGES ALL AGES: C37-C69 (MFR ZONE) = 4.16 ACRES
- APARTMENTS (MFR ZONE) = 1.77 ACRES
- ATTACHED TOWNHOMES (MFR ZONE) = 1.12 ACRES
- CLUB HOUSE (MFR ZONE) = 0.66 ACRES
- HEALTH CARE FACILITY (PF ZONE) = 0.32 ACRES
- RIGHT OF WAY DEDICATED TO PUBLIC = 5.82 ACRES

TOTAL PROJECT AREA = 30.0 ACRES

EX I - 6



WEST RIDGE DEVELOPMENT SERVICES LLC  
1180 SW Lake Road, Suite 204  
Redmond, OR 97756  
PH (541) 526-0530 FAX (541) 526-0790

CREATED BY: JDA/AJE DATE: JULY 4, 2010  
DRAWN BY: JDA/AJE SCALE: AS SHOWN  
CHECKED BY: JDA/AJE PROJECT NO: 06-054

MCKENZIE MEADOW VILLAGE  
MASTER DEVELOPMENT PLAN

SHEET C5.0

Our lot/ (Aaron & Tina Leslie) home.

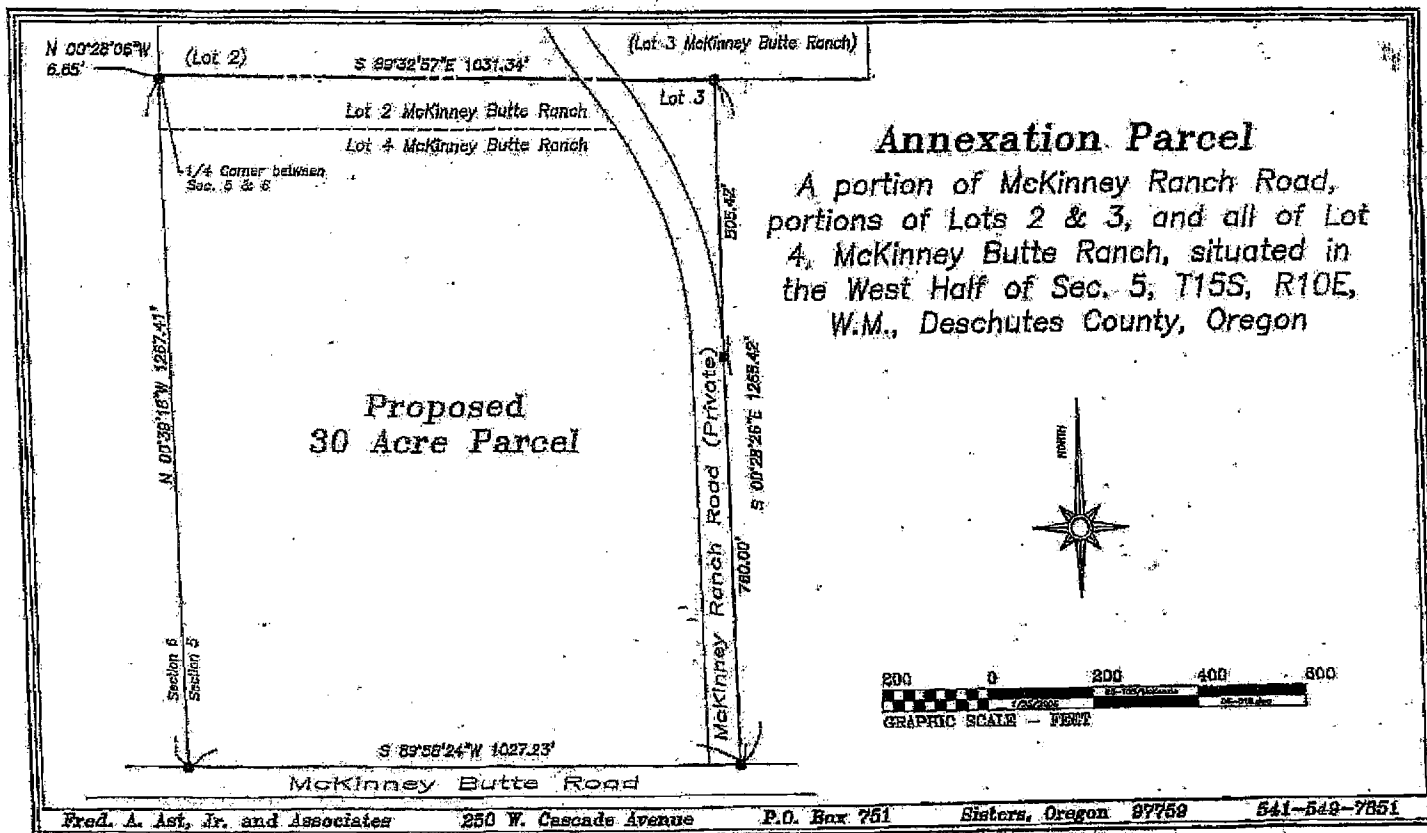


EXHIBIT A – LEGAL DESCRIPTION pg 2 of 2

Legal Description

Annexation Parcel

A portion of McKinney Ranch Road, a private way, portions of Lots 2 and 3, and all of Lot 4, McKinney Butte Ranch, a subdivision of record situated in the West Half of Section 5, Township 15 South, Range 10 East, Willamette Meridian, Deschutes County, Oregon, being more particularly described as:

Beginning at a 2 1/2" brass-capped iron pipe at the West Quarter Corner of said Section 5 on the west boundary of said Lot 2; thence, along the west line of said Section and said boundary of Lot 2, N00°28'06"W, a distance of 6.65 feet to a point; thence, leaving said Section Line and lot boundary, S89°32'57"E, a distance of 1031.34 feet to a 5/8" iron rod at an angle point on the boundary of said Lot 3; thence, along said boundary, S00°28'26"E, a distance of 505.42 feet to a 5/8" iron rod at the southernmost corner of said Lot 3 on the east right-of-way of McKinney Ranch Road; thence, leaving said lot boundary and along said right-of-way, S00°28'26"E, a distance of 760.00 feet to a 5/8" iron rod at the intersection of said east right-of-way of McKinney Ranch Road and the north right-of-way of McKinney Butte Road; thence, along the north right-of-way of McKinney Butte Road, S89°58'24"W, a distance of 1027.23 feet to a 5/8" iron rod at the southwest corner of said Lot 4 on the west line of said Section 5; thence, along said Section line and lot boundary, N00°39'18"W, a distance of 1267.41 feet to the point of beginning.

Containing 30.0 acres, more or less.



**EXHIBIT B – PROPOSED COMPREHENSIVE PLAN TEXT CHANGES p. 1 of 2**

**(page 100)**

*Residential Lands (R and R-MFSD 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 shortage/urplus of **‘R’ zoned** residential land to meet the 20-year demand is predicted late in the planning period. This shortage/urplus ~~was predicted~~ **evidenced** after existing supplies of vacant residential land ~~were developed,~~ as existing platted subdivisions ~~were developed,~~ and as infill occurs ~~red,~~ **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-MFSD lands to meet anticipated needs during the planning period, but insufficient R-District 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-MFSD, in order to meet the demand for multi-family, low-income and workforce housing, and housing targeted specifically at senior populations.** An anticipated need for an additional twenty five (25) gross acres of land zoned Residential is needed to meet the demand for new housing. A UGB expansion is proposed as part of this Plan to meet this need and is discussed in more detail later in this section and in the UGB Expansion Findings document.

**(page 101)**

*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 70.8 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. ~~Since there is not a current need for R-MFSD lands, this land will be held until a future need determines that it is needed for rezoning to R-MFSD.~~ A total of 4 acres of UAR land is intended to be rezoned as PF Public Facility land for purposes of establishing a fire training facility for the Sisters – Camp Sherman Fire District.

**(page 103, 3<sup>rd</sup> paragraph)**

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

**EXHIBIT B – PROPOSED COMPREHENSIVE PLAN TEXT CHANGES p. 2 of 2**

(con't) 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.**

**(page 103 and 104)**

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) ~~is~~ **were** needed to accommodate 20-year demand. To meet the need for residential land, a single parcel of 30 acres (McKenzie Meadows parcel) ~~is proposed to be~~ **was** included in the UGB as a result of ~~this~~ **the** Comprehensive Plan. **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 multi family, workforce and low-income housing, and housing targeted at the senior population.** ~~The 30-acre parcel provides about 30 gross acres of buildable land for development.~~ Eventual urban development of this parcel will ~~most likely~~ be in the form of a Master Plan, so any area subject to restrictions can be used to fulfill open space and access requirements.

CITY OF SISTERS  
PO BOX 39  
SISTERS, OR 97759



DLCD  
ATTEN: PLAN AMEND. SPECIALIST  
635 CAPITOL ST NE, #150  
SALEM, OR 97301-2540