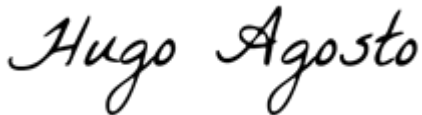


To: Planning Commission

Hearing Date: February 24, 2026

FROM:



Hugo Agosto
Associate Planner

Proposal: An amendment to the Sherwood Zoning and Community Development Code to allow Food Cart Pods in the Light Industrial (LI) Zone District as a Conditional Use Permit (CUP), provided the use is entirely sited within 500 feet of Tualatin-Sherwood Road. The proposed amendments would allow the development of Food Cart Pods subject to the following:

- Conditionally allow in the Light Industrial (LI) zone;
- Process as a Type IV Site Plan Review with a concurrent Type III Conditional Use Permit;
- Meet all applicable standards within Chapter 16.39 – Food Cart Pods.

A. Applicant: ORWA Sherwood LLC
Attn: Brenda Christina
8320 NE Highway 99
Vancouver, WA 98665

B. Location: City Wide

C. Review Type: The proposed text amendment requires a Type V review, which involves public hearings before the Planning Commission and City Council. The Planning Commission is scheduled to consider the matter on February 24, 2026. At the close of this hearing, the Planning Commission will forward a recommendation to the City Council, who will consider the proposal and make the final decision whether to approve, modify, or deny the proposed language. The City Council public hearings are tentatively scheduled for March 17, 2026, and April 7, 2026. Any appeal of the City Council's final decision relating to this matter will be considered by the Oregon Land Use Board of Appeals (LUBA).

D. Public Notice and Hearing: Notice of the February 24, 2026, Planning Commission hearing and tentative March 17, 2026, City Council hearing on the proposed amendment were published in *The Times* on January 30 and February 13, 2026.

Notice of the proposed code amendment was posted in five public locations around town and on the website on January 20, 2026. Notice to the Oregon Department of Land

Conservation and Development (DLCD) was submitted on January 20, 2026, and notice to agencies was sent via email on January 2, 2026.

- E. **Review Criteria:** The required findings for Plan Amendments are identified in Section 16.80.030 of the Sherwood Zoning and Community Development Code (SZCDC).
- F. **Background:** In the Fall of 2024, the City Council amended sections of the Sherwood Zoning and Community Development Code to allow for the development and operation of Food Cart Pods in Retail Commercial (RC) and General Commercial (GC) zone districts as a Conditional Use Permit (CUP), subject to planning commission approval. By allowing mobile food units, the city provides opportunities for small-scale entrepreneurship and creation of unique eating establishments that provide a community gathering spaces for the public.

On January 30, 2025, the subject property owner(s), located at 15028 SW Century Drive, held a Pre-Application Conference with City Staff, for a proposed Food Cart Pod development on a property zoned Light Industrial (LI), which included a Plan Text Amendment to allow the development and operation of Food Cart Pods in the Light Industrial (LI) zone district.

The applicant conducted a Neighborhood Meeting (**Attachment A, Appendix C**) at the Marjorie Stewart Senior Community Center, for property owners within 1,000 feet of the affected parcels and all other interested community members. No members of the public attended the meeting.

A complete application submittal was received by staff on December 19, 2026. The proposed amendments to Sherwood Municipal Code, Title 16 (Zoning and Community Development Code), would alter Chapter 16.31 – Industrial Land Use Districts, and include minor changes to Chapter – 16.39 Food Cart Pods, as to better align the proposed amendment with the adopted code language.

II. PUBLIC COMMENTS

As of this writing, no public comments have been received. Comments from the community are welcomed up to the close of the public hearing.

III. AGENCY COMMENTS

Notice to DLCD was sent on January 20, 2026, and an e-notice to Metro and agency partners was sent on January 2, 2026.

City of Sherwood, Engineering Department provided comments during the initial adoption of Chapter 16.39 – Food Cart Pods (Ord. 2024-004), stating that during land use reviews (Site Plan Review and Condition Use Permit) engineering staff can adequately condition the necessary public improvements under adopted procedures. Additional comments related to screening, minimum required parking, traffic mitigation/enforcement are codified under Title 16 – Sherwood Zoning and Community Development Code and will be addressed at time of land use review.

An Engineering memorandum dated January 23, 2026 (**Attachment B**) stated none of the codified language within the food cart pod section of the Sherwood Municipal Code will be changed sufficiently to warrant new comments or conditions. Therefore, the submittal requirements for off-site and on-site standards to develop a Food Cart Pod are unchanged except for the addition of a Conditional Use Permit (CUP) being required for properties within the LI zone district. Once a Food Cart Pod is proposed and traffic flows need to be addressed, conditions of approval through the land use review process allows engineering staff to require mitigation or enforcement to resolve the traffic issue.

Pride Disposal and Recycling Company, Kristen Tabscott, Executive Assistant, states they currently have no comments. However, they will need to verify that adequate service is available once a food truck pod site is located and proposed for development. Correspondence dated January 30, 2026, is under **Attachment C**.

Oregon Department of Transportation (ODOT), Transportation Region 1 – Marah Danielson, Senior Planner, stated that the proposed amendments to Title 16 – Sherwood Zoning and Community Development Code will not impact the State highway, so no formal comments are provided. Correspondence dated January 23, 2026, is under **Attachment D**.

Oregon Department of Transportation (ODOT), Commerce and Compliance Division – Ruth Price, Rail Crossing Program Coordinator, states that ODOT Rail Crossing do not have any concerns/comments. Correspondence dated January 23, 2026, is under **Attachment E**.

IV. REQUIRED FINDINGS FOR PLAN TEXT AMENDMENT

The applicable Plan Text Amendment review criteria are SZCDC §16.80.030.A and §16.80.030.C

SZCDC 16.80.030 - Review Criteria

A. Text Amendment: An amendment to the text of the Comprehensive Plan or the Zoning and Community Development Code must be based upon a need for such an amendment as identified by the Council or the Commission. Such an amendment must be consistent with the intent of the adopted Sherwood Comprehensive Plan, and with all other provisions of the Plan, the Transportation System Plan, and this Code, and with any applicable State or City statutes and regulations, including this Section.

Community Need

Food Cart Pods are a response to a public desire for gathering places and local food choices. The applicant has identified the various community needs for food cart pods in Sherwood's Light Industrial (LI) zone districts, including:

- *“Encouraging business growth by providing a venue for small business food cart operators.”*
- *“Increasing the range of services available to industrial-zoned land and serving as a valuable, convenient amenity to local employers and employees within short travel distances from places of employment during the workday for breaks.”*
- *“Providing active gathering spaces and offering an expanded variety of food options within short travel distances from places of employment and from the nearby residential developments west of Langer Farms Parkway. If any future food cart pods operate on*

nights and weekends, then these gathering spaces could serve as an additional community amenity for residents.”

- *“Making employment areas more desirable and marketable for current and prospective employees, helping employers attract and retain workers.”*
- *“Increasing activity and foot traffic in areas that may otherwise be underutilized, in turn improving neighborhood safety and vitality.”*
- *“Increasing the visibility of other businesses nearby.”*
- *“Providing opportunities for local entrepreneurs to establish new food and beverage-related businesses.”*
- *“Potentially leading to trip sharing, carpooling, and/or combined deliveries based on proximity to complementary industrial and commercial uses.”*

Food cart pods, by their nature, offer development flexibility and site adaptability, due to their modular design, relatively low infrastructure demands, and ability to be scaled over time, therefore making them a valuable asset in fostering economic growth and enhancing the local amenities.

The proposal seeks to amend SZCDC Chapter 16.39 – Food Cart Pods and the Industrial Use Table of Section 16.31.020 to conditionally allow for Food Cart Pods in the Light Industrial (LI) Zone District within Sherwood.

The area encapsulated by these amendments is approximately 8.4 developable acres within the Light Industrial zone. These developable areas are dispersed evenly along Tualatin-Sherwood Road, with sites ranging from 0.5 acres to 2.8 acres. These lands would accommodate the establishment of a food cart pod, but not large enough to constitute high employment-industrial use sites.

FINDING: As discussed above, the proposed amendments allow for greater entrepreneurial opportunities that can meet the needs of the Sherwood community including businesses.

Consistency with the Comprehensive Plan

The adopted 2040 Comprehensive Plan, Thriving and Diversified Economy, has specific goals and policies that are applicable to the proposed standards as discussed below:

Thriving and Diversified Economy

Goal 1 Accelerate the growth of local businesses and attract new businesses that balance the City’s tax base, provide stable, high-wage jobs and capitalize on Sherwood’s location and enhance the high-quality of life.

POLICY 1.1 Existing Business Retention, New Business Development, and Attraction of New Businesses: The City will support retention and expansion of existing businesses, growth and creation of entrepreneurial business, and attraction of new businesses that align with Sherwood’s Community Vision and provide a diverse mix of economic activity. The types of businesses the City wants to attract most are non-polluting businesses with wages at or above the Washington County average, such as the industries identified in the most recent Economic Opportunities Analysis.

Policy 1.5 Retain and encourage growth of existing and new businesses in Sherwood. Allow and encourage development of commercial and industrial areas.

Policy 1.6 Support the creation, development, and retention of small, entrepreneurial businesses in Sherwood.

Policy 1.8 Support growth of businesses that create destinations and experiences for residents of Sherwood and visitors.

Goal 2 Prioritize and promote economic development to balance the city's tax base by maintaining a supply of land to target growth industries and accelerate Sherwood's desired economic growth.

Policy 2.6 Support and encourage infill and redevelopment, especially in existing commercial areas, as a way to use land and existing infrastructure more efficiently. The City will develop and implement policies and programs to encourage office commercial and mixed-use development across Sherwood.

Policy 2.8 Explore options for more mixed-use development in Sherwood to provide additional space for office commercial, flexible and startup development within the City limits.

FINDING: By allowing Food Cart Pods in the Light Industrial (LI) Zone District under a Conditional Use Permit (CUP) approval, the City retains its ability to determine when the proposed use may be appropriate on certain industrial zoned properties, when carefully reviewed and conditioned against applicable criteria.

The proposed amendments further advance Goal 1 by creating additional opportunities for small-scale business development within the city. Food Cart Pods provide a lower-barrier entry point for entrepreneurs, which accelerates the growth of local businesses and supports economic diversification. Through allowing opportunities along Tualatin-Sherwood Road, a natural transition area between industrial and commercial activity. This is in alignment with Policy 1.1, 1.5-8.

A conditional use process provides a mechanism to address considerations such as traffic circulation, customer intensity, hours of operation, and potential conflicts with nearby industrial uses, thereby preserving the overall function of the area, with consideration to each property's highest and best use; the proposed amendments encourage the efficient use of lands and support appropriate infill and redevelopment of land, while utilizing existing infrastructure more efficiently (Policy 2.6), and explore options for more mixed-use developments and areas (Policy 2.8)

Overall, the proposed text amendments are consistent with the Sherwood 2040 Comprehensive Plan as they further allow an expansion of entrepreneurial opportunities for small businesses while providing a diverse mix of economic activity.

Consistency with the City's Transportation System Plan

The proposed text amendment is consistent with the City's Transportation System Plan (TSP). The TSP integrates the Comprehensive Plan land uses with Sherwood's transportation, as to promote systems that serve statewide, regional and local transportation needs.

Sherwood's approach to developing the TSP placed more value on investments in smaller cost-effective solutions for the transportation system rather than larger, more costly solutions; this included community visions regarding the development of bicycles and pedestrian facilities, reliable convenient transit service, efficient and effective freight transportation infrastructure is developed and maintained, etc.

The proposal would not present any impacts to the existing City transportation system, the Transportation System Plan, or how the City analyzes future transportation impacts. At the time of land use application submittal and review, transportation impacts are analyzed and addressed.

FINDING: The proposed text amendments are consistent with the City's Transportation System Plan.

Consistency with other City Planning Documents

The proposed text amendments impact only Title 16 of the Municipal Code and do not impact any other City Planning documents. Therefore, the proposed text amendments are consistent with other City Planning documents.

FINDING: As noted above, the proposed text amendments are consistent with other City Planning documents since amendments are only to Title 16.

Consistency with Oregon Statewide Planning Goals

Goal 1: Citizen Involvement

It is the purpose of this Goal to develop a citizen involvement program that ensures the opportunity for citizens to be involved in all phases of the planning process.

FINDING: The City's development code ensures the opportunity for public engagement consistent with Statewide Planning Goal 1. The applicant conducted a Neighborhood Meeting on October 30, 2025, in compliance with Section 16.70.020 - *Neighborhood Meeting*, while the Type V process requires a hearing before the Planning Commission and City Council and will be open for public testimony. The applicant submitted a narrative stating:

"Goal 1 broadly requires that local governments have mechanisms in places which solicit public participation in both legislative and quasi-judicial land use decisions. The City's acknowledged Comprehensive Plan contains public involvement policies and the SZCDC includes citizen involvement procedures with which the review of this application complies. This process allows interested parties to communicate their input into the Plan Text Amendment review conducted by the City at public hearings or by submitting written comments. Prior to submitting the application, the applicant held a neighborhood meeting on October 30, 2025, as documented in [Attachment A, Appendix C]. The Planning Commission will review the proposed amendment in a public hearing and make a recommendation to the City Council regarding the application. The City Council will then hold a public hearing to evaluate the request. In summary, within the Plan Text Amendment process, a neighborhood meeting is held, public notice is published in the newspaper, posted in additional locations, and distributed by mail, and public hearings are held. This process complies with the Goal."

Staff concur with the above analysis. The City of Sherwood's legislative amendment and hearing process provides numerous opportunities for citizens to be involved in all phases of the planning process. The amendments have been developed with the opportunity for public

involvement and have been noticed in accordance with Sherwood Zoning and Community Development Code Chapter 16.72, Procedures for Processing Development Permits.

As presented above, the proposed text amendments are consistent with Goal 1.

Goal 2: Land Use Planning

It is the purpose of this Goal to establish a land use planning process and policy framework as a basis for all decisions and actions related to the use of land and to assure an adequate factual base for such decisions and actions.

FINDING: The development of the proposed amendments has followed the City's established land use planning process and included public meetings, public outreach through information on the city's website, and opportunities for public comment. As stated above, the proposed Food Cart Pod amendments help meet state Goal 2 through the expansion of economic opportunities within the adopted land use regulations and processes. The applicant narrative stated the following:

“Goal 2 requires that each jurisdiction have a comprehensive plan and implementation measures such as a zoning ordinance. As a legislative land use action, the proposed Plan Text Amendment is based on its conformance with relevant elements of Sherwood’s Comprehensive Plan and considerations related to that plan’s established zoning districts. The procedural requirements for the proposed Plan Text Amendment involve assessment of the application’s merits, public notice, and public hearings. The proposal is to amend the text of the SZCDC in limited circumstances affecting urban land within City Limits, in compliance with Goal 2. Notice of the proposed amendment is provided by the city to the Oregon Department of Land Conservation and Development (DLCD) as required. Other agencies such as the Oregon Department of Transportation (ODOT), Metro, and Washington County may also be provided the opportunity to comment. The City’s decision is based on findings of fact. The review process for the proposed Plan Text Amendment is consistent with this Goal.”

Staff concur with the above analysis. Compliance with local, regional, and state requirements are addressed throughout this staff report. As presented above, the proposed text amendments are consistent with Goal 2.

Goal 3: Agricultural Lands

The purpose of this Goal is to identify farmland, designate it as such on the comprehensive plan map, and zone it exclusive farm use (EFU).

FINDING: The applicants' narrative stated the following:

“This Goal is not applicable because the Comprehensive Plan does not designate any Agricultural Lands within the Urban Growth Boundary or City Limits. Furthermore, the scope of the proposed amendment is focused on the LI zone, an urban industrial land designation. The proposed Plan Text Amendment does not conflict with this Goal.”

Staff concur with the above statement. This statewide land use goal is not applicable to the City of Sherwood.

Goal 4: Forest Lands

This Goal requires counties to identify forest land, designate it as such on the comprehensive plan map, and zone it consistently with state rules.

FINDING: This statewide land use goal is not applicable to the City of Sherwood.

Goal 5: Natural Resources, Scenic and Historic Areas, and Open Spaces

It is the purpose of this Goal to protect natural resources and conserve scenic and historic areas and open spaces.

FINDING: The applicant submitted a narrative stating,

“Goal 5 is a wide-ranging policy initiative intended to protect natural and historic resources and is typically implemented through sensitive lands/critical areas ordinances that protect streams, riparian corridors, trees, wildlife habitat, and open space. The proposed Plan Text Amendment does not affect the City’s existing regulations pertaining to protection of these areas, as the LI zone is not designated scenic or open space. Goal 5 considerations could apply to a specific development proposal, but that is not proposed as part of this amendment.

“Examination of the area affected by the proposed Plan Text Amendment reveals that the National Wetlands inventory map [Attachment A, Appendix E] and Statewide Wetlands inventory map [Attachment A, Appendix F] identify Rock Creek and nearby wetlands. Likewise, the Local Wetlands Inventory identifies wetlands in the vicinity of the creek. Any impacts to wetlands or waterways would require approval by applicable jurisdictions including the City, Clean Water Services, Oregon Department of State Lands, and/or the U.S. Army Corps of Engineers, as applicable. Goal 5 considerations could apply to a specific development proposal, but that is not proposed as part of this amendment.

The State of Oregon’s Historic Sites Map [Attachment A, Appendix G] depicts properties eligible for listing in the National Register of Historic Places in the general area, but none of them falls within the Affected Area [Attachment A, Appendix H] and none of them is listed within the Register.

The proposed Plan Text Amendment does not conflict with this Goal.”

Staff concur with the above analysis. The proposed text amendments are not applicable to goals and policies in the City’s Comprehensive Plan pertaining to the protection of natural resources and conservation of scenic and historic areas and open spaces.

As presented, Goal 5 is not applicable to the proposal.

Goal 6: Air, Water and Land Resources Quality

This Goal instructs local governments to consider the protection of air, water, and land resources from pollution and pollutants when developing comprehensive plans.

FINDING: The proposed text amendments are not applicable to goals and policies in the City’s Comprehensive Plan pertaining to the protection of air, water, and land resources from pollution and pollutants. The applicant submitted a narrative stating:

“The proposed Plan Text Amendment does not affect any of the City’s existing regulations pertaining to preservation of air, water, and land resources. Goal 6 considerations could apply to a specific development proposal, but that is not proposed as part of this amendment. The proposed Plan Text Amendment does not conflict with this Goal.”

Staff concur with the above statement. As presented Goal 6 is not applicable to these amendments.

Goal 7: Natural Hazards:

This Goal requires local comprehensive plans to address Oregon's natural hazards.

FINDING: The applicant stated within their narrative,

“The proposed Plan Text Amendment does not affect any of the City’s existing regulations pertaining to natural disasters and hazards. Goal 7 considerations could apply to a specific development proposal, but that is not proposed as part of this amendment.”

According to Federal Emergency Management Agency (FEMA) Flood Insurance Rate Map 41067C0602F, dated October 19, 2018, some of the Affected Area near Rock Creek is within a Special Flood Hazard Area. Floodplain considerations could apply to a specific development proposal, but that is not proposed as part of this amendment.”

Staff concur with the above statement. Staff have attached a National Flood Hazard Layer 'FIRMette' (Attachment F) map for additional context. As presented, the proposed text amendments are not applicable to identified natural hazards within the Sherwood community.

Goal 8: Recreational Needs

It is the purpose of this Goal to satisfy the recreational needs of the citizens of the state and visitors and, where appropriate, to provide for the siting of necessary recreational facilities.

FINDING: The applicant submitted a narrative stating,

“The City of Sherwood Plan and Zone Map designates specific sites as Open Space and others as the Institutional Public (IP) zone. The proposed amendment affects property zoned LI and does not alter any standards related to the IP zone. The proposed Plan Text Amendment does not conflict with this Goal.”

Staff concur with the above statement. Recreational needs of Sherwood can be confined to designated Open Spaces or located within a variety of zone districts designated throughout the city. In general, the proposed text amendments are not applicable to the recreational needs within the Sherwood community, as defined within the Sherwood adopted Parks and Recreation Master Plan or outlined within any other adopted master plans.

Goal 9: Economic Development

The purpose of Goal 9 planning is to make sure cities and counties have enough land available to realize economic growth and development opportunities.

FINDING: Food cart pods, by their nature, offer development flexibility and site adaptability, due to their modular design, relatively low infrastructure demands, and ability to be scaled over time. They can meet various community needs, making them a valuable asset in fostering economic growth and enhancing the local culture. The proposed amendments would further extend the development opportunities for Food Cart Pods within Sherwood, creating entrepreneurial opportunities for small businesses while providing a diverse mix of economic activity. In response to the above goal, the applicant submitted a narrative stating,

“Goal 9 requires that land be designated for commercial and industrial uses according to the needs of the local and regional economy, current economic base, workforce, availability of land,

and availability of key public facilities. Goal 9 encourages communities to preserve employment land. Decisions based on Goal 9 considerations consider more than the simple amount of buildable acreage, but also carefully evaluate the suitability of land to accommodate industrial development that would further economic opportunities. The proposed amendment affects property zoned LI by expanding the list of uses that could be allowed within a limited geographic area that includes approximately 8.4 developable acres, while continuing to provide for a variety of employment uses on the Affected Area. The developable areas are dispersed sites ranging from 0.5 acres to 2.8 acres which would accommodate the scale of a food cart pod, but not large employment uses. This change does not preclude the development of employment uses that are currently allowed in the Light Industrial zone and does not have a direct impact on the City's supply of developable employment land. The proposed Plan Text Amendment does not conflict with this Goal and would have no significant impact on the City's planning for commercial or industrial economic activity."

Staff concur with the above analysis. The proposed amendments would only be applicable to a narrow section of Light Industrial – LI properties within 500 feet of Tualatin-Sherwood Road. This ensures the continued viability of light industrial development and the associated economic development opportunities of Sherwood's industrial zoning districts. As presented, the proposed amendments meet the intent of Goal 9, Economic Development.

Goal 10: Housing

The purpose of this Goal is to make sure that a community has adequate housing supply for the twenty-year planning period through a range of densities to choose from and serves people at a variety of income levels.

FINDING: The applicant submitted a narrative stating the following:

"Goal 10 requires that land be designated for residential use to accommodate a community's housing needs. The proposed Plan Text Amendment applies to land designated Light Industrial. Since the amendment does not affect land designated for housing, the proposed amendment would have no effect on compliance with this Goal."

Staff concur with the above statements. The proposed text amendments are not applicable to housing needs within the Sherwood community.

Goal 11: Public Facilities and Services

It is the purpose of this Goal is to plan and develop a timely, orderly, and efficient arrangement of public facilities and services to serve as a framework for urban and rural development.

FINDING: The applicant submitted a narrative stating:

"Goal 11 is primarily implemented by the city, which has adopted public facilities plans and standards. It is therefore not directly applicable to Plan Text Amendments which do not entail significant changes in public facilities plans. The proposed Plan Text Amendment would allow food cart pods within a limited geographic area of the LI zone as conditional uses, thereby making food cart pods eligible for approval pursuant to City rules for conditional uses codified in SZCDC Chapter 16.82 and additional rules outlined in Chapter 16.39 (Food Cart Pods).

The limited supply of undeveloped land within the Affected Area moderates the potential scope and scale of any future food cart pods. Therefore, any approved food cart pods would result in only minor changes to public facilities service needs. As future food cart pods will be subject to

conditional use review (which includes an evaluation of affected public facilities and services), the proposal is consistent with Goal 11.”

Staff concur with the above analysis. Future development within the affected parcels will be evaluated for consistency with adopted plans related to public facilities and services at the time of submittal. No conflicts with this goal are presented with these amendments.

As presented, the intent of Goal 11 is met.

Goal 12: Transportation

This Goal requires cities, counties, and the state to create a transportation system plan that considers all relevant modes of transportation: mass transit, air, water, rail, highway, bicycle and pedestrian.

FINDING: The applicant submitted a narrative stating,

“This Goal requires the City to prepare and implement a Transportation System Plan (TSP), which creates a functional classification system and establishes levels for acceptable transportation operations. The effect of the amendment on the transportation system is anticipated to be minimal and would not require amendments to the TSP as it would not require changing roadway functional classifications or standards [Attachment A, Appendix I]. The Affected Area is located along an Arterial (Tualatin-Sherwood Road) and near Collectors (Century Drive, Langer Farms Parkway, and Baler Way) as designated in the Sherwood TSP. As detailed in [Attachment A, Appendix], allowing food cart pods to be authorized as conditional uses within the LI zone would not necessitate any change in functional classification. Any future development proposals would be subject to transportation review under applicable provisions of the SZCDC and the City’s TSP.

Furthermore, as discussed below in the findings related to the Oregon TPR codified at OAR 660-012-0060, cities need to analyze whether a proposed amendment to a land use regulation would have a significant effect on the transportation system. In this instance, per [Attachment A, Appendix I], approval of the application would not have a significant effect on the transportation system.

The proposed Plan Text Amendment does not conflict with this Goal.”

Planning staff concur with the above analysis. Staff find the proposed amendments to allow the establishment of Food Cart Pods within the LI zone district to be consistent similar commercial restaurant uses outlined under *Chapter 16.31 – Industrial Land Use Districts*; establishment of a new use would similarly be evaluated for traffic impacts and consistency with the adopted TSP at land use. As presented, the proposed text amendments are consistent with the City’s Transportation System Plan and therefore, this goal.

Goal 13: Energy

This Goal requires local governments to consider the effects of its comprehensive planning decision on energy consumption.

FINDING: The applicant submitted a narrative stating,

“The proposed Plan Text Amendment would authorize food cart pods as a Conditional Use within the LI zone, making it possible for them to be sited on a variety of sites, some of which may have shapes or sizes that would not be conducive to other industrial uses. In this manner,

the amendment will allow efficient use of existing sites. The Affected Area is located near complementary industrial and commercial uses, potentially leading to trip sharing, carpooling, and/or combined deliveries, thereby increasing energy efficiency. The proposed Plan Text Amendment is consistent with this Goal."

Staff concur with the analysis. As presented the proposed amendments are consistent with the City's Comprehensive Plan and, therefore, this goal.

Goal 14: Urbanization

The purpose of this goal is to ensure land inside a UGB, is considered urbanizable. A city must plan to include a twenty-year supply of land for housing, employment, industry, open space and recreational needs. A UGB should also provide plans for transition from urban to rural land uses to avoid conflicts and encourage efficient use of the land to provide more livable, walkable, and densely built communities.

FINDING: The proposed amendments are consistent with the City's Comprehensive Plan and, therefore, this goal.

The following State Land Use Goals are not applicable to this proposal:

Goal 15: Willamette River Greenway,

Goal 16: Estuarine Resources,

Goal 17: Coastal Shorelands,

Goal 18: Beaches and Dunes; and

Goal 19: Ocean Resources

Metro's Regional Framework Plan

The Functional Framework Plan Six Outcomes are statements adopted by the Metro Council that synthesize the 2040 Growth Concept and regional policies.

1. People live, work, and play in vibrant communities where their everyday needs are easily accessible.
2. Current and future residents benefit from the region's sustained economic competitiveness and prosperity.
3. People have safe and reliable transportation choices that enhance their quality of life.
4. The region is a leader in minimizing contributions to global warming.
5. Current and future generations enjoy clean air, clean water, and healthy ecosystems.
6. The benefits and burdens of growth and change are distributed equitably.

FINDING: The proposed amendments are consistent with the City's Comprehensive Plan; therefore, the amendment is consistent with the 2040 Growth Concept and regional policies, as described below.

Title 4: Industrial and Other Employment Areas

3.07.410 Purpose and Intent

The Regional Framework Plan calls for a strong regional economy. To improve the economy, Title 4 seeks to provide and protect a supply of sites for employment by limiting the types and scale of non-industrial uses in Regionally Significant Industrial Areas (RSIAs), Industrial and Employment Areas. Title 4 also seeks to provide the benefits of "clustering" to those industries that operate more productively and efficiently in proximity to one another than in dispersed locations. Title 4 further seeks to protect the capacity and efficiency of the region's transportation system for the movement of

goods and services and to encourage the location of other types of employment in Centers, Corridors, Main Streets and Station Communities. The Metro Council will evaluate the effectiveness of Title 4 in achieving these purposes as part of its periodic analysis of the capacity of the urban growth boundary.

3.07.430 Protection of Industrial Areas

- a. necessary, to include measures to limit new buildings for retail commercial uses— such as stores and restaurants—and retail and professional services that cater to daily customers—such as financial, insurance, real estate, legal, medical and dental offices—in order to ensure that they serve primarily the needs of workers in the area. One such measure shall be that new buildings for stores, branches, agencies or other outlets for these retail uses and services shall not occupy more than 5,000 square feet of sales or service area in a single outlet, or multiple outlets that occupy more than 20,000 square feet of sales or service area in a single building or in multiple buildings that are part of the same development project, with the following exceptions:
 1. Within the boundaries of a public use airport subject to a facilities master plan, customary airport uses, uses that are accessory to the travel-related and freight movement activities of airports, hospitality uses, and retail uses appropriate to serve the needs of the traveling public; and
 2. Training facilities, whose primary purpose is to provide training to meet industrial needs.
- b. Cities and counties shall review their land use regulations and revise them, if necessary, to include measures to limit new buildings for the uses described in subsection (a) to ensure that they do not interfere with the efficient movement of freight along Main Roadway Routes and Roadway Connectors shown on the Regional Freight Network Map in the RTP. Such measures may include, but are not limited to, restrictions on access to freight routes and connectors, siting limitations and traffic thresholds. This subsection does not require cities and counties to include such measures to limit new other buildings or uses.
- c. No city or county shall amend its land use regulations that apply to lands shown as Industrial Area on the Employment and Industrial Areas Map to authorize uses described in subsection (a) of this section that were not authorized prior to July 1, 2004.

FINDING: The parcels affected by this amendment are identified within Title 4 - Industrial and other Employment Areas Map (Attachment G) under “Industrial Area,” and therefore subject to the criteria under Sections 3.07.410 & 3.07.430 of the Urban Growth Management Functional Plan (UGMFP).

The proposed amendments would list Food Cart Pods under the parameters of “eating and drinking establishments,” pursuant to Section 16.31.020 – Uses, and would be similar to restaurant uses, conditionally allowed, within the Light Industrial – LI Zone District; however, a key distinguishing feature between multiple restaurants within a single building and a Food Cart Pod is the manner in which each vendor operates, in and of itself. “Eating and drinking

establishments,” specifically restaurants were authorized within the Light Industrial (LI) Zone District prior to July 1, 2004, as mandated above under Section 3.07. 430.c

Furthermore, the proposed amendments will maintain consistency with the established size limitations applicable to restaurant use within the area, as mandated by the UGMFP. Specifically, the amendment does not authorize restaurant development exceeding 5,000 square feet of sales or service area for any individual outlet, nor does it permit multiple outlets within a single building or development project to exceed 20,000 square feet of total sales or service area. As such, the amendment ensures that restaurant uses remain scaled to primarily serve the needs of workers and daily customers in the area and does not result in broader commercial intensification.

As presented, the applicable criteria are met.

SZCDC Review Criteria 16.80.030.C – Transportation Planning Rule Consistency (TPR)

FINDING: This amendment does not substantially impact the state Transportation Planning Rule. New land use applications are reviewed for transportation impacts at the time of submittal. The applicant provided a narrative stating,

“[The] Transportation Planning Rule analysis requires examination of a theoretical ‘reasonable worst case’ scenario. The area affected by the proposed Plan Text Amendment would become eligible for food cart pods pursuant to City rules for conditional uses. The traffic levels associated with food cart pods are within the same order of magnitude as other uses already permitted within the LI zone. As explained in [Attachment A, Appendix I], based on ODOT guidance, a threshold of up to 400 average daily trips is used to determine whether an amendment constitutes a small increase in traffic. The applicant’s transportation engineer analyzed trip generation potential for a worst-case scenario within the Affected Area, estimating a potential net increase of 40 PM peak hour trips and 380 daily trips compared to uses allowed under current regulations. Therefore, the reasonable worst-case scenario for the Affected Area would be classified as a small increase that does not significantly affect transportation facilities. ... This standard is met.”

The applicant provided a Transportation Planning Rule (TPR) Analysis by Lancaster Mobley, dated December 9, 2025, detailing the potential trip generation associated with the proposed amendment and evaluated the criteria under the Oregon Transportation Planning Rule. Their findings concluded the following,

“Based on this comparison of reasonable worst case trip generation, the existing and planned transportation system can accommodate the proposed zoning code amendments and the TPR criteria are satisfied. Therefore, no long-term analysis of traffic operations in the study area is warranted as part of the proposed amendment code.”

Staff concur with above statement and analysis. The proposed amendments and supplemental materials were further reviewed by Sherwood planning and engineering staff for compliance with the Transportation Systems Plan (TSP) and found the proposal does not need to demonstrate additional compliance with the TPR.

As presented this criteria is satisfied.

V. RECOMMENDATION

As proposed, the draft amendments to Title 16 (Zoning and Community Development Code,) supports and meets the intent of City's Comprehensive Plan, and all applicable state and regional criteria.

PLANNING COMMISSION ALTERNATIVES

1. Approve the findings in this staff report and recommend approval to City Council.
2. Modify the findings and approve the staff report as modified in compliance with all applicable criteria and recommend approval to City Council.
3. Modify the findings and deny the proposed amendments based on the Commission's findings, and recommend denial of the proposal to City Council; or
4. Continue the Public Hearing to a date certain if more information is needed.

STAFF RECOMMENDATION

Based on the above findings and applicable code criteria, staff recommend that the Planning Commission forward a recommendation of approval of the proposed Food Cart Pods text amendments to Title 16 of the Municipal Code, Case File LU 2025-018 PA, to the Sherwood City Council.

VI. ATTACHMENTS

A. Applicant Submittal and Narrative*

- Appendix A – Application Form
- Appendix B – Applicants' Narrative and Proposed Amendments
- Appendix C – Neighborhood Meeting Documentation
- Appendix D – Food Cart Conceptual Drawing
- Appendix E – National Wetlands inventory map
- Appendix F – Statewide Wetlands inventory map
- Appendix G – State of Oregon's Historic Sites Map
- Appendix H – Parcels Affected by Text Amendment
- Appendix I – Transportation Planning Rule Analysis

B. Engineering memorandum dated January 23, 2026

C. Pride Disposal and Recycling Company Correspondence dated January 30, 2026

D. Oregon Department of Transportation (ODOT) Correspondence dated January 23, 2026

E. Oregon Department of Transportation (ODOT), Commerce and Compliance Division Correspondence dated January 23, 2026

F. National Flood Hazard Layer 'FIRMette' Map

G. Title 4 - Industrial and other Employment Areas Map

H. Staff Proposed Code Amendments (Track Changes)

I. Staff Proposed Code Amendments (Clean Version)