



*Home of the Tualatin River National Wildlife Refuge*

# **Planning Commission Packet**

**FOR**

**June 25, 2024**

**at 6:15 PM**

**Sherwood City Hall  
22560 SW Pine Street  
Sherwood, Oregon**



## Planning Commission Work Session

June 25, 2024, at 6:15 PM

This meeting will be held at City Hall, 22560 SW Pine St,  
Sherwood, OR 97140.

It will also be live streamed at

<https://www.youtube.com/user/CityofSherwood>

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If you require ADA accommodations, please contact the Planning Department at 503-925-2308 or email [planning@sherwoodoregon.gov](mailto:planning@sherwoodoregon.gov) at least 48 hours in advance of the scheduled meeting time.

**How to Find out What's on the Planning Commission Schedule:** Planning Commission meeting materials and agenda are posted to the City web page at [www.sherwoodoregon.gov](http://www.sherwoodoregon.gov), generally one week prior to a Commission meeting. When possible, Planning Commission agendas are also posted at the Sherwood Library/City Hall/Senior Center, YMCA, and the Sherwood Post Office

### **Work Session Meeting**

1. CALL TO ORDER
2. PLANNING STAFF UPDATES
3. ANNEXATION POLICY - 45 MINUTES
4. ADJOURN

Meeting documents are found on the City of Sherwood website at [www.sherwoodoregon.gov/meetings](http://www.sherwoodoregon.gov/meetings) or by contacting the Planning Staff at 503-925-2308. Information about the land use applications can be found at [www.sherwoodoregon.gov/projects](http://www.sherwoodoregon.gov/projects).



# Planning Commission Meeting Agenda Forecast As of 06/18/2024

## Reminders to the Planning Commission

This working document changes as we look out over a few months of PC meetings. If an item is *red and italicized*, it signifies flexibility in future PC Action (second meeting, if needed and/or change to meeting dates).

### June 25, 2024, Planning Commission Work Session Meeting – 6:15 PM

*Annexation Policy*

### August 13, 2024 Planning Commission Regular Meeting 7:00 PM

*1<sup>st</sup> Public Hearing - Food Cart Pods*

### August 27, 2024 Planning Commission Regular Meeting 7:00 PM

*2<sup>nd</sup> Public Hearing (If necessary) – Food Cart Pods*

### October 8, 2024 Planning Commission Regular Meeting 7:00 PM

*1<sup>st</sup> Public Hearing – Annexation Policy*

### October 22, 2024 Planning Commission Regular Meeting 7:00 PM

*2<sup>nd</sup> Public Hearing (If necessary) – Annexation Policy*

<b>2024 Land Use Applications in Review – Type I (staff), II (staff), III (hearings officer) IV (Planning Commission), and V (Planning Commission makes a recommendation to Council)</b>				
ADJ = Adjustment; AN = Annexation; CUP = Conditional Use Permit; LA = Landmark Alteration (Old Town); LLA = Lot Line Adjustment; MLP = Minor Land Partitions; MMSP = Minor or Major Modifications to Site Plan; PA = Plan Amendment; PUD = Planned Unit Development ; SIGN = SIGN; SP = Site Plan Review; SUB = Subdivision; SUP = Special Use Permit; TUP = Temporary Use Permit; VAR = Variances; NOD = Notice of Decision				
File Name	Land Use Application Type	Incomplete, In Review, Approved, Denied by PC	Hearing Date, if applicable	Description
LU 2024-001 PA CFEC	V	In Review	PC – 04/09/24 and 05/18/24 CC – 07/16/24 and 08/06/24	Climate Friendly and Equitable Communities (CFEC) state mandate
LU 2024-009 SP Sherwood Commerce Center Phase II	IV	Completeness Review	TBD	Application Received 06/06/24 Three buildings in industrial park
LU 2024-011 SP Sherwood Commerce Center Phase III	IV	Completeness Review	TBD	Application Received 06/12/24 One industrial building
LU 2024-007 SP CUP Mazatlán Restaurant	III	Incomplete 05/29/24	Hearings Officer, TBD	New restaurant on SW Olds Place, Lot 1
LU 2024-008 CUP Cipole RV Storage	III	Incomplete 06/12/24	Hearings Officer TBD	CUP for RV storage

LU 2024-003 SP Drive-thru Restaurant	II	Complete as of 04/30/24	N/A Notice of Decision should be issued by end of month	Development of a 2,761 sq. ft. drive through restaurant at Sherwood Plaza
LU 2024-006 MM Parkway Village South, Building C	II	Complete as of 06/04/24	N/A Notice of Decision will be issued by end of month	Minor Modification to Building C of Parkway Village South
LU 2023-017 SP CUP Panattoni (Rock Creek Industrial)	I	Incomplete as of 05/23/24	N/A	Final Site Plan Review
LU 2024-010 MM Panattoni (Rock Creek Industrial)	I	Completeness Review due 07/11/24	N/A	Minor Modification to amend condition of approval of LU 2023-017 SP CUP
AD 2024-023 TUP Rock Creek Industrial Construction Trailer	I	Completeness Review due 07/11/24	N/A	Construction Trailer
LU 2024-002 MM LLA Cedar Creek Gardens	I	Decision rendered on 05/15/24	N/A	Minor Modification on lot line adjustment
LU 2021-023 SUB Cedar Creek Gardens	I	Approved on 06/05/24	N/A	One-Year Extension Request for Subdivision
LU 2022-030 MM Chevron	I	Approved on 06/18/24	N/A	Final Site Plan
LU 2024-005 MM Shell Station	I	Complete as of 05/28/24	N/A	Exterior ADA site improvements with interior tenant improvements

## PRE-APPLICATIONS CONFERENCES 2024

PAC 2024-001 Retail Warehouse with Fuel Station, 15995 and 15937 SW Tualatin-Sherwood Road (pre-app completed on February 22, 2024).

### Link to Neighborhood Meeting Notice

[https://www.sherwoodoregon.gov/sites/default/files/fileattachments/Planning/page/1285/neighborhood\\_meeting\\_notice\\_-\\_sherwood\\_costco.pdf](https://www.sherwoodoregon.gov/sites/default/files/fileattachments/Planning/page/1285/neighborhood_meeting_notice_-_sherwood_costco.pdf)

PAC 2024-009 Hillcrest Homes Subdivision Townhouse, 23181 SW Old Highway 99W (pre-app held on June 13, 2024)

## LONG-RANGE PLANNING ACTIVITIES

### Climate Friendly Equitable Communities (CFEC) Code Amendments (2023/2024)

On March 10, 2020, former Governor Kate Brown issued Executive Order 20-04, directing state agencies to reduce climate pollution. In July 2022 the Oregon Land Conservation and Development Commission (LCDC) adopted the [Climate-Friendly and Equitable Communities \(CFEC\) rules](#) to help meet state goals to reduce climate pollution, especially from transportation. The rules apply to urban metropolitan areas throughout Oregon.

The City of Sherwood and 12 other jurisdictions, including Tualatin, Hillsboro, Happy Valley, and Oregon City, have sued over the new rules. The case is currently at the Oregon Court of Appeals. At issue is whether the Oregon Department of Land Conservation and Development exercised

authority it did not have when codifying and mandating the rules. The Oregon Court of Appeals rendered a [ruling](#) on March 6, 2024 and staff is currently reviewing their findings.

At a prior CFEC work session, the commission requested clarification to see if the federal court case of “Chevron deference” would impact the CFEC regulations. Legal counsel’s opinion is that state and local agencies won’t be impacted.

While the lawsuit is being settled, the City is implementing but not codifying portions of the clear and objective rules that can be directly applied to land use applications. These rules are already in effect. A development code update will be required to implement all new rules. DLCD granted the City an extension to September 14, 2024, to adopt the new implementing code language.

A third category of rules are discretionary policy decisions that staff requested feedback on during a Council work session on June 6, 2023. These discretionary rules will also be codified by July 1, 2024.

The Planning Commission will be holding work sessions in 2023/2024 to review the proposed code amendments, as amendments will need to be adopted by June 30, 2024. Project Page: <https://www.sherwoodoregon.gov/planning/page/implementation-state-requirements-climate-friendly-and-equitable-communities-cfec>

CFEC Public Open Houses were conducted on Wednesday, February 28, 2024 from 1-3 pm for local business related discussions and 6-8 pm for the local community (Sherwood City Hall, Community Room). A handful of individuals attended the open houses.

### **Sherwood West Concept Plan Re-look**

- July 18, City Council public hearing – Accepted Concept Plan
- October 4, 2023 Community Open House
  - To inform the community about plan concepts, next steps, and seek feedback on the area(s) that ought to be considered in a UGB proposal
- Council Work Session October 3, 2023
- Council Work Session November 7, 2023
- Letter of Interest submitted to Metro on November 29, 2023
- Council Work Session on December 5, 2023
- Council Work Session on January 2, 2024
- Council Work Session on February 20, 2024
- Council Regular Meeting on March 5, 2024 – Resolution to accept Concept Plan with refinements and Metro Findings, Resolution in Support of UGB Proposal to Metro
- Formal UGB proposal application submitted to Metro April 4, 2024

Project website: <https://www.sherwoodoregon.gov/planning/page/sherwood-west-preliminary-concept-plan-re-look>



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To: Planning Commission  
 From: Joy Chang, Senior Planner  
 Date: June 18, 2024  
 Re: Draft Annexation Policy

**Mayor**  
 Tim Rosener

**Council President**  
 Kim Young

**Councilors**  
 Renee Brouse  
 Taylor Giles  
 Keith Mays  
 Doug Scott  
 Dan Standke

**City Manager Pro Tem**  
 Craig Sheldon

**Assistant City Manager**  
 Kristen Switzer

**Background**

During an October 3, 2023 work session, City Council directed staff to bring forward annexation policy for consideration within Sherwood’s current Urban Growth Boundary. If adopted, this policy would apply to the Brookman Addition and Tonquin Employment Area. If the Sherwood West Urban Growth Boundary expansion is approved by Metro, the policy would also apply to Sherwood West. Draft annexation policy is attached.

On February 6, 2024, City Council then held its second work session on the draft annexation policy and requested staff to move forward. Staff is tentatively scheduling Planning Commission hearing(s) in October and Council Hearings in November.

**Annexation Policy**

Approval Body	City Council. No Planning Commission review is required for annexations. Appeals would be heard by the Land Use Board of Appeals.
Annexation Agreement	An annexation agreement is required for approval and will be negotiated between staff and the applicant prior to a full application being submitted. City Council can modify the agreement prior to approval. The annexation agreement requires the applicant to identify transportation facilities that are required to serve the development at full build out of the site. The applicant is also required to certify that water, sanitary, and storm sewer capacity is available or will be available within 18 months of annexation. Applicant required to guarantee any needed public improvements to serve the site or limit the development.
Approval Criteria	The annexation must be determined to be in the best interest of the City and demonstrate that adequate public facilities and services can be provided to the site. This includes water, sanitary, storm, transportation, fiber, parks, trails, police, and waste. The application must demonstrate how impacts to existing City infrastructure will be mitigated, if necessary. Public facilities and services must be provided in an orderly, efficient, and timely manner. Metro and State annexation regulations continue to apply. Clear and objective standards do not apply to annexations.
Zoning	The zoning depicted on the Zoning Map will automatically apply once the annexation is approved unless the applicant receives approval of a concurrent zone change.

**Attachment:** Draft Annexation Policy

# Sherwood Municipal Code Chapter 16 – Zoning and Community Development Code

## Division IV Planning Procedures

### Chapter 16.81 Annexations

#### 16.81.010

A. Purpose: The procedures and standards in this chapter are established in order to:

1. Facilitate efficient and orderly development opportunities when transferring jurisdiction of property within the Urban Growth Boundary from Washington County and Clackamas County to the City of Sherwood;
2. Comply with the requirements of Oregon Revised Statutes (ORS) 222, and Metro Code Section 3.09;
3. Ensure that public facilities are or will be available to serve land annexed to the City;
4. Establish a system for measuring and weighing the physical, environmental, fiscal, and related social effects of proposed annexation; and
5. Avoid the creation of irregular boundaries or annexations that create “island,” “cherry stem” or “shoestring” annexations, where possible.

B. Application Type and Review Procedure: An annexation application is subject to a Type V procedure, including public notice, public hearing, and final decision through the City Council.

The following is the review procedure for all annexation applications.

1. Pre-Application conference;
2. Submission of completed application;
3. Staff recommendation of approval or denial;
4. Review by City Council; and
5. Approval or denial by City Council

C. Submittal Requirements.

1. An annexation application must include the information set forth in Metro Code 3.09 and the applicable application deposits and fees based on the current City of Sherwood fee schedule.

2. Request for annexation shall be made on forms provided by the city for such purposes and shall be accompanied by all requirements in the City's annexation checklist.
3. An owner-initiated annexation application shall include a preliminary annexation agreement consistent with Section 16.81.020, Annexation Agreements.

#### D. Zone Change Process Concurrent with Annexation Application

1. A property owner who seeks a zone other than the in the Zone Map may apply for a Zone Change to an alternative zone. An owner-initiated change may be processed concurrently with the annexation application. The Zone Change application shall be processed under Section 16.72, Procedures for Processing Development Permits, and 16.80, Plan Amendments. Zone Map Amendments must meet the requirements of Section 16.80.030 Review Criteria.
2. The City may initiate a Zone Change on properties which an annexation application has been received and deemed complete. The Zone Change shall be processed under Section 16.72, Procedures for Processing Development Permits, and 16.80, Plan Amendments. Zone Map Amendments must meet the requirements of Section 16.80.030 Review Criteria.

#### E. Zoning of Annexed Areas

1. All lands within the Urban Growth Boundary of Sherwood have been classified according to the appropriate city land use designation as noted on the Zone Map.
2. As of the effective date of annexation, no use or activity shall be considered legal non-conforming if the use or activity: (1) violates or conflicts with county zoning regulations and (2) is not classified as non-conforming under county zoning regulations. Any such use or activity shall constitute a violation of this ordinance.
3. Any lot or parcel of land duly recorded in the Washington County Recorder's Office prior to the effective date of this Ordinance and having an area, width, depth, or street frontage less than that required in the Zoning District regulations in which such lot or parcel is situated, shall be deemed to be a lot and may be used as a building site, provided that all other regulations of the zone and development code are met.

D. Approval Criteria. The City may approve an annexation application if the City determines that the following criteria are met:

1. Criteria set forth in Oregon Revised Statutes (ORS) 222 and Metro Code Section 3.09.
2. Applicable policies of the Sherwood Comprehensive Plan.
3. The application demonstrates how the property is served or will be served by adequate public facilities and services, including sanitary sewer, storm water, domestic



water, transportation, internet fiber, parks and trails, police, fire, and waste service. Public facilities and services must be provided in a manner consistent with the City's adopted public facility plans, comprehensive plan, transportation system plan, parks and trails master plan, and any applicable area plan or master plan. The application must demonstrate how the public facilities and services will be provided to the property in an orderly, efficient, and timely manner.

4. The application demonstrates how impacts to existing City public facilities and services (sewer, water, stormwater, and transportation) from the development of the property will be mitigated, if necessary. Mitigation may include construction of on-site or off-site improvements or improvements to existing infrastructure to City standards and specifications. The application must demonstrate adequate funding for the mitigation. If the financing requires City funds, the funding must be approved by the City Council prior to annexation. The City may rely on the standards and criteria of Title 16, Sherwood Zoning and Community Development Code, and other relevant standards and criteria in the comprehensive plan, engineering design standards, or approved master plans to analyze an applicant's proposed mitigation of impacts. In order to ensure adequate public facilities and services will exist to serve property annexed to the City, an applicant may be required to enter into an agreement with the City that governs the extent and timing of infrastructure improvements pursuant to Chapter 16. 80.020 Annexation Agreements.

5. The application demonstrates that the annexation and proposed zoning is consistent with the Transportation Planning Rule (TPR) or demonstrates that the TPR analysis is not required.

6. The annexation is in the City's best interest.

F. Conditions of Approval. Approval of annexation may be conditioned by the City, including conditions to meet service boundary requirements of Metro and Clean Water Services.

G. Appeal of Decision. A final decision on an annexation application may be appealed to the Land Use Board of Appeals.

H. Expiration of a Decision. A final decision on an annexation does not expire.

I. Extension of Decision. Because a final decision on an annexation does not expire, the decision is not subject to extension requests.

## 16.81.020 Annexation Agreements

A. Purpose. The annexation agreement is intended to ensure awareness of the annexation process as well as reasonable certainty to the property owner, the City, and the public that the scope and timing of subsequent development of the property will occur in a manner that facilitates the timely and equitable construction of necessary infrastructure improvements. The agreement is intended to describe the intended use of the property following annexation, the process for development review, the parties' commitments regarding the subsequent development, and the infrastructure anticipated to be necessary to support development.

B. Applicability. Unless waived by the City under subsection D, an annexation agreement consistent with this section shall be executed prior to and included with all annexation applications.

C. Contents. Unless otherwise agreed by the City, an annexation agreement shall include the following information and, at a minimum, address the following elements to the City's satisfaction:

1. A legal description of the property;
2. The current zoning within the County and future urban zoning as depicted on the Sherwood Zone Map;
3. The proposed zoning, if different than depicted on the Zone Map;
4. The owner's intended urban use of the property in sufficient detail to allow the City to determine the public facility impacts and required infrastructure improvements necessary to support the intended use. The description should include the anticipated type, size, and density of the use, the timing of any anticipated phases, and an engineering assessment of the impact on urban services at full build-out and for each phase of a phased project. Urban services mean sanitary sewer, water, fire protection, parks, open space, recreation and streets, roads and mass transit;
5. Certification of service availability. It is necessary to obtain certification that water, sanitary sewer, storm sewer and transportation services are available or can be available within 18 months to the proposed site;
6. A Transportation Study that is coordinated with the City and other impacted agencies including Washington County and Oregon Department of Transportation. Unless waived by the City, the Transportation Study shall include:

- a. The existing transportation facilities that serve the property, including the existing and planned capacity of the facilities, including trip analysis to determine the scope and timing of planned improvements to evaluate the cumulative effect of annexations and development on the transportation system.
- b. The location, size, type, and timing of any phased occupancy, if proposed.
- c. Any transportation improvements that may be necessary to accommodate the development at initial occupancy, at each phase of a phased project, and at full buildout of the property.
- d. The committed and funded multi-modal transportation facilities expected to be available at initial occupancy, at each phase of a phased project, and at full buildout of the property.

D. Waiver.

1. The City may waive the requirement to execute and submit an annexation agreement if the City, in its sole discretion, determines the agreement is not necessary and would not achieve the purposes described in Subsection 16.81.020.

E. Owner Commitments. The annexation agreement shall provide for at least the following owner commitments:

1. To provide needed improvements or limit the development of the property such that it will not exceed the capacity of:
  - a. Affected transportation facilities, as determined by the Transportation Study, including any improvements proposed and constructed as part of the development; and
  - b. Other affected public facilities including facilities for sanitary sewer, storm water, domestic water, transportation, internet fiber, and parks, trails, and open space.
2. Authorize the City to limit or condition any land use decision or entitlements consistent with the Transportation Study and other available public infrastructure capacity analysis, as determined by the City, to ensure that adequate public infrastructure is available to serve the proposed development.

F. City Commitments.

1. To apply the urban designated zoning depicted on the Zone Map and any applicable Master Plan at the time of annexation or such other time as parties agree.

G. General Provisions.

1. An annexation agreement shall include the parties' intended schedule of significant development-related events, including annexation, zone change, land division, development review, building permits, and occupancy.
2. An annexation agreement expires one (1) year from the last date it is signed by the parties unless the City has received an annexation application for the property and deemed the application complete.
3. The provisions of an annexation agreement may be included in and made part of a subsequent land use decision, in which case the provisions of the land use decision supersede any conflicting provisions in the annexation agreement.
4. An annexation agreement is not effective and binding on the parties until the annexation application receives final approval by the City Council and any rights to appeal are exhausted.

DRAFT