



CITY COUNCIL MEETING STAFF REPORT

Meeting Date: August 3, 2026		Subject: Ordinance No. 904 – 2nd Reading Zone Map Amendment for Sysco Facility Expansion and Master Plan Staff Member: Chris Myers, Senior Planner Department: Community Development	
Action Required		Advisory Board/Commission Recommendation	
☒ Motion ☒ Public Hearing Date: July 20, 2026 ☒ Ordinance 1 st Reading Date: July 20, 2026 ☒ Ordinance 2 nd Reading Date: August 3, 2026 ☐ Resolution ☐ Information or Direction ☐ Information Only ☐ Council Direction ☐ Consent Agenda		☒ Approval ☐ Denial ☐ None Forwarded ☐ Not Applicable	
		Comments: During a public hearing on June 22, 2026, Development Review Board Panel B reviewed and recommended adoption of the Sysco Facility Expansion and Master Plan Zone Map Amendment to City Council and approved the associated site improvements.	
Staff Recommendation: Staff recommends Council adopt Ordinance No. 904 on 2 nd Reading.			
Recommended Language for Motion: I move to adopt Ordinance No. 904 on 2 nd Reading.			
Project / Issue Relates To:			
☐ Council Goals/Priorities:	☐ Adopted Master Plan(s):	☒ Not Applicable	

ISSUE BEFORE COUNCIL:

Approve, modify, or deny Ordinance No. 904 approving a Zone Map Amendment to rezone approximately 32.66 acres of the western portion of the Sysco property from Future Development Agricultural-Holding (FDA-H) to Planned Development Industrial – Regionally Significant Industrial Area (PDI-RSIA), enabling the proposed expansion of the existing Sysco distribution facility and implementation of the approved Master Plan.

EXECUTIVE SUMMARY:

The Sysco property, owned by Sysco Portland, Inc. and located at 26120 SW Parkway Avenue, is comprised of one tax lots totaling approximately 33 acres. Sysco has operated a regional food distribution facility at the site since the early 1990s. The current application will allow the expansion of the existing distribution center through a phased master plan that includes approximately 372,000 square feet of additional warehouse and distribution space, expanded employee parking, loading facilities, utility improvements, stormwater infrastructure, landscaping, and associated frontage improvements. The project is intended to support the continued growth of Sysco's regional operations while maintaining ongoing facility operations throughout construction.

The application was reviewed by the Development Review Board at its June 22, 2026 meeting. The proposal includes a Zone Map Amendment, Stage 1 Preliminary Plan (Master Plan), Stage 2 Final Plan, Site Design Review, Class 3 Sign Permit, Significant Resource Overlay Zone Map Verification, Significant Resource Impact Report Review, Type C Tree Removal Plan, and Lot Line Adjustment. Following its public hearing, the Development Review Board recommended that the City Council approve the following legislative action:

- **Zone Map Amendment** to rezone the western expansion area from Future Development Agricultural-Holding (FDA-H) to Planned Development Industrial – Regionally Significant Industrial Area (PDI-RSIA), consistent with the Comprehensive Plan designation.

EXPECTED RESULTS:

Adoption of Ordinance No. 904.

TIMELINE:

The Zone Map Amendment will take effect 30 days after ordinance adoption on second reading.

CURRENT YEAR BUDGET IMPACTS:

None.

COMMUNITY INVOLVEMENT PROCESS:

Staff sent the required public hearing notices and held the required public hearings. Staff made materials regarding the application readily available to the public.

POTENTIAL IMPACTS OR BENEFIT TO THE COMMUNITY:

The proposed Sysco expansion represents a significant investment in Wilsonville's industrial economy by supporting the continued operation and growth of one of the region's major food distribution facilities. The project will create additional employment opportunities, strengthen the local tax base, improve public infrastructure through frontage and transportation improvements, and enhance multimodal connectivity with new sidewalks, bicycle facilities, and transit amenities. By expanding an existing industrial campus within a planned employment area, the proposal advances the City's long-term economic development objectives while accommodating future business growth in a manner consistent with the Comprehensive Plan and

Development Code.

ALTERNATIVES:

The alternatives are to modify, approve, or deny the Zone Map Amendment request.

CITY MANAGER COMMENT:

N/A

ATTACHMENTS:

1. Ordinance No. 904
 - A. Zoning Order ZONE25-0002 Including Legal Description and Sketch Depicting Zone Map Amendment Area
 - B. Zone Map Amendment Findings
 - C. Development Review Board Panel B Resolution No. 446 Recommending Approval of Zone Map Amendment