



**CITY COUNCIL MEETING
STAFF REPORT**

Meeting Date: June 15, 2026		Subject: Town Center Building Height Waiver Provision Project	
		Staff Member: Amanda Guile-Hinman, City Attorney Miranda Bateschell, Planning Director	
		Department: Legal, Community Development	
Action Required		Advisory Board/Commission Recommendation	
<input type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input type="checkbox"/> Ordinance 1 st Reading Date: <input type="checkbox"/> Ordinance 2 nd Reading Date: <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input type="checkbox"/> Consent Agenda		<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input type="checkbox"/> Not Applicable Comments: Town Center Height Waiver Task Force expressed consensus on Option 5 at their May 19, 2026 meeting.	
Staff Recommendation: N/A			
Recommended Language for Motion: N/A			
Project / Issue Relates To:			
<input checked="" type="checkbox"/> Council Goals/Priorities: Goal 4: Communications & Engagement		<input type="checkbox"/> Adopted Master Plan(s):	<input type="checkbox"/> Not Applicable

ISSUE BEFORE COUNCIL:

Review recommendations from the Town Center Building Height Waiver Task Force (“Task Force”) and provide further feedback for staff to begin preparing final draft documents for any code amendments for Planning Commission and City Council consideration.

EXECUTIVE SUMMARY:

This staff report provides a summary of input and recommendations received from the Task Force regarding proposed updates to the Town Center building height waiver provision in Wilsonville Code (WC) 4.132(.06)D. The staff report will also provide further guidance from the Task Force regarding the menu items in the waiver provision. At the work session, staff will also provide Council with a report from the Planning Commission work session occurring on June 10, 2025. Staff will be seeking the following input from the City Council:

1. Do any Councilmembers have further questions or clarifications regarding the current options to the waiver provision?
2. Having received the Task Force recommendations, are you supportive of moving forward with an amendment to the waiver provision?
3. If so, is your preference consistent with the Task Force's preferred Option 5?
4. Does the Council also support updating the menu items? If so, are there specific additions, deletions, or revisions to the categories of menu items that should be considered?

I. TASK FORCE RECOMMENDATIONS

At the May 19, 2026 Task Force meeting, the Task Force considered three prompts: (1) the Task Force's preferred alternative of the updated and new options presented by staff (those options are discussed in further detail below); (2) whether the Task Force favored the preferred alternative or removing the waiver to increase building height in Town Center altogether; and (3) whether the Task Force had any revisions, additions, or deletions to the categories of menu items that staff had compiled for the Task Force's consideration.

A. Updated and New Options for Town Center Building Height Waiver Provision

Based on feedback from the Task Force, Planning Commission, and City Council, staff refined options for the Town Center Task Force to consider in modifying the building height waiver provision. Staff did not include Option 1, as the general consensus appeared to find 7 stories too tall. Staff also did not include Option 4, as it did not receive any significant support from any of the reviewing bodies. A couple of key updates to Options 2 and 3 that were also incorporated into the new Option 5 and Option 6 are: (i) further clarifying the waiver for increased floorplate as it relates to building height (only allowing increased floorplate when combined with a decrease in building height); and (ii) providing the ability to separately consider building height in the western Mixed Use (MU) area nearest to I-5 and the eastern MU area nearest to the existing residential neighborhood.

Staff updated Option 2 (**Attachment A**) and Option 3 (**Attachment B**), created a new Option 5 from feedback from the Task Force at its April 21 meeting (**Attachment C**), and generated a new Option 6 (**Attachment D**) that is a blending of the prior Option 4 and the new Option 5.

Option 2 (Attachment A): This option allows one additional story in both Commercial – Mixed Use (C-MU) and MU, but not if a bonus floor for affordable housing is obtained. The effect would be capping building height maximums at 6 stories for C-MU and 5 stories for MU, when

considering both the building height waiver and bonus floor regulations. Would allow potential for buildings in C-MU and MU to be one story.

UPDATE: (1) further separated/clarified the waiver sought to consider when a larger floorplate may be requested with a building height adjustment (e.g., a larger floorplate may be requested in conjunction with a request to decrease building height, but also did not want to allow both a larger floorplate and an increased building height); and (2) added language for Task Force's consideration of not allowing an additional floor in the MU sub-district east of the Main Street District (closer to the residential area).

Option 3 (Attachment B): This option allows one additional story only in MU, but not C-MU, and does allow a bonus floor for affordable housing. The effect would be capping building height maximums in both C-MU and MU at 6 stories, when considering the building height waiver and bonus floor regulations. Would allow for buildings in C-MU and MU to be one story.

UPDATE: same updates as provided in Option 2.

Option 5 (Attachment C): This option allows only a decrease in building height in the MU subdistrict east of the Main Street District (MSD), allows only an increase by one story in building height in both the C-MU subdistrict and MU subdistrict west of the Main Street District. Effect would be capping building height maximum in C-MU to be 6 stories, MU west of MSD to be 5 stories (but neither would allow one-story buildings), and MU east of MSD to be 4 stories (but may be one story). Currently drafted to not allow an increase in building height if a bonus floor for affordable housing is obtained. Contains same updated language described above for Option 2 and Option 3.

Option 6 (Attachment D): This option allows only a decrease in building height in the MU subdistrict east of the Main Street District, like Option 5. However, it differs from Option 5 by only allowing a waiver to increase building height in the MU subdistrict west of the Main Street District but not the C-MU subdistrict. Effect would be capping building height in C-MU to 5 stories unless an affordable housing bonus floor is obtained (with no option to decrease to one story), capping building height in MU west of MSD to 5 stories (with no option to decrease to one story), and MU east of MSD to be 4 stories (but may be one story). Currently drafted to not allow an increase in building height if a bonus floor for affordable housing is obtained. Contains same updated language described above for Option 2 and Option 3.

As provided in Options 5 and 6, an additional consideration for the Task Force was whether to prohibit buildings in C-MU and MU to decrease to one story. The current waiver provision allows the possibility of buildings in C-MU and MU to be one story and, as drafted, Options 2 and 3 also contemplate this possibility for C-MU and MU.

Below is a chart summarizing each of the areas in Town Center relevant to the discussion of the waiver Options described above.

Options	C-MU	MU (west)	MU (east)
Updated Option 2	Increase for either affordable housing bonus floor or waiver; allows decrease Min = 1 story Max = 6 stories (waiver or bonus floor)	Increase for either affordable housing bonus floor or waiver; allows decrease Min = 1 story Max = 5 stories (waiver or bonus floor)	Consider only increase for affordable housing bonus floor, potentially not for waiver; allows decrease Min = 1 story Max = 5 stories (only bonus floor)
Updated Option 3	Only increase for affordable housing bonus floor; allows decrease Min = 1 story Max = 6 stories (only bonus floor)	Increase for both affordable housing bonus floor and waiver; allows decrease Min = 1 story Max = 6 stories (waiver and bonus floor)	Consider only increase for affordable housing bonus floor, potentially not for waiver; allows decrease Min = 1 story Max = 5 or 6 stories (5 if only bonus floor, 6 if waiver and bonus floor)
Option 5	Increase for either affordable housing bonus floor or waiver; no decrease Min = 2 stories Max = 6 stories (waiver or bonus floor)	Increase for either affordable housing bonus floor or waiver; no decrease Min = 2 stories Max = 5 stories (waiver or bonus floor)	No increase allowed through waiver, but can increase through affordable housing bonus floor; decrease allowed Min = 1 story Max = 5 stories (only bonus floor)
Option 6	Only increase for affordable housing bonus floor; no decrease Min = 2 stories Max = 6 stories (only bonus floor)	Allow either (but not both) increase for affordable housing bonus floor or through waiver; but no decrease Min = 2 stories Max = 5 stories (waiver or bonus floor)	No increase allowed through waiver, but can increase through affordable housing bonus floor; decrease allowed Min = 1 story Max = 5 stories (only bonus floor)

When considering these four different Options, the Task Force agreed to eliminate Option 3 from consideration. The Task Force then discussed the remaining three options. The Task Force then performed a “dot exercise” where each person was given two different colored dots, one color representing the person’s highest preferred Option and a second color representing the person’s second highest preferred Option. Staff placed posters on a wall for the stickers to be placed. Staff also instructed Task Force members to write any notes next to their choice(s) if there were additional modifications that the Task Force member wanted to see in the Option they selected.

From this dot exercise, the Task Force members made the following selections:

Option 2:

- #1 dots – 2
- #2 dots – Zero
- Notes – each of the #1 dots included the following note that MU (east) area should not be allowed to increase its building height beyond four stories; in other words, not allowing a waiver to increase building height and also remove the ability to obtain a bonus floor for affordable housing.

Option 5:

- #1 dots – 5
- #2 dots – 1
- Notes – one of the #1 dots included the following note that MU (east) area should not be allowed to increase its building height beyond four stories.

Option 6:

- #1 dots – 1
- #2 dots – 7
- Notes – 3 of the #2 dots included the following note that MU (east) area should not be allowed to increase its building height beyond four stories.

During the debrief of the dot exercise, the two Task Force members who put Option 2 as their highest preferred alternative stated that they would be fine recommending Option 5 if it included the provision of not allowing MU (east) to increase in building height beyond four stories. A third Task Force member had placed Option 5 as their highest preferred alternative but had included the note that MU (east) should not be allowed to increase its building height beyond four stories.

Ultimately, of the eight Task Force members present, the final consensus was:

- 4 Task Force members wanted to keep Option 5 as is
- 3 Task Force members were comfortable with Option 5 with a revision to limit MU (east) to four stories
- 1 Task Force member was comfortable with Option 5 but was undecided as to whether to limit the height in MU (east) to four stories

It should be noted that a change to limit the building height of MU (east) to four stories is, technically, outside the scope of this project as it would require an update to another provision in the Code (that is, WC 4.132(.06)C) in addition to updating the waiver provision (WC 4.132(.06)D). However, all considerations of the Task Force are being brought forward to the City Council for its input and direction to staff.

B. Preferred Alternative v. Eliminating Waiver to Increase Building Height Altogether

Having received feedback from the Task Force of a preferred alternative in Option 5 (with an open question about the height limitation for MU (east)), staff then asked the Task Force to deliberate and determine if there was a consensus recommendation whether to eliminate the

waiver to increase the building height altogether or to move forward with Option 5. The Task Force determined, 6-to-2, that Option 5 was preferred over eliminating the waiver to increase building height altogether.

C. Menu Items

The Task Force also discussed the two menus in the waiver provision. The menus were generally divided, at the direction of the Planning Commission in 2019, into two categories: (1) to address the impact of building size to ensure that building mass did not adversely impact the desired feel of Town Center; and (2) to provide additional community benefit.

Staff prepared a list of concepts within each category as a starting point for the Task Force's input and feedback. Additional notes are provided below each menu item concept from the Task Force's input. During the discussion, another concept was also discussed – the idea of a developer either compensating the City a certain percentage of the value of the development to be paid into a fund for Town Center projects (e.g., public art, plazas/green space, a parking structure, business retention support, etc.) or else select one item from each menu which have a total value of the same percentage that would otherwise be paid into the fund. The Task Force discussed avoiding having menu items that are not commensurate with the impact of the development.

Community Benefit:

- Local hiring for development
 - Members felt that this concept does not directly connect to or focus on the success of Town Center
- Plaza, with programmed improvements (furniture, active space)
- Public rooftop amenities
 - Members were concerned that this option would be very challenging and expensive to be functional, likely resulting in it not occurring, particularly if what is being sought is a restaurant/bar-type of amenity
- Public art approved through the City Arts, Culture, and Heritage Commission
- Inclusive design (beyond ADA requirements)
- Supporting existing local business in Town Center
 - Providing subsidy or constructing tenant improvements (at developer's cost) for an existing Town Center business to relocate into the ground floor space
- *For Option 3* affordable housing at a rate higher than contemplated in the bonus floor
 - This was eliminated from consideration with the removal of Option 3

Mitigating Building Impact:

- Best practices on ground floor design for pedestrian experience
- Best practices on building form to create more light and air
- Creating a community gathering space internal to the building
- Promoting environmental stewardship
- Build tenant-ready space for desired businesses
 - Restaurants, smaller spaces for local businesses, childcare facilities

Staff also suggested an additional catch-all item of other innovative ideas that achieve each of the two categories and is reflected in the vision and goals of the Town Center Plan. This additional catch-all offers flexibility for ideas that may have not been contemplated but still embody the vision of the Town Center Plan.

II. QUESTIONS FOR COUNCIL

1. Do any Councilmembers have further questions or clarifications regarding the current options to the waiver provision?
2. Having received the Task Force recommendations, are you supportive of moving forward with an amendment to the waiver provision?
3. If so, is your preference consistent with the Task Force's preferred Option 5?
4. Does the Council also support updating the menu items? If so, are there specific additions, deletions, or revisions to the categories of menu items that should be considered?

ATTACHMENTS:

- A. Updated Option 2
- B. Updated Option 3
- C. Option 5
- D. Option 6