

POLICIES & PROCEDURES



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Building Division**
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COMMERCIAL TENANT IMPROVEMENT PERMITS	Adopted: August 2017
BPP 102	Last Reviewed: November 2024

Summary

Provides clarification for permitting requirements related to tenant improvement applications.

Background

Tenant improvements (TIs) can encompass a wide range of alterations or modifications to new or existing buildings. This interpretation is intended to define when a permit is required for proposals that involve tenant improvements.

Discussion

One of the central functions of Community Development (CD) is to review projects for conformance with adopted building codes. Additionally, CD is charged with reviewing applications for compliance with other locally adopted codes and standards that include the Wilsonville Development Code (e.g., zoning, historic review), and Public Work's Parking and Access Design Standards.

Tenant improvement projects can impact both the building and site, and can vary significantly in size and scope. For example, a TI can be as simple as a retail space that changes ownership and reconfigures floor layout, or it could involve a change in the use of the space, such as changing the space from a retail use to a professional office.

In addition to changing the use, TIs can also change the occupancy classification of the building or space. Each occupancy classification has different building code requirements, which relate to the type of hazard or uses in the building or space. An example would be changing a residence to a commercial retail use.

Reviewing TI proposals can be challenging when determining what additional codes or permitting will be required. For example, there are instances in which the use will remain the same, but the occupancy changes. An example of this type of proposal would be when a restaurant seeks to expand into an adjacent space. Under previous code editions, the space would likely have been a B occupancy if less than 50 people. With an increase in space, the new occupancy classification could be considered an A-2. While the practical use would remain the same in accordance with both building code and City zoning regulations, the increased seating could potentially require the building's occupancy to be changed, as well as potential site upgrades related to vehicle parking.

In accordance with Section 105 of the Oregon Structural Specialty Code (OSSC), a permit is required as follows:

Any owner or authorized agent who intends to construct, enlarge, alter, repair, move, or change the occupancy of a building or structure which is regulated by this code, or to cause any such work to be done, shall first make application to the building official and obtain the required permit.

The OSSC defines *alteration* as “Any construction or renovation to an existing structure other than a repair or addition.”

The OSSC also defines in chapter 2 what the term *Change of Occupancy* means and that it includes a “change in use” of the occupancy. A change in use may also require a permit where there is a change in the application of code requirements. One example of this type of change is when an existing shoe store changes to a hardware store. While this proposal would not change the occupancy from an M-mercantile, this change would require City staff verify if different flammable commodities are being proposed, appropriate seismic connections are being provided for all new and relocated racking, and aisles within the space maintain minimum clearances and comply with accessibility requirements.

In addition to the building code requirements, tenant improvement proposals are also reviewed for compliance with other locally adopted codes and regulations that apply to both the building and site. Projects are reviewed to determine if the proposed changes would impact the site’s parking, vehicle maneuvering, Systems Development Charges, accessibility, Old Town Overlay Zone, landscaping, and other Wilsonville Development Code requirements. This includes reviewing the proposal to ensure it complies with the permitted uses in the underlying zone.

Interpretation

The OSSC requires all buildings to be reviewed for code compliance if the structure is altered, repaired, moved, or there is a change in occupancy (which includes change of use as defined in OSSC chapter 2). A tenant improvement permit shall be required when the project is proposing a scope of work that qualifies under Section 105 of the OSSC. Additionally, proposals that would alter the exterior of the site and add or alter impervious surfaces (vehicle parking), landscape or irrigation areas, or would modify or intensify a use that would impact Systems Development Charges, would be required to obtain a permit.

Projects that result in changes to the use or occupancy classification will result in a new certificate of occupancy being issued by the City.