ORDINANCE TO REQUIRE RETROFIT OF SOFT, WEAK OR OPEN FRONT BUILDINGS

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Planning and Development Department

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Planning a safe and sustainable future for Berkeley

Overview

- Background on SWOF Buildings
- Results of Phase I
- Mandatory Retrofit Requirements
- Public Outreach
- Recommendations

Soft, Weak or Open Front Buildings

- Wood frame buildings
- Pre-1978 buildings
- Open parking or commercial spaces on lower story with large openings in lower walls
- Potentially hazardous
- Lower story walls and columns do not provide adequate lateral resistance

Soft Story Buildings 1989 Earthquake
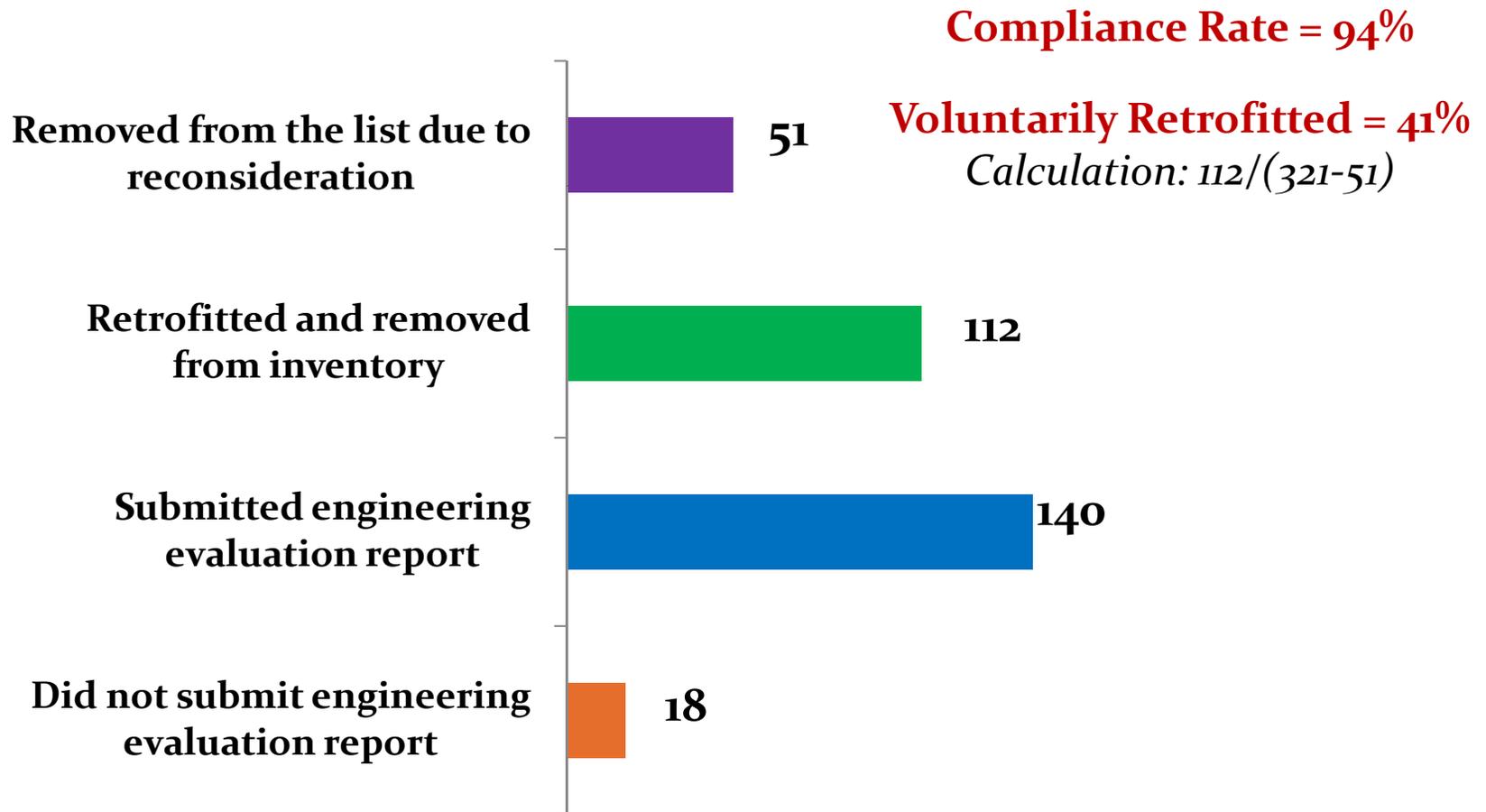
Phase I: Establish and Evaluate Inventory

- Ordinance adopted in 2005 establishing an inventory of SWOF buildings with 5+ residential units
- Required preparation of an engineering evaluation report
  - Analyzing ability of buildings to resist earthquake forces
  - Identifying weaknesses
  - Describing work to remedy those weaknesses
- Required owners to notify tenants the building was soft story and post a sign
- Did not require owners to perform retrofit

2005 List: 321 Wood Frame Soft Story Buildings Progress as of October 10, 2013

Compliance Rate = 94%

Voluntarily Retrofitted = 41%
Calculation: 112/(321-51)

Removed from the list due to reconsideration	51
Retrofitted and removed from inventory	112
Submitted engineering evaluation report	140
Did not submit engineering evaluation report	18

Phase II: Mandatory Retrofit

- The new ordinance adopts mandatory seismic retrofit requirements for soft, weak or open front buildings
- 158 buildings will need to comply with Phase 2
  - Buildings contain 1,611 residential units

Proposed Time Line for Completing Retrofits

January 1, 2014	Target date for adoption of the ordinance requiring mandatory retrofits of SWOF buildings
2014-2016	Owners have three years to submit a building permit application for seismic retrofitting
2014-2018	Retrofit shall be completed no later than two years after submittal of application for a building permit

Engineering Criteria for Retrofit

- Engineering standards were recommended by the Structural Advisory Committee, composed of structural engineers.

- The draft ordinance provides several options for engineering criteria for retrofits, including
  - The 2012 edition of the International Existing Building Code (IEBC) Appendix Chapter A-4
  - American Society of Civil Engineers (ASCE) 41-06, Seismic Rehabilitation of Existing Buildings
  - ASCE 41-13 Seismic Evaluation and Rehabilitation of Existing Buildings
  - FEMA P-807 Seismic Evaluation and Retrofit of Multi-unit Wood-Frame Buildings with Weak First Stories

Outreach and Input

- Two public meetings, July 25 and Oct 10
- Presentations to Four Commissions
  - Disaster and Fire Safety
  - Planning Commission
  - Rent Stabilization Board
  - Housing Advisory Commission
- Written recommendations from the Rent Stabilization Board and the HAC included in the packet

Additions to Ordinance

- Added **right of private action** that can be brought by anyone aggrieved by owner's noncompliance with requirement to **post sign of SS status**

- Provided ability for **RSB to provide annual tenant notification** of SS status

- Added requirements for owners to **notify tenants of** seismic retrofit **construction** & their rights

Edits to Draft Ordinance Include:

- **Hardship Exceptions**: Limit the number of one-year extensions granted by the City Manager to two. Appeals go to the HAC. City Manager may request more detailed information

- More information added to **tenant notice**

- Acceleration of Deadlines: Allow **financing** used for "structural and maintenance related repairs" without accelerating the retrofit deadlines.

- Shortened sections relating to original requirement to submit an engineering report.

Hardship Exception

- Extension of deadline for one year may be granted if a plan is submitted and:

- No imminent threat to life safety

- Engineering Evaluation Report provided as required by Phase I

- Financing unavailable

- Other exceptional circumstances

Acceleration of Deadlines

- Owners will be required to submit building permit application within 6 months and complete retrofit 18 months after application if:
  - Title transferred or building sold to new owner(s)
    - Excluding inheritance or transfer to spouse/domestic partner
  - Cash-out refinancing (for reasons other than building repairs)
  - Change of building use or occupancy
  - Remodel valued at $50,000+ per unit

Retrofit Cost

- 2009 study by Berkeley Rent Board of 48 Berkeley projects showed average cost per unit $3,280

- Estimated from $2,000 to $10,000 per unit in a San Francisco study

Can Rent be Raised to Pay for Retrofits?

- Rent Board staff has indicated rent increases may be possible for a small number of properties.
  - Rent Board will decide on a case-by-case basis.
  - More likely for properties with most apartments occupied by long-term tenants in place since 1998.
  - Less likely for properties with units rented after 1999.
  - They will ensure increases are limited, there is a hardship provision and sitting tenants are not displaced.

Fiscal Impact

- **One half FTE** to manage the program
  - A Community Services Specialist III has been added to the Building and Safety Division for this and other projects.
- **Existing staff** will review building permit applications for retrofit and handle inspections.
- Engineering expertise to develop technical amendments and guidelines for the engineering standards: one-time cost of **up to $30,000**

Recommendations from Commissions Relating to Implementation

- Amending the **Relocation Ordinance**
- Adding **procedures for parking requirement exemptions** to prioritize public safety improvements
- **Removing financial barriers** by
  - Waiving permit fees for owners with financial hardship
  - Establishing a loan program
  - Entering into a financing Joint Powers Agreement with other cities
  - Allowing a Transfer Tax Rebate for work performed more than a year after purchase
- Developing **strong enforcement procedures**.

Recommend to Council

Adopt first reading

Give policy direction on parking versus retrofit

Refer implementation issues to City Manager