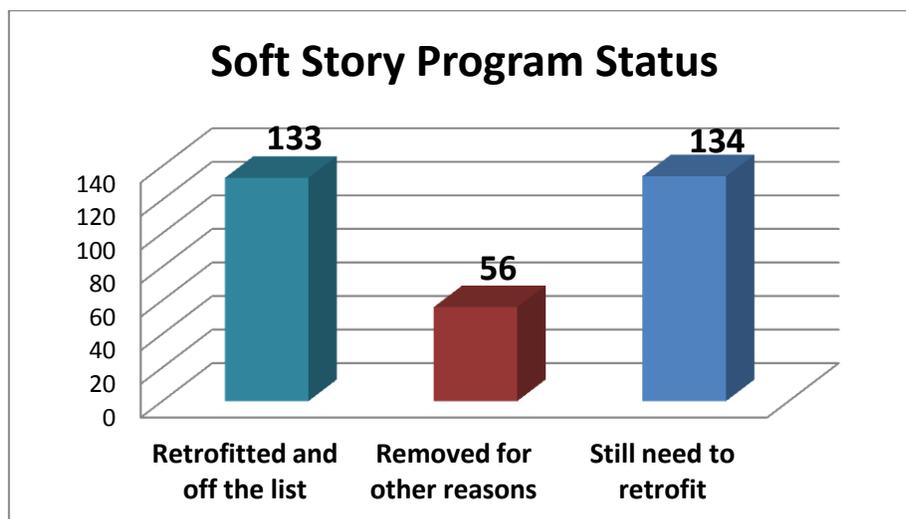


## Soft Story Program Update, November 13, 2014

Prepared for The Rent Board Safe and Sustainable Housing Committee

**Status of Retrofits:** The City of Berkeley identified 323 wood frame buildings with five or more residential units with a soft, weak or open front (SWOF) condition. When mandatory retrofit requirements were passed by City Council in November, 2013, 158 buildings still needed to be retrofitted. As of today, November 13, 2014, **there are 134 soft, weak or open front (SWOF) buildings remaining to be retrofitted.** These buildings have 1,304 residential units. Since Phase I of the Soft Story Program began in 2005, 133 buildings have been retrofitted and 56 have been removed from the inventory for other reasons, either because they proved they did not have a soft, weak or open front condition, were demolished or did not have five dwelling units. Sixteen building permits have been issued and there are six permit applications in process for retrofits of additional SWOF buildings. Per Berkeley Municipal Code Section 19.39.110, owners have until December 31, 2016 to apply for a building permit.



**Acceleration of Deadlines:** Five buildings have sold since the mandatory retrofit requirements took effects and are subject to an acceleration of deadlines. Owners or agents of three of the five have submitted permit applications.

**Signage Enforcement:** The Building and Safety Division conducted a huge signage enforcement effort. First, staff mailed owners warning signs with adhesive backing along with notification that inspections of signs would occur in August 2013. Housing Code Enforcement inspected 157 SWOF buildings for compliance with the warning sign posting requirement, beginning in October 2013. Signs were properly posted at 135 buildings. Staff reinspected 22 properties and issued 19 administrative citations until 100% of owners complied, with reinspections continuing until July 2014. This was a one-time enforcement effort, not a continuous effort.

**Hardship Requests:** Owners may request a hardship exemption to receive an additional year to apply for a permit. We have received one hardship request. The owner was concerned about a

prepayment penalty that will be due if he refinanced prior to March 2016. Since the owner was not subject to an acceleration of deadlines and had until the end of 2016 to apply for a permit, we informed him he could resubmit the hardship exemption in 2016 if any hardship exists at that time.

**Framework Guidelines for Retrofit Designs:** On July 11, 2014, the Building and Safety Division issued Framework Guidelines for Soft, Weak or Open Front Building Retrofit Design, which are available on our website. The Guidelines calibrate, delineate and detail technical requirements to be used for the retrofitting of buildings on the City of Berkeley inventory required to meet the engineering criteria established in Section 19.39.100.A. The Building and Safety Division issued an RFP for a contractor to develop the guidelines for staff review and selected David Bonowitz, a structural engineer who helped develop FEMA P-807 guidelines. The guidelines provide guidance for engineers on how to use the engineering standards identified in the ordinance for retrofit design in Berkeley and are intended to save engineers time in completing retrofit designs and thereby reduce the cost of engineering services for property owners. The Building and Safety Division distributed the guidelines widely to the engineering community.

**Relocation Requests:** There has been one relocation request, which was contested by the tenants. The owner's attorney requested a Building Official determination in June 2014. The Building Official cannot make a determination until the plan check comments have been addressed and the scope of work has been finalized. The owner's engineer has not responded to plan check comments, so the permit has not been issued.

**Capital Improvement Pass-throughs for Seismic work in San Francisco and Oakland:** Landlords continue to express concern that they are unable to pass any of the costs of seismic improvements on to tenants. Berkeley's practices differ markedly from San Francisco and Oakland's. In San Francisco, a 2002 law established that 100% of the costs of seismic improvements required by law could be passed through to tenants over a 20 year period, including a cost of capital. Hardship exception are allowed for very low-income tenants. In Oakland, 70% of the cost of seismic improvements may be passed through to tenants and there are discussions underway about increasing this amount.

**Tenant Notifications:** The ordinance requires owners to notify tenants of the building status. It stipulates in Section 19.39.060 that thereafter, the Rent Board may provide such notice on an annual basis. The Rent Board may wish to do so starting January, 2015.

**19.39.060 Owner and Tenant Obligations:**

A. Obligation of Owners to Notify Tenants and Post Notice regarding the status of the building.

Once the Building Official's determination is final, owners of buildings on this inventory shall do the following:

1. Within 30 days, notify each tenant in writing, using the Notice to Tenants form provided by the Building and Safety Division, and notify each prospective tenant prior to a change of tenancy, that the building is included on the inventory. **Thereafter, the Rent Stabilization Board may provide such notice on an annual basis.**