

Unreinforced Masonry Policy Committee Meeting Meeting Summary City of Seattle, Department of Construction and Inspections Seattle Municipal Tower, Room 4080, 700 5th Avenue, Seattle, WA 98104 Tuesday, December 6, 2016, 8:30 a.m. – 11:30 a.m.

Attendance

Committee Members

- □ Bob Born, Bellweather Housing
- Manish Chalana, University of Washington
- □ Mark Chubb, ManitouNW LLC
- □ Art Frankel, USGS
- Bob Freitag, University of Washington
- Terry Lundeen, Coughlin Porter Lundeen
- Paul Mar, SCID Preservation and Development Authority
- Sean Martin, Rental Housing Association
- □ Mark Pierepiekarz, MRP Engineering
- □ Tom Pittsford, University of Washington
- □ Mike Poe, Preservation Green Lab
- Michale Robinson, A.I.D. Development
 Group
- Ryan Smith, Martin Smith Inc.
- Eugenia Woo, Historic Seattle

Staff & Presenters

- Alberta Bleck, Councilmember
 Bagshaw's Office
- □ Lyset Cadena, OIR
- A.J. Cari, OED
- □ Nancy Devine, SDCI
- □ Ken Geottel, G+A Inc
- Barb Graff, OEM
- □ Sandy Howard, SDCI
- Shauna Larsen, SDCI
- □ Alan Lee, City of Seattle
- Quinn Majeski, OPI
- Dennis Meier, OPCD
- Kenny Pittman, OIR
- Harrison Price, Envirolssues
- □ John Siu, SDCI
- Bryan Stevens, SDCI
- □ Angie Thomson, Facilitator, EnviroIssues
- □ Nathan Torgelson, SDCI
- □ Geoff Wentlandt, OPCD

Introductions and Agenda Overview

Nathan Torgelson, City of Seattle, welcomed the new and returning policy committee members, city staff, and audience members and thanked everyone for attending the meeting. He noted the importance of the policy committee's work given Seattle's vulnerability to earthquakes and the public's interest in the issue. After a round of introductions, Angie Thomson, Envirolssues, reviewed the agenda and highlighted the work that has occurred since the last URM policy committee meeting in 2014. Angie

noted the committee would likely participate in three meetings with a recommendation by the policy committee to follow.

Review Draft URM Policy

Sandy Howard and Jon Siu, Seattle Department of Construction and Inspections (SDCI), provided a presentation on the City's history with URMs. Work to develop a URM policy began in 2006 and five years later, in 2011, the URM Technical Committee finalized their recommendations. The Policy Committee convened in 2012 to focus on developing a program to implement URM retrofits in Seattle. The last policy committee meeting was held in April 2014, during which the group discussed the need for an updated URM building survey before finalizing the committee's recommendations. Sandy discussed various components of the proposed retrofit standards. Key points included:

- The goals of the proposed standards are to reduce the likelihood of collapse and to save lives in the event of an earthquake. The Bolts Plus program would not bring URMs up to current code requirements.
- Bolts Plus would provide structural framing and ensure two adequate lines of resistance in each direction. URMs which had Bolts Plus-type retrofits performed substantially better during the 2001 Nisqually earthquake.
- Terry Lundeen noted the differences in priorities between various building types and highlighted the fact that Bolts Plus was developed specifically for URMs.

Sandy presented an overview of the draft recommendations from the policy committee and highlighted the financing options that could be used. She noted the timeline for retrofits for critical, high, and medium priority URMs (7, 10 and 13 years to complete retrofits, respectively), highlighted the proposed incentives, and reviewed the penalties for lack of participation. The City has also conducted an outreach pilot to determine best practices for educating the public about URMs and encouraging seismic retrofit. Key findings of the outreach pilot included:

- Small group meetings were an effective way to engage property owners and community members.
- Engaging cultural leaders was crucial in communicating information to a wide variety of audiences who may not understand English.
- Property owners tend to want more detailed benefit-cost information than is available.

Sandy concluded by highlighting the importance of the policy committee meeting series for refining, confirming and finalizing the URM policy recommendations.

URM List Validation Report

Nancy Devine, Seattle DCI, discussed her work preparing an updated list of URM buildings in Seattle. Nancy's URM report was finalized in April 2016, includes a confirmed list of URMs in Seattle, and presents the comprehensive dataset in several different ways.

Nancy provided a summary of the methods she used to develop the updated URM list. Key points included:

- Duplicate buildings, resulting from differences in determining addresses, were removed.
- Additional buildings were located on walking tours and/or Google street view.
- Permit records, architectural drawings and Sanborn Fire Insurance Maps were used as additional resources to confirm buildings for the final list.
- The confirmed list of URM buildings and building statistics is available online, along with a map of URMs in Seattle.

Nancy noted several key findings from the study:

- There are 1,154 URM buildings in Seattle comprising 26.2 million square feet of gross floor area.
- The median height of URMs is two stories and 75 percent are less than three stories.
- 75 percent are medium risk and 76 buildings are critical risk.
- About 50 percent of the buildings by gross floor area qualify for special review. These buildings are primarily historic landmarks or located in landmark districts.
- 11 percent of URMs have had substantial retrofits and 29 percent have had some type of permitted retrofit.

A committee member asked if buildings that have undergone substantial alterations could be excluded from the list, especially if the retrofits eliminate some of the risks URMs face during earthquakes. Nancy responded that substantially altered buildings would probably meet the ordinance requirements but more analysis would need to be done to confirm. SDCI will only remove a building from the list if it is determined to not have URM bearing walls; retrofitted URMs will stay on the list with retrofit noted. She also noted that concrete block buildings were not included because they do not pose as big of a safety concern as URMs and it would have been more difficult to determine each building's level of reinforcement.

Manish Chalana asked Nancy what methods she used to confirm the list, as the total number differed from past studies, particularly the UW historic preservation report that Manish co-authored. Nancy highlighted that the definition used for a URM in the UW study was broader than SDCI's definition of URM red brick buildings with URM bearing walls. She noted that she removed duplicates from past lists and did extensive work to confirm URM buildings using field surveys, maps and other tools. The total number of her current analysis differs due to the additional URMs identified in the validation and the removal from the list of red brick buildings that did not contain URM bearing walls.

Terry Lundeen noted for context that San Francisco and Los Angeles have both implemented policies addressing URMs and have since moved on to lower-risk buildings. Manish Chalana asked if Nancy was able to determine whether whole buildings or floors were vacant. Nancy noted that she marked buildings as vacant per the King County Assessor's records but was unable to confirm if spaces or floors were vacant in the field.

Commercial Affordability Study

A.J. Cari, Seattle Office of Economic Development (OED), presented the City's work on development, businesses and income. He highlighted five high-level recommendations OED proposed in late Summer 2016:

- 1. Establish a Preservation and Development Authority (PDA) to improve coordination and provide resources for small businesses.
- 2. Increase financial incentives to support commercial affordability.
- 3. Pursue public policies which encourage commercial centers in residential areas and prevent displacement of commercial businesses.
- 4. Expedite the permitting process to encourage expansion of small businesses.
- 5. Expand OED's technical assistance efforts to mitigate construction impacts and dynamic market forces on small businesses.

OED is hoping to align spending to support efforts to retrofit URMs. A committee member asked how much overlap was projected between businesses which qualify for OED assistance and businesses in URMs. A.J. noted that there was projected to be a large amount of overlap – especially in historic buildings – but the specific numbers have yet to be determined.

UW Zoning Overview

Dennis Meier, Seattle Office of Planning and Community Development (OPCD), reviewed the City's work to redevelop the University District. Dennis noted that the U District is one of six urban zones in Seattle focused on providing housing, space for commercial businesses, and employment opportunities. He noted that future development will be impacted by the expansion of light rail and that strategically planning to take advantage of transit improvements has become a major focus.

Dennis highlighted key comprehensive plan adjustments, including:

- Proposals to increase height and density in the U District.
- Inclusion of affordable housing and historic preservation stipulations for new development.
- Efforts to maintain the character of both the U District and The Ave (i.e. setbacks from the street, space between buildings, floor ratio restrictions, landscaping, open space requirements, etc.). Dennis noted that all new development will be subject to these updated requirements.

Dennis presented an overview of the incentive zoning program which enables developers to add floor area if they meet affordable housing requirements. Transferrable Development Rights (TDR) give developers the option of either building to the program's required specifications or paying into a fund that goes toward funding affordable housing projects. The proposal includes TDR incentives for vulnerable masonry buildings, URMs on the Department of Neighborhood Historic Preservation Inventory or a designated landmark, if they undergo seismic retrofit. City Council is expected to vote on the program in early 2017. Dennis noted that TDR funds could be directed to fund URM retrofits. This assistance could provide additional protection for historically significant buildings. At a minimum, TDR funds could partially fund seismic retrofits which would lessen the financial burden on property owners.

HALA Process Overview

Geoff Wentlandt, Seattle OPCD, presented on the City's Housing Affordability and Livability Agenda (HALA). He noted Mayor Murray's overarching goal to invest in the community and highlighted the need to maintain an ample affordable housing stock as Seattle grows. He spoke about HALA's relationship to a potential URM policy and the need to reduce the financial burden of retrofitting URMs so that more can be considered for affordable housing projects. Geoff noted that the community has expressed an opposition to significant changes in the City's National Register Historic Districts (NHRD), which includes many of Seattle's URMs.

A committee member asked why the City decided to use NHRDs, as they do not have any specific policy implications. Geoff answered that NHRDs tend to be larger than other historic districts and thus could include additional space for affordable housing on the periphery of the districts. Bob Freitag asked what was being done to ensure affordable housing is built throughout the City. Geoff noted that the policy is meant to use the TDR options discussed earlier and should ensure that housing is distributed throughout the City. Manish Chalana asked why HALA chose to give developers the option to defer funds to off-site projects. Geoff explained the reasoning behind the City's inclusion of the payment fund option and noted that the funds can go towards projects across the city as well as support other goals related to affordable housing.

A committee member asked Geoff how HALA could support efforts to retrofit URMs. Geoff highlighted that payment funds can be put towards a variety of projects, which could include seismic retrofits for URMs. In addition, if URM buildings are used for affordable housing, they could be saved from demolition and abandonment.

Geoff noted that the comment period for the HALA process is still open and encouraged the group to visit the website (<u>http://www.seattle.gov/hala</u>) to provide input.

SCIDPDA URM Report

Paul Mar, Seattle Chinatown International District Preservation and Development Authority (SCIDPDA), presented the findings of a report on URMs in Pioneer Square and the International District. SCIPDA worked with seven building owners, architects, engineers, consultants, and others to determine the cost of retrofitting URMs as required by the draft policy. They concluded that the URM policy, in conjunction with other regulations, would make it difficult for building owners to maintain affordable housing, especially in historic areas. Paul noted that in all seven cases, the costs associated with retrofitting URMs outweighed the potential benefits. The report relied on parameters from the Collins Woerman study for

benefits. Paul highlighted the wide range of costs associated with retrofits due to differences in maintenance levels, size, height, etc.

The report called for additional incentives and financial assistance due to limited added value resulting from retrofits. Paul highlighted several potential funding options the City could leverage, including:

- Interest rate buy downs
- Community development block grants
- State property tax exemptions
- Community Reinvestment Act
- Addition research and pilot programs

Bob Freitag noted that several benefits, including energy savings, increased rental rates, and increased property value, were not included in the analysis. If included, they could significantly increase the benefits for retrofit projects.

URM Benefit Cost Discussion

Barb Graff, Seattle Office of Emergency Management (OEM), introduced Ken Goettel, G+A Inc., to present his work on URM cost-benefit analyses. Jon Siu, Seattle DCI, noted that cost-benefit analyses should not be taken as final determinants but should instead support other data to inform policy decisions. Mr. Goettel described a study that he himself just completed for the City of Portland, the results of which indicated that the benefits of seismic retrofits for URM buildings far outweigh the costs. He explained the extreme vulnerability of URM buildings in Seattle in the event of an earthquake. He noted that seismic retrofits do not make URMs earthquake-proof but do significantly reduce the potential for extensive damage, collapse and causalities. Ken highlighted both the probability of a Cascadia Fault quake in the next 50 years (12-18 percent) and the potential for massive economic and human life losses. Referencing the work California, Oregon, and British Columbia, Canada have done to address URM safety, Ken said there appears to be a consensus that the benefits of URM retrofits outweigh the costs. As an example, he noted that California takes into account property owner liability for injuries and deaths in non-retrofitted URMs.

Mark Chubb, ManitouNW LLC, gave an overview of his past work in Christchurch, New Zealand for context and noted that Christchurch's URM policy was meant to be a catalyst for a more robust policy and lacked specific requirements for URM retrofits. Bob Freitag asked if other benefits associated with retrofits (i.e. improved building envelopes, more thermal-efficient windows, etc.) could be included in the analysis. Ken noted that his cost-benefit studies focus on seismic benefits because the extent of other improvement is largely up to developers. Ken also highlighted the government's role in protecting public safety and noted the importance of valuing human life in disaster scenarios.

Next Steps

Mark Beaufait asked what the timeline is for the ordinance. Sandy Howard, Seattle DCI said the final recommendations are anticipated to be completed by second quarter 2017 with legislation to follow.

Angie noted next steps for the policy committee. A January meeting will focus on the list of URMs, policy recommendations, and discussion of alternate policy approaches. . Sandy Howard thanked the policy committee members and meeting attendees for their work and participation.