Introductions and agenda overview

Angie Thomson, EnviroIssues, welcomed the policy committee members, City of Seattle staff, and audience members to the final URM Policy Committee meeting. She reviewed the agenda, highlighted the meeting objectives and noted next steps for the policy committee and the City.

Update on recent public comments received by SDCI

Nancy Devine, SDCI, provided an overview of comments received since the last URM Policy Committee meeting. Comments included:

- Suggestion to work with insurance companies to incentivize preventative retrofits
- Observation from property owner who voluntarily retrofitted a URM building that relocating tenants during construction was difficult
- Support for retrofits for all types of buildings, including URMs, from an interested member of the public
Follow up items from last meeting

Benefit-cost analysis language

Jon Siu, SDCI, gave an overview of changes to the benefit-cost analysis language for the City’s website. Mark Chubb, ManitouNW LLC, noted that the proposed language was intended to explain how benefit-cost analyses were considered in the URM policy committee’s recommendations in a public-friendly way. A committee member noted a concern that the current benefit-cost analysis only explores three disaster scenarios and is therefore limited in its scope and effectiveness. Bob Freitag, University of Washington, highlighted several of his proposed changes to the language, which included noting the models and sources used to guide the policy recommendations. The committee gave a consensus approval of the language for the website.

Equity Analysis summary

Sandy Howard, SDCI, provided a summary of the City’s Equity Analysis findings. She noted the analysis examined how a proposed URM policy would support the City’s Race and Social Justice Initiative and suggested including the report as an addendum to the policy recommendations. Key findings from the Equity Analysis included:

- Using the City’s Racial Equity Toolkit, the Equity Analysis identified a disproportionate impact on minority and low-income populations in the event of an earthquake
- The URM policy would benefit minority and low-income populations in the event of an earthquake by:
  - Lessening the impacts of building damage in an earthquake
  - Shortening the period after a disaster during which buildings cannot be inhabited
- Costs for building owners and increases in rents for tenants could contribute to displacement and gentrification
- URMs tend to be located in communities of color
- Businesses in URMs tend to be locally-owned and operated by small businesses
- Utilizing community liaisons to message risks and retrofit opportunities to historically underrepresented communities is an effective way to distribute information
- Translating technical language is challenging and requires additional time and coordination

Angie Thomson proposed including the Equity Analysis as an addendum to the policy recommendations and the committee agreed with this approach.

Review of URM draft policy

Angie Thomson called the group’s attention to tools and enforcement mechanisms included in the policy recommendations. She noted that the goal of these tools is to support and streamline policy implementation and asked the policy committee to consider the applicability of the tools and/or other tools to add to the recommendations.
Tools

The policy committee discussed the following tools:

- Mark Chubb highlighted FEMA’s P-58 toolkit which could be used to assess URMs and encourage retrofits beyond the minimum requirements
- Terry Lundeen, Coughlin Porter Lundeen, noted that similar efforts in California involved the creation of departments focused on URMs
- Bob Freitag proposed creating a catalogue of best-practices for URM retrofits that can be referenced during the design and permitting processes
- Terry Lundeen proposed organizing workshops to educate building owners about retrofit strategies, goals and results
- Mike Powe asked if designated assistance hours for building owners can be focused on URM retrofits can include information on modernization and energy efficiency assistance

The policy committee confirmed the tools section of the URM draft policy with the above tools integrated into the recommendations.

Enforcement mechanisms

Angie provided a brief overview of the enforcement mechanisms and highlighted the process to increase the severity of fines based on the duration of non-compliance. Mark Chubb cautioned against blocking permits throughout the process, as this could prevent any improvements (structural or otherwise) from being built. He also proposed designating buildings that are not retrofitted within 13 year as dangerous buildings which would be required to be evacuated. The group noted that this could be included in abatement, but that it is not specifically defined as such. A policy committee member proposed returning any fines levied against a building to the owner for retrofits. Mark Chubb noted that returning fines to buildings has been implemented successfully in other regions.

Nancy Devine highlighted the enforcement mechanisms’ reliance on stable economic circumstances and noted the need to process and address over 1,100 buildings in 13 years. To clarify, Michale Robinson, A.I.D. Development, asked whether the 13-year timeframe for retrofits begins once the policy goes into effect, or when a building undergoes an assessment. The group confirmed that the 13-year timeline starts with assessment but that an assessment must be performed within one to three years of policy implementation. A policy committee member brought up a concern of staff capacity overload if most building owners wait until the end of the three-year assessment period to begin the process. Angie highlighted the tools and incentives to encourage early participation in the program and noted that these were intended to eliminate capacity issues throughout the process.

The policy committee confirmed the enforcement mechanisms section of the URM draft policy.

Discussion

In response to an audience member’s question about tenant relocation, the policy committee discussed how the Tenant Relocation Assistance Ordinance (TRAO) could be adapted to support work on URMs.
The group agreed to include recommendations to further analyze TRAO requirements as they relate to encouraging compliance with the URM policy.

Bob Freitag noted the potential of a large earthquake during the process and asked how the URM retrofit requirements would respond to any potential damage. A policy committee member noted that there are many other policies that would take precedence in the event of an earthquake.

**Review of URM draft policy: funding**

Angie Thomson gave an overview of the current funding recommendations and introduced Barb Graff, OEM, to discuss funding options and work since the last policy committee meeting. Previously identified funding mechanisms included:

- Local improvement districts (LID)
- Transfer of development rights (TDR)
- FEMA grants

Barb also suggested convening a meeting of mortgage holders and insurance companies to help create incentives for retrofits, similar to a successful effort in San Francisco. She also discussed proposed state legislation that would begin developing a state-wide URM inventory effort, currently proposed as an add-on in the capital budget.

In addition to the above funding options, Barb also highlighted the City’s recent financial award and recognition for resiliency as part of the Rockefeller Foundation’s 100 Resilient Cities program. She noted that the money would most likely be used to provide technical assistance rather than to offset the cost of retrofits, but that there may be opportunities to further the URM retrofit effort.

**Discussion**

The policy committee proposed and discussed the following funding options:

- Mark Chubb proposed pursuing Community Reinvestment Act funds for URM retrofits and technical assistance
- Michale supported exploring how to incorporate LID and TDR funds and requirements into the URM policy recommendations.
- Paul Mar, SCID Preservation and Development Authority, noted that historical building tax credits could be modified to provide more clarity around funding availability

Angie noted that the funding options being discussed would be included in the funding and tool matrix in the policy recommendations.

Before closing the funding discussion, the group called for the total estimated cost for URM retrofits to be included in the policy recommendations.

**Audience comments**
Audience members provided the following comments:

- There is a desire amongst property owners to be involved in the funding conversation since they will ultimately be the ones shouldering the cost of required retrofits.
- There are plans to challenge the legality of some of the City of Seattle housing policies based on overly broad requirements.
- Other known dangerous construction types (i.e. soft-story and under-reinforced concrete) should be subject to the same regulations as URMs and be required to go through the same process.
- The timeline and requirements stipulated by the policy are dependent on stable economic conditions. An economic downturn could result in increased building abandonment or withdrawal from the program.
- Property owners with small portfolios would have a hard time paying for required retrofits. These issues could be alleviated if tenants did not have to be relocated during retrofits.

**Next steps**

Sandy highlighted the following next steps for the committee and the policy recommendations:

1. URM draft policy sent to the policy committee via email for edits and comments
2. Comments and edits incorporated
3. Final URM policy recommendations sent to the mayor and city council

Sandy noted that the timeline for these next steps has not been determined and that it will depend on the level of interest in the policy following its distribution.

Nathan Torgelson, SDCI, and Barb Graff thanked the policy committee members and City staff for their time and effort over the past several years. He noted the beneficial partnership between SDCI and OEM and highlighted the public’s interest in the project. Barb highlighted the importance of the policy committee’s work and noted the progress that has been made since its inception.