

Listening Session for Proposed URM Transfer of Development Rights (TDR) Program



Photo by John Skelton

Seattle Department of Construction & Inspections



Seattle Office of Planning & Community Development

February 27, 2024

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Meeting Goals

- Provide background and next steps for Unreinforced Masonry (URM) buildings.
- Discuss proposed financial resource for retrofits: potential new Transfer of Development Rights (TDR) Program to inform future feasibility study.
 - Understand building owner considerations for selling development rights.
 - Understand developer considerations and motivations when buying development rights.



Resolution 32033: Creating a URM Retrofit Program

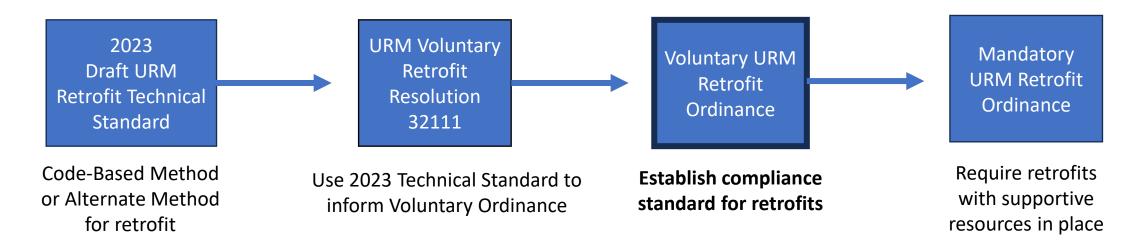
• Reduce risk of injury and death from URM collapse.

- Preserve historically and culturally significant structures.
- Minimize the financial impact of a URM retrofit program.

Yolanda Ho LEC URM Retrofit Program RES D2 CITY OF SEATTLE RESOLUTION32033
RESOLUTION32033
A RESOLUTION declaring the City Council's and the Mayor's intent to consider strategies to ensure that all unreinforced masonry buildings in Seattle are seismically retrofitted. WHEREAS, Seattle has over 1,100 unreinforced masonry buildings (URMs), which are buildings typically built prior to 1945 with brick or clay tile bearing walls where the parapets and walls are not secured to the floors and roofs; and WHEREAS, URMs are vulnerable to damage or collapse during earthquakes, potentially endangering people within the buildings if walls fully or partially collapse and pedestrians if parapets break away and fall into the street; and WHEREAS, the February 2001 6.8 magnitude Nisqually earthquake injured about 400 people and caused around \$2 billion in property damage, including over \$8 million in repair costs to URMs in \$ WHILEEAS of the heildings that cast earthquakes hit? A new push is afoot
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Pathway to Required URM Retrofits

- Long-term goal remains establishing a Mandatory URM Retrofit Ordinance.
- Short-term goal: Voluntary URM Retrofit Ordinance (*Mid/Late 2024*).
 - Establishes a retrofit compliance standard.
 - Provides building owners assurance their retrofit will be compliant with future legislation.



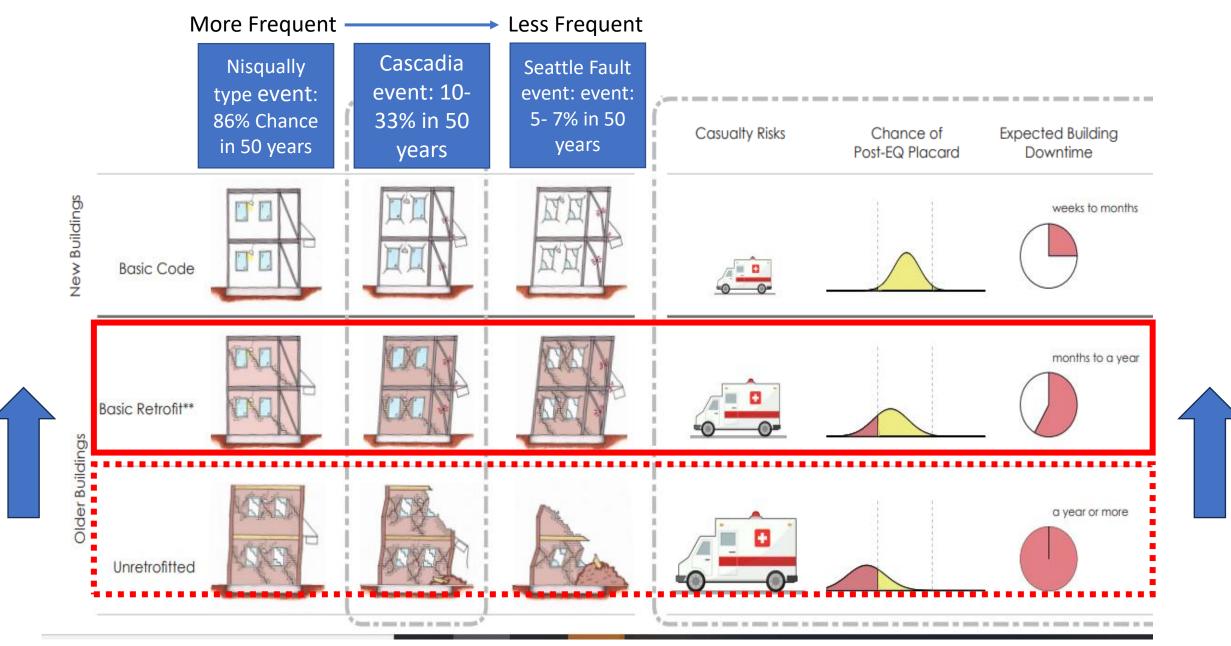
Seattle's URMS and Compliance Timelines*

Vulnerability Classification	Number of URMs	Compliance Timeline
Critical vulnerability: emergency service facilities and schools	75	7 years
High vulnerability : buildings over three stories in poor soil areas (i.e., liquefaction and slide areas); and buildings containing public assembly spaces with occupancies of more than 100 people	184	10 years
Medium vulnerability: all other buildings	883	13 years
Total Confirmed URMs	1,142	

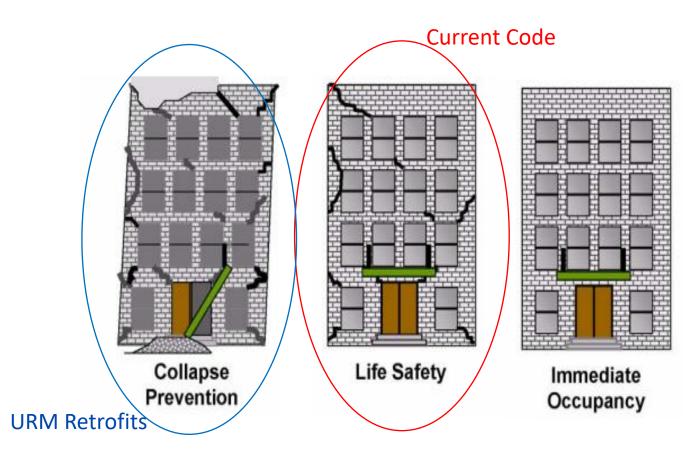
*Compliance timelines won't be effective until Mandatory URM Retrofit Ordinance is adopted.

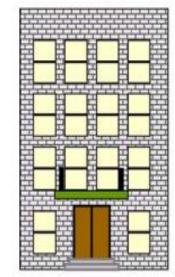
Number of URMs by classification, September 2021





Building Codes vs Building Performance

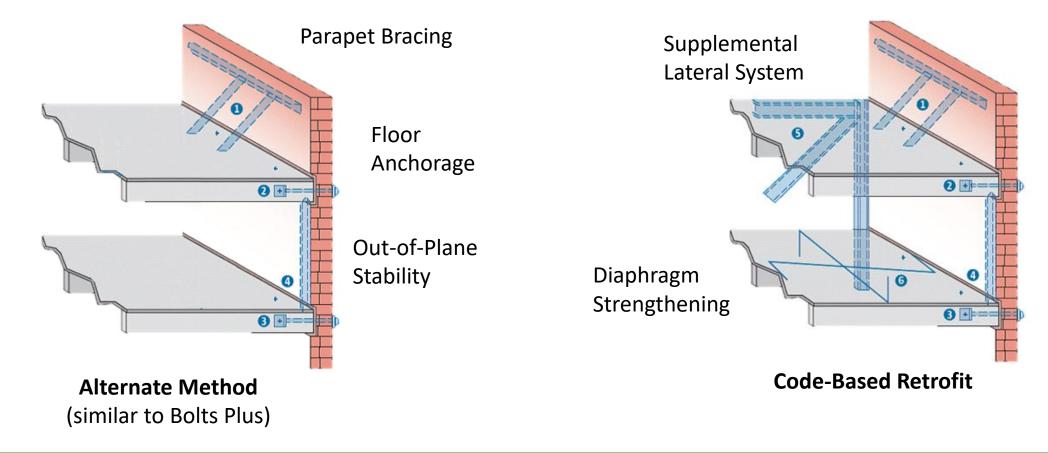




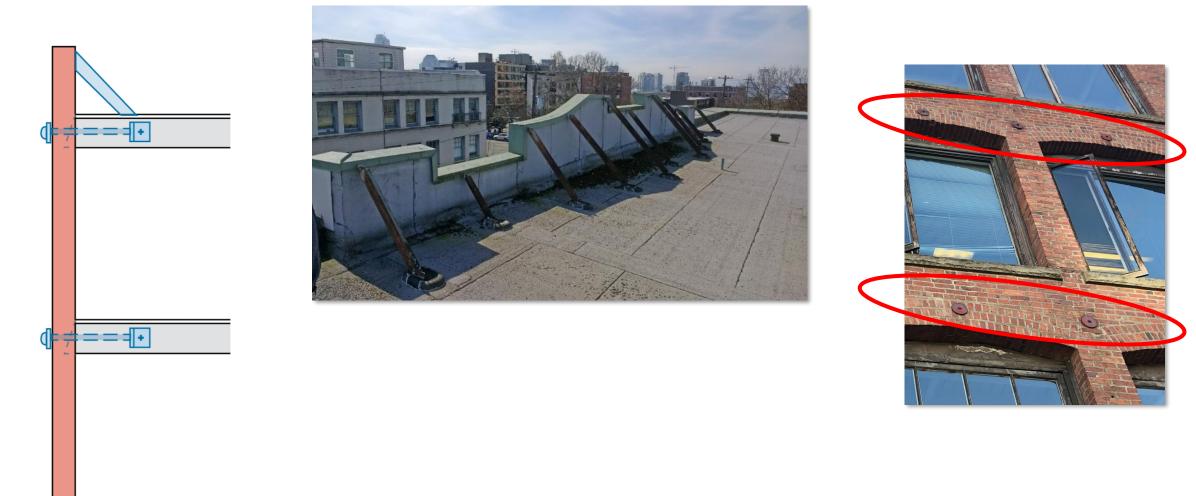
Operational

Seattle's Two Methods for URM Retrofits

Establish two pathways:



By retrofitting, we can reduce the risk of collapse





Minimizing the Visual Appearance of Retrofits

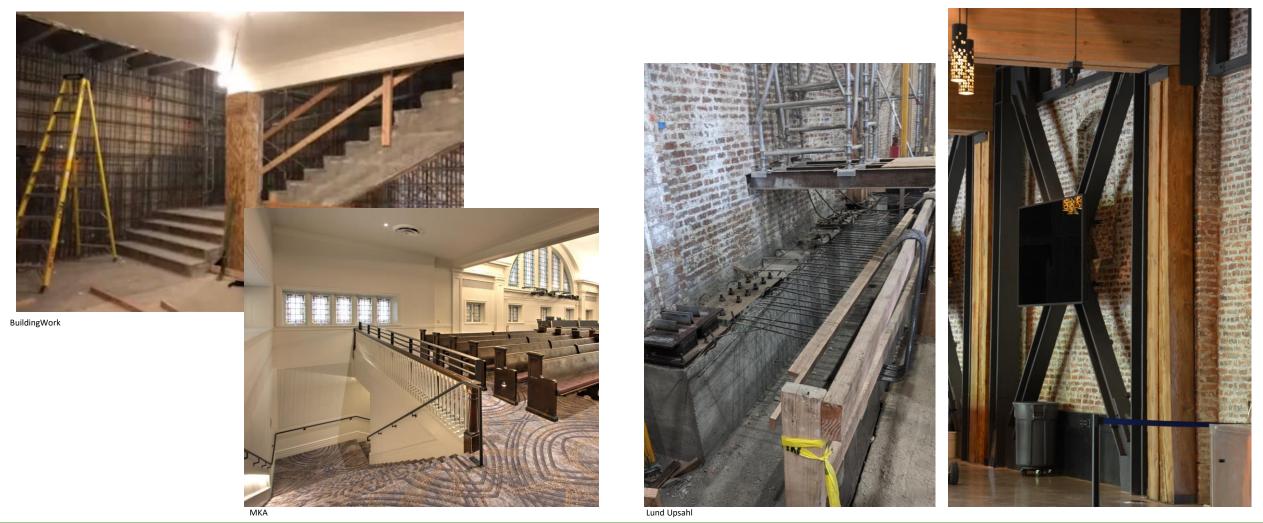
Example: Use of adhesive anchors* from the interior to anchor roofs and floors to exterior walls



*Adhesive anchors have use limitations that may make them more restrictive than through-bolts.

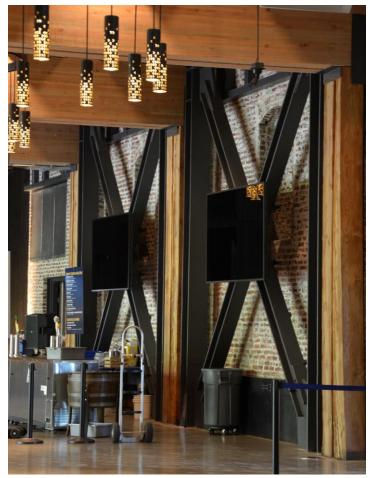


Code-Based Retrofit



Minimizing Visual Appearance of Retrofits

Example: Camouflage of braced frames





Retrofit Costs

- Qualification Estimates
 - ~25 percent may utilize Alternate Method
 - ~35 percent will require a store-front frame to use alternate method
 - ~40 percent will require code-based retrofit
- Code-based retrofit 3-4x cost of Alternate Method, or more
- Total estimated cost \$1.3B (2019 dollars)

Table 2: Average Costs (Per Square Foot) to Retrofit

Percent of URM inventory:	Bolts+ 23%	Bolts++ Frame 36%	Full Seismic 41%		
Construction Costs					
Hard Costs ¹	\$17.32	\$19.24	\$61.99		
Sales Tax (10.1%)	\$1.75	\$1.94	\$6.26		
Hard Costs Contingency (10%)	\$1.91	\$2.12	\$6.83		
Total Hard Costs	\$20.98	\$23.30	\$75.08		
Soft Costs (15%) ²	\$3.15	\$3.50	\$11.26		
Soft Costs Contingency (10%)	\$0.31	\$0.35	\$1.13		
Total Soft Costs	\$3.46	\$3.85	\$12.39		
Total Construction Expenses	\$24.44	\$27.15	\$87.47		
Relocation Expenses ³					
	\$8.00	\$8.00	\$8.00		
TOTAL (Including Relocation)	\$32.44	\$35.15	\$95.47		

National Development Council, 2019

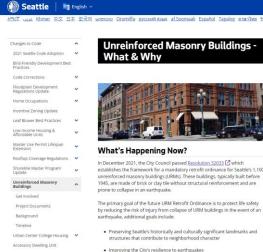
SDCI URM Webpage & Blog

Technical Standard:

A team of structural engineers have been updating the 2012 Technical Standard to reflect changes in building codes and a better understanding of Seattle's earthquake hazard. The updated draft URM Retrofit Technical Standard and supporting Director's Rule are the first step in establishing a baseline retrofit standard for the voluntary retrofit of URM buildings. The Director's Rule and Technical Standard will be used to inform the phasing in of a mandate for the seismic retrofits of URMs as requested in Resolution 32033.

- Director's Rule 6-2023, <u>A Method for the Seismic Improvement of Unreinforced Masonry (URM) Buildings</u>. The intent of this rule is to provide a voluntary methodology for seismic improvements to URMs which addresses testing and quality of existing masonry constructions and mitigates collapse hazards in an earthquake. This rule will formally allow use of the alternate method for retrofit, reducing costs to building owners compared to a compared to a
- - We held two virtual public meetings providing opportunities for questions and answers on the draft URM Retrofit Technical Stand June 8, 2023, and June 12, 2023. Be sure to check out <u>slides</u> and recording from these presentations.

Seattle.gov/sdci/codes/changes-tocode/unreinforced-masonry-buildings



Seattle

Building Connections

Search Results for: URM Seattle URMs: 2023 Year in Review

December 27, 2023 by SDCI Community Engagement

Reflecting on seismic activity in 2023, nine deadly and damaging earthquakes occurred globally. In February, Turkey and Syria experienced two earthquakes over magnitude 7.5 that killed over 59 thousand people. In September, Morocco experienced a magnitude 6.8 earthquake that killed almost three thousand people. In October, Afghanistan experienced a magnitude 6.3 earthquake that killed over one thousand people. In November, Nepal experienced a magnitude 5.7 earthquake that killed over 150 people. In December, China experienced a magnitude 5.9 earthquake that killed 149 people. Four additional earthquakes in Afghanistan, Ecuador, Turkey, and the Philippines each resulted in deaths of ten or more people. While earthquakes in the future and we can predict how buildings will perform in an earthquake. 2023 was a year of progress and milestones in advancing the seismic resilience of Seattle's unreinforced masonry (URM) buildings, buildings that are prone to collapse in an earthquake.

https://buildingconnections.seattle.gov/

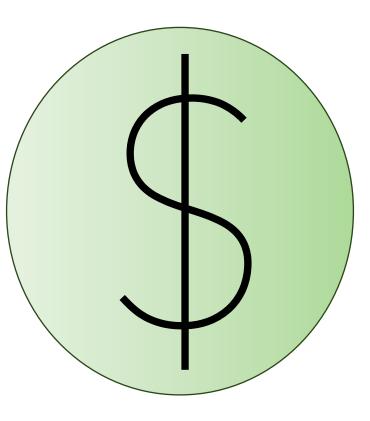
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URM	Search
CATEGORIES	
Select Category	
ARCHIVES	
Select Month	
E-MAIL LISTS	
Join the Building Conne	-
receive a monthly news	letter with recent

Questions about the Retrofit Technical Standard or future legislation?



Funding Solutions

- Low-interest loans such as C-PACER (Commercial Property Assessed Clean Energy & Resiliency Program)
- Tax credits for historic preservation and greenhouse gas reduction
- Reduced insurance requirements
- Federal grants
- Transfer of Development Rights (TDR)

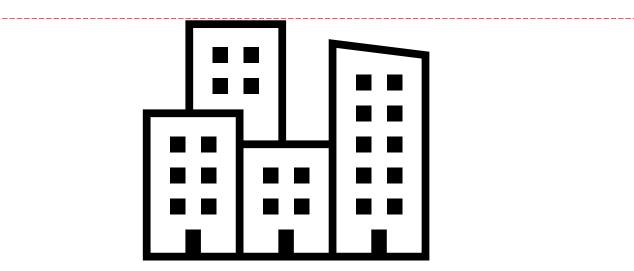


URM Policy Development Working Groups

URM Policy Development Working Groups						
Group	Technical Standard Briefing Working Group	Communications Working Group	Funding Working Group	Owner & Tenant Needs Working Group		
Intent	Provide forum for Q&A on technical standard	Community engagement and acceptance	Explore ways to mitigate cost of retrofits	Address physical and economic displacement		
Sub-Group		Case-studies sub-group	Retrofit Credit/TDR sub-group			
Sub-Group			Grant & Finance sub- group			

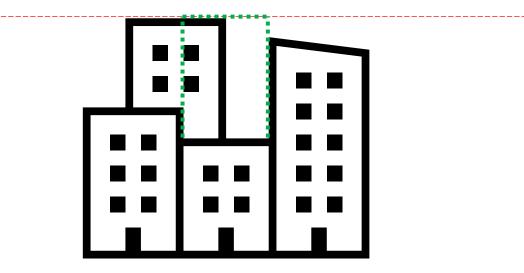


• The city has rules in place that dictate the maximum height and floor area of buildings based on their neighborhood and other factors.



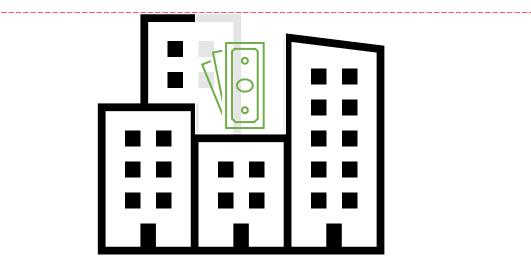


 When a building owner wants to increase their height or floor area above the limit, they can purchase development rights from a building with development potential. This graphic shows a shorter building, but it could also be a building with a floor area less than the site maximum.



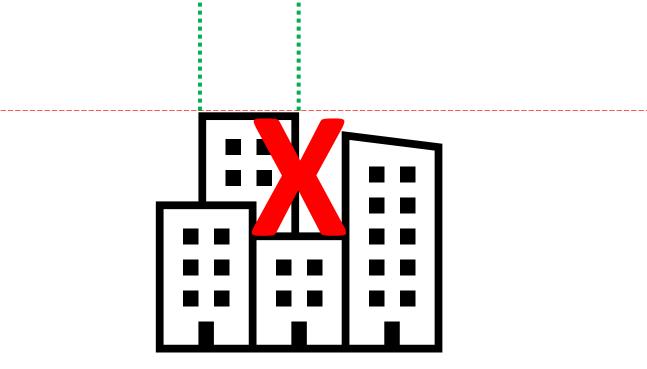


• The owner of the shorter building is paid for the sale of their future development rights. They are no longer allowed to add height to their building.



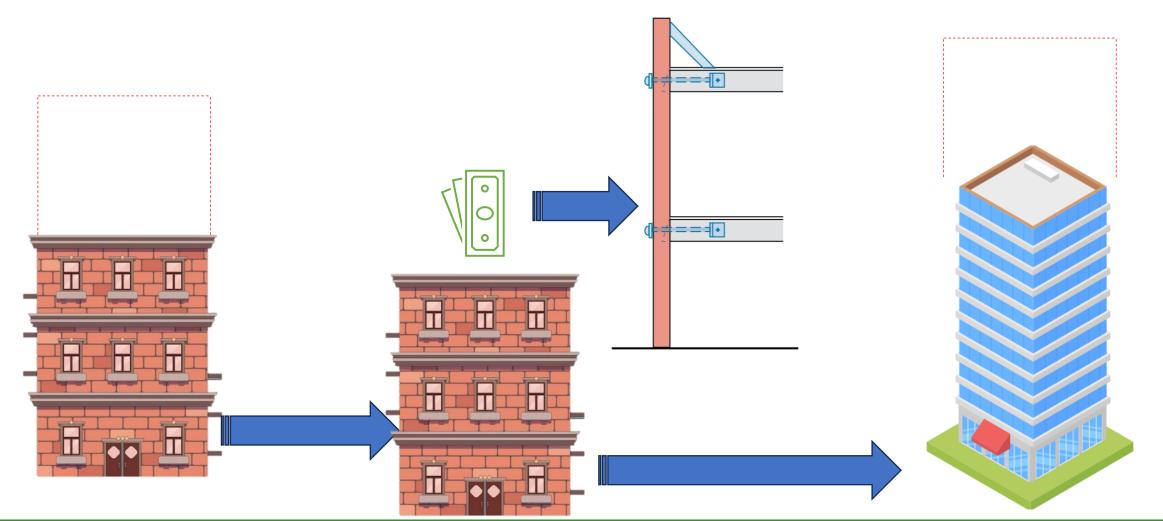


• The purchasing building can now build taller, using the purchased development rights.





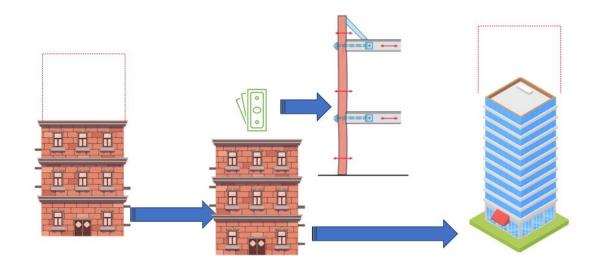
Proposed: TDR for URM Retrofits



Proposed: Transfer of Development Rights Program for URM Retrofits

Voluntary

- Only allowed for Unreinforced Masonry Buildings (URMs)
 - Money from sale of development rights must go towards URM retrofits
- Where will development rights be used?
 - Defined neighborhoods within the city where developers can build taller
 - Maps on table for discussion purposes



Listening Session Format

- Each table has:
 - A map that shows URM locations and zoning geographic zones
 - Copies of scenarios and discussion questions
 - An easel with paper
 - A notetaker and facilitator
- On easels, write down considerations, needed resources, and deal-breakers for each of the two scenarios.



Round-Robin Discussion

- Time for discussions: 20 minutes each
- Will regroup to share findings



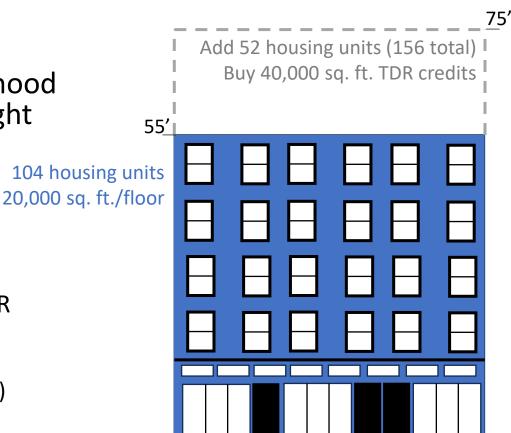
Hypothetical Scenario 1: Discussion Questions

- How would you go about determining what you would be willing to pay for the TDR credits?
- Based on what you know about development, how much do you think you would be willing to pay for the TDR credits?
- What questions or concerns do you have about a URM TDR program?



Hypothetical Scenario 1: Developer Considerations

- You are a developer considering purchasing URM TDR credits.
- Building site is located in a Neighborhood Commercial (NC) zone with a 55' height limit.
 - Without purchasing TDR:
 - 5-story mixed use
 - 104 housing units
 - 100,000 sq. ft.
 - With purchasing TDR 40,000 sq. ft. of TDR credits:
 - 7-story mixed use (adds two floors)
 - 156 housing units (adds 52 housing units)
 - 140,000 sq. ft. (adds 40,000 sq. ft.)



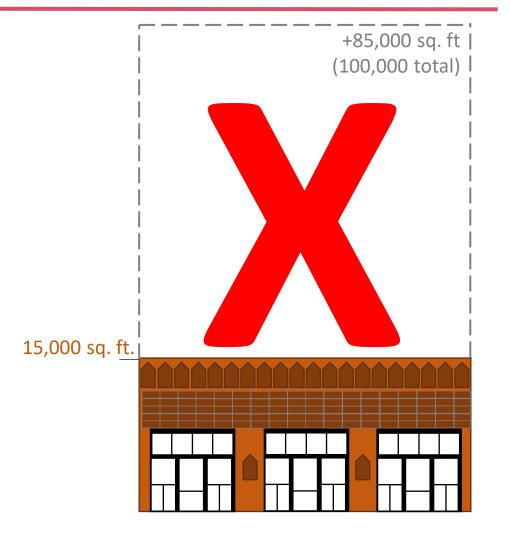
Hypothetical Scenario 2: Discussion Questions

- How would you go about determining whether to sell development rights?
- What price do you think you would need in order to participate in the URM TDR?
- What questions or concerns do you have about a URM TDR program?



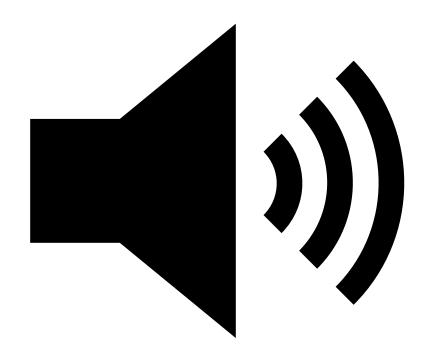
Scenario 2: URM Owner Considerations

- You are a URM owner considering selling future development rights to fund seismic retrofits.
- Current building is 15,000 sq. ft.
- Redeveloped:
 - 120 ft height limit
 - 100,000 sq. ft. maximum
- Maximum Development Credits: 85,000 sq. ft.
 - Restricted to 15,000 sq ft. in perpetuity



Sharing findings

- Themes from Scenario 1: Developer Considerations
- Themes from Scenario 2: URM Owner Considerations







- Technical feasibility study with program recommendations
- Development of Voluntary URM Retrofit Ordinance
- Stay Connected
 - Website
 - Building Connections Blog
 - URM Working Groups

Contacts Information

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