URM Policy Committee December 6, 2016

Introduction and Summary of Draft Recommendations

History

- Policy & Technical Committees formed 2008
- Technical Committee recommendations finalized 2011
- Policy Committee reconvened 2012
 - Charge: develop best program to implement retrofitting across the board
 - Developed Draft Recommendations
 - Last meeting April, 2014
 - DPD/SDCI requested thoughts for Plan B concept
 - Policy Committee requested comprehensive survey
- Survey completed April 2016

Bolts Plus Standard

- Similar to standard adopted in CA jurisdictions
- Brace parapets, tie walls to floors & roof, strengthen very weak walls and floors
- Requires at least 2 "good" lines of resistance in each direction
 - Maybe add structural frame to strengthen a wall ("Bolts Plus, Plus Frame")







Bolts-Plus Caveats (Technical Comm. Report)

- Goal to establish:
 - Cost-effective retrofit requirement
 - Reduce likelihood of collapse
- Protect lives of building inhabitants and those nearby
- Not expected to prevent all injuries, damage
- Expect damage reduction in minor/moderate events (Nisqually)
- Some buildings will not qualify for Bolts-Plus => more comprehensive retrofit

URM Retrofit Policy Objectives

- Discourage demolition and abandoned URMs
- Encourage retrofits beyond the policy's minimum requirements
- Encourage early participation
- Make it easy for building owners to understand and for the City to implement
- Easier Permitting
- Build broad-based support
- "Reasonable" cost of retrofits

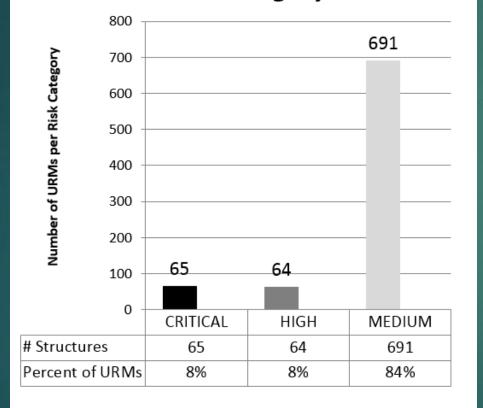


URM Draft Recommendations Overview

- *Threshold for retrofit requirement:* Single family homes and multifamily with 2 or fewer units are exempt
- *Timeline for retrofit:* Based on key steps in the process and Risk Categories Critical, High and Medium
- *Incentive options:* Options such as transfer of development rights programs, waiving permit fees, city program facilitator
- Enforcement: Penalties for noncompliance at each step
- *Financial incentives:* Options for financing retrofits Subcommittee worked with experts

Preliminary Risk Categories / Timelines

Number of URM structures by Risk Category



- Critical-risk : schools and critical facilities (hospitals, fire stations, etc.) – 7 years to comply with a retrofit program
- High-risk: buildings greater than 3 stories on poor soil or URMs with more than 100 occupants in assembly – 10 years to comply with a retrofit program
- Medium-risk: all other URM buildings – 13 years to comply with a retrofit program

Number of Years to Complete Retrofit

	Critical Risk	High Risk	Medium Risk
Notification to Owners	0	0	0
Assessment	1	2	3
Permit Application	1	2	2
Permit Approval	1	1	1
Completion of Retrofit	4	5	7
	7	10	13

URM Financing Options

Minimizing the cost of retrofits Identify funding support options that property owners can access

Public/Non-Profit Ownership	Private Ownership				
FEMA/CDBG/other grants					
General obligation bonds					
Levy	10% building tax credit				
Tax abatement	Tax abatement	URM Funding Opt Subcommittee Dis		itrix Provides	Ne
Revolving loan fund	Revolving loan fund	Property tax abatement Levy & general	Legal Legal, with	Significant Funding? Yes Yes	: Re So Rec exis (ter Ner
TDRs	TDRs	obligation bond Transfer Development Rights	limits Legal	Yes	Net
A/E grants & resources	A/E grants & resources	Community Development Block Grants Revolving Ioan fund	Legal Unknown if City could	funding availability Limited funding availability Potentially	Rec awa pro Net
Building owner contribution	Building owner contribution	Historic buildings tax credits (10%)	be lender Legal	10% of eligible construction costs	Ne:
Education funding	Education funding	FEMA grants for construction City-backed bond funds for 501(c)3 Reduced insurance costs	Legal Legal Legal	Limited funding availability No	Ner Cor Ner

URM Funding Options Subcommittee Discussion Matrix									July 24, 2012			
	Legality	Provides Significant Funding?	New or Redirected Source?	Ease of Use for Owners	Ease of Use for the City	Enhance Compliance?	Political Benefit?	Equal Impact?	Equal Access?	Ownership	Other Considerations	Present as Funding Option?
Property tax abatement	Legal	Yes	Redirection of existing money (temporarily)	Easy to use	Easy to use	Yes	Yes	No, if building value is low	Private owners only	Private only		YES
Levy & general obligation bond	Legal, with limits	Yes	New source	Easy to use	Difficult to use	n/a	Risky	Subject to program distribution	Subject to program distribution	Subject to program distribution	Fluctuates with real estate market	YES
Transfer Development Rights	Legal	Yes	New source	Difficult to use	Difficult to use	n/a	Some	Project specific	Project specific	Private and non-profit	Fluctuates with real estate market	YES
Grants for AE fees	Legal	Limited funding availability	New source		City would have to implement	Yes	Yes			Non-profit		YES
Community Development Block Grants	Legal	Limited funding availability	Redirecting money away from other projects	Difficult to use, very competitive		n/a	n/a					YES
Revolving loan fund	Unknown if City could be lender	Potentially	New source		City would need a private endowment	n/a	n/a				Challenges with scale and timing of loans	YES
Historic buildings tax credits (10%)	Legal	10% of eligible construction costs	New source	Easy to use; owner can sell rights to tax credit		n/a	n/a			Any building built before 1936	Subject to elimination in federal budget	YES
FEMA grants for construction	Legal	Limited funding availability	New source		Require match from City	n/a	n/a			Public or non-profit only		YES
City-backed bond funds for 501(c)3	Legal	No	New source, highly competitive	Difficult to use	n/a	n/a	n/a	Not specific to URMs	Only non- profits	Tax exempt		YES
Reduced insurance costs	Legal	No	New source	Unknown	Unknown	n/a	n/a				Applied to buildings with a higher PML rating; need more info from insurance industry to evaluate; perhaps used for education and incentives	INCENTIVE
Real estate investment trust	Legal	Potentially, for funding retrofits beyond Bolts Plus	New source		n/a	n/a	n/a					POTENTIAL

Enforcement Concepts

- Use standard SDCI Notice of Violation (NOV) Process
- Strong Penalties Increase the severity of fines if compliance is not attained in previous process steps
- Include notice to tenants when owner is not in compliance with program
- Post signs on retrofitted buildings and on internet



Columbia Outreach City Pilot

- FEMA Grant awarded to SDCI and OEM for a pilot outreach and education campaign in Columbia City
- To learn the most effective means of communication flyers, big or small community meetings, one-on-one meetings
- Create an appropriate message to all audiences; infographics
- Tool kit and training for City staff



Pilot Outcomes

- Small group meetings were most effective for reaching all audiences
- POELs were most effective for reaching cultural groups
- Outreach based on a technical terminology created challenges for multilanguage messaging
- Owners prefer more detailed information on statistics, cost-benefit analysis, and incentives; their desire for detail exceeded that of the general public
- Contracting with POELs is an added expense but very effective
- Whether the outreach is done by city staff or consultants, coordination time with the cultural leaders will increase budget over more traditional outreach.

URM Policy Committee Timeline

December 6, 2016 – Reconvene URM Policy Committee

1st quarter 2017 – 2 meetings to confirm or refine recommendations

▶ 2nd quarter 2017 – final recommendations