

MANDATORY SOFT STORY RETROFIT PROGRAM

PRELIMINARY RETURNS
October 10, 2014



Earthquake Safety Implementation Program (ESIP)

SUMMARY

As of **October 10, 2014** the Soft Story Mandatory Retrofit Program (MRP) has passed its phase one, screening form, deadline as well as an additional two and half week grace periodⁱ. At this point all property owners are required to have, using a licensed design professional, completed a screening form and submitted that form to the Department of Building Inspection (DBI). That form is used to inform both the owner and DBI whether or not an individual building is within the scope of the program (i.e., is a target soft story building) and, if the building is within the program, by when that owner will be required to complete a retrofit of their building. As of the September 15, 2014 deadline the rate of compliance was 92%ⁱⁱ, with 4802ⁱⁱⁱ buildings required to retrofit under the MRP. On October 7, 2014 buildings that were out of compliance received a Notice of Violation (NOV) and an “Earthquake Warning” placard affixed to the subject property. Please note that building owners are only required, at this point, to have completed the screening form. These notices will remain posted until the property has complied with the screening requirement. Below we have included an analysis of the returns so far. This analysis is intended to provide a snapshot of the impacts this program will have on your district. Another such analysis will be completed in three to six months, as the remaining data becomes available.

Total Noticed Buildings	6661 ^{iv} Buildings
Properties Currently Out of Compliance	374 ^v Buildings
Average Rate of Compliance	94.4% ^{vi}
Screening Forms in Process at DBI ^{vii}	285 Screening Forms
Total Properties that are Subject to the Ordinance	4802 ^{viii} Buildings
Total Units that are within Buildings Subject to the Program	48,505 Units ^{ix}
Total Number of San Franciscans that Live in Buildings that are Subject to the Program	111,562 Residents ^x
Percentage of Total San Franciscans that Live in Buildings that are Subject to the Program	13.30% ^{xi}
Buildings Permitting/ed to Retrofit in Advance of Requirement	212 Buildings ^{xii}
Average Estimated Valuation of Retrofits	~\$69,000 ^{xiii}

Rate of Compliance ^{xiv} (% Compliance, Screening Requirement Only)										
D1	D2	D3	D4	D5	D6	D7	D8	D9	D10	D11
97.5%	93.9%	94.7%	97.2%	94.5%	87.3%	96.1%	95.3%	93.1%	91.1%	93.3%

Buildings that are Requiring Retrofit ^{xv} (Buildings)										
D1	D2	D3	D4	D5	D6	D7	D8	D9	D10	D11
548	993	745	150	992	110	47	829	356	161	35

FACTS ABOUT THESE BUILDINGS

Of the 4802 buildings that have screened within this program, the average age of the building is roughly 89 years^{xvi}, containing mostly rent-controlled units^{xvii}. **620 of these buildings have had a building permit application at some point in its history indicating it contains a ground-floor business use^{xviii}.** The Earthquake Safety Implementation Program (ESIP) is currently working with the Office of Small Business as well as the Mayor's Office of Economic and Workforce Development's Invest in Neighborhoods program to engage directly with businesses within buildings that are required to retrofit. The median residential unit count is seven.

COMPLIANCE TIERS

Each building that is required to retrofit fits into one of four compliance tiers. The tier of a building is determined as part of the screening process and reflects the relative risk each building type poses to both its users and the city at large in the event of an earthquake. The tier system also assists DBI to mitigate impacts on their day-to-day workload.

Tier 1 buildings contain sensitive occupancies as well as larger businesses; Tier two buildings contain large unit counts; Tier three buildings are any buildings that do not fit within the other three tiers; and Tier 4 buildings are all buildings with ground floor businesses as well as buildings falling within a USGS mapped liquefaction area^{xix}.^{xx} The first set of buildings that are required to retrofit are required to apply for a permit by September 15, 2015.

Buildings, per Compliance Tier ^{xxi} (Buildings)											
	D1	D2	D3	D4	D5	D6	D7	D8	D9	D10	D11
T1	0	1	5	1	2	0	0	2	2	0	0
T2	49	154	112	13	117	16	4	77	31	10	2
T3	463	649	488	102	689	46	37	615	193	44	22
T4	36	189	140	34	114	48	6	135	130	7	11

MRP, Compliance Tiers (Requirement Date)				
	Tier I	Tier II	Tier III	Tier IV
Screening Form Deadline	9/15/14	9/15/14	9/15/14	9/15/14
Permit Application Deadline	9/15/15	9/15/16	9/15/17	9/15/18
Retrofit Complete	9/15/17	9/15/18	9/15/19	9/15/20

PUBLIC OUTREACH

A rigorous public outreach campaign around compliance with this program has taken place. The program began with noticing packets informing owners that were believed to be part of this program (9/15/2013), and continued with a number of additional notices, programming, and media outreach. The ESIP team

worked with stakeholders to develop and host several financing workshops, an Earthquake Retrofit fair attended by over 3000 members of the public, and a postcard noticing program (Figure 1)^{xxii}. Working directly with DBI, ESIP hosted a number of public information meetings, giving the public a chance to speak directly with DBI staff, experts in disability access and structural engineering, as well as ESIP and Rent Board staff directly about their concerns with the program. DBI has also posted advertisements in several local papers about the screening form deadline. Overall, the successes of this program so far are owed entirely to the efforts made by stakeholders working with City staff to engage with the public at every possible turn.

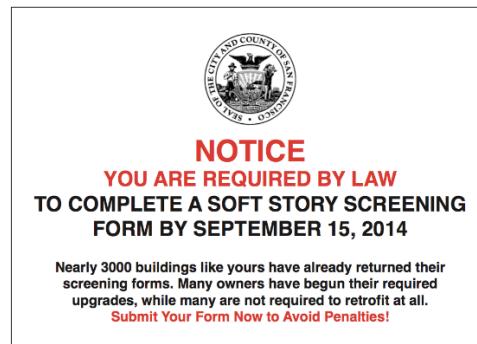


Figure 1: ESIP Postcard Notice Program, June 2014- August 2014

A critical component of the public outreach for this program is the “Earthquake Warning” placard. This sign (Figure 2), affixed to the exterior of the building near the residential entrance of a building, alerts tenants and owners alike to the fact their building is out of compliance with this critical public-safety measure while advancing the citywide dialogue about the importance of seismic retrofitting and preparedness. Rather than shaming the property owner with only a notice of violation, the placard informs, calls both the owner and tenant to action, and communicates to passersby the importance of the earthquake readiness.



Figure 2: DBI-ESIP “Earthquake Warning” Placard

i. DBI made the decision to give all non-compliant buildings within the program an additional 18 days to comply with the screening portion of the program. After than time, all owners who had not complied were considered to be in violation and a violation and placard were posted.

ii. Source: Department of Building Inspection, Soft Story Mandatory Retrofit Program, Soft Story Tracking Database, 10/8/2014. This figure is from the returns as of 9/19/14.

iii. Source: Department of Building Inspection, Soft Story Mandatory Retrofit Program, Soft Story Tracking Database, 10/8/2014.

iv. Ibid.

v. Ibid.

vi. Ibid.

vii. DBI has worked tirelessly to keep screening forms moving quickly through their verification process. Because of complexities unique to various buildings and situations, some forms require higher levels of research than others. Also, a few forms were not completed accurately, causing the Department to conduct additional outreach to the owner for additional information and/or corrections. The rate of this has been extremely low in the program, with less than 5% of forms having this type of delay.

viii. Ibid.

ix. Source: Department of Building Inspection, Soft Story Mandatory Retrofit Program, Soft Story Tracking Database, 10/8/2014. This figure was arrived at by calculating the sum of the DBI Housing Inspection Division (HIS) unit count records for all buildings that have been screened and found to be within this program and multiplying that total by 2.3 persons per unit. The persons per unit figure is from the 2010 U.S. Census which reports on the number of people living in households in San Francisco divided by the number of occupied housing units in San Francisco. In some cases information did not exist for a building. In that case the building was given an assumed value of 5 (i.e., the minimum number of units a building within the program can have). It is also extremely likely this number will increase, as 718 screening forms are within some level of processing at the time of this draft analysis. If the current trend continues (i.e., 80.8% of all screened buildings are within the program), we would see 56,280 units will benefit from a seismic retrofit.

x. Source: Department of Building Inspection, Soft Story Mandatory Retrofit Program, Soft Story Tracking Database, 10/8/2014. This figure was arrived at by calculating the sum of the DBI HIS unit count records for all buildings that have been screened and found to be within this program. Given note VI above, there will likely be an increase to this figure as well, which would increase this number (at the current rate of 80.8% of all screened buildings being within the program) to 129,445 residents (15.46% of San Francisco Population) benefiting from living in a seismically retrofitted building.

xi. The total population of San Francisco is based on the U.S. Census "Annual Estimates of the Resident Population of Counties: April 1, 2010 to July 1, 2013."

xii. In advance of any requirement to retrofit, 212 buildings are identified with data within the Department of Building Inspection Soft Story Mandatory Retrofit Program Database to have applied for or received a building permit. Some of these buildings have completed work. There are also a number of building whose status in the program indicates they are in the DBI permitting process, but given the lack of data on them, they have not been included in this draft analysis.

xiii. Of the 212 properties that have applied for or been granted building permits to begin work in advance of the program's requirements, the mean building permit valuation for the work is about \$69,000. This is from a 4.4% sample, so this figure is very preliminary. These early results are within the predicted estimated costs for retrofits (\$60,000 – \$130,000 per building).

xiv. Source: Department of Building Inspection, Soft Story Mandatory Retrofit Program, Soft Story Tracking Database, 10/8/2014.

xv. Ibid. Note: There are 6 properties that are "unmatched," within ESRI's ArcMap software. The ESIP team will be working with DBI to correct these records. Much of this discrepancy has to do with changes to the Lot (APN) configuration of individual properties.

xvi. The average age is a mean of reported construction dates in the Assessor's Office records for all buildings within the program. That mean construction date was subtracted from the year 2014 to give an average age of these buildings.

xvii. All units within buildings constructed prior to June 14, 1979 are rent controlled units. The MRP only applies to buildings constructed prior to January 1, 1978. There are some condo-converted units, as well.

xviii. Of the buildings deemed to be in the program through the screening process, 621 buildings had at least one building permit issued during the history of the building where a building code occupancy of A, B, or M was indicated on the application. This means that a building would likely contain a business or some kind. For a listing of all types of businesses that fit these occupancy classifications please refer to the San Francisco Building Code, Chapter 3.

xix. Source: "State of California, Seismic Hazard Zones," Map, November 17, 2000. California Geological Survey.

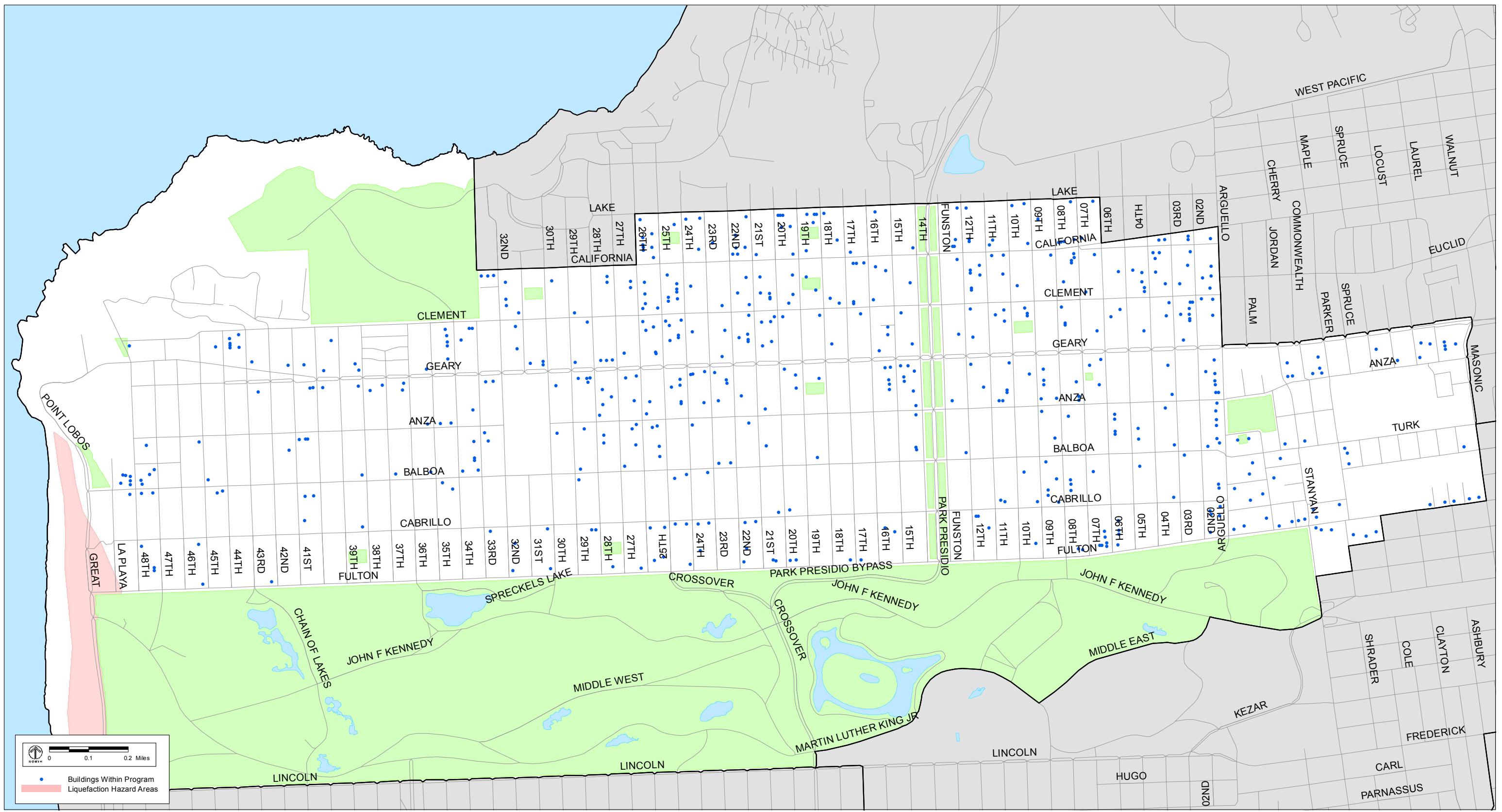
xx. Tier I Buildings: All buildings required to retrofit that contain a building code occupancy of A, R2.1, R3.1, or R4; Tier II Buildings: All buildings required to retrofit that contain 15 or more residential dwelling units; Tier III Buildings: All buildings required to retrofit that are not within any other tier. Tier IV Buildings: All buildings required to retrofit that contain a building code occupancy of B or M or are within a USGS mapped liquefaction area.

xxi. Ibid.

xxii. ESIP sent all non-compliant building owners a postcard notice on June 15, 2014, July 15, 2014, and August 15, 2014. The notice, using advanced techniques meant spur compliance, were able to help bring the compliance rate up significantly. The postcards, which are very easily read and processed by owners receiving them in the mail, used language that placed their lack of compliance in a social-civic context, explained penalties, and made clear that compliance was a requirement.



EARTHQUAKE SAFETY IMPLEMENTATION PROGRAM
MANDATORY EARTHQUAKE RETROFIT PROGRAM



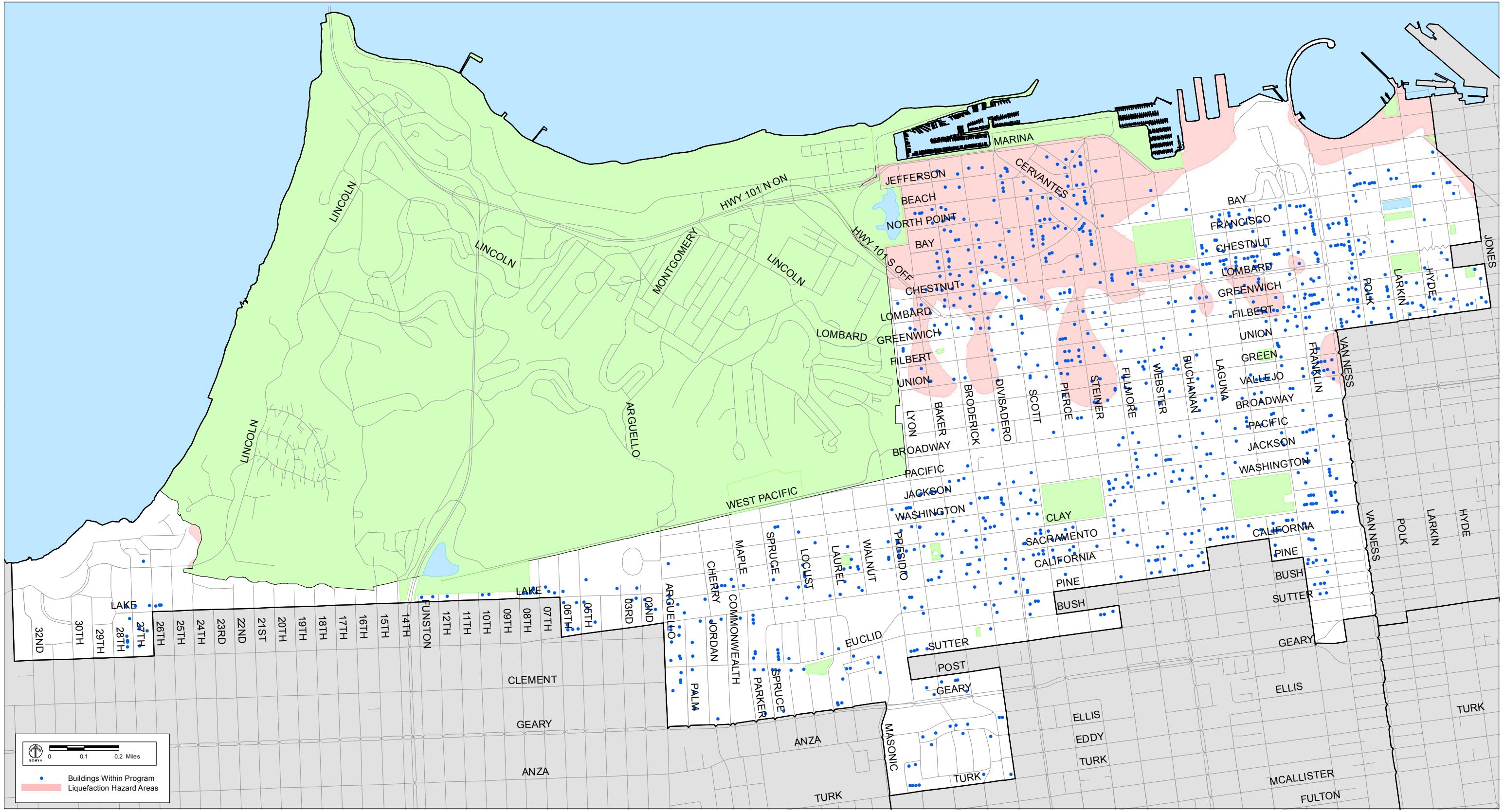
Source: Department of Building Inspection Records, Assessor's Office Records, ESIP Data Analysis

BUILDINGS REQUIRED TO RETROFIT AS OF OCTOBER 10, 2014

SAN FRANCISCO, SUPERVISOR DISTRICT I

EARTHQUAKE SAFETY IMPLEMENTATION PROGRAM

MANDATORY EARTHQUAKE RETROFIT PROGRAM

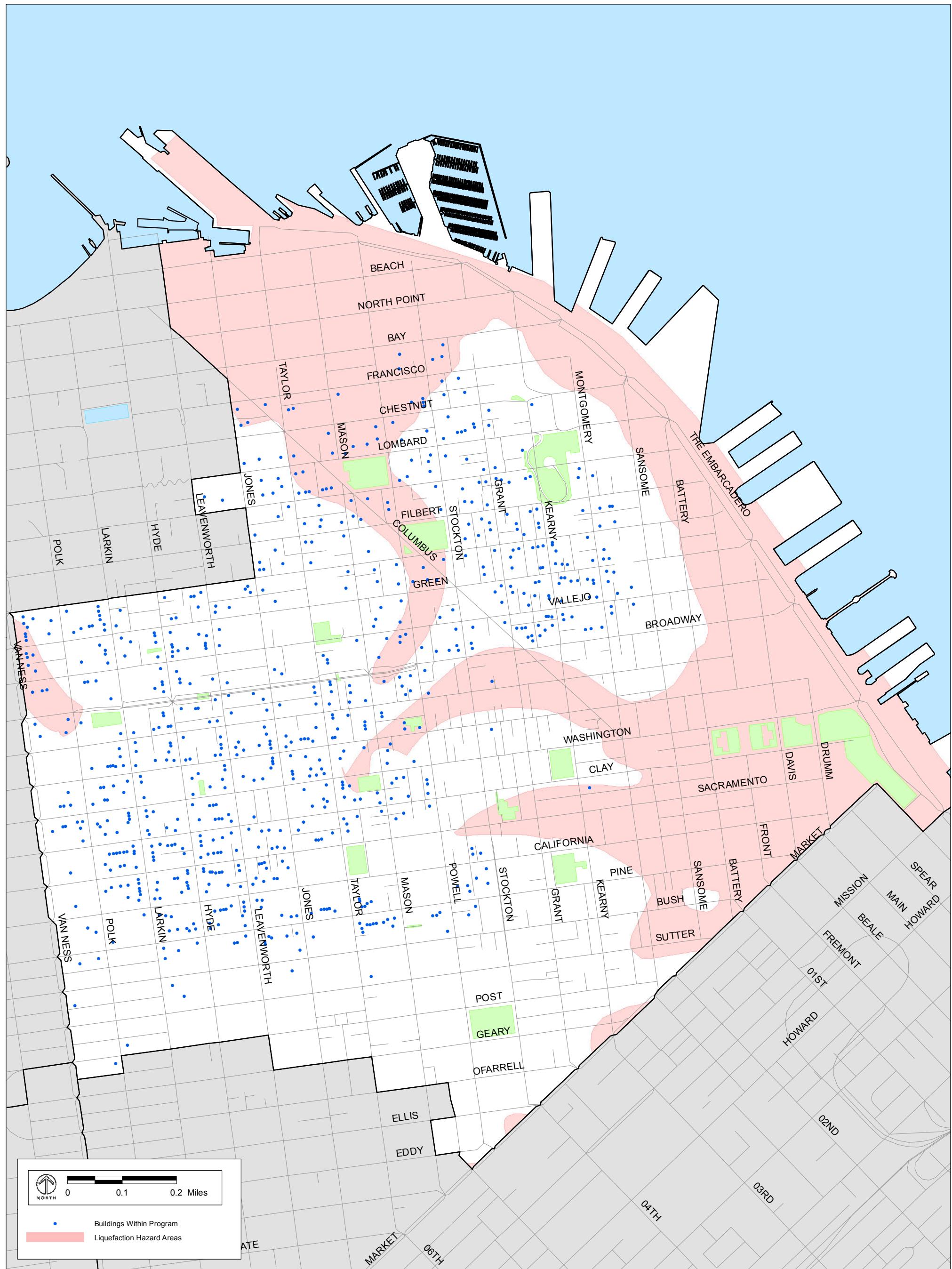


Source: Department of Building Inspection Records, Assessor's Office Records, ESIP Data Analysis

BUILDINGS REQUIRED TO RETROFIT AS OF OCTOBER 10, 2014

SAN FRANCISCO, SUPERVISOR DISTRICT 2

EARTHQUAKE SAFETY IMPLEMENTATION PROGRAM
MANDATORY EARTHQUAKE RETROFIT PROGRAM

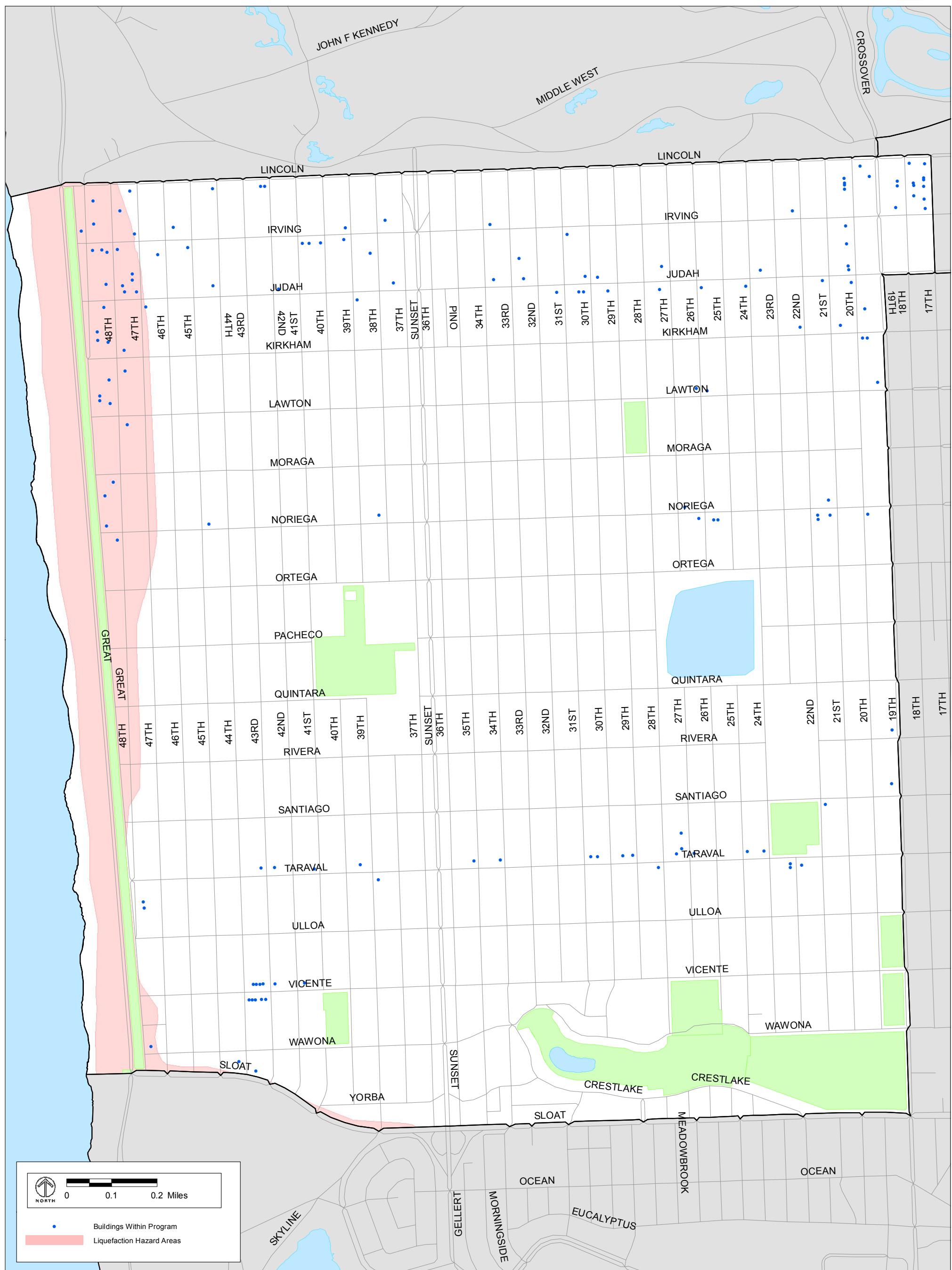


Source: Department of Building Inspection Records, Assessor's Office Records, ESIP Data Analysis

BUILDINGS REQUIRED TO RETROFIT AS OF OCTOBER 10, 2014

SAN FRANCISCO, SUPERVISOR DISTRICT 3

EARTHQUAKE SAFETY IMPLEMENTATION PROGRAM
MANDATORY EARTHQUAKE RETROFIT PROGRAM



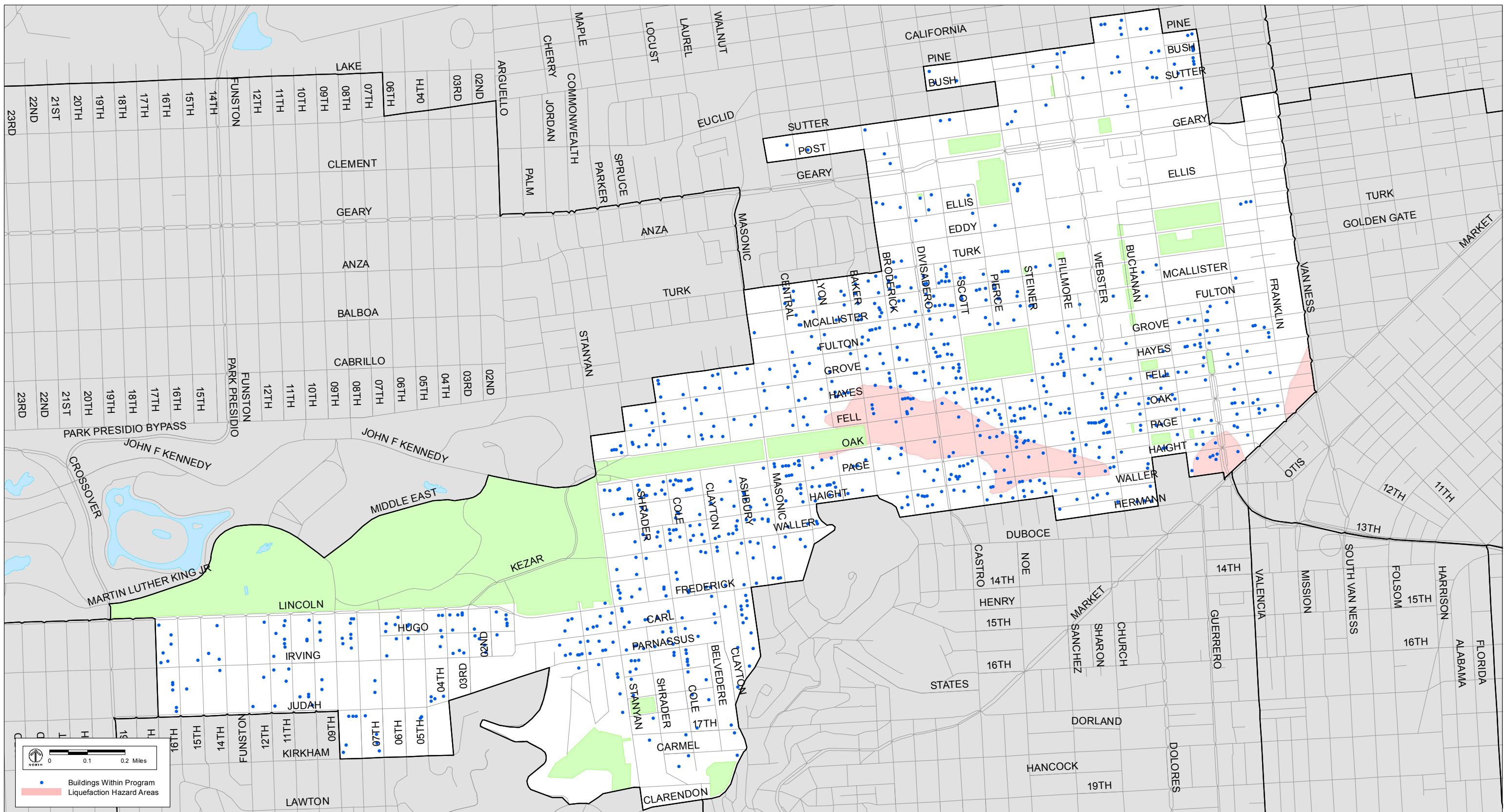
Source: Department of Building Inspection Records, Assessor's Office Records, ESIP Data Analysis

BUILDINGS REQUIRED TO RETROFIT AS OF OCTOBER 10, 2014

SAN FRANCISCO, SUPERVISOR DISTRICT 4

EARTHQUAKE SAFETY IMPLEMENTATION PROGRAM

MANDATORY EARTHQUAKE RETROFIT PROGRAM

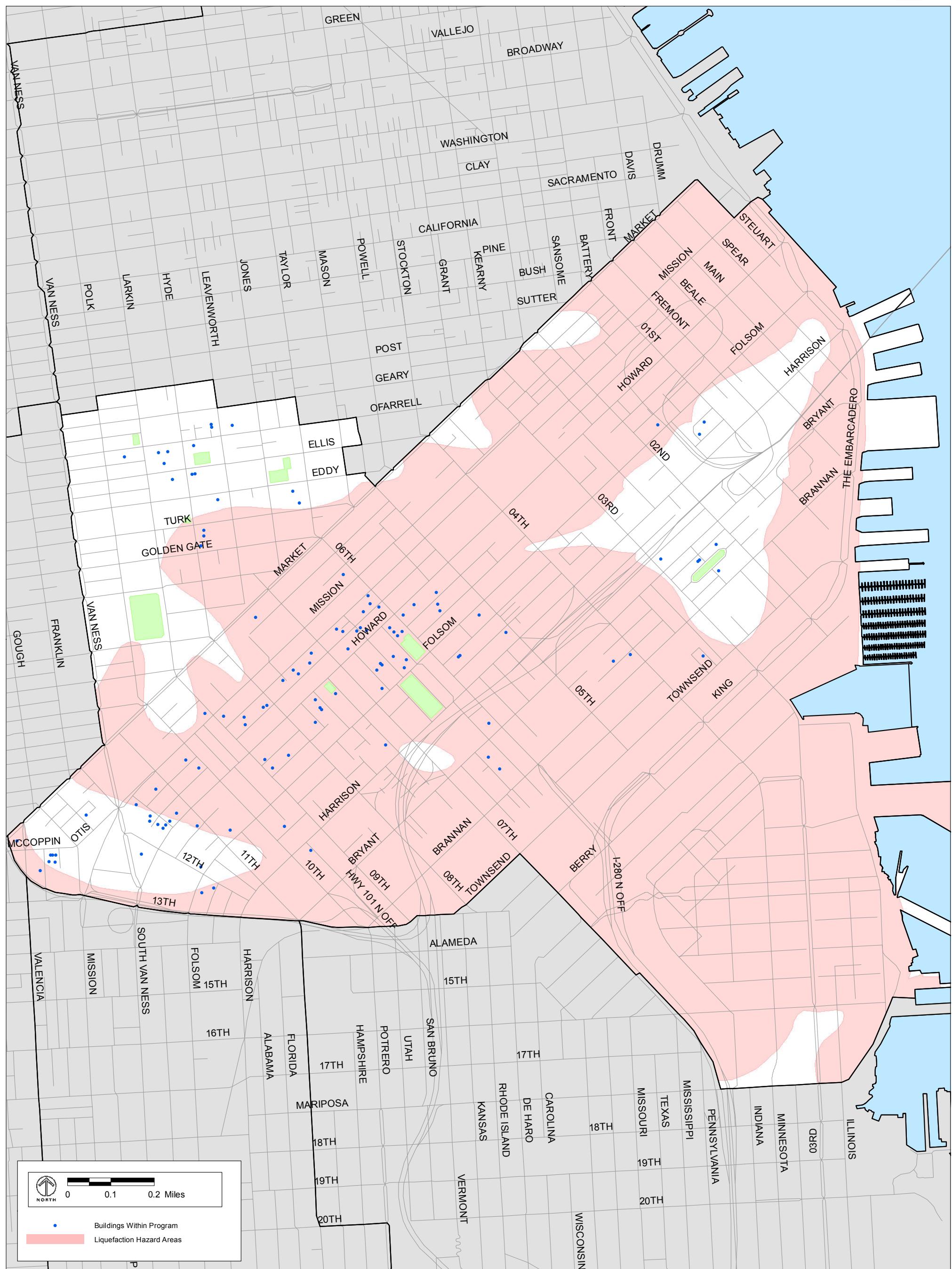


Source: Department of Building Inspection Records, Assessor's Office Records, ESIP Data Analysis

BUILDINGS REQUIRED TO RETROFIT AS OF OCTOBER 10, 2014

SAN FRANCISCO, SUPERVISOR DISTRICT 5

EARTHQUAKE SAFETY IMPLEMENTATION PROGRAM
MANDATORY EARTHQUAKE RETROFIT PROGRAM

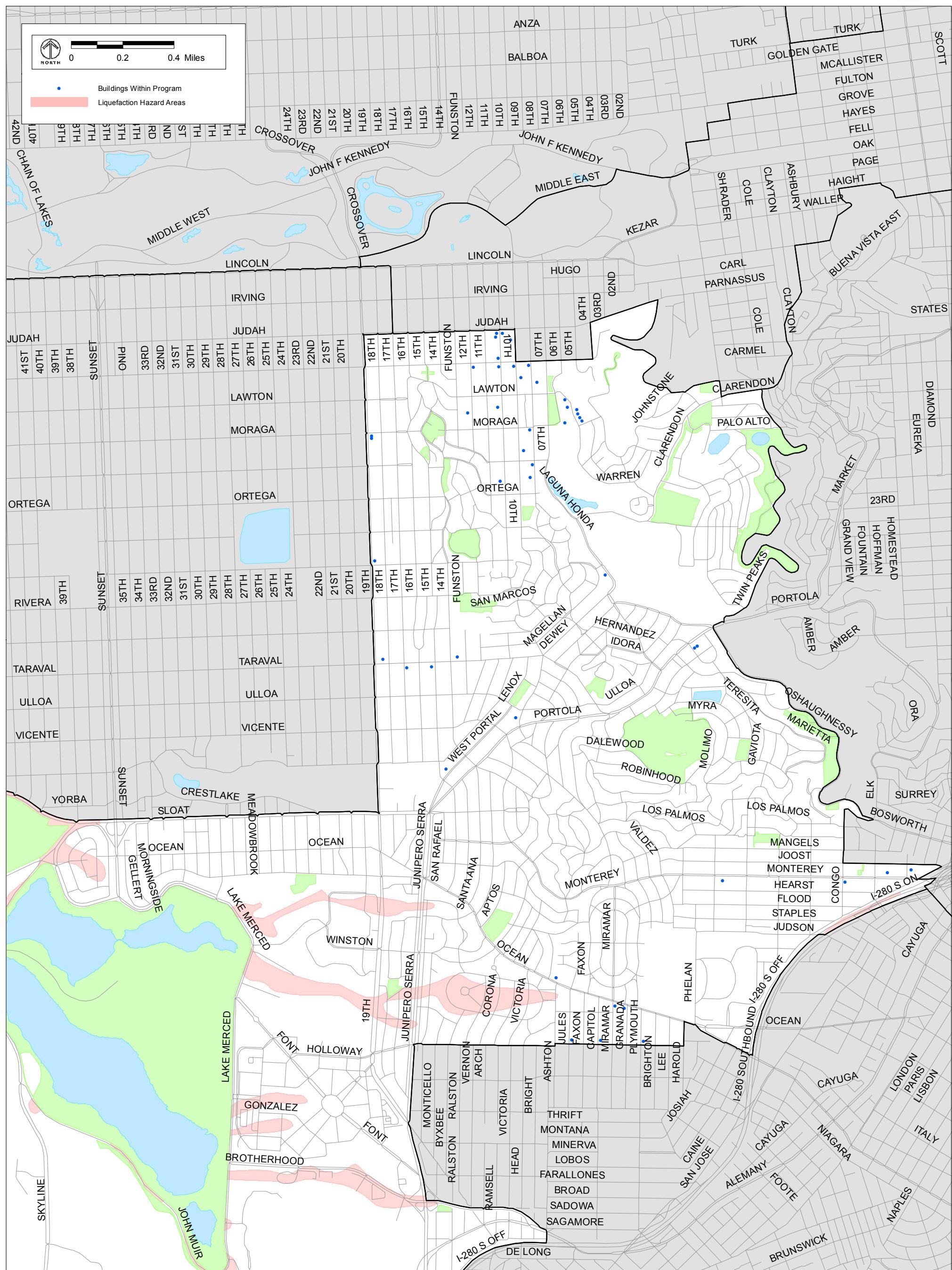


Source: Department of Building Inspection Records, Assessor's Office Records, ESIP Data Analysis

BUILDINGS REQUIRED TO RETROFIT AS OF OCTOBER 10, 2014

SAN FRANCISCO, SUPERVISOR DISTRICT 6

EARTHQUAKE SAFETY IMPLEMENTATION PROGRAM
MANDATORY EARTHQUAKE RETROFIT PROGRAM

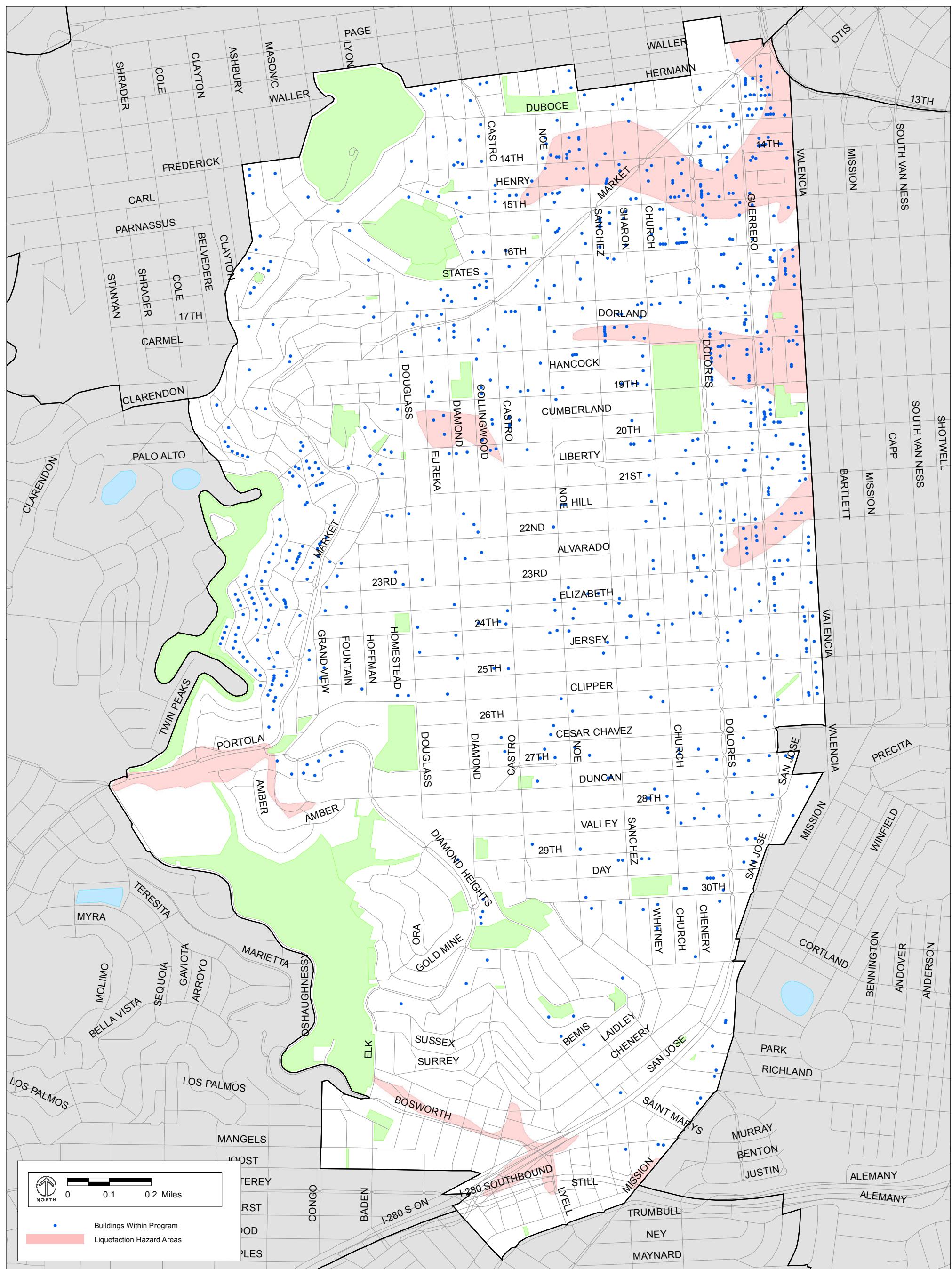


Source: Department of Building Inspection Records, Assessor's Office Records, ESIP Data Analysis

BUILDINGS REQUIRED TO RETROFIT AS OF OCTOBER 10, 2014

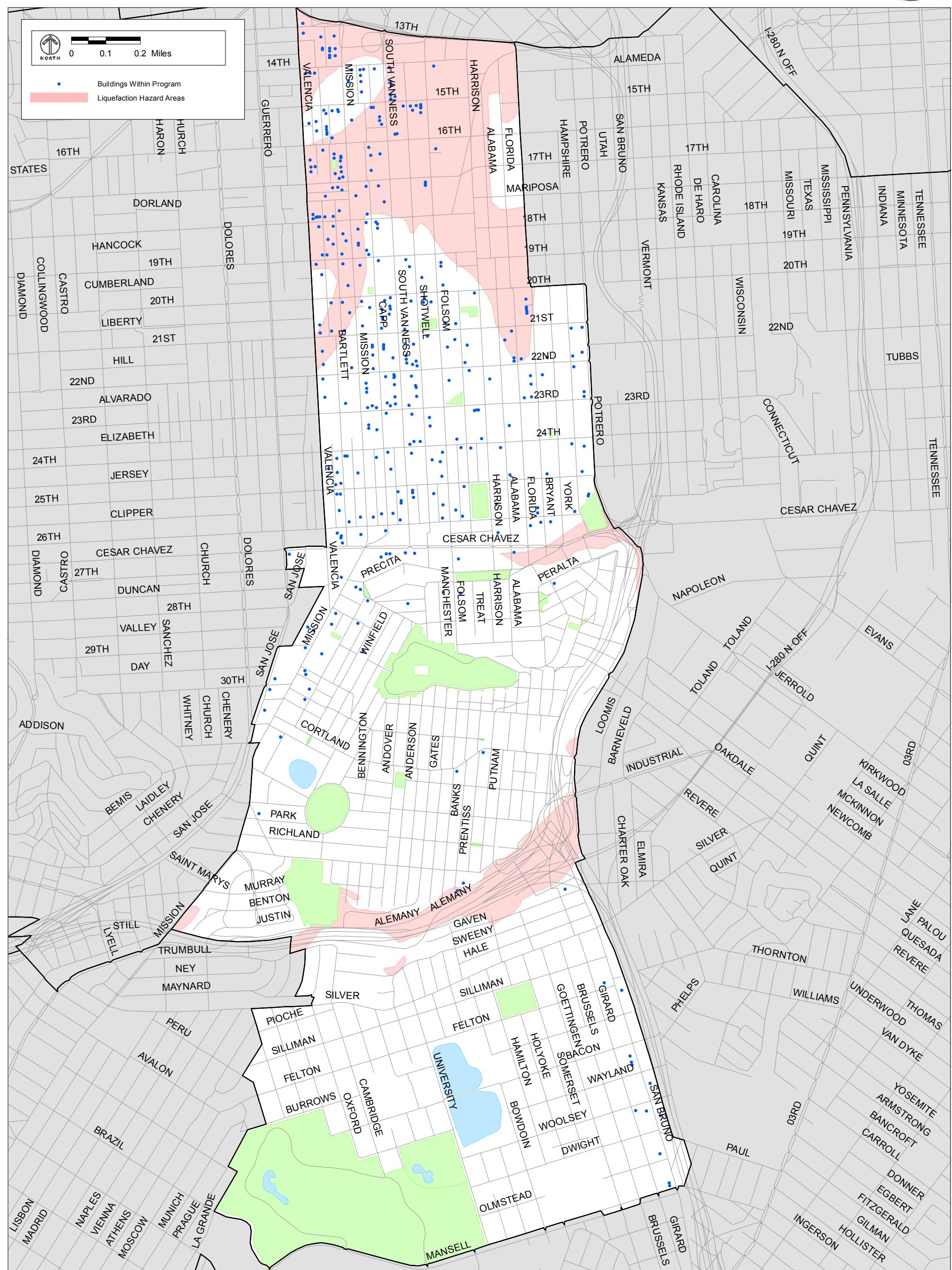
SAN FRANCISCO, SUPERVISOR DISTRICT 7

EARTHQUAKE SAFETY IMPLEMENTATION PROGRAM
MANDATORY EARTHQUAKE RETROFIT PROGRAM



EARTHQUAKE SAFETY IMPLEMENTATION PROGRAM

MANDATORY EARTHQUAKE RETROFIT PROGRAM

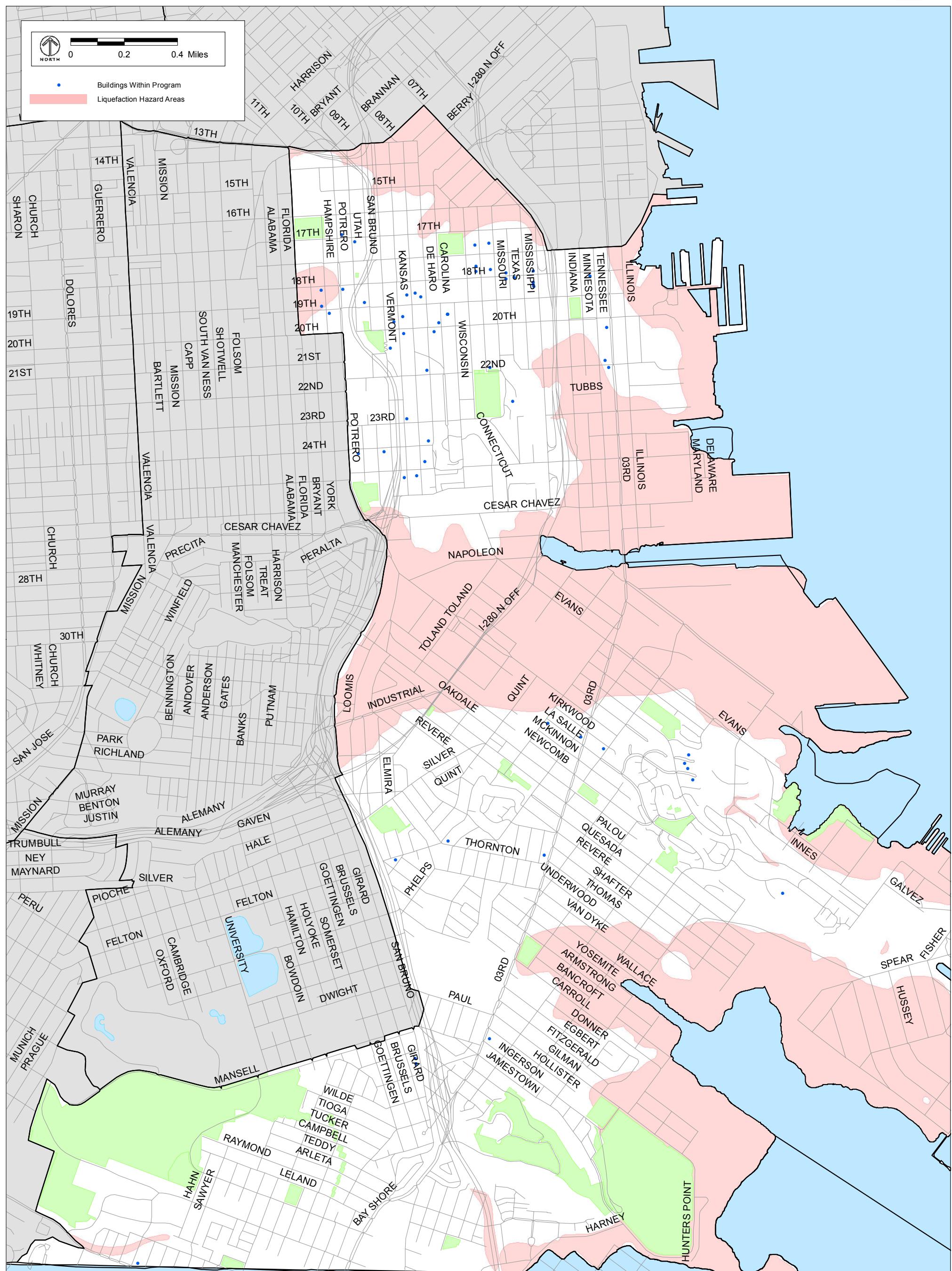


Source: Department of Building Inspection Records, Assessor's Office Records, ESIP Data Analysis

BUILDINGS REQUIRED TO RETROFIT AS OF OCTOBER 10, 2014

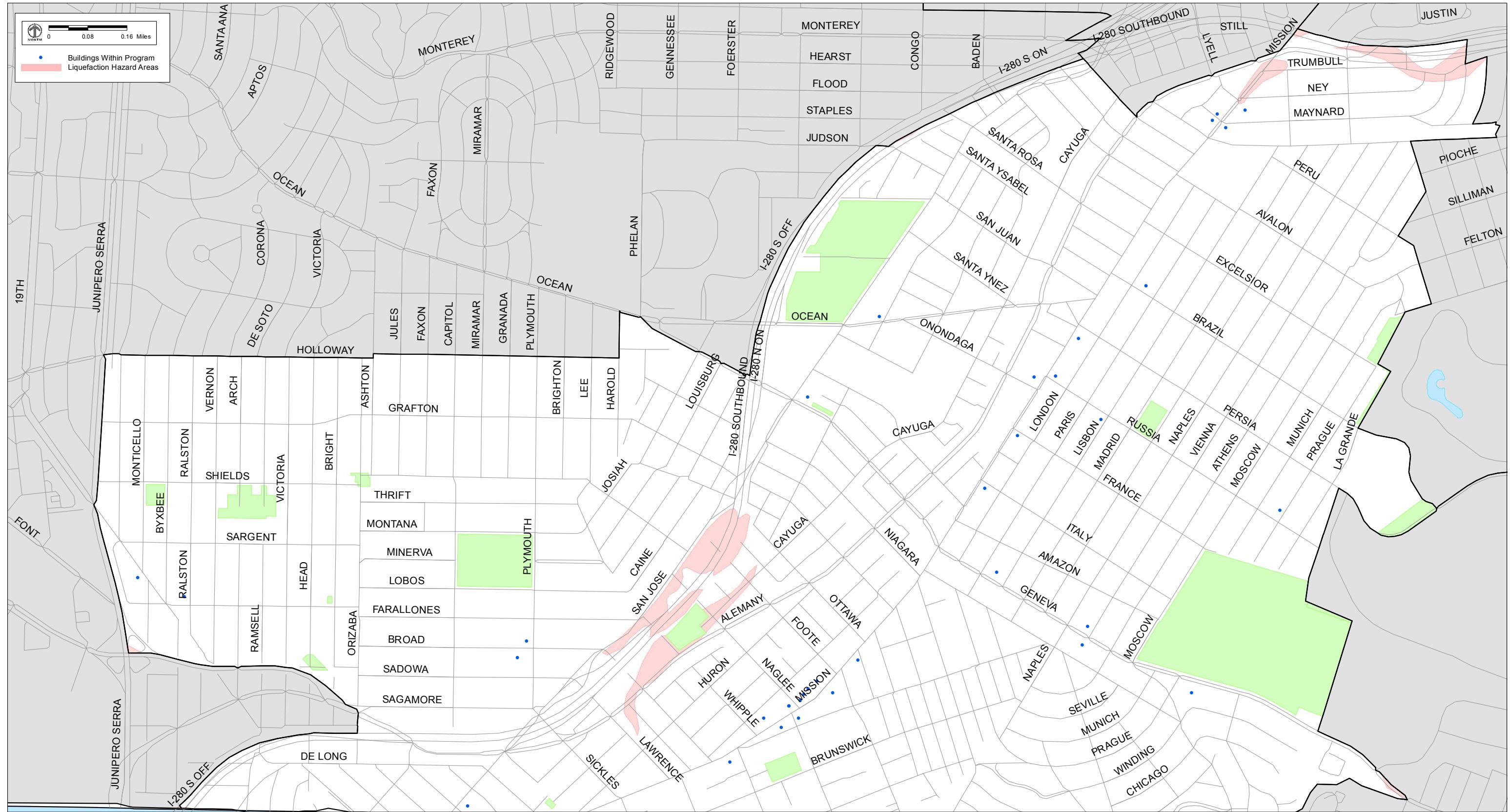
SAN FRANCISCO, SUPERVISOR DISTRICT 9

EARTHQUAKE SAFETY IMPLEMENTATION PROGRAM
MANDATORY EARTHQUAKE RETROFIT PROGRAM





EARTHQUAKE SAFETY IMPLEMENTATION PROGRAM
MANDATORY EARTHQUAKE RETROFIT PROGRAM



Source: Department of Building Inspection Records, Assessor's Office Records, ESIP Data Analysis

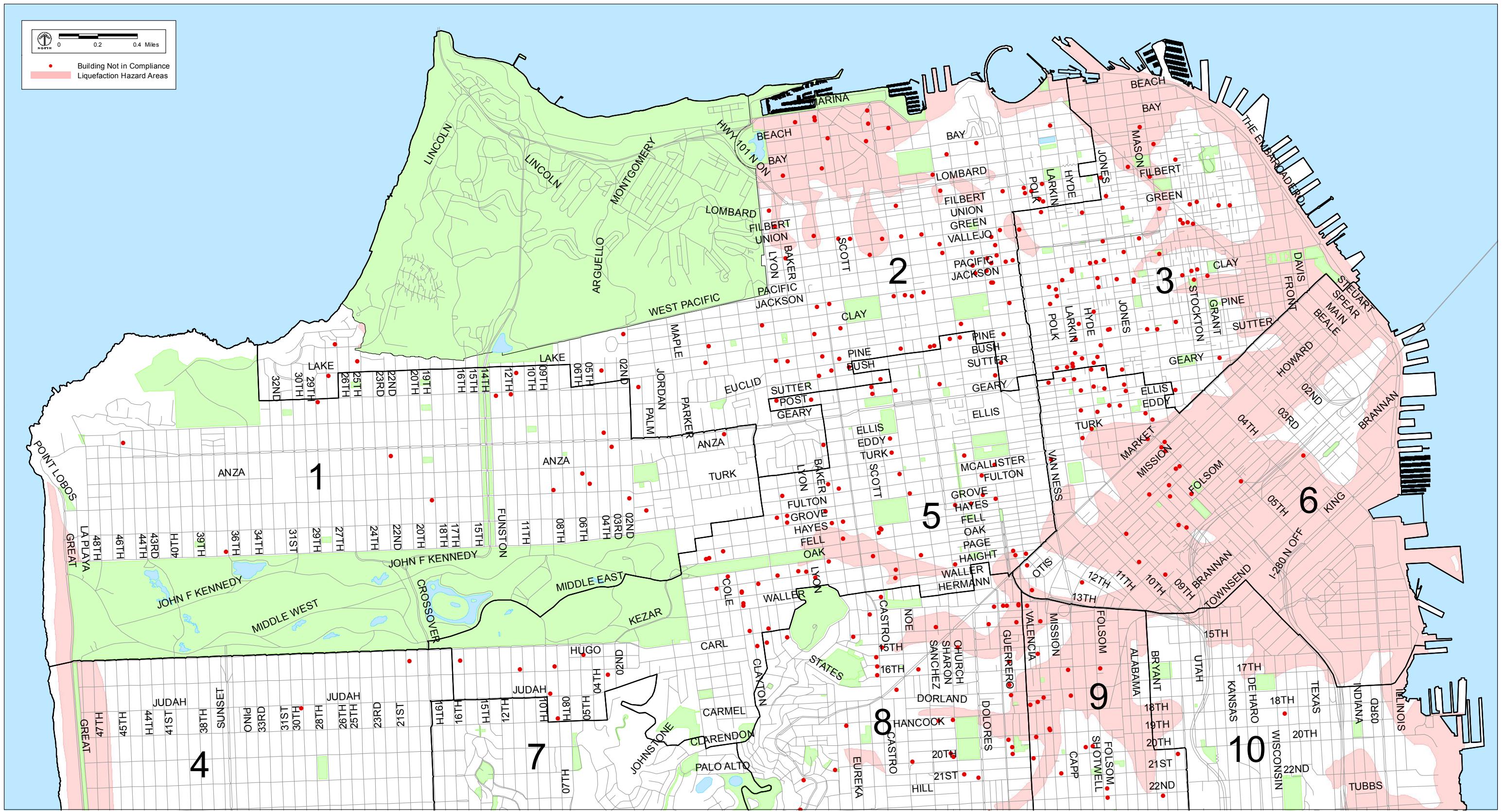
BUILDINGS REQUIRED TO RETROFIT AS OF OCTOBER 10, 2014

SAN FRANCISCO, SUPERVISOR DISTRICT II



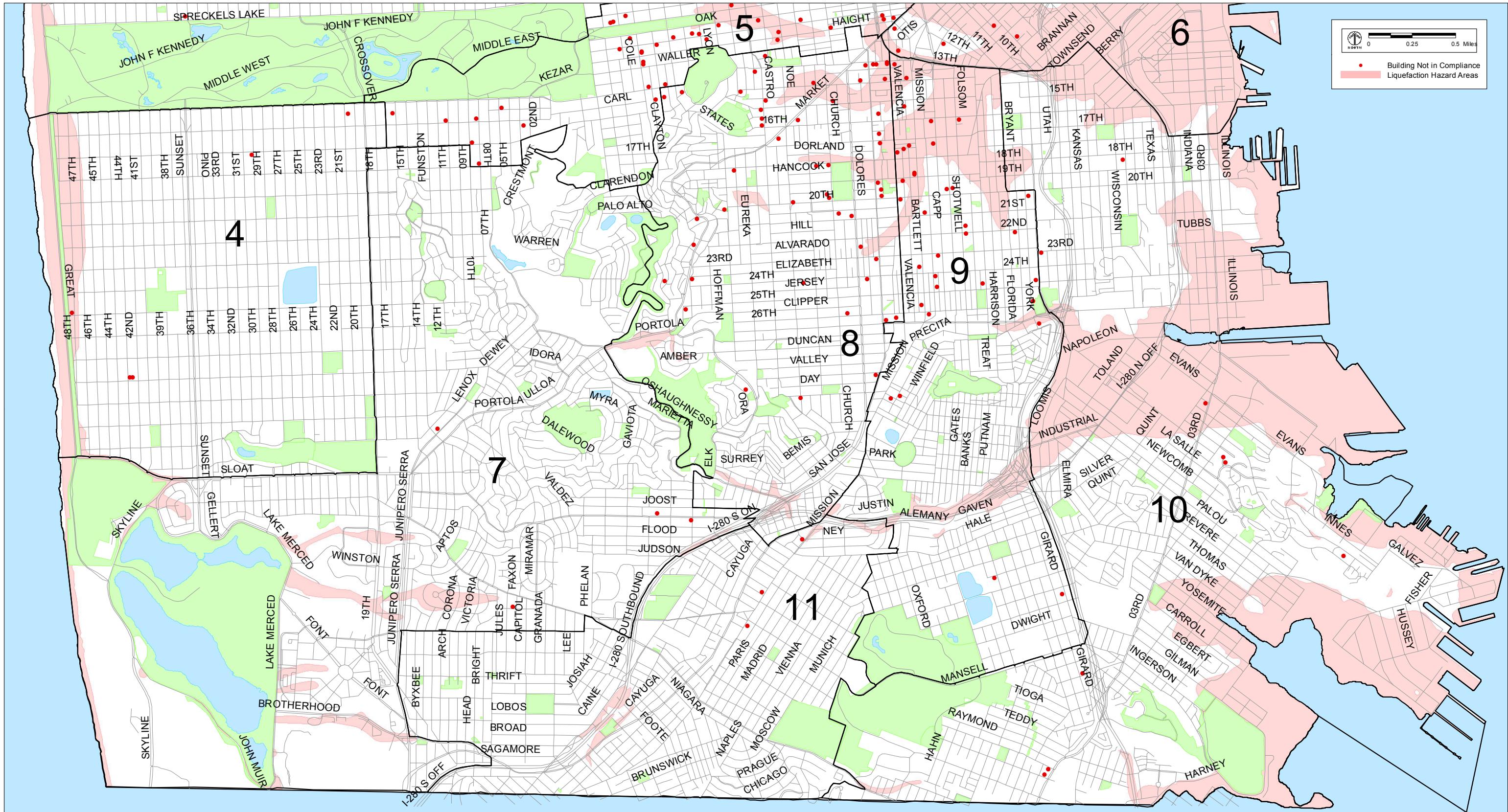
EARTHQUAKE SAFETY IMPLEMENTATION PROGRAM

MANDATORY EARTHQUAKE RETROFIT PROGRAM



EARTHQUAKE SAFETY IMPLEMENTATION PROGRAM

MANDATORY EARTHQUAKE RETROFIT PROGRAM



Source: Department of Building Inspection Records, Assessor's Office Records, ESIP Data Analysis

BUILDINGS NOT IN COMPLIANCE AS OF OCTOBER 10, 2014

SAN FRANCISCO, SOUTH