
Legislative Review:	BOS File No. 200785
Name:	Ordinance – Existing Building Code - Mandatory Earthquake Retrofit - Compliance Deadline
Sponsor(s):	Supervisor Mandelman
Date Introduced:	July 21, 2020
BOS Committee:	Land Use and Transportation Committee

Existing law:

Chapter 5E of the Existing Building Code mandates the earthquake retrofit of wood-frame buildings. Section 505E.2 has a Table with compliance deadlines for four compliance tiers, including a deadline for completion of the work. Tier IV is the last category of buildings to be retrofitted and the work must be completed by September 15, 2020, seven years from the operative date of the mandate.

Proposed changes:

This ordinance will extend the deadline for completion of the work for Tier IV buildings until September 15, 2021.

Background Information:

Due to economic challenges related to the COVID-19 pandemic, both businesses and properties owners have asked for more time to allow both entities determine when it is best to complete the work.

- 1014 – Tier 4 properties identified in 2013, estimated to impact a minimum 2028 businesses with an approximate two commercial spaces per property
- September 15, 2018: Submittal of Permit Applications required
- September 15, 2020: Completion of Work and Issuance of Certificate of Final Completion required
- There are 54 days remaining to complete the soft story retrofit work (as of 7/24/2020)
- For 53 days, soft story construction could not take place due to the Stay at Home order. (March 17 to May 4, 2020)
- 31 or 3% properties have not filed for permits
- 568 or 56% properties have completed the work
- 415 or 41% properties still need to complete the retrofit work. This equates to roughly 830 businesses impacted. 250 properties have been issued permits. 165 properties have filed for permits, but those permits have yet to be issued.
- On average it takes 3 to 6 months to complete the work, longer if there is a sub-basement (This is anecdotal data from speaking with businesses, not from permit data)
- The number of properties that completed their soft story work between January 2020 and now is 10%.

- Before COVID19:
 - It was a financial struggle for many businesses that had to temporarily close for several months.
 - A [2020 study](#) looked at 180 commercial spaces in District 1, 2 and 5 Tier 4 properties. The work was completed by the end of 2019. 46% of these commercial spaces had tenant turnover.

The Small Business Commission submitted a set of [recommendations](#) to the Economic Recovery Taskforce, on May 11, 2020. One recommendation specifically addressed extending the retrofitting timeline for Tier 4 properties:

The existing compliance deadline for Soft Story is September 15, 2020. There are 463 properties that still need to complete the work. Extend the deadline by two years for properties that have not started construction and commercial spaces occupied by an active tenant.

The Office of Small Business Director, the Department of Building Inspection and Supervisor Mandelman's office discussed the Small Business Commission's two-year extension recommendation. It was agreed upon that a one-year extension be granted and reassessed in approximately nine months.

Considerations:

There are a number of businesses that cannot open for the foreseeable future due to the local emergency. For properties leasing to these businesses, completing required retrofitting work now may be in theirs and the business's best interest. Thus, it is strongly recommended that the Small Business Commission and the City urge property owners to complete retrofitting during the existing shelter in place period.