



Concrete Building Safety Program

Stakeholder Working Group Meeting #7 Summary Memo

August 10, 2023

Working Group Attendees (18)

City & County of San Francisco Staff (4/9)

<u>Invited</u>	<u>Attended</u>
Judson True, <i>Director of Housing Delivery, Office of Mayor Breed</i>	-
Lisa Gluckstein, <i>Housing & Land Use Policy Advisor, Office of Mayor Breed</i>	X
Raquel Bito, <i>President, Building Inspection Commission</i>	-
Neville Pereira, <i>Deputy Director of Permit Services, Department of Building Inspection</i>	-
Raymond Lui, <i>Structural Engineering Section Manager, San Francisco Public Works</i>	X
Dan Sider, <i>Senior Advisor for Special Projects, San Francisco Planning Department</i>	-
Liz Watty, <i>Director of Current Planning, San Francisco Planning Department</i>	-
Susan Ma, <i>Joint Development, Project Manager, Office of Econ. & Workforce Dev.</i>	X
Holly Babe Faust, <i>Construction Rep., Mayor's Office of Housing & Comm. Dev.</i>	X

Technical Experts (5/6)

<u>Invited</u>	<u>Attended</u>
Duke Crestfield, <i>Principal, Triangle Engineering</i>	X
Ned Fennie, <i>Architect, DBI Code Advisory Committee</i>	X
David Friedman, <i>Board Member, SPUR</i>	X
Sarah Atkinson, <i>Earthquake Resilience Policy Manager, SPUR</i>	-
Robert Kraus, <i>Structural Engineer, Structural Engineers Assoc. of Northern California</i>	X
Jenna Wong, <i>Assistant Professor of Civil Engineering, San Francisco State University</i>	X

Residential Building Owners (5/8)

<u>Invited</u>	<u>Attended</u>
Chris Cummings, <i>Dir. of Housing Development, Tenderloin Neighborhood Dev. Corp.</i>	X
Heather Lea Heppner, <i>Housing Preservation Mgr., Chinatown Comm. Dev. Center</i>	X

Concrete Building Safety Program

Stakeholder Working Group Meeting

Janan New , <i>Executive Director, San Francisco Apartment Association</i>	-
Charley Goss , <i>Govt & Community Affairs Mgr., San Francisco Apartment Association</i>	X
George Orbelian , <i>Building Owner, 640 Mason Street</i>	-
Freeda Rawson , <i>Associate Director of Resident Services, Mercy Housing California</i>	-
Mary Gassert , <i>Board Member, Cathedral Hill Neighborhood Association</i>	X
Marlayne Morgan , <i>Chair, Van Ness Neighborhood Association</i>	X

Commercial Building Owners (0/3)

<u>Invited</u>	<u>Attended</u>
Alex Bastian , <i>Director, Hotel Council of San Francisco</i>	-
Lisa Yergovich , <i>Principal, Architectural Resources Group (on behalf of BOMA SF)</i>	-
David Harrison , <i>Gov & Public Affairs Manager, BOMA San Francisco</i>	-

Concrete Building Safety Program

Stakeholder Working Group Meeting

Tenant Representatives (0/4)

Invited

John Elberling, *Executive Director, Yerba Buena Neighborhood Consortium*

Raquel Redondiez, *Director, SoMa Pilipinas*

Fred Sherburn-Zimmer, *Executive Director, Housing Rights Committee of SF*

Alicia Sandoval, *Tenant Counselor, Housing Rights Committee of SF*

Attended

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Business Representatives (0/3)

Invited

Rodney Fong, *President & CEO, San Francisco Chamber of Commerce*

Emily Abraham, *Dir. of Legislative & Community Affairs, SF Chamber of Commerce*

Johnny Jaramillo, *Executive Director, PlaceMade*

Attended

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Labor Representatives (0/1)

Invited

Rudy Gonzalez, *Secretary-Treasurer, SF Building & Construction Trades Council*

Attended

-

Builders & Developers (2/3)

Invited

Matt Field, *President, TMG Partners*

Gregory Johnson, *Associate Director, CBRE*

Brian Main, *Vice President, Construction Manager, Plant Construction*

Attended

X

X

-

Other Attendees (2)

Maria Zamudio

Roisin Isner

Project Team Attendees (7)

Office of Resilience & Capital Planning (2), Project Lead

Brian Strong, *Chief Resilience Officer*

Laurel Mathews, *Senior Earthquake Resilience Analyst*

Applied Technology Council (1), Technical Lead

Ayse Hortacsu, *ATC Project Technical Team Manager*

Concrete Building Safety Program

Stakeholder Working Group Meeting

CivicMakers (2), Engagement Lead

Judi Brown, *Project Director & Lead Facilitator*

Kyle Wicks, *Project Manager*

Other City Staff (2)

Christine Gasparac, *Assistant Director, Department of Building Inspection*

Patrick Hannan, *Communications Director, Department of Building Inspection*

Meeting Purpose

1. The Working Group aligns around the Guiding Principles that were shared at the June meeting to help guide decision making and recommendations for the Executive Panel in October.
2. The Working Group gets updates on the Communications and Financing subgroups activities that occurred since the last meeting.
3. The Working Group brainstorms solutions for addressing some of the considerations from Communications & Financing.

Meeting Background Materials

1. [CBSP Working Group Meeting #7 Slide Deck](#)
 2. [Meeting #7 Agenda](#)
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Meeting Summary

Welcome, Agenda Overview, & Guiding Principles

Patrick O'Riordan, the Director of the Department of Building Inspection, welcomed participants to the 7th Working Group meeting. He expressed his gratitude for the attendees' expertise and time devoted to the program, highlighting the vital role they play in crafting an effective and workable solution. O'Riordan emphasized the relevance of earthquake risk in San Francisco and recalled his personal experience during the 1989 earthquake. This experience led him to consider building safety and life safety as his priorities.

Patrick O'Riordan focused on the importance of seismic safety, the challenges posed by earthquake risks, and the need for innovative and effective strategies, particularly in the context of residential buildings. He expressed his anticipation for receiving recommendations from the working group to enhance building safety and make San Francisco a safer place to live.

Laurel highlighted the substantial progress achieved by the respective subgroups since the previous meeting. These efforts were highlighted as vital steps towards developing draft recommendations and considerations that would bring the program closer to implementation.

Concrete Building Safety Program

Stakeholder Working Group Meeting

Laurel provided a recap of the previous meeting. She recapped the discussion of what buildings are in vs out of the program and what level of retrofit. In particular, she highlighted that the “Option A” retrofit criteria would allow building owners to retrofit for a smaller, more common earthquake as long as they address 7 key deficiencies that are commonly responsible for collapse of concrete buildings. This “Option A” retrofit criteria may produce a less invasive retrofit solution that does not require all tenants to relocate.

Transitioning to the current meeting, Laurel acknowledged concerns expressed by the financing working group about a perceived rush. She emphasized a comprehensive timeline beyond the current meeting cycle, assuring ongoing opportunities for engagement and open lines of communication even after recommendations are submitted in October. Brian Strong stepped in, reiterating the commitment to sustained engagement, including the possibility of future meetings to accommodate changing dynamics and requirements as the program evolved. Laurel said that the City is behind by several years on the timeline identified in the City’s Earthquake Safety Implementation Program and recognizes that a large earthquake could occur any time.

Judi described the set of priorities and guiding principles established by the working group at meeting #6. These principles were collectively articulated as priorities to steer decision-making. Notably, feasibility was mentioned by thirteen participants. Life safety and public safety were mentioned by ten participants. Economic vitality was emphasized by nine participants. Other recurrent guiding principles included disaster earthquake recovery, housing preservation, anti-displacement measures, efficacy, fairness, identifying financial incentives, environmental sustainability, and historic preservation.

Judi noted that the working group’s recommendations will be incorporated into a ranking form that will be sent out after the meeting.

Before transitioning to the communications group discussion, Judi Brown opened the floor to reflections and questions from participants. Marlayne Morgan posed a question regarding the seismic safety standards adopted by the city of Los Angeles for their program, specifically inquiring about options A and B of the retrofitting standards. Robert Kraus mentioned that Los Angeles had opted to focus on buildings constructed prior to 1976. Los Angeles is requiring all buildings to retrofit to a standard similar to the “Option B” scenario, and is not giving owners the options to choose an “option A” like San Francisco is. Laurel noted that San Francisco is aiming to focus on code year 1997 rather than 1976 because of notable and deadly collapse of concrete buildings that were constructed in the 80s and 90s (in Christchurch, Northridge, Mexico City).

Communications Subgroup Recommendations & Discussion

Charlie Goss started the communications discussion. He introduced a set of recommendations that emerged from the communications subgroup's discussion. These recommendations were aimed at effectively communicating with building owners and tenants about the seismic retrofit program. The group drew inspiration from the successful outreach strategies used in the past, particularly the soft story program. Charlie emphasized the importance of clear, early, and consistent communication through various media channels, as seen in the soft story program. He suggested reaching out to building owners suspected of being impacted through direct mailers or notifications. In-person outreach events

Concrete Building Safety Program

Stakeholder Working Group Meeting

were also highlighted as effective ways to engage owners, as demonstrated by earthquake retrofit fairs and community programs organized by the Department of Building Inspection (DBI).

The group proposed collaborating with nonprofits and community organizations to ensure outreach to underserved communities in multiple languages. This could involve partnering with community groups, neighborhood associations, and offering assistance through office hours, district tours, and a dedicated phone hotline staffed with knowledgeable personnel.

Maria Zamudio shared the communications recommendations related to tenant communication. She stressed the need to provide accurate information to tenants, explaining the retrofit's purpose and necessity. Maria highlighted the importance of diverse communication methods, including collaborations with schools and community organizations. She emphasized tenants' right to return after retrofitting and the provision of tenant services, ensuring information is available in multiple languages.

Roisin Isner echoed Maria's concerns, underscoring the health and safety risks associated with displacement. She emphasized that eviction can have severe negative health outcomes, especially for vulnerable groups. Maria and Roisin jointly highlighted the significance of preventing displacement.

Heather Heppner emphasized the need for a comprehensive FAQ document to address common concerns and fears among residents. She proposed clarifying key points, such as the retrofit's impact on rent and insurance. Heather highlighted the importance of reducing project-related stress for residents.

David Friedman discussed the challenges of communicating about the danger of non-ductile concrete buildings to the general public. This communication effort is more complex than previous programs due to the unintuitive risk (brittle building) compared to soft story (weak/open ground floor). The subgroup recognized the need for effective communication to ensure public understanding and support.

Transitioning to full group discussion of the proposed communications recommendations, Matt Field asked whether Option B could potentially be made more appealing by allowing owners to eliminate or reduce earthquake insurance if mandated by their lenders. He mentioned that lenders and people reviewing probable maximum loss (PML) reports will be much more familiar and comfortable with Option B.

Maria and Heather underscored the significance of crafting tenant messages that extend beyond relocation - i.e. communications about construction noise and impacts. They said it is important to establish a clear timetable for the retrofit process to reduce uncertainty and build a communications plan accordingly.

The topic of tenant notices was addressed in depth. Drawing parallels with existing practices related to tenant law, participants discussed the practicality of ensuring tenants received notifications and how it might align with the processes of various city departments, particularly the Rent Board. The conversation also touched on the triggers for tenant relocation. While certain triggers were straightforward, such as

Concrete Building Safety Program

Stakeholder Working Group Meeting

units becoming uninhabitable, other less concrete factors like noise disruption due to construction were acknowledged as potential considerations. The complexity of obtaining insurance for construction in occupied buildings was discussed, with participants recognizing the evolving nature of the insurance market and the challenges associated with coverage during retrofit work. The need for coordination between different city departments, particularly the Rent Board, to develop standardized forms and notifications for owners and tenants was emphasized.

In summary, the value of clear communication, differentiation between options, and sustained engagement throughout the retrofit process remained at the forefront of the discussion. The subgroup recognized the importance of creating a clear and comprehensive FAQ document to alleviate concerns and provide accurate information to building owners and tenants. The recommendations put forth by the Communications Subgroup will be compiled into a voting form for the broader Working Group to vote on, prioritizing the recommendations.

Finance Subgroup Recommendations & Discussion

During the next segment of the meeting, the focus shifted to the finance subgroup's recommendations.

Matt Field noted that loans and tax abatements were two ideas raised at the subgroup meeting. The subgroup highlighted the distinctions between residential and commercial properties. Matt proposed launching the ordinance along with a financing plan that lays out options available to owners and identifies policies, strategies, and interventions that the city will pursue over the course of the 20+ year program. Mary Gassert said that some property owners generate income from their property while others are cash-poor and depend on equity to support them in retirement. In particular, Mary raised the concern that some residents are seniors on fixed incomes who have a limited ability to raise money or take on debt.

Mary said that grants would be the most suitable approach for people unable to generate income from their property; though a mix of solutions will be necessary to meet the needs of residential, commercial, and non-profit owned buildings. Mary suggested that grant funding be secured and made available before the screening phase of the ordinance begins, so that owners can act quickly to complete the retrofits and prevent a sustained hit to their property values.

The subgroup stressed the importance of establishing a financing program or plan that is easy to access for various types of building owners. They expressed concerns about the potential impact to property values of this program.

The subgroup raised the idea of leveraging tax increment financing, maybe via the formation of an infrastructure financing district. The subgroup emphasized the need for simplicity and flexibility in the financing approach to ensure widespread accessibility and understandability. The subgroup emphasized the need to incentivize property owners to comply with the ordinance to support the program's life

Concrete Building Safety Program

Stakeholder Working Group Meeting

safety goal, even when facing significant financial burdens. They acknowledged the potential for buildings to become financially unviable and highlighted the importance of offering alternatives such as demolition and redevelopment to avoid leaving property owners in untenable positions.

Chris Cummings shared insights on the unique challenges faced by affordable and nonprofit property owners and developers in San Francisco. He emphasized that they lack the net operating income to support taking on debt, even low interest loans like the PASS program. One source of funding that is uniquely available to non-profit housing is state grant funding programs. Chris said that a long timeline is needed to increase the opportunities to access successive rounds of state grant funding that can be applied toward retrofits. TNDC also purchases and maintains buildings that are not deed-restricted but do house extremely low-income people in rent-controlled units. They likely would not be able to use cost recovery measures like pass through even on these non-deed-restricted units.

Moving back to market-rate units, the group spent some time discussing the city's existing rent control ordinance and getting on the same page about what level of pass-through is currently in place.

A ranking form will be circulated with the recommendations discussed at this meeting.

Concrete Building Safety Program

Stakeholder Working Group Meeting

Wrap Up & Next Steps

Before wrapping up the conversation, Laurel Mathews informed the group about upcoming steps, including a survey to prioritize recommendations, with the aim of presenting a cohesive set of proposals to the Executive Panel.