



#### PORTLAND BUREAU OF EMERGENCY MANAGEMENT

Steve Novick, Commissioner-in-Charge • Carmen Merlo, Director 9911 SE Bush Street, Portland, OR, 97266-2562 (503) 823-4375 • Fax (503) 823-3903 • TDD (503) 823-3947

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Planning and Sustainability Commission 1900 SW 4th Avenue, Suite 7100 Portland, OR 97201-5380

Dear Chair Schultz and Commission Members:

The Portland Bureau of Emergency Management (PBEM) appreciates the opportunity to comment on the proposed Central City 2035 Plan. Specifically, PBEM urges the Planning and Sustainability Commission to include seismic retrofitting along with affordable housing in the proposed floor area ratio (FAR) transfer provisions.

It is critical to ensure that housing and social service centers are preserved in an earthquake, for the same reasons that affordable housing concerns are at the forefront now. After a damaging earthquake, housing costs will rise, and the demand for social services will grow. The problem of homeless and displaced residents, already grim, will become worse. To prevent this, we must promote seismic retrofits of apartments, community centers, and churches ahead of an earthquake. FAR transfer is one way to make this financially feasible.

# Portland's Earthquake Risk

Portland has significant earthquake risk from the Cascadia Subduction Zone (CSZ), which lies just off the Oregon coast. A <u>recent study</u> concludes that the probability of a CSZ earthquake in the next 50 years is 15-20%. A full rupture along this fault could result in a magnitude 9.1 earthquake with up to five minutes of shaking. And although the effects of the earthquake would be attenuated somewhat from the coast to the city, the strength and duration of shaking felt in Portland is expected to be massive. Portland is also at risk from local, shallow earthquakes including the Portland Hills Fault that runs along the Portland Hills near downtown. Earthquakes along this fault are much harder to predict, but the impact of movement along this fault could be even more destructive, since it would be centered directly under the city.

#### The Problem of Unreinforced Masonry

Any earthquake would be harmful primarily because of the effects on the built environment. Unreinforced masonry (URM) structures are among the most vulnerable buildings, susceptible to major damage even in a moderate earthquake. Because of the significant risk that URM buildings pose to both occupants and bystanders, they have been the focus of significant effort

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on the part of the Bureau of Emergency Management (PBEM) and others.

Since 2014, PBEM has been working in concert with the Portland Development Commission and the Bureau of Development Services to address the problem of unreinforced masonry by requiring the retrofit of all Portland URM buildings. We have engaged experts in the areas of geology, engineering and architecture, as well as building owners, managers and non-profit, historic preservation, and affordable housing advocates. They have contributed to a program that will set standards and a timeline for mandatory retrofits, and provide a suite of assistance to make this work financially feasible for property owners.

## **Equity Impacts**

The Policy Committee was especially concerned about potential impacts of this new URM policy on affordable housing providers. Our Policy Committee included representatives from Central City Concern and the Portland Housing Bureau. We also heard from REACH Community Development. The proposed policy was vetted by these groups and provides for special timelines if needed, to ensure that no permanently affordable housing is lost because of the requirement to retrofit the buildings. Nearly 1,000 affordable residential units in the Central City are in URM buildings. Citywide, URM buildings represent at least 7,000 residential units.

Retrofitting the permanently affordable housing is not enough to protect low-income residents following a disaster. All disasters disproportionately impact people with less income and fewer resources. An earthquake would be particularly harmful in Portland because of the existing housing shortage; an event that damaged a large portion of the housing stock would cause rents to skyrocket. The demand for emergency shelter and services in community centers, churches, and schools would also be overwhelming. Many downtown churches in particular provide social services (food banks, overnight shelters, clinics), and there are a number of low-market rent URM buildings in the Central City. We can only hope to address Portlanders' emergency needs adequately if we work now to retrofit these existing buildings.

## **Retrofit Financing and the Transfer of Development Rights**

Creating mechanisms for owners to finance building retrofits is key in a mandatory retrofit program. As you might expect, direct financial assistance for improvements is challenging. Transferrable development rights, in the form of floor-area-ratio (FAR) credits that can be sold, are one way to make seismic retrofits financially feasible. The Policy Committee has recommended that the City create opportunities for URM owners to sell unused FAR. Unlike tax credits and other mechanisms that require state approval, FAR transfer is within the City's control.

For these reasons, PBEM strongly supports creation of FAR transfer in exchange for seismic retrofitting. In many ways this credit provides benefits vulnerable populations most of all—the same group served by the affordable housing credit.

Towards a resilient Portland,

Carmen Merlo, Director

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