

## IMPACT STATEMENT

**Legislation title:** Amend the Seismic Design Requirements for Existing Buildings to require placards and tenant notification for unreinforced masonry buildings (Ordinance; amend Code Chapter 24.85)

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**Presenter name:** Amit Kumar and Nancy Thorington

**Purpose of proposed legislation and background information:**

The City Council directed the Bureau of Emergency Management, Bureau of Development Services, and Prosper Portland to consult with members of the interested public regarding unreinforced masonry buildings (URMs) to discuss strategies for reducing the life safety risk posed by URM buildings that have not been seismically retrofitted. A series of Policy Committee meetings occurred from December 2014 to November 2017 to consider the issue. The Policy Committee supported mandatory seismic retrofitting standards to increase public safety in case of a major earthquake but recognized the financial hardship of retrofitting on many URM building owners.

The Policy Committee presented the information to the City Council on June 13, 2018. Based on that information, the City Council passed Resolution No. 37364 that, among other actions, directed City staff to return to the Council with an ordinance that required URM building owners to post placards near the main entrances of their buildings stating that the building is unreinforced masonry, which may be unsafe in the event of a major earthquake. The Resolution further directed that the ordinance include a requirement for URM building owners incorporate similar language into their rental agreements and to strengthen retrofitting triggers in the existing code (City Code Chapter 24.85).

The Resolution directed that the placarding and tenant notification requirements be effective March 1, 2019. But based on input from the community, the timelines for compliance with the placarding and tenant notification requirements are as follows:

- Publicly-owned URM buildings – January 1, 2019
- Non-profit-owned building – November 1, 2020
- All other URM buildings – March 1, 2019

The ordinance incorporates the direction to staff in Resolution No. 37364.

**Financial and budgetary impacts:**

The ordinance requires that the Bureau of Development Services (BDS) develop a form to track compliance with the placard and tenant notification requirements, collect the forms, and track URM buildings that haven't submitted the compliance form by the deadline in the ordinance. There are more than 1,600 known URM buildings in Portland, so BDS staff will need to track the forms for each of those buildings. This will require staff time to create a method for matching the forms with the known URM buildings. BDS staff will also need to

cross-reference that information with the category of building ownership (City-owned, non-profit-owned, and all other) to determine the appropriate deadline for compliance.

The legislation provides authorization for Portland Fire & Rescue PF&R to inspect URM buildings for compliance with the placarding requirements. If the building is out of compliance with the ordinance, the building owner will have 40 days to bring the building into compliance. PF&R will conduct a re-inspection after the 40-day compliance period. If the building still hasn't been properly placarded, the Fire Marshal will charge a re-inspection fee and turn the case over to BDS for further enforcement. The re-inspection fee will reflect the then-current PF&R fee schedule as adopted by the City Council. The PF&R building inspections are part of their existing period inspections program, so it is not anticipated that PF&R will incur any additional staff costs, other than the re-inspections.

At this time, it is unknown what the level of non-compliance will be, so we won't know the actual staff impacts until the deadlines approach and the inspections are conducted. BDS plans to use existing resources to handle the additional workload associated with this ordinance.

**Community impacts and community involvement:**

The impacted community includes URM building owners, their tenants, and users of URM buildings. Based on staff research, the cost of the placards is approximately \$30 for the placard. There may be an additional cost for attaching the placard to the building if the owner pays someone to do that work.

BDS staff presented the ordinance to the Development Review Advisory Committee (DRAC) for review and comment at their August meeting. DRAC had no comments on the ordinance.

City staff received comments on the placarding and tenant notification requirements from several non-profit URM building owners who stated they believed the public outreach for the placarding and tenant notification requirements were insufficient and the placarding appeared to be "public shaming."

In a letter dated August 17, 2018, to the City Council members, the NAACP Portland Chapter President raised concerns regarding the City's notification process and lack of input from the African American community. Specifically, the letter noted "Oregon has a history of publicly shaming African Americans for being non-complaint about decisions that they did not have equity in." The letter also raised the financial impact on URM building owners of retrofitting. According to the NAACP letter, the African American community intends to comply with the ordinance, while making it clear that "the cost of retrofitted upgrades would be another cumbersome financial burden on a community that has yet to recover from the many racist policies that have impacted the African American community. Reinforcement of said properties would result in astronomic costs, ranging from several thousand to several millions of dollars, depending on the properties."

Based on this community input, the ordinance provides for the following timelines for placarding URM buildings: publicly-owned URM buildings must be placarded by January 1, 2019; URM buildings owned by non-profit entities must be placarded by November 1, 2020; and all other URM buildings must be placarded by March 1, 2019.

It is likely that some URM building owners will testify in opposition to the ordinance.

**Budgetary Impact Worksheet**

**Does this action change appropriations?**

- YES:** Please complete the information below.
- NO:** Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount

10/3/2018

**1039** Amend the Seismic Design Requirements for Existing Buildings to require placards and tenant notification for unreinforced masonry buildings (Ordinance introduced by Mayor Wheeler and Commissioner Saltzman; amend Code Chapter 24.85) 3 hours requested

NOW, THEREFORE, the Council directs:

a. Portland City Code Chapter 24.85 is amended as set forth in Exhibit A.

**Commissioner Fritz Amendment**

**ADD the following directive:**

b. For City-owned Unreinforced Masonry buildings, City staff from property owning bureaus will work in collaboration with the ADA Title II and Civil Rights Title VI language access program staff at the Office of Equity and Human Rights to develop materials that provide reasonable and meaningful access to safety information for building occupants and visitors.





**City of Portland, Oregon**  
**Bureau of Development Services**  
**Office of the Director**  
FROM CONCEPT TO CONSTRUCTION

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October 3, 2018

189201

**To:** Mayor Wheeler  
Commissioner Eudaly  
Commissioner Fish  
Commissioner Fritz  
Commissioner Saltzman

**From:** Rebecca Esau, Director *RE*  
Bureau of Development Services

**Regarding: Proposed amendments to city code to require placards and tenant notification for unreinforced masonry buildings**

**I. RECOMMENDATION**

Amend the Seismic Design Requirements for Existing Buildings to require placards and tenant notification for unreinforced masonry buildings (Ordinance; amend Code Chapter 24.85)

**II. BACKGROUND**

On June 13, 2018, the City Council passed Resolution No. 37364 that, among other actions, directed City Staff to develop a placarding and tenant notification ordinance and return to Council with the ordinance for adoption within three months. The Council directed that the placarding requirements be effective as of March 1, 2019, and be enforced by Portland Fire & Rescue with an appeal process administered by the Bureau of Development Services. The ordinance will apply to all unreinforced masonry (URM) buildings that are not retrofitted to a level expected to prevent collapse in an earthquake.

Based on input from the community, the timeframes for placarding URM buildings are as follows:

- Publicly-owned URM buildings must be placarded on or before January 1, 2019
- URM buildings owned by a non-profit entity must be placarded on or before November 1, 2020
- All other URM buildings must be placarded on or before March 1, 2019

The City Council further directed that the placards be no smaller than 8 by 10 inches, posted in a conspicuous place at the entrance of the building with the following

language printed in not less than 30-point bold font: "This is an unreinforced masonry building. Unreinforced masonry buildings may be unsafe in the event of a major earthquake." To make it easier to read, the ordinance requires a 50-point, sans serif font.

Resolution No. 37364 further directed City staff to include in the ordinance a requirement that all URM building owners incorporate the following language into their rental agreements: "This building, which you are renting or leasing, is an unreinforced masonry building. Unreinforced masonry buildings have proven to be unsafe in the event of an earthquake." To be consistent with the placarding timeline, the ordinance requires the above language to be included in rental agreements as follows:

- Publicly-owned URM buildings must be placarded on or before January 1, 2019
- URM buildings owned by a non-profit entity must be placarded on or before November 1, 2020
- All other URM buildings must be placarded on or before March 1, 2019

The resolution also directed City staff to develop code language to strengthen triggers in the existing code related to seismic retrofitting of URM buildings. The ordinance changes existing triggers for seismic retrofit of URM buildings due to a re-roof and cost triggers for alteration and repair projects.

This ordinance incorporates the above direction from the City Council in Resolution No. 37364.