

CASE STUDY:
CITY OF SONOMA

<i>Population:</i>	8,000
<i>1990/91 General Fund</i>	
<i>Revenues:</i>	\$3 million
<i>Fund Balance:</i>	\$1 million
<i># URM's:</i>	51
<i>Type of URM's:</i>	90% commercial* 10% residential
<i>Ordinance Type:</i>	mandatory retrofitting
<i>Retrofit Incentives:</i>	(1) waive permit fees (2) rebate architect and engineering costs
<i>Funding Source:</i>	redevelopment agency
<small>*commercial includes public facilities</small>	

BACKGROUND

The City of Sonoma is a small city located 46 miles northeast of San Francisco. It is perhaps best known for the wineries located in and around it in the Sonoma Valley, which together with Napa Valley form a large part of Northern California's wine country. Tourism is an important part of Sonoma Valley's economic and employment base, as is the agriculture industry which includes orchards, dairy farms and turkey breeding as well as the wine industry. The City of Sonoma is very picturesque, and is centered around a historic plaza featuring buildings which date back to the mid 1800s.

HAZARDOUS BUILDINGS PROFILE

In 1990 the City of Sonoma identified 51 buildings which were considered potentially hazardous (excluding four State-owned buildings). Twenty-nine of the 51 buildings are historic, and most are located on or near the plaza downtown. The buildings range in size from 550 to 15,000 square feet. Approximately 85% of the total square footage is devoted

to commercial use. The city estimates that the cost of repairing all 51 buildings may total between \$7.8 and \$14.5 million dollars including both structural work and tenant improvements.

ORDINANCE

The City of Sonoma's retrofitting ordinance, entitled the *City of Sonoma Seismic Upgrading Program*, was passed in October of 1990. The primary goal of the program is to mitigate the hazards associated with unsafe masonry and concrete buildings "in an economically feasible manner while preserving the historic character of the community." The ordinance is noteworthy not for the retrofit standards which it sets but for its unique and flexible system for prioritizing buildings. The ordinance requires the building department to identify buildings which do not comply with its requirements, and to notify owners of their buildings' deficiencies. Upon receipt of the notice, a property owner must hire an engineer or architect to prepare an upgrading design. Ultimately, buildings which do not comply with the requirements spelled out in the ordinance must be either retrofitted or demolished. The timing of implementation is dependent upon a building's assigned priority:

	DESIGN (from notice)	PERMIT (from notice)	UPGRADING COMPLETED (from permit)
High Priority	2 years	2 1/2 years	2 years
Moderate Priority	3 years	5 years	2 years
Low Priority	4 years	10 years	2 years

The priority system established by the ordinance assigns points for type of use (up to 5 points), number of stories (up to 3 points), proximity to public sidewalk (either 0 or 1 point), and proximity to adjacent buildings (also either 0 or 1 point). A higher number of points represents higher risk. Buildings can be credited with up to 3 points for structural adjustments, such as roof diaphragm or parapet bracing, which have already been made to the building. A worksheet for calculating a building's score is included in the ordinance (See: EXHIBITS - CITY OF SONOMA ORDINANCE #90-15).

The method of assigning points for type of use is noteworthy. The city has identified 10 types of uses to which a building might be put. Each type of use is assigned an "hours per week" figure representing the number of hours per week that use typically could be expected to take place. Office use, for example, is assigned 40 "hours per week" while residential use

is set at 84 "hours per week." For uses not originally identified by the city, the building official may assign an "hours per week" figure to a building based on its type and average hours of use.

After establishing the "hours per week" figure for each type of use, the city then determined the occupant load for each use as specified in the Uniform Building Code. Dividing the "hours per week" by the occupant load yields for each type of use an "occupant/hour factor." Restaurants, for example, are assigned 48 "hours per week" and an occupant load factor of 15, yielding an "occupant/hour factor" of 3.20. For residential facilities, assigned the above-mentioned 84 "hours per week" and an occupant load factor of 200, the resulting "occupant/hour factor" is 0.42. The city has developed a table, included in the ordinance, assigning occupant/hour factors to each of the 10 types of uses which it identified.

To determine the number of points a particular building should receive given its use, the "occupant/hour factor" for that use is multiplied by the building's square footage. This generates an "occupant/hour" figure. The "occupant/hour" figures are divided into ranges and assigned points. The owner of a 1,000 square foot restaurant, for example, would multiply its 3.2 factor by the number of square feet, arriving at an "occupant/hour" figure of 3,200. This figure falls in the 2,001 to 5,000 range, and the building would score 2 points. By contrast, a 1,000 square foot residence would generate an "occupant/hour" figure of 420 given its factor of 0.42 and would score 0 points.

A Low, Medium or High Priority is assigned to a building based upon its total score for occupant/hours, number of stories, proximity to sidewalks and buildings, and structural adjustments. Buildings receiving less than 4 points are assigned a Low Priority, those scoring between 4 and 6 points are considered Moderate Priority, and those with more than 6 points are High Priority. Buildings can change their score and move up or down on the priority scale, for example by making structural adjustments or changing their use.

INCENTIVE PROGRAM CONCEPT

The City of Sonoma offers 2 incentive programs to owners of hazardous buildings, the *Permit Fee Waiver Program* and *A&E Grants for Seismic Upgrading*. Both programs were established shortly after the ordinance was adopted, and were made effective January 1, 1991 and set to terminate on December 31, 1993. The *Permit Fee Waiver Program* applies to all seismic upgrade projects required by the ordinance and covers the following construction permit fees: (i) building, mechanical, electrical and plumbing permits, (ii) contractors license tax, (iii) micrographics fee, (iv) capital improvement tax, (v) impact fee, and (vi) within limitations, plan check fees. All other construction permit fees are assessed as normally

required. (Note that in the case of 100% affordable housing projects, the Community Development Agency will pay for all construction permit fees.)

Public Works Department fees also are waived under the *Permit Fee Waiver Program*, with encroachment fees waived for projects requiring seismic upgrade under the ordinance, and inspection fees waived for work required by the ordinance relating to installation and testing of underground fire and sprinkler system piping. Neither construction permit nor Public Works Department fees are waived for those portions of projects which create additional building floor area.

The *A&E Grants for Seismic Upgrading* reimburses owners for architectural and/or engineering expenses relating to plans for upgrading work required by the ordinance. The city will grant each owner a reimbursement per building of up to \$2.00 per square foot of eligible building area. Only fees paid to a licensed architect and/or engineer or an approved testing agency are eligible for reimbursement. To receive the grant an owner must submit an application (See: EXHIBITS - SAMPLE A&E REIMBURSEMENT GRANT APPLICATION) along with original invoices. Grants are distributed when the building department has approved the seismic upgrading plans. Cost of plans for separate tenant improvements, site work, interior and exterior finishes, additions, furnishings and similar items are not eligible for reimbursement.

PROGRAM RESOURCE REQUIREMENTS

Sonoma's redevelopment agency is funding the city's incentive programs. The estimated maximum cost to the city of the *Permit Fee Waiver Program* is \$75,000 while the *A&E Grants for Seismic Upgrading* are expected to cost up to \$460,000. The incremental staff time required for administration of the programs is minimal.

PROGRAM DEVELOPMENT

Sonoma's program development effort was straightforward and went very smoothly. The ordinance and incentive programs were developed by a technical committee composed of the Building Director, the Community Development Director, an architect, structural engineer, and the City Manager. Upon their design of the ordinance and incentive program concepts, community meetings were held to present these ideas to tenants and owners. The community expressed a number of fears, including concern about requirements for upgraded plumbing, wiring, and the like, worries about changing the character of the city, uneasiness about loss of local ownership because of the expense of upgrading, apprehension about demolition, and

general anxiety about the reasonableness of the requirements. Most of these fears were allayed at the meetings, and the ordinance passed without incident, although concern about the expense and financing of repairs is still an issue which the city hopes to address.

PROGRAM EFFECTIVENESS

Although the earliest deadline for retrofit is not until 1994, as of January 1992, 2 buildings had already been upgraded to comply with the city's ordinance. A third building was upgraded in accordance with the State Historical Building Code, and a fourth was strengthened in accordance with 1976 UBC or above. In addition, 9 buildings were in the process of upgrading. Six buildings have applied for and received reimbursements under the *A&E Grants for Seismic Upgrade* program.

Despite the progress being made, Sonoma is still concerned about making financing available to owners unable to access it themselves. The city is evaluating bond-based programs, such as assessment district or general obligation financing, but has determined that it cannot meaningfully explore its options until it has a better idea of total project costs. To this end it has doubled to \$2.00 per square foot the amount of grant funding for which owners may apply while emphasizing that the program will expire in December 1993. (Owners who have already received rebates will be granted the additional amount for which they would be eligible under the new program.) The objective is to have all the plans in hand by December 1993, and thus get a good estimate of the total retrofitting costs which the city might be asked to help finance.

PROGRAM STRENGTHS

The City of Sonoma's program is clearly articulated, simple to implement, and requires little additional staff time (although it does require money.) Through its system of prioritizing buildings, the city offers owners flexibility, allowing them to retrofit incrementally over time as best meets their needs.

KEYS TO SUCCESS

The success of the City of Sonoma's program rests on the city's ability to effect a straightforward program, clearly articulated and fully discussed with affected owners. The materials designed to describe the program are concise yet thorough (See: EXHIBITS - A&E GRANTS FOR SEISMIC UPGRADING AND PERMIT FEE WAIVER PROGRAM, a 1-page description, and ABOUT CITY OF SONOMA'S SEISMIC UPGRADING PROGRAM.) The programs were designed and are

administered by a small group of people who are very sensitive to the varying perspectives of affected parties. With the support of the city council, staff has made seismic safety a priority, and it is evident that the programs it designed are not ends in themselves, but steps in the mitigation process.

EXHIBITS

- City of Sonoma Ordinance #90-15
- *A&E Grants for Seismic Upgrading and Permit Fee Waiver Program*
- Sample A&E Reimbursement Grant Application
- About City of Sonoma's Seismic Upgrading Program

CONTACTS

Wayne Wirick
Michael Moore

Building Official (707) 938-3681
Community Development Director (707) 938-3681

CITY OF SONOMA

EXHIBITS

CITY OF SONOMA
ORDINANCE NO. 90-15

ORDINANCE OF THE CITY OF SONOMA
ADDING CHAPTER 14.24 TO THE SONOMA MUNICIPAL CODE
SETTING FORTH A PROGRAM FOR THE REVIEW, REHABILITATION AND
ABATEMENT OF EXISTING SEISMICALLY UNSAFE BUILDINGS.

Chapter 14.24 is hereby added to the Sonoma Municipal Code to read as follows:

CHAPTER 14.24
REVIEW, REHABILITATION AND ABATEMENT
OF EXISTING SEISMICALLY UNSAFE BUILDINGS

Sections:

- 14.24.010 Purpose, Scope & Application.
- 14.24.020 Definitions.
- 14.24.030 Preliminary building department review.
- 14.24.040 Notice to owner.
- 14.24.050 Property owner review.
- 14.24.060 Upgrading design - Requirements for continued use of structure.
- 14.24.070 Information required on plans.
- 14.24.080 Priority system and implementation schedule.
- 14.24.090 Notification of tenants.
- 14.24.100 Abatement - Rehabilitation or Demolition.
- 14.24.110 Appeals.
- 14.24.120 Violation - Penalty.
- 14.24.130 Severability.

14.24.010 Purpose, Scope & Application. A. Purpose. The City of Sonoma has experienced and will continue to experience moderate to great earthquakes in the future due to its proximity to the Rodgers Creek, Hayward and San Andreas faults. Many buildings subject to severe earthquake hazards continue to be a serious threat to the life and safety of people who live and work in the community in the event of an earthquake. **The primary goal of this chapter is to provide alternative construction regulations designed to reduce the risk of death or injury resulting from earthquake hazards in existing masonry or concrete buildings, in an economically feasible manner while preserving the historic character of the community.**

B. Scope. This chapter provides procedures for the systematic review and reconstruction of existing masonry and concrete buildings within the City of Sonoma to improve their safety in the event of an earthquake. The requirements of this chapter shall not apply to:

1. Public schools
2. Hospitals
3. State owned buildings
4. Detached one-and two-family dwellings.

The requirements of this chapter shall apply to the following classifications and areas of buildings:

1. All buildings or portions of buildings constructed with unreinforced masonry walls.
2. Diaphragms and connections of diaphragms in all buildings constructed of tilt-up concrete or masonry walls and constructed or being constructed prior to September 24, 1973.

This chapter does not require alteration of existing electrical, plumbing or mechanical systems unless such conditions or defects exist to the extent that the life, health, property or safety of the public or its occupants are endangered.

C. Application to Other Existing Buildings. Existing buildings, which are not subject to the requirements of this chapter and were constructed or being constructed prior to September 24, 1973, may be rehabilitated, remodeled or upgraded in accordance with the upgrading design provisions of Section 14.24.060, except that public schools, hospitals, fire stations, police stations, essential facilities and hazardous facilities, must comply with prevailing code requirements.

D. **Application to Designated Historical Buildings.** Designated historical buildings shall be upgraded in accordance with the State Historical Building Code. The design and upgrading provisions of this chapter may be used in conjunction with the State Historical Building Code as a method of complying with the minimum requirements of this chapter.

14.24.020 Definitions. For the purposes of this chapter, certain terms, phrases, words and their derivatives shall be construed as specified in this section or as otherwise specified in the Uniform Building Code, the Uniform Code for the Abatement of Dangerous Buildings, the State Historical Building Code or Chapter 19.04 of the Sonoma Municipal Code. Where terms are not defined, they shall have their ordinary accepted meanings within the context with which they are used.

A. "Architect" means a person who is licensed to practice architecture in this state.

B. "Designated Historical Building" means any building, structure or collection of structures, deemed of importance to the history, architecture, or culture of an area by an appropriate local, state, or federal governmental jurisdiction. This shall include structures on existing or future national, state or local historical registers or official inventories of historical or architecturally significant sites, places, historic districts, or landmarks.

C. "Engineer" as used in this chapter means any professional, civil or structural engineer who is licensed to practice engineering in this state.

D. "Occupant/Hours" is the result of the maximum occupant load for a particular type of use, multiplied by the prescribed typical number of hours the type of use might be occupied or open for business within a 7 day period.

E. "Prevailing Code" means the "regular building regulations" as that term is used in Section 18954 of the Health and Safety Code, which govern the design and construction of non-historical buildings within the city of Sonoma.

F. "Upgrading" means all work necessary to comply with the requirements of this chapter.

G. "Unreinforced Masonry Building" means any building or structure containing walls constructed wholly or partly with unreinforced masonry walls.

H. "Unreinforced Masonry Wall" is a masonry wall having an area of reinforcing steel less than 50 percent of that required by Section 2407(h) of the Uniform Building Code, 1988 Edition, with a height to thickness ratio greater than 2.

I. "Valuation" as used in this chapter shall mean the total value of all construction work, determined in accordance with prevailing code, except structural and fire upgrading work required by this chapter, for which a building permit is issued as well as finish work, roofing, mechanical systems, elevators, disabled access, and any other permanent equipment.

14.24.030 Preliminary building department review. Buildings within the scope of this chapter constructed or being constructed prior to September 24, 1973 shall be subject to a preliminary review by the building official to determine the general structural characteristics, the relative safety of the building, and its general compliance with the structural requirements of Section 14.24.060 A through E of this chapter and Appendix Chapter 1 of the Uniform Building Code. If the structure is determined to so comply, it is exempt from the requirements of this chapter. If the building official determines that the structure does not comply, it shall be further reviewed by the property owner in accordance with the provisions of Section 14.24.050.

A. The scope of the preliminary review by the building official or his authorized representative may include, but shall not be limited to, the following:

1. Location by street address and assessor's parcel number;
2. Type of occupancy and approximate square footage;
3. Type of construction and foundations, and type of material used in construction;
4. Age of construction; photos of the building exterior; construction drawings if available;
5. Quality of maintenance, cracks and cleanliness; evidence of leaks, foundation settlement, sagging floors or rusting metal and rotting wood; general deterioration of any other building material used;
6. General fire classification of the structure;
7. Adequacy of exiting system;
8. Type and strength of wall and parapet anchorage;
9. Type of diaphragms and bracing;
10. Type of interior partitions.

B. For the purposes of determining compliance with this chapter, the building official may rely on the information provided in items 1 through 10 above and shall not be required to provide extensive tests in connection with the preliminary review.

14.24.040 Notice to owner. A. Notice to Correct Deficiencies. For each building found to be not in compliance with the requirements of Section 14.24.060, the building official shall prepare a notice to owner to correct deficiencies. The notice to correct deficiencies shall include the following:

1. A statement to the effect that the structure has been reviewed and appears to be of the type which is prone to significant damage, including collapse, in a moderate to major earthquake;
2. The determination of non-compliance with the requirements of Section 14.24.060;
3. Where applicable, the findings on which the determination that the building or structure does not comply is based;
4. The determination of the priority for upgrading in accordance with the URM Building Priority System in Section 14.24.080;
5. The time schedule for abatement must be commenced and completed;
6. A statement that the structure shall be further reviewed by the property owner as provided in Section 14.24.050;
7. A statement that the owner is required to provide a copy of the notice to correct deficiencies to the tenant or tenants of the structure in accordance with Section 14.24.090.

B. Recordation. At the time that the aforementioned notice is served, the building official shall file with the office of the County Recorder a certificate stating that the subject building is within the scope of Chapter 14.24 of the Sonoma Municipal Code, Review, Rehabilitation and Abatement of Existing Seismically Unsafe Buildings. The certificate shall also state that the owner thereof has been ordered to review and structurally analyze the building and upgrade the building in accordance with this chapter.

14.24.050 Property owner review. Upon notice by the City to the property owner to correct deficiencies, the property owner shall require an engineer or architect to review and prepare an upgrading design for the subject building or structure within the time limits set forth in Section 14.24.080. Required upgrading may be designed in accordance with the provisions of Section 14.24.060.

14.24.060 Upgrading design - Requirements for continued use of structure.

Upgrading work and design shall be performed by the property owner, his representative, agent, or employee under the direct supervision of an architect, structural engineer or civil engineer specializing in structural work, to include but not be limited to the following standards:

A. The vertical dead load (without live or lateral loads) must not create any overstress as related to allowed stresses pursuant to this chapter, except that foundations may be assumed to have met the test of time where there is no settlement or damage;

B. The building must meet the requirements of prevailing code for vertical forces including live load with no more than fifteen percent overstress;

C. Walls, parapets, windows and doors must be adequate for a fifteen-pound wind, twenty percent gravity on walls, fifty percent gravity on parapets both in spanning between resisting elements and attachments supporting elements with no more than fifty percent increase to stresses in lieu of the presently allowed thirty-three and one-third percent increase;

D. Diaphragms must be capable of resisting prevailing code required lateral forces at not over one hundred percent increase in normal code values (base plus one hundred percent in place of base plus thirty-three and one-third percent). Where wood diaphragms are used to support concrete or masonry walls, the anchorage shall not be accomplished by toe nailing or the use of nails subject to withdrawal, nor shall wood ledgers or framing be used in cross-grain bending or cross-grain tension. Straight sheathed diaphragms shall not be used to resist lateral forces in concrete or masonry buildings. Chords, connections of diaphragms to the vertical elements and connections of collectors to the vertical elements in structures shall be provided;

E. Shear walls must be adequately connected and tied down to foundations. Unreinforced masonry may be used in shear parallel to plane of the wall provided that the wall is securely held in place perpendicular to wall;

F. Compliance with the fire and panic requirements of Chapter 14.20 of the Sonoma Municipal Code, Appendix Chapter 1 of the Uniform Building Code, or when applicable, the State Historical Building Code, concerning exit requirements, enclosed stairways, fire sprinkler systems, fire separations, fire protection and panic hardware. Alternative methods of fire protection, including but not limited to fire sprinkler systems and smoke detection systems, may be approved by the fire marshal and the building official.

G. Existing solid masonry walls of any type, except adobe, may be allowed a maximum value of four (4) pounds per square inch in shear, without testing, with a one-third increase for lateral forces where there is a qualifying statement by the engineer that an inspection has been made, that mortar joints are filled and that both brick and mortar are in good condition. Allowable values above apply to existing unreinforced masonry, except adobe, where the maximum unsupported height or length to thickness ratio does not exceed 12. Allowable shear stress may be increased by the addition of 10% of the axial direct stress due to the weight of a wall directly above. Higher quality mortar may provide a greater shear value based on analysis by the engineer. Wall height or length is measured to supporting resisting elements which are at least twice as stiff as the tributary wall. Stiffness is based on the gross section of the wall.

H. Compliance with state and federal regulations concerning disabled access is required.

I. Existing electrical, plumbing, mechanical and other nonstructural portions of the building which are found to be dangerous to the extent that the life, health, property or safety of the public or its occupants are endangered, shall be upgraded in accordance with prevailing code. The Uniform Code for the Abatement of Dangerous Buildings shall be used in determining whether dangerous conditions exist.

14.24.070 Information required on plans. The review and upgrading design prepared by the engineer or architect shall be submitted to the building official and shall include, but not be limited to, the following:

1. Location by street address and assessor's parcel number;
2. Type of occupancy, use of the building and accurate dimensions;
3. Type of construction, type of foundation, and material used in construction. Field and laboratory tests as determined necessary by the building official, the architect or the engineer, shall include but not be limited to the drilling of inspection holes, the determination of the strength and quality of materials, and a general description of how these materials are integrated within the structure;
4. Comprehensive review of conditions, maintenance and foundation performance;
5. Complete vertical load resume, analysis or estimate based on typical bays and details of all critical areas;

6. Investigation, review and analysis of building elements including, but not limited to, mortar, masonry, walls, parapets, diaphragms, shear walls, bracing, attachments and ornamentation, ceilings, lights, stairs, type and resistance of interior partitions, presence and adequacy of diaphragm chords, and ties;
7. Verification of elements of preliminary building department review;
8. Such plans or sketches, as necessary to describe building strengths and deficiencies;
9. Summary statement of findings;
10. Statement of the engineer or architect explaining the overall significance of the deficiencies found to exist in the building's vertical and lateral force resisting system as related to current code requirements and evaluation criteria;
11. Independent statement of engineer or architect as to his professional opinion regarding the safety of the building in regard to fire, panic, moderate and major earthquake, with reasons for his opinion, without regard to code requirements;
12. A statement by the architect or engineer, in his opinion, as to whether or not special or unusual factors exist that alleviate or intensify the risk;
13. Such other information or testing as required by the building official;
14. Calculations, plans and specifications to show compliance with the requirements of this chapter;
15. Exceptions and/or alternatives to the specific items required by this subsection may be granted by the building official upon review of a written request from the engineer or architect providing the review of the building. Exceptions may only be granted when it can be demonstrated that the specific item or items are unnecessary to provide information available by other equivalent means.

14.24.080 Priority system and implementation schedule. Buildings subject to this chapter shall be classified by priority in accordance with the URM building priority system specified in this section. The building official may revise the priority classification of a building when new factual information is provided which would result in a change of the total priority points previously assigned to the building. Buildings shall be reviewed and upgraded in accordance with the implementation schedule set forth in this section.

A. Method of determining occupant/hour factors. Occupant/Hour factors are determined by dividing the number of assigned hours per week for a particular use by the occupant load factor in U.B.C. Table 33-A. The assigned "hours per week" represents the typical number of hours per week a particular use might be open for business or used and is derived from Table - A herein. Occupant loads are determined by using Table 33-A of the Uniform Building Code; 1988 Edition.

B. Table - A.

USE	HOURS PER WEEK	OCCUPANT LOAD FACTOR	OCCUPANT/HOUR FACTOR
Retail	48	30	1.60
Office	40	100	0.40
Residential	84	200	0.42
Restaurant/Bar	48	15	3.20
School/Day Care	35	35	1.00
Hotel/Motel	84	200	0.42
Public Building	48	15	3.20
Assembly Halls/Churches	8	15	1.10
Accessory/Storage	7	100	0.07
Industrial/Manufacturing	48	200	0.24

Other: For uses not listed above, the Building Official shall assign appropriate "hours per week" values based on the type and average hours of use.

C. Structural adjustments. Negative priority points for structural adjustments may be allowed by the Building Official when partial structural rehabilitation has been performed or exists to the extent that structural deficiencies due to seismic forces are significantly reduced so as to substantially reduce the hazard to life safety created by such deficiencies in the event of an earthquake. **The Building Official shall not reduce the total of priority system points by more than three (3) points for structural adjustments.**

In considering structural adjustments, the Building Official shall consider only force resisting elements and systems (i.e. complete roof diaphragm with tension anchors, shear transfer connections, parapet stability) that, will substantially complete the structural rehabilitation for that element or portion of the building in accordance with the approved upgrading plans and specifications.

D. Priority System Worksheet.

URM BUILDING PRIORITY SYSTEM

Occupant/Hour Factors

Retail = 1.6	Office = .4	Residential = .42	Restaurant/Bar = 3.2
Schl./Day Care = 1	Hotel = .42	Public Building = 3.2	Assembly/Church = 1.1
Accessory = .07	Indstrl./Manuf. = .24	Other: Determined by Building Official	

Determining Occupant/Hours

Use _____	: Square footage _____	x	Occ./hour factor _____	=	Occupant/Hours _____
Use _____	: Square footage _____	x	Occ./hour factor _____	=	Occupant/Hours _____
Use _____	: Square footage _____	x	Occ./hour factor _____	=	Occupant/Hours _____

TOTAL OCCUPANT/HOURS _____

POINTS

Occupant/Hours	Points
0 - 500	0
501 - 2,000	1
2,001 - 5,000	2
5,001 - 8,000	3
8,001 - 11,000	4
11,001 & Above	5

Occupant/Hour Points _____

Number of Stories	Points
1	1
1.5	1.5
2	2
3	3

Number of Stories Points _____

Proximity to Public Sidewalk	Points
Less than 10 feet	1
Equal or greater than 10 feet	0

Proximity to Sidewalk Points _____

Proximity to Adjacent Building	Points
Within 3 feet of adjacent building	1
Greater than 3 feet	0

Adjacent Building Points _____

Structural Adjustment	Points
Roof diaphragm, parapet bracing	-1
Storefront lateral bracing system	-1
Other bracing, ties, connections	-1

(Structural Report/Plans Required) Structural Adjustment Points _____

PRIORITY

Less than 4 points = LOW PRIORITY
4 to 6 points = MODERATE PRIORITY
More than 6 points = HIGH PRIORITY

TOTAL POINTS _____

F. Implementation schedule. **High-Priority Buildings.**

1. A review and upgrading design prepared by an engineer or architect must be submitted to the building official for approval within 2 years of notice to owner to correct deficiencies.
2. A building permit for complete upgrading in accordance with the engineer's or architect's review and reinforcement design must be issued within 2 1/2 years of notice to owner to correct deficiencies.
3. Complete upgrading shall be completed within 2 years of issuance of building permit.

G. Implementation schedule. **Moderate-Priority Buildings.**

1. A review and reinforcement design by an engineer or architect must be submitted to the building official for approval within 3 years of notice to owner to correct deficiencies.
2. A building permit for complete upgrading in accordance with the engineer's or architect's review and reinforcement design must be issued within 5 years of notice to owner to correct deficiencies.
3. Complete upgrading shall be completed within 2 years of issuance of building permit.

H. Implementation schedule. **Low-Priority Buildings.**

1. A review and upgrading design by an engineer or architect must be submitted to the building official for approval within 4 years of notice to owner to correct deficiencies.
2. A building permit for complete upgrading in accordance with the engineer's or architect's review and reinforcement design must be issued within 10 years of notice to owner to correct deficiencies.
3. Complete upgrading shall be completed within 2 years of issuance of building permit.

14.24.090 Notification of tenants. Upon receipt of notice to correct deficiencies, the building owner shall notify all tenants, in writing, that a review of the building has been performed and that said building may be structurally hazardous in the event of an earthquake.

14.24.100 Abatement - Rehabilitation or Demolition. Buildings subject to the requirements of this chapter which do not meet the requirements of this chapter shall be abated by rehabilitation, repair or demolition in accordance with the provisions of this chapter.

A. Rehabilitation. Designated historical structures, when rehabilitated, remodeled, repaired or upgraded shall comply with the provisions of the State Historical Building Code.

B. Demolitions. Buildings subject to the requirements of this chapter which do not meet the requirements of this chapter may be abated by demolition. Owners of buildings located within the Historic Conservation Combining District must receive approval from the Architectural Review Commission prior to obtaining a demolition permit to demolish the structure. Prior to obtaining a demolition permit for the demolition of a designated historical structure, the proposed building demolition shall be reviewed by the City's Environmental Review Committee and shall comply with the guidelines of the California Environmental Quality Act and the requirements of the Sonoma Municipal Code.

C. Substandard buildings, hazards or dangerous conditions which are not abated within the time limits set forth in Section 14.24.080, shall be considered a public nuisance and a dangerous building and shall be vacated and/or abated in accordance with the provisions of the Uniform Code for the Abatement of Dangerous Buildings and Chapter 14.30 of the Sonoma Municipal Code. In addition to any other remedy provided herein, the City Council may cause any building not abated within the time limits set forth in Section 14.24.080, to be vacated, strengthened, repaired, rehabilitated, remodeled, demolished or upgraded in accordance with the provisions of this chapter and place a lien on the property for all costs incurred in accordance with the provisions of the Uniform Code for the Abatement of Dangerous Buildings and/or Chapter 14.30 of the Sonoma Municipal Code.

14.24.110 Appeals Any person having record title, equitable or legal interest in the subject building may appeal any notice, order, decision, determination or action made in the administration of this chapter to the City Council of the City of Sonoma, provided that the appeal is made in writing and filed with the building official within 60 days from the date of service of said notice, order, decision, determination or action by the Building Official, except that an appeal for an extension of the implementation schedule set forth in Section 14.24.080 shall be made not less than 180 days prior to the required implementation date; however, if the building or structure is in such a condition as to make it immediately dangerous to the life, limb, property or safety of the public or adjacent property and is ordered vacated and is properly posted, such appeal shall be filed within 10 days from the date of service of this notice and order. Only one subject of appeal is allowed per building, provided due process is met.

A. The written appeal shall contain the following:

1. A heading in the words: "To the City Council of the City of Sonoma".
2. The names of the appellants named in the appeal.
3. A brief statement setting forth the legal interest of each of the appellants in the land and/or building involved.
4. A brief statement in ordinary and concise language of the specific order or action protested, together with any material facts claimed to support the contentions of the appellants.
5. A brief statement in ordinary and concise language of the relief sought and the reasons why it is claimed the protested order or action should be reversed, modified or otherwise set aside.
6. The submittal of any documents, sworn statements or other written material claimed to have value on the contentions made in support of the appeal.
7. The signatures of all parties named as appellants and their mailing addresses.
8. The verification (by declaration under penalty of perjury) of at least one appellant as to the truth of the matters stated in the appeal.

B. Upon receipt of an appeal filed pursuant to the above requirements, the Building Official shall present it at the next regular meeting of the City Council. **Failure to appeal will constitute a waiver of all rights to an administrative hearing and determination of the matter.**

14.24.120 Violation - Penalty. Any person, firm or corporation who or which violates any provision of this chapter as adopted by the ordinance codified herein, or any lawful order thereunder, is guilty of a misdemeanor as a separate offense for each and every day such person, firm or corporation violates or allows a violation to continue without taking reasonable means to cure or abate the same after having been ordered to do so. Such misdemeanors are punishable as provided by the general law of this state.

14.24.130 Severability. If any section, subsection, sentence, clause, phrase or word of this chapter is for any reason held to be invalid and/or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this chapter. The City Council of the City of Sonoma hereby declares that it would have passed and adopted this chapter and each of the provisions thereof, irrespective of the fact that any one or more of said provisions be declared invalid and/or unconstitutional.

A&E GRANTS FOR SEISMIC UPGRADING

This program becomes effective on January 1, 1991 and terminates on December 31, 1992.

- A. Only plans prepared by a licensed architect and/or engineer or reports prepared by an approved testing agency, for upgrading work required by Sonoma Municipal Code Chapter 14.24 is eligible for the A&E grant. This work includes but is not limited to:
 - i. Review, investigation, analysis, testing, documenting and reporting of structural, fire and life-safety, exiting, mechanical systems and disabled access deficiencies.
 - ii. Preparation of reports, plans and engineering documents necessary to perform required upgrading and abatement work.
- B. Up to \$1.00 per square foot of eligible building area will be granted to one building owner per affected building. (Eligible building area is the gross area within and including the exterior walls of the building or portion thereof. The floor area of a building, or portion thereof, not provided with exterior walls shall be the usable area under the horizontal projection of the roof or floor area above.)
- C. The A&E grant is to be used exclusively for reimbursement of architectural and/or engineering fees.
- D. The A&E grant will be distributed upon building department approval of seismic upgrading plans for each building required to be upgraded within the scope of S.M.C. Chapter 14.24.
- E. The upgrading plans must be comprehensive and complete for all portions of the building found to be deficient in accordance with S.M.C. 14.24.
- F. Original invoices from the architect, engineer and/or testing agency for the preparation of upgrading plans, specifications, testing and reports shall be submitted with the grant application.
- G. Costs of plans for separate tenant improvements, site work, interior and exterior finishes, additions, furnishings and similar items are not eligible for the A&E grant program.

PERMIT FEE WAIVER PROGRAM

This program applies to all seismic upgrading projects required by Section 14.24 of the Sonoma Municipal Code and becomes effective on January 1, 1991 and ends on December 31, 1992.

- 1. Certain construction permit fees for seismic upgrading work required pursuant to S.M.C. Chapter 14.24 will be waived. Fees which will be waived include:
 - a. All Building, Mechanical, Electrical and Plumbing permit fees.
 - b. Plan Check fee up to four-tenths of one percent (0.4%) of the valuation of the work as defined by the Uniform Building Code and assigned by the Building Official.
 - c. Contractors License Tax
 - d. Micrographics Fee
 - e. Capital Improvement Tax
 - f. Impact Fee
- 2. All Public Works Department encroachment permit fees will be waived for projects requiring seismic upgrading pursuant to S.M.C. Chapter 14.24.
- 3. All Public Works Department inspection fees related to installation and testing of underground fire sprinkler system piping and required pursuant to S.M.C. Chapter 14.24.
- 4. No fees will be waived for those portions of projects which create additional building floor area.
- 5. All other construction permit fees not mentioned above will be assessed as normally required.

In addition to the program mentioned above for seismic upgrading, the Community Development Agency shall pay all of the construction permit fees listed in #1 above, for all 100% affordable housing projects as defined by Section 19.71 of the Sonoma Municipal Code.

A&E REIMBURSEMENT APPLICATION

This program commences on January 1, 1991 and terminates on December 31, 1993.

A. Only plans and reports prepared by licensed architects and/or engineers for upgrading work required by S.M.C. 14.24 are eligible for the A&E Reimbursement Grant Program. This work includes but is not limited to:

Review, investigation, analysis, testing, documenting and reporting of structural, fire and life safety, existing, mechanical systems and disabled access deficiencies.

Preparation of reports, plans and engineering documents necessary to perform required upgrading and abatement work.

B. Up to \$2.00 per square foot of eligible building area will be granted to one building owner per affected building. (Eligible building area is the gross area within and including the exterior walls of the building or portion thereof established pursuant to Section 14.24.08(a) of the S.M.C. The floor area of a building, or portion thereof, not provided with exterior walls, shall be the usable area under the horizontal projection of the roof or floor area above.)

C. The A&E Reimbursement will be distributed upon building department approval of required upgrading plans for each building required to be upgraded within the scope of S.M.C. Chapter 14.24.

D. The upgrading plans must be comprehensive and complete for all required structural and nonstructural upgrading (i.e. disabled access, fire resistive construction, existing, etc.) in accordance with S.M.C. 14.24 and must contain the necessary statements required by Section 14.24.07.

E. Original architect and/or engineer invoices for the preparation of upgrading plans, specifications, testing and reports shall be submitted with the reimbursement application.

F. Costs of plans or engineering work for tenant improvements, site work, interior and exterior finishes, additions, furnishings and similar items are not eligible for the A&E Reimbursement program.

Project Address: _____ Amount of Invoices \$ _____

Owner's Name: _____ Phone _____

Mailing Address: _____
Street/P.O. Box City State Zip

Engineer's Name: _____ Phone _____

Architect's Name: _____ Phone _____

Please attach all of the original invoices received from your architect and/or engineer for fees related to required upgrading work. The City of Sonoma reserves all rights to review and reject invoices or applications for due cause.

I certify that I have read this application and state that the information which I have provided, including attachments, is true and correct.

Signature of Owner _____ Date _____

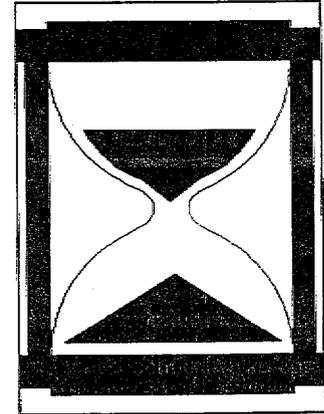
FOR OFFICE USE ONLY

1. Invoice Totals	\$ _____
2. Adjustments to Invoices	\$ _____
3. Total Allowed Invoice Amount	\$ _____
4. Eligible Square Footage	\$ _____
5. Eligible Reimbursement Amount (@ \$2.00/s.f)	\$ _____
6. REIMBURSEMENT AMOUNT <small>(Enter the lesser amount shown on line 3 or line 5)</small>	\$ _____

Building Official Approval _____ City Manager Approval _____

April 14, 1992

ABOUT CITY OF SONOMA'S SEISMIC UPGRADING ORDINANCE



Q. What is the purpose of the seismic upgrading ordinance?

A. The primary goal of the seismic upgrading ordinance is to provide a systematic method of reducing the risk to human life posed by seismically unsafe buildings in the event of an earthquake. This will be accomplished by providing economically acceptable construction regulations designed to reduce the probability of catastrophic wall and ceiling collapse in certain buildings which are potentially unsafe, thereby reducing the number of deaths and injury in the event of an earthquake.

A study released by the United States Geological Survey in June of 1990, indicates there are 2 chances in three that an earthquake the size of the Loma Prieta quake will occur within the next 30 years. If that quake occurs on the Rodgers Creek Fault, we can expect the shaking to be 48 times greater than the shaking we felt here in Sonoma during the Loma Prieta event. As recently as April of 1992, scientists have increased the probability of a moderate to large earthquake occurring on the Rodgers Creek Fault.

Q. What buildings are affected by the City of Sonoma's new seismic upgrading program (Sonoma Municipal Code Chapter 14.24)?

A. All buildings constructed with unreinforced masonry walls and diaphragms and connections of diaphragms in buildings constructed prior to September 24, 1973, of tilt-up concrete or masonry are affected, except public schools, hospitals, state owned buildings and one-and two-family dwellings.

Q. I have an older wood framed building which I would like to structurally upgrade, may I upgrade the building using the provisions of the new seismic upgrading program (S.M.C. Chapter 14.24)?

A. Any existing building, including wood framed structures, except public schools, hospitals, fire stations and other essential facilities, constructed prior to June 1, 1973, may be upgraded or rehabilitated using the upgrading design provisions of the ordinance.

Q. My building was not on the "Potentially Hazardous - URM Building List" prepared by the City of Sonoma in December of 1989; why is my building affected by the requirements of S.M.C. Chapter 14.24?

A. The "Potentially Hazardous" - URM Building List, was prepared by the City of Sonoma and submitted to the Seismic Safety Commission to comply with the identification and notification requirements of Senate Bill 547 which was signed into law in 1986. The provisions of SB 547 required cities and counties located within Seismic Zone 4, to identify those buildings constructed of unreinforced masonry construction. There are masonry buildings within Sonoma which were constructed prior to September 24, 1973, which have partially reinforced walls and buildings constructed with reinforced masonry or concrete walls which have inadequate wall connections and roof systems. These buildings are subject to the requirements of S.M.C. Chapter 14.24 and therefore there may be buildings on the new list of potentially hazardous buildings which have not previously been identified.

April 14, 1992

Q. Who determines if my building is affected by the ordinance?

A. The Building Division of the City of Sonoma Community Development Department will conduct a preliminary review of all buildings within the scope of the ordinance to determine if the building meets the upgrading design standards of the ordinance. If the building is determined to comply with the upgrading design standards, the building will be taken off of the "potentially hazardous" building list. If the building does not comply, you will be issued a notice to correct deficiencies and provided with a copy of the preliminary review report.

Q. What if I disagree with the findings of the preliminary report by the building department?

A. The preliminary review findings of the building department may be adjusted or corrected by submitting evidence that the building department findings are incorrect by providing an engineering analysis of the building which shows that the building complies with the upgrading design requirements of the ordinance. Additionally, the ordinance provides that any decision made by the Building Official may be appealed to the City Council by the building owner.

Q. How much will seismic upgrading work for my building cost?

A. The cost of performing seismic upgrading work can vary greatly between different buildings and therefore cannot easily be assigned to your building without a detailed analysis of the work which must be performed. The best way to determine the cost for seismic upgrading for your building is to obtain an estimate from an engineer, architect or contractor, after upgrading plans have been prepared by your architect or engineer.

For the purposes of obtaining a general idea of overall URM upgrading costs, the URM Mitigation Technical Committee estimates that the average upgrading costs for basic seismic rehabilitation including tenant improvement work could be between \$34 and \$63 per square foot of building area.

Q. Can my tenants occupy my building while seismic upgrading work is being performed?

A. In some cases, tenants may be able to occupy some or all of the building while upgrading work is being performed provided that the building is maintained in a safe condition for the tenants and the public. Many owners and tenants prefer however, to perform the upgrading as expediently as possible, which usually requires temporarily relocating the tenant.

Q. How will the priority of my building be determined?

A. Included in the seismic upgrading ordinance is a unique URM Priority System. The system assigns priority points to a building based on six key elements including: the typical number of hours a type of use is occupied, the occupant load for the building, the number of stories of the building, the proximity of the building to the public sidewalk, the proximity of the building to an adjacent building, and whether or not certain key structural elements exist in the building. The Building Department assigns the priority points and makes the determination as to priority classification in accordance with the URM Priority System. The Priority System provides an effective, fair and practical means to measure and assign some level of risk to an existing potentially unsafe building.

April 14, 1992

Q. Does the seismic upgrading program encourage or require the demolition of historical buildings?

A. No! The seismic upgrading ordinance used in conjunction with the State Historical Building Code will actually help to preserve existing historical resources by allowing historical buildings to be upgraded without conforming with all of the requirements of the current building code. If a building owner were to propose demolition as a method of abating a seismically unsafe building, the owner would first be required to comply with the City's environmental review process as well as obtain approval by the City's Architectural Review Commission. Additionally, the ordinance affords the City Council the option of having required upgrading work performed on a building rather than demolition and all costs associated with the upgrading assessed on the tax roll for the property. Therefore, even if privately owned, buildings which are of primary historical significance to the City Council and the citizens of Sonoma could be saved from demolition.

Another important element that comes into play is the fact that under most circumstances, it will be more feasible economically to rehabilitate a historical building rather than demolish it. The reason for this is that buildings which are demolished may only be rebuilt if the proposed new building meets all current Uniform Building Code and City of Sonoma Zoning requirements. Three-fourths of the historical buildings which would be affected by the upgrading ordinance presently do not comply with the City's minimum parking requirements and would therefore need to provide additional parking for a proposed new building. For most of the historical buildings in town, it would be economically unfeasible to provide additional off-street parking as part of a new project in that there is a very limited amount of space on most historical properties. Additionally, there will be no tax breaks for persons proposing to demolish a building as opposed to performing structurally upgrading work.

Q. What effect will seismic upgrading have on my property taxes.

A. The State Constitution has been amended to prevent assessors from raising property values for seismic-strengthening of unreinforced masonry bearing wall construction, necessary to comply with any local ordinance relating to seismic safety for a period of 15 years.

Q. If I upgrade my building in accordance with the seismic upgrading program, will my building be earthquake proof?

A. No! The ordinance is designed to reduce the risk to life resulting from a catastrophic or partial building collapse. Buildings upgraded in accordance with the ordinance will help to save lives in the event of a damaging earthquake, but probably will sustain some level of damage. Owners wishing to prevent major structural damage to their buildings should consider using the Uniform Building Code as the upgrading design criteria.

Q. How can the assigned priority of my building be lowered to allow me more time to perform rehabilitation work?

A. The assigned priority points for your building may be revised by performing partial seismic upgrading work or by changing the type of use to a category which is less intensive based on occupant/hours or by vacating a portion or all of the building. If the number of priority points can be reduced enough to place the building in a lower priority classification, the number of years for required upgrading will be extended to meet the schedule for the newly designated priority category.

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Q. What are occupant/hours?

A. "Occupant/Hours" establishes the total accumulated number of hours a building might be occupied assuming the building is filled to maximum capacity for a 7 day period. Since the potential for injury or death resulting from a collapse or partial collapse of a building in the event of an earthquake is directly related to the number of people in and around the building, "occupant/hours" serves as an important factor in assigning the priority to a particular building.

Q. When will upgrading work be required for my seismically unsafe building under the seismic upgrading ordinance?

A. The seismic upgrading ordinance requires upgrading to be completed under an implementation schedule based on an assigned priority. Additionally, buildings which have been vacated for more than six months and buildings which are proposing significant remodeling or additions are required to perform seismic upgrading prior to reoccupying the building or as a part of remodeling or addition project. The timetable for required upgrading based on the priority implementation schedule is as follows:

I. High-Priority Buildings:

- a. Review and upgrading design submitted to Building Department within 2 years of notice to owner to correct deficiencies.
- b. Obtain a building permit to perform upgrading work within 2-1/2 years of notice to owner to correct deficiencies.
- c. Complete upgrading work within 2 years of issuance of building permit.

II. Moderate-Priority Buildings:

- a. Review and upgrading design submitted to Building Department within 3 years of notice to owner to correct deficiencies.
- b. Obtain a building permit to perform upgrading work within 5 years of notice to owner to correct deficiencies.
- c. Complete upgrading work within 2 years of issuance of building permit.

III. Low-Priority Buildings:

- a. Review and upgrading design submitted to Building Department within 4 years of notice to owner to correct deficiencies.
- b. Obtain a building permit to perform upgrading work within 10 years of notice to owner to correct deficiencies.
- c. Complete upgrading work within 2 years of issuance of building permit.

Q. If I perform structural upgrading on my building will a fire sprinkler system be required to be installed?

A. **Possibly!** In accordance with the Uniform Fire Code as amended and adopted by the city, fire sprinkler systems are required in all buildings subject to the requirements of the seismic upgrading program if the gross area of the building is greater than 4,000 square feet and the valuation of the upgrading work exceeds \$50,000, exclusive of the cost of the fire sprinkler system.

April 14, 1992

Q. If I perform structural upgrading on my building, will access to the physically disabled be required?

A. Yes! State building regulations require that when structural alterations, repairs or an addition is made to an existing building, access to the physically disabled must be provided in the following locations:

1. The area of addition, alteration or repair.
2. The path of travel from the public sidewalk or parking area to the addition, alteration or remodeled area must be made accessible.
3. Bathrooms, telephones and drinking fountains serving the remodeled area must comply with disabled access requirements.

Q. By providing disabled access, does that mean I will be required to install an elevator in my existing two story building?

A. Probably not. None of the buildings in Sonoma which would be affected by the seismic upgrading ordinance would be required to install an elevator unless the use of the upstairs portion of the building was changed to a restaurant, public building or other similar type of use. Uses in existing buildings such as retail businesses, offices, lodge rooms, apartments, hotels and motels do not require an elevator.

Q. Is there any funding available to me for performing seismic upgrading work?

A. YES The City of Sonoma offers the following funding programs:

- * Reimbursements of up to \$2.00 per square foot of eligible building area is provided to property owners for the exclusive purpose of helping owners pay for the costs of preparing engineering analysis, reports and construction plans for upgrading work. This reimbursement program is due to expire on December 31, 1993.
- * Certain building permit and plan checking fees for seismic upgrading work are paid by the City's Community Development Agency.

The typical building owner of a 4,200 square foot building would realize a cost benefit of approximately \$9,300 by taking advantage of the programs mentioned above. Other limited funding sources which may be available for seismic upgrading work depending on the type and use of your building are as follows:

1. Sonoma's Community Development Agency is currently exploring methods of providing additional financial assistance to owners through special districts, loan subsidies and public/private partnerships.
2. Small Business Administration (SBA) funding may be available for engineering, planning, permits, and construction costs to business borrowers that meet the agency's size standard and eligibility standards.
3. State Housing and Community Development Department administers a number of state programs aimed at encouraging renovation of housing resources for certain groups by providing loans at favorable terms.
4. Tax credits for rehabilitation may be available under the 1986 Tax Act.

April 14, 1992

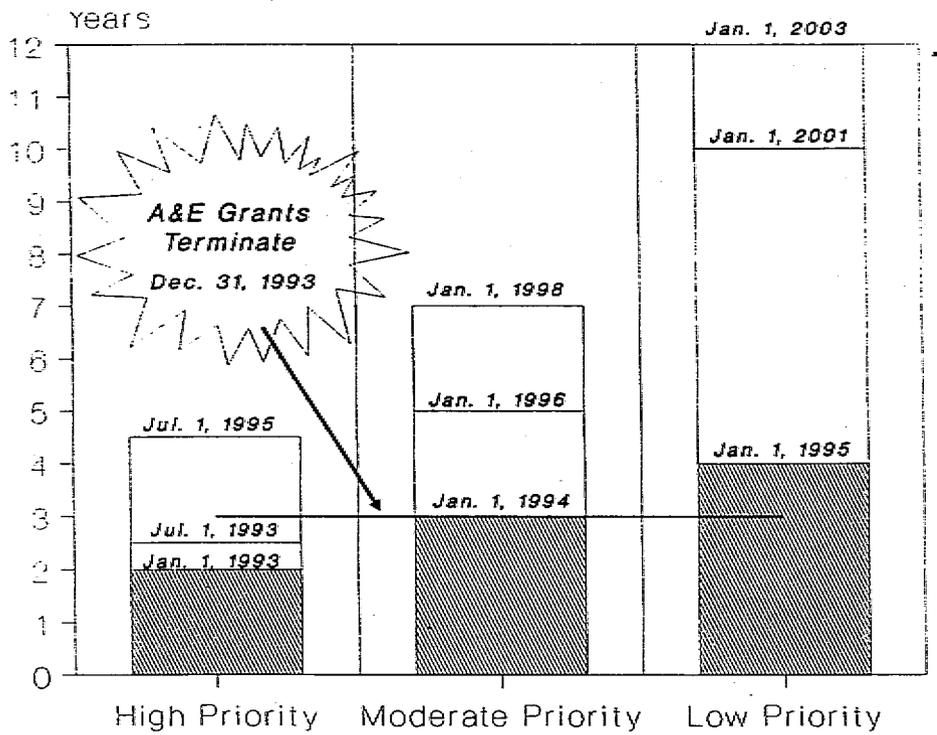
Q. What does seismic upgrading work entail?**A.** In basic terms, seismic upgrading involves the following items:

1. Providing a rigid floor and roof system which will act as a complete structural unit (diaphragm) when a load is applied. This is usually accomplished by attaching plywood to the floors and roof.
2. Providing wall stability so that the walls do not collapse inward or outward. This is sometimes accomplished by providing cross walls or wall bracing.
3. Providing adequate anchors between the floor and/or roof system and the walls.
4. Providing lateral stability for walls to prevent racking (in-plane shear) of the building.
5. Provide parapet bracing if necessary to prevent the collapse or partial collapse of parapet walls.
6. Secure veneers, ornamentation and appendages so as not to detach from supporting members.
7. Comply with fire resistive construction, fire sprinkler and exiting requirements to afford safe passage for the buildings occupants.
8. Provide disabled access throughout the ground floor of the building.
9. Correct all dangerous conditions within the building.

Q. I have received a "notice to correct deficiencies", where do I go from here?

- A.** Step #1 Review all documents, especially the "notice to correct deficiencies", included in your package of information provided by the city. Make sure the information appears to be correct.
- Step #2 Notify any tenants of the building that the building is potentially hazardous in the event of an earthquake as required by the ordinance.
- Step #3 Contact a licensed architect or engineer to provide an analysis of the building to determine the extent of deficiencies in accordance with the upgrading ordinance and to provide you with some approximate cost evaluations. Be sure they review disabled access and fire sprinkler requirements along with their structural evaluation.
- Step #4 Review all avenues of potential financing and funding assistance. Check your lease agreements to determine if there are any apparent problems relating to your legal rights to upgrade the building. Create a preliminary schedule for performing and completing work in accordance with upgrading deadline provided.
- Step #5 Contact a general contractor to provide refined cost estimates and perform work.
- Step #6 Complete all required upgrading work.

CITY OF SONOMA Seismic Upgrading Schedule



Requirements

Upgrading Plans	Permit Required
Upgrading Completed	A&E Grant Terminates

CASE STUDY:
CITY OF TORRANCE

CITY OF TORRANCE

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<i>Population:</i>	133,500
<i>1990/91 General Fund</i>	
<i>Revenues:</i>	\$93 million
<i>Fund Balance:</i>	\$10 million
<i># URM's:</i>	50
<i>Type of URM's:</i>	70% commercial 30% residential
<i>Ordinance Type:</i>	mandatory retrofitting
<i>Retrofit Incentives:</i>	(1) long-term financing at 10.75% (2) engineering design subsidy
<i>Funding Source:</i>	(1) Special Assessment bond issue (2) general fund

BACKGROUND

The City of Torrance encompasses a 20-square mile area located 10 miles south of Los Angeles along I-405. The city was originally founded in 1912 and incorporated in 1921. Torrance is presently the home to major employers such as Hughes Aircraft Company, Airesearch Manufacturing Company, and Mobil Oil Corporation. Torrance is the first city in California to use a bond instrument as a tool to finance the seismic retrofit of privately owned buildings.

HAZARDOUS BUILDINGS PROFILE

The City of Torrance contains approximately 50 unreinforced masonry buildings (URMs). The majority of these URMs are commercial structures. They range in size from 1,200 to 20,000 square feet, and command rent per square foot of about \$0.50 to \$1.00. One can find the majority of these buildings in old Downtown Torrance.

ORDINANCE

The city has a mandatory retrofit seismic ordinance that was adopted in 1987. Like some of the other cities in the greater Los Angeles area, Torrance's seismic retrofit ordinance is based on the 1982 Edition of Division 88 of the Los Angeles City Code.

INCENTIVE PROGRAM CONCEPT

Torrance's program provides URM owners with 2 sources of assistance: a subsidy to pay for engineering analysis and a source of long-term financing to pay for retrofit construction.

The city developed the subsidy program to promote the preparation of engineering plans. It was hoped the owners of URMs would be more willing to pay for retrofit plans if the work was subsidized. In addition, the subsidy conveyed the city's concern regarding the life safety hazard posed by URMs and its interest in seeing the issue addressed. Torrance provided a \$0.50/square foot of building area subsidy to URM owners to defray the cost of plan preparation.

The city also prepared a voluntary Special Assessment district which would provide members with a long-term, market-rate source of financing for retrofit construction. Torrance allowed a 9 month period in which property owners could apply for participation in the program. Property owners interested in participating submitted to the city, for review by its Building and Safety Director, an assessment report prepared by a California licensed engineer. The assessment was determined using the lowest responsible bid from a series of 3 estimates of the cost of construction obtained by the owner, and a pro-rata share of issuance costs. If the 3 bids were not obtained, the Assessment Engineer determined a reasonable cost of the necessary seismic safety improvements based on comparable costs for similar buildings in the district. The owners' parcels were then examined to determine their appraised values.

A total of 7 parcels were eventually included in the assessment district, representing less than one-fifth of the city's URMs. The parcels in the district are located in the old downtown portion of the city, and consist of retail, office and apartment properties.

In December, 1988, the city council held the required public hearing and, as no protests were received, adopted a resolution establishing the district, authorizing the projects and confirming and levying the assessment for each parcel. Two months later the bonds were issued and money was placed in an Improvement Fund awaiting disbursement to participating owners.

Undertaking and completing projects is the sole responsibility of individual property owners. All owners must submit final building plans to the city and obtain all the usual permits. Owners individually contract and arrange for the projects' construction. A provision was made in the

bond issue for financing construction cost overruns by including a 5% contingency fund in the issue. The time allotted for completion of all the projects is approximately 3 years. If there are bond proceeds remaining at the end of that time (perhaps because owners who participated in the district ultimately chose not to undertake the improvements, or because they did not satisfy the city's requirements for release of the funds) these proceeds will be used to prepay the bonds.

The bonds are repaid through assessment liens against all the parcels included in the district. The annual assessment billed against each parcel represents a pro rata share of the total principal and interest of the bonds coming due that year. Assessment installments are payable in the same manner and time as general taxes on real property. Note that the assessments represent liens against parcels, not personal indebtedness of property owners.

The bonds issued by Torrance are secured by the assessments levied against the parcels. The assessment liens are on parity with all general and special tax liens. They are subordinate to pre-existing Special Assessment liens, but take priority over future fixed Special Assessment liens. Most importantly the assessment liens take priority over all existing and future private liens, including bank loans and mortgages.

Failure of an individual property owner to pay an assessment installment will not increase the assessments against other parcels. Property securing delinquent assessment installments is subject to sale in the same manner as property sold for non-payment of general property taxes. In addition, Torrance has covenanted that it will commence judicial foreclosure proceedings against parcels with assessment installments which are more than 150 days delinquent. (For another discussion of Special Assessment financing see CASE STUDY - CITY OF LONG BEACH)

PROGRAM RESOURCES

Four different city departments were involved in developing Torrance's program: the Building and Safety Department, the Finance Department, the Treasurer's Department and the City Attorney's Office. The services of a financing team (bond counsel and underwriter) were also used extensively. Torrance estimates it cost approximately \$30,000 in staff time and other expenses to develop the program and issue the bonds. The fees of the financing team were reimbursed from the proceeds of the bond issue. Ongoing program costs primarily involve the time of the Building and Safety Department to review and approve requests for funds, and the resources of the City Treasurer to administer the bond program and collect the assessments.

Torrance issued bonds in the amount of \$679,325. The funds were allocated as follows:

- \$563,430 of the bond proceeds were set aside to cover project costs. This amount represents an estimated cost of \$10/square foot for seismic safety improvements, plus a 5% reserve for construction contingency.
- The bond proceeds also funded a \$33,966 reserve account, required in most bond financings, which ensures that funds will be available to make timely bond payments.
- Approximately \$36,514 was borrowed to cover interest payments which needed to be made on the bonds prior to collection of assessments.
- \$45,415 was expended to pay the financing team and cover other issuance costs.

PROGRAM DEVELOPMENT

As with the City of Long Beach, Torrance's use of Special Assessment district bonds to finance seismic retrofit projects might better be called an enabling rather than an incentive program. The city felt that its most suitable function would be to obtain financing for the owners while steering clear of any responsibility for repayment.

While assessment bonds of the type contemplated were commonly used by cities throughout California, they had never before been issued to finance repairs of privately-owned structures. The uniqueness of this purpose made the assessment bond issuance process more complicated than would normally be expected. The process ended up taking 13 months rather than the 3 to 6 months more commonly spent on assessment financings. Rather than being sold publicly, the bond issue was privately placed with an investor.

One of the more difficult aspects of the development process involved establishing the procedures for participation in the district and explaining the process to property owners. It was important for participants to realize the nature of the assessment on their property, how each account would be impacted by both interest earnings and construction drawdowns, and the impact of being fully responsible for any amount committed to.

As investors in assessment bonds are secured by the property upon which the lien is assessed, an important ratio in an assessment financing is the value-to-lien ratio. This ratio suggests to investors how much might be recouped from the sale of a property if its owner defaults on the

assessment. Typically investors will require that assessment districts contain properties with minimum value-to-lien ratios of 3.0 to 1. Torrance's financing team established a minimum 2.0 to 1 ratio. The lowest value-to-lien ratio in the district was 2.1 to 1. Thirty percent of the assessment was on properties with ratios less than 3.0 to 1, while the remaining 70% of the assessment was on properties with ratios greater than 3.6 to 1.

The following table illustrates the value-to-lien ratios of parcels which comprise the assessment district.

Value-to-Lien Ratio	# Parcels (Value = Assessed Value)	\$ Amount of Assessment	% of Total Assessment
1.00:1 to 1.99:1	0	\$0	0
2.00:1 to 2.9:1	2	\$202,275	30
3.0:1 to 4.9:1	4	\$456,750	67
> 5.0:1	1	\$20,300	3
TOTAL	7	\$679,3225	100.0

PROGRAM EFFECTIVENESS

More than half of Torrance's 50 URMs took part in the subsidy program for plan preparation, a sign that the URM owners take the situation as seriously as the city does. Only 7 of the 50 URMs were enrolled in the assessment district; the majority of the property owners, who elected not to participate in the district, had the ability to obtain monies from their own sources at comparable interest rates and/or preferred to perform the needed repairs from their own funds. To date 43 of Torrance's 50 identified URMs have been retrofitted.

PROGRAM STRENGTHS

The primary advantage of the program to the city lies in the fact that Torrance is able to provide owners with financing while retaining no repayment liability. Although the program does require ongoing monitoring and administration, these costs are not material. Because the program is privately financed and full financial responsibility lies with the property owners, the projects are not subject to regulations applied to public funds such as Davis-Bacon wage requirements.

KEYS TO SUCCESS

The effectiveness of Torrance's program is likely linked to the city's 2 step approach. The subsidy for plan preparation got URM owners to think about retrofiting, and the assessment district gave them an option for financing the work. This also let URM owners know that the city was serious about its retrofit program.

The issue of life safety related to URMs is very well understood by staff, elected officials, and the public at large. As a result very little controversy surrounded the city's development of its program.

Finally, the city showed a great deal of flexibility in its willingness to experiment with an untried method of financing. Torrance exhibited a tremendous amount of "municipal bravery" in being the first California city to use assessment district bonds for financing this type of program.

Torrance is a charter city. While this was considered a key factor at the time, some bond counsels now believe that general law cities can use Special Assessment financing to fund retrofit programs too (See: LOCAL GOVERNMENT FINANCING OPTIONS - SPECIAL ASSESSMENT DISTRICT).

CONTACT

Mary Giordano-Specht	Finance Director	(310) 618-5855
Jim Isomoto	Acting Building & Safety Director	(310) 618-5920

CASE STUDY:
CITY OF UPLAND

<i>Population:</i>	64,000
<i>1990/91 General Fund</i>	
<i>Revenues:</i>	\$22 million
<i>Fund Balance:</i>	\$8 million
<i># URM:</i>	65
<i>Type of URM:</i>	100% commercial
<i>Ordinance Type:</i>	mandatory engineering reports (implementation deferred)
<i>Retrofit Incentives:</i>	(1) "soft cost" and facade rebate (2) bank loans
<i>Funding Source:</i>	(1) CDBG (2) commercial banks

BACKGROUND

The City of Upland sits at the foot of the San Gabriel Mountains approximately 40 miles east of Los Angeles along the I-10 corridor. Originally an agricultural community, the city is now primarily residential. Upland has a traditional downtown area in which the majority of its unreinforced masonry buildings (URMs) are located.

HAZARDOUS BUILDINGS PROFILE

The hazardous structures identified by Upland are primarily 1 or 2 story commercial URM buildings located in an eight-block section of Upland's old downtown. Most of the buildings are occupied by local merchants. Some structures have residential uses on the second floor. The majority are less than 5,000 square feet in floor area. Rents range from \$0.50 to \$0.85 per square foot. Many of the URM are of brick construction. Some of these structures share common walls and may have been a single unit at one time. Some of the altered facades hide historically significant details while others have been irreversibly changed.

ORDINANCE

Upland chose to develop a retrofit ordinance based on the Palo Alto model (See: CASE STUDY - CITY OF PALO ALTO). The city's intent is to elicit voluntary action from the property owners by offering them incentives, invoking the mandate contained in the ordinance only if voluntary compliance is ineffective. The ordinance requires owners of URMs and of certain buildings containing 100 or more occupants to submit to the city's building inspection department engineering reports covering structural deficiencies and external hazards. The time allowed for submission of these reports ranges from 1 to 2 1/2 years, depending upon the building type. The ordinance exempts from this requirement owners of buildings which have been upgraded in accordance with either the Los Angeles Division 88 Standards or the 1973 or later edition of the Uniform Building Code. Under the ordinance, owners also are responsible for informing tenants that the report has been prepared, and for submitting to the building inspection department a plan for dealing with the hazards identified in the engineer's report. The ordinance provides that owners who do not comply may be guilty of a misdemeanor punishable by a maximum fine of \$500 or up to six months in jail, and that the city may order the building vacated and, ultimately, demolished.

The timelines for compliance contained in the ordinance are triggered when the building inspection department mails notices to owners informing them of the requirements established by the ordinance. In order to allow compliance to be voluntary rather than mandatory, the city has refrained from mailing these notices. The city plans to continue to defer the mailing as long as the retrofit incentive programs appear to be effective.

INCENTIVE PROGRAM CONCEPT

The City of Upland's incentive program uses a 2 prong approach, one a publicly financed incentive and the other offering private financing. The publicly financed incentive is known as the *Upland Town Center Commercial Rehabilitation Rebate Program*. This program is designed to complement the overall strategy which the city has for the town center, and to provide incentives to landlords to improve the aesthetics of the town center as well as to eliminate public safety hazards. Under the program Upland will reimburse property owners up to \$10,000 for seismic engineering, architectural services, city fees and eligible facade improvements. In order to receive the rebate, owners must comply with all the facade improvements recommended by the city's Design Review Committee. Rebates are made after completion of all required seismic and facade work. Priority is given to projects which contain sales tax generating uses on the ground floor.

The private financing technique is called the *Upland Town Center Construction Loan Program*. To develop this program, the city worked with property owners and local banks to

negotiate terms upon which these banks would offer loans for purposes of seismic retrofitting. The five banks which participate in the program, all of which are based in or near Upland, have agreed to offer flexible loan origination fees, interest rates and repayment terms as well as other incentives to owners participating in the city's seismic retrofit program.

PROGRAM RESOURCE REQUIREMENTS

In designing the retrofit incentive program it was of particular importance to Upland that as little staff time as possible be required for development and administration. The city specifically did not want, for example, to implement or manage a low-interest amortized loan portfolio. The design of Upland's seismic retrofit program took approximately 100 hours of staff time over the course of the 9 month design period, which the city feels was very reasonable. The program was developed by the Planning Department with the assistance of Main Street Upland Inc., a group consisting of downtown property owners and merchants. The majority of staff time was devoted to meetings with local bankers and property owners. The city's staff spent a great deal of its time educating all the interested parties on the issues surrounding retrofitting. The city incurred some additional minor program costs, primarily for production of flyers and other program materials (See: EXHIBITS.)

Ongoing administration requirements of the program are minimal, and are incorporated into the regular functions of the planning department: all the work proposed under the ordinance is reviewed in the same manner as any other work proposed in town and all facade renovations go before the Design Review Board. The ordinance does allow the city to utilize the services of civil or structural engineers to review the reports submitted by building owners. The cost of these consultants would be recovered by a fee assessed from the building owner based upon the time required for the review. This fee would then be deducted from any plan checking fees collected for future construction work arising from the report.

To fund the public portion of the program the city used Community Development Block Grant (CDBG) funds (See: LOCAL GOVERNMENT FINANCING OPTIONS - COMMUNITY DEVELOPMENT BLOCK GRANTS). Upland became an entitlement city in 1988. In each of fiscal years 1990/91 and 1991/92 Upland's CDBG Citizens Advisory Committee agreed to allocate \$100,000 of the city's total entitlement (\$361,000 for FY 90-91 and \$410,000 for FY 91-92) to the seismic retrofit program. The level of program funding means that it will take at least 6 years for all the city's URM's to be retrofitted. Also, due to the current economy, some landlords are not able to take advantage of this program because they cannot afford the seismic retrofit.

An important aspect of the program is the fact that the facade improvement activities being funded are not labor intensive (with labor cost comprising less than 13% of total costs), and

therefore are not subject to certain HUD labor requirements. This allows implementation of and participation in the program to remain simple and inexpensive. The city developed a program description which accomplished HUD's National Objectives with respect to Slum and Blight. This source of funding has some shortcomings. As a result of recent regulatory changes, this source of funds has become self-limiting, as only 30% of CDBG funds can be used for slum/blight activities in any 1-to-3 year period.

PROGRAM DEVELOPMENT

"Cooperation" is the word used most often by city staff to describe the successful development of the retrofit incentive program. The city's program was designed with the full support of the mayor and council, the CDBG Citizens' Advisory Committee and city staff. The most important ingredient to the development and success of the program is the spirit of cooperation among the banks, the owners, and the community. Bankers, URM owners, engineers, architects and the city's staff were all educated through their participation in the program development. This education also led to a sense of control on the part of participants which increased their willingness to take part in the program. Since the inception of the program the city and Main Street Inc. have each sponsored 2 informational workshops.

Upland is one of the few communities that has been successful in rallying some interest among its banking institutions in providing loans to property owners who need to retrofit their buildings. Development of the privately-funded portion of the program required much negotiation. A critical factor to the city's success is the fact that the banks involved are all relatively small and headquartered in or near the city. All have deep roots in the area and are committed to Upland's business community. All are interested in fulfilling Community Reinvestment Act requirements, too. (Note that reliance on the local banking community may mean that property owners with credit difficulties will not have access to the program funds.) The city originally suggested that the local banks create a pooled loan fund against which retrofit loans could be made. The banks, however, were uncomfortable with the concept and instead chose each to be more accommodating of owners' requests, individually deciding how best to meet the owners' needs.

Another factor contributing to the city's success is its requirement that owners perform both facade improvements and seismic upgrade work. This is also important to the banks, as facade improvements more obviously add value to the property being upgraded. In linking seismic and facade improvements, Upland also feels it is providing URM owners with more value for their retrofit dollar. The program continues to be very interactive, with the city maintaining its cooperative relationship with property owners. URM owners applying to the program receive a great deal of upfront feedback and review commentary as their project works its way through the system.

Developing the CDBG-funded public component also required patience, education, and cooperation. City staff worked closely with the CDBG Citizen's Advisory Committee, and spent some time working with HUD to develop an acceptable program description. Note that the city does not have a redevelopment area in the town center. Staff felt that having one would have made the process much simpler.

PROGRAM EFFECTIVENESS

The city feels the rebate program resulted in facade improvements above and beyond those directly reimbursable through the grants. All the funds in the rebate program have been conditionally committed, and there is a waiting list for the next funds which become available. Since the program's inception in early 1991, one building has been completely retrofitted under the incentive program. The bank-based construction loan program remains untested.

PROGRAM STRENGTHS

A major strength of the program is its simplicity. The application is easy to complete and the city is eager to assist property owners with their proposals for seismic and facade improvements. The program requires little incremental staff time, however, as owners easily can and do take the necessary steps on their own.

Because the program offers a rebate grant, with funds disbursed only after the improvements have been completed, the city does not need to be concerned about spending money prior to obtaining the desired results. Owners do have to worry about carrying the cost of engineering and other upfront expenses; however a \$10,000 grant represents a significant amount of money given labor costs in the city, which makes the money worth waiting for. Because projects can be completed on a timely basis, owners in fact end up carrying the costs for a relatively short time.

Finally, the city is finding that as participants in the programs undertake their projects, other owners are becoming less frightened of the cost and disruption of retrofit and are beginning the process themselves. The programs have thus acted as catalysts.

KEYS TO SUCCESS

Upland's publicly funded incentive program relies on the fact that it is an entitlement city, and is willing and able to allocate a portion of its CDBG funds to a seismic retrofit program. Keys to the development of the privately-funded program included the concentration of hazardous buildings in a single area and the existence of an owners' organization active in that area, as well as the presence of a number of local banks willing to participate in the program.

EXHIBITS

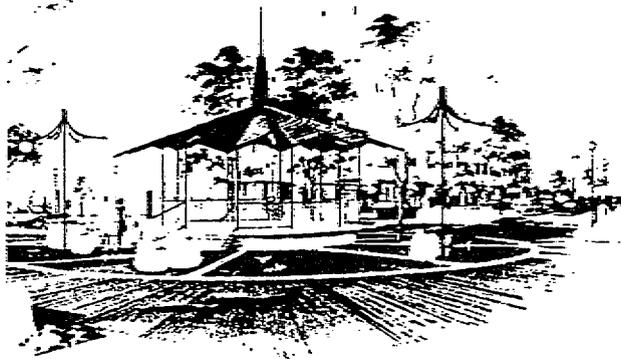
- Town Center Construction Loan Program
- Town Center Commercial Rehabilitation Rebate Program
- Excerpts from Commercial Rehabilitation Rebate Program Application Package:
 - + Cover Letter
 - + Final Application
 - + Program Guidelines
 - + Program Flow Chart
 - + Facade Improvement Guidelines
 - + Owner's Participation Agreement
 - + Selection Criteria for Engineering Services
 - + Directive for the Processing of Plans for Structural Modifications of Unreinforced Masonry Buildings

CONTACTS

Mark Trabing	Housing and Development Specialist	(714) 982-1352
Jeffery Bloom	Planning Director	(714) 982-1352
John Raymond	Main Street Manager	(714) 949-4499

CITY OF UPLAND

EXHIBITS



CITY OF UPLAND

"The City of Gracious Living"

460 No. Euclid Ave. P.O. Box 460
Upland, California 91786
(714) 982-1352

March 20, 1991

Dear Town Center Building Owner:

Thank you for submitting a Pre-application to the City of Upland Town Center Commercial Rehabilitation Rebate Program. This Pre-application helped us to determine the interest in this program. The interest is great and now we are ready to go. Enclosed please find the Final Application. To assist you in the process of obtaining a maximum of \$10,000 rebate for engineering, architectural services, city fees and eligible facade improvements, the City has developed the enclosed eight documents:

1. Commercial Rehabilitation Rebate Program Guidelines
2. Commercial Rehabilitation Rebate Program Flow Chart
3. Facade Improvement Guidelines
4. Final Application
5. Selection Criteria for Engineering Services
6. Owner's Participation Agreement
7. Interim Design Guidelines
8. Directive For the Processing of Plans for Structural Modifications of Unreinforced Masonry Buildings (for engineer or architect)

Please read this material carefully, and submit the Final Application as per the instructions, as soon as possible. Should you have any questions, please call me at 982-1352.

Sincerely,

Mark Trabing
Housing and Development Specialist

UPLAND TOWN CENTER Construction Loan Program

Created and sponsored by:

CITY OF UPLAND
P.O. Box 460
Upland, CA 91785
(714) 982-1352

**MAIN STREET UPLAND,
INC.**
P.O. Box 364
Upland, CA 91785
(714) 949-4499

A private lending program designed to assist Upland Town Center Property Owners with the seismic retrofit and facade improvement of their buildings.

SUMMARY

The Upland Town Center Construction Loan Program was established by the City of Upland, Main Street Upland, Inc., and the local lending community to help the Town Center property owners do two things: bring their buildings up to seismic building codes as required by city and state laws, and improve the appearance of the front and rear facades of their buildings.

The program is designed to be a flexible financing tool for the property owners, and to create an opportunity for the local lenders to participate in the seismic retrofitting -- and revitalization -- of the Upland Town Center. The creation of the Construction Loan Program reflects the willingness of the local lending community to fully support the revitalization effort in the Upland Town Center.

This program is designed to finance projects that would be more difficult to finance under conventional loan programs. There is a greater risk in the financing of downtown projects due to the age of the structures and the associated seismic risk.

The "risk" to lenders is reduced by following strict underwriting criteria

while supplying competitive financing rates. Additionally, only projects which have as their primary purpose the seismic reinforcement of the building are allowed to participate in the Program.

The Construction Loan Program is designed to work closely with the City of Upland's Commercial Rehabilitation Rebate Program, funded by Community Development Block Grant money. This program provides up to \$10,000 in rebates to cover the "soft" costs -- structural engineering and architecture, city fees -- as well as eligible facade work.

ELIGIBLE EXPENSES

Eligible project expenses include seismic retrofit, such as shoring up or replacing walls and ceilings, replacing a roof, or construction of a roof diaphragm. (Note: All work may be eligible for loan program purposes if acceptable to the City. Rebate program has limitations relating to certain forms of work.)

RATE & TERMS

The rate and terms of the program are not fixed; rather, the program is designed to provide flexibility to both owners and lenders. Depending on the

strength of the project and the owner's credit, there is the possibility of lower rates or more flexible terms. In most cases, the program provides the owners an opportunity to obtain financing (where they may not have been able to) and technical assistance for their projects.

APPLICATION PROCESS

Borrowers must meet the application and credit criteria of the participating lenders. The City of Upland will make a preliminary determination of the project's eligibility, i.e. that the building requires seismic retrofit and is located in the Town Center target area. It is also anticipated that most of the borrowers will have applied to the City's rebate program as well. Eligibility for the rebate program will be determined upon review of the final application.

Each owner is encouraged to contact the participating lenders for more information about the application process. Each lender has different rates, application process, and set of criteria, so owners are encouraged to discuss their projects with more than one lender. The contact persons at each of the participating lenders are listed on the following page.

PARTICIPATING LENDERS

Pomona First Federal Savings & Loan

Ted Aiken, Assistant Vice President &
Community Investment Officer
550 Indian Hill Boulevard
P.O. Box 3069
Pomona, CA 91767
(714) 625-4871

Upland Bank

Dick Price, Vice President & Manager
or Kitty Hill, Assistant Vice President &
Assistant Manager
100 North Euclid Avenue
P.O. Box 5009
Upland, CA 91785
(714) 946-2265

Chino Valley Bank

Russell E. Scranton, Vice President
818 North Mountain Avenue
P.O. Box 1309
Upland, CA 91785
(714) 946-6921

First Trust Bank

Paul Stratton, Vice President & Manager
Foothill Branch
234 East Foothill Boulevard
Upland, CA 91786
(714) 983-0511, extension 440

Foothill Independent Bank

Bill Davis, Vice President & Manager
569 North Mountain Avenue
Upland, CA 91786
(714) 981-8611

For more information about the City of
**Upland's Commercial
Rehabilitation
Rebate Program**, contact:

Mark Trabing, Housing & Development
Specialist
City of Upland
460 North Euclid Avenue
Upland, CA 91786
982-1352

For more information about Town Center
Construction Loan Program or available
technical assistance, contact:

John Raymond, Director
Main Street Upland, Inc.
134 North 2nd Avenue, Suite G
P.O. Box 364
Upland, CA 91785
949-4499

TOWN CENTER COMMERCIAL REHABILITATION REBATE PROGRAM



**\$10,000 GRANT REBATES FOR
COMMERCIAL BUILDING
OWNERS UNDERTAKING
SEISMIC RETROFIT AND
FACADE IMPROVEMENTS**

CITY OF UPLAND

P.O. BOX 460
UPLAND, CALIFORNIA 91786

(714) 982-1352

SUMMARY

The **Town Center Commercial Rehabilitation Rebate Program** will reimburse property owners of unreinforced masonry buildings up to \$10,000 for seismic engineering, architectural services, city fees and eligible facade improvements. Rebates will only be made after completion of all required seismic and facade work is complete.

A **Town Center Construction Loan Program** has also been established by local lenders in cooperation with Main Street Upland Inc. and the City. A separate brochure on this program is available from Upland Main Street Inc. or the City.

PROJECT ELIGIBILITY

1. The project must be a commercial building located within the Upland Town Center.
2. The project must include:
 - A. Complete seismic reinforcement of the building to meet the City's Seismic Ordinance; and,
 - B. Eligible facade improvements approved by the Planning Department.
3. Priority will be given to projects which contain sales tax generating uses on the ground floor.

ELIGIBLE EXPENSES

1. **Engineering Plans** - Structural engineering plans, including specifications and cost estimates of structural modifications are an eligible expense. Plans must be done by a licensed structural engineer. Seismic reinforcement of the unreinforced masonry structure must be in conformance with the Upland Seismic Ordinance.
2. **Architectural Plans** - Plans for facade improvements or seismic retrofit (including floor plans, elevations, colors and material samples, and any other appropriate specifications) may be required by the Planning Department. If these plans are done by an architect, then the architect's fee is an eligible rebate expense. Improvements to the facade must conform to the Upland Town Center Interim Design Guidelines.
3. **Facade Improvements** - Supply and installation of signs and awnings where the installation (labor) portion of the contract involves no more than an "incidental amount" (13% of the contract amount). For example, if the total cost of manufacturing and installing a sign is \$3000, and the installation portion of the contract is not over 13% of \$3,000 (\$390), you are eligible for a \$3000 rebate. If the installation or labor portion of the contract is over 13% you will not receive a rebate. Other facade improvements may qualify if they meet the criteria noted above.

4. City Fees -

A. Building Department fees: plan check fee and building permit fees are reimbursable. Make sure that your engineer does not include these costs in his engineering fee. You will need receipts for plan check and permits to submit to the Planning Department for a rebate after construction is completed. The cost of plan check fees and permit fees for the Building Department will depend upon the extent of construction required.

B. Planning Department fees:

A Design Review Board fee (\$90) and Conditional Use Permit fees (if required) are reimbursable.

For an application and a complete information packet on this program, call the City Planning Department.

CONTACT PERSONS

**For information on the overall
Commercial Rehabilitation Rebate
Program:**

Mark Trabing
Housing & Development Specialist, City
Planning Department
460 North Euclid Avenue
Upland, CA 91786
(714) 982-1352 Ext. 252

**For facade improvements and
Design Review Board:**

John Atwater
Senior Planner, City Planning Department
460 North Euclid Avenue
Upland, CA 91786
(714) 982-1352 Ext 252

**For information on the Town
Center Construction Loan Program
or other Town Center programs:**

John Raymond, Director
Main Street Upland, Inc.
Second Avenue Mall
134 N. Second Avenue, Suite G
Upland CA 91786
(714) 949-4499

CITY OF UPLAND
 COMMERCIAL REHABILITATION REBATE PROGRAM
 FINAL APPLICATION

Property Information

1. Property Address _____
2. Name of Tenant(s) _____
 (Please attach copy of lease) _____
3. Property Owner Contact Person _____
 (If partnership attach Partnership Agreement) _____
 Address _____
 Phone _____

Project Information

- | | |
|--|--|
| 4. <u>Proposed Engineer</u>
(for seismic) | <u>Proposed Architect</u>
(for required facade improvements, if an architect is required) |
| Name: _____ | _____ |
| Address: _____ | _____ |
| _____ | _____ |
| Phone: _____ | _____ |
| Contact Person: _____ | _____ |

Project Description

5. Give a detailed conceptual description of proposed facade improvements. Also describe seismic retrofit work if you are aware of what work is needed:

Seismic - _____

Facade - _____

Please attach a Preliminary Design of facade improvements (initial conceptual sketch of improvements) and a photograph of each exposed side of the building to be renovated. Specify in as much detail as you can, including colors and materials.

Project Financing

6. Proposed sources of funding \$ _____

Owner's Cash Contribution \$ _____

Conventional loan funds \$ _____

Firm financial commitment? Yes _____ No _____
If yes, please attach documentation

Are you interested in learning more about the Commercial Rehabilitation Construction Loan Program offered by local private lenders? Yes _____ No _____

Commercial Rehabilitation Construction Loan funds needed \$ _____

If you are an owner-user of the building, are you interested in learning more about Small Business Administration (SBA) loan guarantee programs?

Yes _____ No _____

7. Signature

Date

The applicant certifies that the information contained in this application and attachments are true and that you have read and understand the Commercial Rehabilitation Rebate Program Guidelines.

City of Upland Town Center

COMMERCIAL REHABILITATION REBATE PROGRAM GUIDELINES

I. SUMMARY

The Upland Town Center Commercial Rehabilitation Rebate Program will reimburse property owners of unreinforced masonry buildings up to \$10,000 for seismic engineering, architectural services, city fees and eligible facade improvements. This document addresses the guidelines for this rebate program.

A Construction Loan Program has also been established by local lenders in cooperation with Main Street Upland Inc. and the City. A separate brochure which addresses this program, is available from Main Street Upland Inc. or the City.

II. PROJECT ELIGIBILITY

1. The project must be a commercial building located within the Upland Town Center.
2. The project must include: a) complete seismic reinforcement of the building to meet the City's Seismic Ordinance; and, b) eligible facade improvements approved by the Planning Department.
3. Priority will be given to projects which contain sales tax generating uses on the ground floor.

III. ELIGIBLE EXPENSES

1. Engineering Plans - Structural engineering work, including plans, specifications, and cost estimates of structural modifications, must be done by a licensed structural engineer. Seismic reinforcement of the unreinforced masonry structure must be in conformance with the Upland Seismic Ordinance. Also see a separate handout contained in this packet titled "Proposed Selection Criteria for Engineering Services."

2. Architectural Plans - Plans (including floor plans, elevations, colors and material samples, and any other appropriate specifications) may be required by the Planning Department's Design Review Board for review of facade improvements. If these plans are done by an architect, then the architect's fee is an eligible rebate expense.

Improvements to the facade must conform to the Upland Town Center Interim Design Guidelines.

3. Eligible Facade Improvements - Supply and installation of signs and awnings where the installation (labor) portion of the contract involves no more than an "incidental amount" (13% of the contract amount). For example, if the total cost of manufacturing and installing a sign is \$3000, and the installation portion of the contract is not over 13% of \$3,000 (\$390), you are eligible for a \$3000 rebate. If the installation or labor portion of the contract is over 13% you will not receive a rebate. Other facade improvements may qualify if they meet the criteria noted above. Please talk to Mark Trabing, Planning Department, before undertaking facade improvements (for which you want a rebate) other than signs and awnings. Also see a separate handout contained in this packet titled "Facade Improvement Guidelines."

4. Permits - The cost of the Building Department's 1) plan check fee and building permit fees are reimbursable. Make sure that your engineer does not include these costs in his engineering fee. You will need receipts for plan check and permits to submit to the Planning Department for a rebate after construction is completed. The cost of plan check fees and permit fees for the Building Department will depend upon the extent of construction required.

The cost of the Planning Department's 1) Design Review Board fee (\$90), and 2) Conditional Use Permit fees (if required) are reimbursable .

IV. PROCEDURES REQUIRED FOR A REBATE

1. Submit Final Application, along with attachments (detailed on the application) to the City's Planning Department C/O Mark Trabing, Housing and Development Specialist. Before submitting your application, when you are developing the conceptual idea of your facade improvements, it would be a good idea to talk to John Atwater or the "Current Planning" staff regarding various city requirements which may effect your facade proposal.
2. Planning and Building Departments will review the Final Application and determine if an architect is needed. You will either receive approval of your proposal by a Conditional Commitment letter or you will receive a request to discuss the proposed project with you.
3. Owner hires engineer and architect (if necessary).

4. Owner submits two sets of engineering plans to the City Building Department and one set to the Planning Department. Owner will also submit the Design Review Board Application (which will contain working drawings and specifications of facade improvements) to the Planning Department.
5. The Building Department and the Planning Department's Design Review Board review plans. Plans are approved or owner asked to revise.
6. After engineering plans and facade plans are approved, owner obtains contractor bids for work. Facade work must be under a separate contract than the seismic work.
7. Owner submits to the Upland Planning Department, C/O Mark Trabing : A) a copy of the successful bid(s) for eligible facade work, B) documentation of the cost of engineering and architectural plans, and C) documentation of the cost of permits, plan check fees, Design Review Board fees, and Conditional Use Permit fees (if any). The rebate is based upon the total of these costs.

After the rebate amount is agreed upon (before the beginning of construction), an Owner Participation Agreement (Agreement) will be executed between the City and the building owner. This Agreement will include in Attachment B of the Agreement, a Scope of Work and Budget (the amount of rebate to be paid to the building owner) upon completion of construction. The City will complete Attachment B once it is agreed upon between the City and the Owner. Do not begin seismic or facade improvements until all city approvals and building permits are issued.

8. Owner begins and completes construction.
9. After construction is completed, the building owner will submit to Mark Trabing: a) evidence of final approval of all related building permits; b) a copy of Design Review Board minutes of approval of facade improvements; c) photographs of completed facade improvements, d) invoices for all engineering and architectural design work and for facade work. The rebate designated in the Owner's Participation Agreement will then be paid to the building owner.
10. The amount of the rebate may only be modified by amending the Scope of Work in the Owner's Participation Agreement, and approved by the Housing and Development Specialist. Claims for reimbursements of items not contained in the Agreement and amendments will not be

honored. Facade improvements should be made within 180 days of signing of the Owner's Participation Agreement

Contact persons:

For information on the overall Commercial Rehabilitation Rebate Program:

Mark Trabing
Housing & Development Specialist, Planning Department
460 North Euclid Avenue
Upland, CA 91786
(714) 982-1352 Ext. 252

For facade improvements and Design Review Board:

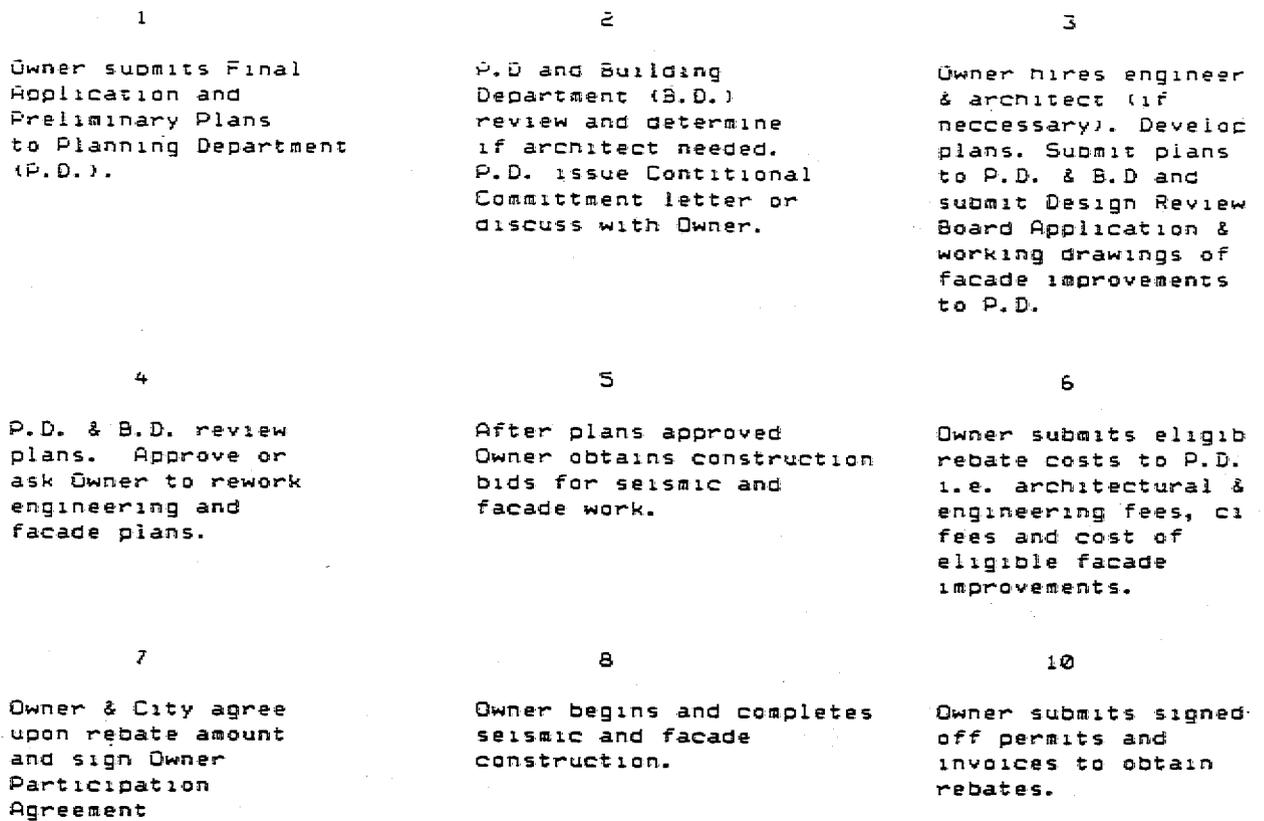
John Atwater
Senior Planner, Planning Department
460 North Euclid Avenue
Upland, CA 91786
(714) 982-1352 Ext 252

For information on the Commercial Constuction Loan Program or other Town Center programs:

John Raymond, Director
Main Street Upland, Inc.

TOWN CENTER COMERCIAL REHABILITATION REBATE PROGRAM

FLOW CHART



Note: See "Commercial Rehabilitation Rebate Program Guidelines" for more detailed procedures.

City of Upland
Commercial Rehabilitation Rebate Program

FACADE IMPROVEMENT GUIDELINES

The Commercial Rehabilitation Rebate Program has two purposes, assisting property owners to: 1) reinforce their unreinforced masonry buildings, and 2) improve the facade(s) of their buildings, at a level to be determined with the cooperation of the City Planning Department.

Due to federal regulations tied to the use of federal money, the City is restricted on the type of facade improvements it can reimburse owners for. The City will rebate eligible facade improvements, but may require other facade improvements not eligible for a rebate.

The total amount to be rebated will not exceed \$10,000 per building. The amount available for the cost of facade improvements is \$10,000 less the amount billed for engineering costs (for seismic retrofit) and for architectural services (which may be required for facade improvements) and permits (if not included in the engineering costs).

After reviewing your conceptual ideas for facade improvements in the Final Application, the Planning Department may require the building owner to hire an architect to draw plans of the facade improvements for submittal to the Design Review Board. The need for an architect will be made on a case by case basis depending upon the scope of work.

All facade improvements in the Town Center, regardless of participation in the Commercial Rehabilitation Rebate Program, are subject to the Design Review Board process. All facades should comply with all municipal codes including the sign ordinance, as well as the Town Center Interim Design Guidelines. The Planning Department will assist you in determining if your plans are in compliance.

The types of facade improvements you may wish to consider are the restoration, addition or replacement of the following types of facade improvements. The following facade improvements are not necessarily eligible for rebates.

- ornamentation and trim
- doors and windows
- columns or balustrades
- pavement surfaces

- roof systems visible from street
- inappropriate structural additions
- exterior lighting, attached to the building, not free-standing lighting in the public right of way
- landscaping - trees, planter boxes
- shutters
- commercial signs attached to buildings
- repointing of brick work, exterior water treatment
- remove obsolete signs and awnings
- awnings
- any other type of facade improvements you can think of

The following types of facade improvements are definitely eligible for a rebate if the labor portion of the contract is under 13% of the contract price:

Supply and installation of signs and awnings, where the installation portion of the contract involves not more than an "incidental amount" (13% of the contract amount). For example, if the total cost of manufacturing and installing a sign is \$3,000 and the installation portion of the contract is not over 13% of \$3,000 (or \$1,690), you will receive a \$3,000 rebate. If the installation or labor portion of the contract is over 13% you will not receive a rebate. Other facade improvements may qualify for a rebate if they meet the criteria noted above. This rather complicated formula is required by the federal government. Please talk to Mark Trabing, Planning Department, before undertaking facade improvements (for which you want a rebate) other than signs and awnings.

Facade Improvement Definitions

For the purposes of this program, the following definitions will apply:

Awnings/Canopy: A temporary, retractable shelter, that is supported entirely from the exterior wall of a building.

Codes: The latest editions of the City of Upland Building Code and Zoning Code.

Design Review: City Planning Department procedures that reviews plans for consistency with the Interim Design Guidelines and other Codes.

Design Guidelines: The Town Center Interim Design Guidelines, developed to ensure sensitive treatment of building exteriors.

Exterior Lighting: Lighting fixtures and the installation of same, attached or connected to a building undergoing

renovation. Exterior lighting does not include free-standing lighting in the public way.

facade: The entire exterior surface of a building from grade to the roof line. Buildings that abut two streets and/or an alley, empty lot, parking area, or open space may have other faces considered facades at the discretion of the Planning Department.

Landscaping: Items such as trees, bushes, and planter boxes are eligible when considered integral to the facade treatment of the building. The Planning Department will determine eligibility.

Preliminary Design: Initial conceptual sketches of improvements based on the objectives of the owner(s). Preliminary designs are submitted with the Final Application.

Professional Fees: These costs include engineering and architectural services fees and do not include expenses spent on materials, physical improvements, equipment, or labor directly related to their installation.

Shutter: Moveable cover or screen for a door or window to provide protection from the elements.

Sign: Any commercial sign attached to the building which is consistent with the City of Upland Sign Ordinance and the Town Center Interim Design Guidelines.

Working Drawings and Specifications: The detailed drawings which show detailed methods of installation and materials and the specifications to be followed in the construction of the improvements.

City of Upland

COMMERCIAL REHABILITATION REBATE PROGRAM

OWNER PARTICIPATION AGREEMENT

THIS AGREEMENT made and entered into this _____ day of _____ 1991, by and between _____ (hereinafter "Owner") and the City of Upland, a municipal corporation, (hereinafter "City").

WITNESSETH

WHEREAS, Owner is owner of a commercial property commonly known as _____ Upland California (the "Property"), which is legally described in Exhibit "A" attached hereto,

WHEREAS, the property is in need of certain repairs and rehabilitation work, the cost of which has the effect of discouraging the upgrading of the property.

WHEREAS, City is the administrator of federal funds which may be used to provide incentives for the rehabilitation of commercial buildings, owned by a private for-profit business, where improvements are limited to the exterior of the building and the correction of code violations.

WHEREAS, Owner desires to undertake improvements to the building with the assistance of the financial incentives offered by the City.

NOW, THEREFORE, for and in consideration of their mutual promises, the Owner and the City hereby agree as follows:

1. REBATE AMOUNT: City shall reimburse Owner an amount not to exceed: _____ Dollars (\$ _____) upon satisfactory completion of the rehabilitation work upon the property (the "Improvements") in accordance with the Scope of Work and Budget, attached hereto as Exhibit "B" and submission of acceptable evidence of full prior payment of all associated costs.
2. FINANCING: Owner agrees to finance the cost and expenses of constructing the Improvements and cost and expenses incidental thereto, using private funds.
3. TIME OF PERFORMANCE: Owner agrees to cause construction of the Improvements to be commenced and to be prosecuted with due diligence and good faith without delay, so that the same will be fully completed not later than _____ days after the date of this Agreement.

4. CHANGES IN WORK: Owner shall not permit any amendments or modification of the Improvements or the performance of any work pursuant to such amendments or modifications, without prior written consent of the City first being obtained with respect thereto.

5. RIGHTS OF INSPECTION: City shall have the right at any time and from time to time to enter the property for the purposes of inspection. Owner agrees to provide access to any such records pertaining to the project as the City may deem necessary to establish proper accounting of rebate amount.

6. INDEMNIFICATION: Owner shall indemnify, defend and hold harmless, the City its officers, agents, or employees from and against any loss, liability, or expense from defense costs, legal fees, and claims for damages that may arise or result from the wrongful acts or omissions or the allegedly wrongful or negligent acts or omissions of the Owner, its officers, agents or employees.

7. AGENCY: It is understood and agreed that the Owner is in no way the agent, employee or contractor for the City and the City will merely reimburse the Owner on the basis set forth in this contract for work and improvements done by the Owner.

8. USE OF DEBARRED CONTRACTORS: Owner shall not directly or indirectly employ, award contracts to, or otherwise engage the services of, any contractor during any period of disbarment, suspension or placement in ineligibility status by the U.S. Department of Housing and Urban Development (HUD) under the provisions of 24 CFR Part 24.

9. RELOCATION: Owner will not cause the displacement of any business, family or individual as defined under the Uniform Relocation Act, as a result of the project.

10. COMPLIANCE WITH REHABILITATION STANDARDS: All plans and specifications must comply with the City of Upland: Building and Fire Codes, Seismic Ordinance, General Plan and Zoning Ordinances and the Town Center Interim Design Guidelines.

11. THIRD PARTIES: This Agreement is made for the sole benefit of the Owner and the City and the City's successors and assigns, and no other person or persons shall have any rights or remedies under or by reason of this Agreement or any right to the exercise of any right or power of the City hereunder nor shall the City owe any duty whatsoever to any claimant for labor performed or materials furnished in connection with the construction of the Improvements.

IN WITNESS WHEREOF, The parties hereto have executed this agreement as of the day and year first set forth hereinabove.

"CITY"

By _____
City Manager

"OWNER"

By _____

Attest

City Clerk

**CITY OF UPLAND
COMMERCIAL REHABILITATION PROGRAM**

SELECTION CRITERIA FOR ENGINEERING SERVICES

The City of Upland will not select an engineering firm for the owner, nor will it recommend one firm over another. This document is intended to assist property owners in selecting a qualified and reliable engineering firm for their project. The enclosed requirements include those that the City of Upland will examine when the work is submitted, and gives each owner a set of criteria by which to judge several firms equally.

To be eligible for a rebate, any contract executed with an engineering firm must include language that the engineer has read and reviewed the Seismic Safety Ordinance and attests that the work to be performed is in compliance with it. The costs quoted in a proposal must include the costs of any and all testing to be performed on the structure, as well as the costs of all plans and specifications necessary for a building permit.

I. Proposal Format

Property owners are free to select their own engineers, but should judge firms based on proposals that address the criteria below. Before actually hiring any engineering firm, owners are encouraged to meet and discuss their projects with more than one firm. A description of each firm, for purposes of comparison between firms, should consist of a report including, but not limited to, the following:

- a. Approach and objectives
- b. Methodology
- c. Cost analysis for implementation
- d. Time frame for completion
- e. Firm/team description
- f. Relevant experience
- g. Key personnel
- h. References

II. Scope of Work

The engineer will be required to prepare plans, specifications, and cost estimates to enable the participating owner to proceed with appropriate structural modifications. Because several of the buildings in the Town Center may be eligible for historic designation, the engineer should show some knowledge of and experience in structural engineering and architectural rehabilitation of historic structures, even if the particular property in question is not a historic property. This may include knowledge and experience with the Secretary of the Interior's Standards for Historic Preservation and guidelines for applying the standards for stabilization, rehabilitation, and preservation. The Town Center Interim Design Guidelines loosely follow the Secretary of Interior's Guidelines, even for non-historical buildings.

Engineers will be required to apply these standards and guidelines to any and all modifications to buildings which may be eligible for historic certification. These are buildings which have been identified on the City's Historic Buildings Survey.

For any building, whatever its historic status, the engineer will be required to submit to the Building Department materials sufficient to comply with Section 8109.09 (the reporting section) of the City of Upland Earthquake Safety Ordinance. The text of that section follows:

City of Upland Building Department
Text of Seismic Ordinance Referring to Engineer's Report

Section 8109.09

- .050 Format for the Report. The following is a basic outline the format each engineering report should follow. This outline is not to be construed to be a constraint on the professional preparing the report, but rather to provide a skeleton framework within which individual approaches to assembling the information required by the ordinance may be accomplished. It will also serve as a means for the City to evaluate the completeness of each report.
- .0010 General Information. A description of the building including:
- (i) the street address;
 - (ii) the type of occupancy use within the building, with separate uses that generate different occupant loads indicated on a plan showing the square footage of each different use;
 - (iii) plans and elevations showing the location, type and extent of lateral force resisting elements in the building (both horizontal and vertical elements)
 - (iv) a description of the construction materials used in the structural elements and information regarding their present condition;
 - (v) the date of the original construction, if known, and the date, if known, of any subsequent additions or substantial structural alterations of the building;
 - (vi) the name and address of the original designer and contractor, if known, and the name and address of the designer and contractor, if known, for any subsequent additions or substantial structural alterations.
- .0020 Investigation and Evaluation of Structural Systems. All items to be investigated and the methods of investigation for each type of building under consideration are contained in Appendices A and B, available from the city's building inspection department.
- .0030 Test Reports. All field and laboratory test results shall be included in the report. Evaluation of the significance of these test results shall be made with regard to each structural system or typical connection being evaluated. This evaluation may be limited to a statement of the adequacy or inadequacy of the system or connection based on the lateral load demand it would be required to resist by calculation. If tests reveal inadequacy, a conceptual solution must be included in the report.
- .0040 Conclusions. Based on the demand/capacity ratio and the specific evaluation items contained in Appendices A or B attached to the ordinance codified in this chapter, a statement shall be provided explaining the overall significance of the deficiencies found to exist in the building's lateral force resisting system regarding potential collapse or partial collapse failure.

CITY OF UPLAND
DIRECTIVE FOR THE PROCESSING OF PLANS
FOR STRUCTURAL MODIFICATION OF UNREINFORCED MASONRY
BUILDINGS

The Upland Building Department has identified approximately 67 unreinforced masonry buildings within the City. These structures are susceptible to failure in the event of a moderate or strong earthquake. To ensure the safety of the public, the Upland City Council has enacted the Seismic Hazards Ordinance which establishes the process for stabilizing these structures.

To facilitate the seismic stabilization review process, an outline of the process, and the major issues of concern are listed below.

- I. SCOPE OF PROJECT MEETING: With the initial contact between the applicant and the Planning Department, a joint meeting with the Building and Planning Departments, the developer, project engineer or architect will be scheduled. The purpose of the meeting will be to explore the scope of the proposed seismic reinforcement project. If the project location is within the Town Center boundaries, the applicant will receive a copy of the Interim Design Guidelines which outlines the design issues for that area.

The scope of project meeting will also discuss the potential effects of the structural modifications to the architectural integrity of the exterior of the building and the potential future use of the interior.

- II. PROJECT REVIEW PROCESS Any or all of the following boards may review the project. Check with the Planning Department project coordinator for further information:
- A. Administrative Committee
 - B. Design Review Board
 - C. Environmental Review Board
 - D. Planning Commission (public hearing)
 - E. Redevelopment Agency
 - F. City Council

III. REQUIRED CONSTRUCTION PLAN CONTENT:**A. PLANS FOR PLANNING DEPARTMENT**

Architectural plans including elevations and floorplans shall be submitted. Plans shall note any proposed modifications to the interior or exterior of the building. Color and material modifications shall also be completely noted and detailed on the plans.

The architectural plans shall also include notes and/or details on the following:

1. Proposed color and/or material changes.
2. Modification to any door and/or window openings, frames or hardware.
3. Modification of exterior pediments, parapets or ornamentation.
4. Removal of or repainting of exterior surfaces. (The methods of paint removal shall be completely noted and detailed on the plans).
5. Addition or removal of awnings or shade providing devices.
6. Removal and/or replacement of exterior facade treatment. (The methods of material removal shall be completely noted and detailed on the plans).
7. Proposed modifications to existing ceiling levels.
8. Proposed locations of interior columns or walls.
9. Addition of brick veneer.

B. PLANS FOR BUILDING DEPARTMENT:

Structural plans shall be submitted, including notes and details of any proposed additions or modifications to the interior or exterior of the building. Plans shall include details and locations of the following:

1. The addition of structural frames.
2. The addition or removal of cross or partition walls.
3. All connection details between the roof and wall, floor and wall, or wall to wall.
4. A statement of the theory or methodology followed in accordance with the City of Upland Seismic Ordinance.
5. The statical system used for the stabilization or retrofitting of the structure.
6. The details and description of the parapet connections to the roof diagram.

- IV. CONTRACTOR LIST Applicant's shall submit a listing of the names and phone numbers of all contractors and subcontractors involved in the project to the Building and Planning Departments. This list shall be kept current and specifically identify the responsibilities of each contractor or sub-contractor.
- V. PERIODIC INSPECTIONS The Building and Planning Departments will schedule special, periodic inspections with contractor and/or sub-contractors, prior to commencement of work during various stages of construction. The inspections are on an as need basis, determined by the City staff or at the request of the developer or contractor. The intent of the inspections is for clarification of methods or materials as described on plans submitted to the Building and Planning Departments.

All existing regulations for the processing of building permits and the associated requirements will be the same as for any other structural modification to an existing building.

This directive in no way precludes additional review by the City as determined necessary by the Chief Building Official or the Planning Director.

JZ 8/90

CASE STUDY:
CITY OF WEST HOLLYWOOD

CITY OF WEST HOLLYWOOD

59

<i>Population:</i>	36,000
<hr/>	
<i>1990/91 General Fund</i>	
<i>Revenues:</i>	\$34 million
<i>Fund Balance:</i>	\$700,000
<hr/>	
<i># URM's:</i>	81
<hr/>	
<i>Type of URM's:</i>	80% commercial 20% residential
<hr/>	
<i>Ordinance Type:</i>	mandatory retrofitting
<hr/>	
<i>Retrofit Incentives:</i>	(1) planning fee waivers (2) zoning incentives (3) rent control modifications (4) Mello-Roos district bonds
<hr/>	
<i>Funding Source:</i>	(1) general fund (2) Mello-Roos district bonds
<hr/>	

BACKGROUND

Incorporated as a General Law city in November 1984, West Hollywood is one of the youngest cities in Los Angeles County. The strength of West Hollywood's economic base has enabled the city to provide an array of social services to its residents. West Hollywood provides more money per capita to fund social services for its residents than any other municipal government in the United States. The city is located in an area which is highly susceptible to earthquake damage. The Hollywood/Raymond Fault, the Santa Monica Fault and the Elysian Park Fault, a "hidden" fault, all pass through some part of the city's 1.9 square miles.

HAZARDOUS BUILDINGS PROFILE

The unreinforced masonry buildings (URMs) in West Hollywood were generally constructed before 1933. Thirty-two of the structures originally identified as potentially hazardous buildings were eventually proven to have sufficient structural integrity to be outside the

scope of the city's ordinance. A majority, 63, of the 81 URMs remaining on the list are exclusively commercial in use or a mix of commercial and residential uses. There are 12 apartment buildings, containing a total of 210 residential units, on the list of URMs. The remaining 6 structures include a homeless shelter, a fire station, garages and a warehouse.

ORDINANCE

The City of West Hollywood originally adopted Chapter 96 of the Los Angeles County Uniform Building Code as its Earthquake Hazard Reduction Ordinance. Although in effect since 1985, little had been done to require compliance with the noticing and retrofitting schedules. In April 1990, the Departments of Community Development and Rent Stabilization submitted a series of amendments to Chapter 96 which were approved by the City Council. The amendments related to the procedure and timing of seismic retrofit improvements, some policy options for financing incentives, procedures for demolition and the rules and regulations of the Rent Stabilization Ordinance as they relate to seismic rehabilitation.

The amendments to Chapter 96 provided a more flexible schedule to URM owners for complying with the ordinance. The original schedule called for complete retrofitting within 3 years of being served notice, with a 1 year extension upon the early installation of wall anchors. The amended schedule allows 12 to 18 months for the installation of anchors and 4 to 7 years, depending on building type, for full compliance. Under these amendments, all URMs in West Hollywood will have satisfactory wall anchorage within 2 years and full strengthening within 8 years. The amendments also allow the owners of historical buildings an additional 90 days for compliance (included in the schedule referenced above) to accommodate review by the Cultural Heritage Advisory Board.

The noticing section of West Hollywood's ordinance requires the city to record the URM status of a building so that such status is fully disclosed upon sale of the property. The revamped schedule for noticing URM owners under the amendments includes new classifications which attempt to identify structures, such as supermarkets, pharmacies, etc., whose function immediately following an earthquake disaster are important to recovery from such a disaster.

The amendments also addressed the issue of URM owners passing along the costs of retrofitting to tenants in light of West Hollywood's strong rent control ordinance. New amortization schedules and rent increase allowances for seismic retrofit projects were developed. A streamlined process for rent increase applications directly related to seismic retrofitting was also developed.

INCENTIVE PROGRAM CONCEPT

The seismic retrofit incentive program devised by the City of West Hollywood is multi-faceted. The program provides both financial and non-financial incentives to the owners of URMs.

Fee Waivers play a key role in West Hollywood's retrofit incentive program. As an incentive to encourage owners to complete full strengthening of the structure as quickly as possible, the city waives the planning permit fees for owners who choose to do the full retrofit upfront. The city also waives the fee for a rent increase application when such an application is directly related to a rent hike to finance seismic improvements.

Zoning Incentives are also part of the city's retrofit program. West Hollywood's zoning ordinance does not require buildings that undergo major rehabilitation to comply with new zoning or land use requirements. This allows building owners to avoid demolishing a building or evicting current tenants because the retrofitted building would not be in compliance with new zoning requirements.

The *Rent Control Modifications* allow owners doing seismic retrofit work to pass through the costs of this work to tenants on a much quicker basis. The rules and regulations of the rent stabilization ordinance were amended to establish a 30-year amortization period for seismic rehabilitation work. The rules regarding the maximum rent increase allowed were also changed for owners doing seismic rehabilitation work. Rent increases over 50% are allowed to be passed on to tenants over a 3 year period. As an example, a rent increase of 60% would result in a 12% increase in each of the first 2 years (12% is presently the maximum annual increase) and an increase of 36% in the third year. It was felt this phasing of the increases would allow tenants sufficient time to look for other housing accommodations if necessary.

A *Mello-Roos District* is being formed by West Hollywood. (See: LOCAL GOVERNMENT FINANCING OPTIONS - MELLO-ROOS COMMUNITY FACILITIES DISTRICT.) The bonds issued by this district will provide a source of long-term, market-rate financing to URM owners. The proposed Mello-Roos district will include 5 properties (4 commercial structures and a 21-unit condominium) and will total approximately \$1 million. It is expected 12 of the 21 condominium units will be included in the district for a total of approximately \$750,000.

PROGRAM RESOURCE REQUIREMENTS

Of the 4 incentive program components examined above, only the fee waivers have a direct fiscal impact on the city. West Hollywood estimates it will forego a maximum of \$69,000 by

waiving planning permit fees, and a maximum of \$12,000 by waiving rent increase application fees. The zoning incentives do not represent any additional cost to the city. The proposed Mello-Roos bond issue does not represent a direct cost to West Hollywood, but the great amount of staff time spent on developing the district represents an indirect cost to be borne by the city. The city also estimates it will take approximately 10% of one staff person's time for a year to coordinate the initiation of the Mello-Roos bonds loan program.

PROGRAM DEVELOPMENT

West Hollywood's revised seismic retrofit ordinance represents a great deal of work by the city's staff, particularly the Housing and Economic Development Division, the Building and Safety Division in the Department of Community Development, and the Department of Rent Stabilization. It was obvious to staff the existing ordinance was not doing what was necessary to address the public safety issue posed by West Hollywood's URM's. The amendments to the ordinance and related policy recommendations represent a tremendous amount of research and groundwork on the part of the city staff. All possible sources of information, such as the programs established by other cities and surveys of West Hollywood's URM owners, were tapped. Not including the time it has taken to establish a Mello-Roos district, it took the city staff approximately 6 months to develop the program.

PROGRAM EFFECTIVENESS

Of the 81 URM's originally identified, 12 were removed from the list on appeal from owners who provided information necessary to prove the structures meet current seismic standards. As of April 1992, 41 of West Hollywood's identified URM's had yet to be retrofitted. This number includes the 5 structures that will be joining the Mello-Roos district. Work on the structures which have been retrofitted to date has been financed privately.

PROGRAM STRENGTHS

The enforcement follow-through by the Building and Safety Division is considered a strength of West Hollywood's program. Existing city ordinances make it difficult to exercise demolition as a retrofit option, so Building and Safety, realizing that URM owners will most likely retrofit their structures, provided assistance. A regulatory strength of West Hollywood's program is the fact that no extension of retrofit deadlines is accorded a new URM owner. This keeps a property from being passed between fictional owners to avoid retrofit.

KEYS TO SUCCESS

Probably the most important quality resulting in community acceptance of West Hollywood's program was that the city paired a mandatory ordinance with a financing mechanism. The City of West Hollywood also indicated that much of the success this program enjoys can be traced to a dedicated staff person who worked with URM owners. This individual, who is no longer with the city, worked directly with owners to develop strategies for retrofitting their buildings. The city feels this one-on-one contact with URM owners was a major factor contributing to the success of the program.

CONTACT

Rhonda Sherman

Development Specialist

(310) 854-7468