REPORT OF THE CHIEF LEGISLATIVE ANALYST

DATE:

March 25, 2015

TO:

Honorable Members of the Rules, Elections and the Intergovernmental Relations

Committee

FROM:

Sharon M. Tso Marchief Legislative Analyst

Council File No. 15-0002-S6

Assignment No. 15-01-0061

SUBJECT:

Resolution (LaBonge-Wesson) to include in its 2015-16 State Legislative Program sponsorship or support for legislation seeking voter approval of a State ballot measure, at the next statewide election, to provide funding for seismic retrofit and safety programs for non-ductile reinforced concrete and soft story buildings.

<u>CLA RECOMMENDATION</u>: Adopt Resolution (LaBonge-Wesson) to include in its 2015-16 State Legislative Program sponsorship or support for legislation seeking voter approval of a State ballot measure, at the next statewide election, to provide funding, such as bond financing, to local governments for seismic retrofit and safety programs for non-ductile reinforced concrete and soft story buildings.

SUMMARY

On January 23, 2015, a Resolution (LaBonge-Wesson) was introduced to seek a statewide ballot measure to provide funding for the improved seismic safety of concrete structures and states denotes as follows:

- The City's Seismic Safety Task Force determined that significant efforts are needed to improve the safety of pre-1980 "non-ductile reinforced concrete" buildings, pre-1980 "soft story" buildings, water system infrastructure (including impact on firefighting capability), and telecommunications infrastructure.
- It is important to create financial resources to improve the housing and infrastructure safety Statewide, including cities and counties.
- Voters should be provided an opportunity to consider whether the State should use bond financing to help ensure greater safety across the State, knowing that the next "big earthquake" is coming.

BACKGROUND

On January 23, 2014, the Council adopted a similar Resolution (LaBonge-Englander), Council File No. 13-0002-S135, seeking support or sponsorship of any legislation seeking voter approval of a State ballot measure, at the next Statewide election, to provide funding to localities for earthquake safety improvements, including efforts to improve the structural safety of old concrete structures.

On March 25, 2015, the Council adopted Resolution (Cedillo-Englander-Blumenfield), Council File No. 15-0002-S17, to include in the City's 2015-2016 Legislative Program support for AB 428 (Nazarian), which would establish a tax credit for individuals who make seismic retrofits to their buildings, by offering a tax credit of 30% of qualified costs.

Property owners seeking a tax credit for seismic retrofits would have to obtain a certificate from their local jurisdiction verifying the types of seismic retrofits made and their cost, and provide that to the Franchise Tax. The tax credit will be available only to property owners who make retrofits to soft story apartment buildings and unreinforced concrete buildings,

In a report dated November 23, 2013, the Department of Building and Safety defines wood frame soft story buildings as those buildings that are multi-residential built prior to 1978, with two or more stories and five or more units that exist in the city. These structures are characterized with large openings in exterior walls at the ground level that include parking garages or other similar open floor space that causes a soft and/or weak story.

Non-ductile concrete buildings are those structures built before 1976 and vulnerable because they do not have enough steel reinforcement to hold columns in place, thereby causing these building to collapse. The frame of these buildings is made of reinforced concrete and is brittle. Ductility was incorporated into post 1976 construction with the use of special reinforced steel within the reinforced concrete beans and columns, which allows the column or beam to bend in response to seismic activity without braking.

DEPARTMENTS NOTIFIED:

Building and Safety City Attorney

Roberto R. Mejia

Analyst