**DATE:** June 4, 2019

**TO:** Honorable Mayor and City Council

**FROM:** Tiffany Chew, Business Development Specialist
Shellie Woodworth, Chief Building Official
Wayne Chen, Assistant Community Development Director
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**VIA:** Daniel H. Rich, City Manager

**TITLE:** **Soft-Story Retrofit Program Update**

STUDY SESSION MEMO

CITY OF MOUNTAIN VIEW

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## PURPOSE

The purpose of this Study Session is for the Council to provide input on options for a mandatory soft-story retrofit program.

## BACKGROUND

The Fiscal Year 2017-19 City Council Major Goals Work Plan includes an item to develop a soft-story seismic retrofit program. To implement this item, the City hired a structural engineer/earthquake policy consultant to review Mountain View's multi-family housing stock and to develop an updated estimated inventory of soft-story buildings in 2017. On September 4, 2018, staff provided City Council an overview of policy and program options for a possible soft-story retrofit program (Attachment 1—Study Session Memo). At the Study Session, it was also discussed that many soft-story buildings might also be subject to the City's rent stabilization program under the Community Stabilization and Fair Rent Act (CSFRA). Currently, landlords of rental units under the CSFRA would be able to petition to recover the costs of a seismic retrofit through a fair-return petition process but only if retrofits were adopted as mandatory by the City. As a result, Council directed staff to develop a mandatory soft-story retrofit program, explore potential incentives to assist with the financial costs associated with soft-story retrofits, and to return to Council with program and incentive options.

**Soft-Story Definition and Retrofit Goals**

A soft-story building is defined as a multi-story, wood-frame residential building prone to collapse when shaken hard enough. These buildings are at least two stories, contain at least three residential units, and have a wood-frame construction on the ground floor. In Mountain View, the soft-story condition is typically "tuck-under" parking stalls on the ground floor.

Performing seismic retrofits to vulnerable soft-story buildings can help preserve the existing housing stock and increases the likelihood that local residents can remain in Mountain View and not be displaced in the event of a major earthquake. Additionally, retrofitting multi-family residential buildings can decrease the likelihood of fatalities in a major disaster. Because soft-story buildings can pose a significant risk to residents and the building stock during and after a major earthquake, many jurisdictions in California have adopted a soft-story seismic retrofit program and such programs are often a focus of local and regional "resilience" programs.

**Retrofit Costs**

There can be a broad range of costs depending on actual conditions of a soft-story building (such as the size of the building, the year built, and the construction type), but a typical retrofit project involves adding a combination of wood or steel elements to a building's support elements on the ground floor, which adds strength and torsion control. Table 1 provides estimated 2018 retrofit costs for Mountain View on a per-building basis. A cost per building is used because the soft-story retrofit is confined to one story and is a function of the building's overall size. For example, two buildings of the same height and plan dimensions will have similar retrofit requirements even if one building has four large apartment units and the other has 12 studio units. The costs also factor in cost comparisons with San Francisco: Mountain View has younger buildings using lighter, modern materials, lower density, and buildings are situated on flat land. Also, actual costs may increase over time due to increasing costs of labor and materials. However, performing seismic retrofits as a preventative measure is less costly than repairing or rebuilding damaged buildings after an earthquake.

**Table 1: Estimated 2018 Soft-Story Retrofit Costs (Post-1950 Building)**

| Cost Component | 3 or 4 Units, 2 Stories | 5 or More Units |
|---|---|---|
| Predesign investigation [a, d] | $1,000 to $2,000 | $1,000 to $2,000 |
| Retrofit design[b, d] | $6,000 to $12,000 | $10,000 to $20,000 |
| Construction[c,d] | $20,000 to $40,000 | $20,000 to $80,000 |
| **Estimated Total Cost** | **$25,000 to $50,000** | **$30,000 to $100,000** |
| **Estimated Cost per Unit** | **$8,300 to $12,500** | **$6,000 to $20,000** |

[a] Includes production of as-built plans for pre-1950 buildings only, and nondestructive investigation. Does not include destructive investigation.
[b] Structural retrofit of the ground story only.
[c] Includes permits and other fees. Includes special inspection costs, contracted separately. Does not include costs for tenant relocation or compensation for loss of housing services, if needed.
[d] For similar buildings on the same parcel, allow a 60 percent discount in investigation cost, a 30 percent discount in design cost, and a 10 percent discount in construction cost for each additional building.

## Mountain View Context

According to the updated estimated inventory conducted by the City in 2017, there are approximately 490 soft-story buildings totaling more than 5,100 units in Mountain View, or approximately 16 percent of the City's housing stock. Table 2 provides a summary of Mountain View's overall housing stock and the estimated number of soft-story buildings/units.

**Table 2: Mountain View Housing Stock**

| | Buildings | | Units | |
|---|---|---|---|---|
| | Number | % of total | Number | % of total |
| All residential, including mobile homes | 17,000[a] | 100% | 32,849[b] | 100% |
| Buildings with three or more units | 1,275[c] | 8% | 16,490[c] | 50% |
| Estimated soft-story rental buildings | 488[c] | 3% | 5,123[c] | 16% |

[a] Estimated from *2012-2016 American Community Survey* and Mountain View Soft-Story Study.
[b] Source: *2012-2016 American Community Survey*.
[c] Source: Mountain View Soft-Story Study.

**Soft-Story and Rental Units Covered Under CSFRA**

In November 2016, Mountain View voters approved the CSFRA, which amended the City Charter to regulate the rents of all rental properties in buildings with three or more units and built prior to 1995. Approximately 15,300 rental units are covered under the CSFRA. Based on the September 4, 2018 Study Session that identified potential interaction with CSFRA units, additional analysis of the soft-story inventory was conducted, and it was determined that nearly all of the units in the inventory are rental units subject to the CSFRA. This constitutes approximately one-third of all CSFRA units.

The CSFRA seeks to stabilize rents for tenants and to ensure a fair and reasonable rate of return on investment for landlords by providing an allowable annual rent adjustment based on the Consumer Price Index (CPI), as well as petition for an upward adjustment of rent based on the fair return/Maintenance of Net Operating Income (MNOI) standard. The petition process provides landlords a way to recover the costs of applicable capital improvement expenditures and to achieve a fair rate of return that the allowable annual rent adjustment might not be able to provide. Under the current CSFRA requirements, CSFRA landlords could petition to recover the cost of undertaking seismic retrofits by submitting an upward adjustment MNOI petition, provided that the retrofits are mandatory. A CSFRA hearing officer reviews the petition and, if approved, those costs would be passed on to tenants according to the CSFRA provisions. The MNOI petition review is comprehensive and the existing CSFRA does not have a separate, streamlined pass-through process for specific capital improvement costs such as soft-story retrofits, nor is it approved automatically.

**Rent-Stabilized Jurisdictions with Mandatory Soft-Story Ordinances**

*Comparison of Soft-Story Ordinances*

Staff conducted research to identify potential best practices in jurisdictions that have both a rent-stabilization and a mandatory soft-story program. Six (6) jurisdictions in California have both programs: Berkeley, Los Angeles, Oakland, San Francisco, Santa Monica, and West Hollywood. Staff reviewed these six cities to understand how rent-stabilized jurisdictions implement mandatory soft-story programs. In summary, all six jurisdictions have retrofit ordinances that cover wood-frame buildings that were built prior to 1991 or designed under the 1985 or earlier editions of the State of California's Uniform Building Code. Two (2) of the jurisdictions also require property owners to retrofit additional types of soft-story buildings, including concrete tilt-up, unreinforced masonry (URM), and nonductile concrete. These buildings respond differently during

earthquake events and, therefore, have different requirements than wood-frame building soft-story retrofits. Table 3 below summarizes the various retrofit programs.

**Table 3: Mandatory Soft-Story Retrofit Ordinances by Jurisdiction**

| City | Year Adopted | Type of Building Covered | Coverage Exemptions |
|---|---|---|---|
| Berkeley | 2014 | Wood Frame | Buildings built after 1978 with four or less units |
| Oakland | 2019 | Wood Frame | Buildings built after 1991 with four or less units and/or two or less stories |
| San Francisco | 2013 | Wood Frame | Buildings built after 1978 with four or less units and/or two or less stories (unless over a basement or under-floor area above grade, then one story) |
| Los Angeles | 2016 | 1. Wood Frame<br>2. Nonductile Concrete | **Wood Frame:** Buildings built after 1978 with three or less units<br>**Nonductile Concrete**: Buildings built after 1977; detached single-family dwellings or detached duplexes |
| Santa Monica | 1999; revised 2017 | 1. Wood Frame<br>2. Concrete Tilt-Up<br>3. Unreinforced masonry (URM)<br>4. Nonductile Concrete | **Wood Frame:** Buildings built after 1980<br>**Nonductile Concrete**: Buildings built after 1977<br>**URM:** Buildings built after 1996 |
| West Hollywood | 2018 | Wood Frame | Buildings built after 1978 |

*Comparison of Cost Recovery Requirements under Rent Stabilization*

Rent stabilization programs typically utilize one of two mechanisms to allow for rent adjustments greater than the annual allowable increase for recovering the costs associated with capital improvements:

- Petition process: Landlords who do not feel they are receiving a reasonable rate of return can submit a petition to adjust rents upward. The regulations implementing the CSFRA utilize an MNOI standard. The MNOI standard allows housing providers under rent stabilization to maintain their net operating income on a year-to-year basis adjusted by a percentage increase of a specified CPI. Capital improvements, including soft-story retrofits, are just one of several factors to be included when calculating the operating income. The MNOI standard includes a comprehensive review of all income and expenses as part of the petition review. All six jurisdictions allow utilization of the MNOI standard, but Santa Monica and West Hollywood utilize the MNOI as the only option. Berkeley

allows for a modified MNOI standard that takes into account capital improvement costs and rent increases, but not all operating expenses.

- Streamlined Capital Improvement Pass-Through: Three jurisdictions (Los Angeles, Oakland, and San Francisco) have regulations that provide a more streamlined petition process to recover costs associated with certain capital improvements. Such "pass-through" petitions allow landlords under rent-stabilization programs to request rent adjustments based solely on the costs incurred due to specific capital improvements (such as soft-story seismic retrofits), instead of reviewing all income and expenses as required under the MNOI standard. The pass-through petitions typically require less documentation and could be reviewed administratively by a hearing officer and more quickly. Increases granted by pass-through petitions are often capped and spread out over a period of time.

Staff from these jurisdictions indicated that few petitions of either kind (i.e., MNOI petitions or streamlined pass-through petitions) have been filed to recover costs associated with soft-story retrofits. One explanation offered by these jurisdictions is that tenant turnover in rent-stabilized units allows for those units to set market rate as initial rent upon start of a new tenancy (known as vacancy decontrol), which allows the landlord to recover the cost of improvements and reduces the need/incentive to file a petition to adjust rents.

## ANALYSIS

At the previous Study Session, Council directed staff to develop options for implementing a mandatory soft-story retrofit program. This section discusses program options, including:

- Evaluation Phase
- Retrofit Phase
- Cost Pass-Through
- Incentives/Assistance
- Staffing

- Compliance

- Education/Outreach

**Evaluation Phase**

The evaluation phase formally identifies all soft-story residential buildings within Mountain View. The 2017 inventory was an estimate because, at that time, staff did not want to undertake an extensive analysis on multi-family buildings with no direction on program options from City Council. There are two approaches to the evaluation phase:

- Option 1—Property owner initiated process: Property owners would be required to submit an evaluation report, approved by a licensed architect or engineer, stating whether their building(s) is or is not a soft-story building. The City will review the evaluation report with a five-day turnaround and structural evaluation, to determine whether their building(s) is or is not a soft-story building. Buildings that are determined to be a soft-story building would be put on a compliance list per the ordinance. While this process provides an opportunity for the property owners to work with a licensed architect or engineer of their choice, additional Building Division staffing is needed to review the report, ensure property owners are submitting an evaluation report, and communicate to property owners regarding report requirements and timelines.

- Option 2—City-initiated process: As an alternative, the City can hire a structural engineering firm to formally identify all soft-story buildings in the City. This process will require a Request for Qualifications to hire a firm and would cost approximately $150,000. The Building Division has sufficient funds under the proposed Fiscal Year 2019-20 budget to implement a City-initiated process. The hired firm will conduct on-site assessments of all multi-residential buildings with three or more units approved by a licensed architect or engineer. The assessment will include identification of the building's seismic vulnerability and producing an evaluation report for each building. Property owners will receive a copy of the information and work with the structural engineering firm to finalize the evaluation report. In addition, the firm will have a communications strategy to work with property owners throughout the process. While compliance will be challenging in ensuring all property owners cooperate with the firm, Option 2 transitions a majority of the staff work outlined in Option 1 (report review process, communications) to a structural engineering firm and relieves the property owner of responsibility for undertaking the evaluation.

Staff recommends Option 2 with a two-year evaluation phase to create a formal inventory of soft-story buildings within Mountain View. A two-year timeline will provide enough time for a structural engineer to review properties in the City.

**Retrofit Phase**

Once the evaluation phase is completed, the retrofit phase begins. Most of the jurisdictions with a retrofit program prioritize retrofitting by number of units in a building to achieve the most impact in a shorter time period and/or by number of stories in a building because taller buildings are more vulnerable and could cause most harm. Five of the six jurisdictions with rent stabilization rolled out their retrofit programs based on categorized tier groups and prioritized the retrofit timeline requirement based on the categories. This type of prioritization ensures the greatest number of units are addressed as quickly as possible as allowed under the ordinance, thereby protecting the City's naturally affordable housing stock more quickly.

Staff recommends beginning a mandatory program with the largest buildings and using a three-tier retrofit process based on the number of units in the buildings. Beginning with the buildings with the most units addresses larger buildings housing more residents, are multi-story buildings, and are more susceptible to seismic damage. Table 4 provides an estimated breakdown of the number units per building. Staff estimates it will take six years to work through the tier process. Property owners wishing to proceed with the retrofits earlier than their assigned tier may proceed. Another option is to require all property owners to retrofit at the same time and within the same time frame of six years. Staff does not recommend an "all at once" approach because a tier process allows staff to anticipate demand and work on similarly sized buildings. Property owners can also start the retrofits prior to the start of the retrofit phase. In addition, staff recommends that the retrofit process focus only on rental units because renters are unable to improve the structures they reside in, whereas owner-occupied structures can be improved through other means, such as their homeowners association.

**Table 4: Estimated Number of Buildings by Unit Range**

| Building Size | Number of Buildings | | Number of Units | |
|---|---|---|---|---|
| | Number | % of Total | Number | % of Total |
| 12+ units | 141 | 29% | 3,089 | 60% |
| 5-11 units | 199 | 41% | 1,496 | 29% |
| 3-4 units | 148 | 30% | 538 | 11% |
| Total | 488 | | 5,123 | |

- Tier 1: The largest buildings, with 12 or more residential units, would be required to comply first. They would be required to obtain retrofit permits within two years of the ordinance effective date and complete construction within four years of the effective date of the ordinance. To assist with compliance, any property owner who fails to comply with the evaluation phase would be assigned to Tier 1. Staff identified Tier 1 with the longest time frame because these buildings account for 60 percent of the estimated total number of units.

- Tier 2: Buildings with five units to 11 residential units would be required to obtain retrofit permits within three years of the effective date of the ordinance and complete construction within five years of the effective date.

- Tier 3: Buildings with three to four units would be required to obtain retrofit permits within four years of the effective date of the ordinance and complete construction within six years. Also, any building owned by a nonprofit whose purpose is affordable housing would be assigned to Tier 3.

***Council Question No. 1: Does City Council agree with the recommendation to use a City-initiated evaluation phase and three-tiered retrofit phase?***

**Program Incentives and Assistance**

Per Council direction from the September 4, 2018 Study Session, staff explored incentives for a seismic retrofit program, including the following:

- Permit streamlining—Building permits for seismic retrofits could be included as part of the current fast-track plan check process, which provides an expedited turnaround time for a review of the plan and issuance of a building permit. However, to the extent that work volume remains high in the Building Division and/or receives a significant number of seismic retrofit permits, additional staffing may be needed to facilitate a fast-track plan check. Staff recommends permit streamlining because the plans submitted for a soft-story retrofit are generally the same across most buildings despite the size of the building.

- Modified City fees for building permits—The City could provide a modified fee structure for building permit fees in an effort to encourage property owners to complete the retrofits in a timely basis and provide some relief toward the costs of upgrading the structures. Building permit fees are based on the project value in conjunction with scope of work. (Fees are adopted in the Master Fee Schedule.) For example, based upon the estimated retrofit costs in Table 1, under the current

building permit fee for a $20,000 retrofit would be $860; $50,000 repair would have a $1,728 fee; and a $100,000 repair would have a $2,674 fee.

To incentivize landlords to retrofit their units, the City could establish a lower fee, such as 25 percent of the building permit fee, for owners who submit a building application prior to the start of the retrofit phase. Meanwhile, a 50 percent fee could be charged to owners submitting within their assigned tier. This fee reduction would require a subsidization by the City.

- Financial assistance from the Federal Emergency Management Agency (FEMA)—Staff explored FEMA grants and applied for a grant which funds predisaster mitigation programs like soft-story retrofit programs. However, due to the State's priorities with wildfire prevention and recovery and limited funding available, the application was not accepted. Staff could continue to monitor FEMA for future funding opportunities. Note that staff resources would be required to implement and administer any external funding sources, such as FEMA funds, should the City apply for and be successful in acquiring those funds. Staff does not recommend FEMA grants.

- Loans—The State provides a California Capital Access Program, which provides loan guarantees to lenders who finance seismic retrofit work, but only one lender is listed on the program website (https://www.treasurer.ca.gov/cpcfa/calcap/). The program encourages banks and other financial institutions located in the State to make loans to small businesses or property owners that have difficulty obtaining financing. There would be no role for the City other than to provide information about the program. Property owners are responsible for working directly with the participating lenders. However, with only one lender listed, there is no true incentive to utilize the State program.

- Resource Fair—The City of San Francisco offered a soft-story retrofit fair shortly after they passed their mandatory retrofit ordinance. The fair brought together engineers, contractors, banks, and other preparedness organizations to provide information about the retrofit process. San Francisco staff also provided public information sessions to provide information about the ordinance and process. Mountain View staff recommends providing a similar resource fair as an opportunity to provide information.

- Other—Staff identified that certain jurisdictions with seismic retrofit programs reference the Property Assessed Clean Energy (PACE) Loan program for the purposes of financing seismic retrofits (https://renewfinancial.com/commercial). PACE financing is focused on energy efficiency, but also allows resiliency

measures such as seismic retrofits to qualify for the program. Mountain View participates in CaliforniaFIRST (a PACE program), which offers low-cost, long-term, 100 percent up-front financing to residential property owners. Like the California Capital Access Program mentioned above, there would be no role for the City other than to provide program information. Staff could incorporate this information into the resource fair.

***Council Question No. 2: Does City Council support the recommendation to provide program incentives and assistance, including fee reductions?***

**Outreach and Compliance**

If property owners fail to comply with the ordinance in the time period mandated by law, they are generally subject to penalties, the severity of which depends on the jurisdiction. All jurisdictions utilize an administrative code enforcement process and impose fines and fees if a property is found to be noncompliant; some also utilize criminal prosecution. It should be noted that all jurisdictions allow for property owners to request a delay or exemption from the ordinance or the imposed deadlines. For example, acceptable delays include documented long-term illness or pending redevelopment/sale or in the entitlement process. If granted, compliance time periods are extended. For Mountain View, outreach and education would be vital components of the implementation of a mandatory retrofit program and is a life-safety issue.

Once jurisdictions internally identify soft-story buildings and develop an applicable ordinance, a city notifies the property owner of the need to retrofit as required under the law. This noticing is typically sent out to the applicable properties by the Building Division. Property owners are then required to notice all tenants in writing that the building falls under the retrofit ordinance and provide clarifying information regarding time frames of compliance with the ordinance, potential impacts to residents, and relocation assistance; relocation during a soft-story retrofit is not typical.

Additional outreach and education is provided by each city and is an integral part of compliance with the program/ordinance. All jurisdictions with mandatory soft-story ordinances clearly communicate the importance of compliance in order to preserve housing and ensure the safety of residents. Outreach and education methods include:

- Community meetings;

- Dedicated pages on city websites clearly describing the ordinance, program, requirements, and compliance;

- Program collateral such as brochures, mailings, and handouts for property owners and tenants;

- Posting on buildings of soft-story risk on identified structures and once the retrofit begins, post information about the construction work; and

- Resource information connecting property owners with professionals who specialize in seismic retrofits.

Once these outreach efforts are completed, the ordinance would be enforced through the administrative process if voluntary compliance cannot be obtained. The City would issue warnings, citations, and compliance orders and, if necessary, hold administrative appeal hearings to obtain compliance. This process could result in the issuance of administrative fines and penalties for failure to comply with the retrofit requirements.

**Staffing and Funding**

The implementation and administration of a mandatory soft-story retrofit program would require additional staff for the Building Division and CSFRA. For the Building Division, a mandatory program would need consultants and staff to assist with the program. A structural engineering firm is needed to complete the evaluation phase as previously recommended. Two contract building staff: a program assistant and building inspector to assist with the evaluation process, general program inquires, permit approval process, and field inspections. In addition, the Development Services Fund would be impacted by the program and the recommended fee modification. During the evaluation phase, analysis of Development Services Fund reserves and encumbrances would be completed to identify potential fiscal impacts to the funds. For CSFRA, staffing impacts and associated cost implications are uncertain at this time and could lead to one or two full-time analysts to administer the petition process.

**Displacement**

The purpose of a mandatory soft-story retrofit program is to facilitate a safe residential living environment and to mitigate the likelihood of permanent displacement that could occur in the event of a major earthquake and preserve naturally affordable housing. A seismic retrofit would also provide benefits to the landlord by protecting their investment and enhancing the asset value of the structure. Generally, existing tenants are able to remain in their rental unit while the seismic retrofits are being performed. It is possible, however, that a retrofit could require temporary relocation while the work is being performed if the retrofit is larger in scope and/or depending on the construction of the building. The extent and scope of a seismic retrofit depends on the conditions of

each soft-story building. While temporary displacement can occur, it is unlikely. Examples of where temporary relocation could occur are when the construction noise can be disruptive for a newborn or an individual that works from home.

It could be possible that a landlord would choose to exit the rental business instead of complying with a mandatory seismic retrofit program, which could cause permanent tenant displacement. However, each of the six jurisdictions with both a rent stabilization program and a seismic retrofit program clearly indicated they did not see any examples of landlords of rent-stabilized units exiting the rental business. Their input is that tenant turnover and vacancy decontrol (which allows rent-stabilized units to set market rate for initial rent) allow landlords to recover the costs of a seismic retrofit (and other costs) and to do so without filing a petition.

**CSFRA**

As mentioned in the Background section of this memo, landlords of CSFRA units could seek to recover the seismic retrofit costs associated with a mandatory program by submitting a petition for an upward rent adjustment beyond what is allowed by the annual general adjustment of rent. The petition requires a comprehensive submittal of documents that allows the financial performance of the property to be reviewed, including information on costs and revenues of operating the rent-stabilized property as well as information on the specific capital improvement costs that a landlord seeks to recover. The petition process is required for all applicable capital improvement costs, not just those specific to a particular type of work such as seismic retrofits. A separate, more streamlined pass-through process for certain capital improvements is not explicitly provided under the CSFRA.

If the Council considers it beneficial for the seismic retrofit program to establish a streamlined capital improvement pass-through petition process for CSFRA units, such a process would need to be created. There are two options for a creating seismic retrofit pass-through process:

1. Develop regulations—The Council could request the Rental Housing Committee to consider developing regulations under the current CSFRA to allow for a capital improvement petition process to recover costs for soft-story retrofits once a mandatory seismic retrofit ordinance is adopted. The CSFRA currently does not explicitly refer to the creation of a streamlined capital improvement pass-through petition process.

2. Include a streamlined petition process in any potential amendments to the CSFRA—On May 21, 2019, the Council approved its Major Goals Work Plan for

Fiscal Year 2019-21, which includes study of a 2020 ballot initiative to amend CSFRA. Creation of a streamlined capital improvement (seismic retrofit) pass-through petition process as an amendment to the CSFRA could be included in any such measure. Adding a petition process for capital improvements to the CSFRA would allow the creation of a streamlined petition process and could include consideration of an administrative process. This is one advantage the amendment of the CSFRA would have over the creation of regulations by the Rental Housing Committee.

Staff recommends proceeding with the evaluation phase, during which time any ballot measures will be decided by the voters. Staff would return to the City Council with a mandatory soft-story retrofit ordinance after the evaluation process is complete and the future of CSFRA is known.

***Council Question No. 3: Does City Council support the recommendation to undertake the evaluation phase and return to City Council with an ordinance at a later date?***

## RECOMMENDATION

Staff seeks City Council input and direction regarding the main components of a soft-story retrofit program by answering the questions in this report and/or provide any other direction.

Council Question No. 1: Does City Council agree with the recommendation to use a City-initiated evaluation phase and three-tiered retrofit phase?

Council Question No. 2: Does City Council support the recommendation to provide program incentives and assistance, including fee reductions?

Council Question No. 3: Does City Council support the recommendation to undertake the evaluation phase and return to City Council with an ordinance at a later date?

## NEXT STEPS

Input from the City Council on considerations and options for a mandatory soft-story retrofit program will be used to finalize the development of the program and be brought back to the Council for approval, as appropriate. If Council agrees with the recommendations, staff will move forward with the evaluation phase and return to Council to authorize the City Manager to execute a professional services agreement for structural engineering services.

**PUBLIC NOTICING**

In addition to the standard agenda posting, property owners of multi-unit residential buildings with three or more units were notified of this meeting by mailed notice.

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Attachment: 1. September 4, 2018 Council Report