

Testimony in favor of SB311 March 21, 2017

To the Senate Committee on Finance and Revenue

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Chair Haas and Committee members, I am **testifying in favor of SB311 on behalf of the City Club of Portland**. Early in March, the Club members voted by a 98% favorable margin to recommend that **“The Legislature should allow cities and counties to grant property tax exemptions to offset [seismic] retrofitting costs.”** SB311 is consistent with the intent of this recommendation.

I am a Portland resident and was a member of the research study committee of the City Club whose focus was to see how prepared the Portland Metro area was for the predicted magnitude nine Cascadia subduction zone earthquake, and what realistic steps could be taken to increase the resilience of its services, infrastructure and economic vitality.

Over a nine month period, the committee interviewed over 80 scientists, engineers, building owners, and government officials. The committee reviewed over 100 scholarly articles and scientific reports, policy papers, legislation, and popular articles. The resulting report *“Big Steps Before the Big One: How the Portland area can bounce back after a major earthquake”* and its recommendations were overwhelmingly approved by the membership of City Club [<http://www.pdxcityclub.org/earthquake>].

The City Club made fourteen recommendations from this work concerning energy infrastructure, building safety, transportation, social resilience, and government resilience planning for the Portland area. **One recommendation is the subject of SB311: “The Legislature should allow cities and counties to grant property tax exemptions to offset retrofitting costs.”**

Many buildings were constructed before the danger of great Cascadia Subduction Zone earthquakes was known, and before current seismic building codes dictating “life safety” standards were promulgated. Many buildings in this category are in danger of collapse or severe damage with consequent loss of life in a great earthquake. Unreinforced masonry buildings (URMs) are known to be a class of buildings which are no longer permitted to be constructed, given their grave danger in earthquake situations. There are over 1800 URMs in the City of Portland, including 45 schools, 35 churches, and 270 multifamily structures with at least 6,000 residential units – including about 1800 units of “affordable housing” for low-income residents. Given the relative populations of the city of Portland and the state as a whole, there could be roughly six times that many URMs throughout the state. In addition to URMs, there are other commercial, industrial, and multi-family building types such as soft-story buildings, non-ductile concrete structures, and tilt-slab buildings that pose substantial seismic risks.

These buildings are present throughout the State of Oregon, and to save lives, they should undergo seismic retrofitting. Such work is costly, and building owners are likely to need assistance to make the retrofits “pencil out.” The Portland area and the State generally face a housing crisis, and the building stock in need of retrofitting provides a substantial component. The component of affordable housing in this stock suggests that the incentives are also a matter of equity. The overriding factor must be to save lives, which dictates the need for seismic retrofitting. However, the expense of retrofitting and the need to keep this building stock in the face of a housing crisis dictates the need for incentives to aid building owners in the retrofitting. This is particularly the case for localities considering mandatory retrofit policies. SB311 provides the potential for such incentives. **Therefore, the City Club of Portland supports the passage of SB311.**