
OFFICE OF THE INDEPENDENT BUDGET ANALYST REPORT

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Fire Sprinkler Retrofitting for High-Rise Buildings

OVERVIEW

On Monday, February 2, 2009 the City Council will be asked to consider extending the required compliance date for sprinkler retrofits of high-rise buildings from January 1, 2009 to January 1, 2011. A similar request was heard by the City Council on December 2, 2008 and failed with a 4/4 vote. The City Administration Building (CAB) is one of the last, if not the last, high-rise buildings in the City to comply with the Municipal Code. In addition, with the current compliance date of January 1, 2009, the City is in violation of its own Municipal Code.

San Diego Municipal Code Section 55.0903 – Automatic Sprinkler Systems – Existing High-Rise Buildings requires the installation of fire sprinkler systems in all existing high-rise buildings. *Sub-Section 903.6.2.8 – Violations* states:

(1) It is unlawful for any owner of a high-rise building to allow any person to occupy any portion of a high-rise building subject to the provisions of this section except where:

1. The Fire Code Official or City Manager has, in writing, authorized the occupancy;
2. The owner is complying with the implementation schedule set forth in this section;

3. The occupant is performing construction or maintenance to the building related to the installation or maintenance of an automatic fire sprinkler system; or
4. The owner of the high-rise building agreed in writing prior to January 1, 2004 to demolish the high-rise building by January 1, 2000. [sic]

(2) It is unlawful for any owner of a high-rise building to allow any person to occupy any portion of a high-rise building after January 1, 2009, where occupancy has been authorized pursuant to this section, except where:

1. The occupant is performing minimal maintenance to prevent the high-rise building from being in an unsafe condition;
2. The occupant is performing construction or maintenance to the building related to the installation or maintenance of an automatic fire sprinkler system; or
3. An approved fire sprinkler system has been completely installed.

Currently, the City Administration Building (CAB) has fire sprinkler systems installed in the basement and five of the 15 floors. Staff estimates that it would cost \$5.0 million to complete the sprinkler retrofit for the remaining floors. At this time a funding source to complete the fire system installation has not been identified. However, possible funding sources include the \$102 million in proposed bond financing related to deferred maintenance or proceeds from land sales which is restricted to capital projects.

FISCAL/POLICY DISCUSSION

The decision to extend compliance with Municipal Code Section 55.0903, thus delaying installation of fire sprinklers in CAB, is contingent on the question of what is the long-term future of the Civic Center Plaza. This question is not new and transcends multiple administrations. As indicated in staff's Executive Summary Sheet, since 1991 the deadline for compliance with Municipal Code Section 55.0903 has been extended four times. The most recent extension was approved by the City Council on December 4, 2007. At that time staff asked for an extension until January 1, 2013 to allow for the exploration of the possibility of redeveloping the Civic Center Plaza. In our November 28, 2007 report (Report # 07-113) the IBA agreed that it was not fiscally prudent to expend \$5.0 million to complete a fire sprinkler system in CAB if demolition of the building was expected in the near future. The IBA recommended that the Council grant an extension to January 1, 2009 which was ultimately approved by the City Council. Since December 4, 2007, a concept for a new Civic Center Plaza has been submitted to the Centre City Development Corporation (CCDC) for review. Additionally, a Facilities Condition Assessment of the San Diego Civic Center Complex was completed by Staubach, Inc. in April 2008.

Status of Civic Center Complex Proposal

On June 30, 2008 the Centre City Development Corporation (CCDC) hired the financial consultant Jones Lang LaSalle to perform an analysis of seven alternatives to determine the most fiscally responsible way to house downtown City employees in the future. In addition, on July 18, 2008, CCDC, working on behalf of the City of San Diego, received development proposals from Gerding Edlen Development and Hines Interests for the possible redevelopment of the San Diego Civic Center Complex, including City Hall. In August 2008, Hines Interests withdrew their proposal from consideration. Recently, CCDC has hired the advisory firm of Ernst & Young to reevaluate the alternatives identified by Jones Lang LaSalle. CCDC staff has indicated that this review should be completed in late February.

Facilities Condition Assessment of the San Diego Civic Center

The Facilities Condition Assessment of the San Diego Civic Center Complex completed by Staubach, Inc. found that the current deficiencies for CAB totaled \$37.0 million. In their assessment Staubach, Inc. found the following:

- The building contained “a great deal of asbestos contained above the ceiling and in mechanical spaces. This material will have to be abated under any renovation scenario, even if the building is demolished.”
- The majority of CAB’s mechanical systems have reached or significantly passed the end of their life.
- The roof is well beyond its useful life.
- Almost all of the interior areas featured outdated and energy inefficient lighting, plenum air supply in the ceilings, and poor condition finishes on floors, walls, and ceilings.
- CAB is only partially ADA compliant and will in many cases still not meet ADA provision under the pending revised ADA guidelines.
- Continued use of CAB for the long-term (30-year life) will require the building to undergo major renovations and systems replacement. These activities will in all likelihood require the building to be vacated while asbestos is abated.

Finally, Staubach, Inc. ended their assessment of CAB with the following statement “Given the magnitude of need, and the logistics of relocating City offices during the renovation, the long-term viability of the facility is questionable.”

What happens if the request for extension of Municipal Code Section 55.0903 fails?

Staff has indicated that if the request for extension was to fail, the City’s Fire Marshall would immediately require a remediation plan that would include design plans and a

timeline for completion of the work. In addition, the City would need to identify a funding source.

CONCLUSION

As stated above, the decision to extend compliance with Municipal Code Section 55.0903 and thus delaying installation of fire sprinklers at the City Administration Building is contingent on the question of what is the long-term future of the Civic Center Plaza. With this in mind, the IBA believes that to deny an extension of Municipal Code Section 55.0903 without the City Council having the opportunity to discuss the long-term plan for the Civic Center Plaza would not be fiscally prudent. In addition, significant progress has been made in the last year by CCDC to research alternatives for the future of the Civic Center Plaza and it is important that the City Council be given the opportunity to hear all of the alternatives before moving forward with significant changes to CAB. In light of this, the IBA offers the following alternative to the action proposed by the Mayor:

Extend the compliance period one year (instead of two) to January 1, 2010 with the understanding that decisions regarding whether or not the City is moving forward with a new Civic Center Plaza be made by this time. If a decision is made to not move forward with a new Civic Center Plaza, then a definitive plan with milestones should be presented to the City Council to address the installation of a fire sprinkler system and the other deficiencies outlined in the Staubach Inc. Assessment.

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