



## THE CITY OF SAN DIEGO

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**OFFICE OF THE INDEPENDENT BUDGET ANALYST REPORT**

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Date Issued: January 29, 2009

IBA Report Number: 09-05

City Council Meeting Date: February 2, 2009

Item Number: 200

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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;

**Office of Independent Budget Analyst**

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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.

(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.

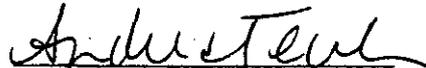
## CONCLUSION

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.*



Jeffrey Sturak  
Fiscal & Policy Analyst



APPROVED: Andrea Tevlin  
Independent Budget Analyst

**REQUEST FOR COUNCIL ACTION**  
CITY OF SAN DIEGO

1. CERTIFICATE NUMBER  
(FOR AUDITOR'S USE ONLY)

N/A

TO:  
CITY ATTORNEY

2. FROM (ORIGINATING DEPARTMENT):  
ENGINEERING & CAPITAL PROJECTS

3. DATE:  
1/6/2008

4. SUBJECT: FIRE SPRINKLER RETROFITTING FOR HIGH RISE BUILDINGS

5. PRIMARY CONTACT (NAME, PHONE & MAIL STA.)  
Darren Greenhalgh, (619) 533-6600, MS 908A

6. SECONDARY CONTACT (NAME, PHONE & MAIL STA.)  
Afshin Oskoui, (619) 533-5100, MS 908A

7. CHECK BOX IF REPORT TO  
COUNCIL IS ATTACHED

**8. COMPLETE FOR ACCOUNTING PURPOSES**

FUND		9. ADDITIONAL INFORMATION / ESTIMATED COST:
DEPT.		None by this action
ORGANIZATION		
OBJECT ACCOUNT		
JOB ORDER		
C.I.P. NUMBER	37-9000	
AMOUNT		

**10. ROUTING AND APPROVALS**

ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED	ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED
1	ORIGINATING DEPARTMENT	<i>[Signature]</i>	1/13/09	8	DEPUTY CHIEF	<i>[Signature]</i>	1/14/09
2	EAS	<i>[Signature]</i>	1/9/09	9	COO	- Not required -	
3	FM	<i>[Signature]</i>	1/13/09	10	CITY ATTORNEY	<i>[Signature]</i>	1/22/09
4	COMPTROLLER	<i>[Signature]</i>	1/13/09	11	ORIGINATING DEPARTMENT	<i>[Signature]</i>	1/16/09
5					DOCKET COORD:	COUNCIL LIAISON	<i>[Signature]</i> 1/22/09
6					<input checked="" type="checkbox"/> COUNCIL PRESIDENT	<input type="checkbox"/> SPOB	<input type="checkbox"/> CONSENT
7	E&CP DEPARTMENT				<i>[Signature]</i>	<input type="checkbox"/> REFER TO:	<input checked="" type="checkbox"/> ADOPTION COUNCIL DATE: 2-2-09

11. PREPARATION OF:  RESOLUTION(S)  ORDINANCE(S)  AGREEMENT(S)  DEED(S)

1. Introduction and adoption of an Ordinance amending Chapter V, Article 5, Division 9 of the San Diego Municipal Code by amending Section 55.0903 pertaining to Fire Protection and Prevention, to extend the required compliance date for sprinkler retrofits of high rise buildings to January 1, 2011.

11A. STAFF RECOMMENDATIONS:  
Adopt the Ordinance.

12. SPECIAL CONDITIONS:  
COUNCIL DISTRICT(S): 2(Faulconer)  
COMMUNITY AREA(S): (6) Centre City

**Environmental impact:** This activity (Introduction and adoption of an Ordinance) is not subject to CEQA pursuant to State CEQA Guidelines Section 15060 (c) (3). The actual sprinkler retrofitting of high rise buildings, which is the subject of the Ordinance is Statutorily Exempt from CEQA pursuant to State CEQA Guidelines Section §15268 (Ministerial Projects as defined in CEQA Section §15369).

HOUSING IMPACT: None.

OTHER ISSUES: None.

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EXECUTIVE SUMMARY SHEET  
CITY OF SAN DIEGO

DATE ISSUED: REPORT NO:  
ATTENTION: Council President and City Council  
ORIGINATING DEPARTMENT: Engineering and Capital Projects Department  
SUBJECT: Fire Sprinkler Retrofitting for High Rise Buildings  
COUNCIL DISTRICT(S): 2 (Faulconer)  
CONTACT/PHONE NUMBER: Darren Greenhalgh, (858) 573-5019

REQUESTED ACTION:

Introduction of an Ordinance amending Chapter V, Article 5, Division 9 of the San Diego Municipal Code by amending Section 55.0903 pertaining to Fire Protection and Prevention, to extend the required compliance date for sprinkler retrofits of high rise buildings to January 1, 2011.

STAFF RECOMMENDATION:

Approve the Ordinance.

EXECUTIVE SUMMARY:

In 1986, the Mayor and City council passed Ordinance Number O-17172 requiring fire sprinkler retrofitting for high rise buildings. Specific exemptions were granted including all Government buildings except for those owned by the City of San Diego. In 1991 the Council extended the deadline for compliance from 1996 to 1999, unless the owner declared their intent to demolish the building by January 1, 2000. In 1995 the City passed resolution number R-286760 declaring the City's intent to demolish the City Administration Building (CAB) prior to January 1, 2000.

On June 5, 2001 Ordinance Number O-18946 was adopted extending the deadline for compliance with the Fire Sprinkler Retrofit Ordinance until January 1, 2004. In addition, the City Council authorized a phase funded design build contract to continue with the installation of a fire sprinkler system.

On January 13, 2004 Ordinance Number O-19254 was adopted extending the deadline for compliance with the Fire Sprinkler Retrofitting Ordinance until January 1, 2008.

On January 8, 2008 Ordinance Number O-19696 was adopted extending the deadline for compliance with the Fire Sprinkler Retrofitting Ordinance until January 1, 2009.

On December 2, 2008 an ordinance to extend the compliance deadline for the Fire Sprinkler Retrofitting Ordinance was heard, but not approved by the City Council.

The current Fire Sprinkler system includes the: backflow valve, pump, transfer switches, standpipe, alarm system, and sprinklers in the basement and on the 10<sup>th</sup>, 11<sup>th</sup>, 13<sup>th</sup>, 14<sup>th</sup> and 15<sup>th</sup> floors. Remaining work includes the: emergency backup generator, additional upgrades to the alarm system, and fire sprinklers in all the elevator lobbies and on the 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup>, 4<sup>th</sup>, 5<sup>th</sup>, 6<sup>th</sup>, 7<sup>th</sup>, 8<sup>th</sup>, 9<sup>th</sup>, and 12<sup>th</sup> floors. The cost of this remaining work is estimated to be in excess of \$5,000,000.

On July 31, 2007, CCDC issued a request for qualifications to redevelop the Civic Center Complex. The proposed redevelopment of the Civic Center Complex has proceeded with the peer review and financial analysis which was estimated to be complete in December. Presentations to the Centre City Development Board (CCDC), the Rules Committee and the City Council are anticipated in early 2009. If this project were to move forward the completion of the fire sprinkler system in CAB would not be necessary. Should the proposed redevelopment of the Civic Center Complex not take place, the completion of the final phase of the sprinkler system project would need to be

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completed. Extending the deadline for compliance with the Fire Protection and Prevention Ordinance to 2011 will allow time for the completion of the evaluation of the redevelopment process for Civic Center Complex.

FISCAL CONSIDERATIONS:

No funding is currently necessary for this action; however, if City Council does not approve the extension \$5,000,000 will need to be added to this year's Capital Improvement Program Budget in order to complete the fire Sprinkler System at CAB. Funding for this project has not been identified.

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

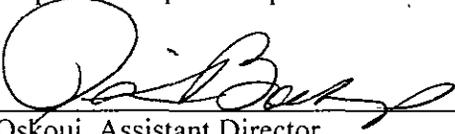
- o 1986, the Mayor and City Council passed Ordinance Number O-17172 requiring fire sprinkler retrofitting for high rise buildings .
- o 1991 the Mayor and City Council extended the deadline for compliance from 1996 to 1999 \$1,200,000 appropriation for the South Course Renovation through the FY 2006 budget process.
- o 2001 Ordinance Number O-18946 was adopted extending the deadline for compliance with the Fire Sprinkler Retrofit Ordinance until January 1, 2004
- o 2004 Ordinance Number O-19254 was adopted extending the deadline for compliance with the Fire Sprinkler Retrofitting Ordinance until January 1, 2008
- o 2008 Ordinance Number O-19696 was adopted extending the deadline for compliance with the Fire Sprinkler Retrofitting Ordinance until January 1, 2009
- o On December 2, 2008 an ordinance to extend the compliance deadline for the Fire Sprinkler Retrofitting Ordinance was heard, but not approved by the City Council.

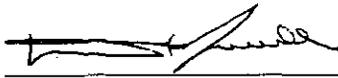
COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

None

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

The City of San Diego's City Administration Building is one of the few remaining high rise building without complete fire sprinkler protection in the City of San Diego.

  
Afshin Oskoui, Assistant Director  
Engineering & Capital Projects Department

  
David Jarrell, Deputy Chief  
Public Works

ORDINANCE NUMBER O-\_\_\_\_\_ (NEW SERIES)

DATE OF FINAL PASSAGE \_\_\_\_\_

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SAN DIEGO AMENDING CHAPTER 5, ARTICLE 5, DIVISION 9, OF THE SAN DIEGO MUNICIPAL CODE BY AMENDING SECTION 55.0903, PERTAINING TO FIRE PROTECTION AND PREVENTION.

BE IT ORDAINED, by the Council of the City of San Diego, as follows:

Section 1. That Chapter 5, Article 5, Division 9, of the San Diego Municipal Code is amended by amending Section 55.0903, to read as follows:

**§55.0903 Automatic Sprinkler Systems – Existing High-Rise Buildings**

(a) through (i) [No change.]

(j) 903.6.2.8 Violations.

(1) [No change.]

(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, 2011, 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; or (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.

(k) [No change.]

Section 2. That a full reading of this ordinance is dispensed with prior to passage, since a  
written copy was made available to the City Council and the public prior to the day of its  
passage.

Section 3. This ordinance shall take effect and be in force on the thirtieth day from and  
after its passage.

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By   
Nina Fain  
Deputy City Attorney

NMF:mm  
1/21/09  
Or.Dept:E&CP  
O-2009-92  
MMS#7518

I hereby certify that the foregoing Ordinance was passed by the Council of the City of San Diego, at this meeting of \_\_\_\_\_.

ELIZABETH S. MALAND  
City Clerk

By \_\_\_\_\_  
Deputy City Clerk

Approved: \_\_\_\_\_  
(date)

\_\_\_\_\_  
JERRY SANDERS, Mayor

Vetoed: \_\_\_\_\_  
(date)

\_\_\_\_\_  
JERRY SANDERS, Mayor

STRIKEOUT ORDINANCE

OLD LANGUAGE: ~~STRIKEOUT~~

NEW LANGUAGE: UNDERLINE

ORDINANCE NUMBER O-\_\_\_\_\_ (NEW SERIES)

DATE OF FINAL PASSAGE \_\_\_\_\_

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SAN DIEGO AMENDING CHAPTER 5, ARTICLE 5, DIVISION 9, OF THE SAN DIEGO MUNICIPAL CODE BY AMENDING SECTION 55.0903, PERTAINING TO FIRE PROTECTION AND PREVENTION.

BE IT ORDAINED, by the Council of the City of San Diego, as follows:

Section 1. That Chapter 5, Article 5, Division 9, of the San Diego Municipal Code is amended by amending Section 55.0903, to read as follows:

§55.0903 **Automatic Sprinkler Systems – Existing High-Rise Buildings**

(a) through (i) [No change.]

(j) 903.6.2.8 Violations.

(1) [No change.]

(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, ~~2010~~ 2011, 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; or (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.

(k) [No change.]

NMF:mm  
1/21/09  
Or.Dept:E&CP  
O-2009-92  
MMS#7518