

Risk Management Series

Incremental Seismic Rehabilitation of Retail Buildings

Providing Protection to People and Buildings

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Incremental Seismic Rehabilitation of Retail Buildings

PROVIDING PROTECTION TO PEOPLE AND BUILDINGS



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Foreword and Scope

Earthquakes are a serious threat to safety in retail buildings, be they malls or single tenant buildings, and pose a significant potential liability to retail building owners. Retail buildings in 39 states are vulnerable to earthquake damage. Unsafe existing buildings expose retail building owners and tenants to the following risks:

- *Death and injury to tenants, occupants, shoppers, and visitors*
- *Damage to or collapse of buildings*
- *Damage to and loss of furnishings, equipment, merchandise, and other building contents*
- *Disruption of sales functions and building operations*

The greatest earthquake risk is associated with existing retail buildings that were designed and constructed before the use of modern building codes. For many parts of the United States, this includes buildings built as recently as the early 1990s.

Although vulnerable retail buildings should be replaced with safe, new construction or rehabilitated to correct deficiencies, for many building owners new construction is limited, at times severely, by budgetary constraints, and seismic rehabilitation is expensive and disruptive. However, **incremental seismic rehabilitation**, proposed in this manual, is an innovative approach that phases in a series of discrete rehabilitation actions over a period of several years. It is an effective, affordable, and non-disruptive strategy for responsible mitigation action that can be integrated efficiently into ongoing facility maintenance and capital improvement operations to minimize cost and disruption.

This manual and its companion documents are the products of a Federal Emergency Management Agency (FEMA) project to develop the concept of incremental seismic rehabilitation—that is, building modifications that re-

duce seismic risk by improving seismic performance and that are implemented over an extended period, often in conjunction with other repair, maintenance, or capital improvement activities. It provides owners of Class A, B, or C retail buildings, be they Real Estate Investment Trusts (REITs), pension funds, partnerships, individuals, or other forms of ownership, with the information necessary to assess the seismic vulnerability of their buildings and to implement a program of incremental seismic rehabilitation for those buildings.

The manual consists of three parts:

- **Part A, Critical Decisions for Earthquake Safety in Retail Buildings**, is for owners' senior executives, board members, and policy makers who will decide on allocating resources for earthquake mitigation.
- **Part B, Planning and Managing the Process for Earthquake Risk Reduction in Existing Retail Buildings**, is for facility managers, risk managers, and financial managers, or those responsible for these areas of management, who will initiate and manage mitigation.
- **Part C, Tools for Implementing Incremental Seismic Rehabilitation in Existing Retail Buildings**, is for facility managers, or those responsible for facility management, who will implement incremental seismic rehabilitation programs.

This manual is part of a set of manuals intended for building owners, managers, and their staff:

- *Incremental Seismic Rehabilitation of School Buildings (K-12)*, FEMA 395
- *Incremental Seismic Rehabilitation of Hospital Buildings*, FEMA 396
- *Incremental Seismic Rehabilitation of Office Buildings*, FEMA 397
- *Incremental Seismic Rehabilitation of Multifamily Apartment Buildings*, FEMA 398
- *Incremental Seismic Rehabilitation of Retail Buildings*, FEMA 399

- *Incremental Seismic Rehabilitation of Hotel and Motel Buildings, FEMA 400*
- *Incremental Seismic Rehabilitation of Storage Buildings, FEMA 401*
- *Incremental Seismic Rehabilitation of Emergency Buildings, FEMA 402*

Each manual in this set addresses the specific needs and practices of a particular category of buildings and owners, and guides building owners and managers through a process that will reduce earthquake risk in their building inventory. The manuals answer the question, as specifically as possible: “What is the most affordable, least disruptive, and most effective way to reduce seismic risk in existing buildings?” By using the process outlined in these manuals, building owners and managers will become knowledgeable clients for implementing incremental seismic rehabilitation specifically geared to their building use category.

In addition to this set of manuals, there is a companion manual, *Engineering Guideline for Incremental Seismic Rehabilitation, FEMA 420*. It is intended to assist architects and engineers who provide services to building owners. Architects and engineers using that manual will be effective consultants serving a knowledgeable owner. Together they will be in a position to implement an effective incremental seismic rehabilitation program.

How to Use This Manual

Critical Decisions: Retail building owners' senior executives, board members, and similar policy makers should read Part A. Section A.1 provides a general understanding of the earthquake hazard faced by a retail building owner. Section A.2 provides an overview of how the seismic vulnerability of retail buildings and resultant losses can be estimated. Section A.3 provides an overview of the actions an owner can take to reduce earthquake risk, including incremental seismic rehabilitation. Section A.4 details how to implement the concept of incremental seismic rehabilitation, including the additional benefits of integrating incremental seismic rehabilitation with other maintenance and capital improvement projects. **By understanding these four sections, the retail building owner's top management can establish a policy of seismic risk reduction and initiate a more specific, objective, and cost-effective program of incremental seismic rehabilitation by its technical staff.**

Program Development: Those responsible for the retail building owner's facility, risk, and financial management should read Parts A and B, paying particular attention to Part B. Sections B.1 through B.3 provide detailed guidance on **how the initiation of a program of incremental seismic rehabilitation can fit into the ongoing facility management process** used by the owner organization and its retail buildings, and indicate specific activities that can be undertaken. A separate Appendix, Additional Information on Retail Building Facility Management, is provided at the end of this manual for those seeking more information on facility management. It contains a discussion of specific phases of the facility management process and activities for retail building owners seeking further detail.

Project Implementation: Owner organization and retail building facility managers should read Part C in addition to Parts A and B. Section C.1 provides guidance on using the consulting services of architects and engineers in implementing a program of incremental seismic rehabilitation. Section C.2 discusses specific opportunities for **combining increments of seismic rehabilitation with other maintenance and capital improvement projects, including tenant work.**

To get the most out of this manual:

- Communicate the importance of assessing your building inventory's risks and pass this manual on to staff members responsible for facility management, risk management, and financial planning. Specify that they develop an analysis of the current seismic risk of your buildings and a strategy for risk reduction.
- Promptly initiate a program of earthquake risk reduction in your buildings located in an earthquake-prone zone that were not designed and constructed to meet modern building codes.
- Consider incremental seismic rehabilitation as a cost-effective means to protect the buildings and, most importantly, the safety of tenants, shoppers, visitors, and staff, because it is a technically and financially manageable strategy that minimizes disruption of retail building operations.



**For Retail Building Owner
Senior Executives, Board
Members, & Similar
Policy Makers**

Part

Critical Decisions for Earthquake Safety in Retail Buildings

Introduction

This manual is designed to give decision makers the framework and information for making informed decisions about investing in earthquake risk management measures. It is structured to follow the decision-making process of existing planning and management practices and will help you evaluate financial, safety, and strategic planning priorities.

Owners of retail buildings may vary greatly in size, wealth, and technical capability. Some have comprehensive long-term facility management, maintenance, and development plans. Some have none. The successful implementation of improved earthquake safety should be part of a comprehensive approach to building safety and multi-hazard mitigation.

Failure to address earthquake risk leaves the retail building owner exposed to potential losses, disruption, and liability for deaths and injuries. While purchasing insurance may protect owners from financial losses and liability, it still leaves them susceptible to disruption as well as deaths and injuries. Only building rehabilitation can reduce losses, deaths, and injuries, as well as control liability and disruption. However, single-stage seismic rehabilitation can be expensive and disruptive. Incremental seismic rehabilitation can reduce that cost and disruption.

In Brief

- The primary parameters of seismic hazard are the likelihood of occurrence and severity of an earthquake.
- Geographic location is the most significant factor of seismic hazard.
- Soil conditions at a particular site also influence the seismic hazard.

Retail Buildings, Risk, and Liability

Earthquakes are low-probability, high-consequence events. Though they may occur only once in the life of a building, they can have devastating, irreversible consequences.

Moderate earthquakes occur more frequently than major earthquakes. Nonetheless, moderate earthquakes can cause serious damage to building contents and nonstructural building systems, serious injury to tenants, shoppers, visitors, and staff, and disruption of building operations. Major earthquakes can cause catastrophic damage including structural collapse and massive loss of life. Those responsible for retail building safety must understand and manage these risks, particularly risks that threaten the lives of tenants, shoppers, visitors, and staff.

Earthquake risk is the product of hazard exposure and building vulnerability, as shown in the following equation:

$$\text{RISK} = \text{HAZARD} \times \text{VULNERABILITY}$$

To manage earthquake risk in existing retail buildings, one must understand the earthquake hazard and reduce building vulnerability.

Considering Incremental Seismic Rehabilitation

The incremental rehabilitation approach to seismic risk mitigation focuses on improvements that will decrease the vulnerability of retail buildings to earthquakes at the most appropriate and convenient times in the life cycle of those buildings. The approach clarifies, as specifically as possible, what is the most affordable, least disruptive, and most effective way to reduce seismic risk in your buildings.

Prior to initiating a program of incremental seismic rehabilitation, an owner must first address the following three questions:

- Are your retail buildings located in a seismic zone?
- Are these buildings vulnerable to earthquakes?
- What can you do to reduce earthquake risk in existing vulnerable buildings?

This manual will help you find the right answers.

A.1 Is There an Earthquake Hazard for Your Retail Buildings?

Earthquakes are one of the most serious natural hazards to which retail building owners may be exposed. Although owners face a variety of risks to their investment, tenant safety, and facility operations that may appear more immediate, the consequences of earthquakes can be catastrophic. Therefore, despite the rare occurrence of earthquakes, earthquake safety should be given full consideration in design and investment for risk management and safety.

The first step in understanding earthquake risk:

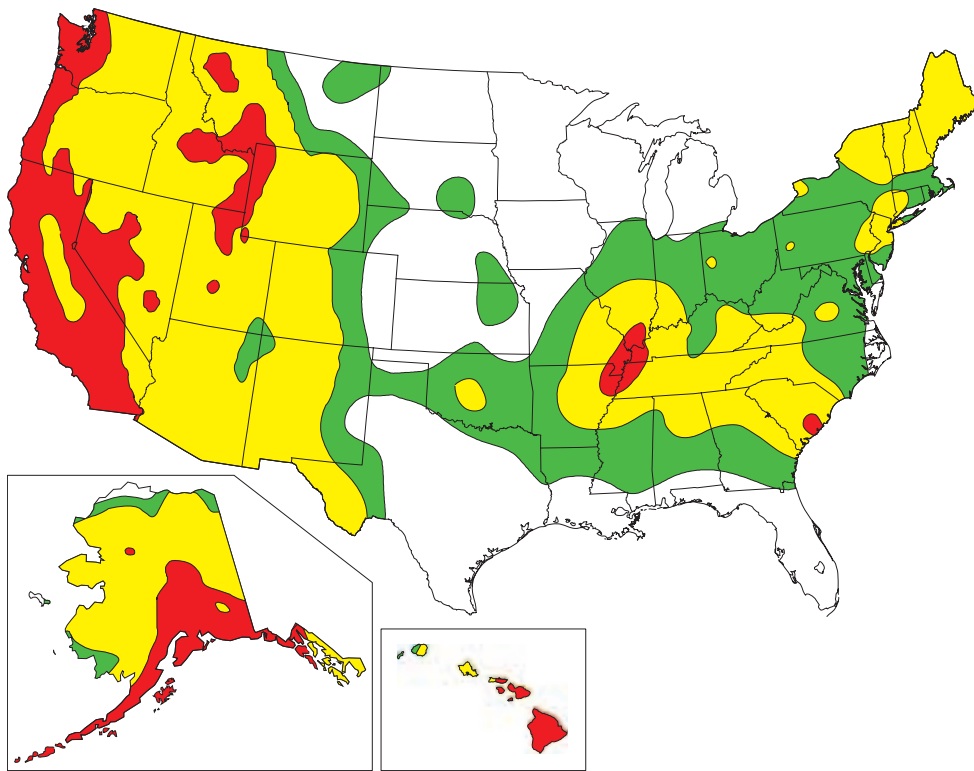
$$\text{RISK} = \text{HAZARD} \times \text{VULNERABILITY}$$

*is to learn the **likelihood and severity** of an earthquake affecting your buildings.*

The Earthquake Hazard: Where, When, and How Big

The surface of the earth consists of solid masses, called tectonic plates, that float on a liquid core. The areas where separate plates meet each other are called faults. Most earthquakes result from the movement of tectonic plates, and seismic hazard is strongly correlated to known faults. A map of zones of seismic hazard for the United States, based on maps provided by the U.S. Geological Survey (USGS), shows three zones from the lowest, green, to the highest, red. The white areas have negligible seismic hazard.

The USGS earthquake hazard map is based on a complex assessment of expected seismic activity associated with recognized faults. The scientific understanding of earthquakes continues to improve and has resulted in estimates of increased seismic hazard in various parts of the country over the last decade.



Seismic Hazard Map

Retail building owners and managers responsible for the safety of tenants, shoppers, visitors, and staff need to know whether to be concerned about earthquakes. Some guidelines for determining earthquake risk in your location are:

- If your retail building is located in a red zone on the map

Earthquakes are one of the most significant risks facing your facilities.

- Take immediate action to undertake comprehensive vulnerability assessment. Professional structural engineers should perform this assessment.
- Identify and either replace or rehabilitate vulnerable existing buildings as soon as possible.

In Brief

- Seismic vulnerability consists of expected damages and losses.
- Seismic vulnerability depends on structural type, age, condition, contents, and use of retail buildings.
- Hazard exposure and building vulnerability may result in substantial death, injury, building and content damage, and serious disruption of building use and loss of rentals and leases.

¹ A wave on the surface of a lake or landlocked bay caused by atmospheric or seismic disturbances.

■ If your retail building is located in a yellow zone

The probability of severe earthquake occurrence is sufficiently high to demand systematic investigation of your buildings.

- Assign responsibility for investigation to the risk managers and facility managers within the organization. If they are not available, seek professional engineering assistance from outside.
- Identify vulnerable buildings and schedule them for replacement, rehabilitation, or change of use.
- Also consider mitigation of nonstructural hazards, such as securing equipment and suspended lighting that could injure building occupants in an earthquake.

■ If your retail building is located in a green zone

- Consider low-cost mitigation strategies that protect building occupants and the owner's investment in facilities and systems, even though the probability of an earthquake is low.

Beyond this broad seismic zone designation, expected earthquake ground motion at a particular location is further influenced by local geology and soil conditions. Geotechnical engineering studies should be done to fully understand the earthquake hazard at a particular site in red and yellow zones.

A.2 Are Your Retail Buildings Safe?

The second step in understanding earthquake risk:

$$RISK = HAZARD \times VULNERABILITY$$

*is to learn the **expected damage and losses** that could result from an earthquake.*

What Happens to Retail Buildings in Earthquakes

Earthquake fault rupture causes ground motion over a wide area. This ground motion acts as a powerful force on buildings. Buildings are principally designed to resist the force of gravity, but resistance to earthquake forces requires specialized earthquake engineering. Horizontal earthquake forces cause rapid movement of the foundation and displacement of upper levels of the structure. When inadequately designed to resist or accommodate these earthquake forces, structures fail, leading to serious structural damage and, in the worst case, total building collapse.

In addition to ground motion, buildings may suffer earthquake damage from the following effects:



Fault rupture under or near the building, often occurring in buildings located close to faults.



Earthquake-induced landslides near the building.



Reduction of the soil bearing capacity under or near the building.



Earthquake-induced waves in bodies of water near the building (tsunami on the ocean and seismic seiche¹ on lakes).

Building Age and Earthquake Vulnerability

The first earthquake design legislation was enacted in 1933 for schools in California (the Field Act). Since that time, awareness of earthquake risk has expanded across the country, and building codes have been improved because of research and experience. Since the early 1990s, most new retail buildings in the United States have been constructed in accordance with modern codes and meet societal standards for safety. However, older buildings should be reexamined in light of current knowledge. Some seismically active parts of the country (the Midwest) have only very recently adopted appropriate seismic design standards, and in other parts of the country (the Northwest) estimates of seismic risk have been revised upward. The serious problem resides in existing vulnerable retail buildings constructed without seismic requirements or designed to obsolete standards. The building code is not retroactive; there is no automatic requirement to bring existing buildings up to current standards. Safety in existing buildings is the responsibility of the owner/operator.

Estimating Building Vulnerability

Engineers have defined levels of damage that can be expected in particular types of buildings due to varying intensities of earthquake motions. These levels of damage range from minor damage, such as cracks in walls, to total building collapse. In addition to building type, expected damage is also a function of building age and the state of maintenance. Retail buildings suffering from deferred maintenance will experience greater damage than well-maintained buildings will. For example, failure to maintain masonry parapets significantly increases the possibility of life-threatening failure in even a moderate earthquake.

It is possible to estimate roughly the vulnerability of an owner's portfolio of buildings and to identify problem buildings with a technique called "rapid visual screening."² Retail building owners can produce generalized estimates of expected damage in the initial seismic risk assessment of their buildings.

After initial rapid screening, specific seismic risk assessment for individual retail buildings requires detailed engineering analysis.

Other Earthquake Losses

While a serious concern in its own right, building failure is the direct cause of even more important earthquake losses:

- Death and injury of tenants, shoppers, visitors, and staff
- Destruction of contents belonging to tenants and owner
- Disruption of occupancy and rentals

The expected extent of these losses can also be estimated based on hazard and vulnerability assessments. See Section B.2.2, Elements of an Incremental Seismic Rehabilitation Program, for applicable references.

² FEMA 154, *Rapid Visual Screening of Buildings for Potential Seismic Hazards: A Handbook, Second Edition*.

In Brief

- Seismic rehabilitation of existing vulnerable retail buildings can reduce future earthquake damage.
- Incremental seismic rehabilitation is a strategy to reduce the cost of rehabilitation and related disruption of occupancy and rentals.

A.3 What Can Be Done to Reduce Earthquake Risk in Existing Vulnerable Retail Buildings?

Failure to address earthquake risk leaves the retail building owner exposed to potential losses, disruption, and liability for deaths and injuries. While purchasing insurance may protect owners from financial losses and liability, it still leaves them exposed to disruption as well as deaths and injuries. Only building rehabilitation can reduce losses, deaths, and injuries and control liability and disruption.

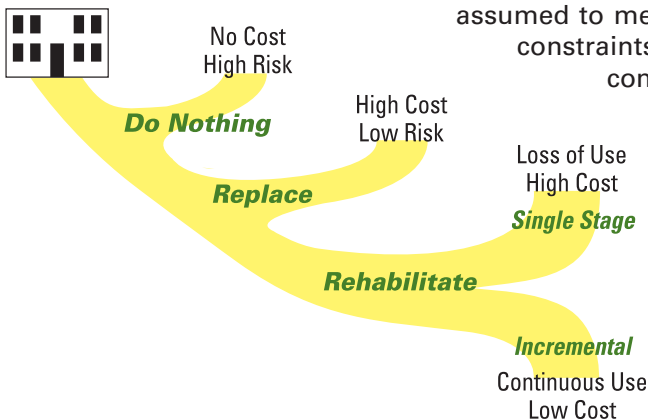
The implementation of seismic risk reduction through building rehabilitation will primarily involve the facility manager. However, to be effective it will require coordination among the facility managers, risk managers, and financial managers. This is further discussed in Part B (for Facility Managers, Risk Managers, and Financial Managers). In addition, it is the responsibility of the retail building owner's top administrators to make sure that hazards are assessed and risk reduction measures implemented.

Options for Seismic Risk Reduction

The most important consideration for earthquake safety in retail buildings is to reduce the risk of catastrophic structural collapse. Most likely in existing vulnerable buildings, structural collapse poses the greatest threat to life in a major earthquake. Choosing the method of protection from structural collapse in a deficient building requires two critical decisions:

Replace or Rehabilitate: If you decide to replace a building, new construction is carried out according to modern codes and can be assumed to meet current safety standards. However, financial constraints, historic preservation concerns, and other community interests may make the replacement option infeasible. In that case, rehabilitation should be considered.

Single-Stage Rehabilitation³ or Incremental Rehabilitation: If the rehabilitation option is chosen, there are still issues of cost and disruption associated with the rehabilitation work. The cost of single-stage seismic rehabilitation has proved to be a serious impediment to its implementation by many retail building owners. Incremental seismic rehabilitation is specifically designed to address and reduce the problems of cost and disruption.



Estimating the Costs and Benefits of Seismic Rehabilitation of Existing Retail Buildings

The direct and indirect costs of seismic rehabilitation of a building are:

- Engineering and design services
- Construction
- Disruption of building occupancy and rentals during construction

³ Single-stage rehabilitation refers to completing the rehabilitation in a single continuous project.

The benefits of seismic rehabilitation of a building are:

- Reduced risk of death and injury of tenants, shoppers, visitors, and staff
- Reduced building damage
- Reduced damage to building contents, merchandise, and equipment
- Reduced disruption of occupancy and rentals

Engineers have developed estimates of the reduction of earthquake damage that can be achieved with seismic rehabilitation following FEMA's current rehabilitation standards. This type of estimate, however, may significantly undervalue the benefit of seismic rehabilitation. In considering the return on seismic rehabilitation investments, it is appropriate to consider the value of damages avoided as well as the difficult-to-quantify values of deaths, injuries, and disruption of occupancy and rental functions avoided.

The primary obstacles to single-stage rehabilitation of vulnerable existing retail buildings are the cost of rehabilitation construction work and related disruption of sales operations. Incremental seismic rehabilitation offers opportunities to better manage the costs and reduce disruption of rehabilitation. The following section introduces and explains incremental seismic rehabilitation in more detail.

A.4 Incremental Seismic Rehabilitation of Existing Retail Buildings

Incremental rehabilitation phases seismic rehabilitation into an ordered series of discrete actions implemented over a period of several years, and whenever feasible, these actions are timed to coincide with regularly scheduled repairs, maintenance, or capital improvements. Such an approach, if carefully planned, engineered, and implemented, will ultimately achieve the full damage reduction benefits of a more costly and disruptive single-stage rehabilitation. In fact, for retail malls, a key distinction between the incremental and single-stage rehabilitation approaches is that the incremental approach can effectively eliminate or drastically reduce disruption costs if the incremental approach can be organized so that all rehabilitation increments occur during the period of tenant turnover, or are carefully coordinated with tenant work. Incremental seismic rehabilitation can be initiated in the near-term as a component of planned maintenance and capital improvement with only marginal added cost. Getting started as soon as possible on a program of earthquake safety demonstrates recognition of responsibility for retail building safety and can provide protection from liability.

Assessment of Deficiencies

A necessary activity that must precede a seismic rehabilitation program, be it single-stage or incremental, is an assessment of the seismic vulnerability of the owner's building inventory. Facility managers can implement such an assessment using owner staff or outside engineering consultants as appropriate. The assessment should rank the building inventory in terms of seismic

In Brief

- Whereas single-stage seismic rehabilitation of an existing retail building represents a significant cost, rehabilitation actions can be divided into increments and integrated into normal maintenance and capital improvement projects.
- The implementation of incremental seismic rehabilitation requires assessing the buildings, establishing rehabilitation priorities, and planning integration with other projects.

⁴ To order FEMA publications you may write to FEMA, PO Box 2012, Jessup, MD 20794-2012; or you may call 1-800-480-2520, Monday - Friday, 8:00 a.m. - 5:00 p.m., eastern time; or you may Fax your request to 301-362-5335.

vulnerability and identify specific deficiencies. FEMA publishes a number of documents that can guide you through the assessment process. Portions of the assessment activities can be integrated with other ongoing facility management activities such as periodic building inspections. Facility assessments and the FEMA publications available to help you conduct them are discussed in more detail in Part B.⁴

Rehabilitation Strategy

The incremental seismic rehabilitation program will correct the deficiencies identified by the assessment. The order in which seismic rehabilitation increments are undertaken can be important to their ultimate effectiveness. There are three aspects to prioritizing seismic rehabilitation increments:

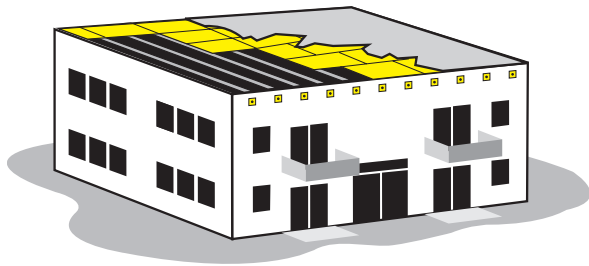
- **Structural Priority:** An initial prioritization of seismic rehabilitation increments should be established primarily in terms of their respective impact on the overall earthquake resistance of the structure. Facility managers will begin with these priorities when determining the order of seismic rehabilitation increments to be undertaken. However, the final order of increments may deviate from this priority order depending on other planning parameters. Additional engineering analysis may be required for certain building

types when deviating from the structural priority order. This subject is discussed in more detail in Part B, Section B.2, and Part C.

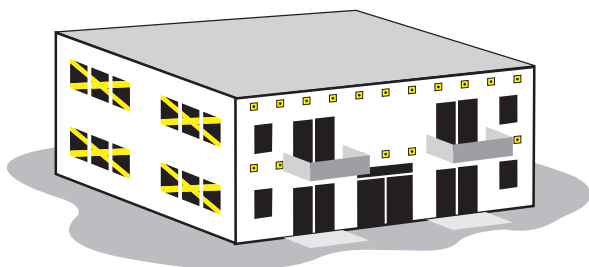
- **Use Priority:** Retail building owners should consider planning alternative future uses of their existing buildings. Some vulnerable buildings may be scheduled for demolition or converted to other uses (for example, storage). Others may be scheduled for expansion and intensification of use. These considerations, among others, will influence the prioritization of seismic rehabilitation increments.

- **Integration:** A major advantage of the incremental seismic rehabilitation approach is that specific work items can be integrated with other building maintenance or capital improvement projects undertaken routinely, including tenant work in the case of retail malls. Such integration will reduce the cost of the seismic rehabilitation action by sharing engineering costs, design costs, and some aspects of construction costs. Integration opportunities are a key consideration in adapting the sequence of actions suggested by the foregoing discussions of rehabilitation priorities. Integration opportunities are discussed in more detail in Part C, Section C.2.

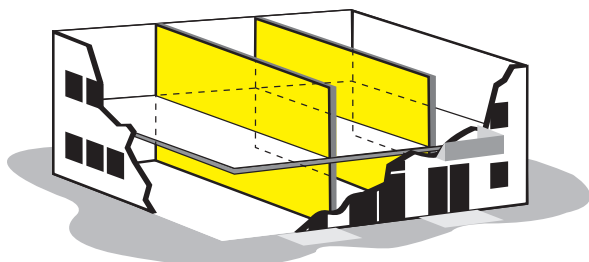
SCHEMATIC INTEGRATION OPPORTUNITIES



Roof Work



Exterior Wall Work



Interior Work

Incremental Seismic Rehabilitation Plan

An essential feature of implementing incremental seismic rehabilitation in specific retail buildings is the development and documentation of a seismic rehabilitation plan. The seismic rehabilitation plan will include all the anticipated rehabilitation increments and their prioritization as previously discussed. The documentation will guide the implementation of the incremental seismic rehabilitation program and should ensure that the retail building owner does not lose sight of overall rehabilitation goals during implementation of individual increments.

Summary of Part A

- *The primary parameters of seismic hazard are the likelihood of occurrence and severity of an earthquake.*
- *Geographic location is the most significant factor of seismic hazard.*
- *Soil conditions at a particular site also influence the seismic hazard.*
- *Seismic vulnerability consists of expected damages and losses.*
- *Seismic vulnerability depends on structural type, age, condition, contents, and use of retail buildings.*
- *Hazard exposure and building vulnerability may result in substantial death, injury, building and content damage, and serious disruption of building use and rentals.*
- *Seismic rehabilitation of existing vulnerable retail buildings can reduce future earthquake damage.*
- *Incremental seismic rehabilitation is a strategy to reduce the cost of rehabilitation and related disruption of occupancy and rentals.*
- *Whereas single-stage seismic rehabilitation of an existing retail building represents a significant cost, rehabilitation actions can be divided into increments and integrated into normal maintenance and capital improvement projects.*
- *The implementation of incremental seismic rehabilitation requires assessing the buildings, establishing rehabilitation priorities, and planning integration with other projects.*

Recommended Actions

1. Communicate the importance of assessing your building inventory's risks and pass this manual on to the staff members responsible for facility management, risk management, and financial planning. Specify that they develop an analysis of the current seismic risk of your buildings and a strategy for risk reduction.
2. Promptly initiate a program of earthquake risk reduction in your buildings located in an earthquake-prone zone that were not designed and constructed to meet modern building codes.
3. Consider incremental seismic rehabilitation as a cost-effective means to protect the buildings and, most importantly, the safety of tenants, shoppers, visitors, and staff, because it is a technically and financially manageable strategy that minimizes disruption of retail building operations.

**For Facility Managers,
Risk Managers, &
Financial Managers**

Part

Planning and Managing the Process for Earthquake Risk Reduction in Existing Retail Buildings

Introduction

Part B of this manual is written specifically for retail building facility managers, risk managers, and financial managers concerned with the seismic safety of their buildings. The organization's senior management may have requested you, the manager, to make a recommendation to address seismic safety in retail buildings or may have made the decision to address it, or there may already be a seismic safety program in place. Part B describes when and how specific activities that will accomplish the goal of seismic risk reduction can be introduced into an ongoing retail facility management process, regardless of how simple or sophisticated that process is. Part B also provides the framework and outline that can be used by the facility managers, risk managers, and financial managers in developing and communicating their recommendations to senior management.

An incremental seismic rehabilitation program is one of several seismic risk reduction strategies that can be implemented in retail buildings. It can be implemented separately or in combination with other seismic risk reduction actions. If you determine that such a program is appropriate for your organi-

In Brief

Planning for earthquake risk reduction in retail buildings requires a coordinated and integrated effort by facility managers, risk managers, and financial managers.

Facility Managers

Risk Managers

Financial Managers

zation, the planning and implementation of incremental seismic rehabilitation should be integrated into the facility management processes and integrated with other seismic risk reduction actions that will complement it or support it.

Part B of this manual is applicable to organizations that own malls with multiple retail tenants as well as to those that own individual, independent retail facilities. Where differences apply to these different types of owners, it is noted in the text.

B.1 Integrating the Efforts of Facility Management, Risk Management, and Financial Management

Preparing an analysis of a retail building owner's earthquake risk reduction needs, and planning and managing such a process, benefits from an integrated effort by the organization's facility managers, risk managers, and financial managers, or by the administrators charged with those respective responsibilities. Such an integrated effort may be a departure from current practices, but collaboration is the key to improving safety cost-effectively and with a minimum of disruption.

Facility managers currently carry out their planning activities by considering the parameters of market conditions, area demographics, and the physical condition and projected useful life of the existing retail buildings. Often they consider pressing social issues such as physical security and accessibility. Some of these issues become federal or local government mandates, such as asbestos and lead abatement, energy conservation, or accessibility compliance. Sometimes facility managers consider the risks to retail buildings from natural disasters such as earthquakes or windstorms.

Risk managers, relatively recent additions to many retail owners' organizations, carry out their planning activities by considering three aspects: risk identification, risk reduction, and risk transfer. The latter generally involves the purchase of insurance. Currently, retail building owner risks are classified into three broad areas: larceny and shoplifting risk, employee risk, and facility and environmental risk. Rarely do risk managers consider the risks to retail buildings and their occupants from natural disasters. Rather, they tend to assume that the latter risks are addressed by building codes and similar regulations.

Financial managers currently deal with facilities by controlling and managing maintenance budgets, capital improvement budgets, and insurance budgets. The facility managers and risk managers present the demands on these budgets to the financial managers, but rarely are the potential tradeoffs among these budgets considered. The costs and benefits of various options of facility risk management are rarely explicitly addressed.

Addressing the problem of earthquake risk reduction requires establishing active communication among the three management functions and coordinating activities into an integrated planning and management effort. Facility and risk managers will have to consider facility risk, and financial managers will have to consider the costs and benefits of various options for managing facility risk. Specific recommendations on implementing such an effort are provided in the following sections.

B.2 Integrating Incremental Seismic Rehabilitation into the Facility Management Process

B.2.1 A Model of the Facility Management Process for Existing Retail Buildings

The typical facility management process for existing retail buildings consists of seven phases of activities: Acquisition, Redevelopment, Current Building Use, Planning, Maintenance & Rehabilitation Budgeting, Maintenance & Rehabilitation Funding, and Maintenance & Rehabilitation Implementation. Each phase consists of a distinct set of activities as follows:

Acquisition: due diligence

Redevelopment: capital improvement

Current Use: facility occupancy, facility operation, facility maintenance, and facility assessment

Planning: strategic planning and facility planning

Budgeting: capital budgeting, maintenance budgeting, and insurance budgeting

Funding: financing of capital, maintenance, and insurance budgets

Implementation: capital improvement and maintenance

This process is sequential, progressing from acquisition through implementation of rehabilitation in any given building. An owner who has a large inventory of buildings is likely to have ongoing activities in all of these phases in different buildings. The process is illustrated in the following diagram. The Appendix to this manual, Additional Information on Retail Building Facility Management, contains a discussion of the specific phases and the activities therein for owners seeking further detail on the facility management process. This is a generalized model subject to local variation.



B.2.2 Elements of an Incremental Seismic Rehabilitation Program

The following 11 activities are essential elements of an incremental seismic rehabilitation program for retail buildings, and can be added to the facility management process by facility, risk, and financial managers who implement such a program.

B.2.2.1 Due Diligence Analysis

In regions of higher and moderate seismicity, due diligence should include a probabilistic analysis of potential earthquake risks. Such an analysis considers damage from earthquakes of all levels of intensity, and will provide information on seismic vulnerabilities in the building. If the building is acquired, the due diligence analysis will provide information for the initiation of a full seismic assessment. Probabilistic analysis, because of its detail and scope, will be more expensive than more simplistic Probable Maximum Loss (PML) analysis.

In Brief

Eleven specific activities can be added to the current facility management process to implement an incremental seismic rehabilitation program.

Incremental Seismic Rehabilitation

Element 1 Due Diligence Analysis

B.2.2.2 Initial Integration Opportunities

Even if seismic rehabilitation is not among the capital improvements being undertaken in the redevelopment phase, and even though seismic screening and evaluation may not have taken place prior to the determination of redevelopment phase capital improvements, there may be some seismic rehabilitation increments that can be identified with minimal evaluation and analysis (for example, parapet and gable bracing or anchoring of mechanical equipment). Depending on the nature of these increments, it may be possible to integrate them with specific capital improvements being undertaken in this phase. Part C, Section C.2 should be used to identify such integration opportunities.

B.2.2.3 Seismic Screening

Following building acquisition and initial redevelopment, seismic screening of the owner's retail building inventory is the first step of the incremental seismic rehabilitation process. Seismic screening procedures can be incorporated into other facility assessment activities. Begin with a determination of the status of the archival records. If building plans are available, a document review for the determination of building structure types is the first step in seismic screening. The following chart can be used to obtain an overall view of seismic concerns based on the seismic hazard map in Part A.

Level of Seismic Concern by Typical Building Type	Level of Seismic Concern by Building Location*		
	Green	Yellow	Red
Wood Frame		Low	High
Steel Frame		Low	High
Concrete Frame	Very Low	Medium	Very High
Unreinforced Masonry	Low	High	Very High

Patterned after recommendations developed by Dr. Charles Scawthorn for the California Seismic Safety Commission's *Earthquake Risk Management: A Toolkit for Decision Makers*.

* Locations refer to the seismic hazard map in Part A, Section A.1.

The Federal Emergency Management Agency (FEMA) has developed FEMA 154, *Rapid Visual Screening of Buildings for Potential Seismic Hazards: A Handbook, Second Edition*¹ as guidance for seismic screening of an inventory of buildings. It describes a technique for identifying the relatively more vulnerable buildings in a large inventory so that they can be analyzed in more detail.

The FEMA 154 publication is nationally applicable and addresses all building types. In some cases, the screening will suggest specific seismic rehabilitation opportunities that do not require additional engineering and risk analyses.

The incorporation of seismic screening into ongoing facility assessment activities requires assigning the screening to the appropriate inspectors. If

¹ To order this and other FEMA publications, you may write to FEMA, PO Box 2012, Jessup, MD 20794-2012; or you may call 800-480-2520, Monday – Friday, 8:00 a.m. – 5:00 p.m., eastern time; or you may fax your request to 301-362-5335.

inspections are periodically carried out in the owner's retail buildings for other purposes, such as life safety, insurance, occupational health and safety, or hazardous materials identification, it may be possible to assign the seismic screening to the same inspectors with some additional training. Alternatively, the seismic screening can be assigned to a consulting architect or engineer.

B.2.2.4 Seismic Evaluation

Seismic evaluation is an engineering analysis of individual retail buildings. It usually follows the seismic screening, when the buildings identified as relatively more vulnerable are subjected to a more detailed analysis. However, in some cases, such as when the owner's building inventory is small, seismic evaluation of individual buildings may be the first step of the incremental seismic rehabilitation process.

Guidance for seismic evaluation of buildings is contained in standard ASCE 31,² *Seismic Evaluation of Existing Buildings*, which is based on FEMA 310, *Handbook for the Seismic Evaluation of Existing Buildings—A Prestandard*. The standard provides engineering guidance on how to evaluate categories of buildings in order to identify deficiencies and determine effective rehabilitation measures.

Seismic evaluation can be done by the owner's professional staff or by a consulting engineer.

B.2.2.5 Developing a Risk Reduction Policy

Convince the board of directors to adopt a clear policy statement supporting seismic risk reduction. Such a policy should, at a minimum, establish seismic performance objectives for the owner's retail buildings. Seismic performance objectives define the target performance of a building following an earthquake of a specified intensity. The policy and objectives should be developed and documented as part of the seismic rehabilitation planning process.

B.2.2.6 Seismic Rehabilitation Planning for Specific Buildings

FEMA has developed engineering guidance to plan seismic rehabilitation for specific buildings, including FEMA 356, *Prestandard and Commentary for the Seismic Rehabilitation of Buildings*, which includes specific techniques for analyzing and designing effective seismic rehabilitation. The planning task entails four specific facility planning subtasks:

- 1. Establish seismic target performance levels:** With cooperation between central management and local facility management, establish the performance level desired in each of the owner's retail buildings following an earthquake. Performance levels used in FEMA 356 are, in declining level of protection:
 - Operational
 - Immediate Occupancy
 - Life Safety
 - Collapse Prevention

² ASCE 31 can be obtained from the American Society of Civil Engineers at 1-800-548-2723.

Incremental Seismic Rehabilitation

Element 4 Seismic Evaluation

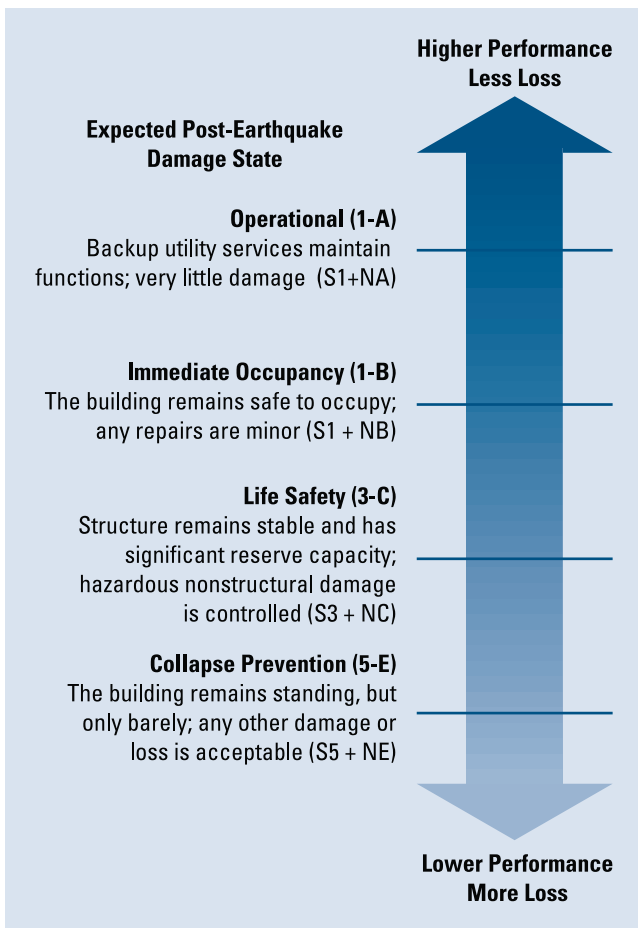
Incremental Seismic Rehabilitation

Element 5 Developing a Risk Reduction Policy

Incremental Seismic Rehabilitation

Element 6 Seismic Rehabilitation Planning for Specific Buildings

Target Building Performance Levels and Ranges



Adapted from FEMA 356, Figure C1-2

This is an expansion of the two performance levels—immediate occupancy and life safety—included in ASCE 31, *Seismic Evaluation of Existing Buildings*. The figures adapted from FEMA 356 on this and the following page demonstrate the use of these performance levels. Reasonable objectives and expectations should be considered for moderate, severe, and rare great earthquakes.

2. Prioritize rehabilitation opportunities: Carry out additional engineering and risk analysis in order to prioritize the seismic rehabilitation opportunities identified in the seismic evaluation in terms of risk reduction. ASCE 31 and FEMA 356 include lists of seismic rehabilitation measures as a function of common building types. Priorities for these measures are established in terms of respective contribution to the overall earthquake resistance of the structure.

Apply a “worst first” approach. Attend to heavily used sections of the most vulnerable buildings housing the greatest number of occupants, as well as to areas housing critical functions and equipment. For example, higher priorities may be given to rehabilitation of areas of higher human occupancy, such as movie theatres and restaurants; to areas that facilitate the evacuation of the building in an earthquake, such as lobbies, corridors, stairs, and exits; and to areas where important information and equipment are housed.

3. Define increments: Break down the specific seismic rehabilitation opportunities into discrete incremental rehabilitation measures that make sense in engineering and construction terms. When establishing increments, consider scheduling to minimize disruption to normal retail operations. Increments that can be accomplished during tenant turnover seem to make the most sense.

4. Integrate with other rehabilitation work: Link each incremental rehabilitation measure with other related facility maintenance or capital improvement work. The related work classifications may differ from one building owner to another, but they will fall into the following generic categories:

- Building envelope improvements
- Interior space reconfiguration
- Life safety and accessibility improvements
- Refinishing and hazardous materials removal
- Building systems additions, replacements, and repairs
- Additions to existing buildings
- Tenant work

Damage Control and Building Performance Levels

Overall Damage	Target Building Performance Levels			
	Lower Performance More Loss		Higher Performance Less Loss	
	Collapse Prevention Level (5-E)	Life Safety Level (3-C)	Immediate Occupancy Level (1-B)	Operational Level (1-A)
	Severe	Moderate	Light	Very Light
General	Little residual stiffness and strength, but load-bearing columns and walls function. Large permanent drifts. Some exits blocked. Infills and unbraced parapets failed or at incipient failure. Building is near collapse.	Some residual strength and stiffness left in all stories. Gravity-load-bearing elements function. No out-of-plane failure of walls or tipping of parapets. Some permanent drift. Damage to partitions. Building may be beyond economical repair	No permanent drift. Structure substantially retains original strength and stiffness. Minor cracking of facades, partitions, and ceilings as well as structural elements. Elevators can be restarted. Fire protection operable.	No permanent drift. Structure substantially retains original strength and stiffness. Minor cracking of facades, partitions, and ceilings as well as structural elements. All systems important to normal operations are functional.
Nonstructural Components	Extensive damage.	Falling hazards mitigated but many architectural, mechanical, and electrical systems are damaged	Equipment and contents are generally secure, but may not be operable due to mechanical failure or lack of utilities.	Negligible damage occurs. Power and other utilities are available, possibly from standby sources.
Comparison with performance intended for buildings designed under the <i>NEHRP Provisions</i> for the Design Earthquake	Significantly more damage and greater risk.	Somewhat more damage and slightly higher risk.	Less damage and lower risk.	Much less damage and lower risk.

Adapted from FEMA 356, Table C1-2

Opportunities for project integration are listed in Part C, Section C.2 of this manual. Some examples of the opportunities you can use to link projects are: when accessing concealed areas, when removing finishes and exposing structural elements, when performing work in a common location, when sharing scaffolding and construction equipment, and when sharing contractors and work force. In the case of malls, see recommended activity B.2.2.8, Coordinating With Tenant Work, for further discussion.

The four subtasks described above form an iterative process. The definition and related cost estimation of increments, as well as the integration with other maintenance and capital improvement projects (subtasks 3 and 4), may lead to a revision of target performance levels (subtask 1) or to specific analysis carried out as part of subtask 2.

B.2.2.7 Staging Seismic Rehabilitation Increments

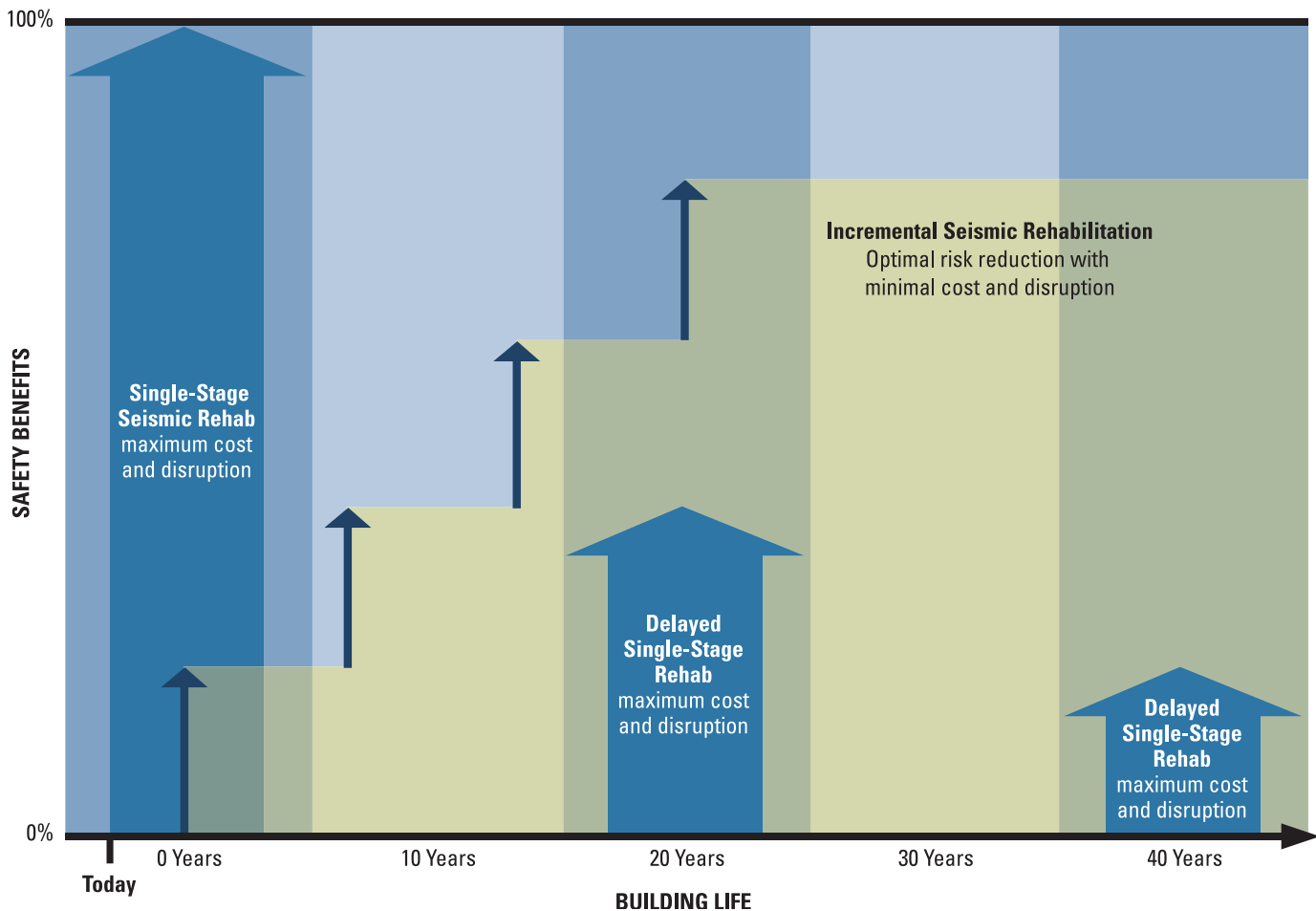
Determine the number and scope of incremental stages that will be undertaken and the length of time over which the entire rehabilitation strategy will be implemented.

Incremental Seismic Rehabilitation

Element 7
Staging Seismic Rehabilitation Increments

Estimates of seismic damage can be quantified in terms of percentage of building value damaged. Annual seismic damage is calculated as the probable damage that can result in any year from all possible earthquakes. The benefits of seismic rehabilitation are quantified as the reduction in annual seismic damage resulting from specific rehabilitation actions (also quantified in terms of percentage of building value). A generalized life-cycle benefit analysis shows that incremental approaches can return a substantial portion of the expected benefits of single-stage seismic rehabilitation carried out now.

The schematic diagram below illustrates such a life-cycle benefit analysis. The three wide arrows represent the benefits of single-stage rehabilitation occurring at three points in time: now, in 20 years, and in 40 years. Clearly, the largest benefit derives from a single-stage rehabilitation done now, and it is designated as 100%. The benefits of single-stage rehabilitation done in the future must be discounted and expressed as some percentage lower than 100%, as represented by the decreased arrows. The stepped portion of the diagram represents incremental rehabilitation starting soon and completed in four increments over 20 years. The benefits of the future increments must also be discounted, and the benefit of the completed incremental rehabilitation is therefore expressed as a percentage lower than 100%, but higher than the single-stage rehabilitation in year 20. Reducing the overall duration of the incremental rehabilitation will increase its benefit, and extending the duration will decrease it.



Incremental seismic rehabilitation affords great flexibility in the sequence and timing of actions when the following precautions are kept in mind:

- It is important to get started as soon as possible. Any early reduction of risk will provide benefit over the remaining life of the building. Delaying action extends risk exposure. The incremental approach can be more effective than a delayed, single-stage rehabilitation, as long as one gets started soon.
- Even if the completion of the incremental program takes 10 or 20 years, most of the risk reduction benefit is realized.
- There is a wide margin of error. For example, you may unintentionally increase the probability of damage in the first few years due to an initial rehabilitation increment that inadvertently makes the building more vulnerable to damage, and still realize the benefit of risk reduction if you complete the incremental rehabilitation over a reasonable period.

B.2.2.8 Coordinating with Tenant Work

Tenant work is usually planned, funded, and implemented independently of owner work. However, in the case of large tenants with long-term leases such as anchor stores in malls, it may be possible for the owner's facility manager to coordinate the planning and identification of integration opportunities for seismic rehabilitation increments with the tenants. Various arrangements may be possible, such as the owner coordinating seismic rehabilitation with tenant work within tenant spaces, or requesting tenants to implement owner-planned seismic rehabilitation work within tenant spaces.

B.2.2.9 Budget Packaging

The facility, risk, and financial managers should carefully plan how to present the incremental seismic rehabilitation budgets to maximize the probability of their being approved, given the financial realities of the owner organization.

The facility capital improvements and maintenance budget proposals, generated both locally at the building and centrally at owner headquarters, are results of the facility planning process. The budget, however, is also a vehicle for establishing funding priorities through a board decision, a bond issue, or other process. It is unlikely for most retail building owners in the United States to be able to raise funds for a comprehensive seismic rehabilitation program of all their buildings. While the incremental rehabilitation approach appears to be a viable alternative, in some organizations it may be necessary to "package" incremental seismic rehabilitation with other work in order to get it funded.

In regions of moderate seismicity and low seismic awareness (parts of New York and New England, for example), it may be useful to concentrate on rehabilitation measures that also reduce the risk of loss due to other natural or man-made forces, such as high winds or terrorist attack. Such a multi-hazard approach will help justify mitigation investments.

For those parts of the country where the understanding of earthquake risk is limited, it may be necessary and appropriate to combine seismic rehabilitation costs with normal maintenance budgets.

Incremental Seismic Rehabilitation

Element 8

Coordinating with Tenant Work

Incremental Seismic Rehabilitation

Element 9

Budget Packaging

Incremental Seismic Rehabilitation

Element 10 Bond Packaging

Incremental Seismic Rehabilitation

Element 11 Seismic Rehabilitation Project Management

B.2.2.10 Bond Packaging

Since a bond issue is one of the four financing mechanisms for seismic rehabilitation (in addition to revenue, equity, and commercial credit), you must ensure that bond-financed incremental seismic rehabilitation does not include categories of work precluded by law or regulation.

B.2.2.11 Seismic Rehabilitation Project Management

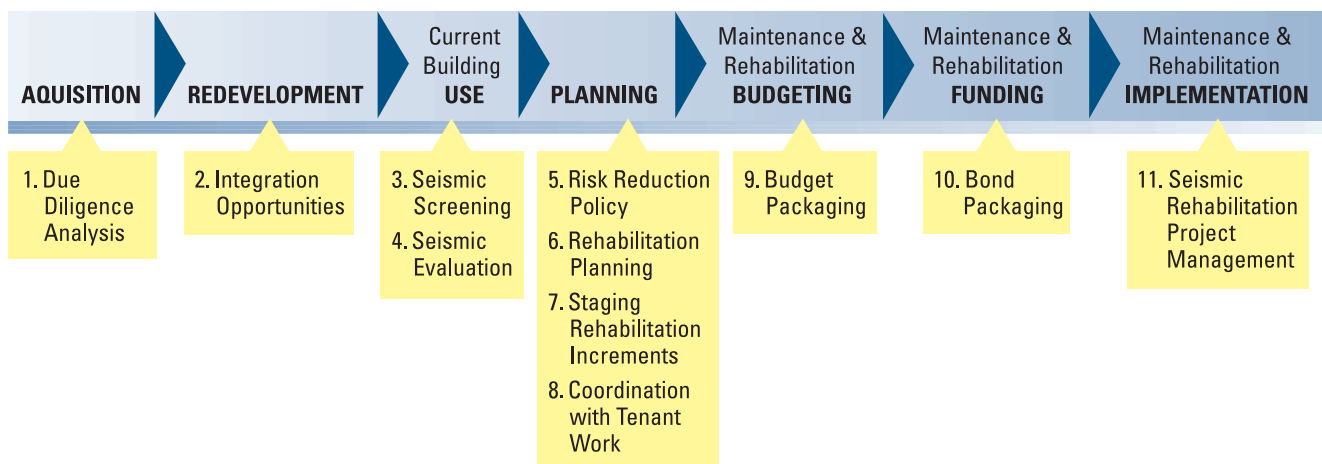
The implementation of the selected incremental seismic rehabilitation measures in combination with other building work may require detailed project design and bid packaging.

- Fully brief or train in-house architects/engineers or outside consultants preparing the bid documents on the rationale behind the rehabilitation measures, in order to assure that the risk reduction objectives are achieved.
- Ensure the continuity of building documentation from the analysis and design through construction and as-built drawings.
- Conduct a pre-bid conference to explain to all prospective bidders the seismic risk reduction objectives and the rationale for their selection.

Federal and state mandates and programs represent opportunities for seismic rehabilitation. Externally, federal and state programs may establish requirements affecting the implementation phase that have implications for retail buildings (e.g., Americans with Disabilities Act [ADA] and Occupational Safety and Health Administration [OSHA] requirements).

B.2.3 Integration into the Retail Facility Management Process

The following diagram illustrates the integration of the 11 elements discussed in the preceding sections (B.2.2.1 through B.2.2.11) into the retail facility management process. The elements are shown in the phase of the management process in which they are most likely to be implemented.



B.3 Opportunities for Seismic Risk Reduction in Support of Integrating Incremental Seismic Rehabilitation into the Facility Management Process

The following ten opportunities for seismic risk reduction support the integration of an incremental seismic rehabilitation program:

1. Responding to Occupant Concerns
2. Emergency Management/Response Planning (establishing liaison)
3. Emergency Management/Mitigation Planning (establishing liaison)
4. Developing a Risk Reduction Policy
5. Incorporating Federal and State Mandates and Programs
6. Coordinating with Risk and Insurance Managers
7. Coordinating with Lenders
8. Becoming Familiar with Applicable Codes
9. Establishing and Maintaining a Roster of Design Professionals
10. Negotiating Code Enforcement

These opportunities are created by internal and external factors that typically influence the retail facility management process. Internal factors are generated within the owner's organization. External factors are imposed on organizations by outside pressures, such as the government, insurance regulations and practices, or the financial climate. The following factors may influence each respective phase:

Acquisition: external market conditions, lenders and insurers, and internal risk management

Redevelopment: external market conditions, lenders and insurers, and internal marketing and architectural policies

Current Use: external federal and state programs, and internal occupant concerns

Planning: internal board policies, and external insurance carriers and brokers, and government mandates

Budgeting: external government fiscal regulations and lender requirements, and internal budgetary constraints and risk management

Funding: external economic conditions and bond financing regulations

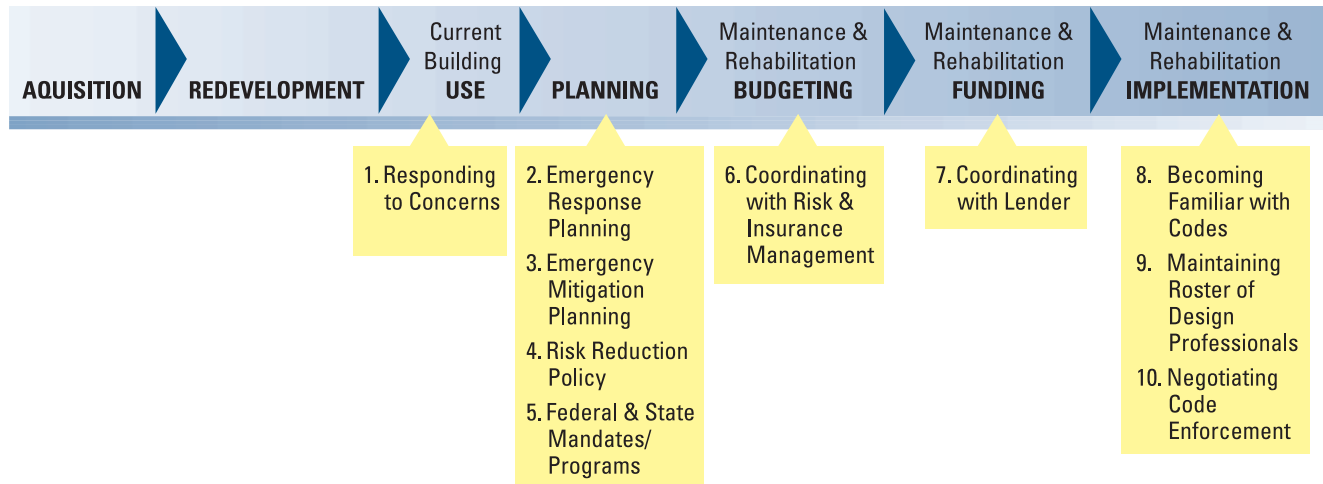
Implementation: external federal and state mandates and programs, codes and code enforcement

The Appendix to this manual, Additional Information on Retail Building Facility Management, contains a discussion of the specific phases and the related internal and external influences for those seeking more information on the facility management process.

In Brief

Ten additional activities can be added to the facility management process to further reduce seismic risk.

The following diagram illustrates the integration of these opportunities into the retail facility management process. The opportunities are shown in the phase of the management process in which they are most likely to be implemented. Each opportunity is discussed in detail in the following sections (B.3.1 through B.3.10).



B.3.1 Responding to Occupant Concerns

Track all tenant and staff concerns that relate to earthquake vulnerability, and make sure they are understood and considered in the **planning** phase.

Be alert to occupant concerns, especially as they affect leasing. They can be a source of considerable influence on risk managers as well as a potentially significant pressure on the facility management process. Occupant concerns may become the vehicle for channeling internal pressures of all kinds, including policies adopted by the board, into capital improvements and maintenance actions.

B.3.2 Emergency Management/Response Planning

Establish a liaison with emergency management agencies and volunteer agencies such as the Red Cross.

Become familiar with the role of the owner's retail buildings in the local emergency response plans, especially if governmental entities are among the tenants of a mall. If it is a significant role, become active in the emergency planning process. Define the role in specific detail, assigning specific functions to specific facilities. The role of specific retail buildings in the local emergency response plans should affect seismic performance objectives and the priority of specific seismic rehabilitation measures. Therefore, there should be full coordination between an owner's emergency planning and facility planning functions.

B.3.3 Emergency Management/Mitigation Planning

Establish a liaison with emergency management mitigation planners at the state and local levels.

Endeavor to incorporate the retail building earthquake mitigation into the state's mitigation plan, and to recognize the owner's incremental seismic rehabilitation measures as elements of the mitigation plan.

Federal resources and funds are available to small business owners following a presidentially declared disaster for the support of disaster recovery and mitigation planning activities in the form of Small Business Administration (SBA) loans. Retail building owners who qualify should make every effort to obtain these resources.

B.3.4 Developing a Risk Reduction Policy

Convince the board of directors to adopt a clear policy statement supporting seismic risk reduction. Such a policy should, at a minimum, establish seismic performance objectives for the owner's retail buildings. Seismic performance objectives define the target performance of a building following an earthquake of a specified intensity. The policy and objectives should be developed and documented as part of the seismic rehabilitation planning process.

B.3.5 Incorporating Federal and State Mandates and Programs

Become familiar with the seismic rehabilitation requirements imposed on retail buildings by federal and state programs, currently or under discussion for the future, and take them into account in planning activities.

B.3.6 Coordinating with Risk and Insurance Managers

Establish coordination between the facility management and risk management functions in the retail building owner's organization.

The owner's risk and insurance managers may have a direct or indirect role in the planning and budgeting phases of the facility management process with regard to decisions related to insurance as well as other budget categories.

In areas of seismic risk, the risk of building loss or damage, the risk of occupant death or injury, and the risk of the owner's liability must all be assessed. The owner's risk manager should be fully informed on the individual building or project approaches to seismic risk reduction and should be a participant in the planning process. Insurance carriers are more than willing, when asked, to provide building owners with Loss Control and Prevention Reports that include recommendations for loss prevention. If seismic risk is covered by the owner's insurance carrier, it may be possible to negotiate a rate reduction, deductible reduction, or increased maximum benefit. On the other hand, the insurer may require some seismic rehabilitation as a condition of coverage.

Formal risk management has been practiced by retail facility owners for a long time, but it usually focuses on issues of loss reduction from theft and other crimes. Facility losses are of relatively recent concern to many retail building owners. For large owners with nationwide portfolios, risk management is usually placed at central headquarters. Facility management is a local function that takes place at a particular building, or regionally, for a group of buildings. In this case, there is a need to establish effective communication lines between central organization staff and local facility managers. Risk managers may develop checklists, questionnaires, or other planning tools to be used by facility managers in planning for seismic risk reduction.

Currently there are no seismic rehabilitation mandates or implications in any federal or state programs related to existing commercial buildings with the exception of California

B.3.7 Coordinating with Lenders

Become familiar with the requirements likely to be imposed by lenders on your capital improvement program. Some lenders may waive or reduce their requirement for seismic insurance if certain seismic improvements are included in your program.

B.3.8 Becoming Familiar with Applicable Codes

Become familiar with the seismic rehabilitation requirements imposed in your building inventory's jurisdictions by building codes or other codes and ordinances, currently or under discussion for the future such as rehabilitation codes, and take them into account in planning activities.

B.3.9 Establishing and Maintaining a Roster of Design Professionals

Develop and maintain a roster of architects, engineers, and other consultants with expertise in the fields of seismic assessment of buildings, seismic design, and risk analysis to quickly make use of their specialized expertise when needed. Such qualified professionals can be identified with the assistance of professional societies, such as the American Society of Civil Engineers, the American Institute of Architects, or the Earthquake Engineering Research Institute.

B.3.10 Negotiating Code Enforcement

Discuss the owner's planned incremental seismic rehabilitation actions with the applicable code enforcement authorities.

Building codes impose requirements on the implementation phase in cases of repair, alteration, or addition to existing buildings. These requirements may be enforced by a state or local agency. Such requirements can add costs to a project and jeopardize feasibility if not taken into account.

Although additions must comply with building code seismic requirements, few codes mandate seismic rehabilitation in repair and alteration projects. Incremental seismic rehabilitation is consistent with most building code requirements applicable to existing buildings.

If applicable, negotiate with code enforcement authorities an optimization of life safety and risk reduction when undertaking seismic rehabilitation. Some code enforcement agencies negotiate required life safety and other improvements with owners of existing buildings who undertake voluntary building rehabilitation. Such negotiations attempt to strike a compromise between safety, feasibility, and affordability.

In Brief

Two additional components of an earthquake safety program can be initiated.

B.4 Additional Components of a Comprehensive Earthquake Safety Program

In addition to integrating an incremental seismic rehabilitation program into the retail facility management process and integrating opportunities to support and implement such a program, there are additional activities that can become part of a comprehensive earthquake safety program for retail buildings. These activities can be implemented at any time.

B.4.1 Building Contents Mitigation

Communicate with maintenance staff and tenants to initiate housekeeping or maintenance measures to reduce or eliminate risks from earthquake damage to equipment, furnishings, and unsecured objects in buildings.

Work may include such tasks as:

- Fastening desktop equipment
- Anchoring display cases, bookcases, file cabinets, storage shelves, and other large furnishings
- Restraining objects on shelves
- Securing the storage of hazardous materials such as chemicals

FEMA has developed materials that contain information on contents mitigation. These include FEMA 74, *Reducing the Risk of Nonstructural Earthquake Damage: A Practical Guide*, and FEMA 241, *Identification and Reduction of Nonstructural Earthquake Hazards in Schools*. (While the latter is addressed primarily to schools, it is equally applicable to other facility types.)

B.4.2 Earthquake Drills

Introduce earthquake drills and appropriate earthquake preparedness materials into the regular retail building emergency preparedness program. Knowing what to do and where to go in an emergency can be critical to life safety in earthquakes.

B.5 Preparing a Plan for the CEO and the Board

This section provides guidance to retail facility managers, risk managers, and financial managers when preparing a proposal for a seismic safety program in response to top management's request.

The owner's facility, risk, and financial managers should prepare a proposal for a seismic risk reduction program. This proposal should be based on an analysis of each of the elements of an incremental seismic rehabilitation program (B.2.2), opportunities for seismic risk reduction (B.3), and additional components (B.4) as discussed above. The proposal should include the following elements:

- A discussion of each recommendation in Part B from the perspective of the owner's current facility management, risk management, and financial management practices. This may take the form of a comprehensive rewriting of Part B.
- A specific plan and recommendation for initiating the first two steps following building acquisition and redevelopment, **Seismic Screening** and **Seismic Evaluation**. The plan should include a budget and schedule of activities.
- A request for the budget for these first steps.

If the necessary resources are available to the facility manager, perform a rapid visual screening, as outlined in B.2.2.3, prior to preparing the program proposal. Then, expand the proposal based on the known inventory of potentially vulnerable buildings as determined in the screening process.

If the owner has a current 5-year capital improvement plan or its equivalent, add the following details to the proposal discussed above:

In Brief

There are three options to propose a seismic safety program.

- Identify existing buildings currently included for rehabilitation in the current 5-year plan.
- Perform a preliminary review of their seismic vulnerabilities, as outlined in B.2.2.3.
- Using Part C of this manual, identify potential seismic rehabilitation increments that could be integrated with the rehabilitation program.
- Add a FEMA 356, *Prestandard and Commentary for the Seismic Rehabilitation of Buildings*, seismic rehabilitation design task to the rehabilitation projects.

Summary of Part B

- Planning for earthquake risk reduction in retail buildings requires a coordinated and integrated effort by facility managers, risk managers, and financial managers.
- Eleven specific activities can be added to the current facility management process to implement an incremental seismic rehabilitation program:
 1. Due Diligence Analysis
 2. Initial Integration Opportunities
 3. Seismic Screening
 4. Seismic Evaluation
 5. Developing a Risk Reduction Policy
 6. Seismic Rehabilitation Planning for Specific Buildings
 7. Staging Seismic Rehabilitation Increments
 8. Coordinating With Tenant Work
 9. Budget Packaging
 10. Bond Packaging
 11. Seismic Rehabilitation Project Management
- Ten additional activities can be added to the facility management process to further reduce seismic risk.
- Two additional components of an earthquake safety program can be initiated.
- There are three options to propose a seismic safety program.

Recommended Actions

1. Prepare an analysis of your buildings using Part B of this manual as a guide.
2. Based on this analysis, prepare a seismic risk reduction plan for top management that includes the costs and benefits of such a plan.
3. Adopt a comprehensive earthquake safety program and begin to implement incremental seismic rehabilitation in your buildings.



For Facility Managers

Part

Tools for Implementing Incremental Seismic Rehabilitation in Existing Retail Buildings

Introduction

An owner of retail buildings, be they malls or single tenant buildings, or a retail building's facility manager charged with the responsibility of implementing a program of incremental seismic rehabilitation, may be entering unfamiliar territory. Part C of this manual is intended to provide the facility manager with information and tools regarding building systems maintenance, repair, and rehabilitation that should be of assistance in implementing such a program.

A program of incremental seismic rehabilitation is likely to be more affordable and less disruptive if specific increments of seismic rehabilitation are integrated with other maintenance and capital improvement projects that would be undertaken regardless of whether or not seismic issues were being addressed.

Guide to Sections C.1 and C.2

Section C.1, How to Use Engineering Services, provides the facility manager with practical information on the special services offered by seismic rehabilitation professionals. Several essential activities must be carried out by the facility manager in order to successfully implement a program of incremental seismic rehabilitation. (These activities are identified and discussed

in Part B of this manual.) Some of these activities may require professional architectural and engineering services that differ from or exceed the traditional services usually retained by retail building owners.

Section C.2, *Discovering Integration Opportunities for Incremental Seismic Rehabilitation*, provides the facility manager with a set of tools to link specific increments of seismic rehabilitation with specific maintenance and capital improvement projects. These tools will assist the facility manager in defining appropriate scopes of work for projects that will include incremental seismic rehabilitation actions.

A companion document, *Engineering Guideline for Incremental Seismic Rehabilitation*, FEMA 420, provides design professionals with additional technical guidance for the detailed design of specific rehabilitation projects.

In Brief

- Engineering services should be retained for three specific phases: seismic screening and evaluation, incremental seismic rehabilitation planning and design, and construction period support.
- Coordination with tenant work and continuity of building documentation are of special importance.

C.1 How to Use Engineering Services

Seismic Screening and Evaluation

Seismic screening and evaluation of the owner's retail building inventory begins with a review of archival drawings and specifications, if available, to determine the types of construction used. This determination is essential for all subsequent phases. If drawings and specifications are not available, this determination must be made on the basis of visual inspection.

Following this review, building inventories at one location or region should be screened in a process based on FEMA 154, *Rapid Visual Screening of Buildings for Potential Seismic Hazards: A Handbook, Second Edition*. The goal of the screening is to identify vulnerabilities in the inventory. Buildings that have little or no vulnerability are removed from further scrutiny.

For buildings identified as vulnerable, the next category of service is a detailed seismic evaluation using ASCE 31, *Seismic Evaluation of Existing Buildings*, which is based on FEMA 310, *Handbook for the Seismic Evaluation of Existing Buildings: A Prestandard*. Retail building owners with few buildings may begin with this evaluation, which addresses individual buildings and identifies both structural and nonstructural deficiencies that require rehabilitation. The output of each building evaluation is a list, possibly prioritized, of rehabilitation actions.

An owner may retain the services of a single engineering firm to perform both the screening and evaluation, or it can retain a firm for screening and one or more firms for building evaluation.

Incremental Seismic Rehabilitation Planning and Design

A complete seismic rehabilitation plan covering all the deficiencies identified in the evaluation should be prepared for each building that has been evaluated. This can be done using ASCE 31 and FEMA 356, *Seismic Rehabilitation of Buildings*. However, in incremental seismic rehabilitation the correction of all the deficiencies is not implemented at once, but rather in discrete increments over a period of time. In order to accomplish this, it is necessary to carry out four specific steps:

- Establish target seismic performance levels
- Prioritize seismic rehabilitation opportunities
- Define increments

- Integrate seismic rehabilitation into maintenance and capital improvement programs

Each of these steps is discussed in the discussion of the retail building planning phase in Section B.2.

The potential for unintentional weakening of the building as the result of a particular increment should be carefully analyzed and must be avoided. This subject is discussed in more detail in the companion document, *Engineering Guideline for Incremental Seismic Rehabilitation*, FEMA 420.

Seismic rehabilitation planning and design may be carried out by the same engineering firm that performed the evaluation, or by a separate firm. Close coordination with the owner's risk management function is a prerequisite for the successful implementation of performance objectives and prioritization steps. The definition of increments and integration of activities will require close coordination with financial managers so as to be consistent with budgeting and funding processes, as discussed in Part B. The contractual agreement covering this work should reflect the fact that some of the work is implemented immediately and some of the work is left to the future.

Construction Period Support

Construction period support for incremental seismic rehabilitation is much the same as for any other construction project. The plans and specifications should be implemented correctly, and all specified quality control measures should be followed. All substitutions or changes should be carefully analyzed by the design professionals in terms of their seismic implications. Particular attention should be paid to the proper bracing and anchorage of nonstructural elements undergoing rehabilitation.

Coordination with Tenant Work

Incremental seismic rehabilitation work by the retail mall owner may in some cases be integrated with tenant work. This is most likely to occur in the case of large tenants with long-term leases. In this case, design and construction work will require close coordination between the owner's design professionals and those of the tenant. The main objective will be to disrupt the sales activities as little as possible.

Continuity of Building Documentation

Assuring the continuity of building documentation is of particular importance for incremental seismic rehabilitation. The rehabilitation of each individual building may be staged over a period of several years or decades as discussed in Section B.2. The screening, evaluation, planning, and design may be split among several engineering firms. Institutional memory may disappear as owner personnel, and even building ownership, changes. It is therefore essential that the retail facility manager document all aspects and requirements of seismic rehabilitation from the earliest building screening through evaluation, seismic rehabilitation planning, and completion of each increment of seismic rehabilitation, paying special attention to the scheduling of follow-up requirements and actions over time.

In Brief

- Opportunities to add seismic rehabilitation increments exist within most major maintenance and capital improvement activities.
- Incremental seismic rehabilitation opportunities are suggested for eight specific maintenance and capital improvement categories.

Fees for Professional Services

The professional services required to implement incremental seismic rehabilitation, as discussed above, clearly exceed the scope of traditional architectural/engineering design services. An appropriate fee structure for these new services will need to be developed and integrated into the budgeting process.

C.2 *Discovering Integration Opportunities For Incremental Seismic Rehabilitation*

In order to benefit from opportunities to integrate incremental seismic rehabilitation with other maintenance and capital improvement activities, it is useful to discuss these activities as they are typically undertaken in retail buildings. Most retail building owners are familiar with their particular building inventories and the related patterns of maintenance and capital improvement. Aggregate national data is of no particular relevance to a given owner, but may be of general interest and is summarized in the sidebar on the opposite page.

Categories of Maintenance and Capital Improvement Projects

Retail building owners often categorize maintenance and capital improvement projects in the following eight categories:

1. Roofing maintenance and repair/re-roofing
2. Exterior wall and window maintenance/façade modernization
3. Fire and life safety improvements (usually at acquisition)
4. Mall public area modernization
5. Retail area modernization
6. Underfloor and basement maintenance and repair
7. Heating, ventilating, and air conditioning (HVAC) upgrade and energy conservation
8. Hazardous materials abatement (usually at acquisition)

These categories reflect groupings of building elements, administrative and funding categories, tenant versus public spaces, or other parameters. Some owners may use other categorizations of maintenance and capital improvement work. The purpose of this discussion is not to impose any particular categorization of work, but simply to demonstrate the characteristics of a given item of planned work that may make it particularly suitable for integration with particular incremental seismic rehabilitation measures. These pairings of items of seismic rehabilitation measures with other categories or work are referred to in this section as “integration opportunities.” Facility managers using this manual are encouraged to modify the work categories to suit their own practices.

Work Descriptions and Matrices of Seismic Performance Improvement Opportunities

Eight sections, C.2.1 through C.2.8, provide the facility manager with information used to identify incremental seismic rehabilitation opportunities that can be combined with maintenance and capital improvement projects. The information becomes a tool, a technical framework or basis for action, that

can be communicated to the architect or engineer selected to work on any project resulting from an integration opportunity.

These sections present the expanded descriptions of each of the work categories defined above in a consistent format. Each category is described in terms of:

- General description
- Physical description
- Associated incremental rehabilitation work
- Performance of the work
- Special equipment
- Impact on building use

Matrices of possible specific integration opportunities, one matrix for each work category (Tables C-1 through C-6), accompany the descriptions of the first six categories of maintenance and capital improvement projects. These include:

- Roofing maintenance and repair/re-roofing
- Exterior walls and window maintenance/façade modernization
- Fire and life safety improvements
- Mall public area modernization
- Retail area modernization
- Underfloor and basement maintenance and repair

The integration opportunities for the next two categories of work are defined by reference to one or more of the six matrices.

Note that “retail building additions” or “mall additions” are a category of typical capital improvement that is not included among the eight categories listed at the beginning of this section. Additions may have been constructed on retail buildings or malls over the course of their useful lives. Current additions will be designed to meet the seismic requirements of the building code. Additions may also offer opportunities to strengthen an adjacent building or buildings. These opportunities require careful design and analysis, and they are not specifically identified in the integration opportunities matrices (Tables C-1 through C-6). Furthermore, inadequately designed additions, without proper joints or connections to the existing building, could actually cause damage in an earthquake as different sections of the building pound against each other.

The seismic performance improvements shown in the matrices fall into three categories:

- Indicates improvements that can be implemented when the integration opportunity arises, on the basis of a quick evaluation by a design professional. These types of improvements address deficiencies that may be identified in an ASCE 31, *Seismic Evaluation of Existing Buildings*, Tier 1 analysis.
- Indicates improvements that can be implemented when the integration opportunity arises and that require engineering design. These types of improvements address deficiencies that may be identified in an ASCE 31 Tier 1 or Tier 2 analysis.

Generalized Maintenance and Capital Improvement Data

Whitestone Research (a private market research organization) indicates that expenditures for maintenance and repairs over a building's life exceed replacement costs for most building types and configurations, including retail buildings.

The predominant categories of maintenance and repair activities for department stores are, first, roofing, followed by mechanical, interior finishes, and electrical systems. All these activities offer opportunities for integration with incremental seismic rehabilitation work.

The timing of the work is also highly predictable. The top 8 years of expense account for about 55% of building replacement. With regularity, years 10, 15, 20, 25, 30, 40, 45, and 50 are the highest expense years, in roughly increasing order, with year 40 incurring about 8% of replacement costs for outsourced repair and renovation expenses.

These patterns suggest significant opportunity (and tendency) to implement strategies like incremental rehabilitation at specific points over the service life of a retail building. They also imply specific target periods when the strategies could most likely be considered and implemented. Building age becomes a very important characteristic for incremental seismic rehabilitation.

- ☒ Indicates improvements that require engineering analysis to determine if they should be implemented when the integration opportunity arises to avoid unintentionally increasing the seismic vulnerability by redistributing loads to weaker elements of the structural system (sequencing requirements).

The absence of any of these symbols in a matrix cell indicates that the improvement in question is not applicable to the particular structural type. The specific placement of each of these symbols (■, □, ☒) or the absence of a symbol is based on professional judgment considering typical construction. However, exceptions leading to changes in these categories may arise in specific buildings.

Integration opportunities for incremental seismic rehabilitation are a function of three levels of seismicity: low, moderate, and high. The definitions of these levels are those used in ASCE 31, *Seismic Evaluation of Existing Buildings*, and FEMA 356, *Seismic Rehabilitation of Buildings*. They include both seismic zonation and soil conditions. The soil conditions at the site may affect the level of seismicity and must be taken into account. For example, soft soil may amplify seismic forces on some buildings. The method for determining the level of seismicity is given in Section 2.5 of ASCE 31. Significantly fewer seismic improvements are recommended for low levels of seismicity than for the higher levels because seismic vulnerability is lower. The seismic improvements recommended for moderate and high levels of seismicity are the same in number, but differ in the details of the improvements to reflect the different magnitudes of seismic loads encountered in the two levels.

Incremental seismic rehabilitation integration opportunities for each category of work are a function of building structural type. This manual uses five broad structural types, selected to be meaningful to retail building facility managers. The materials used for the building's vertical load-resisting system can be used to categorize the structural types as follows:

- wood
- unreinforced masonry
- reinforced masonry
- concrete
- steel

The latter two structural types, concrete and steel, are broken down further into those with wood floors and roofs (flexible diaphragms) and concrete floors and roofs (rigid diaphragms). This breakdown covers an important parameter that determines how lateral loads are distributed to load-resisting elements of the structures. Structures with flexible diaphragms distribute earthquake loads based on proportional or tributary area between shear-resisting elements (shear walls or frames). Flexible diaphragms allow a straightforward analysis of loads in each shear element. Structures with rigid diaphragms distribute earthquake loads based on the relative rigidity of the individual shear-resisting elements. Rotational (twisting) forces may be introduced that must also be resisted by these and other elements. Rigid diaphragms require more detailed analysis that may have to be conducted for each increment of the proposed strengthening program.

The facility manager using this section to identify incremental seismic rehabilitation integration opportunities in a particular building should use Sections C.2.1 through C.2.8 and the matrices therein as follows:

- Determine the category of maintenance or capital improvement under consideration, and go to the section that corresponds most closely to that category.
- Determine the level of seismicity applicable to the building by considering the seismic map and the soil conditions, and identify the applicable rows of the matrix.
- Determine which of the seven structural categories most closely fits the building, and identify the applicable column of the matrix.
- List all the nonstructural and structural seismic improvements identified in the matrix column and rows.
- Note the category of each improvement (■, □, or ☒).

The facility manager should present to the architect or engineer the annotated list of all the nonstructural and structural seismic improvements identified for consideration and inclusion in the respective scope of design work. The architect or engineer should design the project using the companion document, *Engineering Guideline for Incremental Seismic Rehabilitation*, FEMA 420, which includes more detailed guidance on incremental seismic design. The architect or engineer designing the incremental seismic rehabilitation program will most likely break down the seven structural type categories into further subcategories, as used in ASCE 31 or FEMA 356. These categories and subcategories are discussed in detail in FEMA 420

Definitions of Seismic Performance Improvements

The seismic performance improvements, both nonstructural and structural, that are included in the matrices of integration opportunities described in the preceding paragraphs and included in Sections C.2.1 through C.2.6, are all extracted from a generic list of seismic performance improvements. The generic list is presented in Section C.2.9, which includes brief related explanations for each item on the list. The user of this manual can identify specific seismic performance improvements in the respective project category matrices and may then refer to these definitions for additional explanation of the involved activities.

The generic nonstructural improvements in C.2.9 are numbered from 1 to 22 for ease of reference. The improvements selected from this list for inclusion in each of the matrices in C.2.1 through C.2.6 are presented in the same order and retain their respective number. This explains the occasional skipping of a number when a specific nonstructural improvement is omitted because it is not applicable in the particular matrix.

The generic structural improvements in C.2.9 are arranged in the order of structural subsystems and elements. The improvements selected from this list for inclusion in each of the matrices in C.2.1 through C.2.6 are presented in the same order.

Category 1
**Roofing
 Maintenance and
 Repair/Re-roofing**

C.2.1 Roofing Maintenance and Repair/Re-roofing

General Description of the Work: This category of work includes repair or replacement of any or all of the following elements:

- Roof drainage system
- Eaves and fascias
- Flashing and vents
- Roofing membrane
- Insulation
- Walking surface and ballast
- Parapets and caps
- Roof-mounted equipment
- Roof deck

Most roof maintenance and repair work is done either in response to a failure or as scheduled periodic maintenance or preventive maintenance work. Most seismic rehabilitation integration opportunities for this work category will relate to either scheduled or preventive maintenance. Placement of roof-mounted equipment usually relates to other work categories such as new HVAC upgrade.

In some jurisdictions, an application for a re-roofing permit triggers a code requirement to implement specific seismic rehabilitation such as parapet bracing.

Physical Description of the Work: Work on the roof can be localized to specific areas, can extend to the entire perimeter of the roof, or may involve the complete roof surface or large portions of it. Work may be limited to the roofing membrane or may include work on the substrate, deck, and supporting system.

Associated Incremental Seismic Rehabilitation Work: Incremental seismic rehabilitation associated with roofing maintenance and repair may include strengthening diaphragms, improving diaphragm/wall connections, bracing parapets and chimneys, and improving equipment attachment and bracing.

Performance of the Work: Repair work on the roof is often performed by retail owner staff. Outside contractors may be used for more extensive work.

An architecture/engineering (A/E) firm may be used in connection with the installation of mechanical, electrical, telecommunication, or similar equipment. Also, building owners often use the services of an A/E for preparation of re-roofing specifications and bid documents.

Special Equipment: Scaffolding is sometimes used in connection with roof work. Cranes or hoists may be used to lift materials or equipment.

Impact of Work on Building Use: Work on the roof generally does not interrupt building use, except for complete re-roofing including the deck, which will affect upper floor spaces.

Table C-1: Roofing Maintenance and Repair/Re-roofing

Number*	Level of Seismicity			Building Structural Element	Structural Sub-System	Seismic Performance Improvement	Vertical Load Carrying Structure						
	L	M	H				Wood	Masonry ¹		Concrete		Steel	
								Unreinforced Masonry	Reinforced Masonry	Wood Diaphragm	Concrete Diaphragm	Wood Diaphragm	Concrete Diaphragm
Nonstructural													
1	✓	✓	✓	n/a	n/a	Anchorage of Canopies at Exits	■	■	■	■	■	■	■
2		✓	✓	n/a	n/a	Anchorage and Detailing of Rooftop Equipment	■	■	■	■	■	■	■
7	✓	✓	✓	n/a	n/a	Bracing of Parapets, Gables, Ornamentation, and Appendages	■	■	■	■	■	■	■
9		✓	✓	n/a	n/a	Attachment and Bracing of Large Ductwork	■	■	■	■	■	■	■
18		✓	✓	n/a	n/a	Bracing or Removal of Chimneys	■	■	■	■	■	■	■
Structural													
n/a		✓	✓	All Elements		Load Path and Collectors	□	□	□	□	☒	□	☒
n/a		✓	✓	Horizontal Elements	Diaphragms	Attachment and Strengthening at Boundaries	■	■	■	■	☒	■	☒
n/a		✓	✓	Horizontal Elements	Diaphragms	Strength/Stiffness	■	■	■	■	☒	■	☒
n/a		✓	✓	Horizontal Elements	Diaphragms	Strengthening at Openings	□	□	□	□		□	
n/a		✓	✓	Horizontal Elements	Diaphragms	Strengthening at Re-entrant Corners	□	□	□	□	☒	□	☒
n/a		✓	✓	Horizontal Elements	Diaphragms	Topping Slab for Precast Concrete		□	□		☒		☒
n/a	✓	✓	✓	Vertical Elements	Load Path	Lateral Resisting System to Diaphragm Connection	■	■	■	■	☒	■	☒
n/a	✓	✓	✓	Vertical Elements		Out-of-Plane Anchorage of Concrete or Masonry Wall		■	■	■	□	■	□

* Nonstructural improvements are numbered for ease of use.

Structural improvements are not numbered, but rather, organized by structural element and sub-system.

■ Work that may be included in the building rehabilitation/maintenance/repair project on the basis of a quick evaluation by a design professional.

□ Work requiring engineering design.

☒ Work requiring detailed engineering analysis and evaluation of sequencing requirements. The "x" designates work that could redistribute loads, overstressing some elements.

Note 1: Masonry buildings with a concrete roof should use the concrete building, concrete diaphragm for options.

Category 2
**Exterior Wall
 and Window
 Maintenance/Façade
 Modernization**

C.2.2 Exterior Wall and Window Maintenance/Façade Modernization

General Description of the Work: Exterior wall and window maintenance may involve the following activities:

- Pointing
- Patching
- Painting
- Caulking

This category of work may also include major projects such as:

- Window repair and replacement
- Refinishing with new cladding or material

Most exterior wall maintenance and repair work is done in response to failure or as scheduled periodic maintenance or preventive maintenance work. Caulking and window repair and replacement, which is not significant in most retail buildings where windows are generally kept to a minimum, are also often linked to energy conservation/weatherization work.

Façade modernization is often done as redevelopment work following an acquisition. The extent and nature of the work is likely to be a function of the classification of the retail building (Class A, B, or C).

Physical Description of the Work: Work is usually carried out throughout an entire retail building as a scheduled maintenance activity, although localized patching work is possible. Work may include:

- Repainting brick exterior walls
- Replacing windows
- Improving energy conservation

Associated Incremental Seismic Rehabilitation Work: Strengthening of shear walls and improvement of diaphragm/wall connections.

Performance of the Work: Exterior wall and window work may be performed by skilled construction personnel on the owner's staff or by an outside contractor. In many cases, an A/E or curtain wall consultant may be involved to provide design, specifications, bid process, and construction administration services.

Special Equipment: Access to higher exterior areas may require scaffolding or swing stages. This access may provide economical opportunities for the integration of seismic rehabilitation measures.

Impact on Building Use: Since most of the work is being performed from the building exterior, it may be possible to accomplish the work throughout the year. However, some of the seismic rehabilitation measures may be noisy or require access from the interior, so this work may have to be done when tenant spaces are vacant.

Table C-2: Exterior Wall and Window Work

Table C-2: Exterior Wall and Window Work							Vertical Load Carrying Structure						
	Level of Seismicity			Building Structural Element	Structural Sub-System	Seismic Performance Improvement	Wood	Masonry¹		Concrete		Steel	
	L	M	H					Unreinforced Masonry	Reinforced Masonry	Wood Diaphragm	Concrete Diaphragm	Wood Diaphragm	Concrete Diaphragm
Number*	L	M	H	Building Structural Element	Structural Sub-System	Seismic Performance Improvement		Unreinforced Masonry	Reinforced Masonry	Wood Diaphragm	Concrete Diaphragm	Wood Diaphragm	Concrete Diaphragm
Nonstructural													
1	✓	✓	✓	n/a	n/a	Anchorage of Canopies at Exits	■	■	■	■	■	■	■
7	✓	✓	✓	n/a	n/a	Bracing of Parapets, Gables, Ornamentation, and Appendages	■	■	■	■	■	■	■
8	✓	✓	✓	n/a	n/a	Glazing Selection and Detailing	■	■	■	■	■	■	■
14	✓	✓	✓	n/a	n/a	Cladding Anchorage		□	□	□	□	□	□
15		✓	✓	n/a	n/a	Anchorage of Masonry Veneer	■	■	■	■	■	■	■
16		✓	✓	n/a	n/a	Shut-Off Valves	■	■	■	■	■	■	■
17		✓	✓	n/a	n/a	Anchorage of Exterior Wythe in Cavity Walls		■	■	■	■	■	■
20		✓	✓	n/a	n/a	Anchorage of Steel Stud Backup		■	■	■	■	■	■
Structural													
n/a		✓	✓	All Elements		Collector and Drag Element Improvement	□	□	□	□	⊗	□	⊗
n/a		✓	✓	Foundation		Anchor Bolts	■						
n/a		✓	✓	Foundation		Cripple Stud Bracing	■						
n/a		✓	✓	Horizontal Elements	Diaphragms	Attachment and Strengthening at Boundaries	■	■	■	■	⊗	■	⊗
n/a	✓	✓	✓	Vertical Elements	Load Path	Lateral Resisting System to Diaphragm Connection	■	■	■	■	⊗	■	⊗
n/a		✓	✓	Vertical Elements	Braced Frames	Capacity/Stiffness	□	□	□	□	⊗	□	⊗
n/a		✓	✓	Vertical Elements	Braced Frames	Continuity	□	□	□	□	⊗	□	⊗
n/a		✓	✓	Vertical Elements	Braced Frames	Connections	□	□	□	□	□	□	□
n/a		✓	✓	Vertical Elements	Moment Frames	Beam Column Capacity/Stiffness	□	□	□	□	⊗	□	⊗
n/a		✓	✓	Vertical Elements	Moment Frames	Beam Column Connection	□	□	□	□	□	□	□
n/a		✓	✓	Vertical Elements	Shear Walls	Capacity	■	□	□	□	⊗	□	⊗
n/a		✓	✓	Vertical Elements	Shear Walls	Continuity	■	□	□	□	⊗	□	⊗
n/a		✓	✓	Vertical Elements	Shear Walls	Lateral Stability		■	■	□	□	□	□
n/a	✓	✓	✓	Vertical Elements		Out-of-Plane Anchorage of Concrete or Masonry Wall		■	■	■	□	■	□

* Nonstructural improvements are numbered for ease of use.

Structural improvements are not numbered, but rather, organized by structural element and sub-system.

■ Work that may be included in the building rehabilitation/maintenance/repair project on the basis of a quick evaluation by a design professional.

□ Work requiring engineering design.

⊗ Work requiring detailed engineering analysis and evaluation of sequencing requirements. The "x" designates work that could redistribute loads, overstressing some elements.

Note 1: Masonry buildings with a concrete roof or floors should use the concrete building, concrete diaphragm for options.

Category 3
**Fire and Life Safety
 Improvements**

C.2.3 Fire and Life Safety Improvements

General Description of the Work: Fire and life safety improvements may involve the following building elements:

- Corridors and doors
- Stairs
- Lobbies
- Exits
- Alarms systems
- Standpipes
- Automatic fire sprinkler systems

In retail buildings, this work will usually be identified as part of the due diligence at time of acquisition. Only if the work is in response to a disaster, such as a fire, will the work be unplanned. However, a building disaster that requires some construction may provide an opportunity to integrate seismic safety improvements.

This category of work may be mandated by a fire marshal inspection. It may also be part of public area modernization that provides the opportunity to implement this work category. Some codes may also require seismic rehabilitation when a building experiences a significant amount of damage in a disaster such as fire, flood, or earthquake.

Physical Description of the Work: Fire and life safety improvements usually involve the building's means of egress, which will affect specific internal spaces. Often the work is near the center of the building, such as in the corridors and stairwells. In some cases, it may affect spaces on the building perimeter, such as lobbies, entrances, and stairways. Items include:

- Removing and replacing corridor wall finishes, doors, transoms, and equipment (e.g., cabinets), which provides access to walls and ceilings
- Installing new walls or altering existing walls at fire separations and stairway enclosures
- Installing new stairways either within the building or on the exterior, which may require removing part of a floor and constructing new walls
- Installing alarms, standpipes, or sprinklers, which may provide access to concealed spaces

Associated Incremental Seismic Rehabilitation Work: Incremental seismic rehabilitation work associated with fire and life safety improvements may include adding or strengthening shear walls and bracing, improving beam/column connections and diaphragm to wall anchorage, and adding or improving bracing and fastening of equipment.

Performance of the Work: Typically this work involves skilled construction personnel. These may be the owner's personnel or contractors. In some cases an A/E is involved.

Special Equipment: No special equipment is required for this task except for scaffolding to provide access to the work areas.

Impact on Building Use: Typically this work is performed with tenants or occupants in place.

Table C-3: Fire and Life Safety Improvements

Table C-3: Fire and Life Safety Improvements							Vertical Load Carrying Structure						
Number*	Level of Seismicity			Building Structural Element	Structural Sub-System	Seismic Performance Improvement	Wood	Masonry¹		Concrete		Steel	
	L	M	H				Unreinforced Masonry	Reinforced Masonry	Wood Diaphragm	Concrete Diaphragm	Wood Diaphragm	Concrete Diaphragm	
Nonstructural													
3		✓	✓	n/a	n/a	Bracing and Detailing of Sprinkler and Piping	■	■	■	■	■	■	■
4		✓	✓	n/a	n/a	Suspension and Bracing of Lights	■	■	■	■	■	■	■
5		✓	✓	n/a	n/a	Fastening and Bracing of Ceilings	■	■	■	■	■	■	■
6		✓	✓	n/a	n/a	Fastening and Bracing of Equipment (Mechanical and Electrical)	■	■	■	■	■	■	■
8	✓	✓	✓	n/a	n/a	Glazing Selection and Detailing	■	■	■	■	■	■	■
9		✓	✓	n/a	n/a	Attachment and Bracing of Large Ductwork	■	■	■	■	■	■	■
10	✓	✓	✓	n/a	n/a	Bracing or Reinforcing Masonry Walls at Interior Stairs		■	■	■	■	■	■
11		✓	✓	n/a	n/a	Bracing of Interior Partitions (Masonry and Wood)	■	■	■	■	■	■	■
12		✓	✓	n/a	n/a	Support and Detailing of Elevators		■	■	■	■	■	■
13	✓	✓	✓	n/a	n/a	Anchorage and Bracing of Emergency Lighting	■	■	■	■	■	■	■
19		✓	✓	n/a	n/a	Attachment and Bracing of Cabinets and Furnishings	■	■	■	■	■	■	■
20		✓	✓	n/a	n/a	Anchorage of Steel Stud Backup		■	■	■	■	■	■
21		✓	✓	n/a	n/a	Restraint of Hazardous Materials Containers	■	■	■	■	■	■	■
Structural													
n/a		✓	✓	All Elements		Collector and Drag Element Improvement	□	□	□	□	⊗	□	⊗
n/a		✓	✓	Horizontal Elements	Diaphragms	Mezzanine Anchorage and Bracing		■	■	■	■	■	■
n/a	✓	✓	✓	Vertical Elements	Load Path	Lateral Resisting System to Diaphragm Connection	■	■	■	■	⊗	■	⊗
n/a		✓	✓	Vertical Elements	Braced Frames	Capacity/Stiffness			□	□	⊗	□	⊗
n/a		✓	✓	Vertical Elements	Braced Frames	Continuity			□	□	⊗	□	⊗
n/a		✓	✓	Vertical Elements	Braced Frames	Connections			□	□	□	□	□
n/a		✓	✓	Vertical Elements	Moment Frames	Beam Column Capacity/Stiffness			□	□	⊗	□	⊗
n/a		✓	✓	Vertical Elements	Moment Frames	Beam Column Connection			□	□	□	□	□
n/a		✓	✓	Vertical Elements	Shear Walls	Capacity	■	□	□	□	⊗	□	⊗
n/a		✓	✓	Vertical Elements	Shear Walls	Continuity	■	□	□	□	⊗	□	⊗
n/a		✓	✓	Vertical Elements	Shear Walls	Extension of Wood Interior Walls to Roof	■	■	■				
n/a		✓	✓	Vertical Elements	Shear Walls	Lateral Stability		■	■	□	□	□	□
n/a	✓	✓	✓	Vertical Elements		Out-of-Plane Anchorage of Concrete or Masonry Wall		■	■	■	□	■	□

* Nonstructural improvements are numbered for ease of use.

Structural improvements are not numbered, but rather, organized by structural element and sub-system.

■ Work that may be included in the building rehabilitation/maintenance/repair project on the basis of a quick evaluation by a design professional.

□ Work requiring engineering design.

⊗ Work requiring detailed engineering analysis and evaluation of sequencing requirements. The "x" designates work that could redistribute loads, overstressing some elements.

Note 1: Masonry buildings with a concrete roof or floors should use the concrete building, concrete diaphragm for options.

Category 4
**Mall Public Area
 Modernization**

C.2.4 Mall Public Area Modernization

General Description of the Work: In malls, public areas (such as parking structures, entrances, lobbies, passages, stairways, and escalators) are modernized by the owner soon after the acquisition of a new property. Changes may also be made periodically thereafter, every five to ten years, in order to keep up with the competition. The extent and nature of the work is likely to be a function of the classification of the mall building (Class A, B, or C). It has the potential to involve any interior or exterior wall or element in the public areas, including specialty rooms operated by the mall owner, such as health clubs and conference rooms. This category may involve simple work on a single wall or the entire reconfiguration of the public areas. The installation of new equipment, ducts, pipes, conduit, cables, and wiring may involve the reconfiguration of concealed spaces under floors, above ceilings, and inside wall cavities and chases located throughout the building.

Physical Description of the Work: This work may include reconfiguration of spaces and creation of new spaces. Items include:

- Removing walls and ceilings
- Constructing new walls and partitions
- Installing replacement finishes
- Installing ductwork, piping, and communications networks for new technology

Access to spaces behind finishes and new wall construction provide various opportunities for seismic rehabilitation work.

Associated Incremental Seismic Rehabilitation Work: Incremental seismic rehabilitation associated with this work may include adding or strengthening shear walls and bracing, improving beam/column connections and diaphragm to wall anchorage, and adding or improving bracing and fastening of equipment.

Performance of the Work: This work is usually performed by skilled construction personnel. Usually A/E design or interior design is used for this type of work.

Special Equipment: Special equipment required for access to work areas for any seismic rehabilitation construction will typically be available during any remodeling work.

Impact on Building Use: Mall public area modernization can usually be done with the tenants in place, but special care must be taken to maintaining access to all tenant spaces.

Table C-4: Mall Public Area Modernization

Table C-4: Mall Public Area Modernization							Vertical Load Carrying Structure						
Number*	Level of Seismicity			Building Structural Element	Structural Sub-System	Seismic Performance Improvement	Wood	Masonry ¹		Concrete		Steel	
	L	M	H				Unreinforced Masonry	Reinforced Masonry	Wood Diaphragm	Concrete Diaphragm	Wood Diaphragm	Concrete Diaphragm	
Nonstructural													
3		✓	✓	n/a	n/a	Bracing and Detailing of Sprinkler and Piping	■	■	■	■	■	■	■
4		✓	✓	n/a	n/a	Suspension and Bracing of Lights	■	■	■	■	■	■	■
5		✓	✓	n/a	n/a	Fastening and Bracing of Ceilings	■	■	■	■	■	■	■
6		✓	✓	n/a	n/a	Fastening and Bracing of Equipment (Mechanical and Electrical)	■	■	■	■	■	■	■
8	✓	✓	✓	n/a	n/a	Glazing Selection and Detailing	■	■	■	■	■	■	■
9		✓	✓	n/a	n/a	Attachment and Bracing of Large Ductwork	■	■	■	■	■	■	■
10	✓	✓	✓	n/a	n/a	Bracing or Reinforcing Masonry Walls at Interior Stairs		■	■	■	■	■	■
11		✓	✓	n/a	n/a	Bracing of Interior Partitions (Masonry and Wood)	■	■	■	■	■	■	■
12		✓	✓	n/a	n/a	Support and Detailing of Elevators		■	■	■	■	■	■
13	✓	✓	✓	n/a	n/a	Anchorage and Bracing of Emergency Lighting	■	■	■	■	■	■	■
19		✓	✓	n/a	n/a	Attachment and Bracing of Cabinets and Furnishings	■	■	■	■	■	■	■
20		✓	✓	n/a	n/a	Anchorage of Steel Stud Backup		■	■	■	■	■	■
21		✓	✓	n/a	n/a	Restraint of Hazardous Materials Containers	■	■	■	■	■	■	■
Structural													
n/a		✓	✓	All		Collector and Drag Element Improvement	□	□	□	□	☒	□	☒
n/a		✓	✓	Horizontal Elements	Diaphragms	Mezzanine Anchorage and Bracing		■	■	■	■	■	■
n/a		✓	✓	Horizontal Elements	Diaphragms	Strengthening at Openings	□	□	□	□		□	
n/a		✓	✓	Horizontal Elements	Diaphragms	Strengthening at Re-entrant Corners	□	□	□	□	☒	□	☒
n/a	✓	✓	✓	Vertical Elements	Load Path	Lateral Resisting System to Diaphragm Connection	■	■	■	■	☒	■	☒
n/a		✓	✓	Vertical Elements	Braced Frames	Capacity/Stiffness			□	□	☒	□	☒
n/a		✓	✓	Vertical Elements	Braced Frames	Continuity			□	□	☒	□	☒
n/a		✓	✓	Vertical Elements	Braced Frames	Connections			□	□	□	□	□
n/a		✓	✓	Vertical Elements	Moment Frames	Beam Column Capacity/Stiffness			□	□	☒	□	☒
n/a		✓	✓	Vertical Elements	Moment Frames	Beam Column Connection			□	□	□	□	□
n/a		✓	✓	Vertical Elements	Shear Walls	Capacity	■	□	□	□	☒	□	☒
n/a		✓	✓	Vertical Elements	Shear Walls	Continuity	■	□	□	□	☒	□	☒
n/a		✓	✓	Vertical Elements	Shear Walls	Extension of Wood Interior Walls to Roof	■	■	■				
n/a		✓	✓	Vertical Elements	Shear Walls	Lateral Stability		■	■	□	□	□	□
n/a	✓	✓	✓	Vertical Elements		Out-of-Plane Anchorage of Concrete or Masonry Wall		■	■	■	□	■	□

* Nonstructural improvements are numbered for ease of use.

Structural improvements are not numbered, but rather, organized by structural element and sub-system.

■ Work that may be included in the building rehabilitation/maintenance/repair project on the basis of a quick evaluation by a design professional.

□ Work requiring engineering design.

☒ Work requiring detailed engineering analysis and evaluation of sequencing requirements. The "x" designates work that could redistribute loads, overstressing some elements.

Note 1: Masonry buildings with a concrete roof or floors should use the concrete building, concrete diaphragm for options.

C.2.5 Retail Area Modernization

General Description of the Work: Retail area modernization work in malls is usually done by the tenants. The owner's participation varies and is defined in the lease. It is often limited to a financial allowance. Retail area modernization in single-tenant buildings is done by the owner.

This work has the potential to involve any interior or exterior wall or element within the tenant space. It is usually done in quadrants of each retail area floor space to pose minimal disruption to customer shopping activity. It may involve simple work on a single wall or the entire reconfiguration of a portion of the tenant space. The installation of new equipment, ducts, pipes, conduit, cables, and wiring may involve the reconfiguration of concealed spaces under floors, above ceilings, and inside wall cavities and chases located within the tenant space.

Physical Description of the Work: This work may include reconfiguration of spaces and creation of new spaces anywhere in the building. Items include:

- Removing walls and ceilings
- Constructing new partitions
- Installing replacement finishes
- Installing ductwork, piping, and communications networks for new technology

Access to spaces behind finishes and new wall construction provide various opportunities for seismic rehabilitation work.

Associated Incremental Seismic Rehabilitation Work: Incremental seismic rehabilitation associated with this work may include adding or strengthening shear walls and bracing, improving beam/column connections and diaphragm to wall anchorage, and adding or improving bracing and fastening of equipment. Because extensive coordination between owner and tenant will be required in the case of malls, the integration of seismic rehabilitation will likely be limited to large tenants with long-term leases such as anchor stores or supermarkets.

Performance of the Work: This work is usually performed by skilled construction personnel. A/E design, or interior design, may be used. In the case of malls, close coordination between owner and tenant in the planning and implementation of the work will be required.

Special Equipment: Special equipment required for access to work areas for any seismic rehabilitation construction will typically be available during any remodeling work.

Impact on Building Use: This work is usually done in a manner that will disrupt occupants as little as possible.

Table C-5: Retail Area Modernization

Table C-5: Retail Area Modernization							Vertical Load Carrying Structure						
	Level of Seismicity						Wood	Masonry¹		Concrete		Steel	
								Unreinforced Masonry	Reinforced Masonry	Wood Diaphragm	Concrete Diaphragm	Wood Diaphragm	Concrete Diaphragm
Number*	L	M	H	Building Structural Element	Structural Sub-System	Seismic Performance Improvement							
Nonstructural													
3		✓	✓	n/a	n/a	Bracing and Detailing of Sprinkler and Piping	■	■	■	■	■	■	■
4		✓	✓	n/a	n/a	Suspension and Bracing of Lights	■	■	■	■	■	■	■
5		✓	✓	n/a	n/a	Fastening and Bracing of Ceilings	■	■	■	■	■	■	■
6		✓	✓	n/a	n/a	Fastening and Bracing of Equipment (Mechanical and Electrical)	■	■	■	■	■	■	■
8	✓	✓	✓	n/a	n/a	Glazing Selection and Detailing	■	■	■	■	■	■	■
9		✓	✓	n/a	n/a	Attachment and Bracing of Large Ductwork	■	■	■	■	■	■	■
10	✓	✓	✓	n/a	n/a	Bracing or Reinforcing Masonry Walls at Interior Stairs		■	■	■	■	■	■
11		✓	✓	n/a	n/a	Bracing of Interior Partitions (Masonry and Wood)	■	■	■	■	■	■	■
12		✓	✓	n/a	n/a	Support and Detailing of Elevators		■	■	■	■	■	■
13	✓	✓	✓	n/a	n/a	Anchorage and Bracing of Emergency Lighting	■	■	■	■	■	■	■
19		✓	✓	n/a	n/a	Attachment and Bracing of Cabinets and Furnishings	■	■	■	■	■	■	■
20		✓	✓	n/a	n/a	Anchorage of Steel Stud Backup		■	■	■	■	■	■
21		✓	✓	n/a	n/a	Restraint of Hazardous Materials Containers	■	■	■	■	■	■	■
22		✓	✓	n/a	n/a	Underfloor Bracing of Computer Access Floor	■	■	■	■	■	■	■
Structural													
n/a		✓	✓	All		Collector and Drag Element Improvement	□	□	□	□	☒	□	☒
n/a		✓	✓	Horizontal Elements	Diaphragms	Mezzanine Anchorage and Bracing		■	■	■	■	■	■
n/a		✓	✓	Horizontal Elements	Diaphragms	Strengthening at Openings	□	□	□	□		□	
n/a		✓	✓	Horizontal Elements	Diaphragms	Strengthening at Re-entrant Corners	□	□	□	□	☒	□	☒
n/a	✓	✓	✓	Vertical Elements	Load Path	Lateral Resisting System to Diaphragm Connection	■	■	■	■	☒	■	☒
n/a		✓	✓	Vertical Elements	Braced Frames	Capacity/Stiffness			□	□	☒	□	☒
n/a		✓	✓	Vertical Elements	Braced Frames	Continuity			□	□	☒	□	☒
n/a		✓	✓	Vertical Elements	Braced Frames	Connections			□	□	□	□	□
n/a		✓	✓	Vertical Elements	Moment Frames	Beam Column Capacity/Stiffness			□	□	☒	□	☒
n/a		✓	✓	Vertical Elements	Moment Frames	Beam Column Connection			□	□	□	□	□
n/a		✓	✓	Vertical Elements	Shear Walls	Capacity	■	□	□	□	☒	□	☒
n/a		✓	✓	Vertical Elements	Shear Walls	Continuity	■	□	□	□	☒	□	☒
n/a		✓	✓	Vertical Elements	Shear Walls	Extension of Wood Interior Walls to Roof	■	■	■				
n/a		✓	✓	Vertical Elements	Shear Walls	Lateral Stability		■	■	□	□	□	□
n/a	✓	✓	✓	Vertical Elements		Out-of-Plane Anchorage of Concrete or Masonry Wall		■	■	■	□	■	□

* Nonstructural improvements are numbered for ease of use.

Structural improvements are not numbered, but rather, organized by structural element and sub-system.

■ Work that may be included in the building rehabilitation/maintenance/repair project on the basis of a quick evaluation by a design professional.

□ Work requiring engineering design.

☒ Work requiring detailed engineering analysis and evaluation of sequencing requirements. The "x" designates work that could redistribute loads, overstressing some elements.

Note 1: Masonry buildings with a concrete roof or floors should use the concrete building, concrete diaphragm for options.

Category 6
**Underfloor and
 Basement
 Maintenance and
 Repair**

C.2.6 Underfloor and Basement Maintenance and Repair

General Description of the Work: Underfloor and basement maintenance may involve the following activities:

- Repair of deterioration
- Repair of termite damage
- Equipment replacement

This category of work is most likely to be applicable in smaller retail buildings. In larger retail buildings, basements are likely to contain retail space similar to any other retail space floor. In the latter case, underfloor and basement work may be much more extensive, closer in scope to retail space modernization.

Most underfloor repair activities will be in response to a problem. The solution may be immediate or assigned to the capital improvements budget. For example, settlement and resulting underpinning repair may be the result of a floor problem and require major immediate intervention.

Usually there are no mandates or code issues involved with underfloor repair work. Safety is the usual driving force.

Physical Description of the Work: Work includes:

- Replacing deteriorated wood elements
- Repairing cracked or bowed walls
- Repairing damaged or deteriorated floors, underpinning where buildings have settled
- Replacing basement equipment

Associated Incremental Seismic Rehabilitation Work: Incremental seismic rehabilitation work associated with underfloor and basement work may include adding cripple stud bracing, improving foundation anchorage, adding new foundations, and improving floor to wall anchorage.

In the case of basement retail areas, this work may include the incremental seismic rehabilitation work associated with C.2.5, Retail Area Modernization. See Table C-5 in addition to Table C-6.

Performance of the Work: The work is often performed by owner staff or by outside contractors. Major design work will often require A/E services.

Special Equipment: Special equipment is usually not required for underfloor work. However, access to the area must be available.

Impact on Building Use: Except for equipment replacement, the work may be done at any time, independent of building use.

Table C-6: Underfloor and Basement Work

Table C-6: Underfloor and Basement Work							Vertical Load Carrying Structure						
Number*	Level of Seismicity			Building Structural Element	Structural Sub-System	Seismic Performance Improvement	Wood	Masonry¹		Concrete		Steel	
	L	M	H				Unreinforced Masonry	Reinforced Masonry	Wood Diaphragm	Concrete Diaphragm	Wood Diaphragm	Concrete Diaphragm	
Nonstructural													
6		✓	✓	n/a	n/a	Fastening and Bracing of Equipment (Mechanical and Electrical)	■	■	■	■	■	■	■
16		✓	✓	n/a	n/a	Shut-Off Valves	■	■	■	■	■	■	■
21		✓	✓	n/a	n/a	Restraint of Hazardous Materials Containers	■	■	■	■	■	■	■
Structural													
n/a		✓	✓	All Elements		Collector and Drag Element Improvement	□	□	□	□	⊗	□	⊗
n/a		✓	✓	Foundation		Anchor Bolts	■						
n/a		✓	✓	Foundation		Anchorage	■	□	□	□	□	□	□
n/a		✓	✓	Foundation		Cripple Stud Bracing	■						
n/a		✓	✓	Foundation		New Foundations	■	□	□	□	□	□	□
n/a		✓	✓	Foundation		Pile Cap Lateral Load		■	■	□	□	□	□
n/a		✓	✓	Foundation		Uplift	■	■	■	□	□	□	□
n/a	✓	✓	✓	Vertical Elements	Load Path	Lateral Resisting System to Diaphragm Connection	■	■	■	■	⊗	■	⊗
n/a		✓	✓	Vertical Elements	Braced Frames	Connections						□	□
n/a		✓	✓	Vertical Elements	Moment Frames	Beam Column Connection						□	□
n/a		✓	✓	Vertical Elements	Shear Walls	Capacity	■	□	□	□	⊗	□	⊗
n/a		✓	✓	Vertical Elements	Shear Walls	Continuity	■	□	□	□	⊗	□	⊗
n/a	✓	✓	✓	Vertical Elements		Out-of-Plane Anchorage of Concrete or Masonry Wall		■	■	■	□	■	□

* Nonstructural improvements are numbered for ease of use.

Structural improvements are not numbered, but rather, organized by structural element and sub-system.

■ Work that may be included in the building rehabilitation/maintenance/repair project on the basis of a quick evaluation by a design professional.

□ Work requiring engineering design.

⊗ Work requiring detailed engineering analysis and evaluation of sequencing requirements. The "x" designates work that could redistribute loads, overstressing some elements.

Note 1: Masonry buildings with a concrete roof or floors should use the concrete building, concrete diaphragm for options.

C.2.7 HVAC Upgrade and Energy Conservation

General Description of the Work: HVAC upgrade and energy conservation projects may include the following items:

- Exterior envelope work
- Insulation
- Windows
- HVAC equipment
- Ducts and piping

Building elements affected may include exterior walls, ceilings, attic spaces, roofs, and basements.

These improvements may be in response to the owner's long-range strategic plan or as part of other routine equipment replacement. In all cases, the intent is not only to improve performance and reduce operating costs, but also to save energy.

Federal or state mandates may be factors leading to energy conservation improvements. If special grants are available, they can be made part of the capital improvement program. Local building code requirements may also encourage energy conservation improvements.

Physical Description of the Work: The physical work involved in HVAC upgrade and energy conservation may be localized or involve the entire building. Items include:

- Improving or replacing windows
- Installing new insulation in exterior walls
- Installing new insulation in the attic, which may permit access to the ceiling space
- Installing new insulation on the roof deck, which may be coordinated with other roof-top work
- Installing HVAC equipment, which should meet the anchorage requirements for seismic forces and may provide access to areas for other work
- Adding air conditioning, which may include the installation of ducts or piping to spaces throughout the building

Associated Incremental Seismic Rehabilitation Work: This work may include the incremental seismic rehabilitation work associated with the following other project categories discussed earlier:

- C.2.1 Roofing Maintenance and Repair/Re-Roofing
- C.2.2 Exterior Wall and Window/Façade Modernization
- C.2.4 Mall Public Area Modernization
- C.2.5 Retail Area Modernization

See Tables C-1, C-2, C-4, and C-5 for integration opportunities.

Performance of the Work: The work may be performed by owner personnel or by outside contractors, depending on the project size or complexity. Whether the services of an A/E are required will depend on the nature of the work.

Special Equipment: Special equipment may be required to provide access to the work, including scaffolding or a crane or lift.

Impact on Building Use: Some of this work may be done at any time of year from the roof and in public spaces. Most window or interior work must be accomplished so as to disrupt occupants as little as possible.

C.2.8 Hazardous Materials Abatement

Category 8 Hazardous Materials Abatement

General Description of the Work: The presence of hazardous materials may involve abatement of:

- Asbestos
- Lead paint
- Radon

In retail buildings, this work will usually be identified as part of the due diligence at the time of acquisition.

Physical Description of the Work: Hazardous materials abatement may include the removal of finishes such as plaster, ceiling materials, and flooring throughout the tenant and public spaces. It may include removal of the adhesives used. Asbestos abatement may include the removal or encapsulation of insulation on pipes and ducts. Lead paint abatement may include removal of the paint and finishes or encapsulation of the component containing the lead paint. Radon abatement may require installation of ventilation systems or work in the basement.

Associated Incremental Seismic Rehabilitation Work: In some cases, the extent of the work may provide access to interior spaces that will provide a seismic rehabilitation opportunity. Seismic rehabilitation work could follow the hazard mitigation work before the finishes are reinstalled. This work may include the incremental seismic rehabilitation work associated with the following other project categories discussed earlier:

- C.2.3 Fire and Life Safety Improvements
- C.2.4 Mall Public Area Modernization
- C.2.5 Retail Area Modernization

See Tables C-3, C-4, and C-5 for integration opportunities.

Performance of the Work: The work is typically performed by specialty contractors.

Special Equipment: Special equipment, such as scaffolding, would often be on the job as part of the abatement work. Other special equipment, such as fans and enclosures, are irrelevant to seismic work.

Impact on Building Use: Building use will be curtailed during any hazardous materials abatement work. The work cannot be done around occupants. It requires vacant spaces.

C.2.9 Definitions of Seismic Performance Improvements

The seismic performance improvements included in the matrices of integration opportunities in Sections C.2.1 through C.2.8 are all extracted from the generic list in the following tables. The tables contain additional information (description and purpose) that should be useful to retail building facility managers using this section.

Nonstructural Seismic Performance Improvements

Office Number*	Level of Seismicity			Definitions and Purpose		
	L	M	H	Seismic Performance Improvement	Description	Purpose
1	✓	✓	✓	Anchorage of Canopies at Exits	Canopies or roofs over exits.	Prevent collapse of canopies that would block exits and possibly cause injuries.
2		✓	✓	Anchorage and Detailing of Rooftop Equipment	Equipment should be properly attached, and restrained if isolation-mounted.	Prevent equipment from sliding or falling off platforms due to connection failure or nonfunction.
3		✓	✓	Bracing and Detailing of Sprinkler and Piping	Sprinkler pipes should be braced in each direction.	Prevent sprinkler lines from breaking and flooding the building.
4		✓	✓	Suspension and Bracing of Lights	Lights may swing or otherwise fall in an earthquake.	Prevent lights from falling and injuring occupants. Lights should not be supported by a suspended ceiling in a high or moderate seismic zone. Pendent lights should have their sway limited.
5		✓	✓	Fastening and Bracing of Ceilings	Diagonal bracing of ceiling.	Suspended ceilings should be braced against sidesway to reduce the chance of elements falling.
6		✓	✓	Fastening and Bracing of Equipment (Mechanical and Electrical)	Equipment above ceilings.	Prevent fans and other equipment from swaying and falling on occupants; connections could fail resulting in equipment no longer functioning.
7	✓	✓	✓	Bracing of Parapets, Gables, Ornamentation, and Appendages	Construct parapet bracing on the roof side of the parapet. Gables are braced in the attic space. Other elements are anchored in a positive manner.	Prevent parapets, gables, and ornamentation from falling outward.
8	✓	✓	✓	Glazing Selection and Detailing	Glass above a walking surface.	Prevent exterior or interior glass from falling onto the walking surface and causing injuries.
9		✓	✓	Attachment and Bracing of Large Ductwork	Large ducts.	Prevent ducts from falling on occupants.
10	✓	✓	✓	Bracing or Reinforcing Masonry Walls at Interior Stairs	Interior exit stairs may have unreinforced masonry enclosure walls that could collapse.	Prevent collapse of walls that could block stairways.
11		✓	✓	Bracing of Interior Partitions (Masonry and Wood)	Bracing may be vertical or diagonal braces.	Interior partitions must be braced to prevent falling/collapse.
12		✓	✓	Support and Detailing of Elevators	Elevator guides have become dislodged in earthquakes. Applies to cable lift elevators.	Keep elevators functioning.
13	✓	✓	✓	Anchorage and Bracing of Emergency Lighting	Positive attachment of emergency lights.	Prevent heavy battery packs from falling.
14	✓	✓	✓	Cladding Anchorage	Heavy cladding (concrete) must be connected to the structure.	Prevent cladding from falling. Careful design is required so the cladding does not limit the structure's lateral movement.
15		✓	✓	Anchorage of Masonry Veneer	Veneer over exterior wood or masonry walls or over other materials in steel or concrete structure. Materials may be brick, terra cotta, stone, or similar materials.	Prevent inadequately anchored veneer from falling outward onto pedestrians.
16		✓	✓	Shut-Off Valves	Installation of a shut-off device.	Gas and water lines could break and should have a means of turning them off.
17		✓	✓	Anchorage of Exterior Wythe in Cavity Walls	A masonry wall separated from the veneer by a hollow space.	Prevent veneer from falling outward. Existing anchorage should be checked for rust damage and loss of strength.
18		✓	✓	Bracing or Removal of Chimneys	Chimneys should be braced to the structure.	Prevent chimneys from toppling into yards or through roofs.
19		✓	✓	Attachment and Bracing of Cabinets and Furnishings	Anchorage to structural walls or other elements.	Prevent cabinets and other furnishings from toppling or moving and causing damage. Fallen file cabinets may block exit doors.
20		✓	✓	Anchorage of Steel Stud Backup	Steel studs behind veneer or other cladding.	Prevent steel studs used as a backup to support veneer or other cladding from becoming detached or falling.
21		✓	✓	Restraint of Hazardous Materials Containers	Chemical labs, shops, etc. may have materials that could, when combined, create a fire or chemical hazard.	Reduce danger of breakage and mixing of chemicals.
22		✓	✓	Underfloor Bracing of Computer Access Floor	Raised floors for cabling.	Prevent floors from collapsing and damaging equipment.

* Items numbered for ease of reference.

Structural Seismic Performance Improvements

Level of Seismicity			Building Element	Structural Sub-System	Definitions and Purpose		
L	M	H			Seismic Performance Improvement	Description	Purpose
	✓	✓	Foundation		Anchor Bolts	Connection between the foundation and the building.	Improve load path. Prevent building from sliding off foundation.
	✓	✓	Foundation		Anchorage	Connection between the foundation and the building for larger buildings.	Improve load path. Provide adequate connection between building and foundation.
	✓	✓	Foundation		Cripple Stud Bracing	Short wood studs between the foundation and the first floor.	Cripple studs are usually not braced. Prevent them from toppling and causing the building to fall off the foundation.
	✓	✓	Foundation		New Foundations	New foundations to convey loads.	Additional foundations may be the preferred solution in some cases.
	✓	✓	Foundation		Pile Cap Lateral Load	Piles supporting buildings may try to move laterally from building loads during earthquakes.	Brace piles at their top to eliminate the chance of lateral movement and reduce chance of foundation failure.
	✓	✓	Foundation		Uplift	Under overturning type loads foundations may be pulled upward.	Reduce the uplift chance by improving foundation system; engineer should evaluate the effects of uplift.
Definition			Horizontal Elements			Floors, mezzanines, and roofs.	
Definition			Horizontal Elements	Diaphragms		Floors and roofs connecting walls and lateral force-resisting elements.	Diaphragms are the roof and floors of a building. They must be of adequate strength to transfer the earthquake loads to the walls and other elements. The connection from the diaphragm to the wall or other lateral force-resisting element is part of the load path.
	✓	✓	Horizontal Elements	Diaphragms	Attachment and Strengthening at Boundaries	Improving the connection of the diaphragm to the edge/boundary elements with nails, bolts, or welding.	This is part of the load path and conveys the diaphragm forces into the walls or other lateral force-resisting elements.
	✓	✓	Horizontal Elements	Diaphragms	Mezzanine Anchorage and Bracing	Anchor the mezzanine to the wall. Where there is an open side of the mezzanine, bracing may be necessary.	Make sure the mezzanine is attached to the building to provide a load path for the mezzanine diaphragm and to reduce any pounding of the mezzanine against the building's walls or columns. A large mezzanine may require bracing on the open sides.
	✓	✓	Horizontal Elements	Diaphragms	Strength/Stiffness	Strengthen the diaphragm to limit its lateral deflection.	Control the movement of the diaphragm to reduce the damage due to drift and to control the out-of-plane loads on vertical elements.
	✓	✓	Horizontal Elements	Diaphragms	Strengthening at Openings	Strapping around diaphragm openings.	Openings may create a weak point in the diaphragm. Straps will provide additional strength to wood diaphragms.
	✓	✓	Horizontal Elements	Diaphragms	Strengthening at Re-entrant Corners	"L" and "U" shaped buildings have stress concentrations at the interior corners.	Reduce damage from cracking and failures caused by stress concentration.
	✓	✓	Horizontal Elements	Diaphragms	Topping Slab for Precast Concrete	Concrete slab over precast concrete roof to create a continuous diaphragm. Connect to the vertical elements as part of a load path.	Strengthen the roof to act as a lateral force element. Control drift of the roof or floor.
Definition			Vertical Elements	Braced Frames		Steel or concrete beams and columns with diagonal bracing.	Braced frames act as a lateral force-resisting element. They are often used as the lateral force-resisting element on open sides of buildings. They must be connected to the horizontal element as part of the load path.
	✓	✓	Vertical Elements	Braced Frames	Capacity/Stiffness	Frame capacity improvements for adequate load resistance.	Capacity and stiffness assure the adequacy of the frame elements to resist loads.
	✓	✓	Vertical Elements	Braced Frames	Continuity	Braced frames should be continuous from the foundation to the roof.	Discontinuities of lateral force-resisting elements create load transfer demands. Design standards may impose higher loads for this condition.
	✓	✓	Vertical Elements	Braced Frames	Connections	The details of the connections (bolts or welds) must be adequate. Improvements to strength will not have a negative effect on the phased construction.	Braced frame connections assure the adequacy of the frame elements to resist loads. Improvements may be made by the addition of steel plates with bolting or welding.
✓	✓	✓	Vertical Elements	Load Path	Lateral Force-Resisting System to Diaphragm Connection	Connections between roof/floor and wall or other element.	Permit earthquake loads to be conveyed to the foundation—develop a load path. This is the key element in seismic safety.

Structural Seismic Performance Improvements (continued)

Level of Seismicity			Building Element	Structural Sub-System	Definitions and Purpose of Structural Performance Improvements		
L	M	H			Seismic Performance Improvement	Description	Purpose
Definition			Vertical Elements	Moment Frames		A steel or concrete system of beams and columns.	Moment frames act as a lateral force-resisting element and brace the structure. They are often used as the lateral force-resisting element on open sides of buildings. They must be connected to the horizontal element as part of the load path.
	✓	✓	Vertical Elements	Moment Frames	Beam Column Capacity/Stiffness	Frame capacity improvements for adequate load resistance.	Capacity and stiffness assure the adequacy of the frame elements to resist loads.
	✓	✓	Vertical Elements	Moment Frames	Beam Column Connection	Steel or concrete with improved connections to increase strength. Improvements will not have a negative effect on the phased construction.	Beam column connections assure the adequacy of the frame elements to resist loads. Improvements may be made by the addition of steel plates with bolting or welding.
Definition			Vertical Elements	Shear Walls		Walls that brace the building against earthquakes.	Shear walls brace the structure. Building walls can act as lateral load-resisting elements. They must be connected to the horizontal elements as part of the load path.
	✓	✓	Vertical Elements	Shear Walls	Capacity	Capacity equals strength.	Capacity assures the adequacy of walls to resist loads.
	✓	✓	Vertical Elements	Shear Walls	Continuity	Shear walls should be continuous from the foundation to the roof.	Discontinuities of lateral force-resisting elements create load transfer demands. Design standards may impose higher loads for this condition. This is one of the most cost-effective improvements in buildings.
	✓	✓	Vertical Elements	Shear Walls	Extension of Wood Interior Walls to Roof	Extending interior wood walls to diaphragms in unreinforced masonry and other buildings.	Permit walls that were not constructed full height to be used as shear walls in buildings with wood interior walls.
	✓	✓	Vertical Elements	Shear Walls	Lateral Stability	Tall walls may buckle and need bracing.	Prevent buckling and possible wall collapse. Walls must be anchored at the top or may have other bracing elements such as diagonal or vertical braces.
✓	✓	✓	Vertical Elements		Out-of-Plane Anchorage of Concrete or Masonry Wall	Connections from the walls to the floors and roof.	Prevent walls from falling outward due to inadequate connections between the wall and the diaphragms. A cost-effective mitigation measure for bearing wall buildings.
✓	✓	✓	All Elements		Load Path and Collectors	Distribute loads from diaphragms into lateral force-resisting elements.	These are straps of steel or wood that "collect" load and distribute it into the vertical lateral force-resisting elements. Connections may be with bolts, nails, or welding, depending on the material and location.

Summary of Part C

Part C consists of recommended tools to enable the facility manager to implement incremental seismic rehabilitation.

- Engineering services should be retained for three specific phases: seismic screening and evaluation, incremental seismic rehabilitation planning and design, and construction period support.
- Coordination with tenant work and continuity of building documentation is of special importance.
- Opportunities to add seismic rehabilitation increments exist within most major maintenance and capital improvement activities.
- Incremental seismic rehabilitation opportunities are suggested for eight specific maintenance and capital improvement categories.

Recommended Actions

1. Determine the category of maintenance or capital improvement under consideration.
2. Determine the level of seismicity applicable to the building.
3. Determine which of the seven structural categories most closely fits the building.
4. List all the nonstructural and structural seismic improvements identified as integration opportunities.
5. Note the category of each improvement (■, □, or ☒).
6. Present to the architect or engineer the annotated list of all the nonstructural and structural seismic improvements identified for consideration and inclusion in the respective scope of design work.
7. The architect or engineer should design the project using the companion document, *Engineering Guideline for Incremental Seismic Rehabilitation*, FEMA 420.

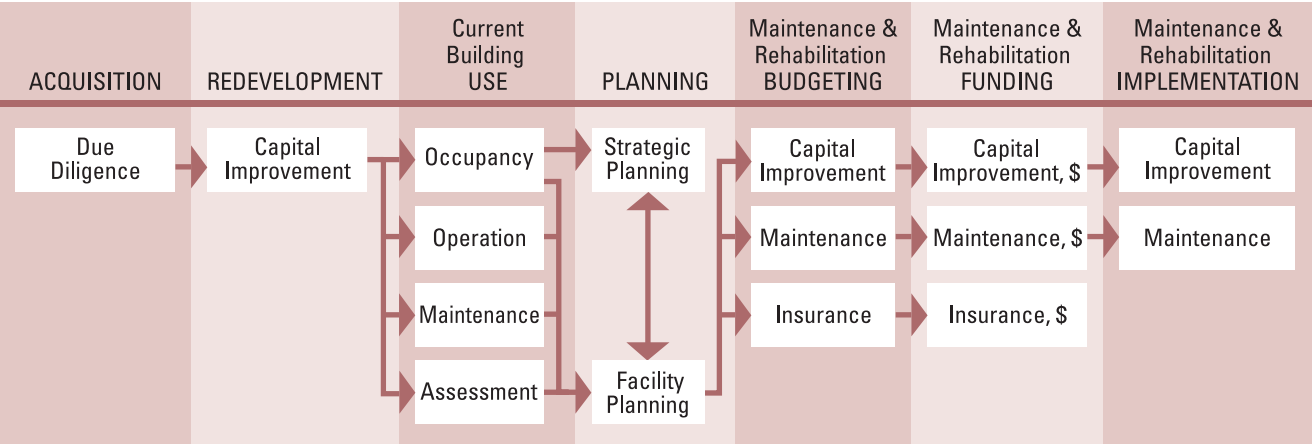
Appendix.

Additional Information on Retail Building Facility Management

Introduction:
Typical Facility Management for Retail Buildings

The typical facility management process for existing retail buildings consists of seven phases of activities: Acquisition, Redevelopment, Current Building Use, Planning, Maintenance & Rehabilitation Budgeting, Maintenance & Rehabilitation Funding, and Maintenance & Rehabilitation Implementation, as diagrammed in Figure 1. This process is sequential, progressing from left to right in any given building. An owner of a large inventory of retail buildings is likely to have ongoing activities in all of these phases.

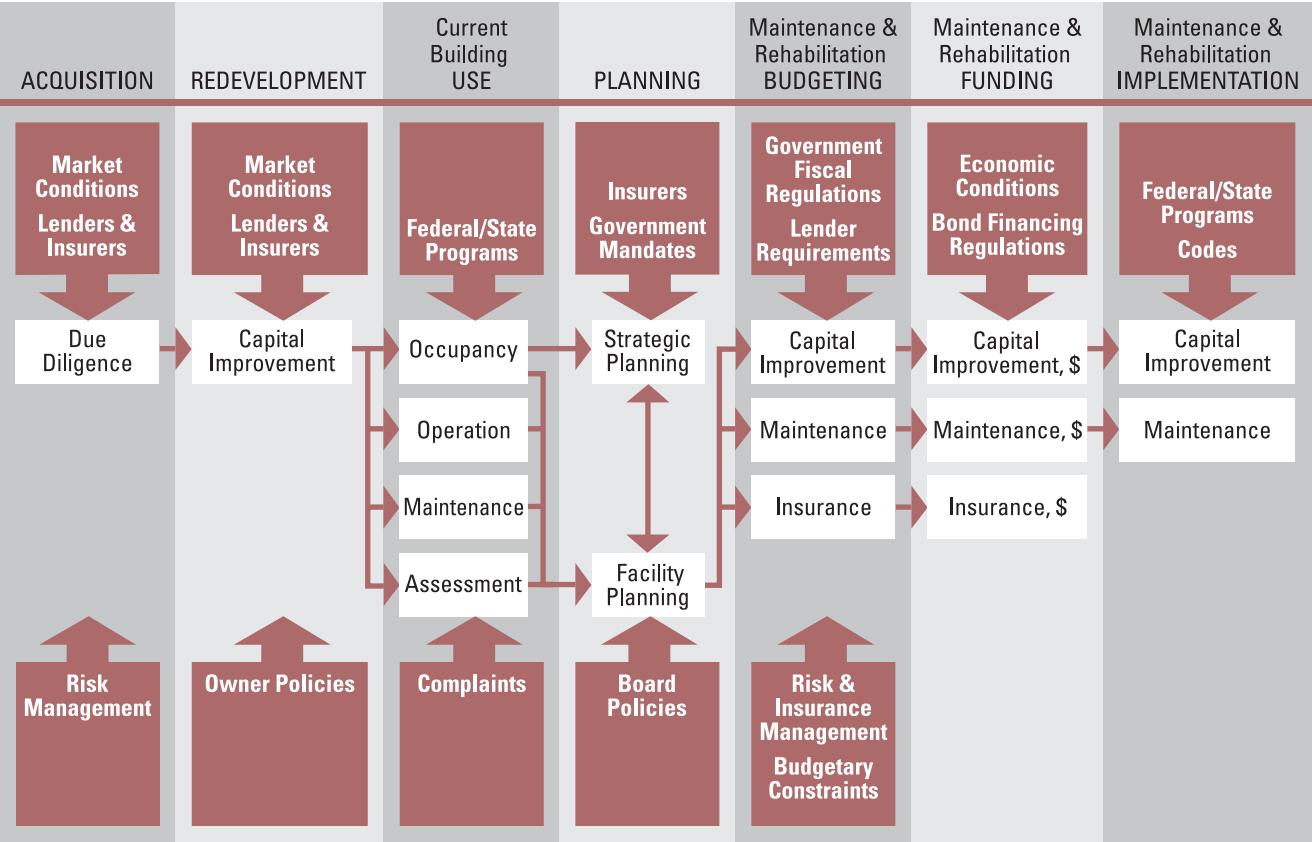
Figure 1: Typical Management Process



**Figure 2:
Management
Process Influences**

This process is generic and, while variations may occur, it is generally followed by retail building owners, either explicitly or implicitly.

Both internal and external factors typically influence the retail facility management process in its various phases. Internal factors (represented by up arrows in Figure 2) are generated within the owner organization. External factors (down arrows) are imposed on owners by outside entities.



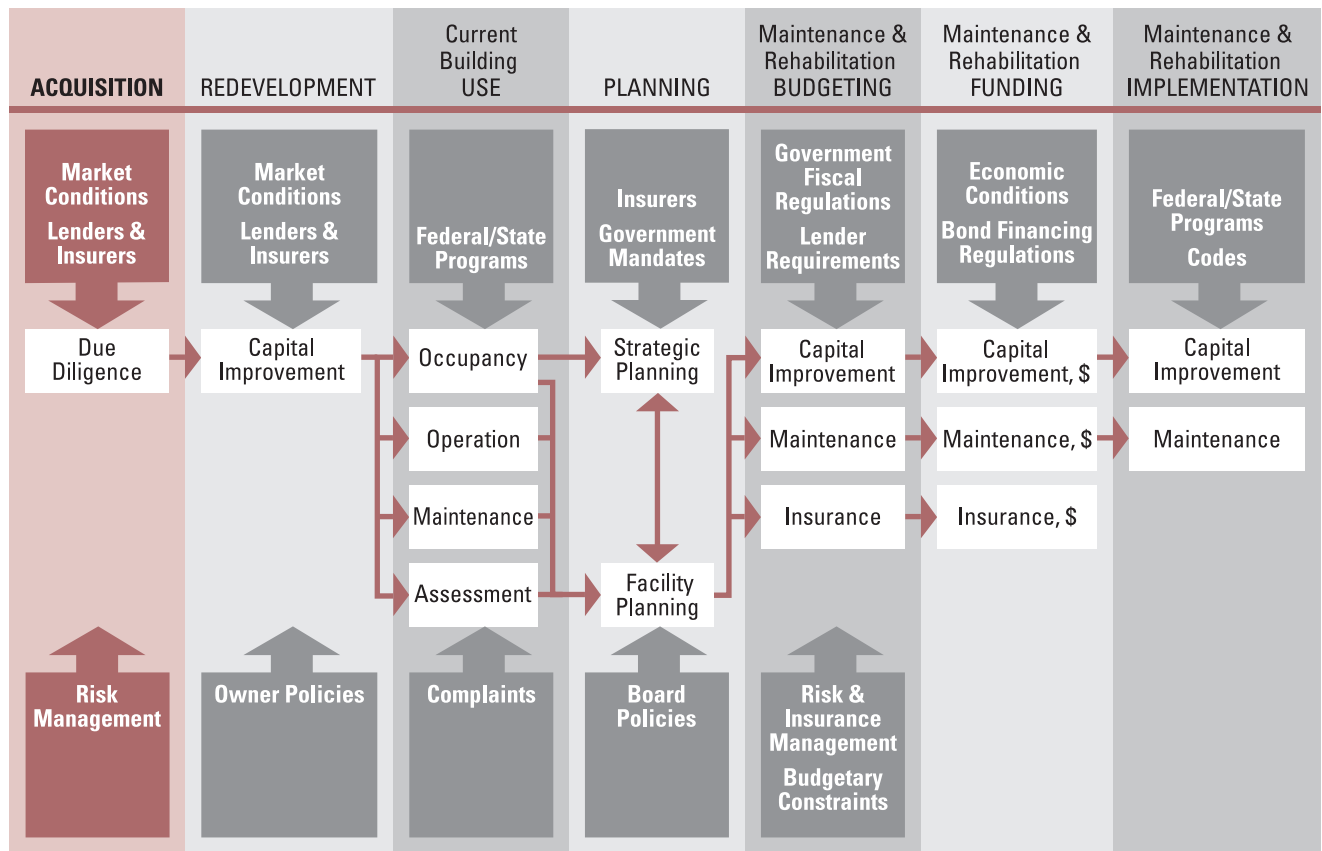
1. The ACQUISITION Phase of Retail Facility Management

Typical Process

The acquisition phase of the typical retail facility management process consists of due diligence activities and is influenced by significant internal and external pressures, as depicted in the Figure 3.

Retail building acquisitions initiate the facility management process for all owners who are not also developers or merchant builders. The **due diligence** process that precedes an acquisition is intended to identify, and quantify if possible, all the liabilities or potential liabilities related to the asset being acquired.

**Figure 3:
Acquisition**



For a given acquisition there may be several due diligence processes carried out by the various participants in the deal:

- owner (buyer)
- lender (if there is one)
- insurer

A multi-discipline team that includes legal, risk management, and engineering experts carries out the due diligence. Specialty consultants may be used. Because of the potential professional liabilities, legal questions are often the driving force in the process. The due diligence process also involves a walk-through of the building. Environmental risks, such as the presence of asbestos, are identified in the due diligence process.

Influences and Related Seismic Considerations

As indicated in Figure 3, two external factors (down arrow) and one internal factor (up arrow) influence acquisition phase decision making.

Market Conditions: External local conditions of the retail market are the principal factor governing retail building acquisition, regardless of the short-term or long-term strategic objectives of the purchaser. This is true for all types of owners, be they real estate investment trusts (REITs), pension fund or other fiduciary institutions, partnerships, or individuals.

Seismic Consideration

Studies in California suggest that regional and local earthquake hazards (presence of faults and their proximity, regional earthquake history, geological and local site factors, etc.) have little if any influence on the levels of retail rental rates. Earthquake risk, in general, does not appear to translate into financial cost in the retail marketplace.

Lenders and Insurers: Lenders and insurers are important external participants in many retail building acquisitions, and each carry out due diligence functions to determine the risks and potential liabilities in any given deal. By their nature, lenders and insurers spread their risks over a wider range of investments than that presented to an owner in a specific acquisition. The insurability of the acquired property is of great concern to retail building owners, but the cost of insurance is of lesser concern because the cost can usually be passed on to tenants in malls and other retail properties.

Seismic Consideration

Lenders and insurers usually employ engineering consultants to perform the seismic portion of the due diligence, and they use proprietary programs to carry out the analysis. The most common analysis used is the Probable Maximum Loss (PML) analysis, which quantifies the percentage of the property that will be lost in a major earthquake. Such an analysis is referred to as deterministic, and it does not consider the damages and losses that could result from more moderate but more frequent earthquakes. Lenders and insurers establish their own proprietary criteria for acceptable PML. Lenders often require seismic due diligence in California and the Pacific Northwest, and the extent to which it is done in other seismic regions is not known.

Risk Management: Many retail building owners have formally established internal risk management functions within their organizations. These risk managers participate in the due diligence analyses carried out prior to acquisition. The rigor of internal due diligence varies from owner to owner.

Seismic Consideration

The owners' internal seismic due diligence, whether carried out by in-house staff or consultants, is the PML analysis. Owners establish their own proprietary criteria for acceptable PML. Some large owners limit their PML analysis to California, Oregon, and Washington. Depending on the deal, the PML leads to one of three decisions about the acquisition:

- Reject the deal if the PML exceeds a preset threshold
- Accept the deal with an initial rehabilitation
- Accept the deal without rehabilitation

2. The REDEVELOPMENT Phase of Retail Facility Management

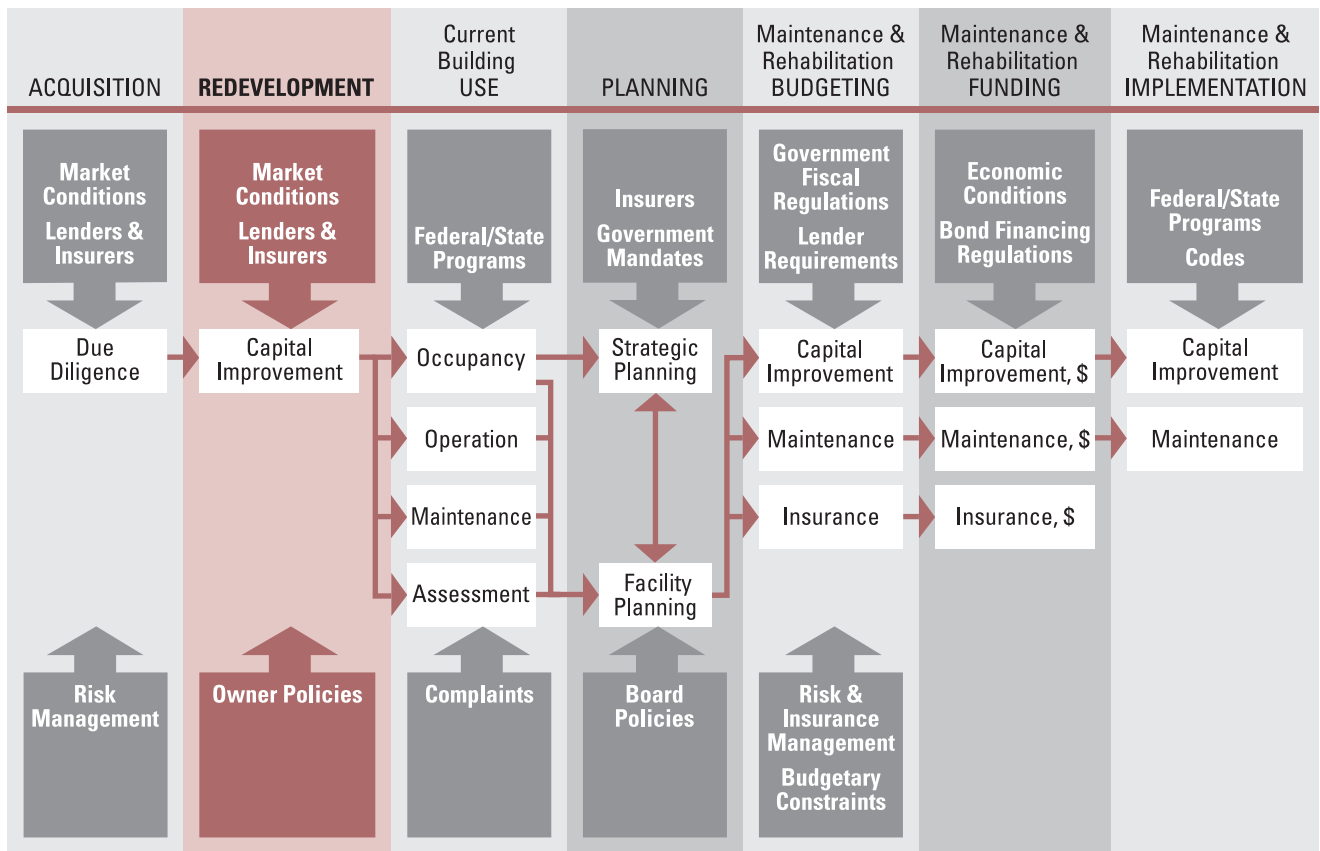
Typical Process

The redevelopment phase of the typical retail facility management process consists of various types of **capital improvements**, and is influenced by significant internal and external pressures, as depicted in Figure 4.

The types of redevelopment phase capital improvement projects vary as a function of the building's classification (A, B, or C) as well as between malls and single tenant buildings. For malls they generally consist of:

- Architectural upgrading of entrances, lobbies, public areas, and parking structures
- Architectural upgrading of façades

**Figure 4:
Redevelopment**



- Upgrading of the HVAC systems
- Environmental and other risk remediation work identified in the due diligence process
- Upgrading of life safety systems

For single tenant buildings, the redevelopment phase capital improvement may be a complete rehabilitation of the entire building.

Influences and Related Seismic Considerations

As indicated in Figure 4, two external factors (down arrow) and one internal factor (up arrow) influence redevelopment phase decision making.

Market Conditions: Retail properties in a given classification must compete with neighboring, similarly classified properties. Local architectural traditions and fashions and historic preservation are significant factors determining the specific nature of various capital improvement projects.

Seismic Consideration

The extent of market-driven seismic improvement in retail buildings is not known.

Lenders and Insurers: External lenders and insurers may require specific capital improvements as a condition of loans or insurance coverage. For example, they may require the replacement of a questionable roof or HVAC system. These are generally the direct result of the due diligence analyses.

Seismic Consideration

The extent to which lenders or insurers have required seismic rehabilitation in retail buildings is not known.

Owner Policies: Owners' marketing and architectural policy is the principal internal factor governing capital improvement decisions in the redevelopment phase.

Seismic Consideration

Retail building owners have not established marketing and architectural policies that feature seismic rehabilitation.

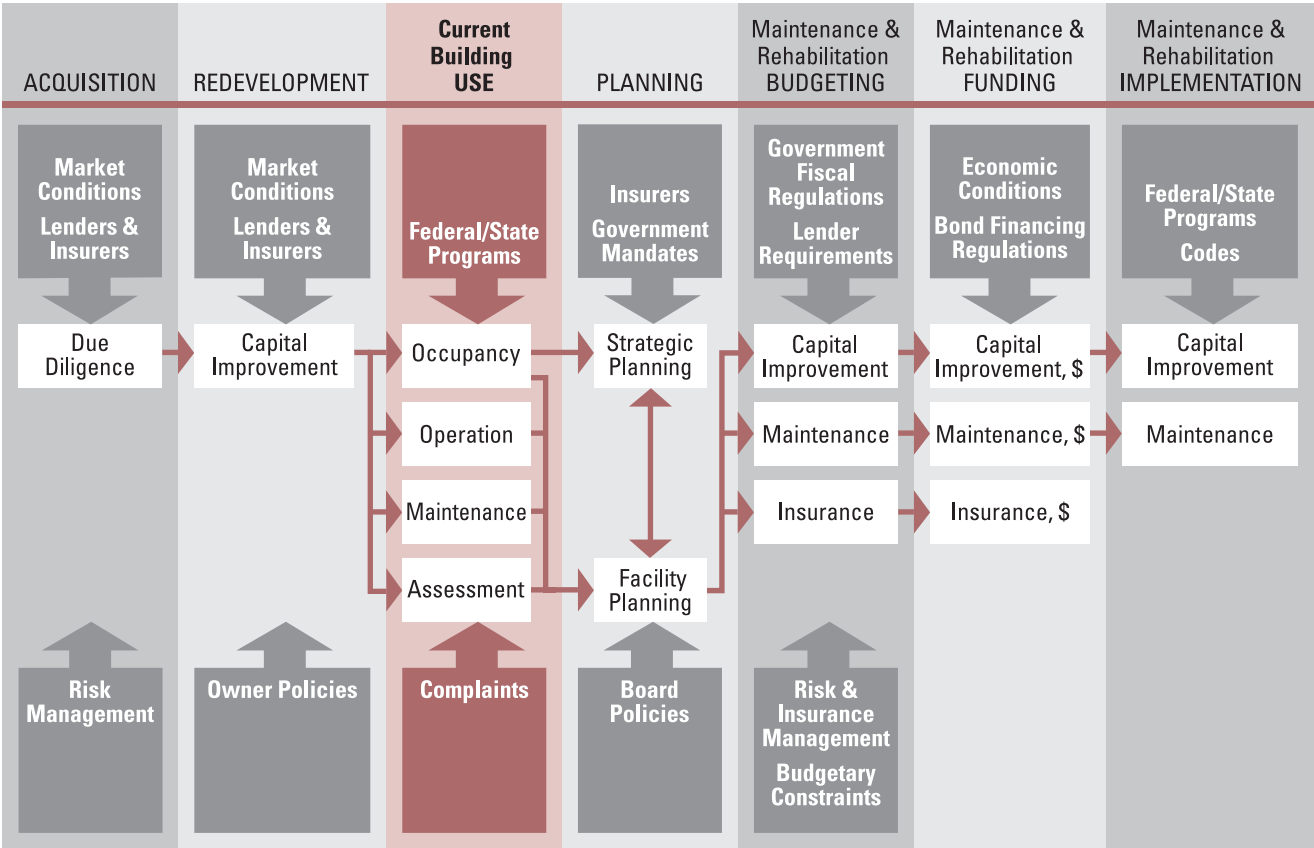
3. The Current Building USE Phase of Retail Facility Management

Typical Process

The current building use phase of the typical retail facility management process consists of four categories of activities and is influenced by significant internal and external pressures, as depicted in Figure 5.

Occupancy: This category of activity consists of the primary function of occupancy of retail space by tenants in the case of malls, by owners in the case of single tenant buildings, and by shoppers in either case. Support functions are administrative, such as collecting rents and addressing tenants' concerns. Ancillary functions may be recreational, such as operating a health club,

Figure 5:
Use



pool, or spa, and social, such as operating a lecture room or similar facility. The specific functions may vary depending on the building classification, A, B, or C.

Occupancy functions are carried out in each building by the tenants and facility managers in the case of malls, and by owners in the case of single tenant buildings. Each of these functions is subject to seismic risk and can be disrupted by seismic damage.

Operation: Facility operation consists of all the activities and functions that the facility and its components must perform in order to support the occupancy. Examples are the mechanical functions (heating, cooling, and ventilation), electrical functions (lighting, communications, and alarm), and plumbing functions.

Operation functions may be carried out by custodial staff of the owner and/or by contractors. Each of these functions is subject to seismic risk and can be disrupted by seismic damage.

Maintenance: Maintenance includes all the activities required to enable the occupancy and operation of the building to be carried out continuously over time. They can be broken down into custodial maintenance, routine maintenance, and repair.

Maintenance functions may be carried out by custodial staff of the owner and/or by contractors. In some cases, some maintenance functions in malls may be carried out by tenants or their contractors.

Facility Assessment: Facility assessment, which less sophisticated retail building owners may not carry out systematically, consists of the survey or inspection of the retail buildings on a scheduled basis. It may also include a review of documents, such as archival building plans, for retrieving specific information. The purpose of the surveys or inspections is to determine facility conditions in relation to one or more of the following categories:

- user complaints
- maintenance needs
- preventive maintenance needs
- specific environmental hazards
 - asbestos
 - lead paint
 - lead
 - radon
- structural hazards
- fire/life safety
- environmental quality
- energy use/conservation
- accessibility
- other

These surveys may or may not be coordinated as to schedule, content, personnel, etc. Facility managers may or may not use prepared inspection forms or checklists. Finally, facility managers may vary as to the extent and specific nature of their record keeping and reporting.

Influences and Related Seismic Considerations

As indicated in Figure 5, one external factor (down arrow) and one internal factor (up arrow) influence current building use phase decision making.

Federal and state programs: Various external programs may establish requirements affecting the building use phase that have facilities implications (e.g., Americans with Disabilities Act [ADA] and Occupational Safety and Health Administration [OSHA] requirements).

Seismic Consideration

Currently there are no seismic rehabilitation mandates or implications in any federal or state programs related to retail buildings, with the exception of California.

Specific surveys or inspections may be mandated by federal, state, or local laws/programs. These surveys/inspections may be carried out by a variety of entities:

- Federal personnel (e.g., from OSHA, Environmental Protection Agency [EPA])
- State/city/county personnel (e.g., fire marshal, code enforcement, environmental, health)
- Retail building personnel (e.g., custodial or facility managers)
- Retail building contracted personnel (e.g., asbestos inspectors)
- Consultant

Seismic Consideration

Currently there are no seismic survey or inspection mandates or implications in any federal or state programs related to retail buildings, with the possible exception of California.

Complaints by Occupants: Internal complaints by tenants and/or shoppers are a potentially significant pressure on the facility management process.

Seismic Consideration

Rarely, if ever, have there been complaints about seismic vulnerability generated by retail building occupants and shoppers, with the possible exception of California. This is because seismic risk and seismic damage are not routine experiences in most regions of the United States.

4. The PLANNING Phase of Retail Facility Management

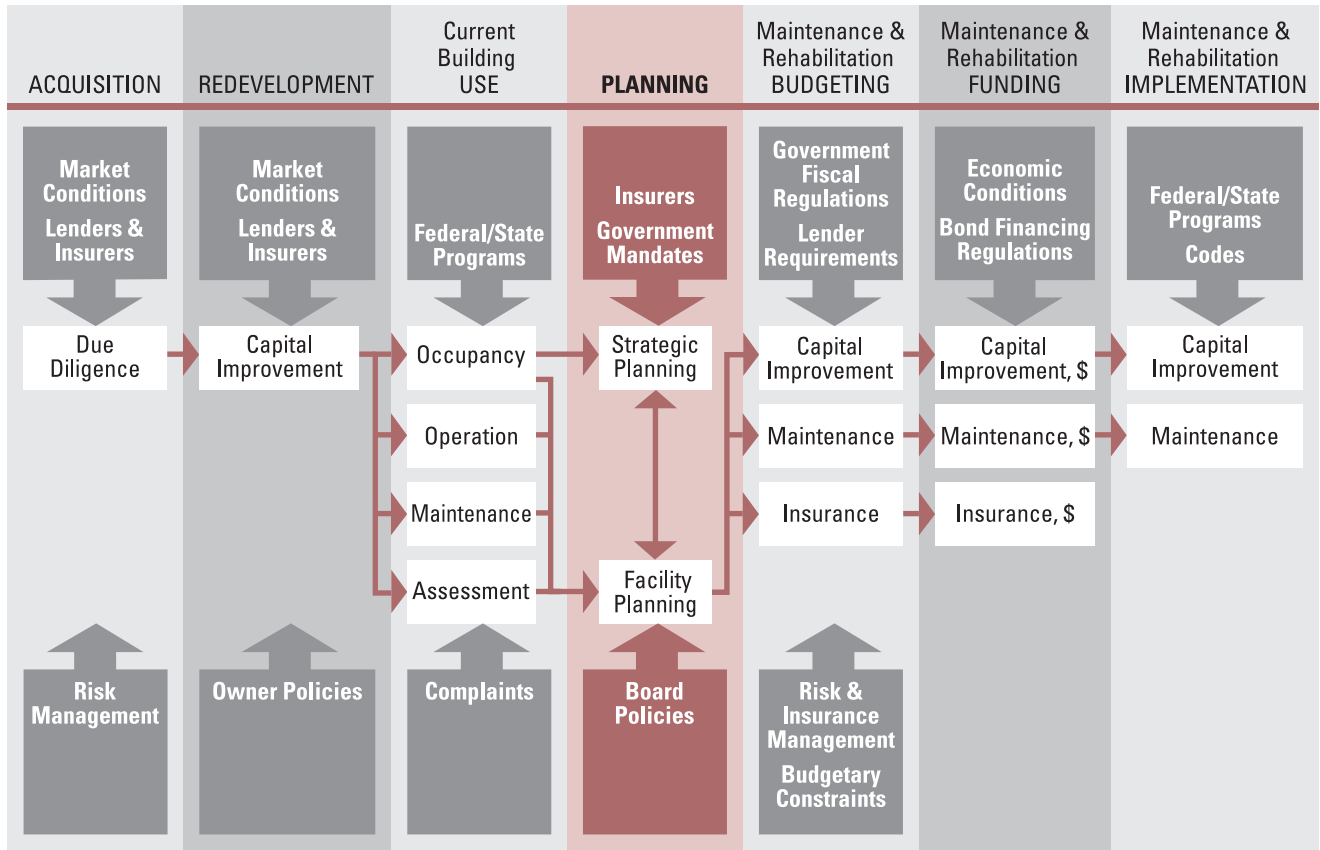
Typical Process

The planning phase consists of projecting and forecasting future needs. It can be carried out periodically or continuously, and it may vary as to the time period covered by the projections and forecasts. Planning functions may be carried out by the owner, with or without the assistance of consultants. Planning consists of two separate but related activities-strategic planning and facility planning-and is affected by significant internal and external pressures, as depicted in Figure 6.

Strategic Planning: Strategic planning attempts to formulate future business strategy by analyzing and forecasting financial trends as well as national, regional, and local retail markets. Many owners acquire properties for a limited period of time, and many have an exit strategy in place at the time of acquisition. Strategic planning addresses such issues as:

- Should the property classification (A, B, or C) be upgraded or downgraded?
- Should the exit strategy be accelerated or prolonged?
- Should trends in the insurance market revise current investment programs?
- Should specific major capital investments be considered?

**Figure 6:
Planning**



Strategic planning is usually carried out at the owner's headquarters and concerns itself with the owner's entire retail building portfolio or large segments of it.

Facility Planning: Facility planning consists of preparing short- and long-range facility plans. It combines the products of two distinct activities—the strategic plan and the facility assessment (see Figure 5)—into a detailed projection of facility requirements. The projection may cover a defined time frame, such as five years.

Different owners use different classifications of projects in their facility plans, reflecting a variety of legal, administrative, jurisdictional, and other factors. However they may be classified, a comprehensive facility plan should include the following elements:

- New construction
- Additions to existing buildings
- Renovations of existing buildings
- Building systems replacements
- Building systems repairs
- Scheduled maintenance
- Preventive maintenance
- Building disposition (change of use, sale, demolition)

The plan will identify the time frames in which each project is to be accomplished, and it may include cost estimates.

If effective, the facility plan will be used as a budgeting tool and will provide direct inputs into the budget process. It should be revised and updated on a routine basis to reflect:

- Changes in the strategic plan (including market conditions)
- Revised facility assessments
- Budgeting and funding realities

Facility planning usually begins at the individual building or project level and entails the flow of information up the management hierarchy for final capital decision making and budgeting at the owner's headquarters.

Influences and Related Seismic Considerations

As indicated in Figure 6, two external factors (down arrow) and one internal factor (up arrow) influence planning phase decision making.

Insurance Carriers and Brokers: External private property and liability insurance companies often require surveys or inspections of retail buildings on an annual or other scheduled basis. Insurance carriers are more than willing, when asked, to provide building owners with Loss Control and Prevention Reports that include recommendations for loss prevention. Insurance brokers also employ loss/risk specialists.

Seismic Consideration

Property insurers are unlikely to recommend extensive seismic improvements outside of California. In Utah, for example, they have recommended seismic bracing of sprinklers in hospitals as part of the life safety systems, but no other improvements.

Government Mandates: Federal, state, and local government agencies may establish external requirements affecting facility planning in the planning phase. These requirements may have facility rehabilitation implications.

Seismic Consideration

Currently there are no seismic rehabilitation mandates or implications in any federal or state programs, with the exception of California.

Board Policies: In terms of internal influences, boards of directors may occasionally adopt written policies on issues of business and social significance that can impact both strategic and facility planning. These policies guide the actions of the owner organization.

Seismic Consideration

Retail building owners boards may adopt policies addressing seismic issues, including seismic performance objectives and rehabilitation of retail buildings, either as a one-time or recurring incremental program.

5. The Maintenance & Rehabilitation BUDGETING Phase of Retail Facility Management

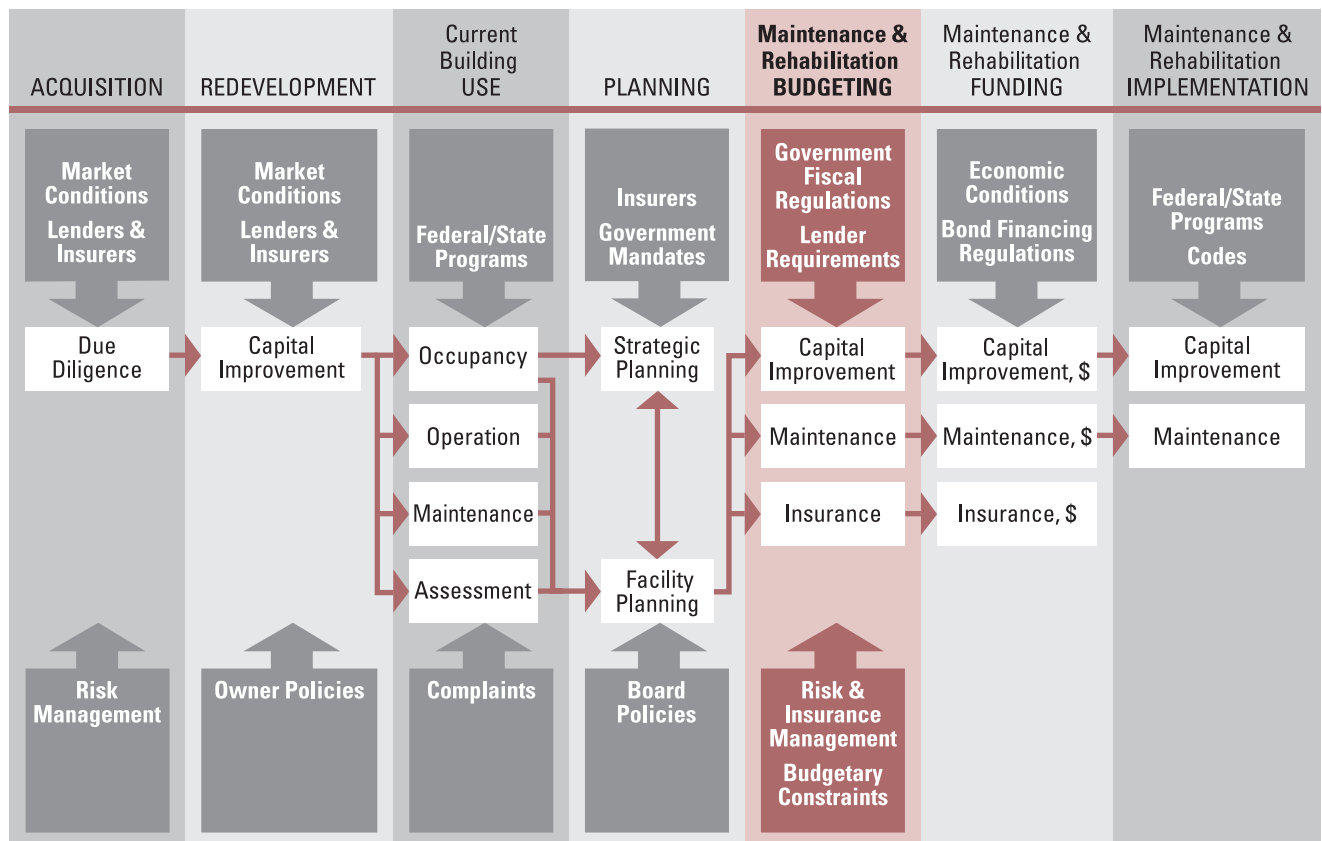
Typical Process

The budgeting phase consists of the projection of future financial resources required to meet future needs. It is carried out annually (covering a period of one or more years). Each local or regional facility manager initiates it with input from his or her staff. Organization-wide, the Vice President for facilities, or similarly titled position, oversees the budget development. The facility budget is a process that can be thought of as percolating up through the organization. It is affected by external government fiscal regulations and lender requirements and internal risk management policies and budget constraints, as depicted in Figure 7.

Three elements of the budget are relevant to the discussion of facility management:

- capital
- maintenance
- insurance

**Figure 7:
Budgeting**



Capital Budgets: Capital budgets generally relate to the acquisition of buildings and major systems, the occurrence of which is not annual or repetitive and which can therefore be amortized. The distinction between capital and maintenance budgets may vary among different retail building owners. At one extreme is a total separation, mandated by law, labor jurisdiction, or other factors. At the other extreme is a rather unclear separation between the two funding mechanisms.

Maintenance Budgets: Maintenance budgets generally relate to recurring annual expenditures and address existing inventories of buildings and systems without adding to the inventories.

Insurance Budgets: Financial resources earmarked for insurance may be used in different ways, including the purchase of third-party insurance, and/or the funding of a self-insurance reserve. Property and general liability insurance are relevant to facility management considerations.

Influences and Related Seismic Considerations

As indicated in Figure 7, two external factors (down arrow) and two internal factors (up arrow) influence planning phase decision making.

Government Fiscal Regulations: Federal, state, and local government agencies have historically established external requirements dealing with fiscal responsibility of commercial property owners. A variety of Securities and Exchange Commission regulations apply to REITs. Pension funds are subject to a variety of fiduciary requirements. Partnerships are subject to a variety of state and federal regulations. One important objective of these regulations is to assure the responsible stewardship of someone else's resources. These requirements may have facility rehabilitation implications if resources are expended in an irresponsible manner. Additionally, these regulations may determine, directly or indirectly, the length of time an acquired real estate asset must be held and, therefore, what the owner's planning horizon should be.

Seismic Consideration

As far as is known, there have been no seismic considerations attendant to these fiscal regulations.

Lender Requirements: Commercial lenders impose requirements on building owners who use mortgage financing for capital improvements. Often, the lender requires the purchase of a particular type of insurance coverage.

Seismic Consideration

In California, lenders sometimes require the purchase of earthquake insurance as a condition of the loan. For some commercial office building loans, this requirement has been waived when the owner includes seismic improvements in the project that reduce the lender's risk below a defined threshold. The same consideration may apply to retail buildings.

Risk and Insurance Management: Internally, the owner organization's risk and insurance management may have a direct or indirect role in the budget phase of the process, regarding the decisions related to insurance.

Seismic Consideration

In areas of seismic hazard, the risks of building loss or damage, occupant death or injury, and retail building owner liability must all be assessed. It must be decided whether to seek earthquake property and liability insurance coverage. Insurance companies that offer such coverage do not usually offer incentives to customers to undertake loss reduction measures in the form of seismic rehabilitation. However, this situation might change, and insurance incentives for seismic rehabilitation may become subject to negotiation.

Budgetary Constraints: Internally, political and economic conditions may place limits on retail building capital and maintenance budgets. The problem is often exacerbated by un-funded mandates imposed on retail buildings by federal and state agencies.

Seismic Consideration

The strategy of integrating incremental seismic rehabilitation with other work, which is an integral part of this facility and financial management model, can provide a method for addressing seismic risk reduction within budget constraints. See full discussion of this opportunity under B.2.2.6, Seismic Rehabilitation Planning for Specific Buildings.

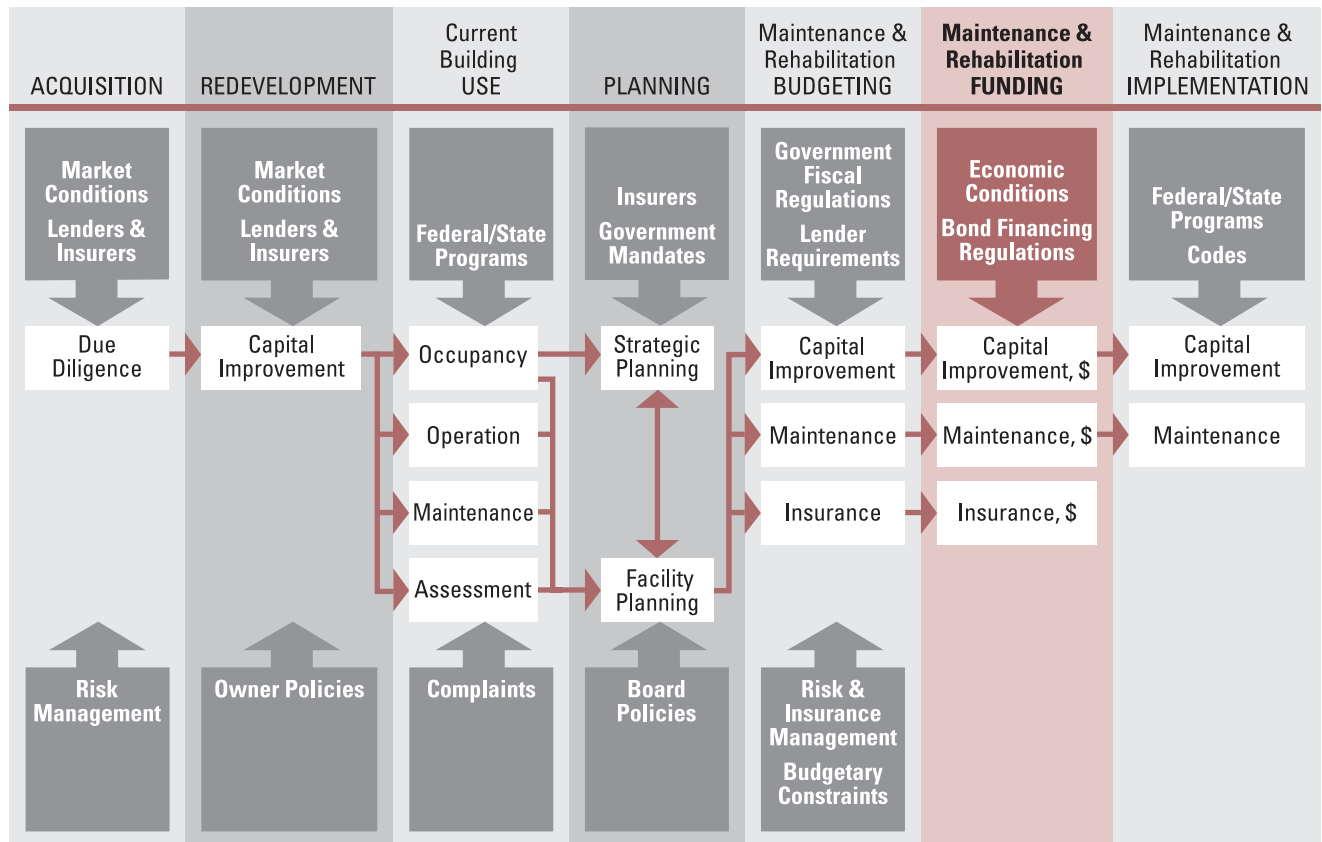
6. The Maintenance & Rehabilitation FUNDING Phase of Retail Facility Management

Typical Process

The funding phase consists of those activities required in order to obtain the financial resources to meet the budgets. It is influenced externally by regional and local economic conditions and bond financing regulations, as depicted in Figure 8.

The funding of retail building budgets in general, and of the three budget elements of capital improvement, maintenance, and insurance, varies from one owner organization to another.

**Figure 8:
Funding**



Retail building owners can fund their budgets by various combinations of equity and debt.

Influences and Related Seismic Considerations

As indicated in Figure 8, two external factors (down arrow) influence funding phase decision making.

Regional and Local Economic Conditions: Externally, the funding of retail building construction is subject to local and national socio-economic conditions well beyond the control of the building owner. Construction funding depends on interest rates, the owner's bond rating, and similar parameters.

Seismic Consideration

Even though seismic rehabilitation is clearly a risk reduction activity, there is no evidence that any building owner has improved its bond rating as the result of undertaking seismic mitigation activities of any kind.

Bond Financing Regulations: Local administrative procedures and structure in place to obtain bond financing will have a significant impact on the ability of retail building owners to achieve their objectives, regardless of whether they include seismic risk reduction or not. Certain types of expenditures out of the proceeds of a bond issue, such as operations or maintenance, may be prohibited by the conditions of the bond.

Seismic Consideration

Some seismic rehabilitation increments may be classified as repair or maintenance work, and thereby be precluded from a capital improvement bond. Experience with bond-financed incremental seismic rehabilitation has been limited to school districts, and the most extensive is that of the Seattle Public Schools program. Seattle's experience may be of interest to some retail building owners. Seattle Public Schools used two types of bonds to fund its program. Capital Levy Bonds were used to fund projects with smaller seismic rehabilitation increments categorized as repair and major maintenance. Capital Improvement Bonds were used to fund major projects categorized as modernization of hazardous buildings. This distinction was necessary because of Washington state law. Similar distinctions may be required in other parts of the country.

7. The Maintenance & Rehabilitation IMPLEMENTATION Phase of Retail Facility Management

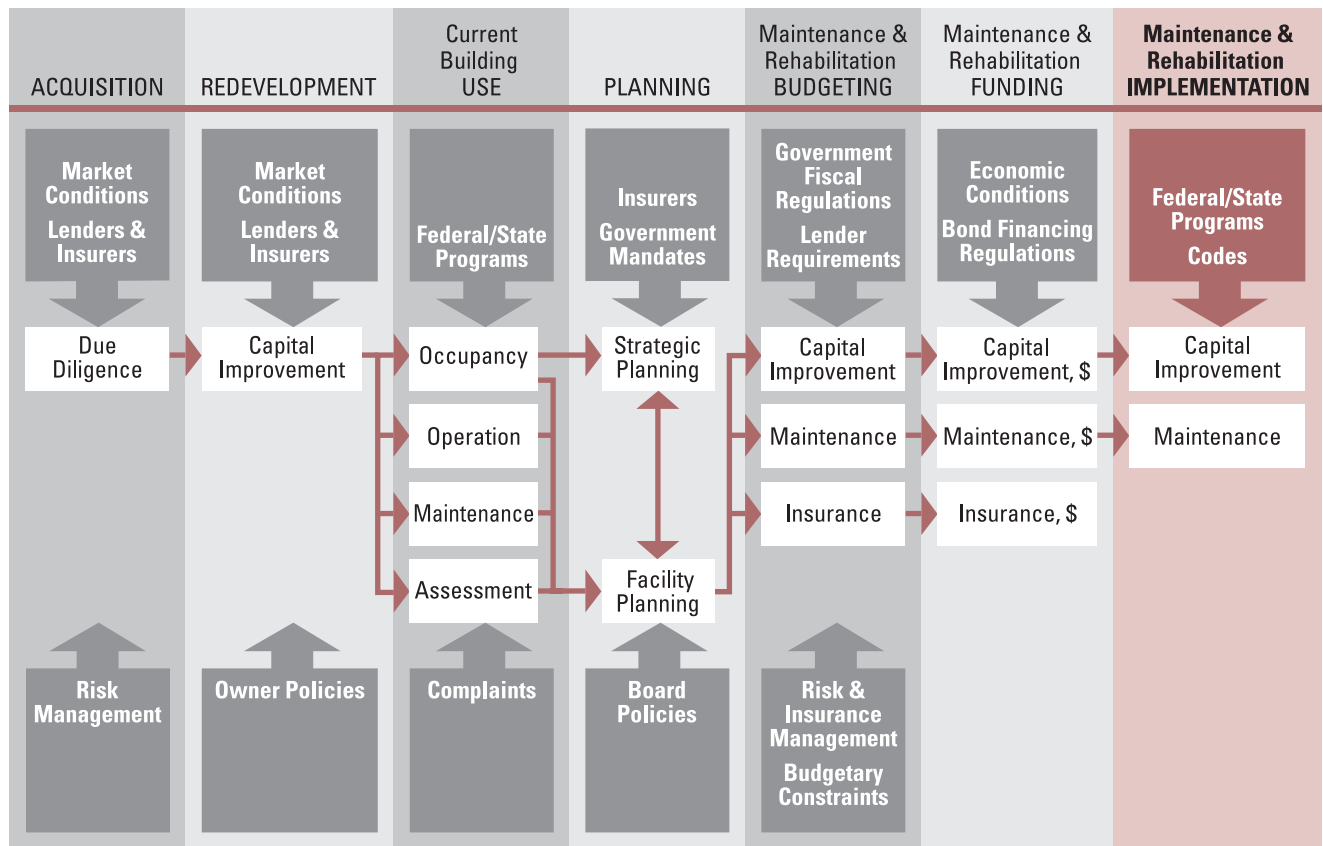
Typical Process

The implementation phase includes design and construction and can be broken into three categories of projects, all of which are relevant to existing buildings:

- Building acquisition projects
- Capital improvement projects
- Maintenance projects

The implementation phase is primarily affected by external federal and state programs and building code requirements, as depicted in Figure 9.

**Figure 9:
Implementation**



Acquisition includes new building construction and the acquisition of existing buildings. Acquisition of existing buildings is discussed above as the first phase of the facility management process.

Capital improvement and maintenance projects are managed by retail building owner's staffs, and carried out by these staffs and by contractors. The management of these two categories may be separated or combined, depending on issues of labor jurisdiction and legal authority.

Influences and Related Seismic Considerations

As indicated in Figure 9, two external factors (down arrow) influence implementation phase decision making.

Federal and State Mandates and Programs: Externally, federal and state programs may establish requirements affecting the implementation phase (e.g., ADA and OSHA requirements).

Seismic Consideration

Currently there are no seismic rehabilitation mandates or implications in any federal or state programs related to retail buildings, with the possible exception of California.

Codes and Code Enforcement: Also externally, building codes impose requirements on the implementation phase in cases of repair, alteration, or addition to existing buildings. These requirements may be enforced by a state or local agency. Such requirements can add costs to a project and jeopardize feasibility unless done incrementally.

Seismic Consideration

Codes do not mandate seismic rehabilitation in repair and alteration projects, though additions must comply with building code seismic requirements. Incremental seismic rehabilitation is consistent with most building code requirements applicable to existing buildings.