POLICY BRIEF THE BUILDING COLLAPSE IN SURFSIDE: WHAT YOU NEED TO KNOW



On June 24, 2021, along the beachfront in the small town of Surfside, Fla., just north of Miami Beach, the 12-story residential condominium building named Champlain Towers South fell. The northeast portion of the 136-unit tower collapsed within seconds at approximately 1:30am, resulting in 98 fatalities, making it one of the deadliest structural disasters in American history.

BOMA International joins in mourning the loss of lives from this terrible tragedy. We also offer our gratitude to the first responders—more than 80 rescue units responded to the collapse—whose efforts were heroic under difficult and dangerous conditions.

As a leading voice on building safety, BOMA intends to help advance the national conversation that has followed this tragedy. While the situation in Surfside is in many ways unrelated to commercial real estate, the industry has an important perspective and vast experience to share.

STARTING A DISCUSSION

This frequently-askedquestions document is intended to address some of the issues that have been raised by the network of BOMA local associations, and we welcome additional questions and further input.

We look forward to the continuance of this national conversation, and to providing resources and expertise to BOMA members, partner organizations and decision-makers at all levels of government. In August, BOMA co-convened a building safety symposium with the International Code Council (ICC) and the National Institute of Building Sciences (NIBS). The daylong event, "Ensuring the Safety of Existing Buildings," was hosted in West Palm Beach, Fla., by the Building Officials Association of Florida. A panel on "Property Management and the Real Estate Industry" included BOMA International Government Affairs Committee chair Mary Lantz of JLL and John Scott, BOMA Fellow, of Colliers, and was moderated by BOMA International Director of State and Local Affairs Ken Rosenfeld.

The goal of the day was to establish a channel for the building safety community to develop information to help inform policy makers as they consider questions raised by the tragedy. The event did not address the causation of the building collapse while investigations continue, but instead focused on broader questions related to maintenance, inspections, structural safety and the application of current building codes and standards. Participants in this initial gathering represented a wide range of organizations, including experts from the code enforcement, building, construction, design and both the residential and commercial real estate communities.

Do we know what caused the collapse?

Not completely. There appears to have been a confluence of factors, but attention is focused on significantly damaged concrete related to a pool deck. The problem had become visible in the parking garage below the pool, where there were several sizable cracks and exposed rebar. The risk was identified by engineers in a 2018 report, which warned the condo association of a "major error" in the design. A plan for repairs was identified, but initial work around the pool was unable to be completed in 2020 because it risked destabilizing the area. In April 2021, a letter to residents outlined a \$15-million repair program, noting that concrete deterioration was accelerating. Although some repairs were underway at the time of the collapse, the remedial concrete work had not yet begun.

Will we have a full explanation soon?

Probably not for several years. Investigations are underway to discover the cause of the collapse, and they're going to take time. The National Institute of Standards and Technology (NIST), part of the U.S. Department of Commerce, is the federal agency with principal responsibility for investigating. NIST has launched a full technical investigation (details will be available at <u>www.nist.gov/champlain</u>) and assigned a team of scientists and engineers. Agency officials have made clear that they intend for the investigation to be exhaustive, there is no timeline for producing its findings, and it could take years to complete. Separately, the town of Surfside has contracted an engineer to study the collapse; that work has been delayed during a disagreement between Surfside and Miami-Dade County over access to the site.

Does this type of tragedy occur frequently?

No, especially not in existing buildings. While there are isolated examples of building collapses due to structural failure, this is an extremely rare occurrence, particularly in the U.S. Most instances have involved buildings still under construction, including residential buildings in Bridgeport, Conn. (1987), Cocoa Beach, Fla. (1981), Baileys Crossroads, Va. (1973) and Boston, Mass. (1971), and more recently a hotel in New Orleans, La. (2019). Most notable among existing buildings, in 1981 in Kansas City, Mo., walkways collapsed inside the one-year old Hyatt Regency Hotel, killing 114 people. Other examples include a long-neglected hotel in New York City (1973), and a Washington, D.C., theater whose roof collapsed after a record snowfall (1922).

Was this a building codes issue?

No, despite what you may hear. News coverage and public statements have often referred to building codes following the tragedy, raising the question of whether changes need to be made. This appears to reflect a widespread misunderstanding of building codes, which are continuously being revised and adopted, so there is little connection between the current building codes in effect and those that existed when Champlain Towers South was built in 1981. A new edition of the International Building Code (IBC), which provides model language and is developed by ICC, is released every three years; state and local jurisdictions individually adopt codes and regulations appropriate to local conditions.

Was this a property inspection issue?

Not necessarily. Considerable attention has been focused on the fact that the property had been visited regularly by officials in the years before the tower fell. Town inspectors conducted well over 100 inspections at the property in 2018 and 2019, but those visits ensured compliance with permits for upgrades and repairs in individual units, not to review the structure of the building. Miami-Dade County, along with neighboring Broward County, is also home to some of the strictest inspection rules in Florida, requiring building owners to hire engineers to inspect structures every 10 years once they reach 40 years old. The condo board commissioned the 2018 engineering report to comply with this 40-year recertification requirement. While the timeline leading to the collapse will be a subject of investigation, and reporting requirements related to inspections deserve further thought, it's not clear that any blame lies with the inspection process.

Is the situation different for commercial properties?

Yes, generally, as commercial real estate is managed differently. Champlain Towers was a condominium building, which entails a completely different ownership model from commercial buildings or even from residential apartment buildings. Commercial properties tend to have professional staff, allocate budgets for property improvements, have regular inspection programs, and manage strict requirements related to insurers and investors. Condos operate differently and rely on volunteer association boards, often operating without requirements to establish reserve funds for emergency repairs and with total discretion on how to address structural problems once discovered.

Will insurance markets be affected?

Yes, and it's already happening. It's safe to assume that the insurance industry will react to this type of incident, but the insurance market in Florida was already in some turmoil. Concerns of growing threats related to climate change have led some experts to raise fresh questions about the risks of insuring coastal properties. Now, following the collapse in Surfside, not only are local governments quickly considering new inspection plans, but in some instances, insurance companies have sent letters threatening to cut off coverage to older buildings that did not pass mandatory safety inspections. Regardless of the official investigations and policy debates that will follow the collapse, the insurance market will certainly drive much of the change.

WHAT CAN PROPERTIES DO GOING FORWARD?

Perform a complete review of your property's **maintenance and inspections** processes

Review industry best practices, including:

 International Code Council (ICC) — International Property Maintenance Code

 American Society of Civil Engineers (ASCE) — Standard 30-14 (Guideline for Condition Assessment of the Building Envelope), Standard 11-99 (Guideline for Structural Condition Assessment of Existing Buildings), Standard 41-17 (Seismic Evaluation and Retrofit of Existing Buildings)

Stay apprised of **potential policy changes** at the state and local government level and participate in related discussions through your BOMA local association

Revisit your property's **emergency preparedness plans** and update as necessary