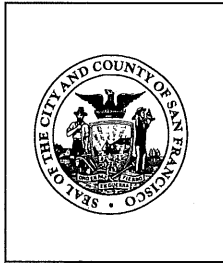


***BIC Meeting of
March 19, 2014***

Agenda Item #11



**BUILDING INSPECTION COMMISSION (BIC)
Department of Building Inspection (DBI)**

REGULAR MEETING

Wednesday, December 18, 2013 at 9:00 a.m.

City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416

Aired Live on SFGTV Channel 78

DRAFT MINUTES

The regular meeting of the Building Inspection Commission was called to order at 9:12 a.m. by President McCarthy.

1. Call to Order and Roll Call – Roll call was taken and a quorum was certified.

COMMISSION MEMBERS PRESENT:

Angus McCarthy, **President**

Frank Lee, **Commissioner**

James McCray, Jr. **Commissioner**

Debra Walker, **Commissioner**

Sonya Harris, **Secretary**

Warren Mar, **Vice-President**

Kevin Clinch, **Commissioner**

Myrna Melgar, **Commissioner**

D.B.I. REPRESENTATIVES:

Tom Hui, **Director**

Edward Sweeney, **Deputy Director, Permit Services**

Dan Lowrey, **Deputy Director, Inspection Services**

Gayle Revels, **Acting Chief Financial Officer**

William Strawn, **Legislative and Public Affairs Manager**

Hema Nekkanti, **IS Project Director**

John Hinchion, **Senior Inspector of Code Enforcement**

CITY ATTORNEY REPRESENTATIVE

John Malamut, **Deputy City Attorney**

2. President's Announcements.

President McCarthy stated that he would skip the President's Announcements since this was going to be a brief meeting.

3. General Public Comment: The BIC will take public comment on matters within the Commission's jurisdiction that are not part of this agenda.

Mr. Henry Karnilowicz stated that his comments were not related to the Building Inspection Commission, but he thought that he would tell a story: Back in 1969, during the dark days of the cold war for seven months he lived in Cape Town. Before going to a new journey across the African continent, across the bay in Cape Town was Robin Island where incarcerated was Nelson

Mandela. Back then no one would have dreamed that he would one day become the first black leader of South Africa. Even after having served twenty-seven years, he did not seek revenge and served only one term. Mr. Karnilowicz asked for one minute of silence on behalf of Nelson Mandela's passing. Mr. Karnilowicz concluded by wishing everyone happy holidays.

President McCarthy said that he and all of the Commissioners wanted to pay condolences to Commissioner Walker and, they were sorry for her family's loss. President McCarthy stated that the meeting would close in honor of Commissioner Walker's father.

4. Director's Report.

a. Update on DBI's finances.

Gayle Revels, Acting Chief Financial Officer, gave an update on DBI's finances and included the following information:

- Revenue is coming in higher than expected, and the Department has received about over 60% of the charges for services for this year.
- Due to the Code cycle this year, a lot of people are trying to get in their projects before the end of December and before the Code cycle and the requirements change, so staff is expecting to see a few more projects come in higher than expected and taper off which happens in the winter months.
- DBI is projecting an increase in revenue for charges of services before the end of the year, and the Department will come in \$9M over what was budgeted for the year.
- It is better to be higher than lower and shows that the projection and things have slowed down, but not as much as expected.
- The Department has not received any revenue for apartment rentals that comes in with property taxes; that comes in next month's report.
- Expenses are a little lower than the 41% of the year and employee salaries is 34%, because there are still vacancies and staff is working on filling them so there is a little bit of savings in salaries.
- Non-Personal Services has a lot of supplies and there are orders for safety related equipment and Code books that have not been paid yet, so it is expected to be closer to 40% once things are paid.
- The Department is working on next year's budget and if the Commissioners have anything that they would like to include, they could either contact staff or Ms. Revels directly.

b. Update on proposed legislation.

Bill Strawn, Legislative and Public Affairs Manager, gave an update on proposed legislation and discussed the following items:

- **Resolution File No. 131068** – Supervisor Jane Kim's Resolution imposing interim zoning controls for a specified area on Market Street and south of Market. There is going to be a one year period of when the building permits are issued in these areas where there may be commercial and office space, but there will be residential also. The Building Department's responsibility will be to issue a notification that residents have a 15-day window for appealing the permit in each of the three languages when it is issued that gives the Planning

Department hotline number to call if this work might displace them. This is a way to help maintain affordable properties.

- Commissioner Walker asked if other areas were discussed, because the Mission is experiencing a lot of displacement too? Mr. Strawn said the legislation is specific to this area and it is kind of a pilot program.
- Commissioner Lee asked about notification: When a property owner applies to do this conversion, does the Planning Department require a notice that someone applied? Mr. Strawn said yes but this legislation is to emphasize the notification period so that people are more aware.
- **Ordinance No. 130119** – Mandatory Seismic Retrofitting of Soft Story buildings. There have been 416 screening forms sent to the Department, 159 have been accepted, 55 have been sent back for re-doing and not accepted. 6 options are approved and 11 permits filed and 7 permits actually issued. November 21st there is going to be a public workshop to educate homeowners, contactors, and professionals about what is required for the new retrofitting program. In the last three months about 900 people have been informed about this new program and how it works. DBI will be partners with the Mayor's Director of Earthquake Safety in a program at the Bill Graham auditorium. DBI is doing a Chinese-language briefing, possibly at the Chinese Cultural Center and will be doing outreach in Spanish as well.
- The new Code cycle begins in January, and the state's Energy Commission voted 4-0 about a week ago to delay enacting a number of energy efficiencies until July 1st.
- The Building Standards Commission is meeting to discuss implementing the new Green Building Code. If it is not passed then S.F. may not have a Green Building Code.
- Commissioner Walker asked if there is no active state Green Building Code if the Chief Building Official could still make a determination? Deputy City Attorney John Malamut said if there is not an actual legislation and Building Code, the Director cannot implement a law that does not exist.

c. Update on Permit Tracking System.

Hema Nekkanti, IS Project Director, gave an update on the Permit Tracking System and addressed the following points:

- Round two of User Acceptance Testing has been in progress for the last three weeks, and they received great feedback from the subject matter experts and as staff finds the bugs they are being fixed.
- The Citizen Advisory Group had hands-on testing yesterday, and staff received excellent comments back from the members who attended and tested.
- There is a long way to go and staff will continue to make changes on the public facing side of the product and make some functionality changes, and the look and feel. They have gotten some good comments and plan to implement them.
- Round three of User Acceptance Testing is scheduled for the third week of January, and following that there is going to be training.
- Vice-President Mar said he attended the training yesterday, so he wanted to thank the staff on both sides. There are benchmarks about when an applicant, designer, or owner can expect a response. The information pops up on the computer screen but if it reflects that the project has been in Planning 4 weeks to 1 year, then how would a customer know when

to start calling or checking up on things. It would be good to have a Planner's name attached to contact that particular person, instead of the department.

- Commissioner Walker said that it has been DBI's desire in working with Planning that they give an estimation of how long it is going to take, and then they are responsible for the follow up. The tracking depends on what information is put in the system, and when new initiatives like the noticing for tenant displacement arise it would be good to track that, then people could determine which projects are displacing people so that there is a proactive response.
- Ms. Nekkanti said that it is staff's responsibility to ensure that the information is actually entered correctly. She will take the BIC's comments back to Planning.
- There is going to be a difference in the existing system and the new system. In the new system every action taken will be recorded so at least customers know that something is happening, which is a way to get a feel for where the project is.
- Noticing in the new system is very flexible, and any type of notice or information can be tracked and recorded geographically, as well as by project, names, and times.

d. Update on major projects.

Director Tom Hui gave an update on major projects and discussed the following information (Including answering commissioner's questions):

- The projects are similar to last month's report, but President McCarthy asked for a comparison from other cities but Bill Strawn is still working on it.
- President McCarthy asked if there was a decrease in the larger projects being filed? The number of projects is stable, but similar to last month and a few more jobs are expected to come in before the end of the year.
- President McCarthy asked when a set of plans is submitted, if stakeholders or applicants would be given a time frame as to when the full plan check can be done with the new Permit Tracking System? Yes it will be approximately two weeks and customers can check on it and get any response within two to three weeks after submittal, depending on the size of the project. Staff is also trying to expedite small jobs.
- Commissioner Walker said it would be good if customers could get an estimated time of how long it would take to review a submitted project, and see if it would take 2 to 3 weeks.
- It can be more difficult with larger projects because unforeseen things can come up, however the smaller projects seem to be efficient and a lot of people get the permits out in a month.
- Small jobs with revisions should not have to go back to Planning, so Director Hui will talk to Director Rahaim about this issue.
- Commissioner Walker suggested having a Joint Meeting with the BIC and Planning Commission, and President McCarthy said he would follow up on this.

e. Update on code enforcement.

Deputy Director of Inspection Services, Dan Lowrey, presented the following BID Performance Measures for November 1, 2013 to November 30, 2013:

- Building Inspections Performed 4060

- Within 48 Hours of request date 4027 99%
- After 48 Hours of request date 33 1%
- Number of Inspector Days 0
- Inspections Per Inspector Day 0

- Complaints Received 263
- Complaint Response in 24 HR 155 59%
- Complaint Response in 72 HR 57 22%
- Complaint Response Over 72 HRS 51 19%
- Complaint No Response 0 0%

- Complaints Received and Abated
 - Within same period 111
 - Complaints Referred to CED 12
 - Complaints with 1st NOV sent 60
 - Complaints with 2nd NOV sent 1
 - Complaints Received and Abated
 - Without NOV for same period 107
 - Abated Complaints with No NOVs 166
 - Abated Complaints with NOVs 26

Chief Housing Inspector Rosemary Bosque was not present at this time so Deputy Director Lowrey gave the statistics for the Housing Division.

- Housing Inspections Performed 742
- Complaints Received 426
- Complaint Response in 24-72 HRs 394
- Complaints with NOVs Sent 131
- Abated Complaints with NOVs 385
- # of Cases Sent to Director’s Hearing 29

Deputy Director Lowrey called on Senior Building Inspector John Hinchion to speak on the Code Enforcement Division. Mr. Hinchion presented the following numbers:

- # of Cases Sent to Director’s Hearing 62
- # of Order of Abatements Issues 18
- # of Cases Under Advisement 7
- # of Cases Abated 159

Secretary Harris called for public comment on item 4, the Director’s Report items a-e.

Mr. Henry Karnilowicz gave condolences to Commissioner Walker for her dad passing. Mr. Karnilowicz said the issue is with Planning these days about trying to get permits approved quickly, particularly when it comes to the site permit where there are no changes to the outside of the property. Once the site permit is approved there is not going to be any changes, so DBI should

be able to sign off on it, based on the Code at that time. The representative from Planning was going to get back to us about allowing DBI to approve those, which they should be but we have not heard any more about it. There is no doubt that Planning is sort of a stumbling block for a lot of folks when it comes to complying with the Notice of Violation, and sometimes customers have to go to a hearing to request a variance. Customers cannot get a response and he had a case recently where he received a response from Planning and they said they would get right on it, which should have been last Friday, but he has not heard a word sense. Mr. Karnilowicz said that he was not complaining about Planning and they have a difficult job because they have to watch the backs of what the neighbors are going to say about what is happening. It is totally understandable, but when something is in the process, they should move it along and if they cannot at least they should let customers know where they are at.

5. Commissioner's Questions and Matters.

- a. **Inquiries to Staff. At this time, Commissioners may make inquiries to staff regarding various documents, policies, practices, and procedures, which are of interest to the Commission.**

Commissioner Walker said many people were kind of shocked about the collapse of the building at 125 Crown Terrace, so she emailed the Director and asked for an update to the Commission. This project has been before the BIC as an informational update a couple of times because of the connection to prior commissioners and the interest of the Commission to make sure that we are doing all possible to enforce our roles. The fact the building collapsed is really disturbing to her and probably the other commissioners too, and to everyone at DBI whose job it is to ensure that it does not happen. Commissioner Walker said that she is requesting that the Commission take this very seriously, fortunately there was no injury but there could easily have been and she totally does not understand how this happened. She would like to know now and then what the plans are for figuring out how this occurred.

Director Tom Hui stated that nobody wanted to have this happen, and when it came to him he was surprised and shocked. First of all this job was reviewed by structural review by the section code chapter one, because it is in the Twin Peaks area and because of the hillside. When he heard the news yesterday he went to the site right away, and the number one concern was to make sure of the safety, to protect the public, and also the adjacent properties. Director Hui said yesterday DBI issued an emergency shoring to hold up the structure and secure it, so there is no further movement and they already completed the work. His plan right now will be to treat this job similar to every other job and the Department wants to be transparent and fair. Director Hui wants the project sponsor to come up with a report to say what happened, what was the cause, what is the action from here on, step by step to issue it. Besides that he wants to have an independent review by the structural committee before there was a team to independently review it, so there needs to be another structural engineer to make sure that it is done right. Director Hui said he wants to make sure from now on that the Department does everything according to the Code. Regarding the inspection part, he wants to make sure that Deputy Director Dan Lowrey will assign a Senior Inspector, Chief Inspector, and District Inspector to look through the job. When Director Hui went to the site he looked at the terrain and the construction and he felt the construction cost needed to be studied a bit further. He will also ask Deputy Director Ed Sweeney with the Technical Services Division (TSD) to make sure that this was charged right and similar to everybody else because maybe compared to other situations since this is a tough area and not like it usually is when

building in other areas. Besides the structural review the Director would like to have Principle Engineer Hanson Tom to work on it and parallel with the peer review, since he conducted the peer review on other jobs before. Also, he would like to consult with the City Attorney every step of the way to make sure it is done right and transparent – Director Hui wants everybody to be treated the same and it does not matter if it is a commissioner or whoever it is and the Department will be fair and everybody is open to see what is going on there. Director Hui said he would give the BIC a report the next time and give more details, and again no one wanted this incident to occur but we need to find out what is going on. He visited the site but right now he cannot go underneath the building because he is also worried about his safety.

President McCarthy thanked Director Hui for the update and said he wanted to weigh in on this too. He visited the site yesterday morning after he got the news and obviously he is thankful that nobody got hurt and it is amazing. The papers even pointed that out today that as a City we can be very grateful that we are not dealing with a complete disaster out there with people hurt and killed, as could have happened if the building had gone down during regular work hours, not to mention if it had gone further into the neighborhood and damaged other homes. Regarding the media coverage DBI has to be cognizant of the fact that the general public is taking this very seriously, and he has not seen so much media coverage on one item for a long time and there is a reason for that. As a Commission they have worked very hard to reinforce to staff, the rank and file and also to the public that everything is done with the utmost integrity and responsibility when the plan checks are done, and obviously he wants to be sure that everyone is on the same page at next month's meeting, and if he has to he is willing to hold a Special Meeting. President McCarthy said that he obviously wants to see a very detailed report on how this happened structurally, and he also wants to see the inspections that happened there. President McCarthy asked Deputy Director Dan Lowrey to come to the podium, and asked if there were a few corrections on the inspection side? Director Hui mentioned something about the permit and he wants to see where the Department is on the cost of the permit.

Deputy Director Lowrey said as far as the inspections the majority of them were not on the building itself, and there were five inspections. President McCarthy asked if the BIC would have the detailed report from the inspectors and the District Inspector who inspected the site. Mr. Lowrey said staff has the special inspections for the reports. President McCarthy said that will be one of the things that is important for him to see, and there was another correction notice written regarding the cost. Mr. Lowrey said there was another correction and Ed Sweeney or one of his staff could talk about that if the BIC would like. One of the staff looked at the plans and they recomputed it and came up with another additional amount using Marshall & Swift. President McCarthy asked if this project went through special plan review? Director Hui said they went through the structural committee review with Frank Rollo and technical engineers, a geologist, structural engineer, a shoring engineer, and an architect.

President McCarthy asked if those types of sites required special attention or if it went through the normal plan check and was a special plan review. Director Hui said yes it was still under plan review, but this job was handled by the Principle Engineer Hanson Tom, to set up the structural peer review also called the S.A.C. President McCarthy asked if this was a dedicated project and not a normal submittal over the counter and if it went through special plan check first. Director Hui said that is correct.

Commissioner's & Staff Question & Answer Discussion:

(There was further discussion of this item and the points are summarized below):

- Request to hear from the plan checker who plan checked the project, especially on the shoring aspect. – Shoring is covered in the peer review group.
- It is difficult to build in San Francisco and DBI has to be able to stand behind the plan checks and whatever permits are issued.
- It is difficult to determine the construction cost of projects at times. The plan is for TSD to visit the site and work closely with them, then compare it to other jobs to see if it is similar.
- There will be continued transparency with this project.
- Online it was noted that there was a correction notice written for the cost, and what was the amount? \$310,000.
- What was the original permit dollar amount? \$300,000 and there were some other permits that were taken out and fees were paid on them but not used.
- The question was asked if the amount of the original permit was half of what it should have been.
- The Commission is concerned and focused on having the process be fair and equitable for everybody regarding permit fees.
- Question asked why was cost being looked at after the house came down the hill? Staff was looking at the cost, and the correction notice was issued a week or two weeks ago for the valuation.
- This was brought to staff's attention based on an anonymous complaint that came into the Department, and staff re-looked at the cost and re-valued the cost of the project using Marshall & Swift.
- Question posed if this house was compared with ten other houses just like it if the cost of the fees would be the same as this one.
- What is the actual construction cost now? Per Marshall & Swift it is \$620,000.

Deputy City Attorney John Malamut stated that the agenda item is Inquiries to Staff, so maybe he could suggest that the Commission request the staff to come back at next month's meeting and report on how the report for the valuation of data for different kinds of projects.

President McCarthy said he totally concurred and that he was trying to spell it out and see if the information could be included in the report at the next meeting.

- One report that was heard is that an emergency demolition would be performed and another is they are working on trying to salvage and save the house.
- What is going to be the plan to save the house and who is going to do the analysis?
- Director Hui said he cannot say if this is an emergency demolition or not until further evaluation is done.
- Important that the report includes all of the Commissioner's questions, so they are trying to define their concerns and what the next steps are.
- A demolition permit was applied for and refused by the Planning Department, so it looks to be like a sideways around a refusal of demolition.
- Vice-President Mar thanked President McCarthy for focusing on the questions for those who are involved or not involved in the construction business. Yesterday he went to a motorcycle shop and the owner asked what happened since he knew he was on the

Commission. This issue needs to be addressed because this makes not only the Department or Commission look bad, but it makes the City look bad so everyone needs to make sure that this project went through the right process, and that the owner was treated the same as any other owner in the same circumstance with the same type of building.

- Commissioner Melgar said she wanted to address DBI's P.R. or Public Relations. After this article came out yesterday, it became the most shared article on Facebook and Twitter. After the Civil Grand Jury Report the BIC has worked really hard to address the issues of nepotism and favoritism and all of the things that have plagued DBI, but one article comes out and it undoes so much work that has gone on to address the public perception and that is too bad. Commissioner Melgar asked for a plan for the press on how to get the information out and how to assure the public.
- There needs to be full transparency in the report that is prepared.
- Director Hui asked the Commissioners to let him know if they had any suggestions on how to deal with this situation to let him know.

Vice-President Mar asked if the BIC could receive a report on some of the problems that the low rent housing high-rises were having with their elevators, particularly in some of the more problem rental buildings, whether they are public or private.

Commissioner Walker asked if there could be an update on the Market Street project.

- b. Future Meetings/Agendas. At this time, the Commission may discuss and take action to set the date of a Special Meeting and/or determine those items that could be placed on the agenda of the next meeting and other future meetings of the Building Inspection Commission.**

Secretary Harris said that the next regularly scheduled meeting would be on January 15, 2014.

Commissioner Lee said he wanted to report that the Nominations Committee would also meet on Thursday, January 9, 2014 at 1:00 p.m. It has come to his attention that the soft story program ordinance also specified that they need to appoint three new members to the Board of Examiners (BOE). The seats are: Tenant Seat, Property Owner, and Structural Engineer. These seats will be discussed along with talking about expired and soon to be expired seats on the Code Advisory Committee, Access Appeals Commission, and the BOE. Commissioner Lee asked if Director Hui could send the secretaries of the three committees to this meeting to discuss things with them.

Vice-President Mar asked if there was special outreach done and if the constituents know that these seats are available.

Secretary Harris said that is what the committee plans to do and as of right now, there is a notice posted on the DBI and the BIC website, and that is the process that the Nomination's Committee is going to be working on is to do the outreach to the different groups that have those types of structural engineers and other qualifications.

Commissioner Walker said that she wanted to include the landlords, tenants and the people from CEOP.

Vice-President Mar said he wanted to make sure that the tenant and landlord outreach is done to groups like the S.F. Apartment Association.

Secretary Harris asked the commissioners to let her know if there were specific other groups that should be added to the e-mail list.

Commissioner Lee said that is one of the reasons why he wanted the secretaries of the committees and boards to meet with them to discuss those outreach strategies.

Secretary Harris called for public comment.

Mr. Henry Karnilowicz said on this issue it is unfortunate what happened, but the BIC should remember that the project went through the peer review. DBI has done a great job with plan checking and also when it comes to fees because a lot of things are issued, and staff is always looking at the cost of the project and they are very tough about it. Mr. Karnilowicz said that he was not sure what happened, but he wanted to try to separate the issue of the plan checkers from what actually happened, since it happened in the field and that is another matter.

6. Review and approval of the minutes of the Special Meeting of September 25, 2013.

Commissioner Walker made a motion, seconded by Commissioner Clinch, that the September 25, 2013 minutes be approved.

Secretary Harris called for public comment and there was none.

The motion carried unanimously.

RESOLUTION NO. BIC 059-13

7. Adjournment.

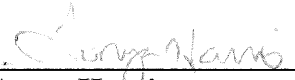
Commissioner Mar made a motion, seconded by Commissioner Melgar, that the meeting be adjourned. The motion carried unanimously.

President McCarthy and Secretary Harris wished everybody happy holidays.

RESOLUTION NO. BIC ???

The meeting was adjourned at 10:20 a.m.

Respectfully submitted,


Sonya Harris
Commission Secretary

SUMMARY OF REQUESTS BY COMMISSIONERS OR FOLLOW UP ITEMS	
Discussion on scheduling Joint Building Inspection Commission & Planning Commission Meeting. – Walker, McCarthy	Page 4
The BIC requested a detailed report and update with questions answered regarding 125 Crown Terrace. – McCarthy, Walker, Hui	Page 8
Requested report regarding problems with low rent housing high-rise elevators. – Mar	Page 9
Update on Market Street project. – Walker	Page 9

