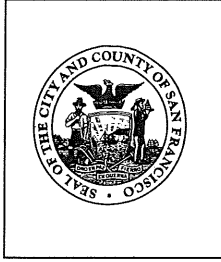


***BIC Meeting of  
April 17, 2013***

***Agenda Item #12***



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

**REGULAR MEETING**

**Wednesday, February 20, 2013 at 10:00 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 10:04 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, excused**  
Myrna Melgar, **Commissioner**

**D.B.I. REPRESENTATIVES:**

Tom Hui, **Acting Director, excused**  
Edward Sweeney, **Acting Deputy Director, Permit Services**  
Pamela Levin, **Deputy Director, Administrative Services**  
William Strawn, **Communications Manager**  
Hemma Nekkanti, **IS Project Director**

**CITY ATTORNEY REPRESENTATIVE**

John Malamut, **Deputy City Attorney**

**2. President's Announcements.**

President McCarthy thanked DBI Acting Director Tom Hui and Carrie Pei for participating in the Mayor's "Giant Sweep Clean-up" on Saturday February 9<sup>th</sup>. President McCarthy thanked in advance for their participation at the DBI booth at the Chinese Festival on February 23<sup>rd</sup> and 24<sup>th</sup>; Joe Chan, Danny Lau, Mira Lee, Tony Grieco, Adora Canotal, Alex Quan, John Yam, Ron Dicks and Bernadette Perez. President McCarthy voiced a special thanks to Vice-President Warren Mar for his upcoming participation at the Chinese Festival and wished Acting Director Tom Hui good luck in his role of judging the floats for that Festival.

President McCarthy issued congratulation to Building Inspector Robbie Power for having his picture on the front page of the February 13<sup>th</sup> *Examiner* even though the article was about the Planning Department's hiring of staff to catch up with their growing project's backlog.

President McCarthy thanked Housing Inspectors James Galvis and Jamie Sanbonmatsu for the enforcement efforts at 308 Third Street that has been getting a lot of headline as a multi unit where the owner has a long neglected building with housing code violations. President McCarthy said that Supervisor Kim issued a press release applauding the efforts to bring this building into code compliance and urging the City Attorney to litigate this especially egregious case of neglect.

President McCarthy thanked Acting Director Tom Hui for providing the Mayor with an update on the actions to extend the permits and to give customers more time to complete projects that have been stalled by the economic recession; at the Mayor's request the Acting Director jointly, with the Planning Director, updated the Mayor and the Board of Supervisors at the end of January on the DBI permit extension program.

President McCarthy reported that things were going well with the search for a permanent Director for the Department and said that he was working with Ted Yamasaki of DHR to put together the kind of qualities the Department is looking for in a Director and to work with the search firm.

There were no Commissioner or public comments on the President's Announcements.

**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. Robert Davis of the Bay View said that he would like to thank Acting Director Tom Hui, Deputy Director Dan Lowrey and DBI staff for the demolition order and the tearing down of the building at the corner of 3<sup>rd</sup> and 4<sup>th</sup> Streets. Mr. Davis stated that this was a long time coming and said that the community really appreciates how great it looks. Mr. Davis asked for an update on the open Notices of Violation (NOVs) and the open director's hearings; there are now 6,000 NOVs and it looks as if someone closed off all of the ones before the year 2000. Mr. Davis commented on the open Director's hearings and said that a group of 15 people, including himself, went to DBI to speak at a Director's hearing on 900 Innes and were told at the last minute that the building owner had just decide to postpone it. Mr. Davis said that there is no notification process for people who want to show up to be heard and said that this group would like to get a little bit of information about the building as there is a long, sort of complicated, history regarding the NOVs and the neglect of this building. Mr. Davis stated that this is a historic building on the shoreline and asked if somebody could look into that situation. Mr. Davis asked for the Commission's support about a special economic zone at the area of 3rd Street between Evans and Williams to get the permit fees waived; he asked what the cost would be to DBI in lost revenue.

**4. Discussion and possible action to appoint Commissioners to serve on the Litigation Sub-Committee.**

President McCarthy said that he, Commissioner Walker and Commissioner Clinch had been serving on this Committee and if there were no objections would like to continue. There were no objections.

There was no public comment on this item.

*President McCarthy made a motion, seconded by Commissioner Walker, that the Litigation Committee continue to be President McCarthy, Commissioner Walker and Commissioner Clinch. The motion carried unanimously.*

**RESOLUTION NO. BIC 007-13**

**5. Discussion and possible action to appoint Commissioners to serve on the Nominations Sub-Committee.**

President McCarthy said that once again, if there is no objection he would like to keep the same appointments on this Sub-Committee. There were no objections and no public comment.

*Commissioner Clinch, made a motion, seconded by Commissioner Walker that Nominations Sub-Committee continue to consist of Commissioners Lee, Melgar and Vice-President Mar. The motion carried unanimously.*

**RESOLUTION NO. BIC 008-13**

**6. Update on Code Enforcement Outreach Program (CEOP) & Single Room Occupancy (SRO) Collaboratives priorities for outreach.**

President McCarthy turned this item over to Commissioner Walker who requested that it be on the agenda.

Commissioner Walker said that she requested an update from Chief Housing Inspector Rosemary Bosque and the SRO Collaboratives regarding this very successful partnership that DBI has engaged in for over a decade. Commissioner Walker stated that there are several community groups who help DBI and its Inspectors in both the Housing and Building Divisions deal with issues in some of the most vulnerable buildings both in the apartment houses and in the SROs in our City. Commissioner Walker said that the goal is to actually bring these units up to code so that they are habitable and so that people can have a nice place to live and call their homes. Commissioner Walker said that DBI has a substantial history of bringing a lot of these violations that everyone hears about either in the BIC meetings or in the Litigation Committee meetings of challenging conditions for people to live in. Commissioner Walker stated that these organizations are owed a thank you for going out and assisting the Housing and Building divisions in making sure that these things are brought up to code. Commissioner Walker said that she asked them to come and talk about the priorities and said that she wanted to make sure that all of the Commissioners are aware of the good work that is happening out there.

Chief Housing Inspector Rosemary Bosque said that she was going to keep her comments short because everyone needed to hear from DBI's contractors. Ms. Bosque said that San Francisco has an aging housing stock and a vulnerable population to keep safe, sanitary and functional so this program has been absolutely crucial for the efforts and the information that is communicated between the groups out there, DBI and other City agencies. Ms. Bosque thanked the Commission for their support of the grab bar legislation and said that the Housing Inspectors are physically going out to the residential hotels and identifying the characteristics of the bathrooms so that the informational manual that was promised will have actual good information. Ms. Bosque

introduced Housing Inspector Jamie Sanbonmatsu and said that he was going to be starting the presentation.

Housing Inspector Jamie Sanbonmatsu said that the Code Enforcement Outreach Program (CEOP) started in 1996 by the BIC in order to bring housing services to San Franciscans living in substandard conditions. Mr. Sanbonmatsu said that over the last 17 years, this program has covered the worst substandard conditions found in the City and has worked together with Housing Inspection Services to abate and alleviate those conditions for the tenants who live there, regardless of race, age, status or language barriers. Mr. Sanbonmatsu stated that the CEOP people provide extensive translation services for critical issues and file complaints for those who are fearful of retaliation and encourages the tenants and landlords to work together in a cooperative manner. Mr. Sanbonmatsu showed a television clip of a property at 308 Turk Street that was featured on the 6:00 p.m. news; this clip showed the deplorable conditions that existing in this apartment building. Mr. Sanbonmatsu spoke briefly about the history of how DBI became involved with CEOP and the SRO Collaboratives and said that SROs are difficult to live in and difficult to manage, but thanks to the collaboratives they remain an important resource for the City. Mr. Sanbonmatsu stated that 245 Leavenworth was another property where there were 423 habitability violations that were corrected due to DBI's actions. Mr. Sanbonmatsu called on some of the people that were present to speak on this issue.

Ms. Sarah Shore, Director of the Housing Rights Committee thanked the Commission for hearing this item. Ms. Shore said that the CEOP program is an extremely important component of the work that is done by her Committee that is funded by the City. Ms. Shore said that tenants will contact HRC with building repair issues that have not been resolved after contacting the landlord and perhaps even writing letters. Ms. Shore stated that HRC helps these people to navigate through the system and will then contact DBI if they need further assistance. Ms. Shore said that HRC will try to deal with the landlord, but will also contact the Apartment Association in some cases to have the landlord comply with Codes and said that this has proved very successful. Ms. Shore said that HRC is able to do follow up calls and send out post cards asking if issues have been resolved so they track the cases thoroughly. Ms. Shore stated that HRC is doing groundwork so that many of these cases do not even come to DBI. Ms. Shore said that HRC and other CEOP programs are able to do so much in the community just to resolve these issues so that DBI Inspectors can spend more time on the essential cases.

Page, a housing rights counselor at Casa Justa in the Mission District said that her organization helps to manage cases better and to insure that there is case resolution; Casa Justa workers working with the clients are connected to the Inspectors and the case managers are bilingual. Page said that this group increases the capacity to work with more Spanish speaking tenants to make sure that they have access to services that they may not have otherwise for fear of a language barrier or due to unfamiliarity with the housing codes in San Francisco. Page introduced two clients that benefited from this partnership so that could share their stories.

Page translated for Ms. Martinez who was speaking Spanish. (Translation) "I am here to talk about how my landlord did not want to repair my water heater. For four weeks I was forced to heat up water on the stove so I called Casa Justa and thankfully my problem got resolved." Page said that when Ms. Martinez came to Casa Justa they helped her write a letter to the landlord who

did not respond so using the CEOP they enlisted the help of the San Francisco Apartment Association and after that her landlord made the repairs.

Page translated for a second Ms. Martinez. (Translation) “I am here for a similar reason as the last speaker. I have been living in my apartment for about ten years and the carpet was damaged and smelly. The apartment was pretty much destroyed. I was advised to go to Casa Justa and with their help an Inspector came to my apartment. After that the landlord changed the carpet, repaired the chipping paint, restored the cabinets that were broken and the conditions are much better now.”

Housing Inspector Jamie Sanbonmatsu said that he wanted to acknowledge people and groups that had come to the hearing today. Mr. Sanbonmatsu mentioned the following: Anita from the Central City Collaborative, Josh Bining from the Mission SRO Collaborative and Charlie Boss from the San Francisco Apartment Association; all of these are very important partners in DBI’s efforts.

Commissioner Walker thanked everyone for the presentation and said that she thought that everyone was sufficiently disturbed by some of the conditions that exist and that the CEOP works with. Commissioner Walker said that she wondered if the City is committing enough funding to these programs and asked what would help in being more proactive in making these conditions better.

Chief Housing Inspector Rosemary Bosque said that one of the things that DBI is looking at is a mental health component to this issue to deal with hoarders and clutterers. Ms. Bosque said that a big chunk of the Housing budget goes to the SRO Collaborative and the CEOP program, but said that the announcement for Housing Inspectors went out on Friday and the Division is down four or five Inspectors so when those are hired more Inspectors could be sent to the north eastern part of the City that traditionally has more habitability issues.

Commissioner Walker asked if there is any program for assisting the building owners in being more proactive on repairs. Commissioner Walker said that perhaps the Department should look into having the City make low interest loans to aid in helping with these Code violations. Chief Housing Inspector Rosemary Bosque, Commissioner Walker and Commissioner Melgar spoke about a program that existed previously called the Code Enforcement Rehabilitation Fund (CERF) and the Community Housing Rehabilitation Program (CHRP) that made money available for small property owners, but said that funds ran out so the program was cancelled. Commissioner Walker said that this is something that should be revisited.

Commissioner Melgar said that CERF by funded by DBI, but the money was distributed by committee action and was dedicated to single family dwellings; people had to file something with the state in order to get the money back from the Board of Equalization and that dried up about three years ago. Commissioner Melgar stated that his was something that would have to be put back in the Code and said that perhaps if money were dedicated to this issue it could include properties other than single family homes. Commissioner Walker said that this was an issue that should be revisited.

Vice-President Mar thanked the partners for coming to the meeting and said that there will be future issues coming up that the CEOP and SRO Collaboratives would be interested in such as the

Mayor talking about moving the HUD housing to “quasi-private”. Vice-President Mar said that the BIC and DBI are always looking at how more can be done for the underrepresented tenants in the City and said that it is important for the partners to come to the Department and the Commission to tell what could be done better.

Deputy Director Pam Levin said that she wanted to speak on the CERF money and said that this money was completely transferred over to the Mayor’s Office of Housing several years ago because DBI was basically acting as an intermediary. Ms. Levin said that the Mayor’s Office had agreements for low income; low interest loans and at some point were doing grants to various people who needed to make improvements on their homes. Ms. Levin stated that the system as it was set up did not work so it was basically stopped as there was no recovery of monies. Commissioner Melgar said that the set up was really inefficient and said that if something similar were to be done again DBI and the BIC would have to think carefully about policy choices and how to set this up before anyone else in the City gets involved. Ms. Levin said that this might be a good use of DBI’s surplus fund balance.

Commissioner Walker said that she was excited about moving this forward. Commissioner Melgar said that perhaps there could be a subcommittee and then include some folks in the community to identify and guide some policy choices.

Commissioner Walker asked that some of DBI ‘s partners stay for the next agenda item concerning a very important priority of seismic retrofit that will affect the tenant community significantly as it deals with older buildings. Commissioner Walker said that these programs are set up to make sure that buildings are safe, habitable and maintained.

President McCarthy thanked everyone for coming to the BIC to discuss this issue and said it was a good conversation. President McCarthy said that good ideas came from this and said that maybe Deputy Director Levin could come back and do a full presentation here before taking it to the next level of committees in order to come up with some guided principles and a method to implement them. President McCarthy called for public comment.

Mr. Robert Davis said that this goes back to the Notice of Violation and to the fact that if the NOV was strongly enforced much of this would not happen. Mr. Davis stated that these kitchens did not fall down in a day and the NOVs were on the books for years. Mr. Davis said that more pressure should be put on the owners; the City should not lend them money; if someone cannot afford to maintain a property, especially where people are living, the property should be sold.

Mr. John Friedberg said that he has been with the Housing Rights Committee and involved as a counselor since the mid ‘80’s. Mr. Friedberg said that he wanted to give a view of what counselors do in CEOP. Mr. Friedberg stated that counselors deal with a wide variety of abilities and understandings of the rules and regulations in the City and when a tenant comes in with a problem such as mold or lack of heat then he helps them to write a letter to the landlord asking for a written reply by a certain date. Mr. Friedberg said that then the owner cannot say that they did not know about a particular problem. Mr. Friedberg said that CEOP escalates the issue if there is no response and brings the problem to the attention of the Apartment Owners Association to complete the circle. Mr. Friedberg stated that CEOP has many tools to help the tenants and to get them empowered.

**7. Discussion and possible action regarding a proposed Ordinance (File No. 130119) amending the Building Code to establish a Mandatory Seismic Retrofit Program for wood-frame buildings of three or more stories and containing five or more dwelling units.**

President McCarthy introduced Mr. Patrick Otellini, Director of Earthquake Safety Implementation Program (ESIP). Mr. Otellini said that this issue is probably the most important public safety issue that will be before the Board of Supervisors this year as is evidenced by the support at the meeting today and the letters received from the AIA, SEAONC and SPUR. Mr. Otellini said that politics is being set aside in order to save these buildings and so that 58,000 San Franciscans will be able to return home after an earthquake. Mr. Otellini said that he would be happy to entertain any questions.

Commissioner Walker spoke about the amount of time that has been spent on this important issue and said that she is in full support of this program and this mechanism and asked Mr. Otellini if he could talk about any kind of movement that will help the building owners with these upgrades in a way that does not negatively affect the affordability and the pass through to tenants. Mr. Otellini said that one of the things that the Commission requested of him was that there be outreach to the tenant community to figure out what their issues are; the property owner and more importantly to outreach to the finance mechanisms to find out if there is an affordable component to pay for this. Mr. Otellini stated that the idea is to create a comprehensive menu of financing options and said that he had engaged several private lenders and said that credit unions and banks have all come forward with the intent to establish their own programs in their own lending institutions. Mr. Otellini said that the banks have agreed to come forward to create the mechanism for people to refinance their property to be able to pull out additional funds for construction and if that is a problem because of the loan to value ratio there is also the availability of doing a secondary equity loan to access funds. Mr. Otellini stated that some of these buildings are considered historic so ESIP is working to access the funds to be able to streamline the process with a public financing component. Mr. Otellini said that this would be similar to the green financing in the City that allows the loans to not only be associated with the individual but with the property; if the property changes hands, the length of the loan stays with the property. Mr. Otellini said that the idea is to give as many options to people as possible and then to have a year to vet these programs before people need to actually access these funds.

Commissioner Lee said that he was very supportive of this legislation and was happy to see that it was a very cohesive piece of legislation that involved a lot of different communities and stakeholders. Commissioner Lee asked how soon letters would be going out to property owners letting them know that they may have to conform to this legislation. Mr. Otellini said that it is anticipated that 3,000 buildings will require the retrofit and said that once the ordinance is signed by the Mayor and passed by the Board of Supervisors it will go into effect 60 days after the Mayor's signature. Mr. Otellini said that it will go out to the pool of property owners and they will have one year to complete a simple screening process; timelines will then begin. Mr. Otellini said that the buildings were determined during the CAPSS program, but said that it is an ongoing process.

Vice-President Mar said that he was concerned about dislocating small businesses and asked if there was any relocation funding. Mr. Otellini said that extensive outreach has been done to the small business community and said that there is a working group formed to address those issues;



there are some 2,000 businesses that operate in these types of structures and displacing them will be a huge inconvenience. Mr. Otellini reported that the work will be mostly limited to the perimeter of the building so almost in no cases are these business going to be forced to shut down; they may have to deal with construction, but the same goes for the residents above. Mr. Otellini said that if the small businesses were to have to close due to collapse from an earthquake many of these small businesses would not be able to return which would be a vital loss to their neighborhoods. Mr. Otellini stated that these businesses and buildings have been put in tier four to give them the longest amount of time to comply.

Commissioner Melgar said that after the last earthquake the City put on the ballot a reinforced masonry building program that had too many details to make it work. Commissioner Melgar asked if there were any funds left over from that program and asked if there was any possibility of accessing those funds for the developers and folks who might have a hard time accessing financing. Mr. Otellini said that this is an issue that has been discussed for several years under the Mayor and the task force, but said it would be required to go before the voters to repurpose that money. Mr. Otellini stated that it is really more complicated than that , but said that it has been explained to him that it has to do with the City's bond capacity and that it would not be as effective as establishing a new bond.

Mr. Otellini said that he wanted to recognize several people who have been involved with this soft-story process for many years and first of all, thanked President McCarthy for his contribution. Mr. Otellini thanked Mr. Laurence Kornfield in particular and said that this effort would not have moved forward without Mr. Kornfield's contributions. Mr. Otellini stated that there were others present who would speak in public comment.

President McCarthy called for public comment.

Mr. Henry Karnilowicz said that he is President of the Small Property Owners of San Francisco and of the District Merchants. Mr. Karnilowicz said that he definitely supports this issue because if this work is not done a lot of these small businesses will go out of business. Mr. Karnilowicz stated that the cost of severe damage to the buildings would be more costly than to retrofit.

Mr. John Paxton said that he is a residential tenant and strongly encouraged the Commission to support this initiative. Mr. Paxton stated that he is very active with SPUR and was honored to be co-chair of the CAPSS Public Advisory Committee. Mr. Paxton said that the first job of CAPSS was to assess the vulnerability of buildings in San Francisco to see what buildings were most likely to be at risk. Mr. Paxton spoke of the work of the CAPSS program and about some of the controversy, but said that in the end when the final CAPSS project was done and the final reports were presented in 2010 there was unanimous support for the program from all of the diverse groups involved. Mr. Paxton said that it was actually four years ago this day that the soft-story program was presented to the BIC and said that now it has evolved into the ESIP, a 30-year program. Mr. Paxton said that the soft-story issue is going to be the easiest and cheapest of the problems to solve and said that he looked forward to the support of the Commission on other efforts that will be coming forward.

Ms. Sarah Short of the Housing Rights Commission said that this ordinance needed to happen many yesterdays ago and said that tenants are anxious for the buildings they are living in to be

safe. Ms. Short explained that while the HRC is in favor of this ordinance there are some concerns that property owners will be able to pass the cost of this repair onto the tenants at the cost of approximately \$100 per month. Ms. Short stated that in this area where it is difficult to find affordable rentals the HRC would be working with Mr. Otellini and the ESIP to find some other solution other than having the tenants pay for the retrofits.

Mr. Chris Poland introduced himself as a structural engineer, a member of the SPUR Board of Directors and Chairman of the SPUR Resilient City Initiative. Mr. Poland spoke in favor of this mandatory seismic program and said that SPUR established and published a plan for what San Francisco needs to do to prepare for the next great earthquake; the Plan provides the next activities and retrofitting of the most vulnerable buildings and protects the occupants and supports the recovery needed for the City's neighborhoods to be secure. Mr. Poland said that most importantly this would support the shelter needs of the people who live in these neighborhoods so they can be fully restored in 30 to 60 days as this is important for the City's recovery. Mr. Poland said that people need to be in their homes, the kids need to be in their schools, the neighborhoods need to be restored and local businesses need to be operating. Mr. Poland stated that half of the City's residential units do not meet this goal and said that those buildings house nearly 60,000 people and 2,000 businesses; all small businesses that are subject to the retrofit program. Mr. Poland said that it is important that people be able to live in San Francisco after an earthquake as most times when people have to live elsewhere for even a short period of time they are not able to move back to San Francisco and small businesses fail. Mr. Poland said that personally and on behalf of SPUR he was urging the Commission to support this legislation.

Mr. Reuben Hechanova, former BIC Commissioner, said that he has been a resident of San Francisco for 30 years and strongly supports action of this mandatory retrofit. Mr. Hechanova spoke about the need to take action as soon as possible because no one knows when the next earthquake is going to happen. Mr. Hechanova said that an earthquake would devastate the neighborhoods and the economic recovery if people were not able to live in the neighborhoods after a disaster. Mr. Hechanova stated that this action will basically take the responsible role to take the safety, health and welfare of the City's residents and help to make this an even greater City by having the economic, social and cultural recovery that is so important along with this mandatory retrofit.

Mr. Ned Fennie, Chairman of the Code Advisory Committee said that obviously the CAC supports this and said that a letter had been sent to the BIC to that effect. Mr. Fennie stated that the reason this ordinance is on the fast track is because it was a collaborative effort by everybody that looked at this and said that he would continue to praise Mr. Laurence Kornfield for his work over the years on the CAPSS issues. Mr. Fennie said that this is a work in progress because even for the engineers working on this it is "fuzzy" engineering; the engineers are being asked to do almost the right thing on the worst part of these buildings. Mr. Fennie said that this is new territory and said that the CAC will continue to work on this in the coming months as it is an ongoing process. Mr. Fennie said that two other people he wanted to mention were Steve Harris of SEONC and David Bonowitz who helped to move this issue forward. Mr. Fennie said that San Francisco would be an example for a lot of areas in the State and in the country.

Mr. George Orbelian said that he is a long time property owner and native San Francisco and said that he wanted to pledge his support for this effort. Mr. Orbelian said that this is something that

makes him proud to live in San Francisco as San Francisco is a special place where great ideas and solutions have a chance to come forth and work. Mr. Orbelian stated that when the policy is clear the building owners in this City have a chance to act to do the responsible thing and protect not only their investment, but also the City. Mr. Orbelian thanked the BIC for their support on this issue.

There was no further public comment.

***Commissioner Walker made a motion, seconded by Commissioner Lee, that the Commission support this ordinance.***

President McCarthy said that he was honored and privileged to be a part of some sort of solution for the future and said that he recently heard Mayor Lee saying that after being involved in the New Orleans disaster he had come away with a very strong resolution that if he could do anything in San Francisco to be prepared for any difficult days that would be coming he was going to do everything in his power. President McCarthy said that along with the Mayor's support he was grateful to have the BIC on board as well; Commissioners have strong ties into the different communities and need to get the people's support. President McCarthy stated that everyone was not going to be happy with every aspect of this retrofit, but the Commission has to do the right thing for the City. President McCarthy said that the BIC looks forward to working with Pat (Otellini) and Micca, Pat's second hand man, to get the necessary support to make this happen. President McCarthy once again thanked Laurence Kornfield and everyone that was involved with this solution. President McCarthy said that he would also second Commissioner Walker's motion.

***The motion carried unanimously.***

## **RESOLUTION NO. BIC 009-13**

### **8. Director's Report.**

#### **a. Update on DBI's finances.**

Deputy Director Pamela Levin gave a report on the finances of the Department and hit the following highlights:

- Revenues greater than this time last year by 22%
- Issued permits continue to come in at 9% more than previous year
- Valuation continues to grow in terms of issued permits by 52%
- First installment of apartment hotel license revenues came in as expected in December
- Second installment will come in April
- Only 58% of the year has passed
- DBI continues to under spend in salaries and fringes
- DBI is still trying to staff up
- Eight of nine new hires are clerks who are sprinkled throughout the Department
- Promoted two clerks from temporary status to permanent
- Two Prop F people have been hired; one for inspections and one for the permit bureau
- Job Announcement has been issued for the Housing Inspectors
- Interviews are being conducted for the Electrical Inspector's list

- Interviews in March for Building Inspectors
- Continuing to work on hiring for IT positions, Senior Electrical Inspectors and Permit Technicians
- Bills are coming in from other Departments for work orders
- City Attorney's services have come in less than expected
- Budget process is coming up and budget is being submitted Friday
- Working on waiver for HACTO - the Healthy Climate Transportation Ordinance with the Department of the Environment (Explaining to them what DBI need in order to be able to do business)
- Working on getting cars for the Department; looking into electric cars, but there is the issue of charging stations
- Working on Financial policies with the Controller's Office
- Working with Controller's Office regarding reserve policies
- Seeking ways to utilize the fund balance

Vice-President Mar asked if the City was up to date in terms of testing for the Electrical and Building Inspectors and if DBI had lists to hire from. Ms. Levin said that the process took a lot longer than expected because DBI had not filled positions in so many years and did not have good job descriptions and specifications. Ms. Levin stated that the Department has been working with DHR and are now ready to put together the list for Electrical Inspectors and will soon be able to do the same for the Building Inspectors.

**b. Update on proposed legislation.**

Mr. Bill Strawn with Legislative and public affairs said that the Commission had heard about the most significant piece of legislation with the mandatory retrofit and said that nobody has a clear idea on exactly how long the process may take. Mr. Strawn said that the legislation is on the Land-Use 30 day calendar and said that Supervisor Weiner is the Chair of the Land-Use Committee and a sponsor of this legislation so it could go through quite quickly in terms of Board of Supervisor passage. Mr. Strawn said that with notification and the writing of two more Administrative Bulletins that will spell out the procedures to what property owners will have to do in order to comply and meet the building performance standards it could have an 18 month window.

Mr. Strawn reported that the Board unanimously approved the permit extension legislation that the BIC introduced and the Mayor signed that. Mr. Strawn said that this legislation was to take legal effect on March 8<sup>th</sup>. Mr. Strawn stated that Planning staff had recommended doubling the entitlement period from three years to six years, but the Planning Commission has yet to act.

Mr. Strawn said that the other item he wanted to mention was on HACTO, the healthy air, clean, vehicles process and said that as Pamela had mentioned DBI is seeking a waiver. Mr. Strawn stated that the legislation contains language that enables the Department in order to fulfill its duties to be granted a waiver; it has taken the Department of the Environment time to establish a process and they have done so. Mr. Strawn said that a decision will be made by the 15<sup>th</sup> of March and said that DBI was hopeful based on the conversations that have been going on. Mr. Strawn said that as the economy continues to recover and DBI keeps hiring new Inspectors, at the moment the Department is 22 vehicles short for the total number of Inspectors that are coming on to do the work. Mr. Strawn asked for any questions from the Commission; there were none.

**c. Update on Permit Tracking System.**

Ms. Hemma Nekkanti, I.S. Project Director of DBI said that several parallel efforts are in progress on the permit tracking system; the system Interfaces are being developed, the data conversion mapping is happening, the scripting and configuration changes and the test case scenarios are being developed. Ms. Nekkanti said that the citizen advisory group meeting occurred on January 30<sup>th</sup> and there was some very positive feedback. Ms. Nekkanti reported that a second meeting is scheduled in March and said that there is also a large stake holders meeting that is being planned and is open to citizens who wish to see the presentation and participate in the services that DBI has planned. Ms. Nekkanti said that this meeting is scheduled for the second week of March. Ms. Nekkanti state that the Inspectors are reviewing the mobile devices and the software is also being reviewed and scheduled for kick off in March. Ms. Nekkanti asked for any questions; there were none. President McCarthy said he was looking forward to the report in March.

**d. Update on major projects.**

Deputy Director Edward Sweeney said that there were 56 projects outlined in the packet that was given to the Commissioners that are considered major projects; the criteria being any project over \$2.5M. Mr. Sweeney said that it was obvious that construction was quite robust in San Francisco and stated that there were of \$3B in proposed projects that are currently under review by DBI; the Department hopes to have those out in the next four to six months. Mr. Sweeney gave a report on the following projects and their progress:

- Pier 27, Cruise Terminal
- Transbay, high-speed transit center
- Central Subway, Pagoda Theater
- 401 Townsend, 48 stories
- 45 Lansing, 39 stories
- 8 Washington
- 38- 8<sup>th</sup> Street, 19 stories
- 51 Third Street, MoMa with a world-class designer from Scandinavia
- 718 Longbridge, 16 stories
- 1420 Mission, 15 stories
- 1355 Market Street, tenant improvement for Dolby Sound

Mr. Sweeney said that there has been a lot in the newspaper about 26 tower cranes and said that in his estimation it will be at least 20 tower cranes due to the list above. President McCarthy asked if Mr. Sweeney was feeling confident that the Department was getting what it needed to process these permits. Mr. Sweeney said that Acting Director Tom Hui foresaw this and said that the first wave of new employees that were hired was engineers; five were hired and the Department has requested two more. Mr. Sweeney stated that for Building Inspectors, which the Department has not hired for four, or five years, the list is there and it is down to the final interview process so they should be on board in the next two months. Mr. Sweeney reported that the Department has Electrical Inspectors and Plumbing Inspectors and they are going to be doing more and more as the plan check process continues. Mr. Sweeney stated that to answer President McCarthy's question he believed that DBI has enough people in house right now or are ready to hire them so everything

should be okay.

President McCarthy asked how the actual plan check was doing and what was the time frame with working with other departments to get these plans out in a reasonable time. Deputy Director Sweeney said that the expectancy time for the project depends on the size of the project and said that there is no rule; it just depends on what is there. Mr. Sweeney stated that DBI is still trying for 90% over-the-counter on the fifth floor and said that is doing well; it is a little slow right now, but it is because of the time of year. Mr. Sweeney said that there were still 110 permits out the door yesterday and over-the-counter services and that is not counting the electrical and plumbing permits. Mr. Sweeney said that this should pick up to 140 – 150 at the peak in the summer time. Mr. Sweeney stated that as far as in-take, the Department seems to be taking just a couple of weeks to get it assigned and then depending on the job size and complexity, it can be back out anywhere within six weeks to six months.

Secretary Harris asked for public comment on the any items on the Director's Report. There were none.

**9. 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.**
- 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.**

Commissioner Melgar requested a future agenda item regarding staff to come back with a real report on what the budget would look like to increase DBI's automobile fleet purchasing electric cars. Commissioner Melgar said that since the last meeting she looked into this a little bit and said that there are all kinds of incentives right now by the federal government as they bailed out the auto industry; there is 0% financing for electric vehicles and there are states and federal incentives for their purchase. Commissioner Melgar said that rather than being in the position of having to request waivers from the Department of the Environment for just maintaining the level of vehicles that is not even adequate for DBI's Inspector core, some progress could be made on this and it would be a good use of DBI's surplus funds. Commissioner Melgar asked for a report that dealt with adding to DBI's vehicle fleet, replacing vehicles that are obsolete and adding in the cost of electric stations to power the electric cars.

Commissioner Lee said that it was his understanding that the mandatory seismic retrofit program is going to assign the task of writing the letter and composing the survey to the property owners to DBI. Commissioner Lee asked if could see a copy of the letter in the survey at some point to see how the Department is communicating with these property owners.

Commissioner Lee asked what the Department's policy was on requests for continuance and postponement of hearings. Commissioner Lee asked if these were accepted up to a certain point or if they can come in at the last minute. Commissioner Lee asked how the Department notifies people that interest in the topic that there has been a request for a postponement. Commissioner

Lee asked for this to be a future agenda item.

Vice-President Mar said that he would like a report from staff on DBI's MOU with HUD. Vice-President Mar stated that he understood that most of the complaints are advisory and wants to know if there is any follow-up by DBI to make sure that the complaints have been fixed. Vice-President Mar said that the Mayor is going to be making changes to HUD and said that these changes might cause additional work for DBI so he wanted to be prepared for DBI and for the community.

Commissioner Walker asked for an agenda item updating the status of the Notice of Violations and the notice process. Commissioner Walker also asked for a staff report regarding the funding issues regarding code enforcement and some recommended moves forward on that. President McCarthy clarified that these would be two separate items and that these items might not necessarily be ready for the next meeting. Commissioner Walker agreed.

President McCarthy said that the next BIC meeting was scheduled for March 20<sup>th</sup> and said that he would not be able to attend and asked that the March meeting date be changed. Commissioner Walker stated that she has a real problem with moving the regular meeting date. Secretary Harris informed the Commissioners that the election of officers was scheduled to be held at this March 20<sup>th</sup> meeting and it is important to have all Commissioners present. Upon the advice of Deputy City Attorney John Malamut it was decided that Vice-President Mar would chair the March meeting and the election of officers would be held at the April meeting. Vice-President Mar asked that there be just one case for the Abatement Appeals Hearing at the next meeting as the agenda seems to be a full one. Secretary Harris said that she would check with Code Enforcement and Housing and get back to Vice-President Mar.

There was no public comment on these items.

**10. Discussion and possible action regarding ongoing litigation.**  
**a. Public comment on all matters pertaining to the Closed Session.**

There was no public comment.

**b. Vote on whether to hold Closed Session with legal counsel. (San Francisco Administrative Code Section 67.10).**

*Commissioner Lee made a motion, seconded by President McCarthy to go into Closed Session. The motion carried unanimously.*

**RESOLUTION NO. BIC 010-13**

The Commission went into closed session at 11:54 a.m.

**c. CLOSED SESSION: Conference With Legal Counsel. Pursuant to Government Code Section 54956.9 and San Francisco Administrative Code Section 67.10(d).**

**Existing Litigation: Rosemary Bosque v. City and County of San Francisco, San Francisco Superior Court No. 10-499909.**

**d. Reconvene in Open Session to vote on whether to disclose any or all discussions held in the**

Closed Session. (San Francisco Administrative Code Section 67.10(d).)

*Commissioner Walker made a motion, seconded by Commissioner Lee that the Commission reconvene in Open Session and not to disclose any discussions held in Closed Session. The motion carried unanimously.*

The time was 12:07 p.m.

RESOLUTION NO. BIC 011-13

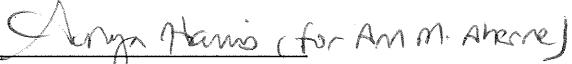
11. Adjournment.

*Vice-President Mar made a motion, seconded by Commissioner Walker, that the meeting be adjourned. The motion carried unanimously.*

RESOLUTION NO. BIC 012-13

The meeting was adjourned at 12:10 p.m.

Respectfully submitted,

  
Ann Aherne  
Commission Secretary (Retired)

| <b>SUMMARY OF REQUESTS BY COMMISSIONERS OR FOLLOW UP ITEMS</b>                                                         |             |
|------------------------------------------------------------------------------------------------------------------------|-------------|
| Report regarding use of DBI surplus funds for low interest loans for property repair. – Commissioners Walker & Melgar  | Pages 5-6   |
| Report on cost to increase DBI's automobile fleet including electric cars and charging stations. – Commissioner Melgar | Page 13     |
| Copy of DBI's letter to owners regarding the mandatory retrofit program. – Commissioner Lee                            | Page 13     |
| Update on policy regarding requests for continuance or postponement for hearings. – Commissioner Lee                   | Pages 13-14 |



|                                                                             |         |
|-----------------------------------------------------------------------------|---------|
| Update on DBI's MOU with HUD and follow-up procedures. – Vice-President Mar | Page 14 |
| Update on NOVs and the notice process. – Commissioner Walker                | Page 14 |
| Report on funding issues for Code Enforcement. – Commissioner Walker        | Page 14 |