BOARD of SUPERVISORS



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MEMORANDUM

TO: Patrick O'Riordan, Interim Director, Department of Building Inspection

FROM: John Carroll, Assistant Clerk, Government Audit and Oversight Committee,

Board of Supervisors

DATE: October 25, 2021

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Government Audit and Oversight Committee has received the following hearing request, introduced by Supervisor Peskin on October 19, 2021:

File No. 211121

Hearing to receive testimony on the allegations of preferential enforcement actions and related issues detailed in two Mission Loc@l articles, dated October 17, 2021 and October 18, 2021, pursuant to the Board of Supervisors' unlimited power of inquiry; and requesting the Director of the Department of Building Inspection to report.

If you have any comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.



GOVERNMENT

'I'd have done things differently:' District inspectors say DBI director Patrick O'Riordan kept them off connected builders' sites





he president of the Fire Commission is, to the best of our knowledge, not given deference by firefighters to light buildings ablaze. The police do not allow the president of the Police Commission a complimentary number of free crimes. But for the president of the commission overseeing the Department of Building Inspection — well, <u>life is different</u>.

So, when asked how the Department of Building Inspection didn't notice its powerful, longtime former commission president Mel Murphy erecting a five-story, 11-unit structure at 3418 26th St., a literal stone's throw from the major intersection of Mission and 26th streets — all without the benefit of permitting or inspections — the former building inspector for the district says that, actually, *it did*.

It just didn't want to.



"I do remember this job. I did report it to Patrick O'Riordan. Numerous times," recalls longtime inspector Christopher Schroeder. From his city vehicle, he noticed the foundation going in, the first floor, the second floor and, over the course of months, the fifth floor and roof. He maintains that he reported this, repeatedly, to his immediate supervisor, O'Riordan, then a senior building inspector, later chief building inspector, and now the interim head of the department — and an aspirant for the permanent job.

"I reported that to my immediate supervisor, Patrick, and I can't remember *exactly* what he said — but he said, 'don't take any action right now,'" continues Schroeder.

But in January, 2013, sitting idly by was suddenly no longer an option, not after the *Chronicle* began calling about the five-story building being erected by the former head of the Building Inspection Commission with hardly anything in the way of permitting or inspections. Those calls were made on Jan. 2, 2013. A slew of permits were belatedly paid for and approved on Jan. 3, by which point the structure was already five floors high. On Jan. 4, O'Riordan himself wrote a stop-work order.

"It's unfortunate that nobody brought this to our attention before you did," a department spokesman told the *Chronicle* at the time.

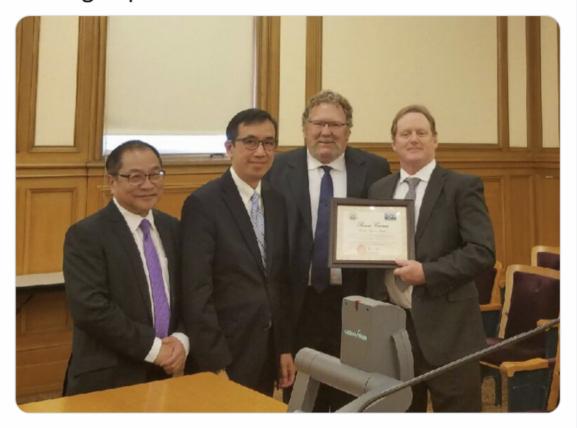
Schroeder wasn't being made available to the media then. But we're speaking to him now. Because it's unusual for a senior inspector like O'Riordan to bigfoot his district inspectors and personally oversee sites. In recent months O'Riordan has <u>decried</u> <u>accused federal criminal Bernie Curran traveling out of his district to do the</u> same.



Schroeder says he was told to stay away from Murphy's project for months — and, after a splashy newspaper story forced the building department to tardily step in, records show he continued to stay away. Curran, however, was on site here, performing inspections. *Amazing* inspections, it would turn out.



Congratulations to our Employee of the Quarter Senior Building Inspector Bernie Curran!



11:00 AM · Apr 20, 2016 · TweetDeck

Upon being named Department of Building Inspection employee of the quarter in April, 2016, senior inspector Bernie Curran said "It is a pleasure and privilege to serve the people of San Francisco on a daily basis."

When asked how O'Riordan learned of the goings on at 3418 26th St., a department spokesman says that an anonymous telephone complaint was made on Jan. 4, 2013 — which is days after the *Chron* started asking questions, inducing a frantic cavalcade of permit approvals. And it was months and months after Schroeder says he repeatedly told his boss what was up. It also doesn't explain why O'Riordan was the one doing the work of a district inspector, or what the disgraced Curran was doing on site at all.

So, there's a lot going on here that remains unexplained. But, all these years later, and with the Department of Building Inspection at the crossroads it's at, this site explains a lot.

It's an instance in which a district inspector says O'Riordan stepped in to prevent him from keeping an influential, connected builder from being held accountable and following the building codes others are expected to follow.

And it's not the only one.



Google Street View images of 3418 26th St. in 2011, left, and in 2014. While district inspector Christopher Schroeder says he repeatedly informed his superior, Patrick O'Riordan, of the unpermitted, uninspected construction of this building, the Department of Building Inspection says it only found out via an anonymous call coming after the structure was largely complete.

he janky, archaic, and easy-to-manipulate computer system the
Department of Building Inspection has clung to for the past couple of decades
has allowed for some surreal goings-on at the always-surreal DBI. So,
that's bad. But, on the plus side, it did lead us to Schroeder.

That's because, despite his claims that he was barred from inspecting and taking action on this massive, overt scofflaw site in his district, his name is de-facto attached to the files as the district inspector. On a recent trip to DBI headquarters to search for documents, official after official shrugged his or her shoulders, pointed at the name

"Schroeder" on our file, and said "why don't you talk to *that* guy?" So we did; the Department kindly facilitated the interview.

The problem, in Schroeder's view, isn't just that he was kept from doing his job. It's that when the Department of Building Inspection finally intervened here, it continued to treat Murphy with kid gloves.

"With all due respect," Schroeder says, "I'd have done things differently."

To start with, he'd have put in a stop-work order when this was still just a hole in the ground, not a five-story structure. With this no longer possible, he'd have called for inspections on every story of this building; he'd have wanted to see walls and foundations opened up and analyzed; he may have even opted for ground-penetrating radar. These are the sorts of tests O'Riordan in 2021 said <u>may be necessary on the massive 2867 San Bruno site signed off by Curran with a dearth of recorded inspections</u>. But O'Riordan didn't call for them here.

There are, in fact, no recorded foundation inspections on this site. None. And the rough framing inspection was conducted by Curran in June, 2013, by which time the building was already five stories. "Rough framing," incidentally, is a building's wooden exoskeleton and endoskeleton. So, unless Curran had X-ray vision, it's unclear how he'd do this inspection in June, 2013, on a largely completed five-story structure, especially on the exterior fire walls, which are flush with the neighboring building.



Interim Department of Building Inspection head



ur questions about this to the department received the following response:

The engineering report, once reviewed by DBI, would constitute compliance with inspection requirements and give an inspector the authority to approve the foundation work and conduct inspections on subsequent addendum.

Dan Lowery approved the foundation work, thus giving Curran the authority to conduct inspections on the rough

framing.

Attached is the Supplemental Inspection Record signed by Dan Lowery, then the Building Chief for DBI. The second page reads "3/18/13 Foundation Complete and Special Inspection Cleared For Foundation Work."

So, that doesn't really answer the questions. But it does highlight the earlier point that Murphy was treated with kid gloves. Here's why:

The engineering report, in fact, was the document we were hoping to locate on that recent trip to the Department of Building Inspection. Nobody could find it on that day but, eventually, the department did track it down. It's a very lengthy report, and one that was mandated in a Notice of Violation penned by O'Riordan on Jan. 14, 2013.

But, here's the thing: It appears that, rather than bringing in jackhammers or ground-penetrating radar, this engineering report is being used in lieu of actual inspections of the foundation — the foundation underpinning a five-story, 11-unit building.

Also, this report was penned by **Rodrigo Santos**.

Santos, like Curran, is now an accused federal criminal; the two are charged with setting up a permits-for-donation bribery scheme. He was earlier accused of stealing hundreds of thousands of dollars of his clients' money via check fraud. Engineering-wise, he has been charged by the City Attorney with out-and-out forgery regarding dangerous, unwarranted excavations. Finally, another development of Murphy's for which Santos served as engineer would tumble down the side of Twin Peaks on a pristine rain- and wind-free day, just 10 months after he handed in this report.

An engineer's report of this sort is mandatory for every project; in fact, the conditions imposed by O'Riordan's Notice of Violation all appear to be things Murphy should've done anyway. But an engineer's report is not a substitute for a DBI inspection, let

alone an inspection of a foundation, even when the engineer is not an accused federal

criminal and is not known for reckless, shoddy work.

As for the "Supplemental Inspection Record" signed by Lowery, it does nothing to

alter the fact the foundation, and five stories above it, were built by January, while he

signed off in March. And, again, there were no foundation inspections on the site.

What's more, the mandatory third-party special inspections of the foundation Lowery

describes as completed in March aren't recorded as being completed until July.

If you're confused: Don't worry. This is confusing. It's a lot more confusing than the

Schroeder solution of open it up and show me what you got. And a lot less reassuring.

But that standard wasn't applied here.

Once again, it might be worth comparing the treatment Murphy received with that of

Dennis Richards, the former Planning Commissioner, who, in 2019, had nine

permits revoked on his 22nd Street property on the very day that notices of violation

were issued.

During a sworn deposition in Richards' subsequent lawsuit, O'Riordan described

Schroeder as "honest." He also described him as "even-handed" and someone who

never "showed favoritism to anyone above anyone else."

But maybe that was the problem. He'd have "done things differently." And Schroeder,

notably, was never dispatched to Mel Murphy's site.

Coming tomorrow: Part II

Want more reporting that keeps an eye out on public institutions? Support Mission Local

<u>today.</u>



JOE ESKENAZI

Joe was born in San Francisco, raised in the Bay Area, and attended U.C. Berkeley. He never left. "Your humble narrator" was a writer and columnist for SF Weekly from 2007 to 2015, and a senior... More by Joe Eskenazi



C.F.

October 17, 2021 at 9:32 am

Excellent column Joe. It's time for all the crooks to be swept out of DBI.



phays

October 17, 2021 at 11:38 am

Around 2001 Mel Murphy also built a structure at 1025 Hampshire street that exceeded the allowed number of units zoned, sneaking in an extra unit that was subsequently discovered. I'm curious how that slipped past the inspectors at the time. The information available online regarding the building is laughably incomplete and the mandated removal/merger of the unit has been stalled for years.



Jerry

October 17, 2021 at 1:40 pm

I assume libertarians believe none of these inspections are needed, if a building falls down, the free market will punish the builder by not purchasing their constructions in the future, or pricing them so low as to accommodate the risk of their collapse.

And they yimbys probably regret the lack of inspection while hailing Murphy's initiative and the implicit acknowledgement of O'Riordan of ridiculous "paperwork" requirements

If it wasn't for meddlesome reporters at the Chronicle...



Mark

October 17, 2021 at 10:46 pm

I was friends with someone involved with permit expediting. One Saturday while we were out, he said he had to drop off a "bag of money" to a city employee for his client, saying this city is so corrupt and this is what you need to do to get things done.



Juan Doe

The audacity to build an 11 unit building without a permit is unbelievable – and in the Mission no less!!! Where was MEDA & Calle 24 on this one?



KimC

October 18, 2021 at 2:05 pm

Good job, Joe. SF government is a hot mess. Yet despite all the uncovering of corruption in the past couple of years, the citizen outcry is....*crickets*.... No protests, no outcry, nothing. We must rely on more great reporting, more Federal / outside investigations, more dishonest employees and cohorts going to jail.



San Fransickened

October 18, 2021 at 6:30 pm

So, were third party "Special Inspections" ever conducted to verify the strength of the concrete? What other shortcuts were taken by those "connected with DBI officials" that "regular" San Franciscans are required to do? What about fees they have skirted around? It sounds to me that the gangsters at SFDBI seem to feel they can act with impunity and frankly the lack of action and response by The Ethics Commission and the City Attorney seems to indicate they can do just that. Act without fear of ramifications or consequences. They question that comes to me is...Why would they do thi\$?

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GOVERNMENT

'I feel like I was preyed upon:' District inspectors say DBI director Patrick O'Riordan kept them off connected builders' sites — Part II





Illustration by Molly Oleson

See Part I here

efore his recent retirement, Norman Gutierrez was perhaps the Department of Building Inspection's longest-serving employee. He was hired in 1987 and worked there for 34 years. As such, you see his name festooned upon many, many jobs.

Even the ones he did not do.



<u>You'll recall</u> the department's <u>janky, archaic, and easy-to-manipulate computer</u> <u>system</u>. Among its many shortcomings, inspection reports can be altered post-facto, or assigned to people who did not perform them. And, remember, the district inspector's name remains tied to the file.

So, <u>on the publicly accessible reports</u> for 700 Valencia St., a five-story building with residences over a ground-floor restaurant, Gutierrez is listed as performing three of the four final inspections in 2009, and then issuing a Certificate of Final Completion in 2012. But on the Department of Building Inspection's internal system, which is not readily accessible to the public, these jobs are listed as "inspected by senior building inspector Patrick O'Riordan."

Then a senior building inspector, O'Riordan was later chief building inspector, and is now the interim head of the department following **Tom Hui's ouster in 2020.**O'Riordan is an aspirant for the permanent job.

When asked about what happened at 700 Valencia St., a DBI spokesman replied:

"The project contractor has said they contacted Gutierrez to conduct a site visit to discuss the project with the new district inspector assigned to the area. Not receiving a response, the owner escalated his request to the senior inspector for the district, O'Riordan, who spoke with the owner and subsequently determined the project was sufficiently complicated that he needed to conduct a site visit. In November 2009, O'Riordan conducted the inspections himself and, on 3/29/12, issued the CFC [Certificate of Final Completion]. Having the senior inspector step in is standard protocol when there's an issue at a property or a member of the public complains about an inspector."

When read this answer, Gutierrez chuckled. "Ah, no," he said dryly. "There's a fallacy in that."

Gutierrez seemed amused at the notion that O'Riordan deemed this project "sufficiently complicated" that Gutierrez could not handle it: "I have *much* more experience than Patrick O'Riordan," said Gutierrez, who earned a master's degree in architecture from University of California, Berkeley. "I have more education than Patrick O'Riordan. I have been in all of our divisions. And he has not been in the department for as long as I was."

The situation, in Gutierrez's recollection, wasn't so complicated: He was taken off this job because he was applying the code impartially and inconveniencing a

connected builder. The end. O'Riordan, Gutierrez says, called him into the office of then-Deputy Director Ed Sweeney to "badger me" regarding this project. And then he never went back.

"Senior inspectors aren't supposed to go out and do district inspectors' work," Gutierrez said. But connected builders know they can make calls when a district inspector tells them no. They can complain that the inspector was rude and unhelpful. And, in essence, they can choose who inspects their work. Or who *doesn't* inspect it.

This was a situation longtime building inspector <u>Christopher Schroeder</u> described as well.

"I fix problems," Gutierrez says. "But not the way they do it. I do not do people favors."

But this is a department that's built on favors. And they often go to the people who need and deserve them the least.

The records for the 700 Valencia St. project as they appear in the external, publicly accessible system (above) and as they are recorded in the Department of Building Inspection's internal system (below).



n Nov. 16, 2011, a complaint came in on a single-family home at 2207 25th Street. While this building was in Schroeder's assigned inspection district, O'Riordan issued a Notice of Violation on that very same day.

When asked why O'Riordan, and not the district inspector, wrote this document, a spokesman said there was no record of why. While the department noted that there was also no record of a site visit by Schroeder, it's unclear when he would have scheduled one; this complaint came in on a working day, when inspectors tend to be out inspecting. O'Riordan, for whatever reason, took his initiative within hours.

This address was, clearly, already on the department's radar; a subsequent comment ascribed to Schroeder on the Permit Tracking System notes that four separate complaints were active on this site simultaneously. So it seems hard to accuse any of the district inspectors of shirking their duty here.

The Notice of Violation penned by O'Riordan states that "the front building has been demolished except for the front facade" — a description that <u>clearly describes an unlawful demolition</u> but avoids using the term "unlawful demolition" or citing the San Francisco Building Code.

Again, Schroeder says he'd have done it differently. He'd have written it up as an unlawful demolition. And, in doing so, he'd have vastly circumscribed what could be built on this site. The owner, or his successors would be limited to matching what was previously there: "Same size, same footprint, same everything," Schroeder says. "It's to discourage people from tearing down these buildings."

Interim Department of Building Inspection head Patrick O'Riordan

The owner, at the time, was a man named Jamie Karrick, a mechanic and restorer of vintage motorcycles and cars who wanted to do the same to his former '06 earthquake shack, and quickly got in over his head.

Karrick, reached at his garage in Oregon, is apologetic. The things the Department of Building Inspection says he did? He did them. He did work beyond the scope of the permits. He did unlawfully demolish the house. It turns out there was far more rot in the walls than he knew, and things went sideways.

Schroeder, for his part, says he believes Karrick had no malign intent and the situation simply got out of hand. But he'd have still written Karrick up for an unlawful demolition per the San Francisco Building Code, rather than merely referring to the Planning Department, as O'Riordan did.

This probably wouldn't have changed things much for Karrick, who sold this property in 2012. But, for the eventual buyer, it was a significant distinction.

SEE ALSO: Supes call for City Attorney investigation of Angus McCarthy, propose ballot measure to remake Dept. of Building Inspection by **JOE ESKENAZI** SEPTEMBER 28, 2021

No settlement can undo the damage Walter Wong did to this city — and is still doing

by **JOE ESKENAZI** JULY 19, 2021

Special Report: 'It could become a San Bruno' — the explosive problem buried beneath San Francisco homes

by **JOE ESKENAZI** APRIL 21, 2021

t's worth, again, contrasting the way Karrick was treated with how former
Building Inspection Commission President Mel Murphy fared a few years
later at 3418 26th St. A glance at the addenda details for Murphy's project reveal Tom Hui personally intervening on multiple occasions.

It's notable that any higher-up was taking an interest in this project, and it's more so when <u>Hui is involved</u>. Between his first mention in the addenda details regarding Murphy's project in 2012 and his second in 2013, DBI director Vivian Day was ousted and <u>Hui was given her job</u>.

"I denied Mel's permit and he told me he'd have my ass — verbatim."

- FORMER DEPARTMENT OF BUILDING INSPECTION DIRECTOR VIVIAN DAY

"I denied Mel's permit and he told me he'd have my ass — verbatim," Day told me this year. That happened, and Hui granted Murphy what Day would not: The permit for his <u>dream home at 125 Crown Terrace</u>.

"Tom let him have his permit," Day says, "and <u>his house fell down the friggin'</u> <u>hill.</u>"

Karrick didn't have Murphy's level of firepower. Instead of dictating his terms or having a sit-down with the director he worked to install, Karrick recalls instead being called into a meeting of building inspectors for a browbeating session. He admits culpability in wrecking his home, but wishes DBI officials hadn't ducked his calls and snubbed someone who was in clear need of guidance: "I feel like they wanted me out of there."

Karrick's broker, Rich Lewetzow, notes that "Jamie was compelled to sell."

And his house was bought on the cheap by — *surprise*, *surprise*, *surprise* — a connected builder. Only a connected builder would think to buy a house in this condition and then hope to maneuver through Scylla and Charybdis at the building department.

"He obviously had the knowledge and skill to get it through the city in a way Jamie couldn't," Lewetzow says. San Francisco's building department "is an animal unto itself. Average Joes spin their wheels and don't know what to do. When you're not in San Francisco and you want to remodel a house, you generally do that with an overthe-counter permit. In San Francisco it can take years to get some of those permits."

But not if you're a connected builder. And not if you <u>hire permit expediter (and accused federal criminal) Rodrigo Santos</u>, as the buyer did. And, thanks to O'Riordan's decision to not write up the violations as an unlawful demolition, that new owner had a far freer hand to build as he pleased.

In 2016, he was granted a permit to enclose a porch and relocate a door and window — which, you'd think, would eliminate that last remaining bit of front facade.

Regardless, glancing at Google Street View, it appears such work was actually completed by 2014, years before any permit was issued. There are, in fact, no recorded inspections on the 2016 permit.

Karrick, again, admits wrongdoing. But he hardly thinks the way he was squeezed here was a coincidence: "I feel like I was preyed upon by people within the system."

Dealing with the Department of Building Inspection, he says, "left me with PTSD. ... Leaving California was the best decision I ever made."

PART I

'I'd have done things differently:' District inspectors say DBI director Patrick O'Riordan kept them off connected builders' sites

by **JOE ESKENAZI** OCTOBER 17, 2021

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JOE ESKENAZI

Joe was born in San Francisco, raised in the Bay Area, and attended U.C. Berkeley. He never left. "Your humble narrator" was a writer and columnist for SF Weekly from 2007 to 2015, and a senior... **More by Joe Eskenazi**

SF NATIVE

October 18, 2021 at 1:22 pm

This whole SF DBI doesn't pass the smell test. Why would the commission seat O' Rodian (sic) as head of Dept .

It's needs a whole cleaning of dept.mess.

Now if the Mayor and BPS can see beyond their personal political ambitions...

Steve

October 18, 2021 at 4:34 pm

It's all MAD – mutually assured destruction. No one calls out anyone else for corruption in the City because, as the Nuru mess shows, they'll turn on each other.

ken

October 18, 2021 at 1:44 pm

this department is CORRUPT

Cadence

October 18, 2021 at 2:21 pm

Shouldn't O'Riordan be removed from his job?

There's been a lot of shenanigans under his watch.

RLE

October 18, 2021 at 6:27 pm

Jamie is a good dude – the article reflects his honesty and sensitivity to a T. I can totally see him opening up that house and then not being able to stop himself from wanting to make everything just so.

San Fransickened

October 18, 2021 at 7:48 pm

Another great article and discovery Joe.

Norman Gutierrez is a good man and was one the more capable guys at SFDBI. It is a shame to see him jump ship but why not since it's sinking fast. And yes Cadence, O'Riordan is as crooked as Lombard and he has watched over everything. He is most definitely unfit for his current posting.

Juan Doe

October 19, 2021 at 7:05 am

Surely London Breed is aware of this and has read these articles. The fact that she has not fired O'Riordan suggests she is implicated in this circle or corruption as well. Joe, incredible reporting thank you!

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Introduction Form

By a Member of the Board of Supervisors or Mayor

Time stamp or meeting date I hereby submit the following item for introduction (select only one): 1. For reference to Committee. (An Ordinance, Resolution, Motion or Charter Amendment). 2. Request for next printed agenda Without Reference to Committee. 3. Request for hearing on a subject matter at Committee. 4. Request for letter beginning: "Supervisor inquiries" 5. City Attorney Request. 6. Call File No. from Committee. 7. Budget Analyst request (attached written motion). 8. Substitute Legislation File No. 9. Reactivate File No. 10. Topic submitted for Mayoral Appearance before the BOS on Please check the appropriate boxes. The proposed legislation should be forwarded to the following: Small Business Commission ☐ Youth Commission Ethics Commission Building Inspection Commission Planning Commission Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Imperative Form. Sponsor(s): Supervisor Peskin; Ronen, Walton, Chan, Safai and Preston, Mac Mellan Subject: [Hearing on Department of Building Inspection Corruption Allegations] The text is listed: Hearing to receive testimony on the allegations of preferential enforcement actions and related issues detailed in two Mission Loc@l articles (attached, dated 10/17/2021 and 10/18/2021), pursuant to the Board of Supervisors's unlimited power of inquiry; and requesting the Director of the Department of Building Inspections to testify at the Government Audit and Oversight Committee. Signature of Sponsoring Supervisor:

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