CITY OF PHILADELPHIA ANNOUNCES NEW DEMOLITION STANDARDS AND INITIATIVES

June 7, 2013

Mayor Michael A. Nutter's remarks. Please check against delivery.

Every life is precious. Every life is important. We experience senseless acts of violence, which take away people's lives.

We see train wrecks, car accidents, plane crashes and experience lives lost, acts of nature, tornadoes, hurricanes and floods – unexplainable to us.

And then we see what happened two days ago, not an act of nature but for now unexplainable. But we know that something went horribly wrong.

And I believe that in these instances government must try to figure out what happened, why and how did it happen, what human factors, errors or judgments played a role, determine responsibility, hold those responsible accountable, fix what needs to be fixed or made better, and then do our best to ensure the safety of all of our citizens and visitors.

Every life is precious and valuable and as a citizen and as your Mayor I am deeply saddened and hurt by what happened in my City, our City. I want to apologize to the victims and their families, to the survivors and their families that this tragedy happened in our City.

I commit to you that we will make every effort and spare no resources to find out what went wrong in this incident and we will take every possible action that we can take to fix whatever systems, processes and procedures that need to be fixed in order to better ensure our collective public safety.

And before I continue, I want to thank our first responders and the Philadelphians who stepped into harm's way Wednesday morning and with no thought about personal safety helped find the injured who were buried under rubble – Jordan McLaughlin, Ray Kauffman, Bill Roam, Patrick Glynn, Brian Mullins and many others.

Over the last five years, this Administration has engaged in reform efforts across city government in an effort to build a stronger, more resilient and more transparent, healthy and safe city.

We can do no less in the area of local government's oversight of private demolition activity. We should all be happy that our city is growing, but we must make sure that it does so in a safe manner.

In hindsight, we can all wish that matters were handled differently so that death and injury did not occur. But our task now is to answer the question: how can we improve government practices in order to reduce risk? How can we prevent another 22nd and Market street?

While we lack the resources to have a police officer on every corner or an L&I inspector at every construction project every hour of every day, we can do much better and we will.

And so today, I am announcing a set of new demolition standards and activity controls that we are going to institute. In some cases, we are able to make changes through regulation. In other areas, we may need to seek new laws with the advice and support of City Council.

Through these changes, we will hold private developers, property owners and demolition contractors to the same high standards to which we as a government hold ourselves in any demolition involving public property.

These proposals are sweeping in nature but they are not the end of our reform efforts, but rather just the beginning, because we will not accept the status quo in the face of this tragedy.

But before I get into the details, I want to note that the Department of Licenses and Inspections is currently inspecting every single site where an open demolition permit is in place. By next week, we will have completed this task, which is aimed at assuring Philadelphians that there are no violations of law at any of these locations.

In addition, today, I'm announcing that I have asked Inspector General Amy Kurland to conduct a complete investigation of what happened and what didn't happen at 22nd and Markets streets in the days and weeks and months before Wednesday's building collapse.

On the basis of her investigation and recommendations, we will consider further actions.

And now let me describe our new demolition standards and activity controls. Our goal here is to increase public safety at these private demolition sites, to bring them up to the standards that we maintain on public demolition sites.

For example, when we talk about making private contractors meet our public standards, we are going to make sure that they have the appropriate experience to do the job safely.

And, just as we require in the cases of demolitions undertaken by the City, we will prohibit the use of mechanical demolition machinery when the demolition building is adjacent to an

occupied structure. We will issue a CODE BULLETIN, essentially a legal notification that we are changing the interpretation of the City Code, to make these changes.

Now, I want to talk about two critical areas: permit applications and the procedures that must be followed for demolition inspections starting now:

All new permit applications for complete demolition must include the following documents and requirements prior to issuance of the permit:

- 1. Details on the experience and qualifications of the contractor performing the demolition, including the demolition experience of the owner, the company and its employees.
- 2. A site-safety plan detailing how the contractor proposes to protect pedestrians and adjacent properties.
- 3. A schedule of the demolition work. Contractor will show length of time for each stage of the project.
- 4. Professional Engineer's report on adjacent property protection for demolition of commercial buildings above three stories.
- 5. We also want to make sure there are no active violations for contractors and we'll review of all previous violations, if there are any.

Now, let me turn to procedures that we will be implementing for demolition inspections:

- 1. At the time of an initial Inspection: we will require the inspector to conduct a site safety review with the contractor prior to the start of work. The goal here is to review steps for protecting adjacent properties and pedestrians. And the Inspector will review the schedule of work with the contractor during each inspection to ensure compliance.
- 2. Now, what happens if we have No contact from contractor? If the required notification of the start of work is not received from the contractor, the inspector will visit the site every 15 business days from the permit's date of issuance. After 45 days, if there is no evidence of legitimate work started at the permitted demolition site, then the permit will be revoked.
- 3. If the contractor starts work and doesn't tell us? If we find the contractor working without the required notification, the inspector will issue a Stop Work Order until a

- hearing is held regarding the contractor's failure and the site safety review is completed with the inspector and the contractor.
- 4. On the issue of complaints regarding demolition activity: L & I will investigate all complaints within a 24-48 hour period and provide a detailed report to include; the nature of the complaint, an explanation of the findings, determination of compliance, a time and date stamped photo of all site visits and inspections.
- 5. Also, L&I will immediately implement a **quality assurance plan**, setting forth the policies and practices that ensure that all site inspections and complaints are performed in a timely and accurate way.
- 6. L&I will coordinate with the Revenue to make sure all demolition contractors and/or subcontractors provide proof of the following: proper insurance, tax clearances and payroll records for all employees before any building permit is approved.

The new procedure I've outlined also establishes regular management level analysis of internal audit findings to assess L&I's overall level of conformance, with the ultimate goal of identifying and correcting areas of nonconformance and inefficiency, and engaging staff in improving processes and procedures.

L&I will also be establishing a Construction Site Task Force to ensure proper licensing, permitting and tax compliance of the primary contractor, subcontractor, or any independent contractors and workers related to the demolition project.

Funding for this initiative has already been allocated in the FY14 budget beginning July 1, 2013. This team will work non-standard hours to do the kind of oversight we want.

The Construction Site Task Force will also coordinate with other city agencies, including the Revenue, Law and the Office of the Inspector General, to audit and strictly enforce all provisions related to work site safety and tax compliance as set out in City Code and the Board of Labor Standards to ensure area wage rates and standards are being upheld.

If we find any evidence of violation, it will lead to an immediate suspension of the permit and the project will be discontinued until the contractor and related parties fully comply.

Finally, we have a number of recommendations that we are evaluating and might require City Council action:

- 1. If a contractor fails to call for inspection we are proposing to implement a Stop Work Order with a \$1,000 inspection fee, which must be paid before work may continue.
- 2. We're also considering a separate license category for demolition contractors. We would only allow the issuance of demolition permits to those with this license. We would also want to establish testing and experience requirements.
- 3. We are also consider a code requirement for background checks and for contractors to provide random drug screening for heavy equipment operators on demolition sites as part of the site safety inspection.
- 4. We also want to send letters to all current licensed contractors in the city that they will be required to provide proof of experience and qualifications in order to get a demolition permit.