


TO: James L. App, City Manager  
FROM: Robert A. Lata, Community Development Director   
SUBJECT: Request for Partial Plan Check and Building Permits  
(Paris Precision / Clay Running)  
DATE: December 21, 1999

Needs: To consider a request by Clay Running of Paris Precision for the City to provide plan check services and partial/phased building permits for a large manufacturing building.

- Facts:
1. On July 14, 1998, the Planning Commission approved Planned Development 98004, to allow the construction of an approximate 215,000 square foot manufacturing facility for Paris Precision at 1650 Ramada Drive.
  2. A Grading Permit was issued for the project on August 23, 1999 and rough grading of the site has been completed.
  3. Paris Precision is planning to relocate their facilities from Commerce Way to the Ramada Drive site. With the completed sale of their Commerce Way facility, they have a deadline of December of 2000 to complete their move.
  4. Mr. Running indicates that the building design for the Ramada Drive facility is currently underway, but that the foundation design and calculations will be completed in advance of the remaining structural design. (See attached letter dated December 7, 1999).
  5. City Municipal Code Section 104.2.1.1 requires that prior to start of construction a valid building permit be in place. The term "building permit" was intended to be all inclusive, referring to a permit issued on a complete set of construction drawings, including the building foundation, structure, mechanical systems, loads and reactions.

This policy was instated by the City Council in the late 1980's because of significant impacts to the City resulting from unfinished building projects where foundations and slabs were abandoned and became nuisances. These unfinished projects resulted in the need for City enforcement actions at the City's cost and expense.

6. While the Uniform Building Code does not specifically preclude the issuance of phased construction permits, it does not include provisions for their issue under any of the administrative provisions or fee tables.
7. The policy to require a valid building permit prior to construction ensures that a construction project is reviewed and plan checked in its entirety. The issuance of a foundation only permit would require the Building Division to conduct a partial structural

plan review using hypothetical projections and/or calculations provided by the architect or drafts person. These values would be "best guess" estimates as actual values would not be known in their entirety until the structural drawings were completed and the seismic and wind loads determined. This will in turn result in additional plan review and inspection time being added to the project(s). The cost for this additional staff time would need to be charged to the project(s) or absorbed/subsidized by the City.

8. The attached letter from Mr. Running, dated December 7, 1999, is requesting that the City make an exception to this Building Permit policy in the interest of his December 2000 completion time constraint. He has stated in this letter that he agrees to release the City from all liability that may result from engineering errors the foundation in relation to the future building design.
9. Any exception to the current policy could be precedent setting. In other words, the City Council would need to consider whether this is a practice that would be extended to other developers who might also benefit from a phased building permit.
10. Accepting applications to place foundations without submittal and review of a complete building design package has been a past problem. In the 1980's, this resulted in developers placing foundations and slabs on lots based on market projections. When projections were not reached, the construction was abandoned and the City was forced to address the partially developed sites through the abatement process, resulting in additional cost to the City. It is foreseeable that this pattern could repeat itself.
11. Discussions with the City Attorney identified the concern over the City's position of **liability in issuing a partial permit**. Legal counsel advises that a formal contractual agreement between the City and Paris Precision would be recommended to accomplish the release of liability rather than the simple written statement of the letter received. Further, this agreement would need to clearly state Paris Precision's understanding and full acceptance of responsibility for compliance with the Uniform Building Code as Amended and Adopted by the City of Paso Robles, including but not limited to retrofit work.
12. The above described liability agreement is not formatted at this time and would involve City Attorney resources to draft and complete.

Analysis and  
Conclusion:

The City Council established this building permit policy in the 1980's in response to a community nuisance problem with unfinished buildings and foundations. Although providing an exception to the policy at this time would facilitate this particular business/developer's schedule, the request raises farther reaching policy issues relating to all developments.

Should the City Council wish to make the requested exception, the Council may wish to require the developer/property owner to enter into an agreement with the City (in a format to be approved by the City Attorney) that fully releases the City of liability for any foundation engineering errors that might be revealed once a full structural plan check occurs. This agreement would also require the developer to agree to implement any necessary retrofitting or structural upgrades to bring the building into compliance with Uniform Building Code as Amended and Adopted by the City of Paso Robles.

Policy

Reference: Uniform Building Code, Municipal Code Section 104.2.1.1.

Fiscal

Impact: If the City is fully released of liability, no fiscal ramifications are anticipated. The City would incur the cost of preparation of any legal agreements unless those costs were reimbursed in some fashion. The City would also be opening itself to potential fiscal impacts should it become necessary to remove any foundations or associated site work should the project not be completed.

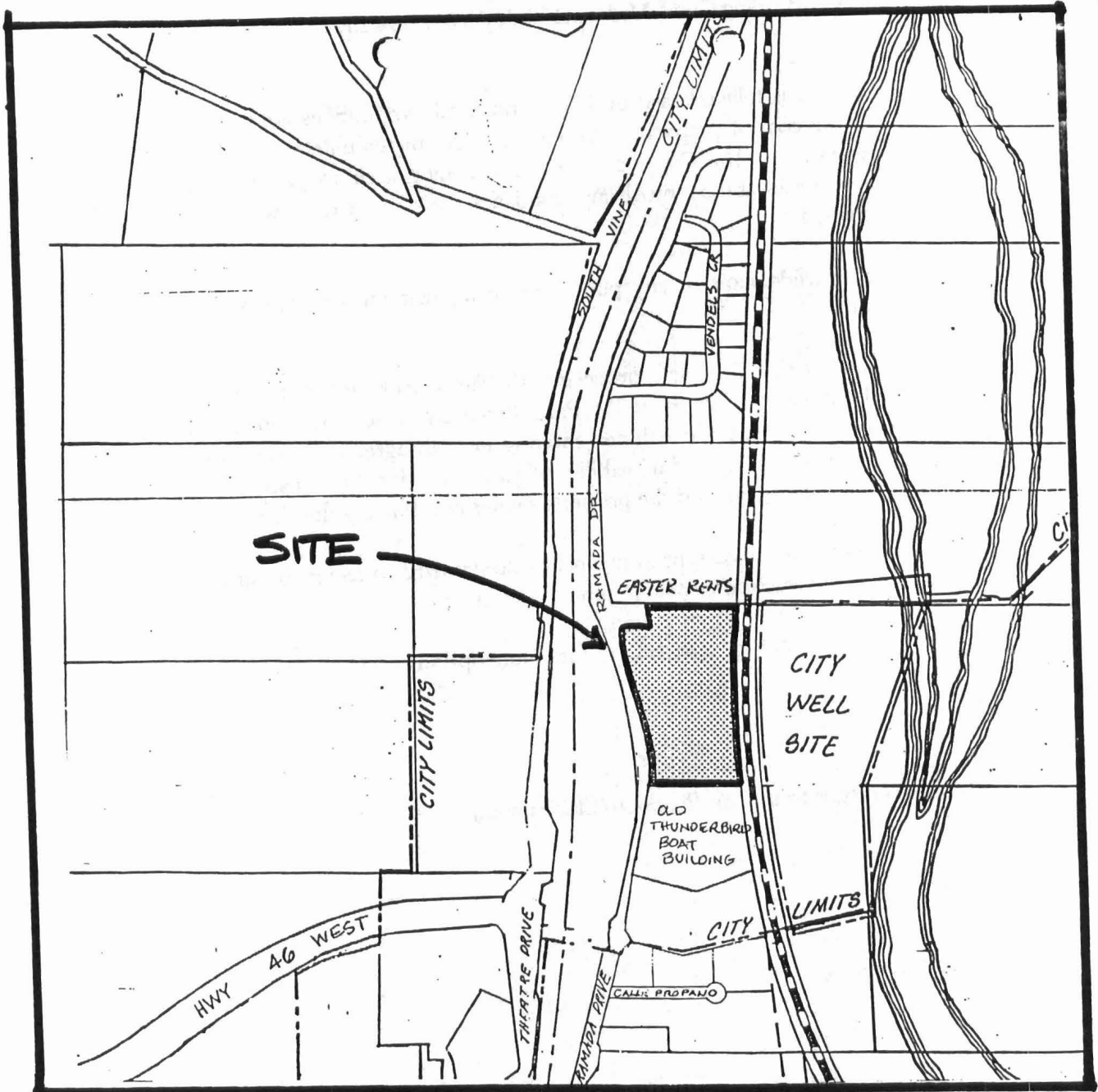
Options: After consideration of any public comment, that the City Council consider the following options:

- a. Direct that City staff proceed with Plan Check and Building Permit issuance for the Foundation portion of the Paris Precision project on Ramada Drive, subject to the property owner/developer entering into an agreement with the City to fully release the City of any and all liability of such an action (in a manner to be approved by the City Attorney), and the property owner reimbursing the City for all related expenses.
- b. Find that the current Municipal Code standard to require a full Building Permit prior to construction remain in effect as written;
- c. Amend, modify or reject the foregoing options.

Attachments:

1. Location Map
2. December 7, 1999 letter from Paris Precision/Clay Running

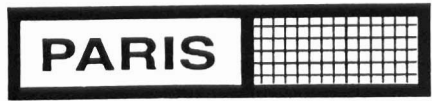
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**LOCATION MAP**  
**PARIS PRECISION PRODUCTS, INC.**  
 PD 98004, ST. ABAN. 98004



REC'D 08 DEC 99  
JLL



PRECISION PRODUCTS  
Precision Sheet Metal

1605 Commerce Way / (805) 239-2500  
Paso Robles, CA 93446 / FAX (805) 239-3848

December 7, 1999

Mr. James App, City Manager  
City of Paso Robles  
1000 Spring Street  
Paso Robles, CA 93446

RE: New Facility - Ramada Drive, Paso Robles

Dear Mr. App:

Nick Gilman has discussed with you our time constraints on the construction of our new facility on Ramada Drive. Because one of the buildings at our existing site has sold, we need to be prepared to move by December 1, 2000. Between our building, electrical, mechanical consultants, and Nick, we will not have a complete set of drawings for plan check for a minimum of two months. We will, however, have the load factors allowing foundation design from the manufacturer within two weeks.

I understand and respect the City's policy of not reviewing partial plans or issuing partial permits. However, in this case, Paris Precision will accept liability for work that later must be modified due to unforeseen requirements. Given our time limitations we must accept this liability and will certainly hold the City harmless for any problems we may encounter during this project.

I hope you will allow us to proceed with the concrete work as our engineering and that review is complete.

Very Truly Yours,

Clayton Running, Owner  
Paris Precision Products

