



MECKLENBURG COUNTY
Land Use and Environmental Services Agency
Code Enforcement

MEMO

DATE: September 12, 2008
TO: Building Development Commission
FROM: Tim Taylor – Residential Technical Services Manager
CC: Jim Bartl, AIA - Director of Code Enforcement
Edward Prince - AIA Director of Trades Inspections

RE: Final report on the reconvening of the Residential Drawing Submittal Task Force and update on resulting process changes

The Residential Drawing Submittal Task Force reconvened in November of 2005 to evaluate the original plan review submittal requirements and to propose changes in the program that would provide additional support to the field staff, as well as assist in the reduction of the building trade failure rates. Since that time, the Task Force met 14 times, beginning on November 17, 2005 and ending on June 12, 2008. There was an average active participation by 10 industry representatives and 8 staff. At key points, the Task Force reviewed significant changes in detail with the industry to assure consensus on the changes.

The Task Force originally took a phased approach in modifying the plan review requirements. The phased migration for requirement changes would benefit both Contractors and the Department, allowing time to evaluate each Phase prior to implementation of the next phase and ensuring that the impact is carefully reviewed and monitored for effectiveness. Our approach to the program expansion is indicative of the Department's ethic of working with the industry to resolve problems and obtaining our goals of providing increased customer service while achieving a safer and higher quality housing stock.

The Residential Drawings Submittal Task Force developed the following phased-in process changes to the original residential drawing submittal requirements.

- **Phase I** of the proposed changes was implemented on September 1, 2006 which involved a modification of the square footage requirements, the additional requirement of projects containing more than two levels, and the full building code review of all new townhouse projects, including footprint additions. The BDC approved one additional Residential Plans Examiner position to handle the additional workload created by the townhouse projects and to reduce the review backlog to three days.

The two following phases were designed to lead us to full building review of all new construction residential projects, whether new homes or residential additions, with exceptions:

- **Phase II** of the recommended submittal requirements is a limited review process that focuses on the verification of the information contained in the construction documents only. The documents include the permit application, zoning plot plan application, erosion control form and two sets of plans. This is similar to a “Gatekeeper” function in that the review is not for code compliance. The projects required to be submitted for this Program are:
 - All projects covered by Phase I
 - New residences that do not fall into the Phase I category
 - Note that the master plan program will be available to allow homebuilders the opportunity to expedite the permitting process.
 - Projects involving heated square foot additions exceeding \$30,000.00.
 - This excludes projects, such as accessory buildings, decks, covered and screened porches, interior renovations valued less than \$175,000.00, and detached garages without living space.

The confirmation of the construction documents will both ensure continuity between information on the permit application and also ensure the plans have sufficient information to support the field inspector performing the plan review at the time of construction. A tentative implementation date for Phase II was set for January 1, 2008 pending approvals by the BDC, BOCC. The Department added three additional positions required to support this extra workload as part of the FY-08 budget process.

- **Phase III** of the recommended submittal requirements would be the full building code review of the projects listed in Phase II, plus the Phase I requirements. The Task Force decided to coordinate the implementation of Phase III changes with the 2009 NC Residential Code implementation date. The projects requiring full building code review are:
 - All new home projects.
 - All new townhouse projects and foot print additions to townhouses
 - Projects involving heated square foot additions exceeding \$30,000.00.
 - This excludes projects such as accessory buildings, decks, covered and screened porches, interior renovations valued less than \$175,000.00, and detached garages without living space.
 - Renovation projects exceeding \$175,000.00

The Task Force noted the following additional benefits gained by expanding the plan review requirements:

- a) Provide a documented set of approved construction drawings (as a benchmark) to the inspector, builder and consumer, which align with the permit for verification as to what is being built.
- b) Reduces costly corrections and, in turn, reduces construction cost and build times.
- c) Increased inspector efficiency on the jobsite reducing the number of trips to each project.

The Task Force also candidly discussed and considered industry reservations regarding the expansion of the plan review program, including the following reasons:

- a) **Concern: plan review will increase building costs because of the need to produce “higher priced” drawings.** The construction of new homes typically require plans in any case, therefore any additional design cost generated by producing higher quality plans for plan review is more than offset through savings incurred by avoiding code violation corrections, which translates into shorter build times, and lower costs.
- b) **Concern: plan review could potentially delay construction start due to longer permitting times inherent with the plans review process.** The current turnaround time for plan review is 3 to 5 days. Most jurisdictions providing plan review average turnaround times of one and a half to two weeks. Our goal is to reduce our current plan review timeframe to 2 to 3 days, by adding staff to accommodate the volume of business.
- c) **Concern: the increase in staff positions required to perform Plan Review will elevate permit fees.** There are no added fees for existing residential plan review services, nor do we have any intention of initiating any fees for this service. Any additional expenses incurred by expanding the plan review program are offset through the increased efficiency of the field inspectors by eliminating many problems before they occur on the jobsite.

An unanticipated development in the Department’s ISO requirements altered the original recommendations of the RDS Task Force. Previously, ISO allowed partial credit in the ranking of Code Enforcement for our current level of plan review; however, ISO no longer offers partial credit. Consequently, retaining review scope at the Phase I level or any of the other Phases of plan review would result in an automatic rating of 10. This rating would affect all dwellings built or added onto during the timeframe a jurisdiction carries this rating and follows the life of the structure. The only route identified by the Department to improve the ISO grade was the implementation of plan review on all new one-and-two family dwellings and enclosed footprint additions to one and two family dwellings.

The ISO rating of any jurisdiction for residential construction currently affects the insurance premiums of homeowners living within the flood plain and coastal areas. In Mecklenburg County, approximately 5000 homeowners live within the flood plain, and would suffer higher insurance premiums for the next 3 years. Additionally, the 6000 new residences built over the next three years would carry a rating of 10, which would trigger higher insurance rates as the insurance industry begins factoring in the ISO rating to determine residential insurance premiums, as industry representatives assure us will happen in the future.

Based on these developments, the RDS Task Force recommended modifying the previously proposed Phase III expansion plan to implement plan review requirements sufficient to attain a residential ISO rating of “1.” The projects requiring full building code review are:

- All new home projects
- All new townhouse projects and foot print additions to townhouses
- Projects involving enclosed footprint additions to the primary residence
 - Note this excludes projects such as accessory buildings, decks, covered and screened porches, interior renovations valued less than \$175,000.00, and detached garages without living space.

- Renovation projects exceeding \$175,000.00

The new plan review requirements were implemented March 1, 2008. Code Enforcement is currently undergoing re-evaluation by ISO, in which they are considering the new plan review requirements. It is expected to yield a favorable result on the FY07 ISO audit.

The RDS Task Force recommended that additional plan review requirements were necessary for projects involving adding levels to existing residences and accessory structures that contained living space. These projects can be particularly prone to problems due to the structural complexity and egress issues that arise during construction. The task force proposed that implementation of these requirements should be postponed until we are assured that staffing needs are verified. The task force also decided that the committee would sunset until sometime after the implementation of the electronic plan review to provide additional feedback on the program.

Task Force meeting notes and records are available for review on request. Direct such inquiries or requests for clarifications on this report to Residential Technical Services Manager Tim Taylor at 704-336-3835 or by e-mail at Tim.Taylor@MecklenburgCountyNC.gov.