The Nuts and Bolts of Tenant Improvement

City of Sacramento
Community Development Department
Building Division
The Nuts and Bolts of Tenant Improvement

Presented by

Winfred DeLeon
Chief Building Official
Building Division

Jeff Brooks
Building Inspector IV
Building Division’s
Liaison to the City’s
Cannabis Advisory Group
Topics

- Finding the Right Design Professional
- Bringing Your Building Up to Code (Obtaining a Building Permit for unpermitted Work)
- Navigating the Plan Review Process
- Understanding the Fees Associated with a Building Permit
- Staying on Construction Schedule
- Obtaining a Certificate of Occupancy
Finding the Right Design Professional

- Licensed Design Professional - Architect or Engineer
- Ca Business and Professions Code
- Design team will typically consist of an architect, mechanical engineer, electrical engineer, structural engineer, civil engineer.
- Extraction facilities will need to involve a fire protection engineer or mechanical engineer that is familiar with hazardous materials and occupancies.
Finding the Right Design Professional
Do’s

- Hire a California licensed architect or engineer.
- Hire a firm with experience in designing commercial industrial facilities.
- Hire a firm with experience designing commercial cannabis facilities if possible.
- Due diligence
- Interview more than one firm.
Finding the Right Design Professional

Don’ts

- Don’t hire a draftsperson or residential designer that will have an architect or engineer stamp the plans.
- Don’t hire based solely on price.
- Don’t hire your friend or relative because they are “really good” with auto-cad.
- Don’t hire a licensed engineer or architect that doesn’t perform engineering or architecture at their day job.
Finding the Right Design Professional
Ask Questions!

- Do you have experience with similar commercial building types and size of my project?
- Do you have experience with cannabis facilities?
- Have you designed other projects within the City of Sacramento? What type of projects?
Finding the Right Design Professional
Ask Questions!

- What do you see as challenges, important issues or considerations in my project?
- What is your estimated timetable for my project?
- How many plan review cycles does it typically take to get your plans approved?
Finding the Right Design Professional
Ask Questions!

- Do you understand the accessibility requirements of the California Building Code for existing buildings?
- What role do you have during construction?
- Will you be available for clarifications and revisions if needed during construction?
- References?
Finding the Right Design Professional

Ask Questions!

The questions to ask yourself are:

- Do I want to save money on the design, only to pay more for construction due to inferior design?
- Do I want to save money on the design, only to add months to my schedule due to excessive plan review cycles?
Finding the Right Design Professional
Ask Questions!

- Or?
- Do I hire a quality design firm to save time getting through the plan review process?
- Do I hire a quality design firm to end up with a facility that suits my needs?
Bringing Your Building Up to Code (Existing facilities and unpermitted Work)

- Unpermitted work is considered as new and must meet current code.
- Identify on plans as new, not existing.
- Engineering analysis shall be provided when applicable.
- Consider demolishing unpermitted, noncompliant work that was done. It may be cheaper and faster to start over than trying to “make it work”.
Bringing Your Building Up to Code
(Existing facilities and unpermitted Work)

- Accessibility and the Americans with Disabilities Act (ADA)
- The ADA was enacted in 1991 and basically makes access to buildings for the disabled is a civil right.
- What are accessibility upgrades and why do I have to do them to my facility? Section 11B-202.4 of the California Building Code requires accessibility improvements to the path of travel when work is being performed on existing buildings.
Bringing Your Building Up to Code
(Existing buildings and unpermitted Work)

- What is the path of travel?
- The path of travel includes parking, walks, building entrances, doors, restrooms, drinking fountains and signs, “serving the area of work”.
- Use a contractor that has industrial or commercial experience. Although your contractor friend did a great job on your residential remodel they are probably not the contractor to use to build out your commercial cannabis facility.
Bringing Your Building Up to Code (Existing facilities and unpermitted Work)

- Inspections of unpermitted work
- Do not expect all work to be inspected in a single visit. It takes the same amount or more inspections to get existing unpermitted work approved.
- Typically starts with spot check inspections and opening small areas dictated by inspectors.
- May require removal of finishes in some areas.
Bringing Your Building Up to Code (Existing facilities and unpermitted Work)

- Work that is found to be non-compliant with the code may require reconstruction or retrofitting.
- There is no such thing as “grandfathered” when it comes to unpermitted work. Unpermitted work must meet current code.
Navigating the Plan Review Process

After approval for your CUP or with approval for concurrent review from Planning, you can apply for a building permit.
Navigating the Plan Review Process

Submittal Packages

- An application or submittal package for a building permit shall include the following:
  - Planning referral sheet from Planning - PR sheet
  - Application form for building permit - CDD-0200
  - Completed submittal checklist form - CDD-0421 - “Cannabis Cultivation and Manufacturing Facilities Commercial Remodel Submittal Checklist”
Navigating the Plan Review Process

Submittal Packages

- 8 Complete sets of construction drawings for all disciplines including - architectural, mechanical, electrical, plumbing, fire, structural and civil if needed for site work
- 8 Sets of Supplemental calculations and information. Technical report for extraction equipment, summary of operations and processes, structural calculations, material data sheets, energy compliance forms, SMUD commitment letter (service upgrades),
Navigating the Plan Review Process

Or...
Navigating the Plan Review Process

Submittal Packages

- EPC - Electronic Plan Check (Required for valuations of $1M or greater).
- PDF file of completed application, PR sheet and submittal checklist form.
- PDF file of construction drawings.
- PDF file of supplemental calculations and information.
- See EPC Quick Reference Guide for formatting and other specific requirements.
Navigating the Plan Review Process
Submittal Packages

The benefits of EPC are:
- No printing costs
- Can be uploaded remotely
- Environmentally sustainable
- Can be more collaborative
Navigating the Plan Review Process

Submittal Packages

- Upon submittal, plans will be checked for completeness.
- Applicants with incomplete submittals will be given a list of what is needed. An email response will be sent to the applicant for EPC submittals.
- Complete submittals are invoiced for plan review fees. When plan review fees are paid, a target date is given and plans are routed to a number of disciplines for review including:
  - Life Safety/Accessibility
  - Structural
  - Mechanical/Plumbing
  - Electrical
Navigating the Plan Review Process

- Disciplines continued...
- Fire
- Planning
- Utilities
- Development Engineering
- Each discipline will give approval or provide comments during plan review cycle
Navigating the Plan Review Process

- When all disciplines are approved, the plans are processed and fees are assessed.
- Fees are then collected and the permit is issued.
- The permit can be issued to a California licensed contractor or authorized owner-builder (not recommended).
- Use a contractor that has industrial or commercial experience. Although your contractor friend did a great job on your residential remodel they are probably not the contractor to use to build out your commercial cannabis facility.
Navigating the Plan Review Process

Terminology

- Plan Review Terminology
- Plan review cycles - A cycle is the time from submittal to review target date. Most projects are approved in 2-4 cycles
- Cycle time - a cycle is typically 2 to 4 weeks for the first cycle and then is typically 1 to 2 weeks for subsequent cycles. Cycle times are based on valuation and scope of work.
Navigating the Plan Review Process

Terminology

- Plan check target - The time period between plan submittal and completion of the review cycle.
- Plan check wait - The time between review cycles when designers are making corrections.
- Plan review comments - List of corrections needed on plans.
- Processing - After all disciplines are approved plans are processed and fees are assessed. Typically 2-3 days
Navigating the Plan Review Process

- Consultant Plan Review - Consulting firms are contracted by the City to perform plan review for the Building Division when workload exceeds City staff capacity.
- Consulting firms are used by building departments throughout the country.
- Designer should work directly with consultant that they received the plan review comments from.
Navigating the Plan Review Process

Plan Review Delays

- Incomplete information on plans resulting in additional cycles.
- Incomplete or lack of responses to comments.
- Hiring an unqualified designer that is unfamiliar with codes.
- Owner changes or revisions to design, between cycles. Consider waiting until permit is issued to revise plans if revisions are minor so that work can commence.
Navigating the Plan Review Process

Plan Review Delays

- Lack of coordination between design team members when changes are made that affect other disciplines. Sometimes driven by plan review comments. For example, the electrical reviewer comments that 2 exits are required from the electrical room but the electrical engineer does not communicate that to the architect so that they can revise the floor plan.

- Plans are not consistent with approved CUP Record of Decision.
Navigating the Plan Review Process
Plan Review Delays

- When labeling rooms, make sure it is consistent with what was approved in the CUP. For example, if you did not get a CUP for distribution, do not call a room “distribution”, instead call it storage, or loading.

- When submitting in phases, please show the entire building on plans. Include any previous COM # or Z file approvals on cover sheet. If the same designer is working on each phase this should be pretty simple.
Navigating the Plan Review Process

- Track the plan review process using Development Tracker
  https://sacramento.civicinsight.com/
Understanding Fees Associated with Building Permits

- These are the fees that you will likely see that are associated with plan review, inspections, taxes and impact fees. New buildings will have some additional impact fees.
- Fire Dept Admin Fee - covers intake of plans, scheduling of inspections, research, and other associated admin costs
- Fire Dept Review Fee - Fire Dept. plan review fee charged by the hour
- Fire Dept Inspection Fee - $.059 per square foot of fire area
Understanding Fees Associated with Building Permits

- Admin Processing Fee - Hourly and covers intake and processing of plans.
- Plan Review Fee - Based on valuation and covers the Building Division staff review of Life Safety, Structural, Electrical, Plumbing and Mechanical.
- Plan Review Hourly Fee - Charged at $152 per hour on cycle 4 and beyond. Revisions to the original plans are also charged hourly.
- Building Permit Fee - Based on valuation and covers staff time for inspections.
Understanding Fees Associated with Building Permits

- Planning Review Fee - Valuation based for review of plans to ensure consistency with approved CUP.
- Public Works Fee - Hourly and covers staff time review of any conditions given by Public Works on the CUP and interface between private property and the public way.
- Utilities Fee - Hourly and covers staff time review of any conditions given by Utilities for the CUP and any new connections to City utilities.
Understanding Fees Associated with Building Permits

- City Business Operations Tax - A tax in lieu of a business license fee for contractors charged at a rate of $.40 per $1,000 of permit valuation.
- Green Building Fee - Tax collected on all permits at a rate of $1 per $25,000 of valuation.
- General Plan Fee - Tax collected on all permits at a rate of $2 per $1,000 of valuation.
- Strong Motion Fee - Tax collected on all permits requiring structural review at a rate of $.00028 x valuation.
Understanding Fees Associated with Building Permits

- Technology Fee - Collected on all permits based on 8% of the plan review and building permit fees.
- STA (Sacramento Transportation Authority) Mitigation Fee - Impact fee when there is a change of use to mitigate the affects of increased traffic. Rates vary in different parts of the City.
- Citywide Transportation Development Impact Fee - This fee funds the design and construction of transportation facilities in the City.
Staying on Construction Schedule
A.K.A. Avoiding Common Pitfalls

- Do your due diligence when hiring a contractor. See questions from “Finding the Right Design Professional”.
- Use a contractor that has industrial or commercial experience. Although your contractor friend did a great job on your residential remodel they are probably not the contractor to use to build out your commercial cannabis facility.
Staying on Construction Schedule  
A.K.A. Avoiding Common Pitfalls

- Not following the approved plans.
- Inspection disciplines, be sure to call for required inspections by each discipline.
- Do not cover anything, trenches, framing, concealed spaces, electrical, plumbing, etc. without inspection from the appropriate discipline.
Staying on Construction Schedule
A.K.A. Avoiding Common Pitfalls

- Communicate with inspectors. Ask questions about what is required to be ready for future inspections.
- Be realistic with expectations from inspectors. Inspectors have a full load of inspections.
- Build rapport with inspectors by being ready for inspections.
- Acting as an owner-builder with no commercial construction experience.
Obtaining a Certificate of Occupancy!

- When all inspection disciplines give final approval, a Certificate of Occupancy will be issued by request for no charge at the 3rd floor public counter at 300 Richards Blvd.

- A temporary Certificate of Occupancy (TCO) can be issued with approval from all inspection disciplines. The fee for a TCO is $485 and is valid for 60 days. A one time 60 day extension can be granted upon request.
Obtaining a Certificate of Occupancy!

- Certificate of Occupancy should be posted at the facility or be kept on file for ongoing compliance inspections.
- A copy of the approved plans must also be kept onsite for compliance inspections.
- Future remodeling of the facility which will require an additional building permit at that time.
Obtaining a Certificate of Occupancy!

Once the Certificate of Occupancy is issued you are done with the Building Division and may obtain your Business Operating Permit (BOP).
Jeff Brooks
Building Division’s Liaison to the City’s Cannabis Advisory Group
Building Inspector IV
Plan Review
jbrooks@cityofsacramento.org
(916) 808-8352
Questions?