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Collapse Spotlights Trends at L&I

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Philadelphia officials have known for years how to require safe demolition of buildings, because they've long had stringent rules for tearing down buildings owned or acquired by the city.

But not until six people were killed and 13 injured in the deadly collapse of a building at 22d and Market Streets did the city prescribe the same rules for private demolitions.

The collapse also has some questioning not only the demolition regulations but an apparent shift in priorities from safety to increased revenue at the Department of Licenses and Inspections - something the Nutter administration strenuously denies.

Some city officials, along with current and former agency employees, nevertheless say weak demolition enforcement and a shrinking staff have contributed to L&I's inability to protect residents and workers from the kind of disaster that happened June 5.

"Our ability to adequately monitor and inspect issues related to L&I has been significantly diminished over the years because of our reduction in the workforce," said City Council President Darrell L.

Clarke, who last week appointed a special Council committee to investigate the handling of demolition work in general.

"The issues in play here are serious life-and-death issues, which require strong regulation," City Controller Alan Butkovitz said. "The protection of the life and safety of people should take precedence over making it easier to do development."

A striking example is a safety handbook prepared 10 years ago for the city's Neighborhood Transformation Initiative (NTI), a major anti-blight program, that reads like a how-not-to manual for the 22d and Market project.

That handbook, created for the city by the Graham Co. insurance firm, stipulated in great detail what a demolition contractor had to do and what the city would monitor. A key element was conducting an engineering survey before work began "so that measures can be taken, if necessary, to prevent the premature collapse of any portion of the structure."

No such report was required at 22d and Market Streets.

The city "had a blueprint of how the job should be done," said William A. Graham, chief executive of the Graham Co. "A job like that had to be done by hand. . . . You couldn't use a [mechanical] loader

to take down a wall like that. It's a recipe for disaster."

After the safety manual was created for city-owned demolitions, insurance losses dropped from \$4 million a year to \$200,000, demonstrating its effectiveness, Graham said.

But applying those strict rules to privately owned buildings would have made demolition more costly and was opposed by property owners and developers.

Two days after the deadly collapse, Mayor Nutter declared it was "necessary to implement the same heightened controls on private demolition activity that we have on public demolitions to ensure continued safety."

Nutter's spokesman, Mark McDonald, defended the less-strict rules for private demolitions, saying last week that "hindsight always will trump foresight because we can't predict the future. The fact is that the current regulations governing private demolition work functioned for many years and were squarely in the best-practices category within the local government world."

"It was only when potentially criminal actions were taken by one or more people that a bright light was shone on this issue," McDonald said, a reference to serious questions raised about the demoli-

tion and the competence of those carrying it out. "In light of the tragic loss of life, the mayor acted swiftly on the advice of L&I officials and others to strengthen our regulations and consider further legislative changes."

Critics of the department, including some current L&I employees, say that the department is understaffed and overworked and that top officials are focused on boosting revenue from permits, licenses, and fines rather than on safety enforcement.

The department budget was \$21.4 million in fiscal 2012, down 51 percent from \$43.9 million in fiscal 2002, at the height of NTI, which focused on tearing down thousands of abandoned and vacant buildings.

Other city agencies also had cutbacks. At L&I, staffing decreased to 298 full-time positions in fiscal 2012, down 33 percent from 443 positions in fiscal 2002. The staff is budgeted to be 320 in the fiscal year that begins July 1.

At the same time, revenue produced by the department has been climbing, up 22 percent during the Nutter years, from \$41 million in fiscal 2009 to just under \$50 million in fiscal 2012. The biggest increase has been in income from health and sanitation fees (including such items as housing inspections, restaurant licenses, and Dumpster permits), which have grown from \$12 million in fiscal 2009 to \$18 million in fiscal 2012.

"They are very focused on licensing right now, and getting numbers on databases," said a department employee who asked not to be named because workers have been told not to discuss the collapse. "It does seem to be that the focus is away from safety."

McDonald, Nutter's spokesman, said "there is no merit whatsoever" in the revenue-versus-safety claim.

Clarke, the Council president, said he hoped the investigative committee he appointed would make recommendations on staff levels as well as city construction codes and processes, looking to "maintain a safe environment and enforce those codes in a very aggressive way."

"The less people you have, it lessens your ability to do a lot of things," Clarke said, comparing the declining workforce at L&I to similar cuts throughout city government. "This is the result of this consistent theme that's gone on for years about reducing the cost of government. . . . In reality, the only way to reduce the cost of government is to get rid of personnel, and this is what ends up happening."

He said he hoped the city would raise the money for increased L&I staffing through higher taxes on abandoned buildings - a "non-utilization tax" he introduced for the fourth time last week.

Butkovitz, who issued a report pushing for more L&I inspectors in 2006, before Nutter became mayor, said there was no question the decline in the department's workforce had undermined public safety.

He also questioned Nutter's decision to put L&I under the general supervision of the city's deputy mayor for economic development, commerce director Alan Greenberger, rather than continue to regard it as a public safety agency, like the Police and Fire Departments.

Thomas Kline, a personal-injury lawyer in Philadelphia, blamed a "historical nonchalance toward en-

forcement" that he said permeates Philadelphia.

"There is a historical and cultural nonchalance in the fabric of government here," he said. "Less has always seemed to be OK."

Kline, who represented plaintiffs in the collapse of Pier 34 into the Delaware River in May 2000, in which three young women died, said that accident had many parallels to last week's building collapse, especially in lack of protection by the city.

"Where was the city? Where was L&I?" he asked.

"The system is clearly broken," he said. "This collapse just focused public attention on the lack of regulation and the underenforcement that is colossal throughout the system. . . . You don't have buildings collapse like this when there is effective site inspection."

"This collapse was a disaster waiting to happen," he said.

Bennett Levin, who was L&I commissioner from 1992 to 1995, in the first term of Mayor Ed Rendell, said political favoritism and petty corruption had long undermined enforcement efforts at L&I. The system is designed, he said, to provide better service for the politically connected and those who contribute to city politicians.

"You wouldn't tolerate this in the Police Department or the Fire Department, but it seems to be tolerable in L&I," he said.

He said the collapse of the building under demolition at 22d and Market Streets "was as predictable as the full moon coming around every 28 days."