

## Episode 04: If You Build It, They Will Come

Let's be honest -- REALTORS face an ever-changing industry. With emerging tech, growing trends, and a booming market, it's vital to keep up. Join me, Gilbert Gonzalez, CEO for the San Antonio Board of Realtors, as I get real with experts on what REALTORS need to know about this industry. It's time to get real.

GG:	Today I'm talking with Mike Shannon, director of development services department for the city of San Antonio. He's here to talk with us about the permitting process for homeowners and contractors and what they need to know when undergoing renovations. Thank you, Mike, for joining us.
MS:	Thanks for having me. It's great to be here.
GG:	Can you tell us a little bit about development services department? What in all does that encompass and entail?
MS:	Sure. So the city's development services department encompasses really like three things. We are the city's building department, zoning department and code enforcement. So we handle anything from developing a vacant property now that you're going to build something on, whether it be a new home or a commercial high rise structure downtown. We also do a zoning regulations throughout the city. And then finally we do code enforcement all throughout the city.
GG:	Now how big of a staff are we talking about here for all DSD?
MS:	Yeah, we're 454 team members now. So we're, we're pretty big. One of the more sizable departments in the city.
GG: 1:25	So one of the tasks of the department is to undertake the permitting process. And I wanted to take the opportunity to talk to you a little bit about that. So let's start off by just saying or starting off where, who needs a permit? Why are we, why is there a permitting process?
MS:	Sure. No, that's a great question. One we get a lot and you know, a building permits or construction permits are needed for, for most generally new construction and any type of remodeling, whether it be at your house or the commercial businesses. There are

some exceptions. For example, when you're home, if you're redoing your floors or carpeting, tile, laminate or countertops, things like that, that are really cosmetic those don't require a permit. If you're adding a small, relatively small tough shed or similar structure in your backyard under 300 square feet, you don't need a permit. There are still rules that you have to follow, but you don't have to come through the permitting process or anything like that. Most other things, if you're doing some renovation at your house or your building an addition doing an instructional work, electrical, plumbing AC work you'll require a licensed or registered professional and you'll pull a permit with the city.

- GG: So that's if you're doing an electrical or plumbing, you have to have a license to do that work.
- MS: Correct.
- GG: Before we get to that part, can a homeowner pull a permit as well then? You don't have to be licensed in order to pull some permits. Right?
- MS: And so we have a lot of information on our website or that we talked to a lot of homeowners about. But, but certainly if you're a homeowner, you're allowed by state and local laws to do some plumbing work by yourself. The state gives that authority to homeowners that live there. If you're also living there and it's your house, you're actually allowed to do some of the renovation work yourself. You don't have to hire a contractor that's registered with the city. You still have to pull permits. You still have to get inspections. But you are granted that authority. If you own a property and are renting it out, you don't usually get those exceptions. So you will have to get the license. So we have a lot of that information kind of where, where the line is. But it is important to know that even as a homeowner, you're allowed to do some of the work. Certainly if you know what you're doing and qualified, we always caveat that way. But there are permits you'll still need to pull.
- GG: 3:44 I'm sure all homeowners know how to do all that work either way.
- MS: Some of them do.
- GG: Okay. So one of the, the examples though, everyone always tells me or gives me is I am absolutely able to change my own water heater. Is that true or false? What's the answer on that one? Can I change my own water here in my house?
- MS: No, you shouldn't be doing your water heater. You'll need a permit from a licensed plumber. We have a simplified permit because that's usually a something that happens at night or on the weekend. So there's a permit your plumber can pull. But we do need licensed plumbers, a lot of safety issues there, whether it's electric or gas, you know, into your home.
- GG: So I need a permit because my water heater did break. And you gave a good example that it's at night or online and I'm sure you can go in person. So let's just say the water heater broke. I need a permit where, where do I go? Where do I start?

- MS: Yeah. The first thing you would do a, you'd call your licensed plumber. And the most important thing is for them to do the work. We have worked with our, you know, trade community, whether it be the plumbers or electricians. We want them to get out there and fix the problem. They're licensed, they're trained to do it and certain things have to be done right away. They can pull the permit that evening, tomorrow morning on the weekend, on our website and our processes help them along. So we don't want them or the homeowner waiting around for a permitting process to fix that water heater or do some of the other emergency repairs to your home or, or even your commercial business.
- GG: 5:12 We were talking about pulling permits and what the exceptions are that you don't require one, but I was looking online. Your website, which has a lot of resources and one or the FAQ says, if I'm chasing a faucet, a sink I need to pull a permit. There's, I'll full disclosure, there's been plenty of times when my faucet was leaking. I went to home Depot, bought the faucet, came back and I fixed it. Was I supposed to have full department?
- MS: Well the letter of the code says yes. We have some codes that are around for a long time. There's something, we've been talking with a lot of contractors and homeowners recently and we're likely going to be adding some more exceptions to the code this summer that allows for more of the smaller the nonrisky stuff to be exempted. I will tell you the instructions to our team and inspectors and investigators and we're not looking for those type of violations because again changing out a faucet is not the health and safety violation that we're really focused on adding new sewer lines, new water lines are moving around and adding a bathroom when those are done wrong, those can be a big problem.
- GG: So let's talk about a big problem. A member recently asked me about an AC repair that they had. And I hope I'm saying this correctly, they were supposed to get a access platform next to the air conditioner, but because of the beams or the way the ceiling was, the roof was structured, it was just not going to be possible. And I'm assuming with historic homes equally is difficult to come into compliance with certain codes. What do you do in those instances where they want to comply but they just structurally can't or there's some reason why they, they're unable to.
- MS: Yeah. And that happens a lot. We have a lot of existing housing stock and some historic, some not even historic, but and today's coach will dictate a rule and it may be that access platform to ensure we have adequate access for the homeowner or the inspector or the technician. But where those challenges are, the code also allows us as a city to accept alternatives, whether it be a typical access panel with maybe we'll utilizing the ladder or such. Those might be some examples of alternative. So those will be looked at on a case by case. The code gives us that authority. And we always encourage the homeowner or even the, the professional that's working on it to contact the inspector to look at it physically onsite so we can come up with an acceptable solution.
- GG: Is this inspector allowed to give some advice on how to come into compliance or, or is there direction to be, you know, call a professional who's going to give you that advice?

- MS: Well, it's a, it's a fine line. We want to be very helpful if we know that, you know, a hundred other projects have utilized this solution my inspectors will give that we caution from our inspectors, our staff being the design professional for you or anybody out there because there may be more than one way to do it. But no, if we have the answer, we want to give the answer to the homeowner or the technician because we want to move that project along to compliance and closure.
- GG: How, how soon are we looking to get that entire process done, pulling the permit, getting inspected. Some people have said, look, I'm complying. I'm trying to do all this. However I pulled the permit, I did the work and now it's taking way too long. Whether that's a couple of days, a couple of weeks a month to get an inspector back out here to finish the project.
- MS: Sure. Well, I actually love those conversations because our permitting process for all those permits that you need for a home remodel or a, or a system remodel, like electrical or plumbing or anything like that, those are all either done online. So they're immediate or if some of them you have to come to our offices, but you pull those permits over the counter so it's that day. So there's no wait to pull a permit. No matter which one you're doing on a, on a home remodel project like that the inspections are just the same. There's no weight. Meaning if you call for an inspection today, if you're ready, we will be there tomorrow, meaning you'll schedule it for tomorrow. Where there we, we actually are, we try to get out there at least 95% of the time as scheduled or at the 98% of the time. So 98% of the time we'll be there that day you call us to be there. So when we talk to people about what's the delay usually there's some either miscommunication or quite possibly a contractor is telling us or telling the homeowner, I'm waiting on the city. In fact they're, they're really waiting on themselves or to try to get back to the job. So our goal is to be there when you need us because we know how fast these things need to happen. And we're able to deliver that service.
- GG: 9:49 Do all work that requires a permit, require an inspection?
- MS: Not all of them, but most of them do. It's important for us to have inspectors that are trained and licensed that we have. We, we have certifications. We put our inspectors through, that they need to experience the license and the certification, but they, they have to look at it as, and there's different steps in the process, whether it's the framing whether it's the rough end of the plumbing system, electrical because once you cover it up then it's there, right? With sheet rock and paint and all the finishes. So there are a few exceptions here or there where it'll just monitor that you pulled the permit over time. But for the most part, everything needs an inspection.
- GG: And for the members who are listening who say it's not just a day, what do you tell where, where can we send them to say to call and get that 24 hour response to get an inspector back out there?
- MS: Yeah. So we have, we have ways you can schedule online through, through a website, but you can call 207-1111. That will schedule your inspections. So if your general contractor or your plumber needs, needs us out there tomorrow, we will be there. You can actually then go online to verify that it's been scheduled for tomorrow. You'll see the date and then there's even an email out in the morning to the contractor who

pulled, who requested the permit. They get notification in the morning that it's on the list and your inspector will be there today. So if they, if they're not getting that, there's something amiss on their project. So we would ask them again. They can call that 207-1111 asked to speak to one of the inspection supervisors, one of the chief inspectors, and we'll walk them through where that is.

- GG: Okay. So the development services department has begun to crack down on homeowners and contractors doing work without permits. All right. We've talked about the permit process. Now we're focusing on the ones that aren't doing that. They've set up, y'all have set up a special team to ensure that construction or remodeling updates to a house are being done with the proper permits. Can you give us a little bit of background on this initiative and where it all started?
- MS: Sure. Well, it actually started with a little over a year ago. We were getting a little bit more complaints than normal.
- GG: And who's complaining?
- MS: Most of it was homeowners that were either in the middle of a remodel project or had recently purchased a home maybe within the last few months or a year. And things were wrong with, I dunno, a remodeled home the electrical system, plumbing system or whatever. And we were getting these calls that said, you know, who was my mechanical contractor, who was my plumber? Can you just check the permit? I want to give him a call and, and and see if I can get it back out here. And we were finding a lot more of the well, we don't have any permits for your address. And so a lot of those conversations led to it. We had, we had homeowners that had worked with some contractors that started a job, didn't finish it maybe took some money and didn't return.
- MS: And it seemed like a lot of those calls were, were, were more in number. So my team had come to me with a few you know, examples and, and the numbers just were higher. So we decided I just said, well, why don't you go out on the weekend, send some team members out, we'll, we'll pay some overtime. Just go out there and do some investigation and see if there's any work without permit. Just drive around and see what you can find. And I guess fortunately or unfortunately, however you look at it, it was a very successful five or six weeks because in just five or six weekends, we found four or 500 violations. And my team came back to me and said, geez, this is out of control. More than more than ever and we need to do something. So we decided at that point to create a strike team and even went through the budgeting process this past summer and get a six additional staff to to really focus 100% of their time on work without permits, finding them, correcting them and getting them back so that they get properly inspected for safety.
- GG: 13:46 So this is all an internal initiative that you guys took on?
- MS: Absolutely. Yeah. My team, came to me and said, we need to do something. And, and I agreed. So this is the plan we've put in an action. And I think they're doing a great job and, and corrected a lot of violations

- GG: And all those people who were calling you to say, who was my contractor? They could have gone online to find that out anyway. Correct?
- MS: Did some of them went online with their address and they said, geez, you know, I'm looking for the electrical permit and all that stuff is online. You can type in your address and see the history of permits. And they were, they weren't finding it, so they assumed a lot of them told us the issue and we must have had it, you know, in, in the back of house area or whatever. But but we didn't. And that was unfortunate, but it helped identify the problem that, that seemingly has increased over the past several years. And what is the problem? Well, you know, the problem is, you know, we have a, we have a set of building safety codes and, and you know, we want to ensure that the construction in our city for our community is safe. And all of our building and construction codes, they're all based on the premise of, you know, safety, health and safety for whether you're a homeowner or business owner that works there.
- MS: So it's critical that we have, you know, registered and licensed contractors that know what they're doing, that they're pulling the permits and that they're getting the proper inspection so that they can ensure that the home they live in that's getting remodeled or that the home they're buying or selling is in the safe condition that our code prescribed. So we were seeing a lot of that. And I should preface we have a lot of contractors that are doing it correctly. We, we, we do a lot of inspections. There's a lot of permits pulled
- GG: And you have a new initiative that grades or rates contractors?
- MS: Absolutely. That's just, yeah, that's just as important, you know, because we were focused on a lot of the contractors that were doing it wrong, doing it incorrectly, illegally unsafe. We knew it was important to highlight the good contractors, or I'd say the contractors that are doing it right and doing great work for the community. So we created a contractor connect program, that's what we call it. The goal is to connect our citizens, our residents with quality contractors that not only meet the minimum requirements and they're doing the minimums, which is, which is the high level. We've created a scale of premiere well we have three levels actually. It's we have registered, registered plus and premiere and each of those contractors that gets those categories has additional qualifications to, to get that. And, and that's helping them reach out to residents to show that they're not only doing what they're supposed to, but, but marketing that they do more. And we're really excited about that. Just as excited about that as we are the strike team.
- GG: Would you say that the complaints are mainly around homeowners or is it involving house flippers in specifically, like who, who's the core audience that you see is mainly avoiding permitting process?
- MS: Well, I, I think it's a, the remodelers are the house flippers. It's, it's really those, those customers that are either providing the service to the homeowner or you know, the investors that are coming in and, and wanting to, you know, flip a house real quick. That's where most of the violations that we're finding, we do find some homeowners that, that, you know, didn't pull a permit. We, we, we, we come up on the property, we ask them if they had pulled the permit. A lot of our homeowners, they're there, they're

just doing weekend kind of the weekend warrior work, which is, which is good, but they just don't know the rules. So we have a little bit leniency built into our process for those because we want to educate them as well. And a lot of them don't know. But we have a lot of businesses, whether it be plumbing or general contractors or investors in home home flippers that know the rules. They're just, they're just not following them. So those we have a little less leniency on.

- GG: 17:29 So you said that your, your, your team got together, went out on the weekends. I'm guessing this is normally when they go out and start looking. Is this because of the weekend warrior? Is that what it is?
- MS: Well, that's where we started to find a lot of the problem. Some of the contractors, you know, that we talked to, they were very upfront even saying, well we were just busy and had to get it done fast. We knew you guys weren't working normally on the weekends. So that's why we did it. And we've, we've corrected that and we've, we've taken them and putting them in the right line, getting them back on track and, but our, our strike team now is working seven days a week. It's scattered. So that it's seven days and we want the people to know that we're out there all the time looking,
- GG: What are they looking for? I mean, obviously you're driving by my house. You see a water heater that I've taken out and put out in the driveway. Are you stopping or what else are you going to, what else is going to make your inspector stop?
- MS: Sure. well, one of the great things about the team is we really gave them no instructions other than just, Hey, just go look and find the illegal or unpermitted work. And unfortunately it's not hard to find as you drive in through neighborhoods. So it's just using driving through neighborhoods finding either you know, water heater out in the driveway that's being replaced, or we have construction vehicles. We will then stop we will look in our system. They all have laptops or tablets to, to check to see if there's a permanent, there's a permit. They just move on. Because we know a, an inspector will be called out soon but if there is none, that's when they'll stop and do it. But we're using other tools, whether we're using the internet you know, looking at you know, recently renovated homes or, or sites but there's a lot of tools that they're using just to, you know, see what's out there. But at this stage of the game is still, it's not too hard to find. And they're, they're quite busy.
- GG: 19:19 So you drive by my house, the water heaters in the front yard. Are you going to ask to come into the home and pull the permit? Like what's that conversation going to look like? Do I get to say, I don't know what you're talking about. I want a lawyer.
- MS: Yeah. I mean there are, there are basic, there are basic, well, there are basic rules for any type of investigation, inspection, code enforcement, and our goal again is to have that conversation. What's going on. We, we do have the authority to ask. We don't have the authority to, to without permission, just, you know, run into your home and force ourselves in. We have there is a legal process for that. We can go get an administrative warrant if we need to. And, and we do sometimes because it's clear that there's a hazard or something. And so we'll go talk to a judge to get an administrative warrant. But, but most of the time the conversation is what are you doing? And it's obvious you need a permit, here's your notice of violation, or here's your citation. You need to go get

the permit and get you back on track. And that's been successful. There's been a few a few properties where we've had to take a few extra steps.

- GG: So to go back to something you said earlier though, you said you're looking for houses that have been renovated and one of those things I understand is you're going onto the syndication portals online where houses are for sale, whether it's Zillow, realtor, any other real estate website and seeing that the photo show it's recently renovated or even agents comments on the advertisement, say new roof, new floor or new water heater in new AC. Is that, that's a part of your investigation or those are some of the clues you're looking for?
- MS: It is, it's some of the clues and you know, it's one of many. So, you know, there's a lot of information out there. And like I said, I think our team is a great job using a number of resources. Probably don't want to give you all our tricks.
- GG: I was just going to ask, you kept saying many and I kind of curious what they are.
- MS: Well, you know, there's just a lot of ways to do it. I have a great team that, you know, we've asked them to be a little bit innovative. We don't want to create problems. We're not getting access to anything we shouldn't any private information or anything like that. But again there's just unfortunately there's a lot of it going on out there and, and some of it's, you know, real obvious and I just think people don't think we're serious about it or at least they weren't until maybe this past, that past year. We are getting a lot more compliance just by having the conversations with groups like the, the board of realtors the area real estate organizations, their real estate community, contracted community. So that's the hopeful part of it is, is hopefully we get to a point where this is not needed anymore. I fear that's a little ways away, but as long as we're making progress to that, that's important.
- GG: And I, I think it's important too to say this is not a new ordinance. This is not a new anything other than you're just working, making your team focus more on what the rules already are.
- MS: Yeah, absolutely. We get a lot of questions about did something new happen and we said, no, these rules have been in place, you know, pulling permits to ensure safety. Construction safety. This has been around for, for years, decades. And we're just, we've just established the need for proactively going out as opposed to just reacting to calls or complaints. We still get calls and complaints cause people know we're out there looking and we're soliciting that from neighborhood groups or, or contractors that feel that they're don't have a level playing field because, you know, contractor A is doing it right and pricing auto job a contractor B is underbidding it because they're going to skirt a lot of the rules, not just the permitting, but they're going to install substandard, you know, equipment unsafe equipment. So a lot of our contracting community has told us this is great because it's leveling the playing field from a business standpoint. And you know, that's another added benefit.
- GG: I want to give you the opportunity to do address anyone who says who's listening, when you just encourage your staff to get creative to find these things, do they have any

limits? What about the inspector who's too overzealous going after people? Like how would you answer that question that someone may have?

- MS: So what I would say to them is that our number one goal in our is to ensure safety. So we're here to help. We're here. Even if you have a violation we want to get you back on track. I do need my team to be creative because there are a lot of it going on out there. There'll be some people still hiding. But again, our job, our job and our goal is not to punish, but to get people back on track so that our residents can have safe homes and safe businesses. But you know, if they think any one of my inspectors or our officers is being a little too heavy handed that's why we have a team set up and they can even call a directly to me and I'll look into it. But you know, again, we're going to be from a, because it's important but at the same time we're here to help. So,
- GG: 24:21 So you drove by my house, you see the water heater. Am I going to get a warning? Are we going straight to citation?
- MS: Well I really can't wait to go by your house cause you have a lot of examples and this water heater better be a nice one.
- GG: It's a tankless.
- MS: Ok, well no, so what we will do is the normal rules will say I should give you a \$300 ticket. It's an administrative, a civil citation. I also can use if, if it warrants to I can use a, a class C a criminal misdemeanor ticket. Normally though, when we're dealing with homeowners, like I said earlier, you know, a lot of our homeowners may not know all the rules and they, they might be given a little bit more benefit of the doubt they can give. We can give them a notice of violation, which says, Hey, you're in violation. You need to come down and pull a permit, you have seven or 10 days, whatever the violation dictates with the licensed contractors, it's the licensed plumber. It's the registered contractor or somebody in business. They know the rules or they should know the rules. We generally have an automatic \$300 ticket for that. And that's the first way we encourage them to come into compliance. And most of them do that. That's enough. I would rather them not pay fines. I would rather them pay either the permit fee or pay for the proper materials. So they do it right. But we'll, we'll use the ticket system and the fines to do that.
- GG: So they've gotten the ticket. That doesn't mean that it's been resolved though. There's still an expectation that they're going to have to go pull the permit and then get an inspected and do everything in compliance. Right? So if they fail to do that, you're coming back.
- MS: Absolutely. So once that case is created by our strike team we've issued this citation. Oh, we've issued the notice. There is a period of time we'll, we will quickly come back. We're an in constant communication with that contractor or that homeowner trying to again, answer any questions they have. We meet with them down in our office, walk them through, get them all the proper permits they need, so they'll pull those permits and then they'll start getting the normal inspections when they're ready. So again, that's the whole goal of getting them back on track. And I know our, our chief inspector with

this right team they spent a lot of time, you know, meeting with and talking with those companies to try to get them back on track.

- GG: So are there contractors who or homeowners who just don't pay attention to the citation and they keep going?
- MS: Yes, unfortunately we've had several and you know, that's when we'll have to use other tools. We will use additional fines, tickets. We, we have, we've suspended and revoked you know, licenses. We have sent you know, request to revoke licenses to the state organizations, the state plumbing board, the state electrical board and such. We've even pulled power to homes that were under construction or recently or about to be sold because people aren't gonna follow through and do it right. So those are extreme measures, stuff we've had to use. We'll continue to use if we need to. But it's always better if we can just get them quickly back in line with the proper permits and work with us as opposed to against us.
- GG: So we've heard about cutting off utilities for certain violations. Tell me a little bit more about where, at what point do you decide I'm cutting off the water, I'm cutting off the electricity. Is it the, you drove by you saw it and therefore you're immediately doing it or is it a progressive sanction?
- MS: Eh, well, it's it's, it's a case by case. There's been a few examples where it's been relatively quick. And the reason is because we've, we've come upon an investor or someone about to sell a property and it's clear that it's happening soon. And we're very concerned about the, the home buyer, the potential home buyer closing on a property and inheriting a fully remodeled home that had absolutely no permits and inspections. We have no idea of how safe the electrical system that's been rewired, a new HVAC system, a new gas system, new water store, and even the structural, a lot of renovations include opening up and creating these big open nice floor plans. So without those inspections where it's deemed an unsafe structure by our code. So there have been examples where it's been very quick and, and that's painful because we, we actually, we don't like to do that, but we certainly have to to protect the, the potential home home, a home buyer. And we've had others where it's a progression because again, cutting off the power is really the last resort we want to do. And that's, that's no fun to anybody, including us. So if we've given them several chances to, you know, come in and get the permits, get the inspections and they're not doing it and they continue to do work I'm, I'm issuing citations but eventually I'll just have to pull the power because of the unsafe unsafe situation.
- GG: And it's my understanding from reading the code that you have the authority to pull the power because of health and safety issues and therefore you can do that. Right?
- MS: Absolutely. Yeah.
- GG: So, but what the question becomes the faucet that I installed. Like how do we know there's going to be a point where you're like, okay, we're not cutting off the water cause Gilbert changed his own faucet.

- MS: Yeah, sure. Well, again, I've, I've, I've described a couple of examples on the extremes. If if we catch you for a violation, it's relatively minor. Our goal, we're not going to turn the power off whether if it's a faucet or sink or this, that and the other. It's not that we're not pulling your power off of that. If you've done major structural work, rewiring new gas systems, water and sewer, which can quickly when done wrong, be significant health and safety issues for those in, in, and around the home. It can, it can very quickly go to that. So my team, along with my deputy director, a deputy building official we'll, we'll make that call. There are a lot in between those extreme examples and those are the ones where we're working through and it will dictate it will be dictated by the businesses response or the homeowner's response on how quickly they're going to come into compliance. So again, it may be very quick, it may take awhile. But it's a tool we, we've had to use and, and we'll continue to, if we need to.
- GG: 30:25 You know, and the questions we've had is we had a house under contract, it was getting ready to close in the next couple of weeks and all of a sudden there was an issue with the permits and the electricity has been cut off. So now the home buyer can't do the inspection, right? Cause there's no electricity or water to check the plumbing or electrical. And the home sellers frustrated because let's just say they weren't aware that the permits weren't pulled correctly because a contractor said they did. The realtors are kind of caught in the middle of that. What is your advice to them on how to resolve this as quick as possible? Because their frustration is I'm trying to close this deal and finish the transaction. What's your advice to them to how to get this done?
- MS: Yeah. So if you're caught in the middle of that as the realtor certainly you would want to call down to, to our our team ask for the strike team. We'll get you to one of our senior inspectors or the supervisor will look at all the conditions and put a plan to get that resolved as quick as we can in the, in moving forward and talking with several realtors and real estate investors, we want them to do a lot more due diligence up front with the seller or as they're the ones working with a contractor who's remodeling, ensure that they're pulling the permits. Don't just take their word for it. We've all had contractors including me, come to my home telling me things like permits aren't required for that in San Antonio or permits or optional or things like that.
- MS: Well, that's, that's false. So we want you to do a little more due diligence upfront because again, I hate getting in the middle of that business transaction and we want all of the businesses to be successful. But what takes precedence is that that home buyer, we have to ensure that that home buyer or potential home buyers protected, knowing that they've got a product, meaning a home or, or, or anything that's been been correctly done safe and and so that they can feel comfortable for years to come. So yeah, we want them, we're here to work with you work with all the realtors and all the real estate investors.
- GG: It's my understanding too that, you know, the roof, there should have been a permit, but if you start looking and you find out that permit work was done six months ago, the further back, the longer it's going to take to resolve those. Right? Because you're going to have to go backwards, inspect and do some more leg work than just a simple most recent work done.

- Correct. And that's a lot of the things we're having conversations with either the homeowners or the the investors or those that are selling, you know, we're not here to correct all those things that might've happened years ago, maybe, maybe five, 10 years ago, someone did it work without a permit at, at this property. It might've been two owners ago. Our job isn't to correct all those. Now if there's a safety issue that we identify that that's certainly going to have to be worked on. If, if we see structural sagging of a beam or a foundation or something like that, that's dangerous. We're going to have to have that corrected. So that's a lot of the conversation. Our team is having investigating, you know, when the work was done. How bad is it in terms of a safety issue. So you're right, it could take some time to figure that out. But the charge with our strike team and, and all of our staff that works with them is to help get it identified and resolved quickly, put a plan of action quickly and that's why we're asking those involved, whether it's the realtor or the homeowner or whoever. Just sit down with us, walk us through it. Be honest with us. Cause that usually helps it go by quicker. If we keep having to uncover your, your lies or, or lack of lack of correct information that just, it drags out longer.
- GG: 34:05 Is there a statute of limitations? Either for the AC that was replaced two, three years ago or the AC that was replaced, they pulled the permit to open it but they never closed it after two years, then it's gone? Or no, you can go all the way back.
- MS: Well, there is a statute of limitations a couple of years back is when I lose my ability in court really to address the fact that you didn't pull a permit. However, if it's an unsafe situation, that is that there is no statute of limitations on that. If I, if I identify that structural issue or that clear electrical hazard. And again, that, that's, that's, that helps us identify, you know, we can't cure all those issues from years or decades ago cause that's nearly not our charge, our charges to what's happening now. There's a lot of it, too much of it. And again, it's not just not pulling permits. It's actually unsafe stuff. We've seen really hazardous electrical installations done improperly. Sewer systems, gas system, structural and it's pretty concerning. So that's the stuff we're focused on. And you're right, we're not going that far back. Because of some of those laws like statute of limitations.
- GG: So the homeowner who bought the house been going great for six months, but now it's turned into the money pit. A permit wasn't pulled on whatever work it might've been.
  Are they the ones who are going to be held responsible and cited for something that happened, you know, six months ago before they even bought the property?
- MS: Well, we've been called out to several of those and the answer to that is the owner is ultimately responsible. So if you're the owner, you've been, you've bought that problem. However, we take all that in consideration and we're not, we're not giving citations to that new homeowner who, who inherited this unknowingly. So a lot of that is the research that my team is doing. But what they will do is they'll work with certainly the new homeowner on saying, look, you'll need to get an electrician who will need to pull a permit to fix that issue cause it's a safety issue. So we're going to put a case on your home, you're going to have some time to get it resolved. Depending on the severity of the issue, we will also try to find out who did that work. If they can find through the realtor who sold them the property or the previous owner. If we can get some information on the contractor that clearly did the work without permits, we'll

MS:

then spend some resource resources to go after them to ensure they're not doing it to other homeowners. So that's a general idea of the process. And we've had several examples of that.

- GG: The realtor who's working with the buyer or seller on a daily basis, what questions should they be asking?
- MS: Well, I think their realtor, if it's obvious that, you know, there's been some renovation, a one they could ask that, but a lot of it's very obvious, you know either new, a new bathroom remodel or maybe something has been opened up recently in terms of a room. They should be asking the home owner who's going to sell it. Did you pull the permits? Where are they? Can you see them online? Because odds are the this, the potential buyer and their representation is going to be looking for it knowing that this is a kind of a high profile issue these days. So we want everybody to be upfront and and if they didn't pull the permits, if they find they didn't know to come down to our offices to help them get back on track so the sale can happen. You know, pretty easily. Yeah. Afterwards.
- GG: Any advice for the house flippers?
- MS: Well, the house flippers. Yeah, I've been there and I've talked to several of the organizations in town and the advice is do it right, pull your permits. We, we will be there to help you do it quickly. It's a lot quicker to do it right the first time. Meaning pull your permits, get your inspections, get them all passed and closed out. If we do catch you going backwards, it slows down the whole process for everybody. It's, it's definitely harder to go backwards like that. And so we just asked everybody to do it right, pull the permits and let us help you out.
- GG: 37:57 And my last one is for advice for the homeowners. Where are they gonna go to get this information? You know, everyone assumes they can change their own water heater. That's just the understanding where, what's your advice to them and where do they go to become educated on these things?
- MS: Sure. So our website, we have a lot of information on there. We have a homeowners tab on the front part of our website. So we've put a lot of the frequently asked questions on there. We do go to neighborhood associations throughout the year, over 400 of them. We pass out a lot of information about what permits are required, common code violations, what have you. So that's the, the best way we use things like next door, a neighbor.com a lot of the social media as well. So we do have a lot of information through those portals, but even if they just have a question having called 207-1111, and we'll be happy to answer them for them or send them that information directly.
- GG: Mike, thank you for joining us today and helping us get this information out and if there's anything we can do to help... we greatly appreciate it and we hope we appreciate your help on coming in to educate us.
- MS: Oh no, I loved it thank you for having me on.

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