



## SUBJECT

Projects of \$50,000 or Less – Exempt From Plan Review Process

**PIN:** 36  
**Effective:** 1/05/07  
**Revised:** 6/18/13



## PURPOSE

This policy intent notice clarifies the exemption criteria for projects of \$50,000 or less and outlines the procedure for obtaining a building permit for these projects. Facilities have the option of submitting projects as outlined in this policy intent notice or may use the usual OSHPD plan review process.

## BACKGROUND

Senate Bill 1838 (Chapter 693, Statute of 2006), which is effective January 1, 2007, authorizes the Office of Statewide Health Planning and Development (OSHPD) to exempt from its plan review process construction or alteration projects for hospitals, skilled nursing facilities and intermediate care facilities with estimated construction costs of \$50,000 or less, if specified criteria are met. This legislation added Section 129880 (a) and (b) to the Health and Safety Code which states:

*(a) The office may exempt from its plan review process construction or alteration projects for hospital buildings and buildings described in paragraphs (2) and (3) of subdivision (b) of Section 129725 with estimated construction costs of fifty thousand dollars (\$50,000) or less. The criteria for exemption shall include, but not be limited to, plans that have been stamped and signed by the design professionals of record.*

*(b) Projects that have been split into a series of smaller projects in order to avoid the qualifying dollar limits shall not be approved. The office shall maintain its construction observation mandate to ensure public safety and California Building Standards Code compliance for approved projects.*

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## POLICY

### Exemption Criteria

Construction or alteration projects for hospitals, skilled nursing facilities and intermediate care facilities may be exempt from the OSHPD plan review process if the project has an estimated construction cost of fifty thousand dollars (\$50,000) or less. Projects shall not be subdivided into small projects for the purpose of evading the cost limitation requirements.

In addition to meeting the cost limitations, project plans and specifications must be stamped and signed by a licensed design professional in accordance with Section 7-115 (a) and (b), California Administrative Code (CAC). For the purpose of this policy intent notice, a specialty licensed contractor is not considered a licensed design professional. Project plans and specifications prepared and signed solely by a licensed specialty contractor, pursuant to Section 7-115 (c), CAC, shall not be exempt from the plan review process.

### Projects Excluded from Exemption

Projects containing the scope of construction or alteration described in the list below shall not be exempt from OSHPD plan review. If a project consists of any of the following, the project must be reviewed by OSHPD:

1. Building additions, as defined in Section 7-111, CAC.
2. Projects involving a change in occupancy.
3. Projects involving a “change of function” as defined in the Remodel CAN 2-102.6, *“A change in activity or service provided within the project limits that does not change the use, specific use, or occupancy.”*
4. Projects involving an Alternate Method of Compliance.
5. Modifications to the seismic force (load) resisting system, the primary gravity load carrying members, and their load paths.
6. Addition or alteration of medical gas or vacuum systems.
7. Addition or alteration of fuel storage tanks.
8. Addition or alteration of fire alarm systems exceeding 5 devices or fire sprinkler systems exceeding 10 sprinklers.
9. Addition or replacement of an emergency generator or new electrical panel added to the essential electrical system.
10. Addition or replacement of large capacity fan in excess of 2,000 cubic feet per minute (cfm).
11. Projects where examination of the plans and specifications reveal a component that has a clear and significant risk to the health and safety of the staff or general public.
12. Projects involving the installation of fixed equipment weighing more than 400 pounds supported on the roof or floor, or weighing more than 20 pounds hung from the wall or roof/floor/ceiling. **Exception:** When equipment replaces existing equipment of equal or greater weight which has been certified by OSHPD as complying with the CBC in effect at the time of installation, and when details for

anchorage do not affect the primary structure. (i.e. no new welds, holes, or other work that could affect structural elements.)

13. Projects in which the work involved requires associated accessibility upgrades per California Building Code, Section 1134B, but accessibility upgrades are not addressed in the submitted plans.

## **PROCEDURE**

### **Submittal Procedure for Exempt Projects**

If a facility wishes to exempt a project from the plan review process, project documents must be submitted to the office (not to the field) for issuance of a building permit prior to commencement of construction. This submittal shall include plans and specifications and applicable documents, as required by Section 7-125, CAC. An Application for New Project OSH-FD-121, Application for Building Permit OSH-FD-302, and an Application for Inspector of Record OSH-FD-124 must be submitted with all project documents. Additionally, the applicable Testing, Inspection, and Observation form must be submitted and must be signed by the architect or engineer of record in general responsible charge of the work.

### **Construction Cost**

For the purpose of determining eligibility for exemption from the plan review process as described in this notice, the construction cost, estimated or contract amount as indicated on Page 5 of Form OSH-FD-121, **excludes** imaging equipment costs, design fees, inspection fees, off site work, and fixed equipment costs, including but not limited to sterilizers, chillers, and boilers. Projects involving the addition or replacement of imaging equipment or fixed equipment must not consist of any of the items described under the "Projects Excluded from Exemption" section of this notice. The construction cost to qualify for exemption must not exceed \$50,000.

### **Filing Fee**

The filing fee for exempt projects will be based on the construction cost, estimated or contract amount, of the project pursuant to the fee calculations described on Instruction Page 2 of Form OSH-FD-121. Fixed equipment costs shall be included in the construction cost. If the project includes imaging equipment, 10% of the imaging equipment cost will be assessed towards the filing fee.

### **Construction**

All requirements of Article 4, Construction, CAC must be met, except Section 7-135(a) 1, which requires OSHPD plan approval prior to commencement of construction. When the construction contract has been awarded, notification of the construction start date must be submitted to the OSHPD Regional Compliance Officer.

All code deficiencies identified during construction must be corrected.

**POLICY INTENT NOTICE (PIN)**

All change orders must be submitted to OSHPD Field Staff for review. Instruction bulletins may not be submitted because they do not contain cost information.

An exemption from the plan review process may no longer be applicable if change orders: 1) increase the total project cost to greater than \$50,000, or 2) change the project scope to include construction or alterations as described under the “Projects Excluded from Exemption” section of this notice. The submission of change orders may require OSHPD plan review staff to review the change orders and the original documents.

<u>Original Signed</u>	<u>6/18/13</u>
Paul Coleman	Date