



Town of Paradise
5555 Skyway
Paradise, CA 95969
(530) 872-6291

July 29, 2026

The Honorable Judge Jesus A. Rodriguez
c/o Administrative Services
Butte County Superior Court
One Court Street
Oroville, CA 95965

Re: *Town of Paradise's Response to 2025-2026 Grand Jury Report – Building Inspection
Department*

Dear Judge Rodriguez:

Pursuant to Penal Code section 933, subsection (c), the Town Council of the Town of Paradise has reviewed the June 5, 2026 Grand Jury Final Report regarding the Building Inspection Department. In preparing this response, information and input was obtained from various sources regarding each finding and recommendation, including the Town Manager, the Assistant Town Manager, the Human Resources Director and other staff members. In response to the Grand Jury Final Report 2025-2026 dated June 5, 2026 and released to the public June 26, 2026, the Town Council approved the following response in a public session of its duly noticed meeting held on July 29, 2026.

It should be noted that the Grand Jury invited responses from individuals from which the Grand Jury may not require a response as outlined in Penal Code section 933(c). This letter takes into account the thoughts of those from whom the Grand Jury improperly invites a response. The Town of Paradise respectfully requests that the Grand Jury limit its future requests for a response to only the Town Council, as proscribed in Penal Code section 933(c).

The Community Development Department is led by two Department Directors. One Director oversees the Planning and Wastewater Divisions, and the other Director oversees the Building, Code Enforcement and Fire Prevention Divisions. Throughout the Grand Jury report, there are several references to departments and organizational responsibilities that do not align with the Town's organizational structure. The Town's responses below refer to the Building Division within the Community Development Department.

FINDINGS:

- F1. *The building inspection staff were hired without meeting the stated Town of Paradise minimum requirements for hire. There was found to be a lack of knowledge among the building inspectors relating to codes and inspection protocols. There also appeared to be a lack of understanding of the requirements of supplemental plan documents, truss calculations, energy calculations and manufacturers installation requirements. This situation contributed to substandard construction in some cases.*

Agree in part; Disagree in part. At the time of hire, all three inspectors held the required International Code Council ("ICC") Building Certificate. One Building Inspector I position hired met half of the years of experience required. The Building Inspector II position had years of direct experience as a building inspector at a neighboring jurisdiction, possessed the required ICC Building Certificate, however, did not hold a specialty certificate as listed on job description for level II inspector. Currently all inspectors meet or exceed the minimum qualifications established for their respective classifications.

- F2. *The building inspection staff were given twelve months to attend online classes and training to receive the needed code-required certifications, but failed to complete them. This failure led to inadequate inspections which resulted in some substandard homes.*

Agree in part; Disagree in part. The job description outlines that a level I Building Inspector has up to 12 months to obtain an ICC Building Inspector Certification. All three inspectors possessed the required ICC Building Inspector Certificate at their date of hire. This item appears to be in reference to the 2025 Building Audit memo that recommends the Level II inspector obtain a second certification as required by the Town's job specification, which was completed on January 13, 2026. The Town recognizes that delayed certification may have contributed in part to inadequate inspections.

- F3. *The Building Inspection Department has been audited by an outside expert who recommended detailed remedies. The final audit was never released to the stakeholders of Paradise. This lack of transparency undermined confidence at all levels.*

Disagree. The 2025 Building Division audit was performed by an individual who was directly retained through the Town Attorneys' office. Following the reinstatement of employees previously placed on Administrative Leave during the investigation, the Town of Paradise publicly released the investigator's Audit Memo to the Interim Town Manager. This Audit Memo was intended to identify items which could be "implemented in short order to correct the major issues and help in regaining the public's trust in the important work performed by Town staff in the issuance of permits, review of plans and in conducting field inspections." The Audit Memo may be reviewed at the Town's website at: <https://www.townofparadise.com/building/page/building-code-complaint-corrective-action-plan>.

The Grand Jury references a "final audit" in Finding 3. Without additional specificity, the Town understands this reference to mean the investigator's work product documenting interviews, observations, and supporting work papers developed during preparation of the Audit Memo released on November 12, 2025. This work product was consolidated after the public release of the Audit Memo and contains notes from interviews conducted with an expectation of confidentiality to various owners, stakeholders and Town employees. Accordingly, those materials are protected from disclosure under the attorney work product doctrine. Regardless, the operational recommendations contained in the released Audit Memo reflect the conclusions and remedies developed throughout the investigation. Furthermore, the recommendations contained in the Audit Memo and subsequent consolidated work product were incorporated into the 2025 Building Division Audit Corrective Action Plan ("CAP"), which was approved by the Town Council on February 10, 2026. The Town publicly presented its first quarterly implementation update on June 9, 2026.

- F4. *The 2025 Building Division Audit Corrective Action Plan (CAP) was presented to the Town Council. The majority of the recommendations were adopted, but the council declined two important recommendations. The Civil Grand Jury has concluded that these recommendations would be important to the success of the CAP. These declined recommendations would have more equally distributed managerial responsibilities.*

Disagree. The Corrective Action Plan was presented to the Town Council in a public meeting on February 10, 2026, and the Council exercised its legislative discretion in determining which recommendations to adopt. While certain recommendations were not approved, the Council adopted the substantial majority of the CAP recommendations, all of which directly address the audit findings and strengthen Building Division operations.

- F5. *The Building Inspection Department was known to grant "courtesy inspections" so a building's construction could progress prior to the inspector's approval of previous phases. This type of favoritism is known to be outside of established inspection protocol, and risks substandard construction to slip through.*

Agree. "Courtesy inspections" occurred in limited circumstances. The Town has since updated its inspection protocols, quality assurance measures, and inspector training as part of the Building Division Corrective Action Plan.

- F6. *There is evidence validating many homebuyers' complaints of unacceptable, and in some cases, building practices resulting in dangerous living conditions.*

Agree. The Town agrees that legitimate deficiencies have been identified in some cases. As a result, the 2025 Building Division Audit Corrective Action Plan was developed and adopted by Town Council on February 10, 2026.

RECOMMENDATIONS:

- R1. *Direct staff to develop and implement a post-hiring employee development plan with benchmarks and time lines [sic] to train and certify new hires who do not meet all job requirements.*

Has been implemented. The Town has implemented a comprehensive employee development program as part of the 2025 Building Division Audit Corrective Action Plan, adopted February 10, 2026. The program establishes structured training, mentoring, quality assurance reviews, performance evaluations, and professional development objectives, including timelines for obtaining additional ICC certifications. In addition, training/professional development will be tracked through the Town's Human Resource Department and tied to probationary period and annual reviews.

- R2. *Direct Town Manager to verify that the staff who were hired conditionally, have completed required training and gained certification.*

Has been implemented. All Building Division employees meet or exceed the minimum qualifications established for their respective classifications. During the probationary period review, the Town Manager is provided background on the status of all required trainings/professional development to ensure conditionally hired employees meet the necessary requirements prior to passing their probationary period.

R3. *Release the full audit to the public with redactions to protect privacy of individuals as necessary.*

Will not be implemented. The Town Council has considered the Grand Jury's recommendation and has determined that the investigator's work product remains protected by the attorney work-product doctrine. The Town has, however, publicly released the investigator's Audit Memo, which identifies the operational findings and recommendations resulting from the investigation. Those recommendations were subsequently incorporated into the publicly adopted 2025 Building Division Audit Corrective Action Plan ("CAP"), and the Town continues to provide public quarterly implementation updates regarding the CAP.

R4. *Reconsider A-3 and A-4 of the CAP implementation plan. Item A-3 recommends that code enforcement be moved to the Planning Division. Item A-4 recommends reclassifying the director of building and code enforcement to building official / fire marshal.*

Will not be implemented. The Corrective Action Plan was presented to the Town Council in a public meeting on February 10, 2026 and, after considering the independent audit and public input, the Council exercised its legislative discretion in determining which recommendations to adopt and determined that the recommendations A-3 and A-4 would not strengthen the Building Division operations in a meaningful way. The Council, however, adopted the substantial majority of the CAP recommendations, all of which directly address the audit findings and strengthen Building Division operations. In the event the current proposal in implementing the Corrective Action Plan is not functioning in the intended manner, a future reconsideration would take place.

R5. *Direct staff to refrain from the use of courtesy inspections.*

Has been implemented. The Town has updated its inspection protocols, quality assurance measures, and inspector training as part of the Building Division Corrective Action Plan and no longer conducts "courtesy inspections".

R6. *Review their inspection protocol and put in place a dedicated Community Development Director to oversee the Building Inspection Department.*

Has been implemented in part; Will not be implemented in part. The Town has completed a comprehensive review of its inspection protocols and has implemented standardized inspection procedures, quality assurance measures, and updated inspection checklists as outlined in the Building Division Audit Corrective Action Plan. The recommendation regarding a dedicated Community Development Director was considered during adoption of the Corrective Action Plan, and the Town Council determined that the adopted organizational structure appropriately supports implementation of the Corrective Action Plan and that no additional organizational modifications are necessary.

Respectfully submitted,

Town Council of the Town of Paradise, California

A handwritten signature in blue ink, appearing to read 'Steve Crowder', with a stylized flourish at the end.

Steve Crowder, Mayor

cc: Paradise Town Council



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July 29, 2026

The Honorable Judge Jesus A. Rodriguez
c/o Administrative Services
Butte County Superior Court
One Court Street
Oroville, CA 95965

Re: *Town of Paradise's Response to 2025-2026 Grand Jury Report – Permitting and Plan Development Department*

Dear Judge Rodriguez:

Pursuant to Penal Code section 933, subsection (c), the Town Council of the Town of Paradise has reviewed the June 5, 2026 Grand Jury Final Report regarding the Permitting and Plan Development Department. In preparing this response, information and input was obtained from various sources regarding each finding and recommendation, including the Town Manager, the Assistant Town Manager, the Human Resources Director and other staff members. In response to the Grand Jury Final Report 2025-2026 dated June 5, 2026 and released to the public June 26, 2026, the Town Council approved the following response in a public session of its duly noticed meeting held on July 29, 2026.

It should be noted that the Grand Jury invited responses from individuals from which the Grand Jury may not require a response as outlined in Penal Code section 933(c). This letter takes into account the thoughts of those from whom the Grand Jury improperly invites a response. The Town of Paradise respectfully requests that the Grand Jury limit its future requests for a response to only the Town Council, as proscribed in Penal Code section 933(c).

The Community Development Department is led by two Department Directors. One Director oversees the Planning and Wastewater Divisions, and the other Director oversees the Building, Code Enforcement and Fire Prevention Divisions. Throughout the Grand Jury report, there are several references to departments and organizational responsibilities that do not align with the Town's organizational structure. The Town's responses below refer to the Planning Division within the Community Development Department.

FINDINGS:

- F1. *The Permitting and Plan Development department staff were hired without meeting the stated Town of Paradise minimum requirements, which contributed to substandard construction in some instances.*

Disagree. Permitting and Plan Development staff did meet the stated Town of Paradise minimum requirements at time of hire. The Permit Technician level I job description does not currently state a requirement to hold an International Code Council ("ICC") Permit

Technician Certification. The inclusion of an ICC Permit Technician certification requirement for the level I Permit Technician position was recommended by the 2025 Building Division Audit. The Town is currently working through the labor relations process to make this recommended change.

- F2. *The Permitting and Plan Development Department staff had a lack of basic knowledge relating to inspection protocols, code standards, and understanding the requirements of supplemental plan documents, including truss calculations, energy calculations and manufacturers' installation requirements. This allowed non-compliant builders to avoid detection.*

Disagree in Part. Agree in Part. Permit Technicians and Plan Review staff do not lack a basic knowledge relating to their positions and respective duties. Permit Technicians are responsible for permit intake, application processing, customer service and administrative support. Technical review of construction documents, inspection of construction, and verification of compliance with the California Building Standards Code, including truss calculations, energy compliance documentation and manufacturers' installation requirements are performed by staff members who are fully qualified to conduct plan review and inspections. There were instances when submittals by permit applicants may have contained partial information, misleading information or false information which was not verified or corrected. In some cases, this may have allowed non-compliant builders to avoid detection.

- F3. *The Permitting and Plan Development Department staff were given a set amount of time to attend online classes and train to receive the needed code requirements, but to the date of this report have not completed them.*

Disagree. As a result of the development and implementation of the 2025 Building Division Audit Corrective Action Plan, adopted February 10, 2026, all Permitting and Plan Development staff have implemented all necessary training.

- F4. *That communication between the Permitting and Planning and the Building Departments is virtually non-existent. This factor led to inspectors in the field not having the correct information and missing manufacturing installation requirements.*

Disagree. Without specific details related to the finding, the Town disagrees. Multiple levels of tools for communication are in place for Town staff to utilize.

- F5. *The Permitting and Planning Development Department issued permits to ineligible individuals without clarification of their relationship to the property, and allowed these individuals to sign the permit application as owners. The department violated the California Building and Permit Code 7044, and Labor Code Section 2750, as well as Business and Professions Code 7031.5.*

Disagree in Part. Agree in Part. The Town recognizes that there were times when permit applicants may have been providing partial, misleading or false information that was not caught, or where the State requirements may not have been adequately enforced. In some instances, staff may have failed to enforce (not "violate") California Building and Permit Code 7044, and Labor Code Section 2750, as well as Business and Professions Code 7031.5

As part of the 2025 Building Division Audit Corrective Action Plan, adopted February 10, 2026, the Town further strengthened its permit intake procedures by standardizing application requirements, requiring verification of applicant identity and authority, and implementing additional quality

assurance measures to promote consistent compliance with applicable California statutes and regulations.

RECOMMENDATIONS:

- R1. *Diligently follow the recommendations of the audit and the Corrective Action Plan (CAP) regarding the need for Permitting and Planning personnel to acquire necessary licensing and certifications. A report of this process is to be given to the citizens of Paradise on a quarterly basis at Town Council Meetings.*

Has been implemented in part/Will be implemented in part. The Town has implemented the applicable recommendations of the 2025 Building Division Audit and Corrective Action Plan, adopted February 10, 2026. The first Quarterly Update was reported at the June 9, 2026, Town Council Meeting. Current Permit Technician staff meet or exceed the minimum qualifications established for their respective classifications. The Town is working through the labor relations process to incorporate the ICC Permit Technician certification as a future minimum qualification.

- R2. *Ensure that individuals reviewing the initial building permit applications become certified. In addition, certify the plan reviewer personnel to analyze truss calculations and energy calculations. This should also include the requirement to ensure that the contractor licenses, workers compensation insurance policies, and subcontractors insurance policies are current and valid as outlined within the CAP.*

Has been implemented. This recommendation has been implemented through the 2025 Building Division Audit Corrective Action Plan, adopted February 10, 2026.

- R3. *Institute a process to track and document an employee's training development, from initial hiring throughout the individual's employment with the organization. This should include certifications, licensing, and professional updates as delineated in the CAP.*

Has been implemented. The Town has implemented a comprehensive employee development program as part of the 2025 Building Division Audit Corrective Action Plan, adopted February 10, 2026.

- R4. *Direct the Community Development Permitting and Planning Department to develop a checklist to ensure that each portion of the permit is completed properly. This review of information should be done with the applicant present and then followed up to ensure accuracy. This information should be communicated to the Building Inspection Department.*

Has implemented in part/Will not be implemented in part. The Town has implemented standardized permit intake procedures and checklists as part of the 2025 Building Division Audit Corrective Action Plan, adopted February 10, 2026, to promote consistency and completeness in permit application review. Permit applications are reviewed with the applicant in person or electronically to verify required information, identify missing documentation, and ensure a complete submittal prior to processing. State law requires the Town to accept electronic submittals. Therefore, the Town is unable to require the applicant to be physically present at the time of submittal.

- R5. *To direct the Community Development, Permitting, and Planning Department verify those requesting building permits are authorized to do so under California Building and Permit Code 7044, and Labor Code Section 2750.*

Has been implemented. The Town has implemented standardized permit intake procedures through the 2025 Building Division Audit Corrective Action Plan, adopted February 10, 2026, to verify that applicants are authorized to obtain building permits. Permit applicants are required to identify their relationship to the property, complete the applicable owner-builder declaration when claiming the owner-builder exemption under Business and Professions Code section 7044, and provide verification of identity and authorization as appropriate. The Town also verifies contractor license information and workers' compensation coverage through the Contractors State License Board (CSLB) and requires contractor information to be maintained throughout the duration of the project.

Respectfully submitted,

Town Council of the Town of Paradise, California



Steve Crowder, Mayor

cc: Paradise Town Council



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July 29, 2026

The Honorable Judge Jesus A. Rodriguez
c/o Administrative Services
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One Court Street
Oroville, CA 95965

Re: *Town of Paradise's Response to 2025-2026 Grand Jury Report – Administration Dysfunction*

Dear Judge Rodriguez:

Pursuant to Penal Code section 933, subsection (c), the Town Council of the Town of Paradise has reviewed the June 5, 2026 Grand Jury Final Report regarding Administration. In preparing this response, information and input was obtained from various sources regarding each finding and recommendation, including the Town Manager, the Assistant Town Manager, the Human Resources Director and other staff members. In response to the Grand Jury Final Report 2025-2026 dated June 5, 2026 and released to the public June 26, 2026, the Town Council approved the following response in a public session of its duly noticed meeting held on July 29, 2026.

It should be noted that the Grand Jury invited responses from individuals from which the Grand Jury may not require a response as outlined in Penal Code section 933(c). This letter takes into account the thoughts of those from whom the Grand Jury improperly invites a response. The Town of Paradise respectfully requests that the Grand Jury limit its future requests for a response to only the Town Council, as proscribed in Penal Code section 933(c).

FINDINGS:

- F1. *That there is significant evidence of disrespect, distrust, and in some cases, outward fear and hostility among employees and colleagues within the Town Council and administration. This has led to challenges with morale and functionality within town governance.*

Unable to agree/disagree. Without specific details on the instances referred to by the Grand Jury, the Town Council is unable to verify the finding but will take the information into consideration.

- F2. *That the Town of Paradise Town Council failed to follow their own handbook which was approved and signed by each member. As a result, this action usurped the authority of the Town Manager and created an environment of dysfunction, distrust and a lack of proper communication and adherence to the organizational flow chart. These actions contributed to the departure of many Town Managers over a six-year period.*

Unable to agree/disagree. Without specific details, the Town Council is unable to verify the finding. Since 2013, the Town of Paradise Town Manager role has experienced a planned retirement in 2020, voluntary resignation in 2023, and mutual separation in 2025. The Town Council does adhere to the handbook and associated organizational structure.

- F3. *Through interviews with various staff, required training and educational programs designated for staff development have not been carried out in a timely manner. There is no documentation of any training as required per State of California AB 1234, Ethics Training, as expanded by SB 827.*

Disagree. All required ethics training pursuant to AB 1234 are monitored and documented through the Town's Human Resources Department. All required public officials and employees have completed the required training. Newly expanded required trainings associated with SB 827 have been assigned to the required public officials and employees and will be completed within the legally required timeframe.

- F4. *The current Town of Paradise organizational chart is ambiguous and does not include the Town's Assistant Manager's position. This negatively impacts communication.*

Disagree. The Town of Paradise Organizational Chart is updated annually and incorporated into the annual budget adopted by Council. The position of Assistant Town Manager was created in December 2025, after the fiscal year 2025-2026 budget was adopted. The omission reflected the timing of the position's creation rather than an ambiguity in the Town's organizational structure. The fiscal year 2026-2027 budget includes the updated organizational chart which includes the newly created position.

- F5. *That the Town of Paradise departments do not appear to have an established confidential employee feedback mechanism. This prevents useful staff feedback regarding their workplace concerns.*

Disagree. The Town of Paradise currently has multiple mechanisms for confidential employee feedback. Employees can provide confidential feedback to any of the following: direct supervisor, Department Director, Director of Human Resources and Risk Management, Town Manager, Town Attorney, and/or appropriate bargaining union representative.

RECOMMENDATIONS:

- R1. *The Town Council review and adhere to the standards of conduct outlined in Section 10 of the Town of Paradise Council Members Handbook. This should be done as a group and as an administrative staff.*

Will Implement. The Council will review and consider the Council Member Handbook and update as necessary annually. This new annual review will occur at the same regular Town Council meeting during which the Council considers Council Committee assignments and the selection of Mayor and Vice Mayor, usually each December.

- R2. *The Town Council update their review, passing, and adoption of the Handbook for this fiscal year and document this as an annual requirement during the next Town Council Meeting.*

Will Implement. Response to Recommendation 1 is incorporated herein by reference.

- R3. *That all elected Town Council and appointed officials be required to undergo Ethics and Fiscal Training as required by State of California AB1234 and as expanded and subsequent to SB 827 within the*

required 6 months. This requirement should be documented and reported within each individual's training records as required.

Has been implemented. All required public officials and employees have completed ethics training pursuant to AB 1234. New Fiscal and Financial training associated with SB 827 expansion of required training for local agency officials has been assigned to the required Town of Paradise public officials and employees and will be completed within the legally required timeframe.

- R4. *That the Town Council develop and maintain a current organization chart for Town Administration, Community Development, and the Building Department delineating the following: Line of supervisorial authority; Reporting relationships; Management accountability for certification compliance and performance evaluation. The organization chart should be approved by the Town Council and incorporated into formal administrative practices to ensure sustained clarity and accountability.*

Has been implemented in part. The Town of Paradise Organizational Chart is updated annually and incorporated into the annual budget adopted by Council. Moving forward, the Town will provide subsequent updates outside of the regular annual cycle when new positions are created or department configurations are modified. This information will be available on the Town's website. In addition, the Town will create individual organizational charts for each department delineating individual positions within the departments. These department level charts will be included in the annual budget.

- R5. *The Town of Paradise establish a confidential employee feedback mechanism to allow employees to safely report concerns regarding workplace conditions without fear of retaliation.*

Has been implemented. The Town of Paradise currently has multiple mechanisms for confidential employee feedback. Employees can provide confidential feedback to any of the following: direct supervisor, Department Director, Director of Human Resources and Risk Management, Town Manager, Town Attorney, and/or appropriate bargaining union representative.

Respectfully submitted,

Town Council of the Town of Paradise, California

A handwritten signature in blue ink, appearing to read 'Steve Crowder', with a long horizontal flourish extending to the right.

Steve Crowder, Mayor

cc: Paradise Town Council