

SAN FRANCISCO CORRUPTION: Politicians Sell For Profits Over Safety

A 58-story skyscraper in San Francisco is tilting and sinking — and residents say their multimillion-dollar condos are 'nearly worthless'

- [Melia Robinson](#)
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Pedestrians inspecting cracks near the sinking Millennium Tower in San Francisco. Beck Diefenbach/Reuters

Bad news keeps piling up at the "leaning tower" of San Francisco.

Millennium Tower is a luxury residential high-rise that has sunk 17 inches and tilted 14 inches since it was completed in 2008. Though an inspection by the city showed [it's safe to occupy](#), the building's

wealthy residents take no solace. The value of their multimillion-dollar condos [has tumbled \\$320,000](#) on average.

Here's what we know about the fate of Millennium Tower.

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Millennium Tower rises 58 stories above San Francisco's Financial District.

Millennium Tower is the tall building on the left. Vanguard Properties

The city's fourth-tallest skyscraper contains over 400 multimillion-dollar condo units. It soars 645 feet, providing residents with panoramic views of the Bay Area.

A view of San Francisco from the grand penthouse at Millennium Tower. Jacob Elliott

Source: [Emporis](#)

Completed in 2008, Millennium Tower includes top-notch amenities, including a pool, fitness center, wine cellar and tasting room, movie theater, and concierge service.

Vanguard Properties

Source: [Millennium Tower](#)

In the first five weeks of sales, Millennium Tower sold \$100 million worth of condos, the San Francisco Chronicle reported. The units ranged in price from \$1.6 million to \$10 million.

The grand penthouse at Millennium Tower sold for \$9.4 million in 2009. Jacob Elliott

Source: [San Francisco Chronicle \(1\)](#), [\(2\)](#)

Some pretty famous tenants have called Millennium Tower home, including Joe Montana, the former San Francisco 49ers quarterback, and Tom Perkins, the venture capitalist.

Joe Montana warms up before the start of the 1985 Super Bowl. AP

Source: [Business Insider](#)

But residents weren't happy after learning in June 2015 that the building had sunk 16 inches into the soil and tilted 2 inches at its base.

Justin Sullivan/Getty

So far in 2017, Millennium Tower has sunk an additional inch and tilted another 2 1/2 inches toward the massive Salesforce Tower under construction across the street.

The Salesforce Tower is reflected in the glass panes of Millennium Tower. Justin Sullivan/Getty

Source: [NBC Bay Area](#)

The developers of Millennium Tower, Millennium Partners, argue that construction nearby is to blame for any sinking or tilting. A city transportation hub, the Transbay Transit Center, broke ground next door in 2010.

Google Earth; Melia Robinson/Business Insider

Source: [Business Insider](#)

The new terminal — developed by the Transbay Joint Powers Authority, a transportation agency — includes a 60-foot hole for the train tunnel and an underground buttress.

A wrecking ball takes some of the first swings at the front facade of the old Transbay Terminal building in 2010. Eric Risberg/AP

Source: [San Francisco Business Times](#)

A founding partner of Millennium Partners said at a press conference that there was "only one issue" — construction for the new terminal pumped too much water out of the ground.

Eric Risberg/AP

[Dewatering](#) is the process of removing groundwater or surface water from a construction site to provide a safe work environment and prevent soil erosion.

When the water levels under the Millennium Tower dropped, the sand compressed and caused the building to settle, [according to Chris Jeffries](#), a founding partner of Millennium Partners.

The issue [came to light in 2010](#), five years before tenants were notified, when the Transbay Joint Powers Authority hired a consultant to find out how excavation could affect the tower.

The Transbay Joint Powers Authority maintains it is not at fault in the building's sinking.

An illustration of the Transbay Transit Center, which is under construction.[Transbay Transit Center](#)

The agency [released a statement](#) on its website in October condemning the allegations against it as a "distraction from the exclusive cause" of the tower's tilt: "inadequate foundation."

The statement also says Millennium Tower's vertical settlement began two years before the Transbay Joint Powers Authority began any underground work.

Read more: [San Francisco's new \\$2.3 billion transit center could be the most expensive bus terminal in the world »](#)

Some critics blame the city of San Francisco for allowing Millennium Partners to anchor the building 80 feet into packed sand rather than 200 feet down to bedrock.

Millennium Tower under construction.[Wikimedia Commons](#)

Millennium Tower sits on an array of nearly 1,000 pillars shoved into the ground.

Its weight, combined with the resistance of the soil underneath, should keep it in place under most conditions, a professor of architectural design [told the real-estate blog Curbed](#).

The design isn't all that unusual. Some of the city's best-known buildings, including the Embarcadero Center and the San Francisco Museum of Modern Art, [were built on sand](#) instead of bedrock.

The biggest cause for concern is the looming possibility of an earthquake.

Sewage spreads past a car trapped in a sinkhole caused by liquefaction in a New Zealand suburb after a 5.8-magnitude earthquake struck in 2011.Simon Baker/Reuters

For years, [scientists have warned that the Bay Area is overdue](#) for a devastating earthquake.

Millennium Tower sits on land [prone to liquefaction](#), the process by which loose sand and silt behave like a liquid in the event of an earthquake. The seismic activity causes water pressure in the sediment to increase and grains of sand to lose contact with each other, [according to the US Geological Survey](#). The soil may give out under large, heavy structures.

Often, the solution for tall buildings in liquefaction zones is drilling down to bedrock. Millennium Tower's neighbors, the \$1.1 billion Salesforce Tower and the luxury high-rise 181 Fremont, are both anchored to bedrock. They're still under construction.

There's good news and bad news for the residents of Millennium Tower. In January, a study by the city's Department of Building Inspection found that the skyscraper was safe to live in.

A team of engineering geologists examining soil samples taken outside Millennium Tower. Eric Risberg/AP

"There was no evidence of life-safety concerns observed during the inspection," [the report said](#).

Satellite images that show Millennium Tower sinking suggest it will continue to sink at a rate of 2 inches a year. That's double what engineers had estimated.

Data from the European Space Agency's Sentinel-1 satellites shows that Millennium Tower is sinking by about 40 millimeters a year in the direction they're looking at the building. European Space Agency

Source: [Business Insider](#)

Gaps found in the walls of some units could also present risks in the event of a fire, according to a report commissioned by the building's homeowners association.

A view of San Francisco from the grand penthouse at Millennium Tower. Jacob Elliott

Late last year, the building's homeowners association hired the firm Allana Buick and Bers to investigate a unit owned by Paula Pretlow. She and several other residents had complained of "unexplained odors permeating their luxury units," [NBC Bay Area reported](#).

The consultants [discovered openings around pipes and ducts](#) in the walls. Typically, gaps like these are sealed with fire-resistant caulking to contain fires where they start.

If a small fire were to break out in the unit below Pretlow's, the flames could more easily spread to her condo, or smoke could damage the walls, [according to NBC Bay Area](#).

The report pertained only to Pretlow's unit, though others could be susceptible.

Now a group of Millennium Tower residents are fighting to get their money back.

Jerry Dodson and his wife, Pat, inside their home on the 42nd floor of Millennium Tower. AP/Eric Risberg

The homeowners association [has filed](#) at least [one](#) class-action lawsuit against Millennium Partners and the Transbay Transit Center developers arguing that residents should be able to recover their losses in property value. The value of the multimillion-dollar condos [has dropped \\$320,000](#) on average.

People attempting to sell their condos [have slashed listing prices](#) — or disappeared from the market — since their skyscraper home made international headlines last year.

Residents now say they are "stuck with nearly worthless condos," according to [NBC Bay Area](#).

Montana and his wife are seeking \$2.7 million in reimbursement and \$1 million for "consequential damages" for buying the condo they now call "uninhabitable."

Montana is one of the former tenants seeking damages from Millennium Partners. Business Insider

Source: [SF Curbed](#)

As Millennium Tower keeps on sinking, its fate remains unclear.