

GOVERNMENT OF THE DISTRICT OF COLUMBIA
DEPARTMENT OF BUILDINGS



Agency Performance Public Oversight Hearing

Testimony of
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Department of Buildings

Before the Committee of the Whole
Council of the District of Columbia
The Honorable Phil Mendelson, Chairman

Via Virtual Platform

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12:00 p.m.

Introduction

Good morning, Chairman Mendelson, Chair Lewis George, Councilmembers, and staff.

I am Brian J. Hanlon, Director of the DC Department of Buildings (DOB).

I would like to start by thanking Mayor Bowser for her trust in our team and the work we are doing at DOB. I also would like to recognize the hardworking staff at DOB for their dedication to making the District a better place to live, work, and play. I am grateful to our team members for their commitment to our mission. We have worked to instill a discipline of continuous process improvement and transformation. From our most senior leaders to all our customer-facing personnel, our team is embracing this spirit of change.

During this critical time, I feel a sense of urgency to be the best leader I can be in this vital role overseeing the District's built environment. We have adopted an intentional posture of listening, engagement, and improvement to ensure we serve as a world-class regulatory and enforcement agency and act as a positive catalyst for economic development and improved quality of life here in the District.

I appear before you today to speak on DOB's performance in Fiscal Year 2023 and to our agency's priorities for Fiscal Year 2024 and beyond. Each fiscal year, an agency performance plan is established and distributed for each District government agency. This plan lays out and defines strategic initiatives, performance management metrics, and agency priorities. It also outlines the roadmap for each fiscal year. Agency performance is measured in part by Key Performance Indicators (or KPIs)—these are the statistical measurements that we use to ensure we are delivering on each of our Service Level Agreements (or SLAs) as well as accomplishing our annual Strategic Initiatives.

While the subject of this hearing may be focused upon DOB's performance in FY23 and FY24 to date, I must point forward to where we are going.

Thanks to the hard work of our team, DOB met or exceeded all the agency's required KPIs for FY23. While this performance is a testament to careful planning and execution, these statistics are not the sole narrative that I will present to you today. This hearing provides me with the opportunity to demonstrate our agency's work over the prior fiscal year and talk about where we are headed for FY24 and beyond.

The start of Fiscal Year 2023 was a unique one for our agency, given it was the very first year of DOB's existence as a stand-alone agency decoupled from the Department of Consumer and Regulatory Affairs, or DCRA. When DOB began providing services to the District on October 1, 2022, this marked the conclusion of a complex reorganization process to ensure a seamless transition with no service interruptions for District residents, businesses, and visitors. As I have mentioned in past testimony, the work of my predecessor, former Acting Director Ernest Chrappah, was responsible for ensuring a smooth transition and standing up some of the current digital infrastructure at DOB. The pandemic required a dramatic shift to technology driven platforms and , yes, I do believe technological solutions can be powerful tools. However, when I came on board as DOB's Acting Director in May 2023, I identified additional opportunities for improvement, so our agency serves the District in the most effective manner possible. While some of this is reliant on modernizing and streamlining our digital platforms, the vast majority is **centered on human interaction.**

I spoke in my confirmation hearing of my emphasis upon **clarity, communication, and collaboration.**

These are the fundamentals of customer service and are at the core of positioning DOB to become a more powerful partner for residents and businesses to enable DC's Comeback.

Additionally, I saw that DOB had no stated Vision as an agency. In my view, this was essential to correct. Vision shapes how we accomplish our mission and why we are doing the work we do.

So, we developed DOB's Vision, which consists of three points:

- 1. DOB is a national model of customer service and value creation.**
- 2. DOB is a catalyst for responsible economic development, social diversity, and environmental sustainability.**
- 3. DOB is essential to a thriving and resilient city.**

Embracing this Vision will guide us through the critical times we are in and fortify our ability to transform.

DOB's stated mission, as memorialized in our agency Performance Plan, is to protect the safety of residents, businesses, and visitors, and to advance the development of the built environment through permitting, inspections, and code enforcement. This speaks mainly to our role as a regulatory authority, **but...our calling must be higher than that**. Therefore, we added this mantra: DOB seeks solutions for our customers. We must continue to elevate our role as public servants, to view ourselves as guides and ambassadors and not as siloed operational groups. In this manner, we can help residents and businesses have faith that their government is listening and here to serve.

In summary, DOB is a key contributor to enhancing the District's growth and safety by committing to excellent customer service; investing in efforts to streamline stakeholder

interactions with our agency to generate economic development; and operating effectively as a trusted advisor and regional leader to promote community resilience. In short, this agency is at the very center of the economic revitalization of the District of Columbia. DOB is uniquely positioned to elevate the quality of life for residents businesses and visitors.

Our Vision and Mission are underscored by three core values that fortify our work every day: we must be **humble, nimble, and brave.**

Humility allows us to listen, have empathy, and be willing to change. Our current economic environment notwithstanding, we must always be nimble and adaptable—to be able to analyze, stabilize, and optimize amidst evolving landscapes. Lastly, to be brave means being willing to see and do the right thing—to be fair, transparent, and willing to adjust. Yes, it means holding people – especially designers, builders, developers, and landlords – accountable. However, it also means moving beyond a pure regulatory stance and recognizing our critical role in acting as a catalyst for economic development.

These essential values allow us to operate with clarity on our goals amidst a growing volume of challenging work that is essential to DC’s Comeback.

Overview of DOB’s Structure

I would now like to take a few minutes to provide an overview of DOB’s structure to help the public understand how our work is carried out and how community concerns are resolved. While DOB’s many divisions work together to accomplish our Mission, we will now highlight each individual division’s work and achievements during FY23 and FY24 to date, including sharing several key metrics, to help provide a better sense of the volume of work that we handle. As we continue into FY24, we are deeply examining our key performance metrics –

our KPIs - to shape and refine them, with the mindset that KPIs do influence day-to-day operating behaviors, which have a direct relationship to the outcomes we must achieve.

There are four primary operating divisions we shall highlight. These are the Office of Construction and Building Standards (OCBS), the Office of Residential Inspection (ORI) which sites within the Office of Strategic Code Enforcement (OSCE), and the Office of Zoning Administration (OZA).

The **Office of Construction and Building Standards (OCBS)** oversees compliance in the built environment, ensuring that it is safe, lasting, and environmentally sustainable. This division is responsible for permitting, construction compliance, building and construction inspections, green buildings, third-party inspections, and surveying.

To give some context on the volume DOB responds to in this area, we issued 51,826 permits in FY23—that's around 207 permits per business day.

We also issued 2,800 Certificates of Occupancy, which was an 8% increase from FY22. Our high productivity levels extend to inspections through our illegal construction program; 5,508 inspections were conducted in FY23, a 12% increase from FY22.

OCBS innovated in FY23. Our team came together to create a new digital platform, called *Certifi*, for the application and tracking of our Certificates of Occupancy, which has resulted in a streamlined process for all parties involved. As one of our Strategic Initiatives, the introduction of *Certifi* was crucial for our continued investment in the customer experience. Additionally, we unveiled improvements in our accelerated plan review program to invest in the customer experience and help expedite review times. Looking ahead, our team is also excited about continued enhancements to *Tertius*, our construction inspections marketplace, and is

focused on continuing the quality assurance and control initiatives we began spearheading since I joined DOB. It is important to note that these DOB initiatives are related to our posture of proactive engagement with our customers and the business community.

We are listening, and we will continue to do so.

Next, the **Office of Residential Inspection (ORI)** is responsible for ensuring that multi-unit residential buildings meet code requirements, and for working to bring vacant and blighted properties back into productive use. This division conducts rental housing inspections and promotes housing rehabilitation through abatement and enforcement activities. Our team was quite busy in FY23, as we conducted 14,932 housing property maintenance inspections, which was an 11% increase from FY22. We also began keeping track of abatements of violations by property owners. In FY23, 17,614 District property violations were abated thanks to our team's dedication. Our proactive inspections team performed 13,238 inspections, which was a 16% increase from the previous fiscal year.

Additionally, we also conducted 9,086 inspections of allegedly vacant or blighted buildings, which was a 15% increase from FY22. Our collaboration with the Office of Tax and Revenue (OTR) and other agencies directly led to 1,515 vacant and blighted properties being brought back into productive use, bringing the current tally for total vacant properties in the District to 3,682 as of February 5, 2024.

For the current fiscal year and onward, we are particularly optimistic about the encouraging signs we are seeing from continued collaboration with OTR to resolve gaps in communication to ensure that all properties that have been classified as vacant or blighted are taxed appropriately.

We are also excited for our continued partnership with Chairman Mendelson's Vacant and Blighted Building Task Force and look forward to continued collaboration with diverse stakeholder groups to think critically about the challenges of bringing vacant and blighted properties back to productive use.

Our Strategic Enforcement Administrator, Keith Parsons, recently appeared before the Council to discuss innovations our agency is seeking to bolster the capabilities of the Office of Residential Inspection, including a housing complaint clearinghouse, updates to our internal training procedures, and the streamlining of our intake process. We will continue to work to ensure to the best of our ability that District residents live in homes that are safe and healthy.

Third, the **Office of Strategic Code Enforcement (OSCE)** is responsible for enforcing compliance to ensure legal and permitted construction. OSCE is the chief responsible party for civil infractions and fine assessment, developing enforcement strategies and procedures, monitoring violations, enforcing fine collection, and providing alternatives to resolve and settle certain civil infractions outside of traditional court proceedings.

In FY23, OSCE issued 12,035 Notices of Infraction (or NOIs), which was a 12% increase from FY22. OSCE also was directly responsible for our 105% increase of infraction resolutions with payment before adjudication, often through settlements. This was the result of the hard work of our program staff, attorneys, and our Alternative Resolution Team to bring cases to resolution and avoid additional unnecessary volume for the Office of Administrative Hearings.

From a qualitative standpoint, our team worked together to achieve a great deal of success for District residents. We have continued working closely with the Department of Housing and Community Development to abate and maintain 41 of their properties, providing an

excellent example of government collaboration. Also, we are directly engaging with property owners and landlords to ensure that the tracking of NOIs and abatements is synchronized. This will result in more streamlined operations for the many housing providers who are acting in good faith and will help DOB focus on those providers whose history of timely abatement requires heightened attention.

Lastly, the **Office of Zoning Administration (OZA)** is responsible for administering and determining compliance with the District's Zoning Regulations. This office is a vital regulatory unit that provides insight and interpretations of those regulations, which are put forth by the external DC Office of Zoning (DCOZ). Our office plays a key role in ensuring that issued permits comply with zoning regulations, which in turn helps to drive DOB processes forward to ensure compliance. A key initiative that OZA initiated this fiscal year was the introduction of a new customer-friendly digital platform for wall checks, which are a vital process that ensures construction projects match the initially submitted plans. In this fiscal year, in coordination with the staff in the Office of Planning and Office of Zoning, we have identified opportunities to write interpretations of complex zoning regulations that will provide a clear understanding of how the regulations apply. We are also evaluating existing interpretations and revising or developing new interpretations as needed. DOB continues to work to build out our OZA team and invest in cross-training efforts to help educate our staff to streamline review processes, tighten timelines, and educate the public about the District's zoning procedures and regulations.

It takes cohesive efforts across different business units to deliver the high-quality results that District residents, businesses, and visitors deserve. Additionally, our work does not happen in a vacuum; we do not do this alone, and these issues require ongoing collaboration and partnerships with sister agencies based on the capabilities that DOB has as outlined by the law.

We are excited to continue working to develop creative methods and practices that help us to bring vacant and blighted properties back into productive use, crack down on bad actors in the property management space, enhance public understanding of DOB's capabilities under the law, and deliver vital government services in an equitable and effective way.

DOB's Investments in People

Across all these divisions, we sought to meet our commitment to District residents.

On a larger scale, DOB also had some other widespread Strategic Initiatives that were launched to better serve our stakeholders.

Two key ones that I want to highlight are our **Training Academy** and **Career Pathways Program**.

Our Training Academy has helped democratize and streamline our onboarding and employee training processes on a digital platform that tracks participants' progress and provides comprehension quizzes to ensure course content is retained. Agency staff have been able to glean new insight and knowledge or refresh their memory on our processes. This encourages continuous learning and evolution to deliver services in the best way possible. Crucial investments in training elevate the customer experience as it is crucial in enabling our team to provide clear, accurate, and timely responses to inquiries.

Our Career Pathways Program was a successful pilot. We partnered with area universities to source participants who were interested in being a part of the next generation of District public servants. Participants rotated between DOB departments during the program to expose them to different programs and subject matter areas. The interdisciplinary nature of the program aligns with DOB's organizational values of investing in our people to produce innovative and skilled

team members, and we were able to hire some participants full-time following completion of the program.

Forging Ahead – Tracking Performance Beyond FY23: Reflecting, Refocusing, and Reforming

Our performance in meeting or exceeding all of DOB’s KPIs for FY23, as laid out in our Performance Plan, illustrates DOB’s dedication to those we serve—we strive to consistently deliver when called upon by District residents. When we fall short, we must acknowledge that and learn from it to improve. I am proud of our team’s accomplishments this year. We are committed to accuracy, thoroughness, and efficiency. DOB consistently provides effective enforcement of vacant and blighted properties, encouraging owners to bring their properties back into productive use. Our property maintenance inspection team handles high volumes to help preserve safety and development in the District. Perhaps most importantly, we are committed to providing solutions to customers, and are dedicated to ensuring a highly efficient, transparent, and responsive District government. The data bears this out across all our KPIs.

I am cognizant too of the many areas where our performance can and must be better and I am steadfastly committed to that. DOB must continue to support DC’s Comeback in every way we can. This means elevating our game, realigning “what” we measure with the “how” and the “why” of our agency’s work. This is at the heart of innovation and transformation. DOB will continue to leverage qualitative and quantitative data to support evidence-based decision-making processes that are the foundation of an outcome-driven culture. We are doing this in several ways.

First, as I mentioned previously, we are engaging with customers, ANCs, members of Council, building and construction industry associations, and the design and contracting community. This structured process of information-gathering helps DOB identify fact patterns that can inform process improvements. Second, we are engaging with our divisions in an ongoing dialogue to enhance operations. Lastly, we are engaged in a process called “DOB-STAT.” As you may know, the STAT is an exhaustive process built on a data-driven approach to strip our processes down to raw data. These internal and external engagement efforts in tandem inform one another and better enable DOB to identify the root causes of problems. We will continue to refresh and recalibrate our operations to deliver excellent customer service, to refine our SOPs, and to drive a culture of continuous improvement to be a national model of customer service.

One key metric we look at is our call volume. We fielded almost 150,000 calls this past year. While each customer interaction is valuable, I see this call volume as a symptom of a larger problem, a lack of clarity, communication, or collaboration within the agency or with sister agencies. Increasing clarity of our services via our website and other channels will be critical to help bring our call volume down to open up bandwidth for our key divisions to perform at an even higher level. To support this effort, we are refining how our Account Manager team is positioned to support internal program areas in fielding external inquiries. The Account Managers act as our Ambassadors. They are our process navigators, and we view our success as inevitably linked to a customer receiving timely and clear information.

So, through increased clarity, communication, and collaboration, DOB will elevate the customer experience.

As we move forward, we will continue our internal and external engagement efforts to better enable DOB to identify the root causes of problems and continue to ask incisive questions about the metrics we set and the outcomes we seek. Our KPIs must be set up to ensure that we measure what matters.

While we do this, we are absolutely committed to data transparency. DOB's Public Dashboard provides key measures for public view regarding agency performance and operations, economic development, and other factors. As we expand and refocus our metrics, we shall continue to build on that transparency to become even more of an open and trusted broker with the public. Offering more tangible ways of modeling and visualizing our data helps to drive our decision-making and showcases DOB's positive impact on the District.

Conclusion

In closing, DOB's work is only possible through the dedication of our team and the trust of our stakeholders. We are ready to meet the moment and continue to ensure a safe, dynamic, and accessible built environment in the District. Through our culture of continuous improvement, we are progressing forward with our customers in mind.

We must be humble, nimble, and brave to craft solutions for our customers and deliver positive outcomes for the District. DOB looks forward to continued collaboration with the Council and other stakeholders to improve our effectiveness to achieve good outcomes for District customers.

Our team, of which I am very proud, does valuable work and we are dedicated to elevating our service delivery to ensure a safe and dynamic built environment to advance DC's Comeback.

I am cognizant of our many challenges, and am very confident that the DOB team, with the support of Mayor Muriel Bowser and the Council, will set a new standard for performance.

Thank you again, Chairman Mendelson, Chair Lewis George, and Members of the Council. With that, I look forward to answering your questions and continuing this important discussion.