

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

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Introduction

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

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

Let me begin by thanking Mayor Bowser for the trust she has placed in us and the work we are doing at DOB. Our team is hardworking and dedicated to helping the District become an even better place to live, work, and play. I am grateful to the team we have assembled for their commitment to our mission. When I joined the agency in May 2023, I introduced a discipline of continuous process improvement and transformation. From our customer-facing personnel to our senior leaders, our team has embraced this mindset and allowed it to define our daily work.

DOB's mission is to protect the safety of residents, businesses, and visitors, and to advance the development of the built environment in the District through permitting, inspections, and code enforcement. In summary, the Department's focus is on three principal goals: to help keep the District's built environment safe, keep it green and sustainable, and keep it moving forward. This combination – **safe, green, and moving** – directly supports the Mayor's Comeback plan and empowers DOB to play a focused role in elevating the quality of life of District residents, businesses, and visitors to support a thriving economy.

Today, I will speak on DOB's performance in Fiscal Year 2024 and to our agency's priorities for Fiscal Year 2025 and beyond. Each fiscal year, an agency performance plan is established and distributed for each District government agency. This plan operates as a road map, laying out and defining strategic initiatives, performance management metrics, and agency priorities. DOB's 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. Thanks to our team's continued dedication, DOB met or exceeded all of the agency's 15 required KPIs outlined in FY24's Agency Performance Plan. While this performance is a testament to careful preparation and implementation, this hearing provides me with the opportunity to demonstrate our agency's work over the prior fiscal year and expound on where the Department is headed.

This past year, I have emphasized the critical importance of customer service that optimizes outcomes. DOB is an essential component to the engine of economic development and quality of life in the District for businesses, residents, and visitors. The Department is also the enforcement authority with the responsibility to hold homeowners, developers, builders, and landlords accountable for their work and influence on the built environment. As the construction code continues to develop, the needs of the built environment evolve, and our commitment to safety and sustainability requires that DOB enhances the systems and methods to enforce and guide on these issues. While the Department measures the volume and speed of our work in processing permits, inspecting properties, and working to abate negative conditions, outcomes are central to the customer experience. As an agency, DOB must be intentional in going above and beyond to deliver our services promptly, accessibly, and equitably in a manner that leaves customers feeling like we care about them and the work that we do. Through our communications and operations, DOB is striving to clear up processes, communicate in a timely, accurate, and courteous manner, and collaborate internally and externally to amply positive outcomes. I am very proud of the work our team at DOB is doing – and the way they are doing it – everyday. This work places DOB at the very center of the economic revitalization of the

District, and I feel that the Department is uniquely positioned to elevate the quality of life for residents, businesses, and visitors.

Initial Thoughts on FY2024

When I appeared before you for our last Performance Oversight Hearing, I spoke a great deal about intentionality, active listening, and soliciting feedback from our customers. When I arrived as the agency's Director, I emphasized a posture of openness and accessibility. I felt it was important for DOB to learn lessons from the past, and from customers and partners. If FY23 was defined by this emphasis on listening to, hearing, and processing feedback from staff, customers, partners, and sister agencies, FY24 was defined by using that ongoing feedback to innovate, reimagine, and solidify the Department's operations to develop improved services for District residents, businesses, and visitors. While this work is indeed ongoing, it is already yielding fruit. Of course, the dialogue with our customers and stakeholders: tenants, property owners and developers, community-based organizations, our sister agencies, and the Council—is ongoing and vital to the Department's future.

One illustration of this from FY24 is DOB's five-month long working group in partnership with the Restaurant Association of Metropolitan Washington (RAMW), District restaurateurs and small businesses, and property owners. The goals of this working group were to improve efficiency in the permitting process, enhance communication between DOB and the hospitality industry, and foster a deeper understanding of both regulatory requirements and industry challenges. RAMW and hospitality industry stakeholders worked with DOB and produced a set of goals for the agency to work towards. DOB followed through and provided the stakeholders with a strategic roadmap for action to achieve those goals. The roadmap details DOB's plans to improve efficiency of the permitting process and to enhance clarity,

communication, and collaboration in the future. As long as I am Director, DOB's working groups and collaborations with external stakeholders will continue.

Overview of DOB's Structure

Today, I would like to provide an overview of DOB's structure to help the public get a better sense of the totality of the Department's work and how community concerns are resolved. DOB's many operating divisions work together to accomplish its mission, and I will now discuss the divisions' work and achievements during FY24, including sharing several key metrics.

I will highlight four primary operating divisions. These are the Office of Construction and Building Standards (OCBS), the Office of Zoning Administration (OZA), the Office of Residential Inspection (ORI) and its oversight division, the Office of Strategic Code Enforcement (OSCE).

The **Office of Construction and Building Standards (OCBS)**, led by Chief Building Official Nicole Rogers, oversees compliance in the built environment, working to ensure it is safe, lasting, and environmentally sustainable. This division is responsible for permitting, construction compliance, building and construction inspections, green buildings, and third-party inspections.

To give some context on the volume DOB responds to in this area, DOB issued 54,356 permits in FY24—that's around 220 permits per business day and represents a 7% increase from FY23. These high productivity levels extend to the illegal construction and general construction inspections program; 28,022 routine construction inspections were conducted in FY24, a 20% increase from FY23. The number of illegal construction inspections, 5,511, remained steady with the numbers from FY23. The Department conducted more construction inspections due to our

internal improvements to make processing permits in the District more efficient—I intend to keep this momentum going. OCBS was also proactive in collaborating with the building industry to introduce an enhanced checklist and plan for customers to meet our minimum requirements for permit submission.

As I alluded to earlier, looking inward and evaluating our performance is more nuanced than just looking at a spreadsheet of data outputs. **OCBS innovated in FY24.** A key initiative I would like to highlight here is the Pop-up Permits program, known as “PUPs.” As a large part of our efforts to help revitalize Downtown DC, DOB introduced PUPs as a pilot program for customers to get a streamlined Certificate of Occupancy (C of O) for temporary use of a previously vacant building for up to one year - all without going through the traditional permitting process to maximize the time the space can operate. With this initiative, DOB collaborated with customers to activate vacant spaces in the District for productive use. DOB developed a streamlined approach for occupancy that prioritized initial review to be completed in 15 business days or less. OCBS was crucial to this program getting off the ground, which required long hours of meetings and internal maneuvering to engineer our processes to accommodate a brand-new workflow that still ensured proper precautions and safety for all. To date, DOB has approved or in the process of approving 13 applicants across four wards interested in activating over 30,000 square feet of vacant space across the city for a host of uses, including arts and music, food, assembly, bars, retail, and markets. This is just the beginning of a dynamic program that will make an enormous difference in revitalizing the economic landscape and energizing our great city. DOB is set to launch a “PUPs Version 2.0” which will strengthen the potential positive impact of this program. By repurposing vacant commercial spaces across

the District for temporary reimaginings of use, DOB is investing in the entrepreneurial spirit that makes the District a great place to live, work, and play.

Regarding DOB's **Office of Zoning Administration (OZA)** - OZA is responsible for administering and determining compliance with the District's Zoning Regulations and surveying. This office is a vital regulatory unit that provides insight and interpretations of those regulations. The office plays a key role in ensuring that DOB's issued permits comply with the Zoning Regulations, which in turn helps to drive DOB processes forward to ensure compliance. OZA works closely with our agency partners and District residents and businesses to help educate and inform regarding DC's zoning regulations; by providing guidance on what is allowable, the Department helps to drive economic development forward in the District.

In FY24, part of OZA's work was tied to the District's adoption of medical cannabis regulations, signed into law by Mayor Bowser as the Medical Cannabis Amendment Act of 2022. Among other features, the Act tasked the Alcoholic Beverage and Cannabis Administration (ABCA) to license six different categories of medical cannabis businesses: courier; cultivation center; internet retailer; manufacturer; retailer; and testing laboratory. This Act understandably resulted in many businesses interested in opening medical cannabis businesses in the District, and OZA played a key role in evaluating District zoning regulations to determine the zones in which these types of businesses could operate. Beyond releasing clear guidance on our website and social media, DOB has engaged the industry through many fact-finding communications and discussions to ensure compliance with these new regulations.

Additionally, OZA worked closely with the Office of Planning to revise guidance regarding rear yards. The Zoning Commission set down a text amendment, Zoning Commission Case 24-20, to revise the rear yard regulations in December 2024 and a public hearing is

scheduled for March 2025. The revised text, once adopted, will provide greater clarity and result in more matter-of-right projects.

OZA also clarified guidance on co-living residential developments, which are a newer product type for the District that are characterized by tenants leasing individual bedrooms within a dwelling unit. To provide clarity to the development community about how to apply the IZ regulations to co-living developments, OZA worked collaboratively with the Department of Housing and Community Development (DHCD) staff to develop an interpretation that provides guidance about how to calculate the distribution of required IZ-square footage for co-living-style dwelling units. This interpretation will assist developers and their design teams who wish to develop co-living projects to ensure that they comply with the District's IZ regulations.

Ultimately, I continue to urge our team to position ourselves as knowledgeable regulators who are approachable and responsive. I am proud of the work OZA has done to work with and educate the residents and businesses to help continue the District's path forward.

Moving on, the **Office of Residential Inspection (ORI)** ensures that multi-unit residential buildings meet code requirements and works 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.

As always, the ORI team was quite busy in FY24, as we conducted 16,334 complaint-based housing property maintenance inspections. I want to pause here for a moment and reinforce this to tenants in DC: please continue to reach out to us via our website at dob.dc.gov or via telephone at 202-671-3500 if something is broken in your unit or you have a safety concern in your building. For example: if your heat or utilities aren't working, your smoke

detectors are broken, or your plumbing is leaking, you should tell your landlord. If you have reached out to your landlord and they have not addressed the issue within 10 days (or 24 hours if it is an emergency), contact us and we will send out an inspector. I want to make sure you are safe and that your unit is habitable, but it is hard for us to assist people if we are not made aware of the issues. DOB is here to help.

Going back to our inspection numbers: the Department's proactive inspections team performed 15,806 inspections, which was a 19% increase from the previous fiscal year. The proactive inspection work is vital as it allows us to prioritize inspections in buildings that are more likely to have property maintenance issues due to age and other factors, which are determined by a proprietary algorithm. When tenants do not alert DOB to property maintenance issues, this is one of the only ways we can discover violations and cite them accordingly.

Additionally, the Department conducted 11,007 inspections of allegedly vacant or blighted buildings, which was an 11% increase from FY23. The Department has continued to build off the work of the Vacant and Blighted Property Working Group to collaborate with internal and external stakeholders to be innovative in finding ways to bring vacant properties back into productive use. A new working group dedicated to reactivating vacant storefront space in the District will soon be engaging in a "hackathon" event that prioritizes brainstorming and the development of actionable feedback from our business community, non-profit partners, and other District agencies. I am confident that this working group's efforts will help us streamline and strengthen our work in this area to better serve the community.

Lastly and on a larger scale, ORI's parent division, the **Office of Strategic Code Enforcement (OSCE)**, enforces compliance to ensure legal and permitted construction. OSCE is responsible for handling 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 FY24, DOB issued 13,275 Notices of Infraction (or NOIs), which was an 11% increase from FY23. While enforcement can sometimes be a long process that involves the work of several different District government stakeholders, our agency remains committed to fulfilling our statutory goal to discover property maintenance code violations and work with property owners to abate them.

One thing I would like to highlight with this division is DOB's tracking of these abatements. When DOB inspects and issues Notices of Correction and Infraction, property owners are required to fix the cited code violations. **In FY24, 24,602 District property violations were abated.** This is a record amount for us and represents a 41% increase from FY23; I am so proud of our team for working diligently with housing providers to get more violations taken care of. Many of these abatements are a direct result of the work of our new **Outreach and Abatement Resolution (OAR)** initiative. This initiative was built on the work of our Alternative Resolution Team (ART) with the goal of identifying and engaging with property owners who have significant outstanding violations to enhance operational efficiency, strengthen communication, and increase the rate of violation abatement. When I came to the agency in May 2023, I quickly realized that through direct engagement with landlords and making processes and systems clearer, we could improve outcomes for tenants and for good faith landlords working to provide safe and habitable residential units. This has dramatically increased the identification and abatement of code violations. Ultimately, our goal is to guide customers back into compliance to ensure District tenants have safe and livable homes. This new emphasis has helped everybody involved - landlords, tenants, and other partner agencies. It has made a

demonstrable positive difference to the community, **accounting for one-third of our housing code abatements in FY24**. This initiative has illustrated the value of working across different teams and breaking down barriers to make our processes work more effectively. I look forward to continuing improvements here and elsewhere in the agency.

The Department has also made great strides with our referral process for aged fines due to code violations to the Office of the Chief Financial Officer's (OCFO) Central Collections Unit (CCU). **In FY24, DOB referred over \$25 million in outstanding fines to the CCU**, which was nearly seven times the amount we referred in FY23. This large increase is the result of a streamlined audit of our fine data dating back as far as 2018. DOB has refined any legacy aspects of our fine-tracking database to ensure it is in harmony with our current procedures of fine issuance, recordkeeping, and ultimate referral. With this overhaul, the Department is on the right path moving forward, and I continue to work with my team to ensure that our reporting and referral apparatus continues to operate effectively.

As you can see, it requires cohesive efforts across many 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. DOB looks forward to continued partnership to deliver vital services promptly, accessibly, and equitably.

Looking Ahead

As we are now deep into FY25, there is so much dynamic work that is ongoing, and I would like to share some key items that I am excited about:

-First, I have been prioritizing our agency's work in driving the District's economic comeback and helping to grow investment in our city. Our team is addressing operational bottlenecks and streamlining services for residents, business owners, and developers. DOB is modernizing key digital platforms like ProjectDox and Accela, automating workflows, and improving customer support to expedite permit processing with greater transparency and through providing more training opportunities.

To further stimulate economic activity, DOB is collaborating with property owners, small businesses, and our partners in the District's Business Improvement Districts (BIDs) and Main Streets. This includes generating and offering incentives, expanding DOB's existing Pop-Up Permits Program, and increasing the types of occupancies and buildouts that are eligible for accelerated approvals. My hope is that these efforts will help reduce visual blight, encourage community engagement, and drive economic growth.

-Second, DOB launched the new **Concept Review (CR)** program earlier this fiscal year. DOB remains focused on being at the center of the District's economic development, and as the regulatory authority over the built environment, DOB wants to provide project owners with advice and guidelines to help ensure a smooth process. This is why DOB developed Concept Review, which allows owners, authorized agents, and developers of large and complex projects to meet with DOB staff to discuss preliminary design, building code, inspection requirements, or zoning-related questions before the submission of a permit application. These sessions provide an informal evaluation and are intended for projects in the early stages of design, when project teams may want to receive help in identifying significant concerns that may help prevent costly delays. During these meetings, DOB staff gives guidance on compliance with relevant building codes, zoning code requirements, zoning approval and appeal processes, inspections process and

timeline, and sustainability requirements. Through this program, DOB hopes to partner with the development community to avoid roadblocks and provide education on the District's building regulations. It is incumbent upon us to work to make sure it is easier and more attractive to live, work and play in the District. That is what "safe, green, and moving" is all about.

-Third, I would like to highlight our work with Mayor Bowser, Deputy Mayor Albert, Monumental Sports, our sister agencies DOEE and DDOT, and dozens of other stakeholders to revitalize the Gallery Place-Chinatown area around and including Capital One Arena. This valuable public-private partnership will create thousands of jobs, transform the neighborhood, and solidify the area as a world-class destination and entertainment district in our city's center. DOB remains deeply committed to collaborating with Monumental Sports, our sister agencies, community-based organizations, and other stakeholders throughout this process.

-Lastly, and perhaps most importantly, DOB remains committed to pursuing ongoing engagement with our external stakeholders. For us to continue innovating and delivering services in an effective manner, I urge our team to be intentional each day in relying on our customers for accountability and seeking honest assessments of their experiences with DOB. From "hackathon" sessions on permitting with District architectural industry professionals, to standing up a working group dedicated to activating vacant storefronts, DOB is innovating and in engaging external stakeholders to address challenges in the District and build a better future for our city's built environment.

Conclusion

In closing, DOB's work is only possible through the dedication of our team and the trust of our stakeholders. The Department is 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, DOB is pressing forward with our customers in mind. DOB looks forward to further collaboration with the Council and other stakeholders to improve our effectiveness to achieve positive outcomes for District residents. We are dedicated to elevating our service delivery to ensure a safe and dynamic built environment to advance DC's Comeback. Our team, with the support of Mayor Bowser and the Council, continues to work to raise the bar for our 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.