

GOVERNMENT OF THE DISTRICT OF COLUMBIA
DEPARTMENT OF BUILDINGS



Agency Performance Public Oversight Hearing

Testimony of
Ernest Chrappah
Acting Director
Department of Buildings

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

February 23, 2023

9:30 a.m.

Via Virtual Platform

Good morning, Chairman Mendelson, Chairperson Lewis George, Councilmembers and staff. I am Ernest Chrappah, Acting Director of the Department of Buildings (DOB), previously known as the Department of Consumer and Regulatory Affairs (DCRA). Before I begin my testimony, I would like to take a moment to thank Mayor Bowser and my team at DOB for their exemplary service to the District of Columbia. Providing top service to D.C. residents in the built environment requires unparalleled teamwork, and I am grateful for the dedicated work of agency and executive principals and staff.

Prior to the commencement of each fiscal year, an agency performance plan is established to transparently set the foundation for how the agency will operate, how stated goals will be achieved, how performance will be evaluated at the end of the year with metrics, and new initiatives to improve the efficiency and effectiveness of the services delivered. DOB, and its predecessor agency DCRA, have performance plans, and DOB, as one of the city's newest agencies, will continue to be guided through this structural framework.

DOB's mission is to protect the safety of residents, businesses and visitors to the District of Columbia and advance the development of the built environment through permitting, inspections and code enforcement. The agency is responsible for regulating construction activity through plan review, issuing building permits, conducting inspections, and improving rental housing safety through code enforcement and driving abatement of housing code violations by District landlords and property owners. Mayor Bowser has set an ambitious agenda for a more responsive and accountable District government, particularly with regards to housing, and I am proud to be leading our new agency; one that strives to live up to that aspiration.

I would like to take this opportunity to share the progress we have made and thank the residents, community leaders, business owners and staff who have provided valuable input for our agency's transformation.

Introduction

Today, I will provide testimony on the performance and accomplishments of DCRA in Fiscal Year 2022 leading into the transition to and creation of two new agencies: DOB and the Department of Licensing and Consumer Protection (DLCP). I will also discuss DOB's strategic initiatives and ongoing activities in fiscal year 2023, to date, as well how we are tackling new challenges. This hearing also outlines the agency's functions and responsibilities, including how we are delivering under the unique challenges of the global labor market, as well as the structural and operational changes that we have made since the establishment of DOB in FY 2023.

FY 2022 Strategic Initiatives

At this time, I would like to speak of DCRA's 10 Strategic Initiatives for FY 2022. I am pleased to report that our predecessor agency completed 90% of them. These include the establishment of a Fast Track Licensing, Permitting and Inspection Team which, among other functions, provides speedy housing inspections for one and two-family rentals. DCRA also developed interactive programming for small businesses coping with the pandemic, including a zoning and permitting workshop held last August that walked District residents through the processes of applying for a Certificate of Occupancy (CoO) or Home Occupancy permit. In addition, we completed a Strategic Initiative to streamline construction inspections by operationalizing a scheduling system that automatically schedules inspections based on inspector availability and inspection types.

In FY 2022, DCRA also established a regulatory mechanism for licensing and enforcement of short-term rentals. While the benefits of short-term rentals have been enjoyed and utilized worldwide since the establishment of various provider platforms, for too many years District homeowners were opening their dwellings to short-term renters without government oversight. DCRA was able to stand up an entirely new licensing enrollment and tracking application so that residents and visitors may enjoy safe and legal licensed rentals in the District. While this program is now administered by DLCP, I am proud of the work my team did to get this regulatory mechanism up and running.

In addition, DCRA completed its FY 2022 Strategic Initiative to support affordable housing through code enforcement and abatement tracking. To advance Mayor Bowser's goal of establishing 36,000 new homes by 2025, including 12,000 affordable housing units, DCRA emphasized the preservation of the existing housing stock through targeted enforcement against landlords with a high volume of unaddressed housing code violations. Specifically, we stepped up re-inspections utilizing a targeted enforcement strategy. As of January 2023, this effort has yielded approximately 3,803 abatements. In FY 2022, the agency also made 34 referrals to the Office of the Attorney General (OAG) for those entities that failed to show any progress in curing outstanding violations. To provide further context, since November 2020, DCRA and DOB have collaborated with OAG on 53 cases in total, and it has been a productive working relationship.

In FY 2022, DCRA successfully integrated a new case management system into its Consumer Protection Units operations to allow for better tracking and monitoring of investigations and customer resolutions. The agency also made significant progress towards its Strategic Initiative to advance climate change mitigation and adaptation through participation in

the development of the DC Energy Conservation Code. For example, in the fourth quarter of FY 2022, the Construction Code Coordinating Board (CCCB) approved five Commercial Energy code changes to advance Mayor Bowser's Clean Energy DC Plan. Completion of this initiative in FY 2022 was delayed, however, due to heightened interest from outside stakeholders and the resulting need for more ongoing work of the CCCB Technical Advisory Groups (TAGs).

Additionally, in FY 2022 DCRA reduced fees for certain categories of licenses and established a new six-month business license. This initiative was aimed at helping District small businesses and improving racial equity in small business support. The agency also completed its Strategic Initiative to empower staff members through technology training and regular opportunities for dialogue and feedback.

To provide some context on this last point, it was obvious to DCRA leadership that the agency split at the beginning of FY 2023 was going to cause significant anxiety for our employees as the agency transitioned into DOB and DLCP. To address this issue, we hosted quarterly town halls to allow employees to voice their concerns and receive regular updates on the transition status. Agency staff also participated in team building activities and focus groups as well as mandatory training sessions on digital communication, data analysis and change management. These training sessions and other activities put DOB on a strong foundation to ensure maximum performance after the split became official on October 1, 2022.

FY 2022 Strategic Initiative: Implementation of DOB Establishment Act

Before moving on to our FY 2022 Key Performance Indicators (KPIs), I want to take a few minutes to talk about our broadest, most complex FY 2022 Strategic Initiative, and that was implementation of the Department of Buildings Establishment Act of 2020. As previously

mentioned, effective October 1, 2022, DCRA ceased operations and two new agencies were stood up: DOB and DLCP.

During this transition, customers were able to conduct business activities without service interruptions. DOB and DLCP continued to issue permits and licenses; continued to conduct inspections and investigations; and continued to regulate construction activities and business, professional and vending activities. Both agencies successfully launched new websites and performance dashboards and rebranded over 20 internal applications and 400 customer-facing forms and guides.

By way of analogy, this transition could be looked at as an aerial refueling process. In our specific case, DCRA was the tanker aircraft providing the fuel, and DOB was the B-2 bomber receiving the fuel midflight so it could continue its crucial mission for the District. All of the necessary resources from our predecessor agency were seamlessly transmitted, allowing DOB to provide the full range of services to customers and oversight of the District's built environment.

One of the most significant accomplishments my team at DCRA made over the past several fiscal years was the establishment of unparalleled digital tools for customers to learn about services from the agency, interact with its professional staff, and request and receive services. I am happy to report that our predecessor agency's applications, including Tertius, Permit Wizard, Scout and the Contractor Rating System, among others, were successfully transitioned to the new DOB website.

Before the DOB website was launched on October 1, 2022, DCRA also established a transition website to educate District residents about the pending transition and how to access resources. This ensured that there was no ambiguity about the provision of services throughout the DOB Establishment Act implementation process.

DCRA Exceeded All Key Performance Indicator (KPI) Metrics in FY 2022

Turning now DCRA's metrics of success for FY 2022, I am pleased to report that for the third year in a row, our predecessor agency exceeded the targets for all 19 of its Key Performance Indicators (KPIs). For example, the agency met its target percentages of solar permits that are reviewed within 10 calendar days, construction inspections completed on the scheduled date, standard building plat requests completed within three business days and notices of infraction related to customer inquiries that are resolved in one agency interaction.

Other KPIs which were met include the percentages of property maintenance inspections completed within 15 business days, Vacant Building Unit inspections scheduled within 30 business days, and property maintenance Notices of Infraction (NOIs) that are initiated within two business days following the discovery of violations during an inspection.

In addition to KPIs, DCRA used workload measures to assess the quantity of services provided to DC residents. For example, in FY 2022, 13,450 housing inspections were conducted, dwarfing the levels from FY 2020 and 2021, at 5,745 and 7,606 respectively. I am also proud of the fact that DCRA completed over 11,000 proactive inspections and surveyed nearly 8,000 vacant buildings in FY 2022, both significant increases from FY 2020 and FY 2021 levels.

FY 2023 Strategic Initiatives

The accomplishments of DCRA set the foundation for DOB and served as a springboard for the development of its FY 2023 Strategic Initiatives. Looking forward to the remainder of FY 2023, District residents and Councilmembers can anticipate the completion of at least seven new DOB Strategic Initiatives aimed at improving customer service. These initiatives build on our crucial FY 2022 successes and help our new agency continue to accomplish its mandate to efficiently and effectively oversee the District of Columbia's built environment.

One of the FY 2023 Strategic Initiatives that I want to highlight is DOB's Training Academy. Our agency recently announced that the Training Academy, which was launched as a pilot late last year, will now be available agency wide. The Academy's new digital platform will grant all DOB staff access to a training curriculum designed to enhance employee knowledge and performance on subject matters such as the Green Energy Code, civil infractions, vacant buildings, and abatement and permitting processes, among other topics.

DOB also recently unveiled a new Career Pathways Program, which is designed to provide architecture and engineering college seniors, graduates and post-graduate level students with construction administration experience through interdisciplinary programming. Participants will rotate between different departments to attain a wide array of exposure to DOB's work and successful participants may even attain full-time career prospects with DOB at the end of the eight-week program.

DOB also continues to invest substantial resources in public outreach to promote awareness of the new agency structure and services. Specifically, for FY 2023 we have established a communications and marketing Strategic Initiative for coordinated outreach. As part of this initiative, DOB has placed advertising on Metrobuses and at bus shelters across all eight wards, released radio ads, and hosted public webinars and town halls. These efforts will ensure that all District residents know how to access the services they need from DOB and are aware of agency processes and procedures.

In addition, earlier this month, DOB launched the DOB Public Dashboard, formerly the Agency Performance Dashboard. The new public dashboard includes an updated design and improved navigation making it easier for our customers to use and provides greater functionality, which allows for more robust review and analysis. Many of the changes were, in fact, requested

by existing customers and include additional and enhanced features concerning permit operations, inspections, violations and abatement, vacant properties and economic insights. For example, customers can now filter permit information by fiscal year, quarter, month and permit type and view the average timeline to receive construction permits.

Another crucial FY 2023 Strategic Initiative will address vacant property enforcement and information sharing. In FY 2022, DCRA began piloting a modern record keeping system to manage the District's vacant and blighted building stock. When DOB launches the system this summer, it will facilitate automatic notifications to the Office of Tax and Revenue (OTR) and the property owners about tax billing and exemption status. This new tool will significantly improve our ability to monitor abatement activity. Additionally, DOB will increase compliance and enforcement resources with additional Full Time Equivalent (FTE) inspectors and enhanced usage of contract inspectors.

Additionally in FY 2023, DOB will upgrade its elevator and boiler certification process by replacing a paper-based system with a digital one. This new platform will make data searchable and allow for automatic notifications, as well as equipment recalls and similar alerts. Another FY 2023 strategic initiative I am pleased to share with the Council is our ongoing work to streamline the Certificate of Occupancy (CoO) process. Specifically, the agency is establishing a pre-application checklist to ensure the submission of a complete package. The checklist will automate notifications to provide greater efficiency, tracking and monitoring. I am confident that these important changes will ensure a higher quality of CoO review.

Finally, in FY 2023 DOB will expand quality control and quality assurance (QC/QA) processes to improve business operations for all inspections through a pilot program. DOB will

engage with an external partner on this program, which is intended to identify and resolve potential issues throughout the business process leading to better customer satisfaction.

DOB Exceeded Key Performance Indicator (KPI) Metrics for Quarter 1 of FY 2023

Turning now to DOB's metrics of success for FY 2023, I am pleased to report that as of the end of the first Quarter, DOB exceeded all but one of its KPIs. For example, while we set a target number of vacant properties returned to productive use of 150, we have in fact achieved a milestone of 372 properties. Similarly, while DOB has a goal of 4,500 housing code violations abated by property owners or DOB, we oversaw 4,881 abatements. Our KPI reporting also indicates that 98.4% of customers cases were resolved within three business days from the date of receipt by DOB, more than the 95% target.

I am confident that DOB will exceed all 15 of its KPIs in FY 2023 and am proud of the work my team has done to ensure that we are meeting our targets and delivering the best possible service for District homeowners and residents.

How Compliance is Enforced

I would now like turn to DOB's enforcement role, as established under District law. When housing code violations are discovered during a proactive or complaint-based inspection, the agency issues NOIs against the offender for failing to correct the violation after advance notice of the inspection is provided. For example, in FY22, DCRA issued 9,133 NOIs, a 53% increase from FY 2021 levels. DOB also remains committed to our continued work with other agencies who share an enforcement role to hold property owners accountable by using a wide range of tools to enforce housing and building code standards.

To that end, our agency recently shared an infographic with members of the public outlining where DOB fits in to this larger regulatory framework that includes: the Office of

Administrative Hearings (OAH), the Office of the Attorney General (OAG) and the Real Property Tax Appeals Commission (RPTAC). Specifically, the infographic breaks down enforcement tools and potential outcomes into different categories such as illegal construction, rental housing and property maintenance, and vacant and blighted property.

It is important for the public to be aware of the various stages of the enforcement process, and the role of other agencies and entities. DOB is confident that this new infographic tool provides transparency and will help set reasonable expectations for customers to understand the steps along the abatement timeline. While ultimately abatement is the landlord's responsibility, DOB and our sister agencies will use every tool at our disposal to ensure compliance with code standards.

DOB Recruitment

Next, I would like to discuss DOB staff recruitment. This past fiscal year, we were still coping with the COVID labor market, which has caused massive staffing shortages worldwide. When you couple that with the fact that we were standing up a new agency structure requiring dozens of additional FTEs, we faced a very difficult recruiting environment. Additionally, while we would receive numerous applications for new positions, in many cases only around one in ten applicants were actually qualified for the position. Keep in mind that a lot of the work of DOB professionals, including inspectors and plan reviewers, is highly technical. In addition, our entire hiring process, which includes job posting approvals, advertising, evaluating résumés, interviewing, hiring decision, offer transmittal, and offer acceptance takes between 90 to 120 days.

However, even in this challenging environment, DOB was successful in recruiting new staff, including for several key positions such as the Strategic Enforcement Administrator, the

Public Health Analyst and many more. We have also steadily recruited new housing code inspectors, in conformance with the FY 2023 Local Budget Act, account managers, program support specialists and other DOB professionals. Lastly, in the months leading up to the agency transition, DCRA hosted hiring fairs for both DOB and DLCP candidates.

To provide some specific figures, as of February 1, 2023, the Office of Zoning Administration only had one FTE vacancy and the Customer Service team was fully staffed with nine FTEs. The Surveyor's Office has filled seven of its eight FTEs and the Green Buildings Office has six of seven positions filled. Recruitment efforts to fill remaining vacancies are ongoing and DOB continues to fulfill its roles and responsibilities, including through the completion of Strategic Initiatives, despite these vacancies.

Qualitative Customer Feedback

Throughout my testimony today, I have outlined various statistics and benchmarks to highlight DOB's and its predecessor agency's accomplishments on strategic initiatives. Although numbers matter, they only tell part of the story. The impact we have made in the lives of our customers, as exemplified by the positive feedback we have received, provides the rest of the story.

For example, an attorney who frequently represents clients in housing cases reached out to DCRA multiple times in FY 2022 with positive comments about our work. Specifically, he complimented the work of our team in helping his clients confirm abatement and resolve NOIs without having to proceed to a hearing. On another occasion, a property owner who had their case settled upon proof of abatement contacted the agency and expressed their appreciation for, quote, "a process that was fair and timely." An additional customer reached out in FY 2022 to

express their appreciation for our staff in helping them obtain a permit, get an inspection and a CoO during a very critical time crunch.

In fact, even when we haven't been able to help customers who approach us, DOB has still received compliments on our professionalism and responsiveness. For example, in January 2022, a lawyer seeking assistance with a commercial tenant dispute. When he was advised that our agency could not assist him, he still provided a "5 out of 5" rating and expressed gratitude for receiving a timely and informative call from our legal department.

I mention these examples because it is important to put a human face on our interactions with District residents. I strongly believe this reflects the professionalism, dedication and diligence of our agency staff who have worked so hard on behalf of District residents both as part of DCRA and now as DOB.

Conclusion

Chairman Mendelson, Chairperson Lewis George and members of the Council, thank you for the opportunity to testify. With that, I will now play a video from our customers, and then address any questions you may have.