GOVERNMENT OF THE DISTRICT OF COLUMBIA
DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS

Public Roundtable on Vacant and Blighted Properties in the District of Columbia

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

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Via Virtual Platform
Good afternoon, Chairman Mendelson, Councilmembers, and staff. I am Ernest Chrappah, the Director of the Department of Consumer and Regulatory Affairs (DCRA). I am here this afternoon to discuss how vacant and blighted properties are handled in the District of Columbia.

As you know, DCRA performs vacant and blighted property inspections based on complaints from the public, including from an Advisory Neighborhood Commissioner (ANC) or a member of the Council. Once DCRA receives a complaint, whether on its website or from 311, an inspector is sent to the property to determine whether it meets the classification standards set forth in the D.C. Code. Once a classification or reclassification has been made, the property owner has the right to appeal the classification. Assuming the property owner does not make an appeal, or the appeal is denied, the classification is sent to the Office of Tax and Revenue (OTR). OTR then begins taxing the property, at a higher rate, based on this classification.

DCRA and OTR have worked together to implement new technology to improve the communication between the two agencies. In early December 2020, it was discovered that during the technology transitions, some information regarding the classification of vacant and blighted properties was not being properly transmitted and/or received. Since that time, both agencies have been in collaboration to ensure that our systems are properly communicating to address the issue. We have resolved many of these issues and discrepancies and will continue to address any inaccuracies that come to light.

Once a property has been classified as either vacant or blighted, the owner can apply for one of the five exemptions pursuant to D.C. Official Code § 42-3131.06. Assuming the property meets the criteria for a specific exemption, DCRA will grant the exemption. Once granted, DCRA shares this information with OTR, which then pauses taxing the property at the higher tax rate for
vacant or blighted rate and begins taxing the property at the lower Class One tax rate. The lower
tax rate remains in effect until the exemption has expired or has been revoked.

DCRA aims to protect the health, safety, economic interests, and quality of life of residents,
businesses, and visitors in the District of Columbia by ensuring code compliance and regulating
business. The Vacant and Blighted Properties Program supports this objective by providing
effective enforcement of the vacant and blighted properties laws that, in turn, encourages returning
housing stock for productive use, including affordable housing which is core to the program’s
existence. In fiscal year 2021, the Vacant and Blighted Properties Program inspected more than
1,600 properties, successfully served 553 Notices of Infractions related to property enforcement
issues, and conducted 1,500 abatements.

Property owners who have been cited by DCRA are responsible for performing the
necessary repairs and/or abatement measures to bring their properties back into productive use.
DCRA, however, uses its regulatory and oversight authority to assist property owners in returning
their properties to productive use. We have worked with many property owners to bring their
properties back to an occupied, productive use, but I want to take this opportunity to highlight
three such properties.

The first example is 133 Elmira Street, SW. DCRA designated this property as “blighted”
in 2019. This property had boarded windows and doors; unsafe balconies and porch; exposed
metal and wood surfaces that were not protected against decay or rust; and multiple holes in
exterior walls. We notified the owner that their status had changed to Class 4 - Blight in July 2019,
and a timely appeal was filed. Within a couple of months, the owner took proactive steps to abate
the extensive list of issues by obtaining necessary construction permits and inspections. That
property has now been rehabilitated and is currently occupied.
Another example is 2302 Nicholson Street, SE, which was a property classified as Class 4 - Blight due to boarded windows and doors; holes in the exterior walls; openings that were not water-tight and secured properly; trash and debris throughout the property; and partial siding that was missing. DCRA notified the property owner of the violations, and in response, they obtained the permits necessary for performing the repairs to abate the violations. This property has been renovated, brought back to productive use, and is currently occupied.

The final example is 3019 Cambridge Place, NW. DCRA inspectors determined that this property was vacant after observing doors and windows that were not securely closed. We notified the property owner and learned that they would begin the necessary repairs to abate those issues. The property owner is an elderly individual and unable to live alone, which is why the property began to deteriorate and become vacant. Fully rehabilitating this property has taken some time due to major delays in receiving the necessary construction materials, which also has caused a financial strain on the property owner. DCRA granted the property owner a hardship exemption while they continue to make the necessary repairs. Once the construction is completed, the owner’s son plans on moving into the home to assist in bringing the property back to productive use.

These are just a few examples, and I recognize that there is room for improvement. To that end, DCRA has been an active participant in the Vacant to Vibrant Inter-Agency Working Group (“Working Group”). The Working Group began meeting in summer 2021 and consists of employees from the Deputy Mayor for Planning and Economic Development, the Deputy Mayor for Operations and Infrastructure, the Department of Housing and Community Development, OTR, and DCRA. This working group’s main objective is to create recommendations on how to bring vacant and blighted properties into productive use by developing methods to quickly turn them into affordable, workforce or market-rate housing. The Working Group has identified gaps
in the law that have allowed properties to remain vacant and/or blighted for long periods of time, and thus, are assessing possible legislative amendments to address these concerns.

In May 2021, this committee convened a Public Roundtable on this topic. Since that time, DCRA has worked with ANC Commissioners Elkins and Speck to conduct a pilot program in ANC3G. The pilot program sought to ascertain how the Vacant Buildings program could be enhanced with collaboration between DCRA and the ANC in identifying properties that are vacant and/or blighted.

In FY21, 67 properties were classified as vacant and blighted in ANC 3G (65 were vacant; 2 were blighted). These properties had been identified throughout a seven-year period. DCRA worked with ANC Commissioners Elkins and Speck to identify how many of these 67 properties were vacant or blighted and to identify additional properties of which DCRA might not have been aware.

During the pilot program, DCRA inspected the 67 properties and found that 43 properties were occupied; 20 were still vacant; 2 were blighted; and 2 addresses no longer existed. With this new information, all properties had their tax classifications appropriately corrected. We are in the process of notifying the owners of the 20 vacant properties to remind them of their responsibility to notify DCRA of any status changes to the property pursuant to D.C. Official Code § 42-3131.06(a).

The pilot program provided DCRA with a valuable opportunity to partner with ANC 3G in identifying vacant and blighted properties and updating our records where appropriate. From this program, we learned that many property owners will abate the violations and bring their properties back to productive use without additional enforcement action from DCRA. As previously indicated, of the 67 vacant and blighted properties, 43 were occupied, and thus, were
no longer vacant or blighted. This suggests that DCRA’s current resources for addressing vacant and blighted properties in the District are effective. DCRA and ANC 3G have agreed to continue to work together on addressing the problem of vacant and blighted properties in the community.

In addition to the technological enhancements previously discussed, DCRA has implemented enhancements to streamline the permitting process, which has been instrumental to the Vacant Buildings Program. One such area that may get overlooked is permitting. When a vacant or blighted property owner has been cited and is attempting to abate the issue that caused a particular Notice of Infraction, they often need to obtain a permit before the abatement work can begin. DCRA has improved the permit application process with our Permit Wizard. This was an initiative the agency successfully implemented over the last year after we saw a real need to better assist homeowners and developers in navigating the permitting process. “Permit Wizard” guides the customer through a series of questions and, based on their responses, the system advises what permits are needed, the projected costs, and what plan review and inspections are needed by DCRA and other DC government agencies. This is just one example of how improvements within DCRA in other areas can assist the Vacant and Blighted Buildings Program in achieving its mission.

Another area where DCRA saw a way to improve the Vacant Buildings Program and overall process is through updating our outdated data system with a modernized land use management platform. The agency has conducted market research and drafted a statement of work for a system that would support its ongoing efforts to further improve the Vacant Building Program. This new platform will capture a baseline of property records and their vacancy status, which will assist in record-keeping, the reconciliation process, and make searching for properties easier and faster. The platform will then keep a historical log of changes to the property, such as change in ownership and vacancy status. The system will also enable better workflow processes
that will meet the agency’s needs and be able to create internal and external notifications for DCRA employees and property owners reminding them of certain steps along the way as a property navigates the Vacant Buildings Program. These are just some of the highlights of the new system and all of these improvements will make the program more efficient and more effective in handling the program’s tasks and accomplishing its overall mission.

DCRA also has collaborated with our sister agencies, such as DC Fire and Emergency Medical Services (FEMS) and Metropolitan Police Department (MPD), to aid us in identifying vacant and blighted properties in the District. We have educated many of our sister agencies as to what conditions constitute a vacant and blighted property. With this information, agencies that are inspecting or dealing with an issue at a property for another reason may also identify conditions that make the property vacant and/or blighted and relay this information to DCRA.

For example, DCRA will provide a list of the Class 3 and Class 4 properties to the FEMS Fire Prevention Unit. As they conduct fire prevention inspections, FEMS provides information on the current status of the building, that is, if the property currently has a Class 3 Vacant designation. If the property has further deteriorated, FEMS will notify our office of the current status of the building, as well as any fire code violations, for a follow-up inspection. DCRA will go out and change the occupancy status of the building, if appropriate, as well as cite for any violations of the D.C. Code over which we have jurisdiction.

With regards to MPD, DCRA works with the MPD Environmental Crimes Unit to secure properties that have either been recently involved in some type of criminal activity or have been considered an incubator for potential criminal activity (prostitution and/or drug use). These requests come to DCRA during both normal and after-working hours (holidays and weekends). When DCRA responds to these requests to secure the properties, we will also inspect and
potentially reclassify the occupancy status of the property. This data sharing and open communication with our sister agencies allows DCRA to properly identify and abate properties that have deteriorated further or that previously were unknown to the Agency.

I hope my testimony is helpful to you and to the general public in understanding how DCRA identifies vacant and blighted properties, takes enforcement action against property owners who are in violation of the law, and can assist them in bringing properties back to productive use. I appreciate the opportunity to testify before the committee and I look forward to answering any questions you may have.