

---

**Government of the District of Columbia**



**Department of Consumer and Regulatory Affairs**

Testimony of

**Nicholas Majett**  
**Director**

***FISCAL YEAR 2013 AGENCY PERFORMANCE  
PUBLIC OVERSIGHT HEARING***

Council of the District of Columbia  
Committee on Business, Consumer and Regulatory Affairs  
Vincent B. Orange, Sr., Chairperson

February 11, 2013

John A. Wilson Building  
1350 Pennsylvania Avenue, NW  
Washington, D.C. 20004

---

Good afternoon, Chairperson Orange, members, and staff of the Committee on Business, Consumer and Regulatory Affairs. I am Nicholas Majett, Director of the Department of Consumer and Regulatory Affairs. I'm here today to testify on DCRA's performance during Fiscal Year 2012 and thus far in Fiscal Year 2013.

DCRA's mission is to protect the health, safety, economic interests, and quality of life of residents, businesses, and visitors in the District of Columbia. We do this by issuing business licenses and building permits; conducting inspections; enforcing building, housing, and safety codes; and regulating land use and development.

Our most critical challenge in meeting our mission is to balance strong enforcement with excellent customer service. As a regulatory agency, this dynamic is not unique to DCRA.

As Director, my highest priority is to make DCRA responsive to all our customers and stakeholders. We must meld customer service and business efficiencies into the complex regulatory frameworks we work with on a daily basis. We also must simplify our processes and requirements, eliminate redundancies and inefficiencies, and make our services accessible in as many places and in as many ways as possible. And we must constantly aim to streamline processes, make extensive use of technology, and provide excellent customer service.

Now I'd like to give you a brief overview of our accomplishments over the past year and our plans for the coming year.

### **A. Business Licensing**

DCRA licenses more than 30,000 businesses in more than 150 different categories. Our Online Business License Submission System allows all categories of business license customers to apply for and renew their business licenses online.

In order to truly make the District a more business-friendly environment, we must do all that we can to simplify the process for applying and receiving a business license with the goal of eliminating entirely the need for customers to have to spend any time in our office waiting in line.

This is why last Friday, Mayor Gray created the Business Regulatory Reform Task Force and appointed me as its co-chair. The task force will be conducting a holistic review of the District's regulatory environment to identify redundancies and impediments to economic growth. It will offer statutory, regulatory, and administrative recommendations for meaningful business reforms.

### ***Small Business Resource Center***

One of our key components to helping entrepreneurs launch their businesses is our three-year old Small Business Resource Center, which is also online at [dcra.ecenterdirect.com](http://dcra.ecenterdirect.com). The Center allows customers to schedule an appointment and get one-on-one training and consultation services on how to successfully navigate through the District's business regulatory environment. Additionally, the Center has been hosting free informational sessions on issues like setting up a limited liability company and opening a restaurant. Our Permits Center staff participates by offering guidance on customers' needs for construction related to them opening their business. We are very excited about the Small Business Resource Center and want to maximize its potential in helping to spur economic development in the District, particularly in keeping with the Mayor's call to expand and diversify the District's New Economy.

In addition to the work the Business Regulatory Reform Task Force will be doing, DCRA is also working on overhauling many of our business license regulations. We recognize that businesses need regulations that reflect modern realities and practices, not what existed several decades ago when the regulations

were written. Our goal is to simplify many of the regulations and eliminate outdated provisions that neither reflect industry practice nor benefit consumers.

### ***Vending regulations***

I have no doubt, Chairperson Orange, that you and other committee members have heard a great deal from street vendors, business associations, the public, and the media regarding our proposed vending regulations published in the October 5, 2012 edition of the D.C. Register.

We are currently finalizing an inter-agency review of the thousands of comments received in response to the proposed regulations. We have posted all comments on our website and our goal is to submit a revised set of final regulations to the Council for a vote by this Spring.

### **B. Construction/Permits**

Whether a person is replacing a window, adding on to their home, upgrading the electrical or plumbing in their condo unit, or building a multi-story mixed use development, they need to apply for a building permit and ensure compliance with the District's Construction Codes. We continuously seek to streamline the multi-agency review process, as we are very aware that in this economic climate, time spent standing in line in our Permit Center translates into money wasted at the construction site. To expedite the review process, almost all District agencies involved in the building permit review process are located in our buildings at our One-Stop Permits Center.

### ***New District Construction Codes***

Last February, Mayor Gray announced his commitment to the District adopting the new 2012 International Code Council (ICC) construction codes by mid-2013. The ICC Codes are the model building codes adopted by the District

and many other jurisdictions. The Mayor's bold decision means the District will leapfrog one generation of codes in order to move to the most recent, environmentally sustainable and energy efficient codes that will be applicable to all commercial and residential construction and renovation in the District.

Last December, we published a proposed rulemaking to adopt the 2012 ICC codes, including the first Green Construction Codes. The public comment period will close on February 22. After reviewing the submitted comments, we expect to be submitting the proposed 2013 Construction Codes to the Council in a few months. The adoption of the new Construction Codes will keep the District at the forefront of sustainable building practices.

### ***Project Dox & IVR System***

We continue to focus on two major technological systems within our Permits Division. The first, Project Dox, is software that allows customers to submit their plans electronically and have them concurrently reviewed by sister agencies involved in the permit process. This allows all reviewers to review the plans at the same time, rather than waiting for the plans to be physically delivered to them, reviewed, and then physically delivered to the next agency. Any changes to the plan are made electronically, thereby allowing the customer to see each agency's specific changes or comments.

Our customers are also making extensive use of our interactive voice response (IVR) inspections system that gives building contractors 24/7 access to inspections scheduling and inspections results via their telephone or smart phone.

We're also working on several other processes to better serve customers. We've expanded the parameters for use of EZ Permits, which can be submitted online and printed at home. And the adoption of our IT system, Accela, by other

agencies, and better tracking of permit reviews by discipline and reviewer, has helped reduce the timeframes for complex plan reviews.

### **C. Inspections**

DCRA's critical mission is ensuring the safety of residential buildings and rental units. We enforce the District's housing and building codes requiring property owners to maintain their rental properties in safe and habitable condition. To meet this mission, we have focused significant time and resources on the inspection process, outreach to housing and tenant advocates, and the increased professionalization of our inspections division.

Because of the importance of the inspections program to both DCRA's mission and the safety of District residents – as well as the lack of qualified District residents who can meet the job requirements – we established a career ladder for the inspectors beginning at the journeyman level. As inspectors pass International Codes Council (ICC) examinations, they will be promoted within the inspections division.

And because of the importance of developing the next generation of inspectors, DCRA has partnered with SEED Public Charter High School and Urban Alliance, a local youth-focused non-profit, to offer agency internships so that students are exposed to the building and construction fields. Through this program, we hope to encourage District high school students to pursue careers in these industries through practical experience with the agency.

#### ***Proactive inspections program***

Perhaps our most successful and far-reaching initiatives continues to be the proactive rental housing inspections program. Under this program, DCRA inspectors inspect each residential rental building with three or more units

regardless of whether we've received any housing code complaints from tenants. By proactively inspecting rental properties, we are able to identify and rectify any housing code violations before they become a danger to the health or safety of tenants.

In the past fiscal year, the program inspected 3,029 units in 1,198 buildings. We regularly update our website with all the proactive inspections information in order to make it easily accessible to tenants, housing advocates, and property owners.

### *Collaboration with housing advocates and ANCs*

In the past year, we have continued our collaboration with housing advocates. We host regular meetings with representatives from groups such as the Latino Economic Development Corporation, the Washington Legal Clinic for the Homeless, the D.C. Children's Law Center, and Bread for the City. We also attend the tenant summits organized by the Office of the Tenant Advocate, ANCs, and other community groups. These partnerships and community outreach provide us with valuable feedback on how our rental housing initiatives are working and identify areas needing improvement.

### **D. Vacant and blighted property**

After the Council created the vacant and blighted property tax rates, DCRA established procedures for the identification and designation of such buildings, as well as an appeals process. With three consecutive years of the vacant property tax law remaining unchanged, residents and property owners now have consistency on the law's requirements and our processes.

By March 1, we will transmit to the Office of Tax and Revenue the list of vacant buildings for Class 3 classification at the \$5 property tax rate and the list of

blighted vacant buildings for Class 4 classification at the \$10 property tax rate. I should emphasize that the vacant property tax rate applies only to buildings, and not to vacant lots.

As of February 1, we had identified 2,578 vacant buildings (including 1,030 vacant buildings that qualify for an exemption from the Class 3 property tax rate) and 228 blighted buildings. Additionally, we identified 265 buildings that previously had been designated as vacant or blighted, but that are now occupied.

We continue to review all exempt properties to ensure the owners are maintaining the grounds for the exemption. We also have all the vacant and blighted property information on our website, so that it can easily be downloaded. We always seek local community assistance in identifying additional properties because partnering with the community has a significant multiplier effect on our efforts at putting vacant buildings back into productive use.

### **E. Customer service and outreach**

We understand that regardless of all the great things that we do, unless we provide high-quality service to our customers, it's all for naught. A customer won't care about all our new technology or processes if they're treated poorly, unprofessionally, or in an untimely manner. In the growing social media frontier, we have one of the most popular and well-regarded District agency Twitter accounts and we will continue to be at the forefront of this new environment of engaging with our customers.

One very popular customer service feature is our Permit Intake Validation System (PIVS). This system allows the public to obtain information on property ownership, its zoning, building permits, and business licenses issued to the property address. PIVS has become popular with the public, ANC commissioners,

and the news media because it provides access to our information online for free. And I should note that we are working on a mobile version of PIVS, which means our property information is literally in the palm of your hand.

It is my desire to continue moving this agency in the right direction and to ensure that DCRA is providing the highest level of service to our customers. To further that, I have held several ANC open houses at our offices, regularly attend ANC and community group meetings throughout the District, and regularly seek to partner with them to better serve our constituents. This outreach and collaboration will continue as long as I am at the agency.

Chairperson Orange, thank you for the opportunity to report on DCRA's accomplishments and our plans for the coming fiscal year. My staff and I would be happy to answer any questions you may have.