



Testimony of the District of Columbia Building Industry Association

Before the

Committee of the Whole

Honorable Phil Mendelson, Chair

Public Hearing

on

Bill 22-669 Department of Buildings Act of 2018

The John A. Wilson Building
1350 Pennsylvania Avenue, N.W. Room 123
Washington, D.C. 20004

April 19, 2018

2:00 p.m.

Good afternoon Chairperson Mendelson, members of the Committee, and staff.

My name is Lisa Mallory, Chief Executive Officer of the District of Columbia Building Industry Association (DCBIA) and I am a longtime resident of Ward 4.

As you know, DCBIA has been the leading voice of real estate development in the District of Columbia. Our more than 425 members are comprised of professionals involved in all areas of real estate development, including builders, developers, general contractors, subcontractors, engineers, brokers, attorneys, and other key real estate professionals.

Over the years, DCBIA has established a great working relationship with DCRA, past Directors and its current Director, resulting in several joint partnerships, educational seminars, and highly technical training programs that have helped educate DCRA employees and the development industry on DCRA's various processes. Most recently, DCBIA's collaboration with DCRA resulted in a significant change to the Master Tradesman Bulletin that will further control 'bad actors' and reduce or eliminate their illegal practices without creating bad policy that severely and negatively impacts the industry as whole.

As you know, DCBIA members are also major customers of DCRA with a direct stake in its effectiveness. Many of us here today can attest that the DCRA of

today is a vast improvement from the DCRA of one or two decades ago, but more should and must be done to improve it. While we all want a more effective DCRA, DCBIA believes that restructuring the Agency for restructuring sake is not the silver bullet solution to the concerns of DCRA. A restructuring could be a solution **IF** the underlying issues of the Agency are fixed -- internally or by legislation, and if the budget for multiple agencies is also taken into account in restructuring. After much discussion with members of DCBIA, I will focus my short time here this afternoon on the solutions we believe would significantly improve the building permit side of DCRA and not the licensing, but many of the solutions described in my remarks and the more specific suggestions I am submitting for the record could be initiated for either department.

For the development industry, a major customer of DCRA, we believe DCRA's focus should be on how we can achieve what the property owner is trying to accomplish while ensuring property oversight and inspection is done on all projects. Too many times property owners feel that the Agency is just there to say "no" instead of working with them to find a solution for all parties. As we only have limited time, I will not read each solution we are proposing at this hearing, but I am submitting them here for the record. We are also happy to follow-up with you and your staff on any recommendations you wish for us to elaborate on.

Let us be clear, improving DCRA will not occur overnight and will not occur by one piece of legislation. It will take time, financial resources, and multi-agency and industry coordination. And we are here today to restate our commitment to do our part.

1.) Improve Technical Competence and Staffing Issues at All Levels

The first area of improvement is ensuring that DCRA employees are trained in the many technical parts of the DC Building Code and other related laws to ensure DCRA employees are equipped to make well-vetted and timely decisions as they review development projects. There is currently a lack of consistency in employee decisions, which hurts the credibility of the entire agency. Reviewers are often reaching two different decisions when reviewing similar projects, due in part to varying interpretations of the building code. Moreover, there is bottlenecking in the review process, leading to massive delays which slows down projects and unfortunately gives DCRA a bad reputation. In addition to increasing employee technical capacity, special attention should also be given to ensure that the agency is agile enough to adjust staffing levels during periods of increased permit applications. Finally, the agency should ensure a strong focus on cross-training employees so productivity does not lag - and therefore projects are not further delayed - when employees take necessary time off.

- A. One way to solve this is to require in-house certification standards to empower staff or mid-level managers to make decisions that will be consistent across projects.
- B. DCRA must also develop employee expertise. Our suggestion would be to divide line review employees between residential code and building code reviewers. This breakdown would focus employees on one type of project and would assist them in garnering more technical expertise.
- C. Once employees have technical expertise across an entire discipline, they can be promoted to mid-management and become empowered to make quicker decisions, which will help everyone DCRA serves.
- D. Additionally, employees at the mid-management level and higher should receive cross-training so that when someone gets sick, leaves, or separates from employment, there is no slowdown in workflow. A different set of eyes can also help ensure mistakes or review lags are noticed and corrected.
- E. To further address staffing issues, DCRA should be given the flexibility through the Budget to adjust staffing in response to an increased workload, such as when there is a vast increase in the number of permits seeking approval. This could be done through new full-time, part-time,

and/or contract employees. DCRA would also benefit tremendously from adding additional inhouse counsel staff.

F. DCBIA also recommends that the District change its laws regarding the restrictions on working in the private sector after serving in the government, so that DCRA may attract a wider range of talent to come work for the DC government and not feel they will be hampered in future employment by working for the DC government. The District should consider a 6-month ban versus the current 2-year prohibition.

Alternatively, the District could set-up a P3 program where experts can come in for a 3-6-month peer-to-peer review program to assist DCRA with improving their review program.

G. Moreover, with the implementation of the new Velocity/Expedition program, the need for staffing allocation flexibility is even more apparent. If staff are focused on a project where a customer has paid for an accelerated review, then other projects for which no premium is being paid will necessarily be delayed unless staff is dedicated to the Velocity/Expedition program. This issue could be resolved, though, if DCRA retains a certain percentage of its revenues collected from the Velocity/Expedition program's fees, to be used for quick staff additions in the event of inevitable workload increases.

H. Finally, more time and effort must be spent on addressing the residential concerns that have been raised over the past year at oversight hearings and in the *Washington Post*. The Homeowner's resource center should be expanded and provided dedicated staff to assist District residents with their home improvement projects.

2. Improve Accountability

Another solution that DCBIA suggests to address DCRA accountability concerns is to create consistent, regularly reviewed, and regularly updated standard operating procedures for the Department's units that are made available for each department for both staff **and customers/property owners**. These procedures must be based on the DC Code and applicable laws and regularly reviewed and updated to ensure that everyone is working off the same standards, especially as it pertains to plan review and inspection. In addition, we suggest that DCRA create a publicly available electronic phone list for all DCRA employees, so that property owners are able to reach the correct person to answer their questions. DCRA's current communication matrix hinders employee accountability.

A. Performance measures should also be established to encourage DCRA accountability to property owners. DCRA should ensure that if a project has not been moved by an employee in a certain number of days, then a manager will conduct a review. Property owners must also be made

aware of why any delay may have occurred and when the resolution is expected.

- B. Lastly, require the DC Auditor, as an independent body, to do yearly reports for at least the next 5 years on DCRA's timeliness of permits, excluding postcard permits, and other performance metrics.

3. Improve Customer Service

A third area of improvement for DCRA is customer service. DCBIA recommends that DCRA *and all sister and independent agencies (i.e. DOH, DOEE, DPW, DC Water, DOH, OTR)* have the technological resources to cross-communicate. Many building permits need review not by just DCRA employees. If FTEs or other reviewers are not provided to each agency, including DCRA, to cover the amount of applications for permit review and/or inspection, the logjam intensifies and the lack of acknowledgement to the applicant/property owner produces angst about the entire process to all those who have to use DCRA services.

- A. One solution to improve upon customer service is to create an ombudsman office within DCRA to advocate for property owners and oversee the resolution of complaints.
- B. FTEs could also be created within Office of Chief Technology Officer (OCTO) to revamp the technology used *by all agencies* for building

permits to ensure it is useful for both staff and property owners and their designees.

C. Moreover, DCRA should also make its Acela & FileNet documents available to the public. Recorder of Deeds and Surveyor's Office documents are already available for public view, and if property owners could look up a property's mortgage and survey, we should be able to check if the property has a certificate of occupancy (CofO). It currently takes months and several DCRA personnel to get copies of permits and CofOs out of the Records Management Branch. By making these records accessible to the public, it would free up Records Management staff, allowing them to work on new permits and CofOs instead of responding to research requests.

D. Finally, empower employees. DCBIA recommends that DCRA provide training, incentive bonuses, and have clear reviews tied to raises and DCRA should work with the union to ensure employee accountability. All of this is sure to result in greater morale, DCRA customer service, and employee and customer satisfaction.

Conclusion

To conclude, I thank you Chairman Mendelson and the Committee for convening today's hearing. As you know, DCBIA remains committed to working

with you, the Mayor and Members of the Council on how to resolve the issues faced by DCRA so that we can all have a more efficient Agency for all its customers and property owners.

We are available to answer any questions you might have.

Thank you for the opportunity to testify and provide recommendations.