



**Government of the District of Columbia
ADVISORY NEIGHBORHOOD COMMISSION 3/4G**

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**ANC 3/4G Testimony Before the
Committee of the Whole
Public Roundtable Hearing on
Vacant and Blighted Properties for ANC Commissioners
May 25, 2021**

Chairperson Mendelson and Councilmembers, I am Randy Speck, Chair of ANC 3/4G (Chevy Chase, Barnaby Woods, and Hawthorne). Thank you for the opportunity to testify today about vacant and blighted properties in the District and particularly in ANC 3/4G. I am testifying on behalf of our Commission, which authorized this testimony at its May 24, 2021 meeting by a vote of 6 to 0 (a quorum being 4).

This testimony will focus on several properties in our ANC that commissioners and constituents have identified as vacant or blighted. The analysis of each property relies on Department of Consumer and Regulatory Affairs (DCRA) and Office of Tax and Revenue (OTR) online records (e.g., MyTax.dc.gov, Scout, and DCRA's annual

vacant/blighted reports).¹ In preparation for this testimony, our commissioners canvassed their Single Member Districts and asked their constituents to identify vacant and blighted properties. As outlined below, there are a number of houses in this high-cost, high-demand neighborhood that have been continuously unoccupied and neglected for years or even decades.

As described more fully in the conclusion below, it is our experience that DCRA has done little to address this problem despite years of complaints. Through benign neglect, DCRA has allowed these houses to continue to be an unproductive blemish on our neighborhoods. Not only have property owners been able to skirt their responsibilities, but the District has lost revenues from taxes, penalties, and other assessments that it should collect. We urge DCRA to work more closely with OTR to use the tools that it has to incentivize property owners to fulfill their responsibility. We also suggest that the Council provide enhanced guidance to ensure that all residential properties in the District are maintained and fully occupied. Please see the details provided below on seven vacant/blighted properties in ANC 3/4G that we have identified and that illustrate a longstanding problem.

¹ Photos of each property are available at <https://bit.ly/2RycHak>.

2900 Military Road, NW—This property has been the subject of ANC 3/4G’s testimony at the Committee’s DCRA oversight hearings in 2020 and 2021.² The Committee is familiar with this property because it was the subject of testimony and questions to DCRA Director Chrappah at the oversight hearing on March 18, 2021, and the roundtable hearing on May 10, 2021. An LLC³ purchased this house for \$790,000 on January 30, 2019, and it has been continuously vacant since the interior was demolished in February 2019, and boarded up by DCRA to abate outstanding violations.⁴ For the first half of 2019, all of 2020, and the first half of 2021,⁵ DCRA recently reclassified the property as Class 3-Vacant for property tax purposes. As a result of this reclassification, the current balance of unpaid taxes, penalties, and interest is \$105,191.74.⁶ In addition, DCRA imposed fines and abatement charges in September 2019, December 2019,

² ANC 3/4G Testimony Before the Committee of the Whole Performance Oversight Hearing on the Department of Consumer and Regulatory Affairs, March 18, 2021, available at <https://bit.ly/3wc33IR>; ANC 3/4G Testimony Before the Committee of the Whole Performance Oversight Hearing on the Department of Consumer and Regulatory Affairs, March 5, 2020, available at <https://bit.ly/36isNro>.

³ 2900 Military Rd NW, LLC is owned by Taja Investments, which has a reputation for troubled projects. See <http://bit.ly/2SEAZx6> (roofless house in Brightwood owned by Taja Investments); <http://bit.ly/38J89B6> (dumping on Trinidad property by Taja Investments); <http://bit.ly/2V3o6yc> (Taja Investments responsible for workmanship defect causing collapse of Capital Hill row house wall).

⁴ The Neidorf family, whose matriarch lived in this house for more than 70 years, are “extremely upset” with the way the purchaser has let the house deteriorate and become an eyesore in the neighborhood.

⁵ For the second half of 2019, the house was taxed at the lower Class 1-residential rate even though it had been gutted and was uninhabitable, apparently because DCRA had issued a construction permit that was then pending. DCRA denied subsequent requests to extend the permit.

⁶ Tax Sale Delinquency Notices were issued on April 27 and 28, 2021.

February 2020, and August 2020 for total charges of \$9,297.23, none of which have been paid. There is also an unpaid DC Water assessment from August 15, 2019, for \$3,516.04.

After the Committee's March 18, 2021 oversight hearing, DCRA inspected this house and determined that it now meets the standard for "blighted," although nothing about the house's condition has changed materially since 2019. The owner has appealed that determination, but it is impossible to assess the basis for that appeal because DCRA contends that a "significant number of the appeals [contain] financial information that is not available to the public."⁷ DCRA has suggested that the Commission should file an FOIA request to seek information on the grounds for the appeal.

Because DCRA took no action for two years, the owner had little financial incentive to either sell the property or complete the work. DCRA passively stood by as the house further deteriorated and became a blight on the neighborhood. We ask for DCRA to take a proactive stance in addressing problem properties like this one, particularly when owners have a history of unsuccessful projects in the District, as detailed elsewhere.

The optimal solution for such problem properties would be a sale to a responsible purchaser who will restore the house to productive use. The current owner/developer, at the urging of its lender, Capital Bank N.A., has put the house on the market.⁸ The lender is hopeful that a sale can be completed within a few months. That sale may be

⁷ Email from Donald Sullivan, DCRA's Program Manager, Vacant Building Administration, to Randy Speck, May 17, 2021.

⁸ Zillow listing for \$1,050,000, April 20, 2021, available at <https://bit.ly/33QzqAN> (last visited May 24, 2021).

jeopardized, however, by the outstanding taxes due as a result of DCRA's belated reclassification of the property as vacant or blighted. Purchasers may be unwilling to pay and the lender may be unwilling to absorb the additional \$118,005.01 in taxes, interest, penalties, and fees that are currently owed. In this case, the threat of reclassification as vacant or blighted has spurred the owner/developer to sell the property, but further imposition of that reclassification may prevent a solution that would benefit the neighborhood and the District. Thus, the Commission urges DCRA and the OTR to work with the owner and the owner's lender to facilitate a prompt sale to a reputable purchaser.

5504 Nebraska Avenue, NW — This property has been owned by Cornelius Donnelly since 2004 but has been continuously vacant for at least several years. The front yard is overgrown, the front door has an accumulation of mail, and the back yard and deck are covered with trash and weeds. Nevertheless, DCRA has never listed the property as vacant, and OTR has designated it Class 1-Residential for the entire period at least since 2018.

The owner may have attempted to avoid designation as vacant by repeatedly applying for construction permits for various repairs that were never undertaken, much less completed. DCRA issued construction permits in 2017, 2018, and 2019 for the same work and finally denied extensions in 2020. The same conditions exist now as appear to have existed as far back as 2003.

After neighbors identified this house as vacant, on May 14, 2021, Commissioner Speck requested a DCRA inspection (reference number VIT-55A6T). DCRA has

scheduled an inspection for May 26, 2021. DCRA should designate this house as vacant and blighted retroactively for all applicable years.

3216 Morrison Street, NW — Neighbors advised DCRA in August 2015, that this house was vacant, had broken windows, and had dozens of unopened bags of fertilizer and mulch scattered across the yard. At that time, the owner, Cornelius Donnelly (also the owner of 5504 Nebraska Avenue, NW, discussed above), had a construction permit posted, but the permit was to expire on April 22, 2016. The neighbors renewed their complaints to DCRA in April 2016, but the conditions at the house remained the same.

The owner obtained multiple “construction/alteration/repair” permits in 2015, 2016, 2017, 2018, and 2019. The only permit currently posted at the house expired on December 4, 2019. DCRA denied permit extensions in December 2018, and June 2020. The property has remained in essentially the same dilapidated condition since 2015 with no visible construction work undertaken. The owner lives in Florida and has not continuously resided in the house because it is not inhabitable. Nevertheless, OTR has listed this property as Class 1-Residential in every year since at least 2018.

On May 11, 2021, Commissioner Speck requested another DCRA inspection (reference number OWF-V2AO8), and it was scheduled for May 21, 2021. DCRA has refused to release the inspection reports to the ANC and insists that the only way to obtain them is through an FOIA request.⁹ Nevertheless, the inspector informally advised

⁹ Following the DCRA investigation, the owner did partially clean up the yard.

Commissioner Speck that the property was declared vacant. DCRA should designate this property as vacant and blighted retroactively for all applicable years.

6820 32nd Street NW — This property was reported vacant by a neighbor in September 2020. DCRA inspected the property in April 2020, and determined that it should be Class 3-Vacant. The property owner, Sam Silverberg, failed to respond to the notice, and DCRA notified OTR to change the occupancy determination of the property to reflect that status. DCRA included this property on its vacant property list for 2020, but to date, OTR has not reclassified the property at the higher vacant tax rate. Another inspection for code violations was scheduled for May 24, 2021. Commissioner Gore (ANC 3/4G01) requested that the DCRA inspector contact her so that she could be present at the inspection and provide additional information, but DCRA did not respond.

6005 Utah Avenue, NW — Neighbors report that this house has not been occupied for at least 30 years and that “windows are broken, raccoons and squirrels rule the roost, and witnesses have seen the occasional homeless person take up residence inside.” The front porch is covered with trash and debris. Beams are rotten and falling down. The back yard is overgrown with a bamboo forest. The house is obviously uninhabitable and unoccupied. The owner, Leon Letwin, reportedly “drops by the house for a few minutes [every few weeks] and then drives away.”

DCRA cited the property for weeds and fencing violations in October 2010 but, after a “4-Point Survey,” determined that it was “occupied.” In December 2017, DCRA issued a notice of violation for vacant property and listed it on the vacant property reports for 2018 and 2019 with no exemptions. Inexplicably, however, DCRA omitted the

property from the 2020 vacant property report even though nothing about the house has changed except its further deterioration. Commissioner Speck requested a DCRA inspection to determine whether the house is blighted (reference number N9H-MPPKI), and the inspection was scheduled for May 14, 2021 (subsequently rescheduled for May 26, 2021). When Commissioner Speck requested a copy of the inspection report when it is completed, DCRA advised that it required an FOIA request before the report would be released.

Despite DCRA's determination that the property was vacant at least in 2018 and 2019, OTR has identified it as Class 1-Residential with a homestead and senior exemption in every year since at least 2018 with a current assessed value of \$746,057. DCRA should reclassify this property as vacant and blighted retroactively for all applicable years, and OTR should recompute the property tax accordingly.

5400 30th Street, NW — DCRA placed this property on its vacant property lists for 2019 and 2020, and it continues to be unoccupied. Neighbors report that a car has been “permanently parked” next to the house “for years,” the gutters are falling off, and mail is not collected. The owner is S.W. Robinson III Trustee.

OTR lists this property as Class 1-Residential in every year from 2018 through 2021 except 2020, when it was Class 3-Vacant with no exemption. The property taxes for 2020 and 2021 have not been paid, and the tax, penalties, and interest now owed total \$53,099.94.¹⁰ There is no evidence of any prior DCRA inspections, but, at Commissioner

¹⁰ Tax Sale Delinquency Notices were issued on April 27 and 28, 2021.

Speck's request (reference number GTW-OTOWG), DCRA scheduled an inspection for May 19, 2021, and conducted the inspection on May 20, 2021. DCRA will not release that inspection report, however, without an FOIA request, but the inspector advised Commissioner Speck that the property was considered "occupied." DCRA should explain the basis for this determination since nothing has changed since the 2020 designation as "vacant."

6294 29th Street, NW — This house has trash and debris in the yard and porches, a car with open windows permanently parked in the driveway, accumulated mail in the mail box, a porch light that is never turned off, and broken screens that allow vermin to enter the house. The property has been in this same condition for several years. It is owned by William Weitzel.

Commissioner Speck requested a DCRA inspection (reference number BLZ-CEBP9), and the inspection was scheduled for May 19, 2021, and actually inspected on May 20, 2021. Again, DCRA will not provide the inspection report to the ANC without a FOIA request, although the inspector advised commissioners informally that the property was "listed as Vacant and cited for excessive growth and debris."

DCRA has no online records of inspections for this property, and it is not on DCRA's vacant property lists for any year. OTR lists the property as Class 1-Residential with homestead and senior exemptions for every year. DCRA should designate the property as vacant and blighted, and OTR should change the tax classifications retroactively.

Conclusions — These seven vacant/blighted properties in ANC 3/4G are not a complete picture for this ANC, but they are likely indicative of the type and extent of this problem across the District. Here are the conclusions we draw from our experience.

1. DCRA does not systematically identify vacant or blighted properties and it relies too heavily on residents to determine when it will conduct inspections. It should develop a program to solicit information on vacant or blighted properties and conduct timely investigations. It should consult with and use information from residents and ANC commissioners to inform those investigations, and it should provide timely, substantive feedback to ANC commissioners on the results of the inspections. Asking ANCs to file FOIA requests is a barrier to what should be a collaborative process to fix problems in the District's best interest. Those who live in the affected neighborhoods can be among DCRA's best resources.
2. DCRA should develop better protocols to ensure that vacant or blighted determinations are reflected promptly and accurately in OTR's property tax assessments. Our experience demonstrates that even when DCRA finds a property is vacant, OTR frequently does not reflect that status in its tax records. Not recording an accurate status means assessments and penalties are not being issued or collected, and properties are left to deteriorate, potentially lowering the value of other properties in that neighborhood.
3. DCRA permits owners to use a succession of bogus construction permits to avoid Class 3-Vacant tax rates. DCRA should conduct inspections to

determine whether construction work is actually being undertaken pursuant to the permit and revoke permits or deny extensions when the property remains vacant and no work is ever done. The incentive of vacant tax rates could stimulate owners to complete permitted work.

4. DCRA's focus should be on creating incentives that encourage owners to correct blighted properties and to occupy vacant properties. DCRA should promptly identify and impose financial penalties on vacant and blighted properties. Otherwise, owners may incur overwhelming tax burdens before they can take corrective action.
5. The Council should reexamine the criteria under which a property could be considered "vacant" or "blighted" to ensure clarity and facilitate enforcement.¹¹ Whether the Council initiates this review or not, DCRA, should issue implementing regulations that spell out its standards for what constitutes a vacant or blighted property. The standards need to be specific and enforceable, and inspectors will need to be trained to apply those standards rigorously.

At a time when the District has what has been described as a housing crisis, it cannot afford to leave valuable properties vacant and blighted. It is obvious from our Commission's experience that this problem is more widespread than many realize, and

¹¹ The current definitions are in D.C. Code § 42-3131.05.

there are glaring shortcomings in DCRA's enforcement. We urge the Council and the Mayor to take steps that will restore our existing housing stock to productive use.

Thank you.