

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 FY 2023 Budget Hearing on the Department of Buildings March 24, 2022

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 the FY 2023 budget for the Department of Buildings (DOB). I am testifying on behalf of our Commission, which authorized this testimony at its March 14, 2022 properly noticed public meeting by a vote of 6 to 0 (a quorum being 4). This testimony focuses on the budget for two DOB functions that warrant particular attention: (1) identification, tracking, and restoration to productive use of the District's vacant and blighted properties; and (2) permitting and inspection for approximately 28,000 lead service lines that DC Water must replace by 2030.

Vacant and Blighted Properties

As our Commission has testified previously, the Department of Consumer and Regulatory Affairs (DCRA) has not adequately addressed vacant and blighted properties in the District.¹ We concluded that, in order to be effective, "DCRA must (1) improve its ability to identify these properties, (2) maintain thorough, accurate, publicly available records, and (3) follow through to ensure that any exemptions granted are fully warranted." The new DOB should have adequate funding to support a concerted effort to restore these neglected homes and commercial buildings.

The DOB should abandon DCRA's piecemeal, half-hearted approaches and create a dedicated unit that will address the well-known deficiencies in a coordinated, systematic way. Our ANC worked briefly with DCRA on a truncated pilot project to identify key elements of the process that require improvement. That experience can form the basis for the DOB's renewed focus.

First, DOB needs to audit and consolidate its data bases so that it can produce a reliable, publicly available inventory of vacant and blighted properties. The current DCRA data bases are incomplete, inaccurate, and inconsistent. Moreover, DCRA's records are not adequately linked to property records at the Office of Tax and Revenues so that a vacant property determination will automatically change the property tax classification. If DOB does not have sufficient qualified staff to undertake a

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¹ See the Commission's testimony before the Committee of the Whole on March 5, 2020, March 18, 2021, May 25, 2021, and January 25, 2022.

² ANC 3/4G Testimony Before the Committee of the Whole Public Roundtable Hearing on Vacant and Blighted Properties, <u>January 25, 2022</u>, page 9.

comprehensive overhaul of its data, the Council should appropriate funds for a contractor that can perform this task within the first six months of FY 2023.

Second, DOB should have funding for inspectors, including their supervision and training. ANC commissioners could assist DOB in locating vacant and blighted properties, but it must also have a cadre of dedicated inspectors who will apply objective criteria to identify buildings that require enforcement action. As we observed in our pilot project with DCRA, inspectors may not consistently apply the statutory standards for "vacant" or "blighted" and need to be trained to make those determinations.

Third, DOB should have adequate staff to follow up on any exemptions granted when a property is vacant. Some property owners in our ANC have obtained serial construction permits and used that ruse to obtain an exemption from a vacant property classification. But DCRA conducted no subsequent investigations to see whether any construction was actually performed. DOB must regularly inspect properties with exemptions to be certain that they continue to qualify for an exemption. If DOB makes vacant and blighted properties a priority, it will need more inspectors to catch owners who attempt to evade higher tax liability.

DOB must not simply carry forward DCRA's failed vacant and blighted property approach. The Council should insist that the new agency address this problem aggressively and that it has the required tools and staff to do it effectively.

Lead Service Line Replacement

DCRA is a member of the Lead Service Line Replacement Task Force that the Council created to review DC Water's plan for replacing all 28,000 lead service lines in the District by 2030.³ The Task Force's report must include "an account of opportunities for interagency coordination or cooperation to accelerate or improve the efficiency and cost-effectiveness of lead water service line replacements." DCRA's role in replacing lead service lines includes issuing permits for the replacements and inspecting the completed work on the customer's property. In order for the program to run quickly and cost effectively, DOB will be required to issue permits promptly so that lead service lines can be replaced in an efficient block-by-block program and inspections can be completed as soon as the work is done.

Permits may be issued on a more generic basis and should not significantly increase DOB's workload. Inspections may be a bottleneck, however, if there are an insufficient number of inspectors to maintain the required construction pace. DCRA currently uses both its own inspectors and third-party inspectors, which may be more costly. This new lead service line replacement program will substantially increase DOB's inspection workload and will likely stretch its in-house resources.

Federal funds are available to cover at least part of the costs of lead service line replacements — including the costs for permitting and inspections — and DC Water has

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³ <u>D.C. Code § 34–2162</u>. The other members of the Task Force are the Department of Energy and Environment, the District Department of Transportation, DC Water, and two public representatives appointed by the Council. I was appointed by the Council as one of the public representatives.

committed to fully fund any additional costs, which it will pass along to its customers through increased rates. One opportunity "to accelerate or improve the efficiency and cost-effectiveness of lead water service line replacements" would be for DOB to have sufficient in-house inspectors to assure smooth, block-by-block replacements. Thus, we ask that the Council provide funding for additional DOB inspectors to cover the lead service line replacements as DC Water's program accelerates beginning in FY 2023.

Thank you.