

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



**Fiscal Year 2018 to 2019 YTD
Performance Oversight Hearing**

Testimony of
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Acting Director

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

John A. Wilson Building
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Introduction

Good morning, Chairperson Mendelson, members of the Committee of the Whole, and Committee staff. I am Ernest Chrappah, Acting Director of the Department of Consumer and Regulatory Affairs, or “DCRA.” Thank you for the opportunity to testify on behalf of Mayor Muriel Bowser regarding the activities and accomplishments of DCRA in Fiscal Year 2018 and Fiscal Year 2019, to date.

Mayor Bowser’s Fiscal Year 2018 budget made investments that supported our efforts to deliver on the promise of our shared DC values. These efforts include creating economic opportunity, making our neighborhoods safer, and providing more effective and efficient government services. We continue that effort as we work each day to fulfill our commitment to provide every District resident a fair shot at opportunity. Specifically, DCRA provides services that protect the health, safety and regulatory compliance of residents, businesses, and visitors in the District. Our services touch all 700,000 residents and 58,000 businesses in the District by ensuring that businesses are properly licensed, residences are habitable, and construction is performed properly, among other responsibilities.

FY18 Strategic Objectives

In Fiscal Year 2018 (“FY18”), DCRA had five strategic objectives: 1) provide timely and efficient processes to promote and improve business development; 2) provide accurate, thorough and efficient plan reviews, within the specified timeframes, to effectively issue permits to residents and project developers; 3) provide effective enforcement of vacant and blighted properties, thereby encouraging increased housing stock for productive use, including affordable housing; 4) provide thorough and efficient property maintenance and construction inspections,



within the specified timeframes to improve safety and development; and 5) create and maintain a highly efficient, transparent, and responsive District government.

DCRA's performance plan had 11 measures ranging from the scheduled inspections of housing units and construction sites to the percentage of DCRA permits and licenses timely processed. At the end of FY18, DCRA met or nearly met 81-percent of our key performance indicator measures in our agency performance plan. In addition, DCRA made an enormous contribution to the District's economy in FY18 —over \$12 billion. We issued 10,406 professional licenses and 31,145 business licenses; 56,191 building permits; completed 17,619 inspections; and registered 17,619 corporations in FY18.

In FY18, DCRA became only the 24th government organization nationwide to receive accreditation by the International Accreditation Services. This accreditation demonstrates that DCRA implements best practices for public safety and meets nationally recognized building standards. Additionally, DCRA's National Capitol Region Building Code Academy hosted 20 events for 680 participants and offered 71.50 hours of training to DCRA staff, DCRA-approved third-party companies, trade professionals, contractors, and employees of the District of Columbia Housing Authority and the Fire and Emergency Medical Services Fire Prevention Division. These accomplishments represent just a fraction of the large strides taken by Mayor Bowser to modernize DCRA in her first term.

Residents rely on DCRA to address issues in many aspects of their lives - from requesting that a neighbor's grass be brought into compliance; to ensuring that a bathroom remodel is performed appropriately; to registering a business to grow their dreams into reality. Meanwhile, the on-demand economy - an environment where you can find anything from renting



a movie, to hailing a ride, to hiring a handyman, with the push of a button - has changed customer expectations. Residents have expressed frustrations and are looking for improvements that keep pace with today's way of doing business. With the momentum of the accomplishments of the Mayor's first term, we are well positioned to build on our progress to achieve ambitious goals, meet customer expectations, and finish the work that is still to be done at DCRA.

We want you to know that we hear you. We have a vision, strategic plan, and implementation timeline to bring you DCRA's services more efficiently and conveniently and with greater transparency. To meet and exceed our customer expectations, we are embarking on a digital transformation at DCRA - a fundamental change in processes, activities, and how value is provided to customers. Our strategic plan, Vision 2020: A Roadmap to Digital Transformation, will simplify existing complexities and eliminate unnecessary red tape.

Improvements to Date

While serving as the Director of Department of For-Hire Vehicles, I was honored and humbled to be named International Regulator of the Year by the International Association of Transportation Regulators and recognized as a Transportation Trailblazer by the Greater Washington Clean Cities Coalition. The honors were a direct result of the support of Mayor Bowser and the hard work of dedicated District employees and the Council. I am excited to bring that innovative approach and motivation to DCRA and work under the leadership of Mayor Bowser to implement Vision 2020. In the short time since I joined the agency as Interim Director in November 2018, we have made tangible improvements.

First, I completed over 21 listening sessions with DCRA staff and external stakeholders, including residents, ANCs, tenant advocates, DCBIA, AIA, AOBA, councilmembers, and sister agencies to gather invaluable feedback, ideas, and concerns about the agency. These discussions



yielded several areas of improvement and led to our effort to evaluate, develop, and update a number of agency standard operating procedures.

Second, we established a vision based on our assessment of the agency and the results of the listening sessions. Vision 2020: A Roadmap to Digital Transformation (“Vision 2020”) is a six-prong strategic approach to transform DCRA and sustain dramatic operational improvements during Mayor Bowser’s second term. Vision 2020 will elevate the agency to achieve peak performance by examining and efficiently allocating the budget, instituting regulatory reform, streamlining communication efforts, enhancing staff training, implementing process improvements, and introducing technology improvements.

Third, it was clear that the agency needed to identify and assess the nature and extent of issues that were degrading customer service and creating backlogs in the permits, inspections, and enforcement divisions and establish baselines in order to measure future improvements and provide transparency to our customers. Establishing baselines for these backlogs has been accomplished. Since my arrival, we have reduced the Notice of Infractions backlog by over 25 percent and vacant building appeals by 39 percent. The agency is also working to eliminate these backlogs across the construction, housing, illegal construction, and vacant property divisions. In the meantime, the agency will provide the needed customer service to those customers that were stuck in the backlog, while also improving outreach and educational efforts for new customers to decrease their permitting review times.

Fourth, we have launched the agency dashboard with interactive visualizations to highlight KPIs, stats and agency performance in order to create a culture of transparency with our customers. The dashboard sets the foundation for a host of new features in the future to benefit the public, including: seeing problem landlords or properties on a map, enforcement



actions, fines collected by the city, customer service levels, and more. DCRA's new public-facing dashboard identifies issues, provides transparency, creates accountability, and tracks measurable improvements. Customers and employees at the agency are able to view the dashboard on kiosks around the agency or from DCRA's website. The dashboard is utilized by staff agency-wide and has already begun to improve the culture by instituting measurable successes and intra-agency accountability. We look forward to growing a culture of transparency and accountability as we rebuild trust with District residents and our customers.

Customer Relationship and Management Improvement

DCRA has also heard feedback that customers feel lost once they enter our system and receive inconsistent answers from different staff members. To remedy this problem, we launched a Customer Relationship Management ("CRM") Pilot application to centralize customer inquiries and better serve customers by providing real-time notifications on the status of their requests. DCRA will pilot an on-demand Customer Relationship Management model ("CRM") that means a single point of contact for the customer, synchronize every touch with a customer, and allow DCRA to efficiently address customer concerns and enable matters to be seamlessly elevated to management when necessary. The CRM will allow any staff member to be familiar with the issue each customer is facing as well as the background of each case and what information each customer has received during any previous interactions with the agency. The CRM is a powerful tool that allows DCRA to deliver excellent customer service, to treat every customer with a human touch, rather than as a number in a system.

To ensure that these initiatives move along swiftly and customer service improves, we established a senior management team and a matrix reporting structure in project management to foster a change in culture and move toward a nimble and innovative organization. The agency



also established an account management team to deal with escalated issues and proactively engage customers and other stakeholders to ensure we are delivering at the highest service levels possible.

We have also established a customer outreach team that will work to build strong relationships with our customers, stakeholders, partners, sister agencies, and Council. The team will deal with customers and escalated issues at the highest level to ensure that we are proactive, responsive, and are instilling confidence in our customers. The team will also assist us in understanding the needs and goals of our customers so that we can better tailor our services and processes to suit customer needs.

We are developing a 5-Star Rating System to objectively rate the completeness and quality of plans and response rate of design professionals, general contractors and home improvement contractors involved in every project that DCRA permits. This rating system will assist DCRA and customers in identifying where there are lapses in finalizing permits, increase transparency with our customers, and provide customers with more control over their own projects. The completed product will integrate feedback from customers and employees to fine tune the rating system before any piloting and official launch.

Modernization

DCRA is tasked with the mission of protecting 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. We take this mission seriously and work hard to uphold sensible safeguards that protect the public and ensure code compliance. However, the agency recognizes that processes and regulations may become outdated in the rapidly evolving on-demand economy. To ensure regulations encourage rather than stifle growth, DCRA established



a Regulatory Working Group comprised of residents, small businesses, and industry representatives. This working group will identify outdated regulations and unnecessary barriers to economic development. For example, DCRA has enhanced the neighbor notification process to improve the notification to ANCs by automating the process to provide notifications on a daily basis. This will simplify complexities and eliminate unnecessary red tape, while keeping in place the sensible safeguards that keep residents across the District safe. In addition to the Regulatory Working Group, DCRA will strive to deepen our public engagement to elicit feedback through community meetings, tele-town hall sessions, surveys, and other platforms designed to clarify policies and shape programs and services.

Finally, DCRA will implement employee engagement efforts that will include initiatives that will reinvent DCRA and sustain operational improvements across the agency. These initiatives will allow the agency to transform processes to become a more nimble and digitally adept organization that provides timely and value-added service to its customers. DCRA is currently in the process of bringing in a contractor to assess, train, and implement a staff development program and provide ongoing support as we build a new culture of innovation, operational excellence, data-driven management, and excellent customer experiences. During the culture shift, we will build up staff morale to maximize individual and team performance with an eye toward balancing their overall well-being in executing our strategic objectives and Key Performance Indicators.

Conclusion

Ultimately, our initiatives, programs, and policies are intended to expand economic opportunity, solve problems for our customers, and foster innovation in support of our ambitious vision to efficiently provide services to all 700,000 of our residents and more than 58,000 business



customers by the year 2020. I am committed to finding and applying creative solutions to the complex problems within the agency. Our agency decisions are based on meeting the needs of customers while striving to increase transparency and rebuild trust with our customers through diligent review and release of agency data. I am honored to serve the District's residents and work closely with the Council and this Committee under the leadership of Mayor Bowser and her staff.

In closing, I would like to thank the Mayor for her leadership and support of innovative solutions for the agency. We appreciate the opportunity to share Vision 2020 and the digital transformation at DCRA that will simplify complexities and eliminate unnecessary red tape. We look forward to continuing to work with the Committee. This concludes my testimony. My staff and I are happy to address your questions at this time.

