

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Department of Consumer and Regulatory Affairs



Fiscal Year 2020 Budget Oversight Hearing

Testimony of
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Before the
Committee of the Whole
Phil Mendelson, Chairman
Council of the District of Columbia

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Good morning, Chairman Mendelson, councilmembers, and Committee staff. I am Ernest Chrappah, Acting Director of the Department of Consumer and Regulatory Affairs (DCRA). I am pleased to testify before you today.

Last week, Mayor Bowser presented “A Fair Shot,” the Fiscal Year 2020 (FY20) Budget and Financial Plan, the District’s 24th consecutive balanced budget. This budget furthers the Mayor’s vision of making Washington, DC a place where people of all backgrounds and in all stages of life are able to live and thrive by making key investments in infrastructure, education, affordable housing, health and human services, economic opportunity, seniors, and public safety. These investments reflect the key priorities identified by District residents at Budget Engagement Forums and telephone town halls held during the budget formulation process. In particular, I want to thank Mayor Bowser for proposing a budget to support *Vision 2020: A Roadmap to Digital Transformation* for DCRA. With these FY20 investments, the agency will have the resources it needs to implement fundamental changes and the digital transformation of the agency.

As a part of this Administration and as a District resident, I would like to thank the Mayor for her commitment to providing residents in all eight wards a fair shot. DCRA views itself as an integral part of providing residents with a fair shot as the agency responsible consumer protection, for all construction permitting and business licensing needs in the District. We also serve a critical role in ensuring affordable housing is preserved by providing timely and robust compliance and risk-based enforcement for property maintenance issues across the District.

DCRA’s overall mission is to protect 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 businesses. We do this by issuing business licenses and building permits; conducting inspections and investigations; enforcing building, housing, and safety codes; and



regulating land use and development. Often, we are the first stop for residents and businesses in the District for residential and business activity. Our work touches every District resident and business and is vital to keeping development and commerce in the District running smoothly.

Customer Service Improvements

I would like to mention a few accomplishments in FY19 made thus far to make clear how the FY20 budget will allow us to further improve customer service across the agency. In addition to releasing more functionalities to make it easier for customers to access DCRA's records online, DCRA's *Vision 2020* is putting a renewed emphasis on improving customer service across all areas of customer interactions. With the implementation of the CRM pilot system, we now have the tool to centralize customer inquiries and better serve customers by providing real-time notifications on the status of their requests. It also allows any staff member to be familiar with the issue each customer is facing as well as the background of each case, including what information each customer has received during previous interactions with the agency. The CRM system is a powerful tool that allows DCRA to deliver excellent customer service and treat every customer as an individual. We will be working on a new enterprise system for CRM, and the Mayor's proposed FY20 budget will allow DCRA to maintain and make continuous improvements to the system supporting the On-Demand Customer Relationship Management (CRM) model.

Additionally, we have launched the agency dashboard with the interactive visualizations to highlight Key Performance Indicators, stats and agency performance in order to create a culture



of transparency with our customers. The Mayor’s proposed FY20 budget will allow us to continue this work and further improve customer service across the agency.

Proposed Budget Fiscal Year 2020

To meet and exceed our customer expectations, we are embarking on a digital transformation at DCRA - a fundamental change in processes and activities which will add tangible value to customers. Our strategic plan, Vision 2020: A Roadmap to Digital Transformation, is a six-prong plan that will simplify processes and eliminate unnecessary red tape. Vision 2020 focuses on efficiently allocating the agency’s budget, simplifying regulations, enhancing communications, improving organizational culture, management systems and staff development, streamlining internal processes to improve customer service, and modernizing the agency’s infrastructure and public-facing online applications.

The Mayor’s proposed FY20 budget for DCRA is \$67,582,479 and includes 455 FTEs representing an increase of 11.3% and 4 FTEs from the agency’s Fiscal Year 2019 (FY19) approved budget. The Mayor’s proposed budget also allocated approximately \$4.8 million for capital projects. The budget will support the agency as it continues to implement strategic process improvements and integrate additional information technology infrastructure that has come online thanks to the Mayor’s continued investment in modernizing the agency. The budget is comprised of \$40,422,153 in Special Purpose Revenue funds and \$27,160,326 in Local funds.

Personal Services

The proposed personal services of the Special Purpose Revenue Funds (SPR Funds) budget includes a net increase of approximately \$2 million and six FTEs across multiple divisions to



reflect projected salary steps and Fringe Benefits costs of employees realigned under SPR Funds from the Local fund.

In Local funds, DCRA's proposed budget in personal services includes an increase of approximately \$358,000 to support salary step increases and cost of living increases. Approximately \$46,000 of that increase will be allocated for overtime inspections to assist the agency in strengthening our enforcement actions across all of the agency's disciplines, District wide.

The reduction of two FTEs in Local funds represents six positions moved to Special Purpose Revenue Funds for budget alignment in combination with four new FTEs budgeted in Local funds. The four new FTEs will be Account Managers supporting the agency's new on-demand Customer Relationship Management (CRM) model to further improve our customer service. The on-demand CRM means a single point of contact for the customer, synchronizes every touch with a customer, and allows DCRA to efficiently and effectively address customer concerns and enable matters to be seamlessly elevated to management when necessary. The Account Managers handle escalated customer service issues and serve as advisors to the strategic account customer. In addition, they will review all services (permits, inspections, licenses, enforcement) provided to the customer for consistency, identify issues, review the customer project pipeline, and proactively advise customers to minimize noncompliance. Last, the Account Managers will ensure customer satisfaction with services, anticipate needs, and report findings to appropriate managers within DCRA. The goal of the Account Managers is to proactively engage customers to ensure we are delivering at the highest service levels possible.

Non-Personal Services



The Mayor's proposed budget allocates \$1.2 million in Non-Personnel Services (NPS) costs for Special Purpose Revenue Funds to support IT Contracts. For non-personnel services in Local funds, there is an increase of \$5.56 million that will primarily support the document digitization project, permit plan reviews, and IT costs.

Modernization: Digitizing Records

Digitizing records will allow the agency to extend a pilot database launched in February to give the public access to download, print, or email pending and approved permits and plans. DCRA will digitize approximately 642,000 records, including building plans for permit applications and documents related to zoning and licensing. Digitizing documents and uploading them onto DCRA's online portal will improve agency transparency and internal functions to provide better customer service to residents and businesses across the District. Furthermore, it will provide more efficient use of office space and District resources.

Making Expedited Permitting More Affordable and Accessible

In addition to funds to modernize the IT infrastructure, the Mayor provided \$1 million to ensure the agency has the permit plan review professionals required to meet surges in customer demand from the District's booming economic growth. The professionals will provide reviews across several disciplines and topic areas. This will ensure that non-Velocity plan review teams have additional capacity to decrease the processing time required for reviews and improve customer satisfaction with the permitting and review process. These initiatives will allow the agency to transform processes to become a more nimble and digitally adept organization that provides timely, value-added service to its customers. These staff resources will add to our culture of innovation, operational excellence, data-driven management, and excellent customer



experiences. With these resources, additional staff trainings, and the implementation of in-house initiatives, 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 for timely permit review and excellent customer service.

IT Budget

Additionally, an increase of \$3.7 million is to support agency's information technology and communications services, putting a laser focus on modernizing the agency to improve service to residents. This proposed increase for IT includes software license maintenance costs, technical maintenance support and enhancement for various DCRA core systems, as well as support for an increase in communication costs and hardware that are necessary for ongoing agency operations. This funding will provide a strong foundation and support for *Vision 2020* and a path forward for the agency's digital transformation.

Conclusion

Our initiatives, programs, and policies will expand economic opportunity, solve problems for our customers, and foster innovation in support of our ambitious vision to efficiently provide services to all approximately 700,000 residents and more than 57,000 businesses in the District by the year 2020. I am committed to finding and applying creative solutions to the complex problems facing 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 bold investment in innovative solutions at DCRA. We appreciate your support and continued interest in advancing the mission of the agency. I look forward to our continued work together to achieve our shared goals and give all residents a fair shot to benefit from Washington, DC's continued prosperity. This concludes my testimony. My staff and I are happy to address your questions at this time.

