
Government of the District of Columbia



Office of the Tenant Advocate

Testimony of

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**PROPOSED FISCAL YEAR 2013
BUDGET HEARING**

Committee on Public Services and Consumer Affairs
The Honorable Yvette Alexander, Chairperson
Council of the District of Columbia

Wednesday, April 18, 2012
10:00 a.m.

Room 412
John A. Wilson Building
1350 Pennsylvania Avenue, NW
Washington, DC 20004

Good morning, Chairperson Alexander and members of the Committee on Public Services and Consumer Affairs. I am Johanna Shreve, the Chief Tenant Advocate of the District of Columbia in the Office of the Tenant Advocate. I assumed that position exactly six years ago today. I am here this morning to present testimony in support of Mayor Gray's Fiscal Year 2013 proposed operating budget for the agency. Let me express my appreciation to the Mayor, the Committee, the Council, and the community, for supporting the OTA's work throughout the year.

The Mayor's FY 2013 budget proposal

To put the proposed budget for the OTA in a nutshell, the Mayor proposes to keep the OTA's operating budget essentially at FY 2012 levels. The agency would gain 0.5 FTE's for a total of 14 FTE's, as the Case Intake Coordinator -- now a temporary position -- becomes a full-time position. The operating budget would increase by 1.9 percent, from \$1,923,771 to \$1,961,142, largely due to increases in personal services costs.

I am pleased to report that the Mayor's proposed budget will allow the OTA to continue to meet all of our statutory mandates, and all our current plans for enhancing the agency's impact and effectiveness using the resources we have. While of course more resources would be helpful as the demand for OTA services continues to rise, I am mindful of the District's

fiscal challenges, and appreciate the Mayor's as well as the Council's help in fulfilling our mission and meeting the needs of the tenant community.

In reviewing the FY 2013 budget proposal, I have taken particular note of where we stand in the current fiscal year compared to last year in the area of emergency housing, the demand for which is especially unpredictable. Thus far in FY 2012, expenditures for October through March indeed are comparable to FY 2011 expenditures; as is the number of emergency housing cases handled and individuals served; thus the agency is on course to have a similar year-end expenditure of \$254,000. While the remaining balance for emergency housing cases that arise from April through September is also roughly comparable to last year, I do note that we have somewhat less money left in reserve – approximately \$107,000 this year compared to approximately \$110,000 last year.

Budget Organization

I would also like to call your attention to changes in the organization of the agency's budget. In order to better correlate budget categories with actual programmatic activity, we shifted the Case Management program and the associated four (4) FTE's from Program 2000 to a new Program 8000 called "Case Management Administration and Community Outreach." Program 2000, "Housing Assistance and Community Service Program," will

disappear from the budget chapter's three (3)-year retrospective in FY 2014. Additionally, Emergency Housing has been decoupled from Legal Representation and appears as Program 6000 for FY 2013.

Please also note that technical corrections needed to be made to the agency's budget chapter, which we have discussed with our fiscal officer and which will be reflected in the June budget book. They include:

1. On page B-110 of the agency's budget chapter, Program 8000 has been misidentified as Program 5000 (which is the OTA Educational Institute);
2. The name of Program 4000 will be changed from "Legal Advocacy" to "Policy Advocacy" to help clarify and distinguish this agency function;
3. In line 3020 the phrase "Scheduling and Enforcement," which is not an OTA activity, will be eliminated; and
4. In line 3030 the phrase "Housing Service Center," which also is not an OTA activity, will be eliminated.

OCPR initiative: Interagency Regulatory Non-Compliance Alert System

I will now discuss the OTA's contribution to Mayor Gray's One City Performance Review initiative, which called upon District agencies to offer suggestions for improving government efficiencies and increasing revenue in order to shift resources toward strategic planning and critical investments. The OTA initiative – which will formalize and automate a program that has been underway informally for several years – is called the "Inter-agency

Regulatory Non-Compliance Alert System.” We are pleased that the Mayor incorporated this initiative into his budget proposal by adding an additional FTE each for DCRA and DHCD to assist with its implementation.

The purpose of the “Interagency Alert System” is to share with the relevant enforcement agency any instance of regulatory non-compliance that we discover through our case-intake compliance protocol. As you know, Chairperson Alexander, a tenant who seeks the OTA’s assistance regarding a dispute with his or her landlord generally goes through a formal case intake system. That system involves a “compliance protocol” in which the OTA case manager checks relevant government databases to determine whether the housing provider has met certain legal requirements, including securing a basic business license (BBL) and, if required, a certificate of occupancy (C of O) from DCRA, and registering with DHCD’s Rental Accommodations Division (RAD) as subject to either rent control or a rent control exemption. The case manager will also determine whether the housing provider has improperly claimed a homestead deduction for the rental unit, and if so will report the finding to the Office of Tax and Revenue.

On an informal basis, the alert system has already helped the District recoup revenue in the form of fines and fees, and particularly taxes through detection of false homestead claims, which otherwise would have been lost.

Formalization and automation, however, will certainly enhance enforcement and revenue collection. We will soon convene a meeting of relevant agency officials to discuss common goals, logistical considerations, and how best to formalize and automate the Interagency Alert Program. In addition to DCRA, DHCD, and OTR, we believe that the DC Housing Authority has a significant role to play in terms of BBL, RAD, and, where applicable, C of O compliance by housing providers who seek to establish or renew Housing Assistance Payment contracts. We look forward to discussing this program with all the relevant agencies.

Conclusion

Thank you, Chairperson Alexander, for this opportunity to testify about the OTA's proposed budget for FY 2013, and again I thank you and the Committee for your support of the OTA's mission and tenant rights in the District of Columbia. This concludes my testimony and I am happy to answer any questions you may have.