

**DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS  
VACANT BUILDING CODE  
ADMINISTRATIVE BULLETIN**

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Issuer:	Ernest Chrappah, Director
Issuance Date:	August 10, 2020
Purpose:	This Bulletin explains the criteria for obtaining an exemption to the vacant building registration requirement where a property is undergoing active construction.
Related Code Sections:	District of Columbia Code §42-3131.06(b)(3); §42-3131.07 §42-3131.08; §42-3131.10; §42-3131.15
Subject(s):	Construction Exemption to Vacant Building Registration

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**I. Background**

The purpose of this Administrative Bulletin is to explain how the Department of Consumer and Regulatory Affairs (DCRA) will interpret the construction exemption to the vacant building registration requirement under D.C. Code §42-3131.06(b)(3). A vacant building is a building on real property which, on or after April 27, 2001, has not been occupied continuously. Residential buildings are deemed vacant when no resident intends to return and occupy the building.

Within thirty (30) calendar days after a building becomes vacant, the property owner must submit an initial registration designating the building as vacant and pay the registration fee. If a property owner fails to have the building registered, the Mayor<sup>1</sup> may designate the building as vacant. The Mayor has the authority to register as vacant or blighted any building whose owner fails to register. The Mayor reviews all initial determinations and makes a final determination that a building is vacant. The final determination shall remain in effect until the property owner submits documentation to the Mayor sufficient to warrant a change to the Mayor's classification. The Office of Tax and Revenue (OTR) utilizes the Mayor's final determination to assign the appropriate tax classification for billing purposes.

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<sup>1</sup> All references to the Mayor of the District of Columbia shall include the Mayor's designees.

## **II. Interpretation of Construction Exemption**

Property owners can receive temporary relief from a vacant building determination by applying for and receiving one of five (5) exemptions. The five (5) types of exemptions are summarized as follows: 1) Construction, 2) Listing, 3) Probate, 4) Substantial Economic Hardship and 5) Zoning/Fine Arts/Historic Preservation/Public Works/National Capitol Planning Commission. The focus of this Bulletin is to clarify the construction exemption only.

D.C. Code §42-3131.06(b)(3) states:

. . . [A] building that is “under active construction or undergoing active rehabilitation, renovation, or repair, and there is a building permit to make the building fit for occupancy that was issued, renewed, or extended within 12 months of the required registration date; provided, that the time period for this exemption beginning from the date the initial permit was issued shall not exceed:

(A) One year for a residential building; provided that a residential building is eligible to continue to be exempt for an additional 6 months, for a total period not to exceed 18 months, if the Mayor determines that the residential building continues to be under active construction or undergoing active rehabilitation, renovation, or repair, and there is a building permit to make the building fit for occupancy; or

(B) Two Years for a commercial project.

A construction exemption shall be granted when the property owner, or their registered agent, possesses a building permit to make the building fit for occupancy and complies with all requirements described below. The demolition of a building can be a necessary first step in making the building fit for occupancy. The Mayor will grant a construction exemption where a property owner possesses a building permit, has submitted the necessary documents, has complied with all of the other conditions described below and has paid the registration fee.

The installation of a mural on a vacant building through a qualifying DCRA program may also be considered active rehabilitation. DCRA will grant a construction exemption where a property owner has been approved by DCRA to install a mural and has applied for a building permit to make the building fit for occupancy and complies with the requirements described below.

DCRA reserves the right to rescind the exemption in the event any condition is not met.

## **III. Submittal of Documents**

In order to qualify for a construction exemption, the vacant property owner shall submit the following documents to the Vacant Building Unit (VBU), Inspection and Compliance

Administration (ICA) and adhere to the following conditions:

1. The property owner shall submit a Vacant Building Response Form (VBRF) filled out in its entirety, specifying the Tax Year (TY) that the relief is being requested. This can be submitted by the vacant property owner's registered agent provided the property owner has provided notarized documentation delegating this responsibility in accordance with D.C. Code §42-3131.06;
2. The applicant may present a valid Building Permit that is/was valid during the tax period(s) that the vacant property owner is requesting an exemption;
3. The vacant property owner must have a valid application for a Building Permit submitted, the scope of which will make the property fit for occupancy before the end of the approved exemption period. The permit application must demonstrate that all of the following conditions have been met:
  - a. All fees for the application must have been paid in full.
  - b. Plans for the permit shall have been submitted to a valid ProjectDox account.
  - c. There shall be no comments from Plan Reviewers that are more than 30 calendar days outstanding to the permit applicant from the date that notification was made to the property owner.
  - d. The property owner must ensure that the building permit application is granted within ninety (90) calendar days from the date the Construction Exemption was approved.
  - e. Should the property owner fail to provide an approved building permit within the outlined timeframe, the exemption will be revoked and DCRA will notify OTR to reclassify the property as Class 3 - Vacant. The reclassification will be retroactive to the date that the initial determination was made.

#### **IV. Verification Inspections**

No more than 90 calendar days from the date that the property owner or their designated representative have been notified of approval of a construction exemption, DCRA will conduct an inspection to ensure that active construction/renovation activities are underway or have been completed. If active construction activities and/or renovation activities have not been completed during this time frame, the exemption will be revoked and DCRA will immediately notify OTR to reclassify the building as vacant.

#### **V. Effective Date**

Effective upon publication of this Administrative Bulletin in the *DC Register*, DCRA shall approve construction exemption applications provided all required conditions are met.

## **VI. Appeal**

The property owner shall be notified in writing of the denial or revocation of registration of a vacant building and the right to appeal. Upon notice of the denial or revocation, the property owner shall not proceed with any operation to which the registration is related. If the registration is denied or revoked, no registration fees or parts thereof shall be returned.

The property owner shall have 15 calendar days from the date of this written notice to petition for reconsideration of the Mayor's decision to DCRA. The owner must provide substantial evidence to support a claim that the building qualifies for an exemption. To petition for reconsideration of the determination contained in the notification, the owner must send the petition for reconsideration by registered first class mail to the Department of Consumer and Regulatory Affairs (DCRA) Chief Building Official, Inspection and Compliance Administration, 4<sup>th</sup> Floor, 1100 4<sup>th</sup> Street SW, Washington, D.C. 20024. The owner will receive a Final Determination Letter within 30 calendar days of DCRA receiving the owner's petition for reconsideration. If the owner does not wish to petition for reconsideration, the owner must register the property as vacant within 15 calendar days of the notification of the denial or revocation of registration.

After receipt of the Final Determination Letter from DCRA, the property owner may file an appeal with the Real Property Tax Appeals Commission for the District of Columbia within 45 calendar days of the date of the Final Determination Letter on a form prescribed by the Mayor; provided that the owner previously petitioned for reconsideration as described in the paragraph above.