COMMITTEE ON HOUSING

ROBERT C. WHITE, JR., CHAIR COUNCIL OF THE DISTRICT OF COLUMBIA

January 21, 2025

Real Estate Commission 1100 4th Street, S.W. 3rd Floor Washington, DC 20024

Dear Commissioners:

The Committee on Housing has scheduled a performance oversight hearing on the Real Estate Commission for Thursday, January 30, 2025, at 9:30 AM. The hearing will be held in hybrid fashion, but we request your attendance in person if possible.

Once the hearing schedule is finalized, we will use the Council's Hearing Management System (HMS), https://lims.dccouncil.gov/hearings, as the preferred mechanism for witness registration and the receipt of written testimony. Witnesses who need assistance are also welcome to contact us at housing@dccouncil.gov or 202-727-8270.

To ensure a productive oversight hearing, it is the Committee's preference that you arrive in time to listen to any public testimony provided with respect to the Commission prior to providing your own testimony. In addition, Council rules require that you submit your written testimony to the Committee at least 48 hours prior to the commencement of the hearing. Please limit your testimony at the hearing to 10 minutes.

It is the practice of the Committee to send each agency a series of written questions in advance of an oversight hearing. Please review the attached list of questions and file responses no later than the close of business on **Tuesday**, **January 28**. If you anticipate that you will not be able to provide a complete set of responses by that date, please let us know as soon as possible, and be prepared to submit a partial set of responses and attachments that includes, at minimum, the 14 high-priority questions marked with strings of asterisks (***). We anticipate that these questions will be especially relevant to questioning during the hearing. Should you need to provide a partial initial response in this manner, we will be in touch regarding a deadline after the hearing for your submission of an updated, complete set of responses.

Please file your responses by email to housing@dccouncil.gov. Please provide an electronic version of your answers with text responses in a single document, with clearly marked attachments where necessary. If the documents are too large to send by e-mail, please contact us to coordinate. Please do not submit sensitive, non-public, or personally identifiable information, as all responsive materials will be available to the public via HMS.

If you have any questions, please feel free to contact the Committee on Housing at housing@dccouncil.gov. Thank you in advance for your timely response.

Sincerely,

Robert C. White, Jr.
Councilmember, At-Large
Chair, Committee on Housing
Council of the District of Columbia

GENERAL QUESTIONS

1. Please provide the Commission's mission statement.

Response: The mission of the Real Estate Commission is to protect the public health, safety, and welfare of District residents by assuring that licensed persons engaged in the practice of real estate transactions, as well as applicants seeking to engage in the practice of real estate transactions, have the specialized skills and necessary training required to perform the real estate services governed by the Real Estate Commission.

2. Please list all reporting requirements in the District of Columbia Code or Municipal Regulations that the Commission is required to complete in FY 24 and FY 25, and their mandated due dates. For each report whose due date has passed, list the date reporting was completed. If the Commission did not produce the report on the mandated timeline, please explain why.

Response: In accordance with D.C. Official Code § 47-2853.10(e), the Commission is required to submit to the Mayor and the Council a report of its official acts during the preceding year. This report is due by March 1 of each year. The Commission is working with DLCP staff to prepare the report for FY 2024.

3. *** What are the Commission's top five priorities? Please explain how the Commission expects to address these priorities in FY 25.

Response: The Commission's top five priorities are to:

- 1. Perform a comprehensive review of current legislation and regulations to ensure they comply with real estate practices in the District.
- 2. Work with the Council on legislation to regulate property management companies in the District.
- 3. Draft a rulemaking that revises the Seller Disclosure Statement governed by 17 DCMR § 2708 to better ensure transparency in covered real estate transactions in the District involving real property consisting of 1-4 dwelling units.
- 4. Conduct several required education core courses for all licensees.
- 5. Conduct a Fair Housing Instructor Development Workshop.
- 4. *** Please describe any new initiatives or programs that the Commission implemented in FY 24 and FY 25, to date, to improve its operations. Please describe any funding utilized for these initiatives or programs and the results, or expected results, of each initiative.

Response: In FY 2024, the Commission conducted two in-person Fair Housing Instructor Development Workshops, which were held at the Martin Luther King Jr. Memorial Library. The Commission plans to continue this initiative in FY 2025. The funding for this initiative comes out of the Real Estate Guaranty and Education Fund. In FY 25, the Commission intends to review and assess the current question examination bank for the property management examination.

5. Please list all pending lawsuits that name the Commission as a party. Identify which cases on the list are lawsuits that potentially expose the District to financial liability or would result

in a change in Commission practices and describe the current status of the litigation. Please provide the extent of each claim, regardless of its likelihood of success.

Response: There are no pending lawsuits in which the Commission is named as a party.

6. *** Please list all settlements entered into by the Commission and judgments against the Commission (or by or against the District on behalf of the Commission) in FY 24 or FY 25, to date, and provide the parties' names, the amount of the settlement or judgment, and if related to litigation, the case name and a brief description of the case. If unrelated to litigation, please describe the underlying issue or reason for the settlement (e.g. administrative complaint).

Response: The Commission has neither entered into any settlements, nor have any judgements been issued against the Commission or the District on behalf of the Commission.

7. Please provide the number of FOIA requests submitted to the Commission for FY 24 and FY 25 to date, specifying how many were granted, partially granted, denied, and are currently pending. Additionally, provide details on the average response time, estimated number of full-time employees (FTEs) needed to process these requests, estimated number of hours spent responding to them, and cost of compliance.

Response: DLCP, as opposed to the Commission, handles the FOIA requests on behalf of the Commission.

8. *** Please list and describe any investigations, audits, or reports on the Commission or any employee of the Commission that are ongoing or were completed during FY 24 and FY 25, to date.

Response: The Commission is not aware of any investigations, audits, or reports regarding the Commission that were completed in FY 2024 or FY 2025, to date.

9. Please provide a list of all studies, research papers, reports, and analyses that the Commission prepared or funded during FY 24 and FY 25, to date. Please submit a hard copy to the Committee of any study, research paper, report, or analysis that is complete.

Response: The Commission did not prepare or fund any studies, research papers, reports, or analyses in FY 24 and FY 25, to date.

COMMISSION-SPECIFIC QUESTIONS

10. *** Please provide a list of all members who have served on the Commission during FY 24 and FY 25, to date, including:

- a. Their most recent date of appointment;
- b. The date their term expired or will expire;
- c. The Ward in which they reside;
- d. The number of meetings they have attended as a member in FY24 and FY25, to date; and
- e. Which of the statutory Commission roles they fulfill (broker, salesperson, property manager, real estate attorney, or consumer).

Name	Organization/ Ward	Appointed by	Appointed Date	Expires	Attendance (Absences)
Frank Pietranton (Broker)	Ward 3	Mayor Bowser	6/13/2014	2/13/2023*	(0 absences)
Ulani Gulstone (Attorney)	Ward 5	Mayor Bowser	10/18/2013	12/13/2023*	(1 absence)
Ericka Black (Salesperson)	Ward 7	Mayor Bowser	2/1/2019	12/13/2027	(1 absence)
Elizabeth Blakeslee (Broker)	Ward 2	Mayor Bowser	2/15/2019	12/13/2025	(0 absences)
Joseph Borger (Property Manager)	Ward 3	Mayor Bowser	4/30/2019	12/13/2023*	(0 absences)
Monique Owens (Property Manager)	Ward 5	Mayor Bowser	12/8/2017	12/13/2023	(1 absences)
Edward Downs (Broker)	Ward 2	Mayor Bowser	9/8/2017	12/13/2027	(1 absence)
Ramona Barber (Salesperson)	Ward 8	Mayor Bowser	4/1/2022	12/13/2023*	(6 absences)
Patrice Richardson (Consumer)	Ward 4	Mayor Bowser	3/28/2022	12/13/2025	(4 absences)

^{*} Term concluded in 2024 and are no longer serving on the Commission.

11. *** Please provide a list of the Commission's meeting dates, times, attendance, locations, and if a quorum was present for all meetings in FY24 and FY25, to date.

FY24 Dates	Time	Attendance (Absent)	Location
10/10/2023	10:00 am	Frank Pietranton, Edward Downs, Elizabeth Blakeslee, Ericka Black, Joseph Borger, Ramona Barber, and Monique Owens (Patrice Richardson and Ulani Gulstone)	Webex Conference
11/14/2023	10:00 am	Frank Pietranton, Ulani Gulstone, Elizabeth Blakeslee, Ericka Black, Joseph Borger, Monique Owens, Edward Downs, Ramona Barber, and Patrice Richardson	Webex Conference
12/12/2023	10:00 am	Frank Pietranton, Ulani Gulstone, Elizabeth Blakeslee, Ericka Black, Joseph Borger, Monique Owens, Edward Downs, and Patrice Richardson (Ramona Barber)	Webex Conference
1/9/2024	10:00 am	Frank Pietranton, Ulani Gulstone, Elizabeth Blakeslee, Ericka Black, Joseph Borger, Monique Owens, Ramona Barber, and Patrice Richardson (Edward Downs)	Webex Conference
2/13/2024	10:00 am	Frank Pietranton, Ulani Gulstone, Elizabeth Blakeslee, Ericka Black, Joseph Borger, Monique Owens, Edward Downs, and Patrice Richardson (Ramona Barber)	Webex Conference
3/12/2024	10:00 am	Frank Pietranton, Ulani Gulstone, Elizabeth Blakeslee, Ericka Black, Joseph Borger, Monique Owens, Edward Downs, Ramona Barber, and Patrice Richardson	Webex Conference
4/9/2024	10:00 am	Frank Pietranton, Ulani Gulstone, Joseph Borger, Monique Owens, Edward Downs, Elizabeth Blakeslee, and Ericka Black (Patrice Richardson, Ramona Barber)	Webex Conference
5/14/2024	10:00 am	Frank Pietranton, Ulani Gulstone, Joseph Borger, Edward Downs, Elizabeth Blakeslee, Ericka Black, and Patrice Richardson (Monique Owens and Ramona Barber)	Webex Conference
6/11/2024	10:00 am	Frank Pietranton, Ulani Gulstone, Elizabeth Blakeslee, Ericka Black, Joseph Borger, Monique Owens, Edward Downs, and Ramona Barber (Patrice Richardson)	Webex Conference
7/9/2024	10:00 am	Frank Pietranton, Ulani Gulstone, Elizabeth Blakeslee, Ericka Black, Joseph Borger, Monique Owens, Edward Downs, and Patrice Richardson (Ramona Barber)	Webex Conference
8/2024		Recess	
9/10/2024	10:00 am	Frank Pietranton, Ulani Gulstone, Elizabeth Blakeslee, Ericka Black, Joseph	Webex Conference

	Borger, Monique Owens, Edward Downs,	
	and Patrice Richardson (Ramona Barber)	

FY25	Time	Attendance (Absent)	Location
Dates			
10/8/2024	10:00 am	Frank Pietranton, Ulani Gulstone,	Webex Conference
		Elizabeth Blakeslee, Ericka Black, Joseph	
		Borger, Monique Owens, Edward Downs,	
		Ramona Barber, and Patrice Richardson	
11/12/2024	10:00 am	Frank Pietranton, Elizabeth Blakeslee,	ZOOM Conference
		Ericka Black, Joseph Borger, Monique	
		Owens, and Edward Downs (Patrice	
		Richardson)	
12/10/2024	10:00 am	Frank Pietranton, Elizabeth Blakeslee,	ZOOM Conference
		Joseph Borger, Monique Owens, Edward	
		Downs, and Patrice Richardson (Ericka	
		Black)	
1/14/2025	10:00 am	Elizabeth Blakeslee, Ericka Black,	ZOOM Conference
		Edward Downs, Monique Owens, and	
		Patrice Richardson	

12. *** Please attach the agendas and minutes for all Commission meetings held in FY24 and FY25, to date.

13. Please list all license types offered by the Commission and the associated fees.

License Type	New License Fee (including Application)	Renewal Fee
Salesperson	\$195	\$130
Real Estate Broker	\$235	\$170
Property Manager	\$235	\$170
Real Estate Organization	\$235	\$170

14. If the Commission waived any fees in FY 24 and FY 25, to date:

a. In how many instances per category of fee?

Response: N/A

b. What is the process for receiving and reviewing fee waiver requests?

Response: N/A

- 15. Please summarize licensure actions taken <u>for each license type</u> in FY 24 and FY 25, to date, including at minimum the categories listed below.
 - a. New licenses;

License Type	Number Awarded
Real Estate Broker	68
Property Manager	126
Real Estate Organizations	97
Salesperson	831

b. License renewals; and

License Type	Number Renewed	
Real Estate Broker	547	
Property Manager	191	
Real Estate Organizations	216	
Salesperson	9	

c. License revocations.

i. No licenses were revoked in FY 24 or FY 25, to date.

16. How many fines were issued to licensees, in what amounts, and for what reasons, in FY24 and FY25, to date?

Response: In FY24, approximately 18 fines were issued in the amount of \$2500 for individuals and \$5000 for companies who were operating on an expired license. There are 2 fines pending for FY25, to date.

17. *** Please provide a summary of complaint processing activities in FY 24 and FY 25, to date, including at minimum:

Response: In FY 2024, the Department of Licensing and Consumer Protection modified how board complaints are received and processed. The process was changed in an effort to ensure complaints are thoroughly investigated by the DLCP's Consumer Protection Unit (CPU) before they are referred to the boards for review.

The Commission aims to have a 30-day processing time from when the Commission receives the complaint from the CPU team to resolution by the Commission. The chart summarizes the complaints the Real Estate Commission received in FY 2024 and FY 2025, to date:

	FY24	FY25 to Present
Total No. of Complaints Received by the Commission and/or CPU	64	19
No. of Complaints Referred to CPU by the Commission	4*	0
No. of Complaints Investigated and Closed by CPU	37	13

No. of Complaint Investigated and Referred to the Commission by CPU	23	6
No. of Complaints that Resulted in Disciplinary Action against a Licensee	2	0
No. of Complaints Pending Review by CPU and ripe for Referral to the Commission	N/A	50

^{*} This reflects the number of complaints referred by the Commission to DLCP's Consumer Protection Unit prior to the process modification in FY24. Since the modification, all complaints go directly to the CPU team prior to being presented to the Commission for deliberation.

e. Patterns the Commission has identified in complaints received.

Response: The Commission has identified that a pattern of complaints regarding misrepresentation of property conditions and material facts.

18. The Commission's funding is provided from licensee fees paid into the Real Estate Guaranty and Education Fund. Please provide an update on the Fund for FY 24 and FY 25, to date, including:

Response: In FY 2024, \$261,540 were deposited into the Real Estate Guaranty and Education Fund (Fund). In FY 2025, to date, \$78,755 was deposited into the Fund. The fund it used to pay for the Commission's expenses, including travel, conferences, membership dues, and settlements.

In FY 2024, \$98,824 was spent from the fund. The current balance, as of January 23, 2025, is \$1,097,106.

19. *** Please describe the impact on real estate practices and home prices in the District resulting from the National Association of Realtors lawsuit settlement in March 2024.

Response: Regarding real estate practices in the District, brokerages are intensely training their agents to ensure they are in compliance with the District's current laws and regulations. It is too early to determine what impact this case will have on the District's real estate market and home prices. To date, the Commission has not noticed an impact on the District's real estate practices or home prices since the March 2024 settlement. However, this is something the Commission is monitoring.

20. *** Please describe the current ethical standards and regulations that apply to real estate agents versus those that apply to property managers in the District. Are there any efforts by the Real Estate Commission to educate both tenants and property managers about the roles and responsibilities each group has in maintaining safe and habitable living conditions?

Response: Individuals who are licensed to provide real estate services, either as a real estate salespersons, broker, or property manager, are subject to a code of ethics. The code of ethics is

set forth in 17 DCMR § 2609. Further, D.C. Official Code § 47-2853.197 sets forth a list of prohibited acts.

In respect to tenants, they are provided with a copy of the DC Tenants Bill of Rights upon taking possession of the rental property.

21. *** What trends has the Commission observed in terms of large, outside corporations purchasing residential properties in the District? Do you have any data on the percentage of rental units in the District that are owned by larger entities and those based outside the District versus local providers? How do you assess the impact of these trends on local renters, in terms of housing availability and affordability in the long term?

Response: The Commission does not monitor these trends, and thus, is unable to provide the Committee with any information in response to its questions.

- 22. Please list any trainings, seminars, or courses the Commission offered, arranged, or mandated in FY24 and FY25, to date.
 - a. For any course that is mandatory for a license type, please note when that course was last offered in the District.

Response:

- i. The Commission co-sponsored historic preservation seminars in conjunction with the DC Board of Real Estate Appraisers and the DC Preservation League on June 21, 2024.
- ii. The Commission sponsored an offering of the full complement of its mandatory course offerings on July 24, 2024 and July 25, 2024, these courses included:
 - 1. DC Legislative Update
 - 2. DC Fair Housing
 - 3. DC Ethics
 - 4. DC Property Management
 - 5. DC Broker Supervision
- iii. The DC Fair Housing Instructor Development Workshop was held on July 25, 2024, and September 13, 2024.

23. *** What is the status of the continuing education portal?

Response: Based off industry trends, the Commission has been exploring all options available to confirm licensee's continuing education requirements including self-attestation.

24. Please describe any public-private partnerships that the Commission participated in to expand educational efforts in FY24 and FY25, to date.

Response: The Commission collaborated with the DC Board of Real Estate Appraisers and the DC Historic Preservation League to offer Historic Preservation Seminars to Appraiser and Real Estate licensees. The Commission intends to offer this Seminar again in FY25.

25. *** What demographic data does the Commission collect about licensees? If available, please provide a breakdown, by race and gender, of each category of licensees regulated by the Commission.

Response: The Commission currently does not collect demographic data about licensees.

26. How has the Commission collected feedback from licensees (e.g. surveys, town halls) in FY 24 and FY 25, to date? Please summarize the Commission's conclusions from any feedback.

Response: The DC Historic Preservation League conducts surveys of the Seminar's attendees and maintains that information.

27. *** Please describe any major activities and accomplishments in FY24 and FY25, to date, that are not addressed above.

Response: Chairperson member Edward Downs completed his 5th term as a member of the ARELLO Board of Directors and was sworn in on September 25, 2024 for a 6th term. Several Commission members and staff are members of various ARELLO committees. Mr. Downs is currently co-chair of the Law and Regulations Committee.

Previously the transfer process required staff to manually process a transfer request once it was submitted and received. This caused a delay since multiple requests were submitted. However, DLCP implemented a new automated transfer process for licensees changing brokerage firms. This allows the process to improve the turn-around time and prevent duplicate entries.

In conjunction with DLCP, the Commission participated in a Career Day for the Marion Barry Summer Youth Employment Program on July 15, 2024.

28. Please share any legislative priorities or recommendations for the Council for Council Period 26.

Response: The Commission's legislative priorities entail working with the Council to see the reintroduction and eventual passage of the Licensing for Accountability of Management Properties (LAMP) Amendment Act. DLCP Director Tiffany Crowe and former Chairman Peitranton submitted written testimony in support of the legislation last Council Period. We are anxious to see this legislation pass as it is critical to protecting consumers and tenants. The Commission is will also continue its collaboration with the Office of the Attorney General and stakeholders to craft legislation that would regulate wholesalers.