

Capital Area Association of REALTORS®

Statement of Public Policy

The **Capital Area Association of REALTORS® (CAAR)** is dedicated to the protection and preservation of the free enterprise system and the right of the individual to own real property as guaranteed by the Constitution of the United States of America.

We affirm our faith in our profession, and faith in the future of America. We offer to the public in general and government in particular the benefits of our knowledge of real estate, our experience, and our technical resources in protecting the free enterprise system and private property rights.

Subject to the policy adopted herein, we do officially adopt and pledge our support of the policy positions of the Illinois Association of REALTORS® (IAR) and the National Association of REALTORS® (NAR).

This document is to be viewed as dynamic and one intended to change, grow, and develop in sync with our mission as well as our community and business environments.

This document shall empower the Board of Directors to take positions and implement strategic action on behalf of the CAAR, either on their own initiative or through recommendations by the Governmental Affairs Committee. Implementation of these positions shall be handled by the Chief Executive Officer and/or the Government Affairs Director, and others that may be authorized by the Board of Directors.

When it is impractical to seek a recommendation from the Governmental Affairs Committee or direction from the Board of Directors, the Government Affairs Director and the Chief Executive Office may implement strategic actions on behalf of the CAAR according to the letter and/or spirit of this document and with credibility and sound judgment.

Initiatives funded by the IAR Advocacy Program may be executed with the direct advice and consent of the GAD, CEO, and Chairs of the GAC and BOD.

Recommendations to IAR and NAR REALTORS® Political Action Committee (RPAC) shall be made by the Governmental Affairs Committee.

Because of the complexity and nuances of and novel approaches to public policy, the adopted positions within do not prohibit CAAR from making minor deviations from this policy or addressing issues not addressed by this policy.

CONSTITUTIONAL ISSUES

Constitutional rights: We pledge to support the constitutional rights of property owners, tenants, and our members.

Alienation of real property: We oppose any efforts by local government to inhibit the free transfer of real property.

TAXATION AND FEES

Fees: We believe that fees should be commensurate with the services provided by local government, as is required by state statute and case law. In no instance do we support the collection of fees as a revenue generator or to fund unrelated purposes.

Impact fees: The development of real estate brings with it the economic benefits of providing jobs and expanding the tax base, as well as providing places for people to live and work. We recognize that the development of real estate may necessitate improvements in certain infrastructure components. CAAR is open to the concept of impact fees only after a thorough needs assessment study is conducted by the beneficiary governments, and when the results of that needs assessment study demonstrates a direct impact by new development. However, we believe that the impact must be uniquely and specifically attributable to the new development and the new development will principally benefit from the new infrastructure. We oppose any efforts by local governments to collect fees in excess of the impact or to use the collected fees for operational or unrelated expenses. Furthermore, we encourage local government to incorporate reasonable credits into their impact fee formula. Finally, we take issue with policies that promote unlawful collection of development and real estate-related fees.

Special service areas: We do not necessarily oppose special service areas, except in cases where the payors are being required to fund operations that do not uniquely and specifically benefit them, or where the money is being diverted from its stated purpose. Nonetheless, we support full disclosure to payors and potential payors, and we support the rights of property owners to object to their inclusion in a special service area.

Transfer taxes: We believe municipal transfer taxes are regressive, a detriment to housing affordability, an unreliable and inefficient revenue source, and have no relation to the transfer of property. Other than a small fee charged by the county and state to recover administrative costs associated with transferring the property, we oppose any efforts to implement or increase a municipal transfer tax or its scope. Furthermore, we oppose private transfer taxes, transfer taxes via an annexation agreement, zero dollar or nominal dollar transfer taxes, exempt transfer fees not approved by referendum, administrative fees on transfer taxes, or other unorthodox means to implement a transfer tax.

EQUAL OPPORTUNITY HOUSING AND DIVERSITY

Affordable housing: We support incentive-based efforts by government to create and maintain affordable housing opportunities. However, we oppose efforts to place the burden of funding affordable housing on narrow segments of society. Concepts such as mandatory inclusionary zoning unfairly place the burden of funding affordable housing on narrow segments of society, and increase housing costs for both new and existing housing. We strongly urge units of governments to actively participate in regulatory reform as a means of generating more affordable housing.

Military families: We support the inclusion of military families in our communities and support efforts by local school districts to receive funding from the federal government equivalent to the cost-per-student spending by the school district in question.

Fair housing/Equal opportunity: We strongly support efforts to protect individuals from housing discrimination by the federal and state government, however, in order to ensure thoughtful uniformity, we do not encourage local units of government to adopt other protected classes above and beyond those recognized by the state and federal government.

LANDLORD/TENANT ISSUES

Owner-tenant relations: Owners of rental property should provide safe and decent housing for the needs of their rental occupants. Rental occupants must recognize and accept their legal responsibility to maintain and care for the property and safety of their fellow occupants. We oppose laws and policies which are injurious to the basic rights of private property ownership. We believe that property owners should be afforded adequate legal recourse to enable them to promptly evict those persons who not have a legal right to occupy the premises.

Crime-free housing: We support thoughtful, reasoned crime-free housing policies that targets problem properties rather than burdening the whole community. However, such policies should have protections for both property owners and tenants. We oppose mandatory training for all property owners or tenants.

Landlord licensing: Municipal licensing of property owners is a specious means to regulate landlords, as landlords cannot immediately cease operating a rental building if a license is revoked. Furthermore, we believe that licensing serves to discourage landlords from investing in licensed communities.

Rental inspections: We do not oppose municipal building code or life safety inspections of rental property so long as the inspections are not unduly burdensome or too frequent.

LAND USE AND ZONING

Forced deconversion: We oppose efforts by local government to force deconversion of legal, conforming and non-conforming multi-unit properties except in the case of bona fide abandonment -- simple vacancy without intent to abandon does not constitute true abandonment.

Green building: We support policies that incentivize environmentally-friendly building practices, but oppose green building policies that are unduly burdensome.

Energy audits: We oppose mandatory energy audits of real property. Energy audits are available on a voluntary basis and mandating them would simply add unnecessary costs and stigmatize existing properties.

Historic preservation: We support efforts by individual property owners that wish to place a historic designation or restriction on their own property. We oppose historic districts without the informed consent of a three-fifths supermajority of the affected property owners. We oppose efforts that place the burden of preservation on the current property owner unless it is the current owner that seeks such restrictions.

Open space: We oppose measures that would allow for the lease or purchase of development rights without the lease or purchase of the underlying property. We also oppose open space efforts that would place a disproportionate burden on narrow population segments to fund conservation efforts.

Design review: We believe aesthetic design is best decided by the free market – consumers and the development community.

Moratoria: We opposed moratoriums when implemented for the sole purpose of stifling growth or attempting to control the free market.

LIFE AND SAFETY ISSUES

Fire sprinkler suppression systems: We oppose mandating the installation of fire sprinkler suppression systems in detached real estate.

Nuisance properties: We encourage municipalities that seek to address nuisance properties to narrow their focus and regulations toward actual nuisance properties rather than the community as a whole.

Occupancy: We support reasonable restrictions on occupancy set forth by the International Code Council or similar bodies.

Point of sale inspections: Inspections prior to the transfer of real estate are unnecessary as most buyers hire their own property inspector that conducts inspections in greater detail than municipal inspectors. Furthermore, point-of-sale inspections are a very inefficient way to address issues. It is more efficient and logical to inspect properties with apparent issues or through a municipal program not tied to the transfer of property. If municipalities do inspect prior to the transfer of real estate, we believe that such inspections should take place after a valid contract is signed and should be limited to life-safety concerns. Furthermore, inspections should not be used as a means to prevent the transfer of property even with outstanding violations.

Vacant property registration: We believe vacant property registration is superfluous regulation.

GOVERNMENT OPERATIONS

Annexation and disconnection: We support the right of property owners to annex to, or disconnect from, a local unit of government so long as they meet the requirements set forth by state statute.

Debt collection: We support the right of municipal government to collect outstanding payment owed to the municipality. However, similar to the private sector, municipal government has many tools afforded to them to collect outstanding money, including liens, collections, and the legal system. We oppose efforts by local government to use the transfer of property as a coercive means to collect outstanding money, and further oppose efforts to pass the obligation of unpaid money on to a new property owner.

Undue delegation of authority to non-elected officials: We understand that community groups and government commissions/committees play an important role in shaping a community. However, in most cases, excessive or final authority to such parties creates disproportionate influence and makes elected officials less accountable.

Consolidation: We support citizen efforts to consolidate local units of government as a means to increase government efficiencies and to provide better services.

Home rule: CAAR believes Home Rule is too often used to abuse the rights of private property owners and provides fewer checks and balances on local government. We oppose efforts by local municipalities to become home rule, and we support efforts by the citizenry to revert from home rule to non-home rule.

Transparency: We believe transparency in government is fundamental to ensuring citizen participation and to holding government officials accountable. We expect government to follow the minimum requirements set forth in Illinois' Open Meetings Act and Freedom of Information Act. We support and applaud governments that go above and beyond those minimum requirements.

Support: CAAR pledges to be a resource to local governments in their development of public policy. We encourage local governments to reach out to CAAR for real estate related research and expertise.

MARKETING AND TRANSACTIONAL ISSUES

Anti-solicitation: We support, as a basic component of the free enterprise system, the right of real estate agents to actively market real estate and actively offer their services to home buyers and sellers. We oppose any proposals which would place unreasonable limitations on the free and open marketing of real property or the availability of real estate brokerage services.

Disclosure: We support efforts by local government to ensure greater disclosure in real estate transactions so long as such efforts are not unnecessary, unduly burdensome, or create a barrier to closing the transaction. We encourage local government to work with REALTORS[®], title companies, and real estate attorneys in developing forms related to the sale of real estate.

Signage: We support efforts by our members to effectively market their properties by way of signage, including on-site and off-site signage. However, we do not support irresponsible off-site placement of signage beyond the times of a scheduled open house, nor do we support off-site placement of signage in an unsafe or obtrusive location, or the use of attention-getting devices such as balloons and streamers. We oppose mandated uniformity of real estate signs,. However we do support voluntary efforts that encourage the use of clean, attractive signs.

POLITICAL INVOLVEMENT

Political involvement: Advancement of our members' business interests and the protection of private property rights by way of government education and advocacy is a principal component of our mission. It is our obligation and fundamental right to credibly address government policies that impact the real estate industry.

Factors for support: The principal reason behind supporting a candidate for public office is support of private property rights and creating a healthy, economically viable real estate environment. However, issues such as the candidate's viability, thoughtfulness, ethics, grasp of government and public policy, and relationship with the REALTOR[®] community may also be considered.

LICENSING OF REAL ESTATE LICENSEES

Unlicensed practice of real estate: Except for exemptions detailed in the Illinois Real Estate License Act, under no circumstances do we support unlicensed real estate practice by

government or non-profit agencies regardless of good intentions. Unlicensed practice of real estate devalues the real estate profession and puts the public in harms way. CAAR reserves the right to forward complaints of unlicensed practices to the Illinois Department of Financial and Professional Regulation and/or any other enforcement agency.

Restrictions on real estate licensees: We oppose any local governmental restrictions on the activities of real estate licensees who are otherwise legally allowed to engage in the practice of real estate.

Local licensing of real estate licensees: The state of Illinois maintains the sole authority to license real estate practitioners. We oppose any efforts by local government to license real estate agents or brokerage firms.