

From the GAD's Desk **February 2006**

by David Stark
Government Affairs Director

Mr. Brown, Ms. Jackson and Mr. Stark go to Washington! Last month, Bay East members Bill Brown, Dorothy Jackson and the Bay East Government Affairs Director, attended the NAR Government Affairs meeting in Washington D.C. The multi-day event focused on fund raising and political advocacy. A common theme in many of the seminars was the importance and effectiveness of grass roots organizing. While fundraising is an important part of the NAR, C.A.R. and Bay East government affairs programs, many of the presenters emphasized that elected leaders respond to the voices of their constituents back home.

With elections in six of the cities within the Bay East jurisdiction later this year, REALTORS® and Affiliates will have plenty of opportunities to get involved in the electoral process. If you've ever wanted to participate in a campaign, here's your chance! Please contact me if you want to help a candidate or join the Local Government Relations Council.

Federal Issues

In late December 2005, the FCC released proposed rules for the Junk Fax Prevention Act. The rules focus on: limitation of established business relationship duration; notice of opt-out opportunity; request to opt-out of future unsolicited advertisements; authority to establish nonprofit exemption; and acceptable forms of permission and burden of proof to demonstrate recipient's permission. NAR is reviewing the proposed rules and any impact on real estate professionals. The proposed rules are available on-line at: http://hraunfoss.fcc.gov/edocs_public/attachmatch/FCC-05-206A1.doc.

State Issues

After taking a holiday break, the State Legislature is back in business. 2006 is the second year of the two-year legislative cycle. According to C.A.R. staff in Sacramento, there are a number of bills that may impact the real estate industry. The following is a summary of some of the bills C.A.R. staff are watching:

AB 770 (Mullin) and SB 551 (Lowenthal) Common Interest Developments Ombudsperson: C.A.R. is considering support of these bills. Both bills would create an Office of the Common Interest Development Ombudsperson. The Ombudsperson would provide education programs to common interest development directors, officers, and owners and authorize the Ombudsperson to assist in resolving common interest development disputes. According to C.A.R., homeowners would pay up to \$5 per year to fund the office. C.A.R. supports this measure because it provides education and an informal dispute resolution process for all homeowners regarding the operation of CIDs while at the same time prohibiting the ombudsperson from engaging directly or indirectly in real estate licensed activities.

AB 1164 (Bogh) Personal Income Tax Homeownership Development: C.A.R. supports this bill which will allow a deduction, not to exceed \$10,000, of the amount deposited annually in an individual homeownership development account. The measure allows for money to be withdrawn from these accounts to pay for qualified individual homeownership development expenses.

AB 1450 (Evans) Land Use Density Bonus: C.A.R. opposes this bill which would authorize local governments to require approval of the resale or transfer of affordable units created in “density bonus” developments. According to C.A.R., this bill would give local government the ability to refuse a resale or transfer of the unit at less than 95% of its fair market value, and would allow local government to require additional and unlimited restrictions and conditions on the resale of the unit.

Local Issues

The conversion of existing multifamily rental units to condominium-style ownership units is typically regulated by local jurisdictions. These so-called “condo conversions” are becoming increasingly popular among owners of apartment complexes looking to capitalize on the strong ownership housing market.

Several cities in Alameda County are either in the process of revamping their existing condo conversion ordinances or will be doing so soon. For example, in late December 2005, the Hayward City Council approved a short-term moratorium on condominium conversions while it considers changes to the ordinance.

Watch this space for more details regarding changes to condo conversion ordinances. Please contact me if you have any questions regarding this issue.

From the GAD

We make house calls! Do you or your office staff want to learn more about Bay East’s government affairs program? Want to learn about local ordinances that impact your business? Want to learn what C.A.R. and NAR are doing on your behalf in Sacramento and Washington? If you answered “yes” to any of these questions, I would be happy to make a presentation at your office meeting. Please contact me at (925)730-4068 or via email at: davids@bayeast.org for more information or to schedule a presentation.