

## **C.A.R. Report from Sept. 21-24, 2011 Meetings – Jill Furtado, Director**

### **(Assistant Regional Chair, Strategic Planning & Finance and Land Use and Environmental Ctes)**

#### **ASSISTANT REGIONAL CHAIR:**

Greg Galli served as our Regional Chair this year. I served as Assistant Regional Chair, basically shadowing Greg learning the protocol and responsibilities of the Regional Chair, which I will perform in 2012. We are a part of Region 27, which is comprised of a large area and includes representatives from our association (Greater Antelope Valley Assn of REALTORS), Ridgecrest Area Assn of REALTORS, Mammoth Lakes Board of REALTORS and Southeast Kern Board of REALTORS. Ours is the largest of the associations, but Regional Chairs are voted on amongst the representatives, allowing for each association and area to have a representative serve as Regional Chair over time.

One highlight of serving as Regional Chair is that you get to attend (and participate) at some of the Executive Cte meetings, where we directly voice some of our area's current market conditions, concerns, as well as members' needs in their business. I look forward to the experience of serving as Regional Chair next year and appreciate the opportunity.

With a state as large as California, it is always amazing to me to see how well organized the process is at our CAR business meetings with hundreds of representatives participating. I love to witness how information is relayed from each area, region, association and member up to the leadership and staff of our organization and, in turn how information is relayed back to the local associations and members. If any of our members has questions or needs information they can communicate face to face with their local CAR directors. With 164,000 members statewide, sometimes our issues and needs are the same and sometimes they are unique. Ultimately, we can accomplish so much more for our industry as a whole when we combine our numbers and resources.

#### **STRATEGIC PLANNING & FINANCE (Voting Member):**

I have been very blessed this year to have been appointed to the Strategic Planning & Finance Committee by our CAR Treasurer Don Faught. It was a one-year appointment, with meetings at our CAR business meetings as well as 3 additional 2-day meetings and/or conference calls. Don's overall goal this year was to have each of us think "outside the box" to truly evaluate our organization and to provide VALUE to our members. We currently provide well over a hundred "member benefits" including our Legal Hotline, a vast array of Education, ZipForms, Legislative Lobbying and support, CAR website, Legal Briefs, Association guidance and electronic signatures just to name a few. There is a list of member benefits on the CAR website. Which ones are most important to you?

CAR conducts regular surveys of our members, always trying to stay current on who our members are, what type of business they conduct, their biggest challenges, and their most important needs to conduct business successfully and professionally. If you haven't gone to the CAR website other than logging in to your ZipForms, I recommend taking a little time to navigate around the site (<http://www.car.org>). You have access to all sorts of PowerPoint presentations that provide extensive information on market statistics, our membership, legal briefs and many other tools provided to each of our members FREE as part of your membership!

It is interesting to see the parallels of CAR as a statewide membership organization to our local associations. We are "member driven" with many of the same needs but as diverse as our regions and areas are, so is our membership. We strive to maximize the VALUE of membership that is tailored to the individual needs of our members, our local real estate market conditions and our clients.

Our organization is very strong financially. One reason is that we are very successful with our subsidiary businesses (REBS) as well as investments. Our current membership is at 164,000 and we forecast about 152,000 members next year. It is common to experience a change in membership numbers a couple of years AFTER the market conditions change.

There is a large focus on PROFESSIONALISM, so CAR will continue to provide education, trainings, broker programs and assistance, as well as some possible ratings systems (including peer-to-peer and customer based evaluations on a transactional basis.) With the political climate being what it is both nationally and statewide, we plan to participate at an even higher level of lobbying and LEGISLATIVE efforts. 2012 is an important year for various elections and we are always advocating for private property ownership rights and the issues that directly affect REALTORS, such as Mortgage Interest Deduction, point of sale mandates, increased taxes on services and additional withholding on independent contractor's wages.

Our mandatory \$49 REALTOR Action Assessment (RAA) as part of our dues is our portion to raise the necessary resources to fight the ever-vital fight in the political arena (both with regard to candidates as well as issues). Of course, each of us can choose to contribute more. Every CAR director in Region 27 chose to contribute at least \$149. And at this meeting, I chose to become a "Golden R" contributor. (I join other Directors Greg Galli, Steve Rice and Dave Slover in this level of commitment.) By getting more involved in our organization at the state level, I see first-hand the importance of protecting our industry and the value of my contribution. I implore you to consider increasing your contribution next year, in whatever amount you can.

#### **LAND USE AND ENVIRONMENTAL:**

**Mission Statement:** This Committee is a policy committee. Its mission is to develop CAR's land use and environmental policy. It has original jurisdiction to evaluate legislation and regulation in the following issue areas as they relate to real estate: Environmental, Land Use and Zoning, Property Rights, Resources and Subdivision and Development.

There was limited "action items" at this meeting (typical for this time of year), but there is ongoing dialog and involvement by CAR regarding issues such as Coastal, Clean Energy, Property Disclosures, Solar programs, Onsite wastewater disposal, Septic regulations, Lead-based paint law updates and Federal flood insurance, just to name a few. There were two issues that comprised most of the debate at the Fall meetings, (1) SRA (State Responsibility Area) Fire Prevention Benefit Fees and (2) Definition of "Cost Effective" Energy Efficiency Improvements.

- (1) The SRA's contain approximately 31 million acres, primarily PRIVATELY OWNED timberlands, rangelands and watershed areas. There are an estimated 860,000 homes in the SRA's. Although there was a state budget to fight wildfires, those funds are insufficient and they need to raise more money to pay to fight fires in these affected areas. One option would be a "tax" to be imposed on every property owner in the state to cover such costs. The other option would be a "fee" imposed only on those who own land in these areas. CAR opposed legislation earlier this year (SB 1258) that imposes a property insurance surcharge to fund emergency preparedness, which was effectively a "tax". We support more of a "fee based" model and the details are still being worked out.
- (2) The California Energy Commission (CEC) in conjunction with its implementation of AB 758 is considering including "societal benefits" and costs when determining that an efficiency improvement is "cost effective." CAR opposes ANY attempts to impose retrofit requirements at "point-of-sale" and has historically defined "cost effective" as "Any energy efficiency improvement that pays for itself over the useful life of the improvement." CAR opposed AB 2678 (Nunez) in 2008 which would have required the CEC to develop a program to impose point-of-sale efficiency audits and upgrades on ALL residential and nonresidential properties.

Of course we support helping to encourage homeowners to perform upgrades and updates in order to become more energy efficient, however we don't want to unreasonably or unnecessarily affect the home purchasing process, whether in a difficult market or strong one.

After much discussion, the committee voted in favor of providing the standard definition of cost-effectiveness, essentially excluding any reference to "societal benefits". We don't want the government making something mandatory just because they say it is beneficial to future generations. There are many expensive retrofits that yield a nominal increase in efficiency for the homeowner today, which could be argued to have benefits in the future.

Thank you for the opportunity to serve as a CAR Director again this year. I appreciate the opportunity to continue to serve next year. I am available to any of our members who have questions or want further information regarding CAR meetings and/or membership benefits.

Respectfully Submitted,

Jill Furtado, REALTOR, GRI, SRES, EPRO, SFR