



C.A.R. Directors 2021 Winter Meetings Committee Reports

SCCAOR Region 19 Chair: Gustavo Gonzalez
Vice Chair: Sandy Jamison

C.A.R. Directors Representing SCCAOR

- Ryan Alter
- Colleen Badagliacco
- Dennis Badagliacco
- Jen Beehler
- Frank Cancilla
- Greg Carlsted
- Will Chea
- Kevin Cole
- James Dill
- Lawrence Fargher
- Lisa Faria
- Gustavo Gonzalez
- Doug Goss
- Greg Haas
- Steve Hanleigh
- Anne Hansen
- Sandy Jamison
- Bob Kulick
- Karl Lee
- Barbara Lymberis
- Elizabeth Monley
- Roberta Moore
- Trisha Motter
- John Pinto
- Dr. Hassan Sabbagh
- Carl San Miguel
- Mike Sibia
- Rick Smith
- Ann Thai
- Dave Walsh

C.A.R. Board of Directors Meeting Report

- SCCAOR Member and Past President Dave Walsh Inaugurated as C.A.R. President
- 2021 Advocacy Priorities: Fair Housing, Housing Supply, Transactions
- C.A.R. creating Fair Housing and Diversity Committee
- MLS Action Item: C.A.R. revise MLS rules to comply with NAR policy changes (full changes on MLS Committee Slide)
- C.A.R Support 2 NAR federal legislation efforts
 - Appraisal bifurcation (hybrid appraisals)
 - Elimination of Fannie and Freddie “risk-based pricing

Major State Bill Action Items

- Watch SB 83: establish a program aimed at buying out coastal owners WILLING to sell
- Defeated Position to Support SB 63: Expands fire mapping zones and fire protection requirements (defeated due to insurance concerns)
- Oppose ACA1: reduce vote requirement from $\frac{2}{3}$ to 55% for affordable housing and public infrastructure tax measures

REALTOR Action Fund (RAF) Committee Report

SCCAOR Region 19 Representative: Anne Hansen

Additional Members: Elizabeth Monley

- RAF is a vital service for you and your business. By contributing, you are helping to protect the rights of REALTORS® and property rights through advocacy efforts, ballot measures, and candidate campaigns. We know 2020 was a year of difficulty and uncertainty, but because of that, we need your support more than ever to help fight for the real estate industry. If you are able to contribute when renewing your membership it is vital to ensure real estate remains an essential industry sector.
 - Played a critical role in helping real estate to be deemed an essential service in 2020
 - Stopped Point of Sale Mandates that could have cost homeowners \$1,000s preventing sales from happening
 - Prevented DIRECT taxing of REALTOR® commissions and other services related to the transaction
 - Supported and elected a record number of candidates who fight for REALTOR® Party values
- Donation Levels: Encourage everyone to participate at “True Cost of Doing Business” Level (\$148) OR the MAJOR DONOR Level “CA Silver Bear” (\$449)
- SCCAOR RAF Homepage (has button to donate): <https://www.sccaor.com/raf/>

Communications Advisory Committee Report

Region 19 Representative: Barbara Lymberis

- New Advertising Campaign titled “California Proud” will begin airing in March/April
- Central Themes
 - Power of Homeownership
 - Different Pathways to Homeownership
 - CA is the Home of Possibility
 - REALTORS® Unlock Homeownership and What is Possible
 - REALTORS® at the Center of Home Affordability
- C.A.R. ad campaigns are award winning and highly effective - working with national networks, sports channels, social media, radio, and local tv stations
- Documentary “California Dreaming” has aired, but will soon be available on demand (ABC Network) - Dave Walsh is the host and interviewed during the program
- C.A.R. Real Estate magazine is looking for contributors who can write about unique ways to reach out to clients during the COVID-19 Pandemic - Mary Belongia, maryb@car.org

CA Real Estate Political Action Committee (CREPAC) Report

Region 19 Representative (Vice Chair): Barbara Lymberis

- CREPAC will observe NAR Initiated “pause” political contributions after the events leading up to and the capitol incident on January 6, 2021 to fully consider candidates or elected officials stances on diversity, equity, inclusion, racism
- While the above are very important issues moving forward REALTOR® Party issues will continue to be the main priority and top of mind
- This “pause” on political contributions will remain until the Committee has another opportunity to meet as a group and discuss how to proceed
- Sub-committee will be created to consider CREPAC’s mission statement and updates will be presented at the mid-year meeting

Federal Committee Report

Region 19 Representative: Dennis Badagliacco

Additional Committee Members: Colleen Badgliacco, Lisa Faria, Steve Hanleigh, Karl Lee, Elizabeth Monley, Roberta Moore, Carl San Miguel, Dave Walsh

- Action Item: C.A.R., in conjunction with NAR, “SUPPORT” “appraisal bifurcation,” also known as a hybrid
- Action Item: C.A.R., in conjunction with NAR, “SUPPORT” the elimination of Fannie Mae’s and Freddie Mac’s risk-based pricing.
- Potential changes to federal tax law is being considered by the current administration affecting stepped up basis, exchange law, capital gain caps, income tax levels, income tax brackets, extended depreciation, SALT limits, child tax credits, inheritance tax limits, inheritance tax % brackets. Expectations are that 2022 is when the issues will be addressed.

Housing Affordability Fund (HAF) Committee Report

SCCAOR Region 19 Representative (Vice Chair): Greg Carlsted

- Action Item: HAF Regional Contest - Goal for C.A.R. Directors to achieve 100% participation at HAF Bronze Pin level (\$100) and all local association members are strongly encouraged to participate as well
- SCCAOR is exploring applying for a 2021 HAF grant to assist FT homebuyers and a high contribution rate would go a long way - <https://www.car.org/difference/haf>
- HAF Committee approved 3 grants for local AORs seeking assistance for FT homebuyers already
 - CA Desert AOR - FT homebuyers can receive up to \$2,000 for closing costs (\$50,000 Grant)
 - Inland Gateway AOR - Applicants can receive \$400 towards a home inspection and the inspector must be certified by the CA Real Estate Inspection Association (\$25,000 Grant)
 - Tuolumne County AOR - Applicants will receive assistance to mitigate the costs of high fire insurance in the region
Due to recent wildfires homeowners have had fire insurance cancelled and forced to purchase through the CA Fair Plan which charges 4x higher premiums

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Homeownership Housing Committee Report

SCCAOR Region 19 Representative: James Dill, Additional Committee Members: Ann Thai

- Action Item: Committee will further study that C.A.R. sponsor legislation to: Provide owner-occupants and public entities with an opportunity to purchase REO properties for 20 days, similar to the federal “First Look” program, and require real estate licensees (AKA: listing agent) to present offers to the seller within two business days of receipt from the buyer’s agent; and, (b) Prohibit a Government Sponsored Entity (GSE) from conducting “bulk sales” in California. Owner-occupied offers received in the first 20 days shall be given exclusive consideration from investor offers. Note: “Bulk sale” is defined as the sale of two or more real estate properties, at the same time, which have nothing in common except that they are sold in the same transaction as if they were one unit.
- Requested that Taxation and Government Finance Committee recommend that C.A.R. “OPPOSE UNLESS AMENDED” ACA 1 (Aguiar Curry), so that the amendments would limit the vote requirement reduction from 2/3 to 55% to apply ONLY to bonds funding affordable workforce housing construction. (failed in Taxation Committee)

Investment Housing Committee Report

SCCAOR Region 19 Representative: John Pinto, Additional Committee Members: Ryan Alter, Greg Haas

- Statewide Residential Rental Eviction Moratorium Extended until **June 30, 2021** (SB 91)
- Rental Assistance included in the bill - \$2.6 billion statewide, additional \$30 million from City of San Jose and \$20 million from the County of Santa Clara
- Housing providers are eligible to apply on behalf of tenants, the program is voluntary BUT they will only receive 80% of unpaid rent and must be willing to forgive the remaining 20%
- Programs will be available to **apply in early March** and will prioritize lower income tenants first
 - Round 1: Below 50% AMI or unemployed for 90 days.
 - Round 2: Income below 80% AMI and in a community disproportionately impacted by COVID-19.
 - Round 3: Everyone below 80% AMI not addressed in round 1 or 2 above.
 - Round 4: Open to all tenants
- Housing must comply with this order by sending all tenants who have missed any rent payments this **FORM** by **February 28, 2021**
- Learn More About SB 91 and How to Comply Here:
<https://www.sccaor.com/sb-91-what-housing-providers-need-to-do-to-comply/>

Legislative Committee Report

SCCAOR Region 19 Representative: Frank Cancilla

Additional Committee Members: Dennis Badagliacco, Jen Beehler, Anne Hansen, Barbara Lymberis, Roberta Moore, Dr. Hassan Sabbagh, Mike Sibilialia, Ann Thai

- Legislative Committee meets to discuss all of the bill action items from other C.A.R. Committees
- All motions from policy committees will be discussed and voted on whether to bring forward to the Board of Directors
- All bill action items from Legislative Committee are discussed on the slide from each respective policy committee

Land Use and Environmental Committee Report

SCCAOR Region 19 Representative: Will Chea

- Action Item: C.A.R. “WATCH” SB 83 (Allen), a measure that seeks to establish a program aimed at buying out coastal homeowners willing to sell their property.
- Action Item: C.A.R. “SUPPORT” SB 63 (Stern), a measure that seeks to expand mapped fire zones and expand fire protection requirements. (Defeated by the Board of Directors)
- Action Item: C.A.R. adopt a “NOT REAL ESTATE RELATED” position on an as yet unnumbered ballot proposition that will appear on the November 8, 2022 state ballot entitled “Requires State Regulations To Reduce Plastic Waste, Tax Producers Of Single-Use Plastics, And Fund Recycling And Environmental Programs. Initiative Statute.”
- Presentation from Smart Coast California a 501(c)6 established in 2019 to promote and advocate for private property rights and smart land use policies in coastal regions. “People from all over the world flock to live and play on our coast for its beauty and amusement. We need to make sure we make smart decisions on how to protect our coast so those living here can continue to enjoy the use of their property and those visiting still have access to our beaches.”
- Staffed by local GADs of coastal AORs - info@smartcoastca.org
- <https://www.smartcoastca.org/>

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- Staffed by local GADs of coastal AORs - info@smartcoastca.org
- <https://www.smartcoastca.org/>

MLS Policy Committee Report

SCCAOR Region 19 Representative: Sandy Jamison

Additional Members: Karl Lee, Trisha Motter

- Action Item: C.A.R. Model MLS Rules be revised to comply with newly mandated NAR policy by (a) adding a rule addressing fair housing [Section 12.5.1 “Remarks - Listing Content and Fair Housing Laws” requiring the MLS to employ a process for identifying potential violations of fair housing laws and advising participants to remove or correct] and (b) revising rules enforcement and citation policy [Section 14.3 “Citations” and “Model Citation Policy” to reduce number of citations triggering a hearing, requiring responsible brokers to be notified of violations and attend such hearings of subscribers, and enabling anonymous reporting of and potential hearing on such complaints] and that Staff make any necessary additional corrective and/or correlating changes to the Model MLS Rules and Model Citation Policy.
- C.A.R. MLS Policy Committee’s “Coming Soon” Work Group’s purpose is to assess inconsistent “Coming Soon” MLS policies and examine whether a common set of definitions and rules should be recommended to NAR for its consideration. Members have struggled with the differing MLS rules, terminology and time frames, which is particularly difficult when agents use multiple MLSs with differing rules and MLS data-sharing arrangements. After vigorous discussion, the matter was referred back to the Work Group with direction to include additional representatives from the Bay Area.

Professional Standards Committee Report

SCCAOR Region 19 Representative: Trisha Motter
Additional Members: Greg Carlsted, James Dill, Dr. Hassan Sabbagh

- Action Item: Committee voted to create a work group to develop ideas for encouraging members to file disciplinary complaints and participate in the professional standards process.
- Action Item: New Member Benefit Peer-to-Peer Ethics Infoline will be launched in April that will allow members who have a question regarding Code of Ethics to receive guidance from a trained REALTOR® volunteer. C.A.R. is moving forward with recruiting volunteers to participate on the Infoline, which will be followed by a training webinar on the Code of Ethics for those volunteers.
- New Code of Ethics Standard of Practice 10-5, which states: “REALTORS® must not use harassing speech, hate speech, epithets, or slurs based on race, color, religion, sex, handicap, familial status, national origin, sexual orientation, or gender identity.” This was the first C.A.R. Professional Standards committee meeting since NAR enacted the new Standard of Practice last November, so the Committee wanted to get feedback from members to see whether they had any questions regarding application and enforcement of the new SOP. The presentation addressed many of the questions that are answered in C.A.R.’s FAQ document on the new SOP, available on the car.org website.

Standard Forms Advisory Committee Report

SCCAOR Region 19 Representative (Chair): Will Chea

- Standard Forms Advisory Committee (SFAC) held the popular “Forum on Forms.” A total of 718 members registered and there was a consistent attendance of over 420. Members contributed specific feedback and comments which were provided to the committee members and considered in the SFAC deliberations.
- The committee is considering 16 forms for new release or revisions that will be brought back to the committee for approval at the Spring Business Meeting. The committee was advised of the release of updated COVID and eviction-moratorium forms that were released mid-cycle, at the beginning of February.
- The committee continues to work hand in glove with the RPA study group to prepare for the new and revised RPA and over 70 ancillary forms due for release in December 2021.

Strategic Planning and Finance Committee Report

SCCAOR Region 19 Representatives: Karl Lee and Mike Sibilia

- Budget emphasis on local advocacy efforts
- Augmentation to the 2021 budget be approved, to add \$119,000 in operating expense and \$2,500 of capital expenditure, including one new staff position and additional resources to support the Local Governmental Affairs program.
- This augmentation will strengthen C.A.R.'s overall effort in the Local Government Relations arena. Key objectives will be expanded local GAD support, training and policy assistance.
- Finalized Total C.A.R. 2019 Revenue (Audit Completed)
 - Revenue: \$36,182,900
 - Expenses: \$35,646,300
 - Net Income (Before Unrealized Investment Results) \$536,600

Transaction and Regulatory Committee Report

SCCAOR Region 19 Representative: Sandy Jamison

Additional Committee Members: Carl San Miguel, Frank Cancilla, Kevin Cole

- Action Item: C.A.R. “SPONSOR” legislation that states whenever any statute requires a seller in a real estate transaction to deliver to the buyer in that transaction any disclosure, notice, advisory or other document, that requirement shall only apply to a real estate transaction where, unless otherwise stated in the bill, the purchase and sale agreement between the parties is ratified on or after the effective date of that legislation.
- Action Item: C.A.R., in conjunction with NAR, “SUPPORT” “appraisal bifurcation,” also known as a hybrid appraisal.
- Action Item: C.A.R., in conjunction with NAR, “SUPPORT” the elimination of Fannie Mae’s and Freddie Mac’s risk-based price

Taxation and Government Finance Committee Report

SCCAOR Region 19 Representative: Steve Hanleigh

Additional Committee Members: Dennis Badagliacco, Lisa Faria, Carl San Miguel

- Action Item: C.A.R. “OPPOSE” ACA1: reduce vote requirement from $\frac{2}{3}$ to 55% for affordable housing and public infrastructure tax measures
- Staff is working with the legislature to include ADU funding sources for homeowners in upcoming legislation
- Potential changes to federal tax law is being considered by the current administration affecting stepped up basis, exchange law, capital gain caps, income tax levels, income tax brackets, extended depreciation, SALT limits, child tax credits, inheritance tax limits, inheritance tax % brackets. Expectations are that 2022 is when the issues will be addressed.