

# Greensboro Regional REALTORS® Association Policy Positions

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### Adequate Public Facilities Ordinances

The Greensboro Regional Realtors® Association (GRRRA) supports the use of sound planning tools and municipal cooperation in preparing for and anticipating growth challenges. Adequate Public Facilities Ordinances (APFOs) wrongly assume that stopping development will stop population growth. GRRRA opposes APFOs because they merely push development away from a certain area and often create sprawl.

School APFOs require that the school system “sign off” on any new development that would generate more students than their current capacity. This places land use and development decisions with the school board instead of elected officials of the local government, which GRRRA opposes.

Some APFOs offer the developer to pay into a mitigation fund if there is not school capacity, which is simply an impact fee in disguise.

## Broad-Based Revenue Streams

GRRRA supports the use of broad-based revenue streams to ensure that the burden of paying for additional community needs are shared by all, including renters, homeowners, business, and non-resident users.

Property taxes are a fair way to spread out the financial burden of paying for community benefits, however, cost saving measures should always be explored before decisions are made to raise property taxes.

Sales taxes, while regressive, are also a broad-based measure to ensure everyone pays, by capturing transient revenues from users.

## Construction and Funding of the Greensboro Loop

GRRRA supports accelerated construction and funding of the Loop, including the eastern portion.

Guilford County is growing at a rapid rate and it is critical that transportation routes match this growth to promote levels of safety, quality of life, and economic development in Guilford County.

In order to expedite the construction of the parkway, GRRRA supports the concept of tolling and urges the General Assembly to approve sufficient gap funding to ensure earlier (and therefore less expensive) construction of these important projects.

## Directional Sign Ordinances

GRRRA opposes ordinances that prohibit temporary directional real estate signs. REALTORS® support ordinances that set guidelines to allow such signs.

Directional signs are vital to citizens buying or selling residential property when property is not located directly on major thoroughfares. In many cases, the consumer does not realize that properties nearby may be on the market.

Guidelines for directional signs can help preserve the aesthetics of the community. Reasonable guidelines can be set for sign size, height, location, duration of placement, and number of signs per listing or subdivision.

## Fair Housing and Nondiscrimination

In accordance with the Realtor® Code of Ethics, GRRRA supports Fair Housing measures which prohibit housing discrimination against any person for reasons of race, color, religion, sex, handicap, familial status, national origin, sexual orientation, or gender identity. Additionally, GRRRA strongly rejects any legislation or business practice which targets the aforementioned groups.

## Homeowners Association (HOA) Operations

GRRRA supports community improvements and maintenance often achieved through the use of neighborhood HOAs. We oppose however, excessive costs associated with the operations of these associations.

Excessive file/record change fees that can cost several hundred dollars are oftentimes arbitrary and affect not only the closing costs of the property but also the overall affordability of the property.

Private transfer fees and initial capital reserve account contributions penalize homeowners for selling, and negatively impact the affordability of the property.

## Housing Opportunities

GRRRA will maintaining a leadership role to support safe and reliable housing choices at an affordable price. To achieve this goal, our association supports:

- The elimination of substandard housing through fair, yet aggressive enforcement of local building codes
- Local zoning classifications for all housing types.
- Expedited approval for inspection processes, simplified regulations where possible, and reduced fees to save cost in development and construction
- Incentives and zoning classifications that encourage development and redevelopment.
- Municipal, county, state, and federal incentives for development of sub-market priced housing, both non-profit and for-profit
- Usage of Community Development Block grants and HOPE grants to achieve affordable housing and workforce housing goals.
- Federal housing assistance programs like Section 8 rental housing or multi-family and single-family rental housing development tax credits- including the American Dream Tax Credit.

## Impact Fees on New Development

GRRRA opposes impact fees on new development because they ultimately increase the cost of homeownership and make it unaffordable for more families. A lack of affordable housing would noticeably decrease the area's economy and quality of life.

## Infrastructure Bonds

GRRRA supports bonds as a means of enhancing financing education, roads, water systems, parks and recreation. Financing through bonds allows a community to extend the cost of improvements over a long period of time among a fair distribution of present and future users.

## Innovative Financing of Development, Redevelopment and Infrastructure Projects

GRRRA supports innovative financing methods when local governments consider original development, redevelopment and infrastructure projects including:

- Tax Increment Financing (TIF) or Project Development Financing (PDF)
- Public-Private Partnerships that allow the private sector to construct and manage facility assets for public use, often saving time and money to the local or county governments

## Licensure of Landlords and/or Rental Units

GRRRA opposes landlord licensure and registration of rental units with local governments.

A person's right to own and use private property is a protected right under the U.S. Constitution. We believe existing zoning and nuisance ordinances, with proper enforcement, would remedy the need for licensing property owners who choose to rent their properties.

If municipalities have trouble obtaining accurate owner information, they should incentivize landlords to maintain contact information.

## Moratoria on New Housing and Development

GRRRA opposes any moratorium on new housing and development.

The association maintains a pro-growth ideology, encouraging economic prosperity for the communities of Guilford County.

New housing and development creates a demand for more jobs and services, decreasing unemployment, and simultaneously increasing the tax base. By doing so, new housing and development pays for itself.

## Predatory Lending

GRRRA supports government action to combat unfair and deceptive lending practices. Guidance documents that do not have the authority of rulemaking give little assurance to lending consumers weary of deceptive lenders. Lending plays a vital role in helping families achieve homeownership, but consumers need to make sure they are not dealing with a predatory lender. Some of the problems associated with predatory lending are:

- High interest rates and fees
- Broken promises/ Bait and Switch tactics
- Loans which start with a very low/ sub-prime rate and escalate later
- Persuasion to "flip" or refinance loans several times
- Lenders steering clients towards more expensive loans when they qualify for more affordable options

GRRRA supports the federal rulemaking process to oversee unscrupulous lenders. We also oppose the pre-emption of strict state laws by the federal Office of the Comptroller of the Currency.

## Private Property Rights and Eminent Domain

The Greensboro Regional Realtors® Association supports policy that protects and enhances private property rights.

The Fifth Amendment to the U.S. Constitution protects private property rights as follows: “...nor shall private property be taken for public use, without just compensation.”

The REALTOR® community recognizes the need of government to acquire land for the public benefit but urges caution in the interpretation of ‘public use.’ As a matter of fairness, government entities should justify their actions and fairly compensate private property owners as directed by the 5<sup>th</sup> Amendment.

## Privatization of Government Provided Services

The Greensboro Regional Realtors® Association supports quality privatization of government provided services when possible. Privatized services should function at a level of quality that is equal to or better than the level of service provided by the government.

Privatization creates a competitive market for service providers, which in turn lowers prices, raises the quality of services, and decreases tax burdens. GRRRA does not include schools in this context of privatization.

## Professional Services Tax

Currently, the state of NC has a very narrow taxable base but with a very high rate. Tax reform proponents argue that all goods and services fall under the ‘taxable’ umbrella, expanding the base and allowing for the reduction of the rate.

GRRRA opposed any tax on professional services, which directly impacts the cost of a home. Housing affordability makes our region a great place to live.

A small sampling of professional services which could fall under this umbrella include engineers, attorneys, surveyors, contractors, landscapers, Realtors®, builders, electricians, plumbers, etc. In our industry, this could lead to additional costs of approximately 6.75% and increase the costs of new construction.

## Regionalism in Government Provided Services

GRRRA supports efficient regional approaches to providing local government services in order to reduce the taxpayer burden and increase the quality of services. State incentives for local governments participating in consolidation efforts, could greatly aid this process.

## Sales Tax for School Funding

GRRRA supports a reasonable local option sales tax to finance school capital projects. Such a tax should not apply to food and medicine. A sales tax fairly distributes the cost of capital projects among all users. Research shows that a sales tax would generate greater revenue for capital projects than other types of taxes.

## School Construction

GRRRA supports quality classroom facilities for every student in Guilford County.

Guilford County is growing at a high rate, and Guilford County schools must match this growth to promote the quality of life and the future of its citizens. Funding should come from means that distribute the cost fairly among all citizens, not just homeowners.

The current single-prime construction bidding process for new public school projects is time consuming and provides little ownership or supervision of projects. We support measures for streamlining the bidding and construction process to provide more efficient school construction.

GRRRA supports public-private partnerships for school construction in the currently inefficient process. The county or school system can purchase the asset at the end of a lease if there is still need in that area, or can simply terminate the lease and build in another location which may need it.

## Stormwater Management

Stormwater run-off is a leading cause of water quality degradation in Guilford County. Federal and state regulations require on-site controls for managing storm water run-off. GRRRA supports reasonable, scientifically based remedies toward reducing run-off.

GRRRA supports broad-based funding of stormwater utility programs, with timely completion of projects and excellent service.

GRRRA urges municipalities to assist or provide incentives for homeowners associations to coordinate stormwater management efforts with their municipality, county, or professional stormwater management consultants.

GRRRA supports municipal, state, and county efforts to continue educational efforts with homeowners associations to help achieve compliance with state and federal standards.

## Taxes on the Transfer of Real Property

GRRRA opposes land transfer taxes and any other new taxes that discriminate against real estate transactions. The state's current property tax means that an additional local tax would lead to a double taxation.

Transfer taxes target only one class of the population and increase the cost of homeownership, making it especially unaffordable for families.

A lack of affordable housing already exists in Guilford County and placing additional barriers to homeownership would simply compound an existing problem.

## Teacher Salary Incentives

GRRRA supports strong teacher salaries and incentives to properly compete with other districts in North Carolina and across the United States.

Competitive salaries and incentives can help recruit and retain high quality teachers to Guilford County, this promoting quality of life and the future of its citizens.

Funding should come from means that distribute the cost fairly among all citizens, not just homeowners.

## Technology in Schools

GRRRA supports technology availability and training in area schools. Use of technology enhances student mastery of critical skills and prepares students for further education or the work force. Technology bonds and incentives for corporations who donate technological tools will greatly improve the level of technology in schools.

## Transfer of Development Rights

GRRRA opposes the use of Transfer of Development Rights (TDR) programs. TDR programs allow the transferring of the right to develop rural or farm land (sending zone) to an area where development is more desired (receiving zone) and infrastructure exists.

TDR program falsely assumes that the two location zones will offer the same development yields for the developer. Most often the collection zone land is not nearly as valuable or desirable and therefore the developer cannot make the deal work. A builder has no assurance that a project planned on the “sending property” will be approved for the receiving zone.

The farmer or landowner from the sending zone relinquishes all future development rights for the property at any density. Future heirs may not want to conduct farming operations on the property and it raises problematic questions of future use and potential value.



## New Additions:

### Public Private Partnerships and Stakeholders

As an association comprised of local real estate experts, GRRRA willingly offers its expertise to local elected officials when they need additional information regarding our industry. GRRRA is the largest trade association in the city of Greensboro and we look forward to opportunities to participate in the local government process as well as participate in private sector initiatives.

### State and Federal Tax Programs

To ensure the continued growth and prosperity of our community, GRRRA strongly supports fair tax programs to promote growth across multiple levels of government. Bonds, when implemented properly, can bring to life projects that would otherwise not occur. The Mortgage Interest Deduction (MID) and Property Tax Deductions greatly incentive homeownership, creating a stable tax base of citizens invested in their community's future. 1031 Exchanges have directly led to increased development, especially in the downtown area.

### Quality of Life

With a large membership in the city of Greensboro, GRRRA acknowledges the importance of making the city a great place to work and live so that it can attract more people to our community. Continued support of parks, recreation, and events not only make Greensboro a fun place to live, but also serves as an economic driver. Utilizing smart growth and smart design principals, the city can ensure to meet the popular demands of walkability, high density, and mixed-use development.

### Mineral, Oil, and Gas (MOG) Rights

GRRRA supports legislation which protects landowners' rights to the land above and below the ground, including potential minerals, oil, or gas which may be located there.

