

CAR Meetings – Fall, Anaheim 2023 Tim Townley

CALIFORNIA ASSOCIATION OF REALTORS® BOARD OF DIRECTORS MOTIONS

CONSENT AGENDA

Executive

1. **ACTION ITEM** – CONSENT AGENDA That the following applicants be granted C.A.R. Honorary Member for Life status: (Click here to view or download the Honorary Member for Life list) **Passed**

Executive

2. **ACTION ITEM** – CONSENT AGENDA That the Ridgecrest Area Association of REALTORS® be reassigned per their request to C.A.R. Region 15 from C.A.R. Region 27 effective for the 2024 elective year. **Passed**

Strategic Planning and Finance

3. **ACTION ITEM** – CONSENT AGENDA That the Statement of Income and Expenses by program for the seven months ending July 31, 2023 be approved. Total C.A.R. Revenue: \$42,191,500 Expenses: \$24,714,500 An Excess of Income over Expenses (Before Unrealized Investment Results) \$17,477,000 REALTOR® Action Assessment Program Allocation: \$5,394,800 * Direct Member Contributions to PACs: \$6,863,500 *Advocacy Local Fund (ALF) Allocation: \$1,288,400 *Total REALTOR® Action Assessment: \$13,546,700 The C.A.R. Balance Sheet as of July 31, 2023 Total Assets: \$129,300,500 (of which \$90,097,300 are Current Assets) Total Liabilities: \$7,698,600 (of which \$6,294,300 are Current Liabilities) C.A.R. Fund Balance: \$121,601,900 * Some amounts are estimated because the actual amount of PAC contributions and non-PAC advocacy and political allocations are variable depending on factors such as membership levels, participation, local advocacy needs, and application of political contribution rules. Amounts may vary from these estimates. However, percentages contributed to PACs by members and allocated to ALF for non-PAC advocacy and political purposes, taken as a whole, are consistent with prior years. **Passed**

4. **ACTION ITEM** – CONSENT AGENDA That the Projected Statement of Income and Expenses by program for the year ending December 31, 2023 be approved. Total C.A.R. Revenue: \$49,468,300 Expenses: \$48,900,400 Net Income (Before Unrealized Investment Results) \$567,900 REALTOR® Action Assessment Program Allocation: \$5,521,400 *Direct Member Contributions to PACs: \$7,024,700 *Advocacy Local Fund (ALF) Allocation: \$1,318,600 *Total REALTOR® Action Assessment: \$13,864,700 * Some amounts are estimated because the actual amount of PAC contributions and non-PAC advocacy and political allocations are variable depending on factors such as membership levels, participation, local advocacy needs, and application of political contribution rules. Amounts may vary from these estimates. However, percentages contributed to PACs by members and allocated to ALF for non-PAC advocacy and political purposes, taken as a whole, are consistent with prior years. END OF CONSENT AGENDA **Passed**

Californians For Homeownership

1. **REPORT ONLY** Californians for Homeownership continues to work hard to support housing affordability and the development of housing throughout the state using impact litigation: Housing Element Lawsuits (Wins In La Cañada Flintridge & Beverly Hills). Californians for Homeownership continues to wage a litigation campaign to enforce California's regional housing needs allocation (RHNA) and housing element laws. These laws require cities across the state to make sure that their zoning and land use rules allow for the development of housing sufficient to meet regional housing needs. A major goal of these lawsuits is to establish that these

jurisdictions are subject to the so-called “builder’s remedy,” which enables the development of mixed- and moderate-income housing in areas where it might traditionally be prohibited. In the last three months, these lawsuits have resulted in major recent trial court wins against the cities of La Cañada Flintridge and Beverly Hills, with both cities being held out of compliance with state law. CEQA Interventions. CEQA is frequently used to delay or stop housing development by plaintiffs with no legitimate environmental interests, such as neighboring property owners and unions. These lawsuits often pit developers against more sympathetic parties, and inserting a strong pro-housing voice into these cases can help shift the balance in favor of housing development. Californians for Homeownership has sought to intervene in two CEQA cases during the last year, and is actively seeking opportunities to intervene in additional CEQA cases in the coming year. New Laws. The Legislature passed significant housing supply bills last year, including bills that facilitate development on commercial properties and a bill that relaxes parking requirements, which can be a major impediment to housing production. Some of these streamlining policies went into effect in mid2023, and we are beginning to see cities and counties take steps to circumvent them. Californians for Homeownership is assessing these actions and will be working to enforce the new laws.

CREPAC Trustees

1. **ACTION ITEM** That the following slate be elected. New Trustees serve for a two-year term. Non-voting Alternate Trustees may be selected to fill the remainder of a vacant term during their two-year term. **NOMINEES FOR CREPAC TRUSTEE** (November 2023 - November 2025) Judy Covington, Region 3 Todd Mendoza, Region 4 Debi Mackey, Region 5 Paula (PJ) Johnsen, Region 7 Lynn Heintz, Region 12 Michael Stoffel, Region 14 Jan Hudson, Region 15 Crystal DaCosta, Region 17 Marion Proffitt, Region 23 Michael Sibilia, Region 19 Jim Irving, Region 31 **NOMINEES FOR CREPAC NON-VOTING ALTERNATE TRUSTEE** (November 2023 - November 2025) Julie Dempsey, Region 4 Tom Berge Jr., Region 16 **Passed**

2. **ACTION ITEM** That the CREPAC, CREPAC/Federal, CREIEC and IMPAC Bylaws Amendments be approved. NOTE: The proposed changes consist of: (1) Changing language to promote gender neutrality; (2) A clarifying change regarding the minimum contribution to be made by all non-voting Trustees; and (3) To change the ex officio non-voting Trustee position previously designated for the RAF Committee Chair to instead designate the Chair of the REALTOR® Party of California Fundraising and Member Mobilization Advisory Committee due to the restructuring of various committees. **Passed**

3. **REPORT ONLY** That CREPAC issued funding to political candidates running for open seats in the State Assembly and State Senate for the 2024 Primary Election cycle. 4. **REPORT ONLY** That CREPAC reviewed and contributed funding to various political partners including state party organizations, coalitions, and legislative caucuses.

5. **REPORT ONLY** That CREPAC and RPAC are working in a collaborative manner for the 2024 Election Cycle.

Environmental Sustainability

1. **ACTION ITEM** That C.A.R. “SPONSOR” legislation to expand the priority for water and sewer service “hook-up” to all housing development. Note: Under state law, water and sewer providers cannot deny, condition the approval or reduce the amount of service provided development applications, provided 100% of the units are subsidized deed restricted housing developments

necessary to meet the localities' lower income housing RHNA production goals. Additionally, state law water and sewer providers retain the ability to deny or reduce services to a development based on projected short- and long-term resource limitations. Legislative Committee Recommendation: Approve **PASSED**

Fair Housing Policy

1. **REPORT ONLY** The Fair Housing Policy Committee will establish a Working Group to evaluate forthcoming legislation related to the housing recommendations within the California Reparations Task Force report released on June 29, 2023.

Homeownership Housing

1. **ACTION ITEM** That C.A.R. "SPONSOR" legislation to expand the motion to strike process for frivolous housing development challenges to all housing. NOTE: Enrolled to the Governor in 2023, SB 439 (Skinner) expands the use of the state's anti-SLAPP (AKA: Strategic Lawsuit Against Public Participation) motion to strike mechanism, used within the court system to dismiss frivolous lawsuits, which empowers courts to intervene and throw out a CEQA lawsuit if the lawsuit lacks merit and does not have a chance of success in court. Legislative Committee Recommendation: Approve **PASSED**

Housing Affordability Fund

1. **ACTION ITEM** To approve the Calaveras County Association of REALTORS® grant request of \$50,000 to assist 50 households with \$1,000 in housing expenses for qualified first-time homebuyers. Each grant is provided to low-to-moderate income (120% AMI and below) first-time homebuyers who utilize the services of a California REALTOR® and are using the proposed grant to purchase a property in California. Strategic Planning and Finance Committee Recommendation: Approve Note: The C.A.R. Board of Directors has provided the C.A.R. Housing Affordability Fund with limited spending authority. --Individual award disbursements shall not exceed 10% of the total existing fund without approval of the Board of Directors --Total annual disbursements shall not exceed 25% of the total fund without approval of the Board of Directors --Awards in excess of these guidelines shall be approved by the Board of Directors, or the Leadership Team when the award request is more than 30 days prior to a Board of Directors meeting. **PASSED**

2. **ACTION ITEM** To approve the Delta Association of REALTORS® grant request of \$50,000 for the use of up to \$5,000 in closing cost assistance to assist at least 10 households of qualified first-time homebuyers. Each grant is provided to low-to-moderate income (120% AMI and below) first-time homebuyers who utilize the services of a California REALTOR® and are using the proposed grant to purchase a property in California. Strategic Planning and Finance Committee Recommendation: Approve **PASSED**

Note: The C.A.R. Board of Directors has provided the C.A.R. Housing Affordability Fund with limited spending authority. --Individual award disbursements shall not exceed 10% of the total existing fund without approval of the Board of Directors --Total annual disbursements shall not exceed 25% of the total fund without approval of the Board of Directors --Awards in excess of these guidelines shall be approved by the Board of Directors, or the Leadership Team when the award request is more than 30 days prior to a Board of Directors meeting.

3. **ACTION ITEM** To approve the Solano County Association of REALTORS® grant request of \$50,000 to assist first-time homebuyers closing cost in increments of up to \$5,000. Each grant is provided to low-to-moderate income (120% AMI and below) first-time homebuyers who utilize the services of a California REALTOR® and are using the proposed grant to purchase a property in California. Strategic Planning and Finance Committee Recommendation: Approve
Note: The C.A.R. Board of Directors has provided the C.A.R. Housing Affordability Fund with limited spending authority. --Individual award disbursements shall not exceed 10% of the total existing fund without approval of the Board of Directors --Total annual disbursements shall not exceed 25% of the total fund without approval of the Board of Directors --Awards in excess of these guidelines shall be approved by the Board of Directors, or the Leadership Team when the award request is more than 30 days prior to a Board of Directors meeting. **PASSED**

4. **ACTION ITEM** That the C.A.R. Housing Affordability Fund (HAF) be granted a special one-time authorization to allocate \$500,000 to continue the C.A.R. Pathway to Homeownership Closing Cost Assistance Grant Program. HAF's non-profit partner will administer the restricted grant program across all 58 counties within California for a fee not to exceed 5% of the overall allocated funds. Grants are available for distribution throughout all counties in California. Each grant is provided to low-to-moderate income (120% AMI and below) first-time homebuyers who utilize the services of a California REALTOR® and are using the proposed grant to purchase a property in California. Strategic Planning and Finance Committee Recommendation: Approve **PASSED**

Note: The C.A.R. Board of Directors has provided the C.A.R. Housing Affordability Fund with limited spending authority. --Individual award disbursements shall not exceed 10% of the total existing fund without approval of the Board of Directors --Total annual disbursements shall not exceed 25% of the total fund without approval of the Board of Directors --Awards in excess of these guidelines shall be approved by the Board of Directors, or the Leadership Team when the award request is more than 30 days prior to a Board of Directors meeting.

IMPAC Trustees

1. **ACTION ITEM** That the following slate be elected. New Trustees serve for a two-year term. Non-voting Alternate Trustees may be selected to fill the remainder of a vacant term during their two-year term. **NOMINEES FOR IMPAC TRUSTEE (November 2023 – November 2025)** Maxine Feil, Region 3 Tyra Wright, Region 5 Judith Myers, Region 5 Jeannie Anderson, Region 8 Ruth McNevin, Region 13 Karl Lee, Region 19 Josie Taylor, Region 23 Norma Scantlin, Region 30 **NOMINEES FOR IMPAC NON-VOTING ALTERNATE TRUSTEE (November 2023 – November 2025)** Michele Manzone, Region 5 Howard Katchen, Region 18 Note: Nominee Howard Katchen has been nominated as an Alternate for 2023-2025. Suzi Dunkel-Soto, a Trustee with a term continuing through 2024, has provided notice of her resignation from IMPAC effective 2024 so that she may serve in another C.A.R. Leadership role. As a result, and per the IMPAC nominating procedures, the IMPAC Nominating Committee met and selected Howard Katchen to complete the remainder of the term that will become vacant, with one year remaining, subject to the approval of the slate above by the C.A.R. Board of Directors. **PASSED**

2. **ACTION ITEM** That the CREPAC, CREPAC/Federal, CREIEC and IMPAC Bylaws Amendments be approved. NOTE: The proposed changes consist of: (1) Changing language to promote gender neutrality; (2) A clarifying change regarding the minimum contribution to be made by all non-voting Trustees; and (3) To change the ex officio non-voting Trustee position previously designated for the RAF Committee Chair to instead designate the Chair of the

REALTOR® Party of California Fundraising and Member Mobilization Advisory Committee due to the restructuring of various committees. **PASSED**

3. **REPORT ONLY** The following decisions were taken by IMPAC: --IMPAC voted to adopt policy to state that unused Local Association IMPAC funds may be reverted to the State IMPAC account if they are left unused for more than 2 years. This change mirrors existing CREPAC policy. --IMPAC voted to rescind a previous action from Spring 2023 which stated that a requirement should be added to the IMPAC bylaws that states that Trustees will all be Major Investors, as recommended by the REALTOR® Party Task Force.

Legal Action Fund

1. **REPORT ONLY** Since the February 2023 meetings, the Trustees have reviewed four cases and approved participation in one. Howard Jarvis and the Apartment Association of Greater Los Angeles (“AAGLA”) v. City of Los Angeles. The Trustees approved a \$25,000 contribution to support this reverse validation and declaratory relief lawsuit in the superior court challenging the City of LA’s transfer tax on properties over \$5M (the Measure ULA “Mansion Tax”). The issue is whether the tax is an invalid “special” tax on property prohibited by Proposition 13 of the California Constitution and whether it is invalid under the LA City Charter.

Legislative

1. **ACTION ITEM** That C.A.R. adopt an “AGAINST” position on an as yet unnumbered ballot proposition that will likely appear on the November 5, 2024 state ballot entitled “ACA 1 (Aguiar-Curry) Local government financing: affordable housing and public infrastructure: voter approval.” Note on ACA 1: This measure seeks to lower the vote requirement for specified housing and public infrastructure bonds from the constitutionally required two-thirds to fifty-five percent. **PASSED**

2. **ACTION ITEM** That C.A.R. adopt an “AGAINST” position on an as yet unnumbered ballot proposition that will likely appear on the November 5, 2024 state ballot entitled “ACA 13 (Ward) Voting Thresholds.” Note on ACA 13: This measure would require any initiative that seeks to amend the state constitution which increases the vote threshold needed to pass a local or state ballot measure must itself pass by the same vote threshold. For example, the original Proposition 13 which passed in 1978 created a requirement that local special taxes receive the vote of two-thirds of the electorate at the ballot. If ACA 13 had been in place in 1978, Proposition 13 could only have become law if two-thirds of the voters voted for it rather than a simple majority. Note: C.A.R. has previously taken the following positions on upcoming State Ballot Measures: --An as yet unnumbered ballot proposition that will appear on the March 5, 2024 state ballot entitled SCA 2 (Allen) Public Housing projects. (Res. Ch. 182, 2022) “CO-SPONSOR” --An as yet unnumbered ballot proposition that will likely appear on the November 5, 2024 state ballot entitled “Expands Local Governments’ Authority to Enact Rent Control on Residential Property. Initiative Statute. “AGAINST” --An as yet unnumbered ballot proposition that will appear on the November 5, 2024 state ballot entitled Limits Ability Of Voters And State And Local Governments To Raise Revenues For Government Services. Initiative Constitutional Amendment. “FOR” **PASSED**

Real Estate Business Services

1. **ACTION ITEM** That the following slate of nominees for a two-year term on the REBS Board of Directors be approved, and the C.A.R. President be instructed to elect these individuals on behalf of C.A.R. Oranzo "Otto" Catrina, Catrina Real Estate, Castro Valley Cheryl Keller, Brick Lane Real Estate, Rocklin Aisha Allen, Brown and Brown Real Estate, Fresno Tom Carnahan, Carnahan & Associates, Woodland Hills Note: The following REBS Directors have continuing terms: Pat Heller, Compass, Los Angeles Phil Hawkins, Pacific West Association of REALTORS®, Anaheim James Baiseri, KALEO Real Estate Company, Glendora Robin Dickson, eXp Realty, San Ramon John Sebree, California Association of REALTORS®, Los Angeles **PASSED**

Strategic Planning and Finance

1. **[REVISED]** To approve the 2024 Operational Budgets with the following criteria: a. C.A.R. Revenue: \$50,418,400 C.A.R. Expenses: \$50,385,800 Net Surplus (After Investment Income): \$32,600 b. * REALTOR® Action Assessment Program Allocation: \$6,200,000 * Estimated Direct Member Contributions to PACs: \$5,703,600 * Estimated Advocacy Local Fund (ALF) Allocation: \$988,600 * Total REALTOR® Action Assessment: \$12,892,200 c. 149.5 budgeted C.A.R. staff positions. d. Membership dues, including \$162 for C.A.R. operating programs, and \$69 for the REALTOR® Action Assessment are set at a total of \$231 per member (predicated on the 2024 year end membership of 193,600). e. New member fee set at \$200 per new member, \$130 of which is allocated to C.A.R. operating programs and \$70 of which is the new member's direct contribution to IMPAC. Estimated direct contributions to IMPAC from new member fees are \$1,064,000. f. Late renewal fee set at \$50 per member. g. A 2024 Capital Budget (funded with Association reserves) totaling \$1,380,900 * Some amounts are estimated because the actual amount of PAC contributions and non-PAC advocacy and political allocations are variable depending on factors such as membership levels, participation, local advocacy needs, and application of political contribution rules. Amounts may vary from these estimates. However, percentages contributed to PACs by members and allocated to ALF for non-PAC advocacy and political purposes, taken as a whole, are consistent with prior years. Executive Committee Recommendation: Amend item 1.e. New Member Fee to be set at \$400 per new member, \$70 of which is the new member's direct contribution to IMPAC, and the balance is allocated to operating programs. The impact of the Executive Committee Amendment, if adopted, is summarized here: 1.a. C.A.R. Revenue: \$52,321,000 C.A.R. Expenses: \$50,385,800 Net Income (After Investment Income): \$1,935,200 **PASSED**

2. **ACTION ITEM** To approve for members in areas not serviced by local associations an additional \$50 in membership dues. This amount would be in excess of the dues approved for members coming through the local associations. Executive Committee Recommendation: Approve **PASSED**

3. **ACTION ITEM** That \$474,000 be approved for an additional 3 percent retirement contribution to the C.A.R. and REBS employee retirement plan for 2023, augmenting the previously approved budget of 10 percent. Executive Committee Recommendation: Approve **PASSED**

4. **REPORT ONLY** That C.A.R. adopt the "C.A.R. Operational Account - Investment Objectives, Policies and Guidelines" to allow staff to invest daily operational funds to generate higher returns while minimizing risk.

Transaction and Regulatory

1. **ACTION ITEM** That C.A.R., in conjunction with NAR, "OPPOSE" the proposed federal rule seeking to increase the capital risk-weight requirements for residential mortgages in lender portfolios for loans with down payments less than 20%. Federal Committee Recommendation: Approve **PASSED**

Young Professionals Network Task Force

1. **REPORT ONLY** That the proposed new YPN Forum Mission Statement be approved as follows: As the California Association of REALTORS® Young Professionals Network (C.A.R. YPN), we shape a diverse future for California's real estate landscape. We empower emerging real estate professionals through a culture of growth & mentorship to support leadership development, contribute to local associations, engage in advocacy, & propel REALTOR® success! Strategic Planning and Finance Action: Approved