

THE GAD REPORT

VOLUME 12, ISSUE 8 JULY, 2019

VOLUNTARY . . . BUT NECESSARY FOR YOU TO ACT NOW

If the bulk of this story looks familiar . . . It is.

This is the same article that ran on the front page of last months *GAD Report*. It's being repeated due to the importance and urgency for our members to act and invest in RPAC.

Let's start with the Large Donor Council. If you have been a member of this group of 225 statewide investors, you've received a letter from WRA asking you to renew your investment for 2019. If you are new to this, a Large Donor Council member (or Major Investor in NAR-speak) is an investment of \$1,000 to \$10,000, 70% being retained by you as a Direct

Giver and 30% going to RPAC. An LDC investment does not have to be paid all at once, however if you wish to be recognized at the WRA Convention in September, you'd need to be all paid up by August 16th. For the first time this year, you can use an American Express card for your investment.

If you prefer a Direct Giver investment, it's \$100 to \$999, with 100% of that investment staying under your control, you decide who get it and how much (you will be asked from time to time by WRA or your GAD to invest in a candidate running in our jurisdiction or elsewhere, you will never be asked to

support someone that does not support your interests). You can make your Direct Giver investment on a credit card or by check. You can always add to your investment at any time, a good example of that is when a candidate asks you to be a sponsor for their fundraiser, you can quickly add dollars via credit card to your Direct Giver account and support the candidate of your choice.

Support of local candidates for local offices is needed the most as these public servants are the ones that will most directly impact your day to day business. Read on Page 5 more about investing in RPAC.

NEW TIF DISTRICT COMING TO EAU CLAIRE CANNERY DISTRICT

The City of Eau Claire will propose to the City Council the addition of a new TIF district to encompass the area known as the Cannery District in order to encourage development in the area. There has been some development adjacent to the district with a new

Family Dollar, the Brewing Projekt and proposed apartments on the far south edge of the district. The new district will include a number of mixed use buildings, stores, single family housing with a decrease in the amount of green space from the original proposal.

RANWW wrote a \$15,000 grant to help fund the original engineering study for the bike trail that goes thru the property and a marketing video that was produced for the district. The new plans are under development and will be released soon.

HAVE YOU GOTTEN OUR TEXT MESSAGES?



NATIONAL ASSOCIATION of REALTORS®



REALTOR PARTY

VOLUNTARY, BUT NECESSARY, ACT TODAY! 1

NEW TIF DISTRICT IN EAU CLAIRE 1

SUPREME COURT RULING ON PROPERTY RIGHTS 2

TRUMP SIGNS ORDER FOR AFFORDABLE HOUSING 3

SCOTUS RULES ON GERRYMANDERING 4

WISCONSIN BUDGET PASS-ES, GOVERNOR TO REVIEW 4

MY THOUGHTS 7



The minimum investment to become a Direct Giver is \$100, that is 100% yours to invest as you see fit. Sign up today. Visa, Mastercard and American Express welcome.

SCOTUS RULING STRENGTHENS PROPERTY RIGHTS

The Supreme Court issued its ruling in the case of *Knick v. Township of Scott*, a decision which NAR believes will lead state and local governments to be more thoughtful and deliberate when developing laws or regulations that could infringe on Americans' private property rights.

Specifically, *Knick v. Township of Scott* declared that plaintiffs who have accused local governments of violating the Takings Clause of the

U.S. Constitution may proceed directly in federal court rather than first litigating in local circuits, overturning a 34-year old precedent set by a 1985 Supreme Court ruling.

"A property owner has an actionable Fifth Amendment takings claim when the government takes his property without paying for it," the Court's opinion reads. "The Fifth

Amendment right to full compensation arises at the time of the taking, regardless of post-taking remedies that may be available to the property owner. In sum, because a taking without compensation violates the self-executing Fifth Amendment at the time of the taking, the property owner can bring a federal suit at that time."

(Article continues below)

NAR/NAHB APPLAUDS RULING

As many REALTORS® are aware, property owners had previously been required to exhaust all remedies to receive just compensation for private property seizure in state court before they could escalate the case to federal court.

Going forward, property owners will have both state and federal court available to

redress their property rights. NAR expects this new development to prompt state and local governments to be more strategic regarding takings, especially in the areas of land use planning and environmental regulations, in order to avoid the uncertainty of litigation in federal court. Considerations surrounding compensation should intensify and increase, as well.



LEGISLATURE PASSES BUDGET

One day after the Assembly passed the 2019-21 budget by a vote of 60 to 39, the state Senate took up the same measure, an \$81.7 billion version that saw a number of Democratic amendments that would increase spending, taxation and add more to schools to bring the budget

more in line with the proposal Governor Evers wanted.

One of the amendments would have accepted money from the federal government to expand Medicaid under the Affordable Care Act.

The budget included more than \$100 million for the construction of a new science

building on the UW-EC campus, \$40 million to replace lead pipes and changes how big-box retailers are assessed for property taxes.

The bill passed 17 to 16. It now moves to Governor Evers desk where the sharpest veto pen in the country resides.



The average for a 30-year fixed rate mortgage in the United States is 3.73%, a 30-year low

TRUMP SIGNS EXECUTIVE ORDER FOR AFFORDABLE HOUSING

President Donald Trump signed an executive order on June 26 that establishes a White House Council tasked with identifying and removing barriers hindering the development of affordable housing.

In effect, he is "tearing down red tape in order to build more affordable housing," a White House release said.

The council will comprise

members of eight federal agencies and be chaired by **Department of Housing and Urban Development** Secretary Ben Carson. Its creation will "streamline inter-agency processes and deliver results even faster," the White House said.

This will require the council to meet with state and local leaders to identify issues impeding the

development of affordable housing, and to assess the impact of state, federal and local regulations on the cost of such development.

Among the specific issues the council will aim to tackle include ways to cut excessive costs in order to spur construction.

According to the White House, many of the markets that suffer (*continued below*)

NAR/NAHB APPLAUDS RULING

the most from a lack of affordable housing have the most restrictive state and local regulations. More than a quarter of the cost of building a new home is a direct result of regulation, the White House said, and this is has slowed the pace of single-family and multifamily construction so that it cannot keep up with new household formations.

According to the **Census Bureau**, only seven homes were built for every 10 households formed from 2010 to 2016.

To address the problem, the council will make regulatory recommendations designed to spur the development of more affordable housing.

"With the signing of the Executive Order, President Trump is prescribing a powerful treatment that correctly diagnoses the source of America's affordable housing condition: this is a matter of supply and demand, and we have to increase the supply of affordable homes by changing the cost side of the equation," said Carson. (*continued below*)

8 FEDERAL AGENCIES INVOLVED

The **National Association of Home Builders** applauded President Trump for making housing a top national priority.

"With housing affordability near a 10-year low, the president's executive order on this critical issue underscores that the White House is ready to take a leading role to help

resolve the nation's affordability crisis," said NAHB Chairman Greg Ugalde. The **National Association of REALTORS®** concurred.

"Four nearly four decades, U.S. household incomes have increased at a slower rate than home prices, a problem that was only made worse by the

Great Recession," said NAR President John Smaby.

"Today, despite historic economic growth and recovery, misguided regulations and gaps in new home constructions have stopped far too many Americans from purchasing a home."



WRA State Convention is September 10 & 11 in Wisconsin Dells, NAR National Convention & Expo is November 8-11 in San Francisco.

SCOTUS RULES ON GERRYMANDERING CASES

In a copyrighted story by Wisconsin Public Radio, reaction was swift to the Supreme Courts decision regarding partisan gerrymandering of political maps.

The U.S. Supreme Court ruled Thursday that federal courts don't have the power to decide cases related to partisan gerrymandering, effectively ending a Wisconsin lawsuit against legislative maps drawn by Republicans

in 2011.

The court ruled 5-4 that "partisan gerrymandering claims present political questions beyond the reach of the federal courts," in an opinion written by Chief Justice John Roberts.

The Supreme Court rejected the Wisconsin case in June 2018, but the door was left open to

future gerrymandering rulings that could affect the state's legislative maps.

Sachin Chheda, director of Fair Elections Project, which helped organize Wisconsin's lawsuit, said Thursday he was disappointed by the high court's ruling.

He said his organization will now push for change
(Continued Below)

COURT WON'T RULE ON MAPS

outside of the courts, including through proposals in the state Legislature.

"We're going to keep using the legislative and political processes to change how districts are drawn so we can have fair elections again in Wisconsin and across the country," he said.

Democratic legislative leaders in Wisconsin also decried the decision.

"Republican efforts to suppress voters, restrict voting rights and rig elections through gerrymandered maps have undermined the will of the people," said Senate Minority Leader Jennifer Shilling, D-La Crosse.

"Democrats will continue to champion non-partisan redistricting reform to empower citizens and restore fairness to our election process."

Assembly Minority Leader Gordon Hintz, D-Oshkosh, said Wisconsin's maps have "have created a complete lack of accountability (Continued Below)

WISCONSIN'S COURT CHALLENGE LIKELY OVER

restore fairness to our election process."

Assembly Minority Leader Gordon Hintz, D-Oshkosh, said Wisconsin's maps have "have created a complete lack of accountability for Republican legislators."

"The numbers confirm

that Republicans have built an impenetrable electoral wall around themselves with no consequences for their actions," Hintz said.

Gov. Tony Evers proposed a nonpartisan redistricting commission for Wisconsin in his budget. GOP lawmakers who control the state Legisla-

ture removed it from the spending plan.

But Republican leaders lauded the court's decision Thursday morning, including former Gov. Scott Walker, who serves as the national finance chairman for the National Republican Redistricting Trust, a conservative advocacy group on the issue.

12 Reasons to Renew Your Large Donor/Major investor Council Membership In 2019

1. In 2010, some appraisers and the City of Milwaukee wanted legislation passed that would prevent real estate licensees from giving **opinions of value** unless they had an appraiser's license. It didn't pass thanks to your help and the WRA's efforts to kill this legislation.
 2. In some states, local governments can **regulate brokerage services** that are currently regulated by state and federal laws. Not in Wisconsin! The WRA helped pass a law that prohibits local governments from interfering with Wisconsin license law.
 3. In some states, attorneys are required at every closing. Not in Wisconsin! Your right to use **state approved forms** was reaffirmed by the state Supreme Court, thanks to an amicus brief filed by the WRA.
 4. In some states and municipalities, state or local governments have **rent control** laws or ordinances. Not in Wisconsin! The WRA took the lead years ago and helped pass a law that prohibits local rent control.
 5. Some members of Congress wanted to eliminate the **mortgage interest deduction** for second homes. The NAR and WRA were successful in maintaining this deduction because of the importance of second homes to the real estate market in Wisconsin.
 6. Prior to 2016, Wisconsin REALTORS® could be sued up to six years after a closing. Today, we have significantly improved liability protection for real estate firms and agents by creating a **two-year statute of limitations** from closing.
 7. For years, some Wisconsin municipalities imposed expensive and unnecessary **time of sale requirements** on property owners. Not anymore! Wisconsin law now prohibits local time of sale requirements that would limit or impede a property owner's right to transfer property.
 8. For 30 years, the State of Wisconsin imposed **weatherization requirements** on rental properties. Not now! The legislature eliminated the rental weatherization program, which required weatherization of rental units and certification before the property was sold or transferred.
 9. Some Wisconsin municipalities prohibited homeowners from **renting their property** on a short-term basis. Today, we have a new law that protects the ability of homeowners to rent out their home by allowing local communities to regulate but not prohibit such rentals for seven days or more.
 10. Historic rehabilitation is a priority for communities across the State of Wisconsin. Through the efforts of the WRA and other allies, Wisconsin maintains the **state historic rehabilitation tax credit** up to \$3.5 million per project.
 11. Some Wisconsin cities imposed rigid and expensive **rental property inspection programs**. A new law limits the authority of municipalities to conduct inspections of rental property unless there is evidence of blight, high rates of building code complaints or violations, deteriorating property values, or increase in single family home conversions to rental units.
 12. Over the years, some state lawmakers have made several attempts to increase the **real estate transfer tax**. The WRA has stopped all these proposals, including the last proposal to double the transfer fee that would cost your seller hundreds of dollars on the sale of their home.
- This is only a small sample of our legislative successes at the State and Federal level, made possible by your contributions so we can support candidates who support our industry.



RANWW

Realtors® Association of
Northwestern Wisconsin



40th Anniversary 1979-2019

In recognition of the 40th Anniversary of your Association's Political Action Committee and the 50th Anniversary of RPAC, we are offering an opportunity to members to invest in RPAC thru the Direct Giver Program. This program will give you **100% control** of your Direct Giver dollars to invest in **local and state candidates**.

The investment is \$40 per month, charged to your credit or debit card to invest in candidates for partisan and non-partisan offices. REALTORS® Terry Weld and John Lor won election to the Eau Claire City Council, in part, with the financial backing of RPAC.

Support of local elections, and REALTORS® running for local offices is just one of the things RPAC does for you.

Have questions? Get answers by contacting Bruce King (bruce@ranww.org).



WRA now accepts American Express for RPAC investments! To set your investment up, use this link:

<https://secure.donationpay.org/wra/directgiver.php>



**REALTORS® ASSOCIATION
OF NORTHWESTERN
WISCONSIN**

3460 Mall Drive
Suite 5A
Eau Claire, WI 54701

Phone: 715-828-1976 home office/text
Phone: 715-835-0923 board office
E-mail: bruce@ranww.org

Bruce King
Government Affairs Director

WWW.RANWW.ORG

"OUR MISSION IS TO HELP OUR
MEMBERS BE MORE SUCCESSFUL IN
REAL ESTATE"

The REALTORS® Association of Northwestern Wisconsin is the largest association in terms of area, stretching from Millston, Whitehall and Fountain City to the south all the way to central Bayfield and southern Ashland county to the north. We are the fourth largest of the 19 Associations in terms of membership. Your Association covers 375 units of local government, monitoring a wide variety of issues that can and do affect you. In addition to local government, your GAD also monitors issues at the state and national level that will have a direct or indirect impact on housing and the industry, as well as legislation that can affect the consumer. Your Government Affairs Director works with members and affiliates to raise investment dollars for RPAC that help to support elected officials that support your business. RANWW is one of only three REALTOR® Association's in Wisconsin that have their own PAC, which was started 40 years ago to support candidates at the local and state level. We maintain a Facebook page, called "The GADabouts", that aims to keep you up to date on political issues that will affect your business. Your GAD also produces a periodic government affairs program posted on our YouTube channel, RANWWTV!!



MY THOUGHTS—BY BRUCE KING

Voluntary, but necessary.

That's the theme for our summer and fall RPAC fundraising efforts. Your Association is among the top in the state when it comes to LDC participation.

If it seems that you see a lot about RPAC in the pages of this publication, you do.

It's that important!

RANWW has an RPAC participation rate just over 40%, that's better than the state and national average.

That also means that *six out of every ten members do not invest a penny in RPAC!* Our RPAC goal for

2019 is \$50,000. That goal was set by WRA because it is a number that we have hit twice before. With 1000 members and affiliates (yes, affiliates can participate in RPAC), we need a mix of top producers, many of whom are asked to invest in the Large Donor Council, a level of \$1,000 up to \$10,000, we ask many of our members to become Direct Givers, an investment of \$100 up to \$999, with 100% of those dollars available to you to invest in the candidate(s) of your choosing (and occasional suggestions from your GAD and WRA!).

For new members, start out by investing \$35 as a voluntary investment on your fall dues billing statement. Since we have our own PAC, 40% of that \$35 comes back to us to support local and state candidates and do advocacy such as GOTV for spring and fall elections.

I cannot stress strong enough how important it is to support local and state candidates for office. These are the decision makers that influence your day to day work as a real estate professional. They need and deserve your support.

