



# UPSTAR

## PUBLIC POLICY MANUAL

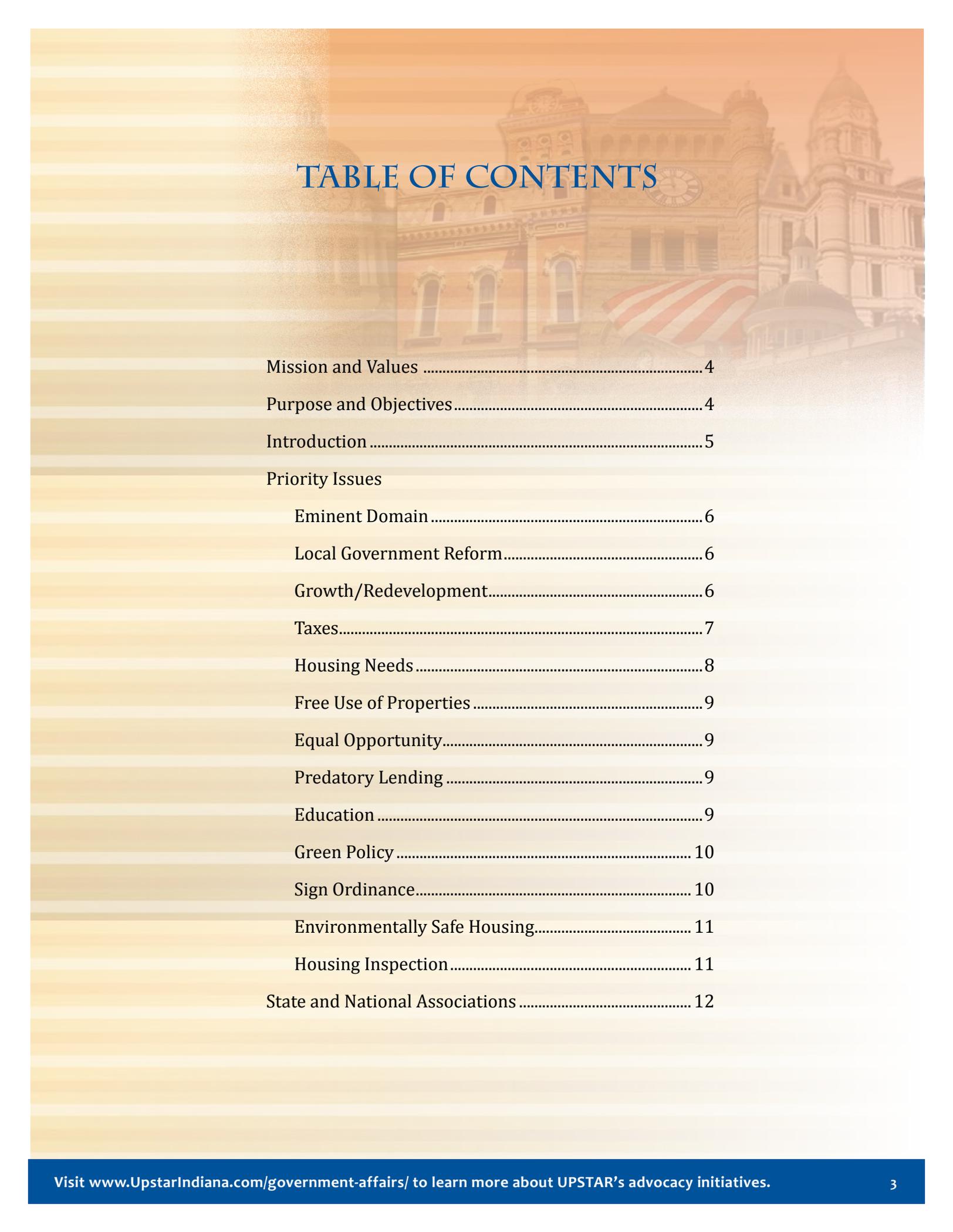
ADOPTED: SUMMER 2013

*Advocates for the Northeastern Indiana Homeowner Community*

**For Inquiries, contact Upstate Alliance of REALTORS®:**

**Address:** 3403 E. Dupont Road, Fort Wayne, IN 46825 | **TEL:** (260) 426-4700 **FAX:** (260) 422-9966

**WEB:** [www.UpstarIndiana.com](http://www.UpstarIndiana.com) | **EMAIL:** [Pone@UpstarIndiana.com](mailto:Pone@UpstarIndiana.com)



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*Owning a home is the culmination of many years of hard work and the realization of the American Dream.*

—Solomon Ortiz,  
former U.S.  
Representative



## MISSION

The Mission of the Upstate Alliance of REALTORS® is to provide its members with the technology, education and leadership necessary to conduct ethical and successful business while promoting, protecting and preserving real property rights.

## CORE VALUES OF THE ASSOCIATION

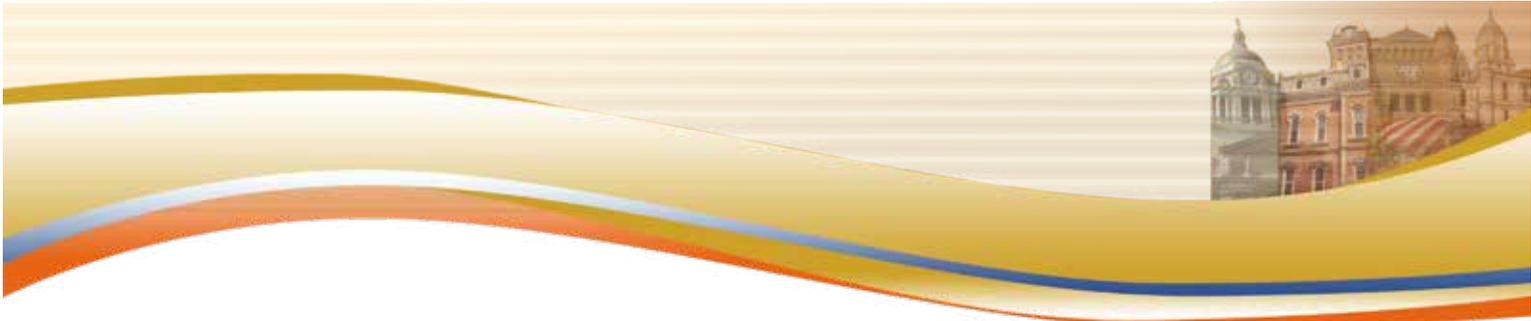
- Real estate consumers will be served by their REALTOR® through interactive technological systems that provide information relative to the sale, acquisition and transfer of real property.
- The opportunities for home and property ownership will be promoted, expanded and protected.
- The Upstate Alliance of REALTORS® will expect and promote professionalism, honesty and adherence to the Code of Ethics and will always strive to enhance the image of REALTORS®.
- The Upstate Alliance of REALTORS® will be the service center for REALTORS® and other individuals with significant interest in the real estate marketplace.
- The Upstate Alliance of REALTORS® will encourage membership in the association and the active participation of all members.

## GOVERNMENT AFFAIRS COMMITTEE OBJECTIVE

The objective of the Government Affairs Committee is to advocate for legislative and economic initiatives that promote and protect the rights of property owners and endorse northeastern Indiana growth.

## GOVERNMENT AFFAIRS COMMITTEE PURPOSE

- Expand the sphere of influence REALTORS® have on local, regional and state public policy by involving them in the political and regulatory process.
- Identify and monitor key local initiatives and public-policy issues at the municipal and regional level that could have impact on the real estate community.
- Lobby for change at the local and regional level and participate in and support initiatives and public-policy issues that affect the real estate community, when necessary.
- Recommend policy positions on local and regional issues that affect REALTORS®, homeowners and communities.



## INTRODUCTION

The Upstate Alliance of REALTORS® (UPSTAR), which is comprised of more than 1,700 members from Adams, Allen, Huntington, Jay, Wells and Whitley counties, represents the vast majority of professionals active in all phases of the local real estate industry. All REALTORS® have pledged allegiance to a strict Code of Ethics and Standards of Practice and are dedicated to protecting the free enterprise system and the right of individuals to own real property. To this end, UPSTAR members offer the benefits of their knowledge of real estate, their experience and their technical expertise to the public in general and the government in particular.

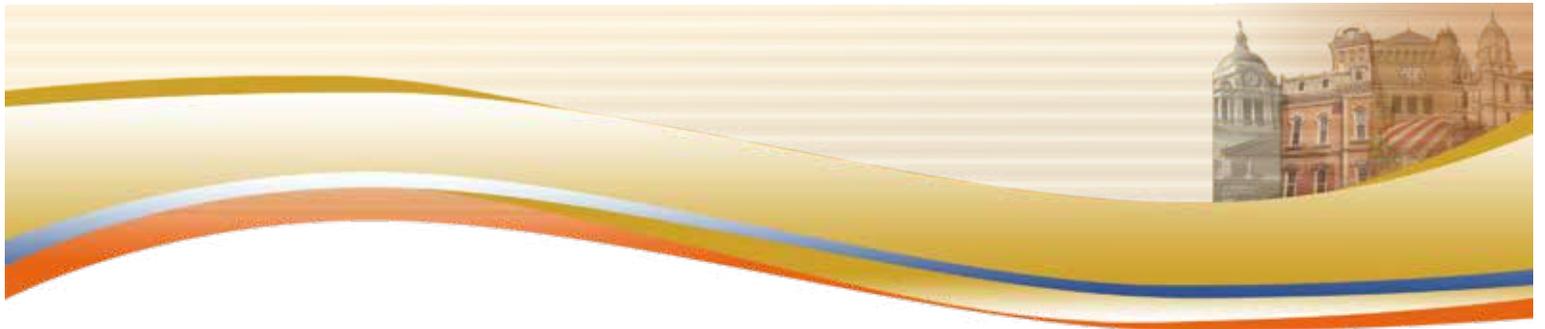
The mission of UPSTAR is to provide its members with the technology, education and leadership necessary to conduct ethical and successful business while promoting, protecting and preserving real-property rights.

UPSTAR is dedicated to protecting the right of individuals to own real property. Political stability and the economic prosperity of the community are dependent upon this ability, and UPSTAR opposes undue actions that diminish or deny the full and free exercise of this right.

### **UPSTAR members believe:**

- Homeownership serves as a cornerstone of the democratic system of government and that it deserves a preferred place in this country's values system. Homeownership impacts community, civic, economic and business responsibilities and contributes to employment stability, family security and personal well-being.
- Every individual should have the opportunity to live in a safe and vibrant community.
- Agricultural needs, along with social and economic factors, must be considered when developing land-use policies that will determine the future growth of the city, state and nation. A balance must be achieved, however, between environmental conservation and economic stimulation.
- All persons in the community should have the right to equal-opportunity housing. They should be able to rent or purchase their shelter of choice regardless of race, color, religion, sex, handicap, familial status or national origin.
- Active involvement in political activity is a privilege and is the responsibility of every citizen. UPSTAR encourages participation in political, governmental and legislative affairs at the local, state and national level and supports those candidates who, by their actions, pledge to preserve and strengthen the underlying principle of private-property ownership.





## PRIORITY ISSUES

### Eminent Domain

The mission of UPSTAR, in part, is to promote and protect the individual's right to own, transfer and use real property. Therefore, it is concerned with legislation that limits growth and/or impacts the right to own private property. As a result, UPSTAR supports the concept that individuals should have the right and opportunity to obtain real property with assurance that no government intervention will prohibit that right without just cause or fair compensation.

For that reason, UPSTAR's position on eminent domain is aligned with that of the National Association of REALTORS® (NAR). A high level of scrutiny must exist when eminent domain is used for public purpose because it infringes upon the rights of private ownership and how the specified land is to be used. However, there are special circumstances in which the use of eminent domain is required, and in those situations, the government must provide sufficient proof that the project to be completed is for the betterment of the community at large. When this is the case, UPSTAR and NAR members believe owners should be fairly compensated for their property and reimbursed for any additional costs incurred from the condemnation action.

### Local Government Reform

In this period of economic uncertainty and revenue limitations caused by property-tax relief, local governments must tighten the budget while at the same time, develop more efficient processes. The critical services provided by local governments must be maintained. That is why UPSTAR and the Indiana Association of REALTORS® support efforts to reform and streamline local government.

Maintaining the status quo may not be the answer. The 19th century system in place today made sense when it was established, but with today's technological advances, a new system must be created that works in the 21st century. This means different facets of local government must be evaluated and some processes streamlined.

### Growth/Redevelopment

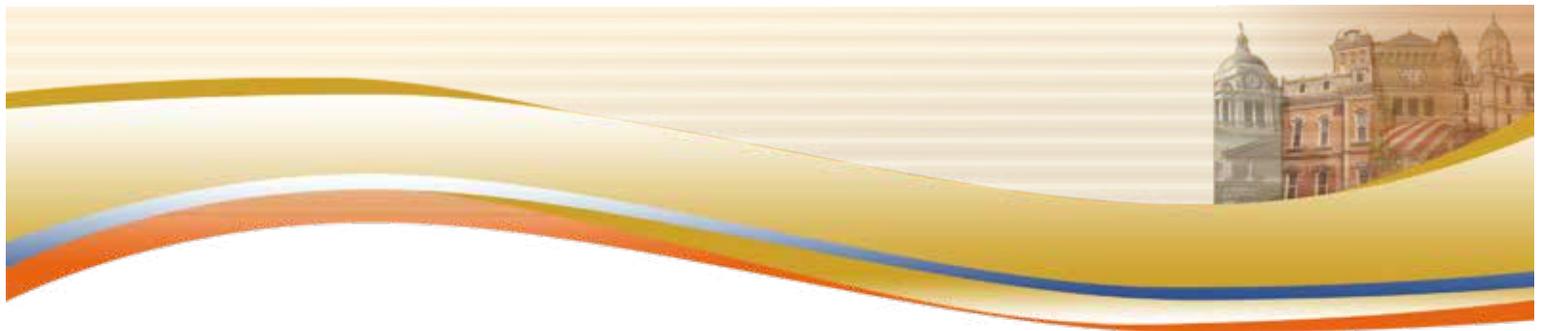
The best prescription for a healthy real estate market is the promotion of a strong national, state and local economy. UPSTAR members understand that smart growth and redevelopment are essential. But in order for communities to prosper, attractive real estate packages must be created in areas in which individuals want to live, work and play.

Properly conducted land-use programs can benefit communities. But planning efforts should not infringe on the basic rights of an individual to acquire, possess, transfer and use land. UPSTAR supports policies that provide the basic building blocks of a strong economy, and it supports local-incentive grants that allow communities to be competitive with other marketplaces.

*A man travels the  
world over in search  
of what he needs and  
returns home to find it.*

—George Moore,  
Irish novelist & poet





## Growth/Redevelopment (Cont'd)

Zoning must adequately provide for the needs of business and industry as well as housing. Provisions must be made for existing as well as new businesses, and the permit process must be efficient and fair.

### Annexation

UPSTAR supports annexation and encourages it because it provides basic services for city residents and because it can increase the tax base. However, the association also believes property taxes should never become a burden for home or business owners.

### Infrastructure

Infrastructure that supports growth must be continuously maintained and improved. UPSTAR members believe:

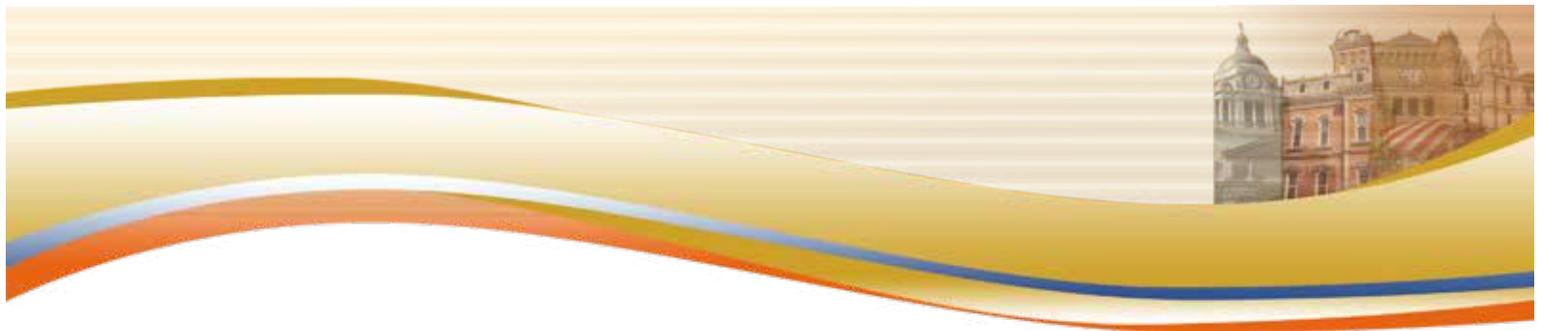
- Fort Wayne International Airport and smaller airfields, such as Smith Field and Auburn-DeKalb County Airport, should be retained and enhanced.
- Highway networks and streets must be maintained to allow easier access to areas where individuals work and families live and play.
- Adequate water and sewer infrastructures must be made readily available to ensure the community is viewed as attractive and as a “shovel-ready” development site.
- Energy sources must be readily available, safe and reasonably priced. Power lines and natural gas lines must be able to safely expand with minimum impediments.
- Schools, libraries, crime and fire prevention, hospitals and recreation amenities must be a focus to enhance growth and home ownership.

### Taxes

It is always necessary to meet budgetary requirements while keeping taxes to a minimum. UPSTAR members:

- Believe that proposals to tax real estate transactions or services create a detrimental effect on the housing industry and the economy in general, and therefore, the association opposes proposals that create additional taxes on real estate or real estate services.





## Taxes (Cont'd)

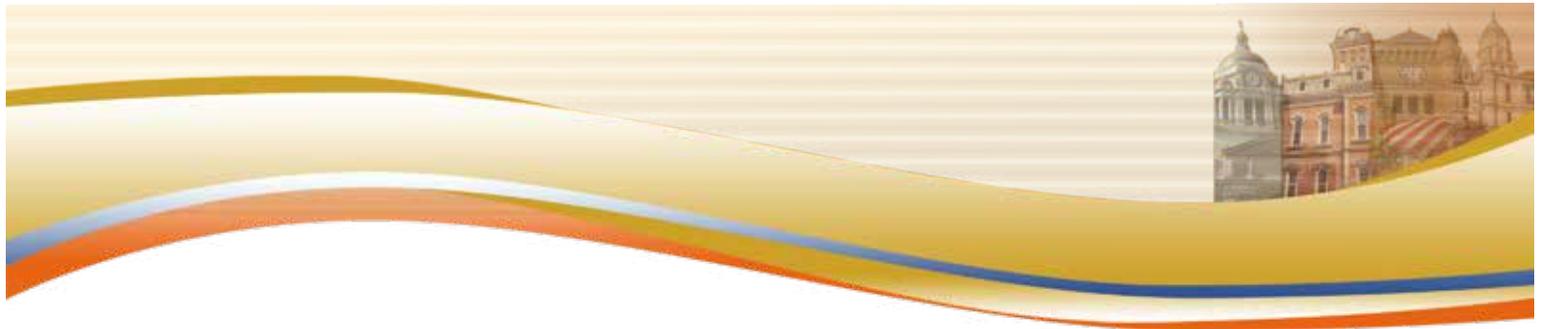
- Support tax reform that creates a predictable structure for homeownership. The property tax reform of 2008 gave much needed reprieve to Indiana's homeowners. Coupled with other tax reforms in recent years, Indiana home and business owners now enjoy a predictable tax climate. Those reforms included increases in alternative taxes to offset property tax cuts and to allow local units to increase income taxes to preserve valuable services. UPSTAR supports a constitutional amendment that permanently caps property taxes and protects economic certainty for home and business owners.
- Support creative alternative revenue sources, such as County Option Income Tax (COIT) and County Economic Development Income Tax (CEDIT). The association also supports the homestead and mortgage credits, the right to deduct mortgage interest and other similar homeowner incentives.
- Believe the effects of property taxes are regressive—that those with the lowest incomes pay the most. Low-income families pay a much higher percentage of their income to property taxes than high-income families. Furthermore, as individual or corporate incomes rise and fall, property taxes are adjusted independently of the taxpayer's financial circumstances.
- Support efforts to limit the growth of the fastest growing elements of the property tax, including school transportation, debt service, capital projects and libraries.
- Believe that property tax is the single largest state-controlled factor that directly impacts housing and property affordability.
- Support efforts to move control and administration of local income tax revenues (CEDIT, COIT and CAGIT) to the local level, where the government appears to be more accessible and responsive to its constituents.

## Housing Needs

One of the most basic needs for an individual or family is shelter. This means that the housing stock in area neighborhoods must be diverse and compliment the community's needs. UPSTAR members:

- Encourage consideration of programs that alleviate homelessness and encourage housing for low-income individuals and first-time home buyers—programs that can help instill the sense of pride and stability that comes with home ownership and increase the percentage of owner-occupied homes in area neighborhoods.
- Support and participate in the use of market-based incentives and public and private partnerships as vehicles for the promotion of housing affordability. When the government is involved, however, it must consider its fiscal responsibility to taxpayers.





## Free Use of Properties

UPSTAR opposes the adoption of rent-control legislation. The association supports and will defend the right of area residents to own property free of unreasonable controls.

UPSTAR members believe rent-control and regulation compliance expenses increase the cost of housing for consumers. These expenses are a disservice that hastens the deterioration and loss of existing housing, discourages the construction of new housing and increases costs for local government due to enforcement expenses.

## Equal Opportunity

UPSTAR members subscribe to a policy of fair housing and believe that equal opportunity can best be achieved through continued leadership and education, observance of the spirit, the letter of the law and through cooperation between the real estate industry and the public. UPSTAR members believe in an open housing market.

The Federal Fair Housing Law provides all people the right to freely choose where they will live without regard to race, color, religion, sex, handicap, familial status or national origin. The Upstate Alliance of REALTORS® supports the policy of the National Association of REALTORS®, which is to provide equal professional services to all people.

## Predatory Lending

UPSTAR is not supportive of any action that would be detrimental to the housing market in this community and opposes any action that can be conceived as predatory lending. There is a proper role that lending institutions play to maintain a vibrant market place. Therefore, UPSTAR supports anti-predatory lending initiatives that protect the public and help maintain a viable and thriving marketplace.

## Education

Creating an environment for school success is important to the real estate business, since high-performing schools positively impact home values and contribute to the vitality of the community. Conversely, schools in disrepair and those that consistently perform poorly can negatively impact the values of homes in the area.

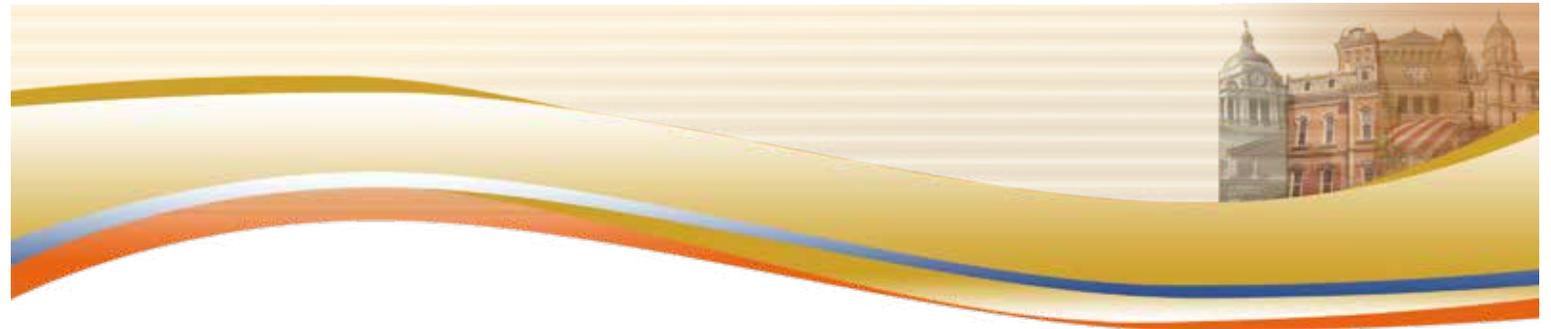
The quality of schools influences where people buy a home and what they pay for it. Buyers care about the reputation of local schools, even if they do not have children, because schools directly affect a home's resale value.

By emphasizing the importance of high quality schools, REALTORS® preserve and enhance the value of homes in our communities. Nevertheless, REALTORS® are advocates for homeowner rights. As such, REALTORS® must carefully evaluate school initiatives that impact the property taxes of homeowners.

*Private property was the original source of freedom.*

*—Walter Lippman, writer and political commentator*





We shape our dwellings, and afterwards our dwellings shape us.

—Sir Winston Churchill,  
British Prime Minister

## Green Policy

REALTORS® support and encourage principles of sustainability and energy conservation. In the global community, there is a shift toward environmentally friendly solutions, which REALTORS® believe should be supported through voluntary, incentive-based programs that positively impact the environment. Furthermore, these “green” initiatives should focus on three objectives:

- 1. To Education.** “Green” programs should provide property owners with the education and resources needed to improve their homes and save energy.
- 2. To Rely on Environmental Standards.** The programs should be based on established standards that mitigate environmental harm.
- 3. To Preserve Real Estate Assets through Market-based Incentives.** When it makes economic sense and reduces environmental harm, “green” programs should offer incentives for using sustainable materials in the construction of new buildings or for making energy efficient improvements to existing buildings. All participation should be voluntary.

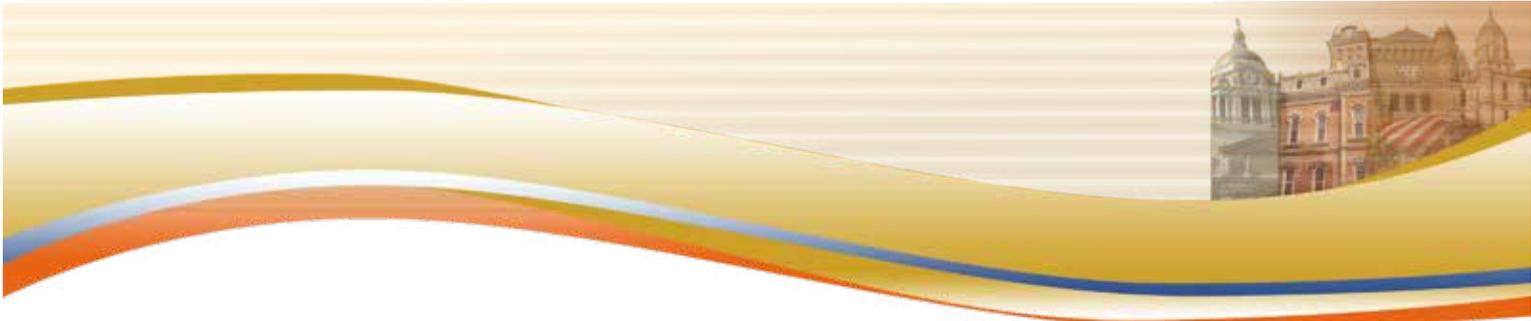
In support of these efforts, the National Association of REALTORS® has created a Green Designation that our members can obtain. This designation provides advanced training in green building and sustainable business practices. The designation will help REALTORS® understand and market properties with green features.

## Sign Ordinance

Even though UPSTAR opposes ordinances that would restrict or hinder REALTORS® from placing signs on “for sale” property or directing potential buyers to a “for sale” property, we understand that reasonable regulations will be placed on signage to keep our community visually appealing and promote public safety.

The right of homeownership grants the freedom to make full use of one’s property. The First Amendment of the U.S. Constitution guarantees our freedom of speech which gives property owners the freedom to display signs on their own property without government interference. Imposing fees for signs would create an unnecessary tax and additional financial burden on the property owner. There should be a reasonable balance between the needs of the seller, who requires signs to market their property, and the necessity to ensure that signs do not present a threat to public safety. Sign Ordinances should be consistent, objective and easily understood by all.





## Environmentally Safe Housing

Establishing standards that support environmentally safe housing is important to REALTORS® because it furthers the health and safety of our communities. Home preservation impacts a REALTOR®'S ability to conduct business effectively. Simply put, a well-maintained home is a key selling factor, which is why we advise property owners and sellers to accurately disclose information to perspective buyers and renters. REALTORS® will support efforts that detect sources of concern in properties for sale but will not support mandatory testing tied to each real estate transaction. For example, there are lead poisoning concerns associated with homes constructed prior to 1978, and the Federal Government has already put processes and procedures into place to address those concerns. While REALTORS® will not support mandatory testing during the transactional period; we will support efforts to identify the sources of contamination and to educate homeowners and residents on the remediation process.

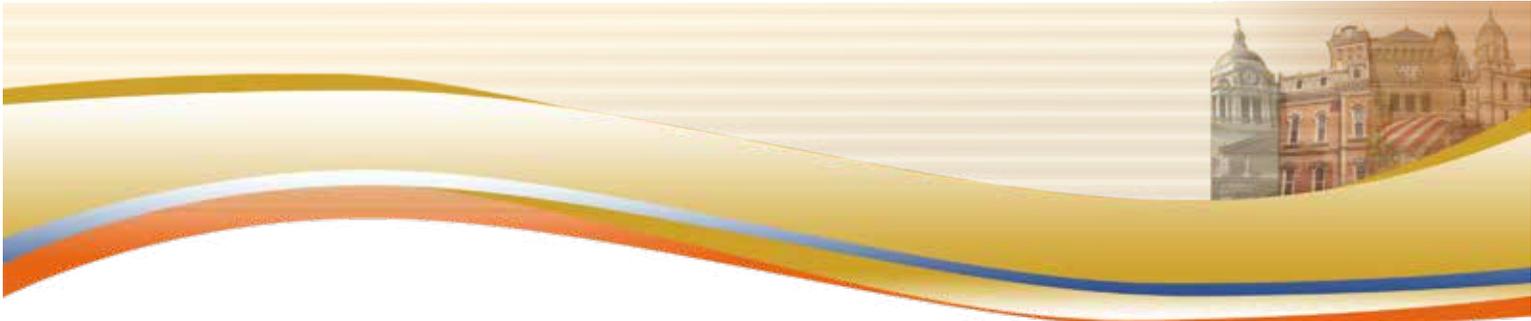
## Housing Inspection

UPSTAR makes it a priority to support efforts that maintain a healthy housing stock—one that offers a variety of housing types, is environmentally safe and is free of decay or impairments. The association does not believe that requiring housing code compliance at the point of sale or lease would effectively assist a community in maintaining a healthy and affordable housing market. Since only a fraction of a community's housing stock is up for sale or lease at a time, a mandatory inspection requirement would only affect a small percentage of houses sold in the community during a given year. Besides, REALTORS®, as a matter of practice, encourage their buyers to obtain a home inspection prior to the sale so that all parties are fully aware of the property status. If local municipalities wish to address the issue of a healthy housing stock on a broader scale, REALTORS® would wholeheartedly support the following three options, which we believe would prove more effective:

1. Local municipalities could focus their efforts on properties that have been identified as unsafe or impaired—apart from the transactional period.
2. Local municipalities could create ordinances that protect the health, safety, and welfare of the community and its property.
3. Local municipalities could establish voluntary programs designed to educate property owners and occupants on maintenance and housing code compliance issues—even programs that offer incentives for taking actions that improve and/or maintain the community's housing stock.

Property maintenance can be challenging during difficult economic times. A government mandate potentially requiring excessive maintenance to transfer property would place an even greater financial burden on homeowners and landlords. Doing so would make property ownership unattractive. Additionally, requiring inspections for a specific property type would be an infringement upon the private property rights of a single class of property owners. These steps are not advisable, and the REALTORS® community would not support actions that add undue burdens upon individuals.





## INDIANA ASSOCIATION OF REALTORS®

### Address

7301 N. Shadeland Ave.  
Indianapolis, IN 46250

### Phone Number

(800) 284-0084

Even though our primary focus is limited to our local jurisdiction, UPSTAR works closely with the Indiana Association of REALTORS® (IAR) on state issues. IAR support helps keep our members informed and engaged at the state level. During the early stage of the state legislative sessions, REALTORS® from around Indiana gather in Indianapolis to discuss a variety of topics. UPSTAR members take this opportunity to meet with legislative representatives to discuss our priorities. For updates and additional information, please visit the Indiana Association of REALTORS® Web site, [indianarealtors.com](http://indianarealtors.com) or [indianaishome.com](http://indianaishome.com).

## NATIONAL ASSOCIATION OF REALTORS®

### Chicago Address

430 N. Michigan Ave.  
Chicago, IL 60611-4087

### D.C. Address

500 New Jersey Ave. NW  
Washington, D.C. 20001-2020

### Central Phone Number

(800) 874-6500



Just as UPSTAR works closely with the Indiana Association of REALTORS®, the Association has the same connection with the National Association of REALTORS® on federal issues. Support from NAR allows UPSTAR members to stay informed and engaged at the national level. Every May, the National Association of REALTORS® hosts an annual convention in Washington D.C. at which REALTORS® from around the nation to gather to share ideas and discuss a variety of issues. NAR members engage with UPSTAR representatives at the federal level, and meetings are scheduled with congressional leaders to discuss legislative agendas. For updates and additional information, visit the National Association of REALTORS® Web site, [realtor.org](http://realtor.org).

