



Akron Cleveland Association of REALTORS® Legislative Issues



Guiding Philosophy

REALTORS® are dedicated, within the framework of a democratic free enterprise system, to place home ownership within reach of all who desire it. Home ownership positively impacts neighborhoods, communities, and northeast Ohio's economic stability.

REALTORS® support policies that encourage innovative housing opportunities for all, economic development, and the necessary infrastructure, while protecting the quality of life and the strength of our communities that have made northeast Ohio a desirable place to live.

REALTORS® are committed to the proposition that it is illegal to discriminate in the sale or rental of housing based on race, color, religion, sex, familial status, ancestry, military status, disability, national origin, sexual orientation, or gender identity. People are entitled to exercise and enjoy the benefits of housing without undue encroachment or intrusion by government or individuals.

REALTORS® subscribe to the policy of fair housing. We believe equal opportunity in housing can best be achieved through observance of the law, education, and cooperation of the real estate industry and the public in a free and open housing market.

REALTORS® believe that the administrative costs of government associated with the real estate industry should be paid from the appropriation of general tax revenues and not through the imposition of department-generated fees.



Energy Efficiency

Background

Federal, state, and local policymakers have been continuously considering a range of legislative and regulatory options to improve real estate energy efficiency. Local governments have also been looking for ways and incentives to help property owners make energy-efficient improvements to their real estate so that they can ultimately reduce their utility costs and carbon footprint.

Requiring energy labeling on every home and building in the region will not improve energy efficiency but could stigmatize older properties, complicating negotiations with misleading ratings and reducing property values. Local, state, and federal governments should find ways to provide incentives for property owners on a voluntary basis to take advantage of a cost-effective way for them to make energy efficiency improvements to their properties.

REALTORS® Position

- REALTORS® support improving energy efficiency through voluntary financial incentives, education, and other commercially reasonable alternatives in lieu of government mandate.
- REALTORS® are committed to the principles of sustainability, energy conservation, and the safe extraction of domestic energy supplies.
- REALTORS® recognize the value that green improvements and materials have, including reduced energy bills and increased asset value.
- To help advance an economically prosperous and environmentally sustainable future, REALTORS® are committed to supporting all commercially reasonable strategies with voluntary, performance-based incentives, including but not limited to energy-efficiency related improvement grants for low-to-moderate income property owners and energy-efficiency related financing options provided they are not predatory or negatively affect the overall mortgage market.



Housing Attainability & Availability

Background

It is important for governments at all levels to look for incentives to help expand the supply of attainable housing available for purchase by individuals with middle to low or fixed incomes. Homeownership strengthens communities and is an important mechanism for creating generational wealth.

ACAR supports local efforts that support and promote homeownership, including education programs, homebuyer incentives, homeowner incentive programs, and other tools designed to help homeowners.

REALTORS® Position

- REALTORS® support a concerted effort to reduce barriers to homeownership.
- REALTORS® oppose all efforts to increase transfer and recordation taxes as a means to increase general fund revenues and support the elimination of taxes on the transfer of property.
- REALTORS® support buyer assistance programs as an important avenue for people with low-to-moderate income and first-time homebuyers to purchase a home.
- REALTORS® support incentives to increase the supply of housing.
- REALTORS® support removing restrictions that limit residential neighborhoods to single-family housing.
- REALTORS® support increasing density as a way to promote increased access to attainable housing. Accessory Dwelling Units are an example of how a city can not only increase density but also housing opportunities.
- REALTORS® support updating antiquated zoning codes to increase attainable housing inventory.

Housing Attainability & Availability *(cont'd from p.1)*

- REALTORS® oppose moratoria on zoning for approvals designed to increase housing attainability.
- REALTORS® oppose moratoria on zoning for development designed to increase the supply of attainable housing.



Sign Ordinances

Background

The right of homeownership confers with it the freedom to make full use of one's property. The freedom of property owners to display signs on their property without government interference is a matter of free speech guaranteed by the First Amendment of the U.S. Constitution.

Imposing fees on "For Sale," "Sold," and other types of real estate marketing signs authorized by owners on their property is an intrusion on the right of property owners and an unnecessary tax.

Sign ordinances should strike a reasonable balance between the needs of buyers and sellers, who depend upon real estate signs to help market and sell homes, and the necessity to ensure that signs do not present a threat to public safety. Sign ordinances should be consistent and understood by all.

REALTORS® Position

- REALTORS® support sensible regulation of the size and placement of signs on private property.
- REALTORS® support reasonable regulation of the number, duration, and placement of signs in the public rights of way.
- REALTORS® oppose efforts by the government to impose additional burdens on the ability of property owners to market their property.



Transfer Taxes

Background

Approximately two-thirds of the 50 states, including Ohio, impose a tax or taxes on the transfer of real estate. A tax on real estate transactions should mean fewer transactions take place and then housing becomes less affordable. State and local governments should continue to investigate the possible negative impacts any increase in the transfer tax could have on county's and states' ability to provide ample housing choices for citizens of all income levels. They should be looking at broader-based taxes or fees as viable alternatives and more appropriate solutions to funding budgets.

REALTORS® Position

- REALTORS® strongly oppose taxes on real estate transfers because they inhibits the buying and selling of real estate and makes housing less attainable.
- REALTORS® strongly believe that any increase, or removal of current exemptions, cannot always be accurately relied upon. Therefore, government entities should be looking for alternative sources of revenue and not always relying on these real estate transfer taxes
- Transfer and recordation taxes are not a dependable source of revenues, and the revenue estimates cannot always be accurately relied upon. Therefore, government entities should be looking for alternative sources of revenue and not always relying on these real estate transfer taxes.



Impact Fees

Background

Impact fees, or development fees, are expenditures that developers are required to make as a precondition to approval of their projects. Impact fees are generally used to finance roads, schools, attainable housing, transit systems, and other projects and services in municipalities throughout the United States. The fees are passed on by developers to consumers in the price of a new property and, therefore, increase the cost of real estate development, and may prevent development altogether.

The imposition of impact fees discourages businesses from establishing or retaining residence in Cuyahoga, Portage, and Summit Counties, and makes housing less attainable.

Impact fees place the burden for funding public facilities on only one industry. However, the entire county benefits from these improvements. Good public policy allocates the financial responsibility for public facilities equitably.

Impact fees, in the form of excise, sales, and property taxes, are imposed on building materials for construction and site development. The builder passes these costs on to the consumer. This further increases the cost of new construction.

REALTORS® Position

- REALTORS® support the concept of impact fees so long as they are necessary and required for the success of a specific development.
- REALTORS® are committed to working with government officials to identify alternate means of financing additional public facilities such as tax credits for providing certain public improvements.



Infrastructure Investment

Background

Expansion of our ability to improve infrastructure, including but not limited to transportation systems, telecommunications, utilities, parks, public buildings, and energy, represents an important investment in the future growth of our economy and the quality of life in Northeast Ohio. By investing in these infrastructure components, the quality of life is maintained and enhanced. The failure of these systems to meet the growing demands placed on them may have a devastating impact on the region.

REALTORS® Position

- REALTORS® support necessary road improvements to facilitate efficient regional traffic.
- REALTORS® support the expansion of public transportation beyond its current termination points.
- REALTORS® support the construction of safe bikeways and sidewalks.
- REALTORS® support making infrastructure improvements an important priority in the local municipal and/or county budgets, tax policy, and incentives.
- REALTORS® support proactive upgrades to existing water, sewer, and all other underground public infrastructure systems.
- REALTORS® support continued investment in modern reliable internet infrastructure that ensures every community in the region can thrive in a connected world.



Local Housing Inspections

Background

ACAR believes in a housing market that consists of safe, diverse, and affordable homes that meet the needs of every buyer. In order to maintain a healthy market, the government must play a role. Specifically, ACAR supports a local government's authority to systematically inspect the exterior of all residential units located in that city's jurisdiction.

In order to effectively market properties, the neighboring houses must be well-maintained. In instances when a house falls into disrepair, the marketability of the entire neighborhood is compromised. As such, it is appropriate – and expected – that a city exercise its policing power to insist on the exterior upkeep of all homes in its jurisdiction, not just those that are for sale or rent.

ACAR believes that in order for systematic inspections of all residential properties (not just those for sale or rent) to be truly effective, a city must employ certain components to the inspection process.

REALTORS® Position

- REALTORS® support using a clear, concise list defining items that are subject to inspection must be developed by a city and uniformly applied for every inspection conducted by a city inspector.
- REALTORS® support limiting items subject to inspection to those that will directly pose a health, nuisance, or safety risk.
- REALTORS® strongly recommend that the city inspector who conducts the initial inspection also conduct follow-up inspections, thereby allowing for more uniform application of the inspection.
- REALTORS® oppose adding new violations to the original inspection report. If, upon re-inspection, a health/safety violation has developed, the City shall not prevent or slow the transfer of the property.
- REALTORS® believe a city should never require an amount to be placed into escrow in an instance when repairs are necessary.
- REALTORS® support a city's obligation to only charge an amount that is equal to the cost of performing the service, rather than padding a city's operating fund by burdening homeowners with exorbitant fees.
- REALTORS® support a city conducting follow-up inspections in a timely fashion, not to exceed five (5) business days from when notification was given that violations have been fixed.
- REALTORS® believe inspection provisions must comply with the Fourth Amendment. An inspection provision should: (1) clearly set forth the scope of the inspection; (2) require that reasonable notice be provided; and (3) not punish an owner for refusing to give entry to an official who does not have a warrant.



Vacant Property Registrations

Background

Given the negative impact vacant properties have on neighboring homes' values, ACAR encourages the members to notify city officials of potential health, nuisance, and safety risk properties.

ACAR believes that in order for a community's housing stock to be safely maintained, a city should employ certain components designed to protect property values. If a municipality believes that enforcement of maintenance codes already on the books is not enough to ensure the health, safety, and general welfare of a neighborhood, ACAR strongly recommends that the following items be considered before a Vacant Property ordinance (VPRO) is proposed.

REALTORS® Position

- REALTORS® support a VPRO that clearly states which properties are subject to ordinance provisions and what exactly triggers a property registration. Clarity will allow for fairness and alleviate due process concerns.
- REALTORS® support a city's obligation to only charge an amount that is equal to the cost of performing the service, rather than padding a city's operating fund by burdening homeowners with exorbitant fees.
- REALTORS® should not be liable under any VPRO. It is customary and usually fair for a property owner or occupant to bear legal responsibility for ensuring that a property complies with maintenance standards and registration requirements. It is unfair to treat REALTORS® as if they are the owners and make them responsible for ensuring compliance.
- REALTORS® believe maintenance standards for the vacant property should be clear, and property owners should understand what exactly is required of them while the property is vacant.
- REALTORS® recommend that fines or other civil penalties should be clearly defined and fairly applied. The official responsible for imposing penalties should be given the authority to waive or suspend penalties in appropriate circumstances.
- REALTORS® believe inspection provisions must comply with the Fourth Amendment. An inspection provision should: (1) clearly set forth the scope of the inspection; (2) require that reasonable notice be given; and (3) not punish an owner for refusing to give entry to an official who does not have a warrant.



Sheriff Sales

Background

Moving properties from foreclosure back to the market is incredibly time-consuming and full of unique challenges and delays. Sheriff's sale transactions are critical to the overall health of the real estate market. Fundamental to this position is ACAR's desire to preserve or improve the valuation of our neighborhoods and simply make the judicial process more efficient.

REALTORS® Position

- REALTORS® support and encourage open communication between all parties involved, including attorneys, REALTORS®, the Sheriff's department, the Fiscal Officer, and other agencies, to resolve outstanding issues.
- REALTORS® support an easily accessible and understood

website detailing the progress made on properties going through the Sheriff's sale process.

- REALTORS® support expedited communication with appropriate parties when an issue is discovered that could delay the sale process.



Public Schools

Background

The quality of public schools influences where people buy a home and what they pay for it. Buyers care about the reputation of the schools because they know that schools directly affect a community's vitality as well as its property values.

School quality depends on a variety of factors. The most basic definition of a quality school is one that provides a clean, safe environment with up-to-date facilities and equipment – an environment that is conducive to learning and brings out the best in both teachers and students. Such schools enhance the overall quality of life, strengthen communities, and attract new life to the neighborhoods that surround them. Quality schools require public involvement – including the involvement of REALTORS®.

Based on the 2024 National Association of REALTORS® (NAR) Profile of Home Buyers and Sellers, 16% of recent buyers cited the quality of the school district as an influencing factor in their neighborhood choice.

REALTORS® Position

- REALTORS® encourage the General Assembly to resolve the unconstitutionality of school funding and the impact it has on homeowners.
- REALTORS® support accountability in our system of school funding by requiring local school districts to go to the electorate in order to obtain increases in real estate taxes.



Residential Rentals

Background

Either by choice or other circumstances, some people may not want to be able to purchase a home. Rental property owners offer a valued service to provide housing to those individuals and families.

Rental property often serves as transitional housing for those saving and preparing for homeownership and can help stabilize housing markets and communities during economic downturns. For residents and communities, it is important that rental properties are safe and adequately maintained. The overwhelming majority of investment property owners provide safe housing options and maintain property(s) in a responsible manner. Thus, rental housing should be viewed through the lens of private property rights, similar to other types of housing.

REALTORS® Position

- REALTORS® support holding all property owners accountable for maintaining property(s) in accordance with reasonable health, nuisance, and safety guidelines without violating the private property rights of the owner.
- REALTORS® support a city's need to know the identification of the party responsible for property maintenance and other health, nuisance, and safety issues via a cost-effective process to collect responsible party contact information.

- REALTORS® oppose any type of city-mandated property inspection without due cause to believe problems exist on the property. Every effort should be made to enforce existing municipal maintenance codes equally upon all properties, regardless of occupancy type.

- REALTORS® oppose licensing, in lieu of current rental registration policies, as it generally decreases due process rights of property owners and discourages investment in communities through costly fees, which are inevitably passed on to tenants.

- REALTORS® support voluntary programs to educate both tenants and landlords about proper property maintenance and code requirements, their rights and recourse in cases where maintenance is necessary or where other disagreements exist.

- REALTORS® do not support "Agent in Charge" legislation whereby a city holds real estate agents accountable for property maintenance, financial and legal obligations and other responsibilities reserved for the property owner(s).

- REALTORS® oppose banning short term rentals, whether citywide or limited in scope, on the ground that it would deprive affected property owners of their core right to rent their property on a short-term basis.

- REALTORS® believe the length of the term of a rental should not impede an owner's right to use the property as they see fit.

- REALTORS® believe, regardless of whether a home is occupied by an owner or renter, and regardless of whether the occupancy is long-term or short-term, the use of a single-family or multi-family (1-4 units) property for living purposes is a residential use. Therefore, any zoning ordinance that regulates these properties differently based solely on the occupant's interest in property (owner or renter), or the duration of the occupancy (short-term vs. long-term)—as short-term rental regulations do—violates the fundamental principle that zoning deals with land use, not the user of the land.

- REALTORS® believe it is incumbent on any property owner to ensure tenants are aware of local regulations such as nuisance activities, HOA policies, etc. ACAR will work with interested parties to develop helpful resources for the public to utilize.

- REALTORS® believe voluntary programs such as Housing Choice Vouchers are a valuable resource for residents in need of housing assistance. However, we oppose local governments mandating property rights. Instead, REALTORS® support improvements to the program itself that would encourage greater participation by all.

- REALTORS® oppose placing limits on the number of unrelated persons residing together, as it is a violation of private property rights and equal protection and has been found to be unconstitutional (*Yoder v. City of Bowling Green*). Ohio homeowners have a constitutional right to manage a rental lease agreement free from "unreasonable and arbitrary government interference."

- REALTORS® oppose rent control and rent stabilization laws on both residential and commercial properties. Rent control lowers the value of rental property, and it affects a community's tax base by causing a disproportionate shift of tax burden to other real estate and potentially curtails vital municipal services.

Other Real Estate Related Issues

Although this manual addresses several key areas of the real estate industry, there are many others not cited. The Akron Cleveland Association of REALTORS® has toolkits available on topics related to diversity, housing opportunity, smart growth, public school, and infrastructure.

Additionally, ACAR and its Legislative Committee welcome the opportunity to meet with government leaders who to craft their guidelines after those recommended by ACAR and will actively engage its internal resources and our nearly 6,500 members to support those public officials who share our viewpoint of real estate-related issues.



The Voice of Real Estate in Northeast Ohio

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