



Akron Cleveland Association Fights Troubling Rental Housing Proposals Using NAR's Land Use Initiative—*March 2014*

Before last year, the Akron Cleveland Association of REALTORS® (ACAR) had left matters of rental policy to other entities that specialized in rental issues, like organizations of tenants or property managers. But when first one, and then another, local ordinance was proposed that would significantly and adversely affect its members involved in property management, as well as many property owners and potential homeowners, ACAR didn't hesitate to take the lead on taking on City Hall.

Jamie McMillen, Government Affairs Director of the 5,000-member association, explains that there had been lots of recent action on rental policy in the region. "Communities were looking to make sure that properties were well maintained, and of course we have no problem with that. But it also seemed to be a case of certain policy experiments 'growing legs' and gaining widespread approval without adequate analysis," she notes.

In March, when the City of Bedford Heights proposed creating an 'Agent In Charge' for each rental property, ACAR was concerned that REALTORS® pressed into such a role would be taking on excessive liability, and that costs of licensing and administration would be passed on to the tenant, all without any clear benefit to any party. "This is a community that is trying to attract businesses, yet the inevitable increase in rental costs would be counter to the goal of having accessible housing available for the workforce," says McMillen.

In consultation with ACAR's REALTOR® Party Liaison, McMillen submitted the draft ordinance for review by NAR's Land Use Initiative (LUI) service. Robinson & Cole, the law firm retained by NAR to review policy and legislation pertaining to land use and growth management, confirmed ACAR's misgivings about the ordinance and discovered further questionable points.

A letter from ACAR to the Mayor of Bedford Heights detailing its concerns based on the LUI analysis got the ordinance tabled. "Rental policy is a new field for us," says McMillen, "so it's good to have the back-up of a law firm. Some of the issues involved in these proposed ordinances were a matter of common sense, but the expert legal analysis elevated them to matters of law, which carry much more weight than the opinion of a single professional organization."

Several months later, the City of Fairlawn proposed its own set of new ordinances governing rental properties. These included landlord licensing; mandatory interior inspections; and, most troubling, a statute prohibiting rental to any person with a household member who had engaged in a pattern of 'neighborhood integrity violations.' This last ordinance raised a big red flag with respect to the Fair Housing Act.

Again, ACAR submitted the draft ordinances for LUI analysis. A letter detailing the organization's many concerns was shared with the mayor and council, and ACAR's CEO, Sandy Naragon, presented its concerns before a City Council hearing, after which the ordinance was referred back to committee. Says McMillen, "I have to believe that that outcome was all due to our comments based on the Land Use Initiative review."



As more and more local and state laws governing property management are coming to the fore, ACAR is making sure its members are up to speed and protected. "We recently convened a property management work group for REALTORS[®]," says McMillen. "Our Legislative Committee has established a Rental Task Force, and will be adding an official rental policy to the association handbook this year." As Bedford Heights and Fairlawn are only two of the over 90 municipalities that ACAR monitors, she is sure the association has not seen the last of the new wave of rental ordinances. When future measures are proposed throughout the greater Cleveland region, she will know what to do -- and she is glad to have the REALTOR[®] Party on her side.

To learn more about how the Akron Cleveland Association of REALTORS[®] has been using NAR's Land Use Initiative to help protect the rights of renters and property owners alike, contact its Government Affairs Director, Jamie McMillen, at jmcmillen@akronclevelandrealtors.com or 216-525-4834.



The City of Fairlawn was one of the municipalities under ACAR's jurisdiction proposing onerous rental ordinances.