

Williamsburg Area Association of REALTORS®

Monthly Public Policy Report

DECEMBER 2014 - JANUARY 2015

Local Issues

City of Williamsburg

On November 20, 2014, more than 100 guests, area dignitaries and City staff joined Mayor Clyde Haulman at the Williamsburg Community Building for the annual State of the City address. Read the full text here <http://www.williamsburgva.gov/index.aspx?page=997> or watch the delivery here http://williamsburg-va.granicus.com/MediaPlayer.php?view_id=2&clip_id=549.

In mid-November, City Council approved the 2015-2016 Goals, Initiatives and Objectives (GIOs), which are approved every two years to advance the City's vision and identifies new strategic objectives for the City. The GIOs provide an outline of City priorities covering a two-year period and long-term objectives are expressed in terms of the City hopes to accomplish in the next two years. WAAR participated in the GIO process and provided input on housing, community character and redevelopment opportunities. For more information on the process and on the GIOs, check out details at <http://www.williamsburgva.gov/index.aspx?page=115>.

James City County

The James City County Comprehensive Plan is in the policy development stage of the update process. The Planning Commission Working Group (PCWG), which consists of the full Planning Commission and one member of the Community Participation Team (CPT), is tasked with considering the citizen comments collected by the [CPT](#) along with staff's research, statistics and reports on the various sections of the County's draft 2035 Comprehensive Plan, to develop policies and create the actual final Plan text, goals, strategies and actions.

The PCWG has scheduled the following meetings and topics for the month of January. All meetings will be held in Building F of the James City County Government Center and will begin at 4 p.m.

Jan. 15	Transportation and Final Review of Sections
Jan. 22	Final Review of Sections, continued and Preparation for Joint Work Session
Jan. 27	Joint Work Session with Board of Supervisors – Transportation and Land Use Applications/Descriptions

The Comprehensive Plan is the County's master plan for guiding future growth. It is reviewed every five years and is used to evaluate development proposals and guide the decisions of County departments over the next 20 years. It covers all aspects of the community, and the 2035 Comprehensive Plan review will specifically focus on economic development, transportation and land use. WAAR's Legislative Consultant, Susan Gaston, served as an appointed member of the CPT.

For more information about the Comprehensive Plan review, visit jamescitycountyva.gov/comprehensiveplan.

Congratulations to new County Board of Supervisors Chairman Mike Hipple and Vice Chairman Kevin Onizuk! We look forward to working with you!

State Issues

The 2015 Session of the General Assembly of Virginia convenes on Wednesday, January 14th, for a 45-day “short” session, and WAAR’s Legislative Consultant will be your eyes and ears and your boots on the ground! VAR, with input from local Associations and local Governmental Affairs Directors, is putting the final touches on its 2015 Legislative Package. Included in our initiatives for the Session will be:

- Property/Condominium Owner Associations
 - Prohibition of fees not allowed under state code
 - Right of rescission exemption for auctioned properties to include newly constructed condos
 - Prohibition on limiting or prohibiting rental units in POAs...just to name a few
- Adding to the “buyer beware” list of disclosures that purchasers obtain a flood certification report on a prospective property purchase
- Increasing REALTOR® safety and vulnerability by seeking legislation to add a separate felony charge to individuals who knowingly lure REALTORS® into unsafe circumstances that could lead to assault, rape, and even murder.
- Stormwater Management Facility to be added to Property Disclosures
- Technical amendments to the Virginia Residential Landlord-Tenant Act
 - Judicial Interpretations of property managers and family trusts
- Consumer Recovery from the Real Estate Transaction Recovery Fund

MARK YOUR CALENDARS for the 2015 REALTOR® Day on the Hill Event! Scheduled this year for Wednesday, February 11th, WAAR members are encouraged to come to this long-standing advocacy day that puts you in from of your legislators, and gives you the opportunity to lobby for your industry! Speakers are being lined up, the room is reserved and the food has been ordered! Call WAAR to sign up to make sure we have you all set, and register for the one-day ticket for the VAR Get Active Conference/REALTOR® Day on the Hill at <http://www.varealtor.com/GetActive>. Lunch and the AMAZING Legislative Reception at The Jefferson are included. More details will be forthcoming.

Each week during the Session, be sure to look for the *WAAR LEGISLATIVE LINE* that will give you the latest news on VAR’s bills, other legislation we are tracking, the legislators, the state budget, the Administration.....it always is chock-full of info that will keep you up-to-date on the latest news out of Richmond. Look especially for Calls to Action so that you can weigh in on critical issues!

Federal Issues

FHFA Changes GSE REO Policy

On November 25th, 2014, FHFA Director Mel Watt announced that he would be directing the GSEs to alter REO policies that would allow all qualified buyers to purchase current Fannie Mae or Freddie Mac REO inventory at market value. The change will allow previous homeowners who have been through foreclosure to purchase their home back at current market value, if available. In addition, the change will also allow third-party purchasers to purchase the property on the previous homeowners' behalf. Current financing rules still require a borrower who has been through foreclosure to wait 3

years before becoming eligible for a GSE conventional loan. Read the FHFA report here: <http://www.fhfa.gov/Media/PublicAffairs/Pages/FHFA-Directs-Fannie-Mae-and-Freddie-Mac-to-Change-Requirements-Relating-to-Sales-of-Existing-REO.aspx>

FEMA Creates Interim Advocate Office

The Federal Emergency Management Agency (FEMA) recently announced the launch of the Interim Office of the Flood Insurance Advocate, led by the Acting Flood Insurance Advocate, David Stearrett. NAR strongly supported the creation of the Advocate's Office during congressional debate of the Homeowner Flood Insurance Affordability Act (HFIAA).

The Interim Office will offer specialized assistance to citizens and policyholders on National Flood Insurance Program (NFIP) issues, as well as regional mapping outreach and education support. To best carry out its mission, duties and responsibilities (subject to budget resources), the Interim Office will be an independent office within FEMA and report directly to the Associate Administrator and the FEMA Administrator.

The Acting Advocate will focus on assisting the public as they navigate through the National Flood Insurance Program (NFIP) to address specific public inquiries or concerns and will also develop a long-term regional mapping outreach and education strategy. NAR will continue to work with Congress to ensure the Advocate's Office has sufficient budgetary resources to fulfill its critical mission.

NAR Continues Push on Premiums

NAR continues to push FHA to lower the mortgage premiums. Today, FHA fees make up nearly 25 percent of a monthly mortgage payment. NAR has been supportive of HUD's plans to develop a new program called Homeowners Armed with Knowledge (HAWK) that would reduce premiums for first-time buyers who participate in homeownership counseling. Unfortunately, Congress eliminated the program as part of the "Cromnibus" Appropriations bill that funded much of the government through September 30, 2015. ("Cromnibus" was the term used to describe the Continuing Resolution -- known as a CR -- that would extend the federal budget and keep the federal government running rather than face a government shutdown.)

Last week, NAR testified before the Senate Banking Committee about the high costs of FHA. FHA is charging borrowers historically high rates and requiring them to pay mortgage insurance for the life of the loan, with no opportunity to cancel other than to refinance into a non-FHA product. NAR believes this is simply disenfranchising the typical FHA borrower, and preventing a significant portion of qualified borrowers from buying a home.

Before leaving for the holiday recess, Senator Barbara Boxer (D-CA), in concert with NAR, worked with 17 other Senators to send a letter to HUD Secretary Castro asking him to set FHA premiums at a level that "balances both sustainability and affordability." We will continue to work with FHA and Congress on reducing these historically high costs for American families.

Should you have questions on these or other issues, or for additional details, please contact Susan Gaston, WAAR's Legislative Consultant, at 757-871-1445 or at susan@gastongroup.com.