



# FAA Government Affairs

2005-2006

## OVERVIEW

Since 1993 the Florida Apartment Association (FAA) has hosted an annual "Legislative Days" conference during the regular session of the Florida Legislature, bringing apartment industry leaders together to advocate multifamily housing interests with key legislators in Tallahassee. Through the years, significant advances have been made that have contributed to a more successful business climate and apartment industry success.

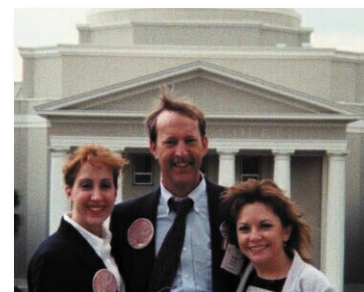
Each year, the Florida Apartment Association works on dozens of bills that affect property owners, developers and managers. In a perpetual effort to ensure that our members are able to offer the best and most affordable housing possible, while allowing the industry to remain profitable in an increasingly complex political and regulatory environment, FAA staff and volunteers work together to achieve legislative results.

## CULTIVATING RELATIONSHIPS

FAA works with a diverse network of collaborators to promote the multifamily housing industry. While some collaborators can also be competitors, and occasionally even adversaries, the long term relationship building efforts of FAA have resulted in the level of cooperation necessary to realize significant legislative achievements.

*Among the groups that FAA has established key legislative relationships with are:*

- Building Owners and Managers Association
- Florida Association of Realtors
- Florida Association of Residential Property Managers
- Florida Construction Coalition
- Institute of Real Estate Management
- National Apartment Association
- National Association of Industrial and Office Properties
- National Multi Housing Council



## REPRESENTING THE APARTMENT INDUSTRY

FAA has been an active member of the Division of Hotels and Restaurants Advisory Board, the policy-making body that regulates the apartment industry in Florida. FAA has worked to increase the influence of the apartment industry within the Division. FAA helped the Division overcome an enormous budget deficit, reduce the number of inspections, and privatize the division's education programs.

In a move symbolic of FAA's growing influence within the industry, the DBPR's Division of Hotels and Restaurants Advisory Committee held their annual meeting in conjunction with the 2005 FAA Education Conference in Boca Raton.

## USHERING IN A NEW ERA

In an historic advance, FAA acquired its first Government Affairs Director in 2005 to coordinate and communicate the efforts of the leadership, lobbyist, attorney, and numerous volunteers who contribute to the government affairs efforts. And in another move symbolic of FAA's increasing prominence on the national scene, FAA was selected to host the 2006 National Government Affairs Roundtable in which industry government affairs experts from around the United States will gather to brainstorm and exchange best practices in Florida.

## Member Involvement

Make Your Voice Heard - Your Opinions Count!

FAA depends on its members, representing over 400,000 apartment units in the state, to provide critical and strategic input to the legislative processes. Your participation in the annual FAA Legislative Days Conference during the legislative session in Tallahassee is very important to the passage of favorable legislation each year and the defeat of unfavorable legislation.

In addition to your phone calls, emails and letters, we derive input through the following established systems and processes. You should know that your opinions and suggestions are always invited and welcomed at any point in these processes:

- FAA Legislative Committee - Meets by conference call (monthly or as needed)
- FAA Board of Directors - Meets throughout the State (Four times each year)
- FAA Legislative Days Conference - Meets in Tallahassee (March 28th & 29th, 2006)
- FAA Government Affairs Roundtable - Meets at the Annual Education Conference (August 23rd, 2006)
- FAA Legislative Strategy Session - Meets in Orlando (November or December)

Please consider taking an active role in shaping the future of the apartment industry by getting involved or designating a decision-maker from your company to get involved.

### FAA officers

#### President

**Kathy Ratchford, CAM, CAPS**  
United Dominion Realty Trust

#### President-Elect

**Mark Decker, CPM**  
Northland Investment Group

#### 1st Vice President

**Rod Graber, CPM, CAPS**  
Edgewood Management

#### Treasurer

**Brenda Gallagher**  
Horizon Realty Management

#### Secretary

**Mark Ogier, CPM**  
Contravest Management Company

#### Associates' Vice President

**Brad Beyerlein**  
Cort Business Services

#### Immediate Past President

**Mark Smith**  
Smith Equities Corp.

#### Past President

**Teri Allen, CPM, CAPS**  
The Marquis of Tampa

#### Past President

**David Watkins**  
Greystar Management Services

#### Executive Vice President

**Marjorie Cook**  
Florida Apartment Association

#### Government Affairs Director

**Gary Scarboro, CAPS**  
Florida Apartment Association

#### General Counsel

**Harry Heist, Esquire**  
Law Offices of Heist, Weisse & Lucrezi, PA

#### State Lobbyist

**Jodi Chase, Esquire**  
The Chase Firm

[www.fl-apartments.org](http://www.fl-apartments.org)

# ACCOMPLISHMENTS

You win some, you lose some...and persistence pays. FAA has been a tireless leader in advocacy for the apartment industry, and its staff and volunteer efforts have resulted in some major accomplishments for the apartment industry. Accomplishments here are defined as passing legislation, changing legislation to favor the apartment industry and defeating legislation that would be harmful to the industry.

## SUCCESSFULLY PASSED

- **Increase of Abandoned Property Threshold**

Passed a bill that increased the abandoned property value threshold from \$250 to \$500 so that if the lease provides specific language for the disposal of abandoned property, we do not have to engage in the time consuming notices to the departed tenant regarding abandoned property. With the statutory wording in the lease now, if the unit is abandoned or surrendered, we can dispose of it as we see fit without further notice (2001)



- **Increase of time to return security deposit**

Passed a bill that increased the timeframe for returning the remainder of security deposits from 15 to 30 days after placing claims on them. This enables landlords the opportunity to fully assess damages and bid out corrective work if necessary (2001)

- **Approved Resident Referrals**

This successful bill allows a property manager to pay a bonus to a tenant of up to \$50.00 for referring a new tenant (2001)

- **Streamlined Final Judgments**

FAA passed a bill to provide that failure of a tenant to deposit rent money into the registry would result in a default judgment, not just a default. This immediately sped up evictions, cut down on hearings and is saving the industry possibly millions of dollars.

- **Streamlined Executing Writs of Possession**

We passed a bill that eliminated the restriction that landlords had to remove personal property at the exact time the sheriff is serving the writ. Now we can do it when the sheriff is there or at any time thereafter. This made it a lot easier for the property to deal with post-eviction property disposal.

- **Approved Notice to Vacate Requirement**

FAA passed an amendment to the Landlord Tenant Act defining the termination of tenancy and liquidated damages to be assessed when tenants leave without proper notice (2003)

## SUCCESSFULLY CHANGED

- **Daytona Beach Rental Regulations**
- **Ft. Myers Rental Regulations**

FAA mobilized opposition to attempts by municipal authorities in Daytona Beach and Fort Myers that would have forced apartment owners to pay exorbitant fees and submit to arduous registration and inspection processes (2005)



- **Reduced State Inspections**

Worked with the Governor and staff of the Division of Hotel and Restaurants to reduce the number of yearly state inspections of rental properties

- **Protected Favorable Regulatory System**

Helped clear up the Division of Hotels and Restaurants budget deficit so their programs could continue, landlords would be charged fairly and continue operating under a favorable regulatory system

- **Reduced Unfavorable Litigation**

Cleaned up the construction defects law to allow for notice and opportunity to cure as a prerequisite to a civil suit against the builder or owner for damages

## SUCCESSFULLY DEFEATED

- **Defeated Repair & Deduct**

Defeated several bills that would have created "repair and deduct" systems, which would have allowed tenants to pay for repairs to a unit and deduct the cost from the rent

- **Eliminated Garage Sales Tax**

FAA fended off an attempt by the Florida Department of Revenue to impose a sales tax on income received for on-site garages, carports, and storage units. We hired a former head of the DOR as a consultant and got the DOR to agree that so long as the cost of these units is included in the overall rental price, no tax will be levied (2002 and 2003)

- **Halted Telecommunications Forced Access**

FAA defeated "forced access" bills that would enable telecommunications companies to come onto multifamily properties and install their systems (1999, 2000, 2001 and 2005)

- **Stopped "Clarification" of Real Estate Licensing Exemption**

Successfully fought off an attempt by the Realtors to "clarify" that apartment management could not pay leasing bonuses (2003)

- **Defeated Requirement to Police Student Behavior**

Defeated bills to make landlords liable for policing underage drinking in apartment units (2003)



- **Stopped Effort to Classify Air Conditioning as a Utility**

Defeated bill that would have made air conditioning a "utility", thereby subjecting landlords to increased liability in the event of system failure (2005)

- **Defeated Source of Income as Protected Class**

Defeated bills that would have made "Source of Income" a protected class under the Fair Housing act, forcing every apartment community to accept the voluntary Section 8 vouchers (2004)

- **Fended Off Effort to Make Felons a Protected Class**

Defeated a bill that would have made "Convicted Felons" a protected class in Florida. This would have reduced landlords' ability to screen what they consider undesirable residents (2004)

- **Killed Proposal to Make Bad Credit a Protected Class**

Defeated a bill that would have required landlords to disregard "Credit History" in the qualification of a residential tenant

- **Assisted Opposition to Increased Homestead Exemption**

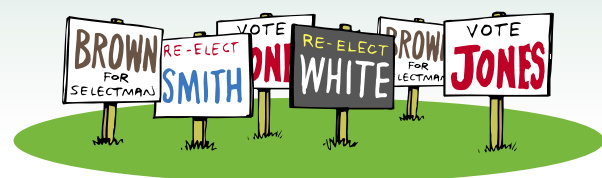
Assisted with the defeat of a constitutional amendment that would have increased the homestead exemption from \$25,000 to \$50,000. If passed, the amendment would have created significant budget deficits and tax burdens that would have been shifted to commercial and multifamily property tax increases. FAA funded the Supreme Court argument against it and won in the court, knocking it off the ballot



## APAC Influence

### Fundraising to Elect Legislators

The Apartment Political Action Committee (APAC) is organized to raise campaign funds and use them to promote the election of certain candidates and incumbents to the Florida Legislature. APAC membership increased by over 300% in 2005 and needs to continue to gain major corporate and individual contributors in order to bring its influence to a competitive level.



# PRIORITIES

Through the years, FAA has taken more and more issues as the regulatory environment has grown more complex and the capacity of the organization has grown to meet the challenges. Priorities here are defined as those projects or issues with the greatest imminent impact potential and those the greatest long term impact potential.

## IN PROGRESS

- **Early Termination Amendment**

FAA has introduced a bill that will provide for liquidated damages and early termination fees as a fourth remedy for breach of a lease by the tenant

- **Leasing Bonus Approval**

FAA is involved in a process to clarify that transaction-based leasing incentives can be paid to unlicensed leasing representatives working at apartment properties

- **Statewide Rental Regulation Preemption**

FAA is promoting a process that will engage the Division of Hotels and Restaurants to notify cities and counties when they attempt to enact local regulations that go beyond Florida Fire Safety and Building Code compliance. A high priority is placed on those that have been in place the longest and those that place the heaviest burdens on the apartment industry

## ON THE RADAR: FAA POSITIONS ON LONG-TERM ISSUES

- **Affordable Housing**

In general, monitor all laws and bills that would impact the affordability of apartment housing and advocate the positions that will reduce the financial impact of government regulations. Advocate programs that increase funding to developers of affordable housing

- **Anti-Growth, Anti-Development Constitutional Measures**

Monitor anti-growth initiatives such as in Miami Beach and Florida Hometown Democracy and provide opposition to such measures because they are extreme and radical non-solutions to growth management

- **Building and Fire Safety Codes**

In general, monitor all laws and bills that would change the requirements placed on apartment developers, owners and managers and advocate positions that bring about the most benefits for the apartment industry

- **Forced Telecommunications Access**

Will resist all efforts by state or federal government to adopt legislation that would allow telecommunications providers to gain access to apartment properties without the approval of the property owner or manager

- **Growth Management**

Promotes higher density apartment development as an essential tool to help reduce urban sprawl, drain on resources and higher taxes and development fees

- **Insurance**

Monitor insurance costs, coverage changes and exemptions and advocate positions that are most favorable to the apartment industry

- **Intestate Tenant Death Procedure**

Will provide for streamlining the process of awarding possession and disposal of personal property in the event of an intestate tenant death

- **Maintenance Licensing Requirements**

Monitor local licensure and regulation of maintenance workers who perform routine maintenance work for apartment properties

- **Mold Certification Exemption**

Will provide an exemption for apartment personnel to conduct remediation at apartment properties in the event that regulations are adopted for mold assessors and remediators

- **Property Rights**

In general, monitor all laws and bills that would impact the private property rights of apartment developers and owners and advocate changes that strengthen such rights

- **Property Taxation**

Monitor changes in property taxation and exemptions that are most favorable to the apartment industry

- **Tort/Lawsuit Reform**

In general, monitor all laws and bills that would impact the liability or indemnification of property developers, owners and managers and advocate changes that bring about the most significant advantages for the apartment industry

