**Minnesota Association of REALTORS®**

**MINNESOTA: State Leadership Idea Exchange**

**Statewide Strategic Planning** – Every two-years the Minnesota Association of REALTORS® (MNAR) undertakes a comprehensive Strategic Planning process.  In FY2012, MNAR staff met with 14 of the state’s 16 local association Boards of Directors to solicit their input and comments on programs, policies and actions of the state association.  Our goal was to become more transparent and to include our local association partners in our future plans.  The process was well received by both the MNAR BOD and local association leaders.

In FY2014, MNAR will be expanding its inclusionary process by inviting the President, President-elect, Treasurer and the 2 largest Brokers from all 16 local associations to participate in the planning process.  Our view is that state and local levels of the Association need to coordinate efforts and consider the member costs of duplicity in a number of serviced areas.  Because some brokers do not feel they have a voice in the decisions being made by REALTOR® Associations, we have reached out to include them in the process.

Another concern is association decisions being reached to serve the lowest common denominator versus the true professionals.  The service needs and expectations for a professional selling 18 properties a year is far different than the needs or expectations for a person selling 1-2 properties.  A significant survey component will help decision makers across REALTOR® Assoc. boundaries understand what the membership wants, needs, hates and wishes they could have.  From there, we plan to structure our strategic plan to accomplish those goals and encourage others to coordinate their efforts and plans within that framework.

**Homeowners Alliance** – utilizing an effort started by the Wisconsin REALTORS, Minnesota will establish a 501c4 organization utilizing $300,000 in start-up funding.  The focus will be targeted on informing and organizing homeowners to act on issues, either state or local, that would directly impact property owners.  Like other states, Minnesota is seeing more and more regulatory actions that restrict private property rights and/or target homeowners during real estate transactions.  Too often property owners are unfamiliar with regulatory actions being taken by elected bodies until it negatively impacts them.  This effort will proactively target homeowners (using a number of the NAR REALTOR® Party tools) when units of government consider actions that negatively impact them.

Although RPAC is an integral piece of our advocacy agenda, it is not and cannot be the only tool available to influence the legislative and regulatory landscape.  Lobbying serves one roll, RPAC a different function, and grassroots advocacy the third element.

Our political footstep today is smaller than it was a decade ago.  Some of this is related to staff changes, smaller budgets, and less membership participation.  Beyond that, our presence is also smaller because of the growth by others in the lobbying field.

Of the tools available, less membership participation is the most troubling.  Our organizational strength is in being able to generate calls, contacts and letters through a large membership base that is very well connected within local communities.  REALTORS® have access and involvement in a wide range of local activities.  Losing that component within the advocacy framework means having to depend more on the other activities or in modifying our approach.

One noted problem in the reduced involvement in political issues is member concern that taking a political position might cause them to lose business.  Political issues are becoming more complex and significantly more divisive.  Extremists on both sides are unwilling to compromise and often paint the opposition with a broad brush of red or blue.  Most of our members are neither deep red nor bold blue, but instead find themselves in a pragmatic purple.  They trend more red than blue, but are generally willing to compromise to find a workable solution.  Unfortunately, consumers sometimes view individuals based upon their affiliated organizational politics.  Even though RPAC is bipartisan, some perceive the organizations political positions as partisan.

Another concern is the scope of issues and the relevance to our memberships business.  Far too often members cannot understand why the association is involved in shaping, promoting or stopping legislation if it does not tangibly impact the members ability to earn more money.  The Mortgage Interest Deduction as it exists today is considered by many members as being too beneficial to the “rich” and something that should be reduced.  MID for a second home is another issue that many of our members are unwilling to voice an opinion on publicly.  A percentage of the membership would not be opposed to a much larger presence of government interaction and fees in a real estate transaction – if the funding went to program or project they felt deeply about.

Understanding this dilemma, we felt it important that we consider other ways to engage both members and homeowners in the political process.  One option is to begin building a homeowners coalition that operates in a bipartisan fashion focused on issues.  As an example, we could target a mailing/phone bank directed only to citizens who own second homes and businesses dependent upon that consumer base explaining – not advocating – a proposal to eliminate the MID on 2nd homes and recommend they contact their legislators.  The same tactics could be used when a county or municipality targets the real estate transaction for some proposed societal good.  Once established, this tool will focus on homeowners directly impacted by the governing bodies’ actions.

By establishing a 501c4 organization, we could carry out advocacy activities under the umbrella “MN Homeowners Alliance” organization and not the association.  This would provide some shelter to REALTORS® concerned about the potential business implication of being involved in an advocacy activity that might spilt or offend potential clients in their market area.  For those involved deeply in political circles, both parties will understand that the REALTORS® are harnessing the grassroots power of local homeowners – the most powerful lobbying group – in a new and effective way.

In time we believe this action will enhance the REALTOR® image and expand our lobbying efforts by utilizing the most powerful group of lobbyists – voting homeowners.