

NCR Issues Mobilization Funding Request Application

1. Applicant First Name *

Colin

2. Applicant Last Name *

Russell

3. Local Association

Colin Russell submitting application on behalf of:

Greensboro Regional REALTORS® Association

Longleaf Pine REALTORS®

High Point Regional Association of REALTORS®

Winston-Salem Regional Association of REALTORS®

Mid-Carolina Regional Association of REALTORS®

Burlington-Alamance County Association of REALTORS®

Central Carolina Association of REALTORS®

Durham Regional Association of REALTORS®

Johnston County Association of REALTORS®

Orange-Chatham Association of REALTORS®

Raleigh Regional Association of REALTORS®

4. Applicant Email Address *

crussell@ncrealtors.org

5. Amount of Request

In total, we are requesting up to \$200,000 for the Carolina Core Housing Needs Assessment initiative.

The most recent cost estimate provided to us by Bowen National Research indicates the cost for the comprehensive regional housing study would be \$169,000. The breakdown is 20 counties at a cost of \$8,500 per county (with 1 of those 20 counties being discounted to \$7,500 due to recent research completed in the county). Additionally, each local association will purchase stand-alone reports

summarizing a county at the cost of \$2,000 per county. This is explained in more detail throughout the IM Request application.

The additional \$31,000 in funding will only be utilized if there are issues that arise during the completion of the housing study that we want to explore further. Similarly, the IM Committee could add research components to the study, and this funding would be allocated for that purpose.

6. Please provide an overview of the IM Request, your plan to achieve success, and the end goal. *

The IM Request is for funding for a comprehensive regional Housing Needs Assessment (HNA) for the Carolina Core. The HNA would be conducted by Bowen National Research, a premier real estate market analysis firm that has completed over 1,000 studies in North Carolina and many more housing studies across the nation. Bowen National Research has conducted studies for other local associations in NC, and IM has allocated funding for this purpose in the past.

In the simplest terms, a HNA contains comprehensive research and analysis of housing inventory and supply, estimated housing needs and demand over the next 5-6 years, housing market conditions, economic data, demographic data, and a multitude of stakeholder and employer surveys. The attached HNA proposal from Bowen National Research explains the work elements and scope of research in more detail.

The Carolina Core is a 120-mile stretch of central North Carolina along U.S Highway 421 stretching from Interstate 77 to Interstate 95. The largest cities are Greensboro, Winston-Salem, High Point, Sanford and Fayetteville. This area has seen immense economic development, jobs announcements, and Megasite development. Coupled with the general growth of North Carolina in terms of economic activity and population, this area of the state is particularly affected by the housing crisis and lack of housing inventory and supply.

The proposed scope of research for the Carolina Core HNA would encompass 20 counties and involve 11 local associations and the state association. Collectively, the 11 local associations represent almost 23,000 REALTOR® Members.

The end goal is the production and distribution of the final report of the HNA. The report will be over 200 pages long and will provide detailed analysis and data for all 20 counties. Please see the following excerpt provided by Bowen National Research for what this final report would include:

“The report and conclusions will provide government entities, area housing professionals, and other interested stakeholders with the base of knowledge to make informed strategic decisions on housing priorities and plans. Specific conclusions and recommendations will include the following:

We will provide a summary of the market’s overall housing market needs and priorities for the types of housing in greatest need. We will provide a quantitative summary of the different types of rental and for-sale housing by rent/price point and corresponding household income levels that are needed. This analysis will enable the client to understand their greatest housing needs and allow them to begin to structure policies and/or establish incentives to support targeted housing product.

We will outline various strategies, such as policies, programs, priorities and incentives that will encourage and direct the development and preservation of various product types (e.g., affordable and market-rate), housing tenures (renter and owner) and market segments (family and senior).”

7. Please explain which of the “Purposes of IM” in the description under which this request falls. *

This request falls under multiple “Purposes of IM” provided in the description. This request covers: Research of issues; Providing information of issues to REALTORS®, public officials, and the general public; Expenses for consultants, professional advice (including legal services) and other types of technical assistance related to the issues; and other expenses related to the advancement of the NC REALTORS® Legislative Policy Statement and deemed appropriate by the Issues Mobilization Committee.

8. When are funds needed? Please explain. *

The cost of the Carolina Core HNA is \$169,000. Funds are needed in two phases. The first phase is the initial payment to Bowen National Research to initiate the housing study and for research to begin. The first phase would require funding in the amount of \$42,250 (25% of total cost). The second phase is the payment of the remaining balance to Bowen National Research for the assessment. The second phase would require funding in the amount of \$126,750 (75% of total cost).

Additional funding up to the \$200,000 threshold will only be used if we need to further explore and analyze certain issues or components of the housing study.

9. How does this issue impact the association and local REALTORS®? *

The issue of lack of housing supply and inventory affects all REALTOR® Members. The issue is particularly acute in the Carolina Core area, which, due to multiple major company investments in the area, is growing rapidly and involves both urban and rural areas of the state.

The final report would be both an informational and persuasive tool. It is needed to understand the housing shortage in our area and what the next few years will look like in terms of inventory and growth. In addition to REALTORS®, it will help developers, chambers of commerce, economic development groups, and other stakeholders who are intertwined with the real estate profession. It is an advocacy tool that can be used to educate and persuade local governments when they consider zoning requests, new developments, and other real estate issues. Similarly, the results of the HNA will empower the Government Affairs Committees at all 11 local associations to approach their local government stakeholders and advocate for housing.

Importantly, this IM Request and proposed HNA directly advances the NC REALTORS® Legislative Policy Statement. “Development” is the first policy area listed in the NC REALTORS® Legislative Policy Statement. The HNA would also directly address “Economic Development,” “Housing Affordability and Availability,” and “Infrastructure.”

This multi-association, regional initiative would be a tremendous win for Members, the involved local associations, and the state association. It would generate media coverage and serve as the basis for the proposed "Carolina Core Real Estate Summit #2," tentatively scheduled for the spring or summer of 2024. The first summit, held in September 2022, was a huge success and hundreds of people attended. More information about the first summit can be found here: <https://nccarolinacoresummit.com/>.

A successful IM Request would further illustrate NC REALTORS® commitment to housing and would present an opportunity to reinforce a positive image of the profession and the association every time the HNA report is presented to or shared with local stakeholders and the media.

10. Explain the current level of involvement of the association and individual members on this issue. Has the association contributed financially? *

All 11 local associations have confirmed their participation in the HNA and provided a point of contact from their association who will be involved in the process. The list of associations and counties, as well as a map showing the scope of research, are attached in a separate document.

Financially, all the local associations have "skin in the game." While this IM Request is for funding for the overall regional HNA, each local association will be purchasing separate stand-alone reports for the counties that fall within their jurisdiction. Each county report costs \$2,000. Given that the scope of research includes 20 counties, the total cost for the county reports will be \$40,000. That is separate and outside of the scope of the funding we are requesting in this application.

11. Which community organizations, political groups, citizens, etc. have gotten involved in this issue who do not support the REALTOR® position? Will any others get involved after your plan gets put into motion? Please describe your level of engagement with them and financial contributions they may have made towards this effort.

There are not many stakeholders who are in opposition to addressing the lack of housing inventory, the housing crisis, and housing affordability. However, more and more local governments are passing anti-growth ordinances that prevent development and have a direct negative impact on prices. This housing study is intended to be a persuasive tool to educate local governments and persuade them with detailed analysis and data illustrating the dire need for pro-growth and pro-housing policies and decision-making.

12. Which community organizations, political groups, citizens, etc. share REALTOR® concerns on this matter? Please describe your level of engagement with them, their involvement towards this effort, and any financial contribution to this effort from them.

There are many stakeholders who are aligned with us on this issue. Namely, developers, homebuilders, chambers of commerce, employers, economic development groups, and the public at large. We are reaching out to various local and statewide organizations representing these stakeholders to solicit their financial support. Any funding committed by these organizations would go back to the IM fund. However, since we want NCR and our Members to control the scope of the study and retain ownership

of the study, we expect that NCR will have to bear the majority of the cost. We will also be reaching out to NAR for funds to offset this request.

13. Describe the likely impact of this IM on the association's community standing and relationships with those involved, both positive and negative. *

This IM request would be extremely positive for REALTOR® associations' standing in the community, both at the local and state level. A successful IM Request would illustrate that NC REALTORS® is the leading force in advancing pro-growth and pro-housing policies in North Carolina. This IM Request would result in a tangible deliverable that focuses on local needs rather than a national perspective. As the report is distributed, it would increase NCR brand awareness and promote the association's work throughout the Carolina Core and state as the voice of real estate in NC.

14. Please assess the "winability" of the REALTOR® position on this matter, and potential outcomes. *

Successful completion of this Housing Needs Assessment would be a tremendous asset for the state association and involved local associations as they continue to fight for policy changes to allow more housing development of all types in NC. The report, coupled with the Carolina Core Real Estate Summit #2, will advance our position, educate Members and stakeholders, spur housing and economic growth, and persuade local government officials and staff.

One important outcome is that the report will give us information on precisely how many housing units we will need at specified price points to match demand in the coming years. This will benefit developers and allow local governments to identify each county's housing affordability needs. Similarly, this will benefit REALTORS® by enhancing their knowledge of the market and supporting their advocacy efforts.

15. Has the association previously requested IM dollars for this issue previously? *

No.

16. Have you applied for NAR Issues Mobilization dollars on this issue? Why or why not? *

Yes, we will and any funds received will reimburse NCR's IM account. We will also be pursuing a Housing Opportunity Grant through NAR for funding for the Carolina Core Real Estate Summit #2. The timeline for submitting the grant application and receiving approval aligns nicely for the Summit to take place in early- or mid-2024.

17. By typing below or uploading a separate form, please detail all potential expenses and revenue for this effort.

The proposal from Bowen National Research is attached.

18. Upload a separate form, detailing all potential expenses and revenue for this effort, if necessary.

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