



CALIFORNIA ASSOCIATION OF REALTORS®

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Julie Saare-Edmonds
Senior Environmental Scientist Landscape & Green Building Programs Water Use and Efficiency
California Department of Water Resources
P.O. Box 942836
Sacramento, CA 94236-0001
Email: Julie.Saare-Edmonds@water.ca.gov

RE: DRAFT ITP Final Report Discussion Section 5. Required Improvements in Existing Landscapes – OPPOSE

Dear Ms. Saare-Edmonds:

Thank you for the opportunity to provide comments on the Draft ITP Final Report Section 5: "Required Improvements in Existing Landscapes". The California Association of REALTORS® (C.A.R.) seeks to be a valuable contributor in the development of policies and recommendations related to improving water efficiency in the existing building stock.

C.A.R. strongly opposes the proposed enforcement mechanism for improving existing landscape water efficiency contained in Section 5 of the draft Report to the Legislature entitle "California Landscape Water Use — A Framework for the Future". This section calls upon the Legislature to require property owners to update landscape features as a condition of a sale, transferring service or within six months of completion of sale, which are all effectively the same trigger mechanism. C.A.R. supports voluntary, systematic and market-based programs to encourage landscape water conservation in the existing housing stock.

Existing laws already provides the most effective path for water efficient adoption. SB 407 (Statutes of 2009) requires all properties to be retrofitted with water efficient toilets, shower heads and faucets by 2017 and has been enforced by local building departments since January of 2014. Date-certain legislation also provides certainty to enforcing agencies, buyers, sellers, manufacturers, and businesses that can provide the services required for compliance.

Time-Of-Sale Mandates are Ineffective and Doomed to Fail

Time-of-sale mandates create burdensome and costly transaction delays while negatively impacting housing affordability. Before the Great Recession (2001-2006) housing turned over (or was sold) on average every 16 years. Today, according to our Research and Economics Department, housing turnover now occurs every 22.2 years due to a lack of credit availability and continued instability in the housing market.

The Two-Path System Will Only Serve to Increase Liability

The two-path system proposed under Section 5 would create confusion and increase liability for sellers and their agents who are not water efficiency and landscape experts. REALTORS® are transaction experts and do not have the technical knowledge, nor the engineering expertise, to police and enforce water conservation standards. This expertise should remain with those trained to enforce state and local building standards.



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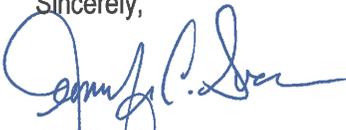


Landscape Improvements Should Not be Mandated Based by Sales Price

As proposed, Section only 5 targets homes selling above the statewide median home sales price. A property's sale price has no correlation to landscape size or water usage. The statewide median sales price, according to C.A.R.'s Research and Economics Department for September 2015, is \$482,150, while areas like San Francisco, San Mateo and Los Angeles have median home sale prices around \$1.19 million, \$1.2 million and \$517,000. These areas generally have relatively small yard sizes due to high density urban planning, which yields a minimal amount of landscaping, if any for most parcels, and would yield limited results for water conservation strategies proposed under this section. Any mandatory approach for water conservation should be done as community-wide comprehensive program, and not a random scattering of properties being transferred.

The California Association of REALTORS® looks forward to collaborating with the Department, its staff and other key stakeholders to develop a comprehensive statewide program to improve landscape water efficiency in all California homes and structures, not just those changing ownership.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jennifer Svec".

Jennifer Svec,
Legislative Advocate
California Association of REALTORS®