

Growing Pains

In an e-mail to his contemporaries, Bethesda Md., remodeler Mark Scott recently wrote, "Our local city council has become strongly anti-growth." He continued to write, "I assume it's in response to public opinion," and it's easy to imagine many of the recipients of the correspondence nodding their heads in vigorous agreement.

The impetus for Scott's e-mail was a bill regulating drainage that had been introduced in the local legislature, but it was just the latest in a series of regulations that Scott feels are making life harder for builders and remodelers. Scott finished his e-mail by writing, "This could become a very serious expense and significantly affect my business."



A CHANGING LANDSCAPE

Similar sentiments are being echoed nationwide as an increasing number of states and municipalities adopt regulations that constrain both new-home building and remodeling. Many of the rules are the result of NIMBYism (the acronym is short for "not in my backyard") — community outcry and opposition to a development in the area. "A lot of these regulations are misguided — driven by people who are really selfish," says Bill Ferrigno, president of the Home Builders' Association of Connecticut, who stresses that this is his opinion, not necessarily that of the organization. "They have the attitude of I've got my house, I don't care if anyone else gets theirs. In fact, I don't *want* them to get theirs," he continues. Stonington, Conn., remodeler John DeCiantis adds that the rural towns he works in are full of second homes owned by people from New York City and Washington, D.C. "They get here, and then they don't want others here," he says. "They've got their spot and don't want to share it"

The legislation that often results from these attitudes—establishing height limitations on new and existing structures, for example, and other zoning regulations that greatly restrict building and remodeling — add time and cost to projects whose price tags are already too high in clients' minds. "When you need work, and someone comes to you with a project you don't want to mess around for six months to get the permit," says Michael McCutcheon, owner of McCutcheon Construction in Berkeley, Calif. "It

kills people's enthusiasm. They get so disgusted that they don't do the work at all, or they even move out of the area."

The problem can be even more frustrating for remodelers when, as is often the case, these anti-growth regulations are crafted without considering the special nature of remodeling versus new construction. The result is that remodelers are required to comply with regulations that, in the words of Ann Arbor, Mich., remodeler Gary Rochman, "can really get ridiculous," given the scope of work they are doing.

Rochman cites energy codes as one example. If you're doing a small addition to a drafty old house, it doesn't matter how well you insulate and seal the new space; energy will escape through the old structure. "It starts off as something very altruistic," Rochman says. "It's good to save energy." But, he explains, while building the addition up to code will conserve some energy, it's not significant enough to justify the added expense and time. "It's absurd," he says. Thankfully, Rochman says he only had to remodel under the energy codes for two years before the legislature repealed them for remodeling projects.

A HOUSE DIVIDED

That's a somewhat rare success story in contractors' battles with local and state governments. Raquel Montenegro, associate director of legislative affairs for the Maryland-National Capital Building Industry Association, says that

while legislators in her jurisdiction are generally "very open to hearing our comments," it's frustrating to see them "trying to resolve real problems with solutions that have unintended consequences," often causing conflict among two or more policies. "The resolution often results in more conflict and less clarity," she says.

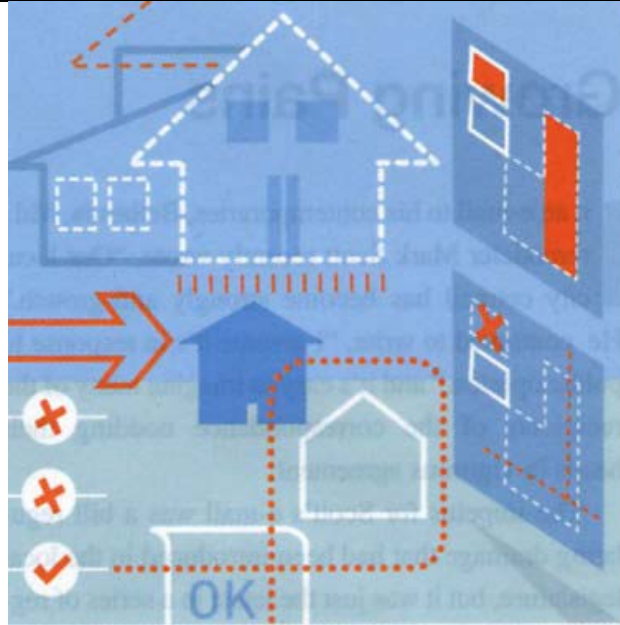
Some of the difficulty that remodelers in particular have with lobbying can be traced, in part, to the fact that industry representation is split between the National Association of Home Builders (NAHB) and the National Association of the Remodeling Industry (NARI). Both are active lobbies and are advocates for the industry, and both rely on a network of local associations to accomplish their missions. Generally speaking, local NAHB-affiliates, called HBAs, are bigger, if for no other reason than they count among their membership land developers and new-home builders, as well as remodelers who are part of a subgroup called the Remodelers' Council. When it comes to lobbying, strength in numbers is the principle that applies, as a larger group is likely to have more resources — and therefore more clout.

However, that diversity of membership is also what can sometimes cause remodelers trouble. Allan Lutes, another Ann Arbor remodeler points out that on many issues, "remodelers and home builders have a different set of goals."

That certainly seemed to be the case in his area over a year ago when a controversial ballot proposal called the "Greenbelt Initiative" was passed in Ann Arbor. In a nutshell, the taxpayers voted to authorize the government to purchase land to slow development and create a buffer around the city.

Understandably, this measure wasn't popular among home builders and land developers, who — at least from a professional standpoint — would prefer a more unrestricted development climate. According to Lutes, however, that sentiment wasn't shared by the entire HBA membership. "Not all of the remodelers were completely supportive of the home builders' association's position on the matter," he says. "There was a great deal of discussion and a little bit of divisiveness over it."

Rochman is a little more blunt. "There were a lot of us remodelers who felt that this was the last straw," he says, noting that this wasn't the first time he and some of his colleagues felt their best interests hadn't been championed by the local HBA. "We weren't being properly represented: in fact, we were ashamed of how we were being represented," he continues. Though the extent to which the debate and conflict rose differs depending on who you talk to, this much is fact: the dispute over the Greenbelt Initiative led Rochman and other like-minded remodelers to start a NARI chapter in the area.



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PARTICIPATION IS KEY

This outcome is extreme, and there are many examples of HBAs effectively serving their remodeler members. But the key to success appears to be the extent to which remodelers become involved, regardless of which association they are part of.

Ferrigno — who is founder and president of a land development and new-home building company — credits much of the Connecticut HBAs success as a "very credible and successful lobby" serving the entire membership to the fact that it has a strong, involved, and dedicated group of members. "We all respect one another," Ferrigno says. "What matters is how much passion you have."

He's quick to add, however, that certain issues are going to demand certain attention, and that the decided action might harm one subgroup while benefiting others. And it's precisely those situations that remodelers — the oft-forgotten group — are struggling with now. —H.A.