
From: Jonathan Schechter <JSchechter@jacksonwy.gov>
Sent: Friday, May 21, 2021 1:56 PM
To: Town Council; Board Of County Commissioners
Cc: Larry Pardee; Alyssa Watkins; Tyler Sinclair
Subject: TBoR's request for 4th of July fireworks funding
Attachments: 21May21 - TBoR letter.pdf

Hello colleagues

Earlier today, I sent the attached to the directors of the Teton Board of Realtors.

In it, I let them know I will be voting against giving them any public funds to support their 4th of July fireworks request. I urge you to do the same.

I also urged them to withdraw their request and, as the sponsors on the event, instead fund the fireworks display entirely on their own.

The letter makes clear my reasons why. The long and short of it is that, in light of the record-smashing year enjoyed by the local real estate community, I cannot fathom why they need public funding to support the fireworks. This is particularly true given that they are asking for more than is being requested by four of the social services agencies that applied to us for funding:

- Cultivate Ability - \$10,000
- Immigrant Hope - \$10,000
- Voices JH - \$10,000
- Yellowstone-Teton Clean Cities - \$8,000

Thanks for your consideration, and have a great weekend.

Best
Jonathan

Jonathan Schechter
Jackson Town Councilor
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P.O. Box 1687
Jackson, WY 83001

May 21, 2021

Teton Board of Realtors
P.O. Box 3736
Jackson, WY 83001

Dear members of the board,

I love fireworks, and I love the 4th of July. As a result, I'm grateful to TBoR for taking over sponsorship of the community's annual 4th of July fireworks.

That noted, I'm flabbergasted you would ask the town and county to help you pay for those fireworks. As a result, I write to let you know I will oppose the Teton Board of Realtors' \$4,000 request to the Town of Jackson to support your 2021 4th of July fireworks display. I will also urge my colleagues – both town councilors and county commissioners – to vote against giving TBoR any money for this purpose.

The rest of this letter explains my rationale, and describes steps I urge you to take.

A Few Figures

The foundation of my astonishment is how successful your industry has been, and how that success contrasts with the challenges facing so many in our community. This is especially true of the many social services agencies which, like you, are asking local government for funding.

Revenues

In 2020, the combined general revenues of Teton County and the Town of Jackson totaled \$64.4 million.

In contrast, Jackson Hole's real estate industry's commissions totaled \$147.3 million – 225% more than the revenues of the town and county *combined*. (To estimate revenues, I took the industry-standard 6% commission rate and multiplied it by the *Hole Report's* figure that, in 2020, local real estate sales totaled a record-setting \$2.455 billion.)

What I don't understand is why, after a record-setting year, you need local government to support/subsidize your industry.

Direct support of state and local government

This morning, I purchased a cup of coffee for \$2.00. I paid an additional 12 cents in sales tax, all of which will support state and local government.

I mention this because that 12 cents – those 12 lousy cents – will provide infinitely more support to state and local government than the \$0.00 in tax revenue generated by 2020's \$2.5 billion in real estate sales. In that context – in context of the fact that real estate sales provide absolutely no direct support to local government – I cannot wrap my mind around TBoR asking local government for financial support.

Two related points. Quoting from a solicitation I recently received from a local real estate firm: "We broke through record high pricing levels last year, and we predict 2021 will follow the same trajectory."

Record prices may benefit the real estate industry, but they also create a number of problems for our community and region. Yet while local government is often asked to address those problems, it must do so using revenues unrelated to that "record high pricing."

By extension, no revenue related to that “record high pricing” is available to support your request for fireworks funding. Instead, if we are to help you we must find money not from real estate sales, but from the sources of revenue we do have (primarily from the \$1.5 billion in local sales that can be taxed).

Leaving me further flummoxed is that you make this request despite the facts that: a) TBoR has never endorsed or otherwise supported any of Representative Andy Schwartz’s repeated efforts to enact a real estate transfer tax; and b) year in and year out, Wyoming’s strongest and most effective voice against such a tax has been the state’s real estate industry.

Added all together, and there’s a whiff of The Little Red Hen in all of this – the local real estate industry is eager to eat \$12,000 worth of publicly-made “bread,” but not eager to help make it. Even more troubling is that your industry is eager to eat that “bread” while simultaneously working to prevent taxes being levied on real estate sales. It seems you want it both ways, and that does not sit well with me.

TBoR’s fees

According to your website, you levy \$1,220/member in annual dues. This year, had you chosen to levy an extra \$25 per person – just another 2% – you could have raised more than the \$12,000 you are asking from the town and county combined to help underwrite the TBoR-branded fireworks display.

Similarly, you could have saved \$12,000 by tightening your belt by 2%. Or raised it by levying a supplemental \$25 fee on your 500+ members, which I understand your by-laws allow you to do at any time, for any reason. Yet you chose instead to seek government support... Baffling.

Putting Things in Perspective

Given all this, here’s how I’m seeing things.

Rather than ask your members to pay an extra \$25 each to put on the fireworks show, you asked the town and county for \$12,000. This \$12,000 equals 0.008% of the commissions your industry earned last year, and is infinitely greater than the revenue those sales generated to support the services you, your clients, and the entire community receive daily from state and local government.

Most striking of all, \$12,000 is more than we’re being asked for by Cultivate Ability. Or Immigrant Hope. Or Voices JH. Or Yellowstone Clean Cities Coalition. All of which do incredibly important work for our community, and none of which has its own revenue source, much less one as lucrative as yours.

A revenue source so lucrative, in fact, that if Jackson Hole’s real estate industry donated just 2.0% of the commissions it earned in 2020, it could pay for the entire \$2.9 million being requested of the Town of Jackson and Teton County *combined* by 21 local social services agencies:

- Childrens Learning Center
- Community Safety Network
- DW/Arts for All
- Immigrant Hope
- JH Historical Society
- Senior Center
- Teton Literacy
- Voices JH
- Climb Wyoming
- Cultivate Ability
- Energy Conservation Works
- JH Childrens Musesum
- JH Public Art
- Teton County Historic Preservation Board
- Teton Youth & Family Services
- Yellowstone-Teton Clean Cities
- Community Entry Service
- Curran-Seeley
- Hole Food Rescue
- JH Community Counseling
- One22

Instead, you want the town and county to give you \$12,000 for an event you’ll take credit for, but don’t want to fully pay for. \$12,000 that, if used differently, could provide additional support for any of the organizations listed above, or augment other services provided to the community by local government.

As I say, flabbergasting.

For Your Consideration

So what to do? Here are four steps I hope you and your members will consider taking.

First, withdraw your request for funding from the town and county.

Second, launch a fundraising campaign wherein TBoR and the local real estate industry raises \$53,000, which you in turn donate to the five organizations that asked the town and county for about the same amount as you did:

1. Climb Wyoming - \$15,000
2. Cultivate Ability - \$10,000
3. Immigrant Hope - \$10,000
4. Voices JH - \$10,000
5. Yellowstone-Teton Clean Cities - \$8,000

Combined, this \$53,000 would equal 0.04% of your industry's 2020 total commissions of \$147 million. And infinitely more than your industry's \$2.5 billion in sales directly contributed to state and local government.

Third, create an on-going, industry-wide program of making significant donations to support the community's non-profits.

My particular hope? That Jackson Hole's real estate industry would donate 1% – just 1% – of its annual gross commission revenue to our local non-profits. That kind of money – nearly \$1.5 million in 2020 – would make a meaningful difference in helping those organizations, particularly the ones on the front lines of dealing with the consequences of our “record high pricing levels.”

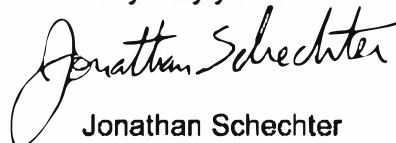
Finally, in the strongest terms I urge TBoR and every one of its members to endorse, and then vigorously work to support, the passage of a real estate transfer tax, one that generates significant funding for local government.

In closing, and to repeat myself, I love fireworks, love the 4th of July, and am deeply grateful to TBoR and the broader real estate community for stepping up to run the annual fireworks program. I am also proud to count a number of Realtors among my friends and colleagues.

All that noted, when I consider how well the local real estate community is doing, the problems its success is creating for the community, and the many other funding requests being considered by local government, I cannot justify supporting your request.

Thank you for your time and consideration.

Very truly yours



Jonathan Schechter

From: Des Jennings <desmond.jennings@gmail.com>
Sent: Monday, May 24, 2021 11:55 AM
To: council@jacksonwy.gov; Board Of County Commissioners
Cc: Carma Miller; Oly Olson; Ashley Diprisco
Subject: 4th of July Fireworks Public Funds Request - Teton Board of Realtors
Attachments: 5.24.21 Letter to Town and County Signed.pdf

Monday, May 24, 2021

Town of Jackson Town Council

Teton County Board of County Commissioners

RE: Town of Jackson Fireworks Display Request for Funds

Dear members of the Town Council and Board of Commissioners,

My name is Des Jennings and I write to you as the President of the Teton Board of Realtors (TBOR) in response to Councilman Schechter's recently circulated Letter criticizing the request for Community Development funds to underwrite the Town of Jackson 4th of July fireworks display on Snow King Mountain. As an organization, our volunteer board and staff of two, is excited to move ahead with underwriting the 2021 fireworks display in the Town of Jackson and for years ahead. Because we are a regional trade organization with our core members coming from four (4) counties in WY and ID, we also contribute funds to underwrite the fireworks displays in Lincoln and Sublette Counties, as well as Teton County, ID on a somewhat pro-rata basis calculated by the number of members we have in these areas.

TBOR's involvement in the Town's fireworks display began in 2014 when the local chapter of the Junior Chamber (the "Jaycees") fell short of their fundraising goal. The Rotary Club of Jackson Hole stepped up to help in the funding and organization of the event and TBOR was also asked to help underwrite the event moving forward. Our volunteer board and paid staff have worked on the event in conjunction with the Rotary Club through this last year, with the Town and County continuing to carry some of the financial responsibility for the purchase of fireworks shells. The public funds requests were submitted annually through the Rotary Club and there was no pushback or conversation with TBOR about either local governmental body wanting to substantially pull back or eliminate public financial support for the fireworks display.

In the Fall of 2020, after the initial funds request for the 2021 Fireworks display had been submitted by the Rotary Club and preliminarily approved for the fiscal year budget and funding contribution, it came to our collective attention that the Rotary Club's tax exempt status prevented it from acting as a clearing house for public and private funds to underwrite the event. This triggered a need for TBOR, a 501(c)(3), to re-submit the request for funding and, in conjunction with this shift, our Board was asked to underwrite the full amount of private funding for the event—something that was not in our annual budget, however we had the funds available and agreed to proceed.

All of this was done in good faith without any prior communication about budget constraints or a reluctance to fund the event at the Town and County levels. While public funding is not a *given* for events like the 4th of July fireworks display, it is customary to have some public support and buy-in for funding patriotic displays like this in municipalities around the country. There has been no RFP or open bid process solicited by the Town or County to seek private funding for the fireworks display and TBOR, with the help of the Rotary Club and Bob Hammond, has been able to keep the event alive with a minimal level of staff involvement at the Town and County levels aside from the budgeting process. In addition to the purchase of firework shells, this event management has also included rental of portable toilets, trash receptacles and volunteer cleanup time to pick up any trash and debris left behind at the base of Snow King after the event.

If the Town and County Governments want or need to scale back the public's financial involvement with the 4th of July fireworks in the upcoming fiscal year and beyond, this should be a quick and healthy discussion related to our mutual budget concerns. Our organization wants to help, where possible, and open and clear communication is preferred by our staff and volunteer board members.

Returning to the Letter prepared by Councilman Schechter, there were some glaring issues with the "few figures" that ranged from oversight that could be passed off as ignorance to outright falsities driven by some ulterior agenda. Yes, real estate values have surged locally and nation-wide, driven by low interest rates, record-low inventory (scarcity), demographics (driving demand), and pandemic-related shifts in values related to quality of life in one's home. Yes, some members of our associations have enjoyed unprecedented success over the past 12 months, others have not, and our organization represents a large number of real estate professionals outside of Teton County, WY with different market pricing and sales volumes.

TBOR is a professional trade association, a local chapter that sits under state, regional and national-level oversight under the National Association of Realtors. Our annual association dues, which the Councilman referenced in his Letter, include State and National Association dues—which represent about ½ of the figure he cited-- and are simply passed through to these larger organizations with no funds remaining for operations at the local chapter level.

The remaining funds pay for professional services (our MLS system, for example), staff salaries and benefits, travel expenses for regional and national meetings, training and education for our members, as well as charitable ventures that align with our mission statement. The only correlation that our dues income has with the general success of the market is the fact that when the market is bad we tend to have fewer members—we were down to about 400 members in 2011-2012—thus less money to work with, and we tend to have more members when the market is good—we have had a recent surge in membership giving us a boost for the near-term. TBOR does not retain any share of the transactions conducted by our members and thus a "hot market" does not mean substantially more funding for our budget.

The real estate market does not exist in a vacuum and any closed sale generates a substantial amount of local revenue in the form of locally-purchased goods and services utilized by buyers, sellers and real estate professionals. Property tax assessments are intended to track with the market and increased prices should result in added revenue for local government if the assessment process is managed appropriately. Any conversations related to tax changes at the State level are under the purview of Wyoming Realtors, and our local board does not take a position, particularly because we have members in multiple states.

In addition to underwriting the 4th of July fireworks display, TBOR donates a large amount of money annually. When the Pandemic disrupted our typical travel to events, we re-allocated those travel funds to donated an additional \$67,500 for the purchase of PPE for the school districts in the region. All of our Board of Directors are volunteers, and the primary driver for most of our members' involvement is a commitment to a level of professionalism in our industry, with very little personal recognition.

With all of this said, Councilman Schechter's point of wanting to see the **REAL ESTATE INDUSTRY** contributing on a more meaningful level is fair, but not something that our Board has taken on in the past. Our organization is in the process of establishing a permanent funding mechanism to address the housing issues in our area which, if executed in the anticipated format, will have a lasting impact on the quality and availability of housing for members of our community. I will also add, that it is not out of line for TBOR to seek and receive credit for our efforts in the community—we all know that the Community Foundation of Jackson Hole organizes Old Bill's Fun Run, for example. Our members, in addition to their careers and families, donate their time and financial resources to many organizations in the region. We love the communities that we serve and want to make them feel welcoming to residents and visitors alike.

Thank you for your consideration.

Sincerely,

Des Jennings

President, Teton Board of Realtors

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From: Devon Viehman devon@jacksonholereport.com 
Subject: Response to Councilman Schechter's letter to TBOR
Date: May 24, 2021 at 9:52 AM
To: council@jacksonwy.gov
Cc: Board Of County Commissioners commissioners@tetoncountywy.gov

Dear Councilman Schechter,

Your recent letter addressed to the Teton Board of Realtors regarding the annual fireworks display was discouraging, rude, and beyond unnecessary.

I was a board member in 2015, the year the Town Council asked the Realtors to finance the fireworks display to help preserve the annual tradition when Rotary and the Jaycees would no longer fund it. And we stepped up to the call. And since 2015, it has simply been assumed that every year TBOR would continue to organize and finance them, which is why the board submitted their request for assistance. **However, we all understand the budget constraints the town is under, and a simple “no” would have been sufficient.**

But since you wrote a three-page, condescending essay admonishing the very group the Town sought help from originally and who provided it for going on six years now, instead of picking up the phone or sending an email asking for clarification, I feel compelled to respond as thoroughly as you did.

In your letter you lectured our association about the money we make and where it could be directed. So, I will explain that TBOR is simply an association with dues we all pay, due that do not have anything to do with commissions paid. Realtors are independent contractors and cannot be required to pay any additional dues to the association as you insinuated that we should.

Since you did not do your due diligence and reach out to educate yourself before writing your inconsiderate dissertation, you are likely unaware of TBOR's work in the community. To begin, TBOR and I have been working diligently to create a community housing fund launching in July that will help put affordable housing in the ground. You are probably also unaware that TBOR gives out over \$20,000 of college scholarships annually and donated \$65,000 for PPE for schools in 2020. I'd gladly inform you of the other charitable contributions we make to organizations and our community as a whole if I thought you were open to hearing them. You appear, however, to be more interested in painting us in broad strokes as the evil realtors who create problems rather than solve them.

Additionally, you addressed a real estate transfer tax and how “flummoxed” you are about how our local board has not supported it. Again, a simple phone call to them could have helped you understand how they work. Local associations fall under the state and national rules. I know in years past you have had some confusion about where nonprofits have to draw the line when it comes to engaging in politics. Local boards are not allowed to take a political position on ANY state legislative issue. It must be done by the state executive committee only.

To borrow your term, I am “flabbergasted” you thought your response was an appropriate way to correspond professionally. Sadly, the time and energy that went into drafting your letter could have been better used to address one of our other local issues *or to effectively engage TBOR to achieve our common goals*. If being an elected leader stresses you as much as you regularly indicate, perhaps you should consider resigning for someone more cut-out for teamwork. Sadly for your colleagues, your ill-informed letter has cast a negative light on the whole council. When you write such a letter, public perception is that you are speaking on behalf of your colleagues too, as inaccurate as you and I know that to be. A leader should inspire our town and encourage groups to work together, not create further division as you have done. Condescension and rudeness will never garner the objectives you set out to achieve. It will only create more individuals and entities who will lose respect for you and who will not vote for you as a result.

TBOR is an association of 600+ members and your unprofessional letter is circulating realtor offices. Our members are mothers and fathers, river guides and ski instructors, bartenders, appraisers, teachers and so on. Roughly one in 50 people is a licensed agent. So every time you sit at a restaurant or go to the grocery store there are likely two to three agents in the building with you. When you go to a sporting event, we are cheering on the team. When you go to a nonprofit fundraiser, we are there too – and many times we are there with a name tag that says “board member.”

Realtors have a powerful voice at the local, state and national level. I encourage you to engage with us more without the goal of showing how clever and sneaky you can be. We all know you can out speak the best of the

without the goal of showing how clever and snarky you can be. We all know you can out snark the best of the best, but it doesn't earn you anyone's respect. A great start to the process of engagement would be to apologize for your completely out-of-line letter regarding topics you were too uneducated on to address accurately. I believe that TBOR will be asking you to meet with them and I encourage you to do so.

TBOR members give their time, money, and talents consistently, and I am honored to be a part of our Realtor community. Again, a simple "no" to their request would have sufficed. Perhaps next time you will consider brevity over an attempt at being domineering.

Devon Viehman

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