Bulldozing City Hall:

July 17, 2017

A Special Session Built for Special Interests

Abbott axes local control for property development and construction industries, which gave him \$10.7 million.

Property development and construction interests appear to be guests of honor at the special-session hosted by Gov. Greg Abbott. Six of the 20 reasons that Abbott gave for reconvening lawmakers this month would override local governments to benefit construction and development interests.

Those development-friendly charges would:

- Preempt tree-preservation ordinances;
- Accelerate development permits;
- Grandfather developers from rule changes;
- Amend annexation laws;
- Cap local-spending; and
- Rewrite property-tax laws.

Some of this agenda stems from Gov. Abbott's outrage that the City of Austin regulated his remodeling and tree-cutting plans at a home he owned when he was attorney general (the city says Abbott misrepresented those events). Still, it doesn't hurt that real estate, development and construction interests gave Abbott \$10.7 million since he announced his gubernatorial bid in 2013. That's 15 cents of every gubernatorial dollar.

Abbott Contributions by Interest (July 1, 2013 through Dec 2016)

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		% of
Amount	Industry or Interest	Total
\$17,630,799	Energy/Nat'l Resources	24%
\$8,729,392	Miscellaneous Business	12%
\$7,660,318	Finance	11%
\$6,482,442	Health	9%
\$6,463,364	Construction	9%
\$4,763,678	Transportation	7%
\$4,211,175	Real Estate	6%
\$3,815,533	Lawyers & Lobbyists	5%
\$3,688,249	Unknown	5%
\$2,258,554	Communications	3%
\$1,758,245	Insurance	2%
\$1,574,802	Computers & Electronics	2%
\$1,463,518	Agriculture	2%
\$1,131,141	Ideological/Single Issue	2%
\$1,072,497	Other	1%
\$39,930	Labor	0%
\$72,743,638	TOTAL	100%

Some of Abbott's heaviest hitters in these industries work on huge public infrastructure projects, some of which may transcend local-government regulatory minutiae.

Others have been powerful forces promoting aspects of Abbott's agenda. Chief among these are various tentacles of the Texas Association of Realtors, a property-tax pit bull.

Abbott's Top Real Estate and Construction Contributors (July 2013 through Dec. 2016)

(July 2013 through Dec. 2010)			
Amount	Contributor	City	
\$1,212,500	Peter & Julianna Holt (Holt Companies)	Blanco	
\$725,000	James 'Doug' Pitcock (Williams Bros. Construction)	Houston	
\$457,750	H Ross Perot (Perot Co & Hillwood)	Plano	
\$357,148	William Leslie Doggett (W L Doggett Equipment Services)	Houston	
\$300,000	Brad & Stephanie Tucker (Mustang Tractor & Equipment Co)	Houston	
\$300,000	Michael J & Susan Plank (Plank Companies)	Houston	
\$231,000	John R & Anne Weisman (Hunter Industries)	Uvalde	
\$215,000	James D Dannenbaum (Dannenbaum Engineering)	Houston	
\$205,470	Trevor L & Elaine Pearlman (Tregan Partners)	Dallas	
\$205,000	Edward P Roski (Majestic Realty Co.)	La Puente CA	
\$200,000	Joe H & Sonya Anderson (S & I Construction Services)	Old Town FL	
\$168,085	Timothy Timmerman (Commerce Texas Properties)	Austin	
\$166,000	Hammonds Management Trust	Houston	
\$165,000	Ned S Holmes (Parkway Investments)	Houston	
\$157,000	Associated General Contractors of TX	Austin	
\$150,000	TX Assn. of Realtors	Austin	
\$140,000	Christopher M Huckabee (Huckabee & Associates)	Fort Worth	
\$125,000	TX Apartment Assn.	San Antonio	
\$125,000	Stanley Herzog (Herzog Contracting Corp)	Saint Jo. MO	
\$115,000	Dana & William Eugene Powell (Powell Companies/Bitterblue)	San Antonio	
\$104,100	Terence H Murphree (United Steel Structures)	Houston	
\$100,000	N Malone & Amy S Mitchell (Riata Corporate Group)	Dallas	
\$100,000	Doylene Perry (Perry Homes)	Houston	
\$100,000	Trammell & Margaret Crow (Crow Holdings)	Dallas	
\$90,000	TX Assn. of Builders	Austin	
\$90,000	Eugene H Dawson (Pape-Dawson Engineers)	San Antonio	
\$77,600	Michael S & Kim Stevens (Michael Stevens Interests)	Houston	
\$75,000	John H Baker (John H Baker Interests)	Houston	
\$75,000	Matthew E Malouf (Malouf Interests)	Dallas	
\$75,000	Gene Birdwell (Birdwell Construction)	Spring	
\$75,000	Sam & Laura Dawson (Pape-Dawson Engineers)	San Antonio	
\$73,500	George 'Tim' & Karen Hixon (Hixon Properties)	San Antonio	
\$71,907	R Michael Ward (Double Diamond Co's)	Dallas	
\$70,000	John B Zachry (Zachry Group)	San Antonio	
\$68,988	Dick & Meg Weekley (Weekley Properties)	Houston	
\$65,000	Gary S & Susan Farmer (Heritage Title Co)	Austin	
\$65,000	TX Land Title Assn.	Austin	
\$54,243	Moayedi Mehrdad (Centurion American Development)	Bedford	
\$51,000	John W Carpenter (Carpenter Capital/Lachlan Alliance)	Dallas	
\$51,000	Larry B & Jana Long (Premier Glass Products)	Dallas	
\$50,990	John 'Bobby' & Phyllis Ray (K Hovanian/Darling Homes)	Plano	
\$50,311	Cross Development	Montgomery	
\$50,000	George A & Laura Pontikes (Satterfield & Pontikes)	Houston	
\$50,000	Darryl Schroeder (Lone Star Construction)	Houston	
\$50,000	Herbert Stewart (Camden Property Trust)	Alvin	

The table below lists Texas' three biggestspending PACs in the recent 2016 election cycle, three of which are Realtors PACs. Most of the \$28 million "spent" by the Texas Association of Realtors (TAR) actually was invested in a trading account to earn interest for another day. It spent the remaining \$7 million on political contributions, things as independent mailers promoting candidates and transfers to its local chapters (such as the Austin Board of Realtors). That \$7 million expenditure still ranks as Texas' No. 2 general purpose PAC, after its cousin, the Texas Association of Realtors Issues Mobilization PAC.

TAR's Issues Mobilization PAC influenced statewide and local propositions (including helping kill a property-tax initiative to <u>fund</u> a medical school and indigent health care in the Rio Grande Valley).

Issues Mobilization PAC spent a stunning \$7 million promoting the state's 2015 Proposition 1, which raised the homestead exemption from \$15,000 to \$25,000. Many people familiar with the winning history of state ballot initiatives

would argue that this was an excessive expenditure on a slam-dunk initiative that passed by 86 percent.

The Chicago-based National Association of Realtors is not listed in the table below because it is not a Texas PAC. Nonetheless, it sent \$4.1 million to Texas in the 2016 cycle (a 357% increase over the previous cycle). It gave \$3.3 million of that money to the TAR Realtors Issues Mobilization PAC (the rest went to the two other Realtors PACs listed below). With backing from their national office, TAR's huge PACs appear to be a powerful voice pushing Gov. Abbott's property-tax cut initiatives.

A couple of real estate title interests rank among Abbott's top real estate and construction contributors on the previous page. Title companies greatly increased their political spending in the 2016 cycle to kill proposals that would have stopped the state from setting fixed title-insurance rates. Title insurance interests also gave tens of thousands of dollars to the Texas Association of Realtors PAC.

Top-Spending General Purpose PACs (2016 Cycle)

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Amount	PAC	
\$27,623,108	TX Assn. of REALTORS	
\$16,082,293	TX Assn. of Realtors Issues Mobilization	
\$4,823,762	Texans for Lawsuit Reform	
\$2,608,101	Empower Texans	
\$2,563,117	Republican Party of TX	
\$2,492,039	Border Health PAC	
\$2,460,498	Associated Republicans of TX	
\$2,112,753	Republican State Leadership Committee	
\$1,925,872	Battleground TX	
\$1,814,126	Annie's List	
\$1,563,278	TX Safety & Justice	
\$1,408,493	TX Realtors PAC	

¹ The No. 12-ranked Texas Realtors PAC spent another \$1.4 million. It put most of that money into political mailers and robocalls promoting specific candidates.