

TO: House Housing Finance & Policy Committee
FROM: Shannon Guernsey, Executive Director, Minnesota NAHRO
DATE: April 6, 2021

RE: Comments regarding House Housing Omnibus Bill

On behalf of Minnesota NAHRO and its members, thank you for the opportunity to provide comment on the Housing Omnibus Bill. We urge the committee to recognize the many protections and due process already provided by housing authorities to our clients.

Minnesota NAHRO members own, manage, or administer the majority of subsidized rental housing in Minnesota including all public housing plus the administration of the Housing Choice Voucher (HCV)/Section 8 program. In addition, our members work with developers on a regular basis to preserve and develop affordable housing throughout the state.

As housing authorities, it is our mission to provide safe and affordable housing to our residents. As part of this mission, we are committed to helping our residents succeed in their tenancy, so they maintain safe and stable housing. However, as outlined below, the right to counsel provision included in the omnibus bill is so limited, it will fail to address the preponderance of evictions cases due to serious lease violations. Moreover, we do support many of the provisions because our programs already provide these protections and they have been elements of a fair and judicious approach when addressing tenants in violation of their lease.

Housing Omnibus Bill Includes Many Protections Already Provided by Housing Authorities

Minnesota NAHRO and its members recognize the value of many of the provisions included in the omnibus housing bill because these protections and due process have been a part of our proceedings when addressing a lease violation and/or eviction. Specifically, we see the value and importance of the following provisions included in the bill:

- Transparency of fees charged before a lease is signed
- Require advance notice before entering a unit unless an emergency
- Establish the minimum heat requirement
- Permits termination of lease due to tenant infirmity
- Require notice to tenant of intent to file an eviction action

These provisions will provide transparency, reasonable livability standards, and establish a reasonable amount of notice for the tens of thousands of renter households across the state. Moreover, these provisions provide reasonable notice to the many households that may face an eviction. Thus the impact of these protections are both reasonable and significant.

In contrast, we do not agree with establishing a right to counsel for those in public housing who face an eviction due to a violation of the lease. Our opposition to this proposal is twofold.

Public Housing Residents Have More Due Process Protections Compared to Other Tenants

Frist, in the area of public housing, residents currently have due process protections required by HUD rules and regulations. Specifically, before an eviction action can be filed, residents of public housing are provided the opportunity for an informal hearing. This informal hearing is adjudicated by a third-party hearing officer and the tenant is able to present their position.

It is also noteworthy, that these informal hearings most often result in an agreement between the parties to address the issues leading to the breach of the lease. Due to these proceedings, the tenant has the opportunity to address the lease violation and often the housing authority provides supports to help ensure the tenant can resolve the issue. Unfortunately, in some situations, the tenant fails to keep the agreement and further lease violations occur. In these limited circumstances, the housing authority may move forward with an eviction action.

Proposal Will Have Extremely Limited Impact on Households at Risk Due to Eviction

Second, establishing the right to counsel in an extremely limited number of cases where the eviction is based on a breach of the lease in public housing. Thus, of the approximately 13,000 eviction cases filed each year, very few of these involve public housing and even fewer involve breach of the lease. A vast majority of the eviction actions filed are not addressed by HF450 and will not address the many households at risk in the open market.

HUD rules and regulations require a greater level of due process compared to the open market. Because of these protections, housing authorities are most often able to work with the tenant to resolve the lease violation and therefore avoid the need to file an eviction action at all.

Thus, compared to the open market, public housing residents are provided the opportunity to address a lease violation, have an opportunity to be heard at a hearing overseen by a neutral third party and these protections occur before an eviction action is ever filed.

Thank you again for the opportunity to submit our comments.