

Legal Aid Testimony – Housing Committee

Madame Chair and members, my name is Ron Elwood and I am the Supervising Attorney of the Legal Services Advocacy Project of Legal Aid. Legal Aid in Minnesota, as it does in every state in America, provides free civil legal assistance to low-income Minnesotans, Minnesotans with disabilities, and elder Minnesotans, with the mission of ensuring equal access to justice for all Minnesotans.

I am honored to be asked to present today. I would like to describe what we see, from our perspective, as the state's critical housing needs and describe briefly the work we do.

I believe that we start from a point of commonality. I believe there is consensus among policymakers, industry, and advocates alike that the number one need is housing stability. So many of our societal ills – from homelessness to stunted child development to health stressors – stem from the lack of housing stability.

There are, in our view, a number of factors that contribute to this problem and the needs we see.

First, is housing unaffordability among renters.

Second is insufficient rental assistance and the challenges of processing applications and getting out the door in a timely fashion.

Third is a court eviction system that we believe is need of some reform to balance the interests of landlords and tenants to make sure that there is an right balance of timely processing of eviction cases and providing appropriate due process and opportunity for tenants at risk of losing their housing to find financial and legal help and identify and assert legitimate legal defenses.

Fourth is the disturbing disparities in homeownership based on race. One recent report indicated that while the white homeownership rate is 77%, the rate for Black Minnesotans is only 19% - a gap of 58%. It is axiomatic that homeownership is the path to wealth building and economic success and stability.

With respect to housing unaffordability among renters, according to one report, more than 110,000 of Minnesota's poorest households do not have affordable housing options and more than 570,000 Minnesota households are spending more than 30% of their income for housing, the accepted benchmark of affordability. And, sadly, as in many areas, the burden falls disproportionately on households of color.

The unaffordability problem is a result of a multitude of factors. Housing has traditionally been provided by the private market (the good landlords that the Minnesota Multihousing Association represents); by nonprofit housing developers; and by public housing.

But since the 1980's, the federal government has abandoned its role in providing new units of public – affordable – housing. That has been, in my view, a major contributor to the crisis we're in now.

Second, it is becoming ever more difficult, cumbersome, and expensive for private developers to create market-based affordable housing and thus we are left with a supply and demand curve where, when, as it is now, the market is tight, rents go up to even more unaffordable levels for lower income Minnesotans.

Third, rental assistance is too little and often gets there too late. While it would be great if all working Minnesotans earned enough to make their housing affordable, that just isn't the case. Therefore, there is an appropriate role for government to play in helping foster housing stability through rental assistance.

But too often the application process and administration of the programs gets bogged down. Not to say agencies don't try their best, but we need to roll up our sleeves to figure out how to ensure eligible applicants receive more timely approvals and landlords and housing providers get the rent they are due much more quickly.

Finally, there is the legal system by which we evict people. Landlords are entitled to have their rent paid in a timely fashion per the lease agreement. They need to maintain their cash flow to maintain their properties and pay their mortgages. And, those are the good landlords that the Minnesota Multihousing Association represents.

Unfortunately, the landlords we see in court are those that typically do not maintain their properties, provide substandard housing, and do not own up to their part of the lease bargain.

In our experience, the eviction court process does not provide the appropriate balance to protect the interests of both the plaintiff and defendant in these cases. At its fastest, a tenant can go from eviction notice to homelessness in 7 days. Of course, that is not always the case, but that is what the statute provides. An argument between two parties about a fence line would not be adjudicated with that rapidity – and we are talking about one’s home here.

We believe a better balance needs to be struck between protecting the interests of both parties here. In our experience, tenants often do not have enough time to find financial help to pay the rent and find legal help to assist them to identify and assert a legitimate legal defense – the fundamental tenet of our legal system.

And, there are clearly insufficient legal resources available for tenants who require them.

And that's where Legal Aid comes in. Legal Aid provides free legal advice and, if needed, representation for low-income Minnesotans in every legislative district in the state. All of your constituents have access to Legal Aid services – not only in the case of evictions, but also for many other legal matters.

And, Legal Aid operates an award-winning website – LawHelpMN – that offers a wealth of plain language information on a myriad of legal topics and a “find a lawyer” resource for those who may not be able to afford a private attorney to solve their legal problem.

While our resources are such that we need to turn away two clients for every one we can help, we help tens of thousands of Minnesotans directly every year and significantly more than that through LawHelpMN.

In closing, these are the major issues as we see them. I very much look forward to working with all of you on solutions.