



March 8, 2023

Re: Delete All Amendment to SF-1298

Madame Chair and Senate Committee:

My name is Stacey Neameyer, and I'm the Vice President of Property Management at Steven Scott Management, Inc. We own and have been successfully managing apartments in the Twin Cities of Minneapolis and St. Paul for more than 50 years. We manage a variety of apartment communities ranging from market-rate housing to student housing, senior communities, and affordable housing. Our portfolio currently consists of 12,500 apartments and townhomes.

Our company has traditionally been quiet on political issues but when we saw this bill being proposed it became extremely apparent that we needed to provide comments as some sections are extremely concerning.

I appreciate what I believe the intent behind much of this bill is trying to do – codify management best practices. We follow best practices and know this is likely aimed primarily at the more predatory landlords. However, even within industry best practices, we have a few grave concerns related to the Delete All Amendment to SF-1298 and I feel the need to highlight some reasons why I would strongly urge you to dismiss them.

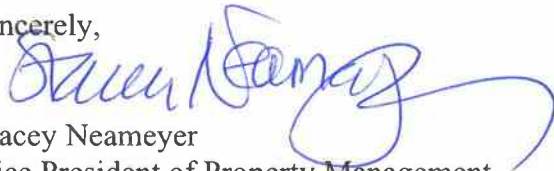
First, in Section 10 regarding Minnesota Statute 2022, section 504B.161 being amended, point 3 requires housing providers to analyze, assess and implement energy saving measures if there is an opportunity. We believe this is unnecessary as most housing providers already do this in best practice as it's a win-win for residents and owners alike. Further, many cities already participate in energy benchmarking, which achieves a similar goal. In contradiction, Section 10 point 5, this bill would require housing providers to supply 68-degree heat at all times. This is already common practice in our industry; however, mandating it, with threat of penalty, will cause housing providers to ensure their properties are over heated to avoid issue. This will not only increase costs for residents, but it is wasteful and directly contradictory to the point you are mandating in #3. (If you've even gone by apartment communities in the swing season, and seen a multitude of open windows, you have seen the unintended consequences this would bring.) Please remove points 3 and 5 as this can be more thoughtfully crafted.

Second, Section 12, limitation on crime free lease provisions, is extremely problematic. Violent crimes are defined only when physical harm is done to another person's body. What about harassment, drugs, prostitution, threats, illegal possession of or firing of a

gun, theft or arson? Even worse, this section states that it is only an issue if it is a “violent crime against another tenant”. What if the property staff, another guest, or a child (non-lease holder) is violated by a violent or non-violent crime? As you heard yesterday, it is already challenging to attract skilled labor to the management industry, and if companies are not able to protect their staff or other residents, guests, and children, it will be even harder to do so. Even worse, it puts our valued community resident at greater risk to allow dangerous people to continue to reside at and visit the property. Please delete this section until it can be redefined as it has too many unintended consequences that have not been thoroughly considered.

Third, Section 32 regarding action under section 504B.395 is concerning for a few reasons: 1) There are no timeframes around this which determine a “serious” issue or “loss” of something. 2) “Relief” is undefined. 3) Housing providers are given 24 hours to cure once notified of an issue. However, you also propose in Section 16 that we cannot enter a home with less than 24 hours’ notice. How are we to investigate an issue that we may not even have been made aware of? Are these issues or “losses” ok if we communicate it to our residents first (i.e. the water will be turned off for routine maintenance repairs or a fridge is ordered and arriving in 2 days and we’ve made other arrangements for their food in the meantime.) Is there any consideration for supply chain issues on things that are truly unavoidable? We value our residents and reasonably accommodate every person who experiences a maintenance concern. Please delete this section until more conversation can be had about parameters which make it clear and beneficial to all.

Sincerely,



Stacey Neameyer  
Vice President of Property Management  
Steven Scott Management