



9757 NE Juanita Drive, Suite 300
Kirkland, WA 98034
gregc@weiner.com

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Re: DE SC1298A-2

To: Chair Port, Vice Chair Boldon, Ranking Minority Member Lucero, and members of the Housing and Homeless Prevention Committee,

Thank you for the opportunity to submit comments regarding the recently released Senate Omnibus Landlord-Tenant bill. I'm writing to you today as a representative of Weidner Apartment Homes - a provider, operator and developer of rental housing here in Minnesota and throughout the US. We proudly own and oversee 3,000+ market-rate housing units at our properties located in Bloomington, Brooklyn Park, Eagan, Hopkins, Minneapolis, Plymouth, Ramsey, Sartell, Spring Park, St. Cloud, St. Paul, and St. Louis Park.

We appreciate the importance of safe and stable housing in the state of Minnesota as both our residents that consider these apartments their home, as well as our team members that work onsite are part of the community. Our founder Dean Weidner has made the concept of creating community a central part of what he shares with his employees and residents. Unfortunately, the recent trend to impose public policy initiatives such as rent control, as well as overly burdensome regulations in Minnesota has created a business climate that is unfriendly to those who choose to operate here. Furthermore, in the long run, policies like rent control do not actually help those low-income or BIPOC communities these policies are aimed at assisting.

Our review of SF1298 as amended reveals a number of changes to the Landlord Tenant law that we find objectionable. One provision in particular highlights the unintended consequences of this extensive legislation. Section 12 of the delete everything SC1298A-2 limits crime free lease provisions. Under this language the following are potential results:

There is no recourse for a landlord if there is a nonviolent perpetrator just outside the curtilage of the building. If a resident is harassed by another tenant, or that tenant's guest, the landlord has no way to protect the individual who lives in the building, so the resident that is facing this threatening behavior must live with the alleged tenant perpetrator or guests. **The result is that the harassed tenant is likely to move out to avoid the situation and the alleged perpetrator stays in the building to offend again.**

If it is a violent crime, the landlord can provide recourse for the tenant, but not for the staff members of the building. The alleged violent tenant or their guest would be allowed into the building, with no recourse, where the staff person may encounter them on a daily basis. **The likelihood of staff quitting due to legitimate fears for their safety is a high probability.**

Finally, if nonviolent incidents occur just outside the curtilage of the premises the landlord's only recourse is to call law enforcement on the tenant and/or their tenants' guests. **Increased police interactions for tenants and guests will be the likely result.**

The inclusion of language that would enact **Source of Income** protections is also something we strongly oppose. Not because we don't support the program (we in fact participate in every state that we do business in). But much like most of the industry, Weidner supports voluntary participation in the Section 8 Housing Choice Voucher Program and opposes any effort to mandate participation. In fact, we are on record at the federal level to strongly support improvements to the Section 8 program which would reduce regulatory burdens, increase funding and encourage increased participation.

The industry is not averse to leasing affordable housing to low-income residents; in fact, it wants to help. Beyond humanitarian motivations, empty apartments are costly and redundant. However, the administrative burdens placed on rental housing providers, as well as the bureaucratic indifference they face when trying to navigate the process add obstacles and risk to the application process. **It should be the choice of the housing provider to voluntarily enter into a government run program.**

Many affordable housing providers dedicate a very large part of their business operations to managing the multi-level process that is required to participate in the HCV Program. It can be (and often is) a full-time job to coordinate with the public housing authority (PHA) that administers the program locally. In simpler terms, it is the strings — not the source — that has caused owner participation rates to flat line (with one recent HUD funded study finding that 68 percent of rental property owners in the study's dataset who refuse to accept voucher holders had, in fact, accepted them previously). **The fact is that the program's burdensome requirements discourage rental housing providers from participating, and it should be their choice to participate or not.**

These antagonistic provisions do not create an amiable environment for housing providers, their management teams and residents of the building. The new requirements regarding pre-eviction notice, precise and prescriptive heating requirements, changes to court procedures and past rent payments no longer due in court actions range from challenging to unworkable. These policies significantly reduce the desirability of being a landlord in Minnesota.

As a company that provides itself on keeping community at the center of what we do, we are increasingly concerned that the actions of state and local elected leaders are creating a very challenging if not impossible business climate. We would like to continue to invest and develop housing options to meet the need of the residents of Minnesota but legislation like this bill is making that desire impossible.

We urge you to seriously consider the negative consequences should these provisions be enacted a currently proposed. Thank you for the opportunity to submit our comments for your review and consideration.

Respectfully,

Greg Cerbana

Gregory K. Cerbana
Vice President – Weidner Apartment Homes