

My name is Kathleen Phillips. I am a former HOA Board president and ten-year board member at Winterwood Garden Homes in Burnsville, MN. I speak from my experience both as a board member and homeowner. The purpose of our board is to make the community livable and maintain the value of our homes.

I attended virtually or in person all the working group's meetings. In my opinion board members and the majority of HOA/CIC homeowners were not well represented. Rather than make drastic changes in the law, the overwhelming recommendation was to create an ombudsman and to collect real data on how pervasive the "abuses" that were detailed by a few homeowners. If abuses are found to be pervasive, then perhaps some changes by legislation would be necessary. Currently, other than anecdotal unsubstantiated testimony by some homeowners, there are no real statistics on Minnesota HOA/CIC communities.

I urge you to vote against these changes, I have detailed some examples below that will have a detrimental impact on our association and consequently all homeowners. Thank you for your consideration.

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- **Prohibition on Associations Taking Any Enforcement Action Prior to a Member of the Board "Meeting and Conferring" with the Violating Owner** – While I understand the sentiment behind this provision, in practice this seems destined to significantly reduce owners' willingness to serve on their respective boards, as forcing directors to have a meeting with (sometimes hostile) homeowners prior to suing, foreclosing, or otherwise taking "enforcement action" is unlikely to be appealing for many directors. Most importantly, it exposes board member to potential personal danger.
- **Work Vehicles May be parked in the Association** – Our association is totally handicapped accessible, one level patio homes. Parking in the driveway obstructs handicapped accessible sidewalk leading from the driveway to the front door. That is the only access to the front door of the unit. Our roads and driveways are not constructed to handle heavy vehicles. The wear and tear on these surfaces would

be an additional financial burden to our handicapped and senior homeowners. The driveways are shared and would not be wide enough to accommodate two larger vehicles if both homeowners parked trucks on the driveway. In addition, several of the drives are very short and longer vehicles would extend into the drive path which is also used as a means for homeowners to access our mail stations. We have no dedicated sidewalks within the community, other than the sidewalk from the driveway to the front handicapped entrance to each unit. In the past the board granted overnight parking to a guest with a work vehicle. It was burglarized and \$25,000 of tools stolen. Work vehicles attract an additional incentive to the criminal element.

- **Assessment Cap on Costs of Enforcement/Collection to \$1,500** – In practice, this will inevitably mean that after a homeowner exceeds \$1,500 in enforcement costs (including attorney's fees), the remainder (compliant) homeowners would carry the financial burden for this offending homeowner. This feels fundamentally unfair to the homeowners who are complying with the requirements of their association's governing documents.
- **Cap on Fines at \$100.00 (Single Violation) or \$2,500.00 (Total)** – This would appear to potentially provide more well-to-do homeowners (e.g., LLCs interested in leasing a property in violation with an association's covenants) with a means to buy their way out of compliance with an association's covenants and rules. If an owner can make \$500/month (or more) leasing their property, and can simply pay their association a \$2,500.00 fine to ignore a leasing restriction permanently, many will do so as a "cost of doing business". The association's remedy in that scenario would be to engage in litigation with the owner and seek injunctive relief, and expensive proposition which not all associations can afford (and which, if the association could only assess back \$1,500 of that amount, could be quite daunting).