

# **Work Group, Public Listening Session, Thurs., 1/9 from 3pm-5pm at the Burnhaven Library in Burnsville**

## **Related to Previous Meetings #: 5, 6, 8**

### **Honorable Members:**

**Introduction.** One in four Minnesotans live in our HOAs. They comprise one in six of state home-owners. Here are just two of many problems they encounter:

**Problem 1. Inequitable Treatment.** HOAs often find that private and government entities supported by their tax dollars, routinely identify petitioners as HOA members. Barriers to "equal service" suddenly pop up. Additional legal expenses are required to resolve complaints. Required additional HOA dollars may result in denial of service, just because an HOA is involved.

**Suggestion 1. Establish Equitable Treatment.** We need a resolution mechanism to speak for HOAs when governmental agencies misapply laws meant to protect all Minnesota citizens. We need a specific agency to resolve issues of jurisdiction, mandate arbitration, or provide specific directives, e.g., a licensing board.

### **Problem 2. Failed Fiduciary**

**Responsibilities.** Size of HOAs may require a fulltime management team. Managers do err and fail. Only tort action in the courts may force managers to manage. Instances of Managers not managing are common. A manager may promise to do something for an HOA, may misappropriate funds, may refuse to take specific complaints directly, refuse HOA Board oversight, or apply a management

style that depreciates the value of individuals' HOA properties, etc. There is no licensing board to oversee management discretion or even training.

**Suggestion 2. Establish Management Norms.** HOAs need a mechanism to force compliance with promises made when management disregards oversight, e.g., a licensing board. We really need such a formal agency to resolve issues directly via education, licensing rules, mandated arbitration, specific directives for restitution, etc.

**Request.** Please consider setting up a licensing board for management oversight and redress for obvious wrongs to HOA members.

**With thanks for your efforts, David  
Johnson, Past Treasurer, Winterwood  
Garden Homes, Burnsville**