

STATE OF MINNESOTA
COUNTY OF ST. LOUIS

DISTRICT COURT
SIXTH JUDICIAL DISTRICT
CIVIL DIVISION

* * * * *

EMILY BLAIR DOUGLAS,
Plaintiff,

vs.

FINDINGS OF FACT,
CONCLUSIONS OF LAW,
ORDER AND JUDGMENT IN
UNLAWFUL DETAINER

LEONARD AND VALARIE SPARBY,
Defendant.

Case No. ~~C191160130~~
C896-601471

* * * * *

This matter came on for trial before the Honorable John T. Oswald on September 6, 1996. Plaintiff was present and represented by her attorney, Greg C. Gilbert. Defendants were present and represented by their attorney, David W. Adams. By agreement of the parties, the matter proceeded pursuant to Plaintiff's Motion for Summary Judgment without Testimony.

FINDINGS OF FACT

1. The parties entered a Section 8 Existing Housing lease on July 1, 1994. The lease provides that it remains in effect until terminated in accordance with paragraph 8 of the lease, terminated by the tenant in accordance with the lease, the parties mutually agree to terminate the lease, or the Housing Authority has terminated the contract. This is a Section 8 lease often referred to as the "endless lease".

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2. The Plaintiff produced no evidence that the lease has been terminated in accordance with the termination provisions of the lease.

3. Plaintiff's Notice to Defendants dated April 30, 1996 indicates that the lease will not be renewed on July 1st, 1996. That notice is not sufficient to result in the expiration of Defendant's lease as claimed by the Plaintiff since the lease does not provide a mechanism for doing so.

4. Based on federal statutory and regulatory changes effective after the parties entered this lease, 47 U.S.C. §1437f(d)(1)(B)(i), 24 CFR §982.309(b), and the Omnibus Consolidated Rescissions and Appropriations Act of 1996, the term of a new Section 8 Existing Housing lease is currently limited to one year with an option for automatic renewal for successive definite terms, such as a month-to-month tenancy at the end of the first year. Pursuant to the Omnibus Consolidated Rescissions and Appropriations Act of 1996, new Section 8 leases may currently be terminated without cause at the end of the initial term and at the end of any term extension. This new form of lease is therefore no longer an "endless lease".

5. The parties' existing lease provides a mechanism in paragraph 10 whereby the Plaintiff could have offered a new lease to the Defendants at any time after June 30th, 1995. Failure of the Defendants to accept the offer of a new lease could constitute good cause for eviction. Pursuant to paragraph 10 of the lease, Plaintiff could have offered Defendants the new

form of Section 8 lease but did not do so. Their original Section 8 "endless lease" remains in effect.

6. Plaintiff did not provide the one year notice to Defendants required by M.S. §504.32 Subd. 2(1) necessary under state law before a Section 8 contract will expire. Lease paragraph 11, 24 CFR §982.310(e) and HUD Notice PIH 96-23(HA) issued May 1, 1996 all indicate that state or local law notices are to be used when terminating a Section 8 tenant in a Section 8 tenant-based program such as this. Compliance with the notice requirement of M.S. 504.32 Subd. 2(1) is necessary before this lease can expire.

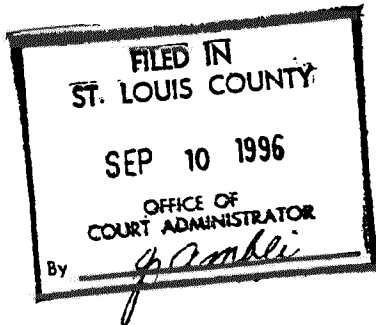
7. Plaintiff produced no evidence that good cause existed for termination of Defendants' lease.

CONCLUSIONS OF LAW

Plaintiff's Motion for Summary Judgment is denied and Plaintiff's cause of action is dismissed with prejudice.

LET JUDGMENT BE ENTERED ACCORDINGLY AND IMMEDIATELY WITH NO 30 DAY STAY.

Dated: 9/10/96



BY THE COURT:

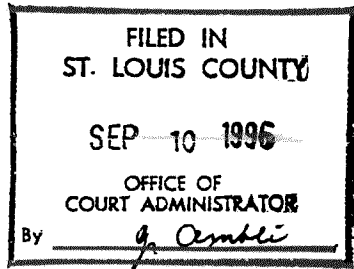

HONORABLE JOHN T. OSWALD

JUDGMENT

The above Conclusions of Law hereby constitute the Judgment of this Court.

Dated: 10 September 1996

COURT ADMINISTRATOR



Georgia J. Ambli
BY: Deputy