

Omaha Together One Community (OTOC)

Testimony at the Omaha City Council Meeting on January 8, 2019 from OTOC Housing Team

My name is Gloria Austerberry of Augustana Lutheran Church and the Housing Action Team of Omaha Together One Community. Today's discussion informs your decision about TIF funding for Mr. Paladino **in the context** of the larger question of how you will update the code governing Omaha's rental housing. Everyone we have talked to – a very diverse group - supports your desire that their never be another Yale Park-like mass evacuation. Most landlords do a good job serving housing needs of their renters. A few do not and are of deep concern to all!

We thank those who have just now shared stories from some of Mr. Paladino's tenants. Over the years, we have heard many similar stories. It is important that we all understand the needless suffering that goes on in many rental homes in Omaha.

However, in the last year we have **also** heard from agencies that work with Mr. Paladino and other landlords to house the homeless. So how does this work?

Agency social workers inspect units landlords have available. Then the social worker often must give the landlord a list of what to fix before they will move families into the unit. That means if Mr. Paladino or other landlord want to the agency to pay the rent for several months Mr. Paladino has to meet basic housing standards. Agencies report that he has the means, expertise, and workers and he does bring these units up to the minimum standards the agencies demand.

This raises a question. How do we reconcile these two different sets of stories, both true? The properties Mr. Paladino rents to low income people have often been persistently substandard. On the other hand, he usually gets his properties up to the standard when working with homeless agencies. Same landlord. Different behaviors.

Our **answer** is that in both cases, Mr. Paladino meets the **enforced** standards. Without a complaint, the city enforces no minimum standards on rental property. And landlords often live by a rule that the Nebraska Supreme Court also articulated – “low-income tenants are reluctant to complain”. Mr. Paladino and others can make a business decision to ignore minimum standards that are not enforced. When homeless agencies enforce a standard, he makes the repairs. He knows he can depend on the agencies for rent payments. In each case, he does what the different systems require of him. The wholistic support agencies provide their clients often helps them get a job and income to continue in housing they pay for.

The stories you are hearing today are the inevitable result of a complaint-based and broken system. In the coming weeks, we are looking for the City Council and Mayor to propose changes to this system. We need a new set of rules that include periodic inspections. Not just a band aid on the complaint-based system, but a new proactive system. With reasonable rental registration fees, the city could to operate a cycle of inspections to enforce minimum standards in all rental units. Those inspections will markedly improve the quality of housing for many. If Council Bluffs, La Vista, and Carter Lake can enforce minimum standards, why not Omaha?