

*This opinion is nonprecedential except as provided by
Minn. R. Civ. App. P. 136.01, subd. 1(c).*

**STATE OF MINNESOTA
IN COURT OF APPEALS
A25-1118**

Tanya Hipkins,
Relator,

vs.

Dakota County Community Development Agency,
Respondent.

**Filed March 30, 2026
Affirmed
Wheelock, Judge**

Dakota County Community Development Agency

Laura Jelinek, Lisa Hollingsworth, Southern Minnesota Regional Legal Services, Inc., St. Paul, Minnesota (for relator)

Mary G. Dobbins, Landrum Dobbins LLC, Edina, Minnesota (for respondent)

Considered and decided by Smith, Tracy M., Presiding Judge; Wheelock, Judge;
and Halbrooks, Judge.*

NONPRECEDENTIAL OPINION

WHEELOCK, Judge

Appellant challenges a hearing officer's decision to reduce her rental assistance from a two-bedroom to a one-bedroom voucher, arguing that (1) the hearing officer's finding that appellant failed to accurately represent her household composition was not

* Retired judge of the Minnesota Court of Appeals, serving by appointment pursuant to Minn. Const. art. VI, § 10.

supported by substantial evidence, (2) the finding was arbitrary and capricious because the hearing officer did not properly weigh the credibility of evidence received at the hearing, and (3) the hearing officer applied the incorrect legal standard. We affirm.

FACTS

In January 2022, appellant Tanya Hipkins¹ submitted an application to respondent Dakota County Community Development Agency (CDA) for housing assistance through a Housing Choice Voucher (HCV), listing herself and her mother, Barbara Hipkins, as adult household members and her two sons, Tray Vauhn Will-Hipkins and Tayviauhn Hipkins,² as household members under 18 years old.³ Hipkins and Barbara signed a Statement of Responsibilities acknowledging that they read and understood the HCV program requirements and what conduct would violate the requirements for a two-bedroom voucher. Hipkins and her mother also signed a lease, which began on September 1, 2022, and had a renewal date of August 31, 2023, for a residence in Eagan (the assisted unit). The Housing Assistance Payments contract (HAP contract) listed Hipkins, Barbara, Tray Vauhn, and Tayviauhn as “persons who may reside in the unit.” The HAP contract also stated that “[o]ther persons may not be added to the household without prior written approval of the owner and the [public housing agency] PHA.”

¹ Because all of the household members share the same surname, we refer to appellant as Hipkins and all other household members by their first names.

² Portions of the record also list the sons’ names as Tray’Vauhn and Tay’Viauhn.

³ Hipkins’s sons are now over the age of 18.

In January 2023, an Enterprise Income Verification report generated by the U.S. Department of Housing and Urban Development (HUD) showed that Tray Vauhn was potentially receiving multiple subsidies through HCVs. In April 2023, the CDA property manager reached out to Hipkins's case manager and informed her that she received a phone call from Tray Vauhn's father, Bobby Will, in which Will stated that he currently had legal custody of Tray Vauhn and that Tray Vauhn had been living with him and not Hipkins. The CDA property manager also informed the case manager that she received a police report from March 12, 2023, in which Tayviauhn's girlfriend listed the assisted unit as her address. When asked about the police report, Hipkins submitted pages of the girlfriend's lease to the property manager that showed the girlfriend was living at a residence in Luverne and Tayviauhn was listed as an occupant on that lease.

In May 2023, the CDA requested that the Dakota County Sheriff's Department investigate the claims that Hipkins was misrepresenting her household composition and her sons were living elsewhere. In early May, Hipkins, Barbara, and Tray Vauhn all signed recertification paperwork for the CDA, listing Hipkins, Barbara, Tray Vauhn, and Tayviauhn as the current household members.⁴ In the certification forms, they also signed a Statement of Tenant Responsibilities, acknowledging that the only people allowed to live in the assisted unit were those listed on the application and that the applicant must "report in writing within 30 calendar days if any member moves out of [the] unit." The form also

⁴ Hipkins and Barbara signed the paperwork on May 8, 2023; Tray Vauhn also signed the recertification paperwork because he was over 18 at that time. Tayviauhn did not sign, as he was a minor at the time of recertification.

stated that “failure to report to the CDA any and all changes to [Hipkins’s] household members or to obtain prior approval to add a member will result in termination of [her] housing assistance.”

Later that month, the Dakota County Sheriff’s Department provided its report to the CDA about its investigation of Hipkins’s household composition. The report showed that Tray Vauhn was listed on Will’s HUD certification as far back as 2014, including in 2021, when Will’s HUD certification for an Inver Grove Heights residence listed Tray Vauhn as a household member. Tray Vauhn’s school transcripts dated May 2023, and his driver’s license, which was issued in November 2022, also listed Will’s residence as his address. The investigator had contacted Tray Vauhn’s former employer, who stated that the only address they had on file for Tray Vauhn while he was employed there from October 2022 to February 2023 was the Inver Grove Heights address. Two of Tray Vauhn’s other places of employment were also found to be within half a mile and five miles of the Inver Grove Heights address. Will reported to the investigator that Tray Vauhn lives with him and stays with Hipkins only on “rare occasions.”

Will also told the investigator that Hipkins’s younger son, Tayviauhn, lives with his girlfriend and their two children at the residence in Luverne. When contacted, the property owner of the Luverne address confirmed that Tayviauhn was a tenant on the lease. The report confirmed that Tayviauhn updated his driver’s license with the Luverne address in January 2023.

The investigator also reported that, on May 26, 2023, she spoke with Hipkins about her sons’ status as household members. Hipkins shared that Tray Vauhn “comes and goes”

and stays with his father, her, his friends, his uncle, and others; when asked about his school transcript listing the Inver Grove Heights address, she reported that “he only attends school on Wednesdays.” Hipkins also said that Tayviauhn had not been living with her since April 2023 but that he sometimes stays with her if he and his girlfriend get into an argument.

Based on the investigation, the CDA determined that Hipkins had been misrepresenting her household composition and sent a termination-of-assistance letter to Hipkins that explained that Hipkins would have to repay the amount of housing-assistance benefits that the HCV program had paid on her behalf. Counsel for Hipkins requested an appeal of the termination. After the initial letter was returned, the CDA sent Hipkins another letter in which it reiterated that the assistance had been terminated and stated that the CDA had since received information from Hipkins’s counsel that Barbara had moved into a new residence, which Hipkins had not reported to the CDA.

The parties appeared for an informal hearing before a hearing officer on May 1, 2025. During the hearing, the hearing officer heard from counsel for both the CDA and Hipkins. To support its assertion that Hipkins was misrepresenting her household composition and its decision to terminate her housing assistance, the CDA provided the documentation it had gathered that showed both of Hipkins’s sons were residing at separate addresses other than the assisted unit.

Hipkins’s counsel noted on the record that, as of January 31, 2018, Hipkins, not Will, had custody of Tray Vauhn. Hipkins’s counsel also pointed out that Will, who had alerted the CDA about Hipkins’s alleged misrepresentation, had multiple prior convictions

for “domestic violence, theft, and providing false information to a police officer.” During Hipkins’s counsel’s questioning of the CDA’s director of housing assistance, she asked if it was possible that Tayviauhn was on the lease for the residence in Luverne only because his girlfriend would get in trouble with the landlord if he stayed longer than seven days with her and their children as a visitor. The director agreed that was possible, but explained, “[T]he problem is, when someone is receiving a federal subsidy, you cannot be on two leases and you cannot physically reside in more than one location. The issue is that when a federal subsidy is involved, the participants are obligated to only reside at that one residence.”

Ten witnesses testified on behalf of Hipkins, including Hipkins’s sons and her mother. All of Hipkins’s witnesses testified that her sons live with her full-time at the assisted unit and that losing housing assistance would negatively affect Hipkins because of her mental-health struggles. Tray Vauhn testified that he lived at the assisted unit with Hipkins but that he thought he had also signed and was listed on the lease for his father’s Inver Grove Heights residence. He explained that he “goes back and forth between” his parents’ houses and that the Inver Grove Heights address is listed on his driver’s license because his father’s girlfriend helped him get his driver’s license. He stated that they listed his father’s address for his school records because he needed an address within the school district to continue attending school there. Tayviauhn testified that, when he signed the lease in Luverne, he was “maybe 16” and “didn’t know what [he] was doing” and signed it only so he could see his children and not get his girlfriend in trouble with her landlord. He did not explain why he used the Luverne address for the address on his driver’s license.

Hipkins testified that the only residents at the assisted unit were herself, her mother, and her two sons. She testified that Tray Vauhn lived with her “more than 51% of the time” and that, while he visited his father often, “he lived with her.” She asserted that Tayviauhn’s driver’s license listed the Luverne address because “he thought he had to use a Luverne address since that is where his [driver’s license] was issued” and that both sons reside with her and “that they both will always have a home with mom and they will always come back home.”

Hipkins’s counsel asserted that it was Will who lied about his household composition when he included Tray Vauhn and that Will reported Hipkins to the CDA for misrepresentation so that he would not get in trouble regarding his own housing assistance. She also argued that Hipkins’s mental health was a mitigating circumstance and that losing her housing assistance “would impact her health negatively.”

In May 2025, the hearing officer filed her decision, finding that Hipkins misrepresented her household composition and determining that Hipkins was in violation of the CDA requirements regarding her HCV. However, the hearing officer also found that Hipkins’s misrepresentation was not intentional and that she should be granted a one-bedroom voucher upon agreeing to a compliance agreement; thus, the hearing officer upheld the termination of the two-bedroom voucher, authorized Hipkins’s reinstatement in the program on a one-bedroom voucher, and ordered that Hipkins repay the difference between a two-bedroom and one-bedroom HCV for the period of September 2022 to August 2023.

Hipkins appeals.

DECISION

When a public housing authority receives evidence, hears testimony, and makes a decision, it acts in a quasi-judicial capacity. *Carter v. Olmsted Cnty. Hous. & Redev. Auth.*, 574 N.W.2d 725, 729 (Minn. App. 1998). We will uphold a housing authority's quasi-judicial decision unless it is "unconstitutional, outside the agency's jurisdiction, procedurally defective, based on an erroneous legal theory, unsupported by substantial evidence, or arbitrary and capricious." *Wilhite v. Scott Cnty. Hous. & Redev. Auth.*, 759 N.W.2d 252, 255 (Minn. App. 2009) (quotation omitted); *see also Dietz v. Dodge County*, 487 N.W.2d 237, 239 (Minn. 1992) (stating that certiorari review of quasi-judicial decisions of local agencies is limited to questions affecting jurisdiction, the regularity of the proceedings, and whether the decision "was arbitrary, oppressive, unreasonable, fraudulent, under an erroneous theory of law, or without any evidence to support it" (quotation omitted)). "We examine the findings to determine whether they support the decision but do not retry facts or challenge the credibility determinations of the agency." *Wilhite*, 759 N.W.2d at 255.

A public housing authority may terminate a participant's Section 8 housing assistance if a family member violates the program's requirements as enumerated in 24 C.F.R. § 982.551 (2025). 24 C.F.R. § 982.552(c)(1)(i) (2025). Applicable federal regulations authorize the CDA to terminate Section 8 rental assistance if a program participant misrepresents who is living at the residence, does not promptly notify the CDA when a family member no longer resides in the unit, or a member of the assisted unit

receives renting assistance at another unit. *See* 24 C.F.R. § 982.551(b)(4), (h)(2)-(3), (k), (n).

Hipkins argues that the hearing officer's decision to reduce her HCV was improper because it was not based on substantial evidence, was arbitrary and capricious, and applied the incorrect legal standard. We address each argument in turn.

I. The hearing officer's ruling was based on substantial evidence.

Hipkins first argues that the hearing officer's determination that she failed to accurately report her household composition is not supported by substantial evidence. Hipkins asserts that the hearing officer did not consider the evidence in its entirety because Hipkins "submitted substantial evidence to show" that both her sons lived in the assisted unit, including a custody order, mail, school documents, a photograph, and witness testimony.

"[A] substantial-evidence analysis requires us to determine whether the agency has adequately explained how it derived its conclusion and whether that conclusion is reasonable on the basis of the record." *In re NorthMet Project Permit to Mine Application*, 959 N.W.2d 731, 749 (Minn. 2021) (quotation omitted). And "if the ruling by the agency decision-maker is supported by substantial evidence, it must be affirmed." *Id.* (quotation omitted). Substantial evidence is "(1) such relevant evidence as a reasonable mind might accept as adequate to support a conclusion; (2) more than a scintilla of evidence; (3) more than some evidence; (4) more than any evidence; or (5) the evidence considered in its entirety." *Wilhite*, 759 N.W.2d at 255 (quoting *Minn. Ctr. for Env't Advoc. v. Minn. Pollution Control Agency*, 644 N.W.2d 457, 466 (Minn. 2002)).

We defer to the agency’s determinations “regarding conflicts in testimony, the weight given to expert testimony, and the inferences to be drawn from testimony.” *Cannon v. Minneapolis Police Dep’t*, 783 N.W.2d 182, 189 (Minn. App. 2010) (quotation omitted). Substantial judicial deference is given to administrative fact-finding, and the burden to prove that a decision is unsupported by substantial evidence is on the relator. *In re Consol. Hosp. Surcharge Appeals*, 883 N.W.2d 778, 785 (Minn. 2016); *see also CUP Foods, Inc. v. City of Minneapolis*, 633 N.W.2d 557, 563 (Minn. App. 2001), *rev. denied* (Minn. Nov. 13, 2001); *In re Estelle’s Termination*, No. A20-1461, 2021 WL 2410703, at *4 (Minn. App. June 14, 2021) (applying abuse-of-discretion standard of review to determine if a decision to terminate housing assistance was supported by substantial evidence).⁵ Further, “[i]f an administrative agency engages in reasoned decision-making, the court will affirm, even though it may have reached a different conclusion had it been the factfinder.” *Cable Commc’ns Bd. v. Nor-W. Cable Commc’ns P’ship*, 356 N.W.2d 658, 669 (Minn. 1984).

Contrary to Hipkins’s assertions, after receiving conflicting evidence from the parties at the hearing that included documents and testimony, the hearing officer made credibility determinations and weighed the evidence before determining that Hipkins had misrepresented her household composition regarding her HCV. The hearing officer’s written decision discussed the evidence presented by both parties, observing that the CDA’s documentation “contradicts the claim that [Hipkins’s sons] resided full-time in the

⁵ Nonprecedential opinions are not binding authority but are cited here for their persuasive value. *See* Minn. R. Civ. App. P. 136.01, subd. 1(c).

assisted unit” and that both of Hipkins’s sons have leases, driver’s licenses, and other official records that list addresses other than the assisted unit. The hearing officer carefully considered Hipkins’s evidence, which is reflected in its additional determination that Hipkins’s violation was not intentional.

Hipkins argues that the hearing officer should have come to a different conclusion based on the evidence she presented. Although Hipkins disagrees with the outcome that was reached, her belief does not mean that the evidence upon which the hearing officer relied is inadequate. The record here contains “such relevant evidence as a reasonable mind might accept as adequate to support a conclusion” and “more than a scintilla of evidence” that Hipkins misrepresented her household composition. *Wilhite*, 759 N.W.2d at 255.

We therefore conclude that the record contains substantial evidence that supports the hearing officer’s determination that Hipkins failed to accurately report her household composition.

II. The hearing officer’s ruling was not arbitrary and capricious.

Hipkins next argues that the hearing officer’s decision to reduce her housing voucher from a two-bedroom to a one-bedroom residence was arbitrary and capricious because the hearing officer “failed to explain her determinations and reasons why she discredited pertinent testimony.” Hipkins again points to evidence she produced at the hearing, including testimony from ten witnesses, a custody order, school records, mail, and a photograph.

Reviewing courts may reverse an agency's decision if the decision is arbitrary and capricious. *Id.* An agency's decision is arbitrary and capricious if the agency

- (a) relied on factors not intended by the legislature; (b) entirely failed to consider an important aspect of the problem; (c) offered an explanation that runs counter to the evidence; or (d) the decision is so implausible that it could not be explained as a difference in view or the result of the agency's expertise.

Citizens Advocating Responsible Dev. v. Kandiyohi Cnty. Bd. of Comm'rs, 713 N.W.2d 817, 832 (Minn. 2006). Further, an "agency's conclusions are not arbitrary and capricious so long as [there is] a rational connection between the facts found and the choice made." *In re Rev. of 2005 Ann. Automatic Adjustment*, 768 N.W.2d 112, 120 (Minn. 2009) (quotation omitted). "If there is room for two opinions on a matter, the [agency]'s decision is not arbitrary and capricious" *Id.* As stated above, a hearing officer is given "substantial judicial deference" in fact-finding, *Consol. Hosp. Surcharge Appeals*, 883 N.W.2d at 785, and even if we may have reached a different conclusion, we will affirm if the hearing officer engaged in "reasoned decisionmaking," *Cable Commc'n Bd.*, 356 N.W.2d at 669.

Hipkins points out that the hearing officer did not make an "express credibility determination" for the witness testimony and asserts that the hearing officer "improperly gave great weight to . . . hearsay evidence," namely, the report from Will.⁶ Hipkins also asserts that the hearing officer improperly considered the leases, school records, the Dakota

⁶ "'Hearsay' is a statement, other than one made by the declarant while testifying at the trial or hearing, offered in evidence to prove the truth of the matter asserted." Minn. R. Evid. 801(c). Hearsay is not admissible in district court proceedings unless an exception applies. Minn. R. Evid. 802.

County Sheriff's Department investigative report, police reports, and employment and tax records because these documents were not "corroborated by witnesses."

In persuasive nonprecedential decisions of this court, we have observed that, in hearings on terminations of federal benefits, "[e]vidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings." *Dirie v. Metro. Hous. & Redev. Auth.*, No. A17-1866, 2018 WL 2770421, at *3 (Minn. App. June 11, 2018) (quoting 24 C.F.R. § 982.555(e)(5) (2017) (setting forth evidentiary requirements for informal hearings)); accord *Johnson v. Wash. Cnty. Hous. & Redev. Auth.*, No. C5-00-1021, 2001 WL 214190, at *2 (Minn. App. Mar. 6, 2001) (applying rule allowing hearing officer to rely on hearsay evidence); see *State ex rel. Indep. Sch. Dist. No. 276 v. Dep't of Educ.*, 256 N.W.2d 619, 627 (Minn. 1977) (stating that the general rule prohibiting reliance solely on hearsay does not apply when there is a special statute permitting such use). And a hearing officer is in the best position to "judge the inherent trustworthiness and reliability of the evidence before him." *Indep. Sch. Dist. No. 276*, 256 N.W.2d at 627.

Notwithstanding the relaxed rules of evidence for informal hearings, the evidence Hipkins challenges would have been admissible under multiple exceptions to the rule against hearsay. Many of the documents were admissible pursuant to the public-records exception to the rule against hearsay, including the police report, the school transcript, and the Dakota County Sheriff's Department investigative report. Minn. R. Evid. 803(8). Within this hearsay exception, a record of a public office that sets forth the activities of the office, such as a school transcript, or matters observed pursuant to a duty imposed by law

with a duty to report, such as a police report, are admissible. *Id.*; see *In re Welfare of Child of J.K.T.*, 814 N.W.2d 76, 95 (Minn. App. 2012); *Gardner v. Comm’r of Pub. Safety*, 423 N.W.2d 110, 114 (Minn. App. 1988).

Here, the hearing officer did not rely on factors not intended by the legislature, fail to consider an important aspect of the problem, offer an explanation that was not supported by the evidence, or render an implausible decision, *Citizens Advocating Responsible Dev.*, 713 N.W.2d at 832, and therefore, the decision was not arbitrary or capricious. The hearing officer’s credibility determinations concerning testimony and evidence were implicit in the findings from the hearing, and the decision was supported by the record. The hearing officer acknowledged that the witnesses for Hipkins provided “strong testimonial support” but also stated that “the CDA submitted verifiable third-party documentation, including official records, indicating that both sons maintain other residences.” Because the CDA’s evidence contradicted all the witness testimony offered at the hearing, the hearing officer was required to weigh the evidence presented. And while it may have been helpful for the hearing officer to include an explicit credibility determination in the written decision, we discern an implicit credibility determination by the hearing officer that favored the CDA’s evidence based on the conclusion that the CDA proved that Hipkins engaged in misrepresentation about the key issue in the matter—her household composition.

Based on our review of the record and written decision, there is a clear “rational connection between the facts found and the choice made.” *2005 Ann. Automatic Adjustment*, 768 N.W.2d at 120 (quotation omitted). Even if we may have determined a different outcome based on the same facts, “[i]f there is room for two opinions on a matter,

the [agency]’s decision is not arbitrary and capricious.” *Id.* The hearing officer’s decision explained the evidence presented and provided the reasoning underlying its determinations, and thus, it was not arbitrary and capricious.

III. The hearing officer applied the correct legal standard when it ordered a reduction in her housing voucher.

Finally, Hipkins argues that the hearing officer applied the wrong legal standard when reducing her assistance. Hipkins asserts that the hearing officer confused her sons having multiple addresses with them receiving assistance at multiple addresses.

Federal regulations provide that “[t]he family must use the assisted unit for residence by the family. The unit must be the family’s only residence,” 24 C.F.R. § 982.551(h)(1), and “[t]he family must promptly notify the PHA if any family member no longer resides in the unit,” 24 C.F.R. § 982.551(h)(3). “Federal section 8 regulations do not address burdens of proof, but U.S. Supreme Court precedent indicates that, where deprivations of benefits necessary for survival are concerned, the initial burden of proof must fall on the government.” *Carter*, 574 N.W.2d at 731 (citing *Goldberg v. Kelly*, 397 U.S. 254, 264 (1970)).

After the CDA terminated Hipkins’s assistance, it only had to prove, by substantial evidence, that the unit was not the only residence for each of her family members. *Id.* at 730 (“An administrative agency’s decision must be supported by ‘substantial’ evidence”). The CDA presented sufficient evidence to show that Hipkins’s sons had other addresses and were not residing at the assisted unit full-time. On the evidence

presented, it was reasonable for the hearing officer to determine that Hipkins violated the requirements of the HCV program.

Moreover, in light of the hearing officer's determination that the misrepresentation was not intentional, the hearing officer did not affirm the CDA's decision to terminate Hipkins's assistance completely; instead, she ordered that the HCV be reduced from a two-bedroom to a one-bedroom voucher and that the CDA recalculate the amount of assistance Hipkins must repay based on a one-bedroom subsidy level from September 2022 to August 2023. The hearing officer "[was] not required to consider mitigating factors . . . when deciding whether [Hipkins's] violation of a reporting rule [was] a terminable offense." *Peterson v. Wash. Cnty. Hous. & Redev. Auth.*, 805 N.W.2d 558, 564 (Minn. App. 2011), *rev. denied* (Minn. Oct. 26, 2011). Yet the hearing officer did consider mitigating factors, such as the apparent lack of intentional misrepresentation. We conclude that the hearing officer applied the correct legal standard.

In sum, the hearing officer's decision was supported by substantial evidence, was not arbitrary or capricious, and utilized the correct legal standard in reducing Hipkins's HCV.

Affirmed.