

# City of Saint Paul

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# Legislation Details (With Text)

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**Final action:** 7/8/2020

Title: Creating Chapter 193 of the Legislative Code (Title XIX) pertaining to Tenant Protections.

Sponsors: Mitra Jalali, Jane L. Prince, Nelsie Yang, Rebecca Noecker, Amy Brendmoen

Indexes:

**Code sections:** 

Attachments:

1. Alliance - Equity in Place letter, 2. HREEO Comission Letter, 3. Teamsters Local 120 Letter, 4. Refusal to renew Amendment, 5. Substantially equivalent Amendment, 6. Real Estate Equities Letter, 7. SPRLF Tenant Protection Ordinance letter, 8. SP350 letter, 9. PHA letter, 10. MICAH letter, 11. Comment 1 rec'd by Council, 12. HOME Line letter, 13. Payne Phalen CC Letter, 14. Twin Cities Habitat for Humanity letter, 15. SPAAR Letter, 16. Union Park DC Letter 6.4.20, 17. Catholic Charities - SAFE Ordinance Public Comments 06.05.20, 18. MN HIV Housing Coalition letter, 19. Ord 20-14 Version 3, 20. Housing Justice Center Letter, 21. ISAIAH Housing Letter 061220, 22. St Anthony Park CC Letter, 23. St. Paul Federation of Educators Letter, 24. Radius Health letter, 25. Version 4 Amendments, 26. Noecker Amendment, 27. Jalali Amendment, 28. Thao - Tenant Protections Amendments, 29. Prince Amendment, 30. Summary of Tenant Protections Amendments 6-12-20, 31. SPPS Project REACH letter, 32. MCCD Letter, 33. D1 Letter, 34. SPAAR Letter 2, 35. Presentation Fair Housing Tenant Protections 6-17-2020a, 36. SAFE HOUSING SAINT PAUL (002), 37. Gutzmann PHA email 06-22-20, 38. Greater East Side Community Council letter, 39. Mac-Groveland Resolution re ORD 20-14 v3, 40. Comment 2 rec'd by Council, 41. Jalali Amendment 2 (1), 42. Thao - Affordable Housing Definition Amendment, 43. Rental Housing Brief Saint Paul Housing Link December 2019, 44. How We Undercount Evictions By Asking the Wrong Questions 538 Flowers, 45. Final Report 1442 Eviction in Saint Paul, 46. FHIC anti-displ final report, 47. MHP Market Watch - Saint Paul, 48. Noecker Amendment 193.01 (1), 49. Housing Justice Center Supplemental Comments, 50. HOME Line July 1 letter, 51. CM Jalali Amendment, 52. Comment 3 rec'd by Council, 53. Online Comment, 54. ORD 20-14 Final Language Signed

Date	Ver. Action By Action Result			
Date	Ver.	Action By	ACTION	Result
7/14/2020	6	Mayor's Office	Signed	
7/8/2020	6	City Council	Adopted As Amended	Pass
7/1/2020	5	City Council		
6/24/2020	4	City Council	Public Hearing Closed; Laid Over to Fourth Reading/Final Adoption	Pass
6/24/2020	4	City Council	Laid Over to Fourth Reading	
6/17/2020	3	City Council	Laid Over to Third Reading/Public Hearing	Pass
6/3/2020	3	City Council	Laid Over to Third Reading	Pass
5/13/2020	2	City Council		
3/18/2020	2	City Council		
3/11/2020	1	City Council		

Creating Chapter 193 of the Legislative Code (Title XIX) pertaining to Tenant Protections.

#### Section 1

WHEREAS, under City Council RES 89-1273 17-994, the Council directed the creation of a fair housing workgroup to make policy and budget recommendations "with the goal of eliminating housing disparities, lowering barriers to affordable housing, and ensuring access to economic opportunity in the City of Saint Paul"; and

WHEREAS, under City Council RES 17-2064, the Council directed the development of a fair housing strategic plan "to continue to research and work with housing partners on strategies to further Fair Housing goals such as...improved tenant protections, Tenant Remedies Actions, Advance Notice of Sale policy, gentrification studies, just cause eviction, non-discrimination policies, and others"; and

WHEREAS, under City RES 18-1204, the City Council acknowledged that "the housing crisis in our city and region, and the urgent need to address the crisis as our population grows,"; and

WHEREAS, in 2019 the City created the Affordable Housing Trust Fund, with five objectives: to meet the needs of those with the lowest incomes by increasing supply; to invest in low and moderate income residents by investing in existing supply; to explore innovative approaches to meeting housing needs; to build wealth for residents and communities; and to promote fair access to housing for us all; and .

WHEREAS, in 2019, the Office of Financial Empowerment, which housed the Fair Housing Coordinator Position, was created and subsequently developed the framework for a citywide fair housing strategy identifying decreasing housing displacement, increasing housing access and affirmatively furthering fair housing as the overall objectives; and

WHEREAS, Tenant Protections is one of four focus areas including education and engagement, enforcement and compliance, and preservation and production, to address strategy objectives based on the current housing landscape; and

WHEREAS, stagnant wages, skyrocketing increasing rents, a lack of affordable housing, and a consistently low housing vacancy rate are making it harder for Saint Paul residents to find housing and to afford it over time: and

WHEREAS, the 2040 Comprehensive Plan identified decent safe and healthy housing for all Saint Paul residents, fair and equitable access to housing for all city residents, stable rental housing and improved access to affordable housing as 3 of the 7 housing goals; and

WHEREAS, the number of renters has increased by 12 percent from 2000-2016 and the City of Saint Paul has now become a renter-majority city, with 51% (57,621) of City residents being renters; and

WHEREAS, rent has increased by 15 percent from 2000-2016 while incomes remained stagnant at 2000 levels; and

WHEREAS, renters are disproportionately people of color and are disproportionately representative of individuals from low wealth backgrounds; and

WHEREAS, the City has a per capita income gap of \$28,763 between white households and households of color; and

WHEREAS, demographically 83% of African-American households are renting, compared to 41% of White households; and

WHEREAS, more than half of our renter households earn 60 percent or less of the Area Median Income, and

more than half of our renter households of color earn 30 percent or less of the Area Median Income; and

WHEREAS, in St. Paul, 51 percent of our renter households are housing-cost burdened, resulting in seventy-five percent of our low-income renter households being housing cost burdened and thirty-nine percent being severely housing cost burdened; and

WHEREAS, the Fair Housing Act of 1968 requires that the City affirmatively further fair housing, meaning the City must take meaningful action to overcome historic patterns of segregation, promote fair housing choice, and foster inclusive communities that are free from discrimination; and

WHEREAS, the Federal Fair Housing Act, Minnesota Human Rights Act and Saint Paul Human Rights Ordinance prohibit discrimination based on protected class status; and

WHEREAS, in April 2016, the United States Department of Housing and Urban Development issued warning that blanket policies of refusal to rent to people with criminal records could violate the Fair Housing Act if "without justification, their burden falls more often on renters or other housing market participants of one race or national origin over another"; and

WHEREAS, as of January 1, 2020, people of color make up 47.9 percent of the MN prison population, but only 15.9 percent of our state population; and

WHEREAS, criminal justice research supports that the effect of a criminal offense on a residents housing outcome declines over time and becomes insignificant; and

WHEREAS, criminal justice research supports housing as a contributing factor to reducing recidivism; and

WHEREAS, our current credit scoring system has a disparate impact on people and communities of color, rooted in a long history of housing discrimination and wealth inequities even though credit score itself does not reflect positive rental history or timely rent payments or probability of on time rent payments; and

WHEREAS, in 2017 there were an estimated 1,710 residential evictions filed against tenants in the City of Saint Paul; and

WHEREAS, evictions, regardless of outcome, impact a renter's ability to secure future housing, and Rresearch suggests that "Informal evictions" occurring outside of the court process are occurring at twice the rate of formal evictions; and

WHEREAS, the 2014 Regional Analysis of Impediments to Fair Housing Choice identified high rental application denial rates in communities of color and those with disabilities, based on rental selection criteria pertaining to criminal background, credit history and rental background; and

WHEREAS, the 2017 Addendum to the 2014 REgional Analysis of Impediments to Fair Housing Choice identified involuntary displacement of low income, often households of color as a fair housing issue; and

WHEREAS, the City of Saint Paul has approximately 11,000 units of housing which are considered Naturally Occurring Affordable Housing (NOAH) affordable at or below 60 percent Area Median Income and NOAH buildings are most at risk for ownership changes; and

WHEREAS, the CURA Diversity of Gentrifictaion Study reported they found significant evidence of gentrification between 2000 and 2015 in the cities of MInneapolis and St. Paul through both quantitative and qualitative research; and

WHEREAS, research supports housing unaffordability and instability affect not just individuals and families, but also public institutions, education, healthcare systems, and private businesses, and

WHEREAS, 2019 research from the Aspen Institute named insufficient supply, low income and lack of public funding, racial discrimination and rental housing policies as the drivers of housing unaffordability and

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instability; and

WHEREAS, the 2018 Minnesota Homeless study by Wilder Research reported homelessness icreased by 10% from 2015-2018; and

WHEREAS, the 2018 Minnesota Homeless study by Wilder Research reported that more than half of respondents (56%) said they have had difficulty renting an apartment or getting housing because there was no housing they could afford; and

WHEREAS, the 2018 Minnesota Homeless study by Wilder Research reported that the most common reasons that adults reported leaving their last housing were: eviction or not having their lease renewed (39%) and being unable to afford rent or house payments (38%); and

WHEREAS, the 2018 Minnesota Homeless study by Wilder Research reported that African American and American Indian adults are overrepresented in Minnesota's homeless population, add that racist and discriminatory economic and housing policies, along with generational poverty, continue to play a role in the overrepresentation of African American and American Indian people in the homeless population; and

WHEREAS, Minnesota's tenant resource hotline, HOME Line, reported in 2019 their tenant hotline served 2,153 St. Paul Renter Households totaling 5,382 renters; and

WHEREAS, HOME Line reported in 2018 and 2019 that Evictions, Repairs, Security Deposits and Notice to Vacate were among their top 10 reasons for calls; and

WHEREAS, evidence suggests both formal and "informal" evictions can mask unlawful retaliation or discrimination; and

WHEREAS, historical and ongoing discrimination in housing makes tenant protections a fair housing, racial equity and economic justice imperative; now, therefore, be it

RESOLVED, that the Council of the City of Saint Paul does Ordain:

#### Section 2

Chapter 193 of the Saint Paul Legislative Code is hereby created to read as follows:

Sec. 193.01 Definitions.

For the purposes of this Chapter, the following terms shall have the meaning ascribed to them in this section.

- (1) Affordable Housing Building shall mean a single-family rental home or a multiple-family rental housing building having five (5) or more dwelling units where at least twenty (20) percent of the units rent for an amount that is affordable at no more than thirty (30) percent of income to households at or below eighty (80) percent of area median income, as most recently determined by the United States Department of Housing and Urban Development for Low Income Housing Tax Credit (LIHTC) purposes, as adjusted for household size and number of bedrooms.
- (2) Affordable Housing Dwelling Unit shall mean a rental dwelling unit in an Affordable Housing Building that rents for an amount that is affordable to households at or below eighty (80) percent of Area Median Income, as most recently determined by the United States Department of Housing and Urban Development, as adjusted for household size and number of bedrooms.

- (3) Available for Sale shall mean the earliest implementation of any of the following actions: negotiating to enter into a purchase agreement that includes an Affordable Housing Building, advertising the sale of an Affordable Housing Building, entering into a listing agreement to sell an Affordable Housing Building, or posting a sign that an Affordable Housing Building is for sale.
- (4) For <u>Just Cause</u> shall mean that the tenant or a member of the tenant's household materially violated a term of the lease in accordance with Sec. 193.05(a). any of the bases listed in Sec. 193.05(a) upon which a landlord may terminate tenancy.
- (5) Cure the Deficiency shall mean that a tenant pays all monies rightfully owed, or fully complies with an order to correct a lease violation or notice to cease an activity that is in violation of a lease.
- (6) Displacement Dwelling Unit shall mean the dwelling unit from which a tenant was displaced pursuant to Sec. 193.05(5) or (7).
- (7) *Eviction* shall mean a summary court proceeding to remove a tenant or occupant from, or otherwise recover possession of, real property by the process of law, pursuant to Minn. Stat. Ch. 504B.
- (8) Family Member shall mean a property owner's child, step-child, adopted child, foster child, adult child, spouse, sibling, parent, step-parent, mother-in-law, father-in-law, grandchild, grandparent, or registered domestic partner as defined by Saint Paul Code of Ordinances section 186.02 and any individual related by blood or affinity whose close association with the property owner is the equivalent of a family relationship.
- (9) Landlord shall mean the property owner or agent of the property owner.
- (10) Lease shall mean an oral or written agreement creating a tenancy in real property.
- (11) Rental Application Fee shall mean a fee paid by the potential tenant to a landlord, in order for the landlord to screen the background of the potential tenant before signing the lease.
- (12) Relocation Assistance shall mean a payment in an amount equal to three times the rental housing affordability limit at sixty (60) percent of Area Median Income for the Twin Cities metro area as published by the Metropolitan Council. Annually updated payments calculations can be located on the met council websites Affordability Limits for Ownership and Rental Housing: https://metrocouncil.org/
- (13) Security Deposit shall have the meaning stated in Minnesota Statutes, section 504B.178.
- (14) Single Month's Rent shall have the following meaning: for a lease in which rent is paid once each month in the same amount, Single Month's Rent means that amount. When a tenant's rent is supplemented by a rental subsidy, rent means the total contract rent for the dwelling unit. For a lease in which rent is paid once each period in the same amount but the period is not one (1) month, Single M onth's Rent means the amount paid per period divided by the number of days in the period and then multiplied by thirty (30). For other leases, Single Month's Rent means the total amount of rent due under the anticipated length of the lease divided by the number of days in the anticipated length of the lease and then multiplied by thirty (30).
- (15) Substantially Equivalent Replacement Unit shall mean a dwelling unit which is decent, safe and sanitary, contains at least the same number of bedrooms and other living areas as the Displacement Dwelling Unit, and is available at a Substantially Similar Rental Rate within the neighborhood district of the Displacement Dwelling Unit. Perfect comparability is not required.
- (16) Substantially Similar Rental Rate shall mean the Displacement Dwelling Unit rental rate plus five percent (5%) or minus ten percent (10%) of the contract rate for a Single Month Rent.
- (17) Tenant shall mean an authorized occupant of a residential rental building under a lease or contract,

whether oral or written.

- (18) Tenant Protection Period shall mean the period that commences with the transfer of ownership of an A ffordable Housing Building and runs through the end of the ninety (90) calendar days following the month in which written notice of sale is delivered to each affordable housing dwelling unit tenant pursuant to Sec. 193.08(a).
- (19) Transfer of Ownership shall mean any conveyance of title to an Affordable Housing Building, whether legal or equitable, voluntary or involuntary, resulting in a transfer of control of the building, effective as of the earlier of the date of delivery of the instrument of conveyance or the date the new owner takes possession.
- (20) Termination of Tenancy shall mean the end of a tenancy following a written notice given by a landlord to a tenant requiring the tenant to move, including nonrenewal of lease.

Sec. 193.02 Tenant rights information packets and tenant rights posters.

- (a) Tenant rights information packets and posters for landlords and tenants. The Office of Financial Empowerment (the Office) will create and maintain a Tenant Rights Information Packet that includes:
  - (1) A summary of the City of Saint Paul Chapter 193 (Tenant Protections), the Minnesota Attorney General's booklet on Landlords and Tenants Rights and Responsibilities pursuant to Minnesota Statutes §504B.275, and a summary of federal fair housing laws describing the respective rights, obligations, and remedies of landlords and tenants thereunder; and
  - (2) A list of tenant resources, including but not limited to:\_information regarding community organizations, government departments, and other entities and organizations that tenants can use to support their housing stability, seek legal advocacy, and provide information or resources for other housing needs.
- (b) Tenant Rights Information Poster. The Office of Financial Empowerment will create and maintain a poster summarizing tenant rights and responsibilities that includes a summary of City of Saint Paul Chapter 193 (Tenant Protections).
- (c) Online availability. The Office will make the information packets and posters described in Sec. 193.02 available online.
- (d) Non-English versions. The poster and packet will be printed in English and any other languages that the department determines are needed to notify tenants of their rights under this chapter.

## Sec. 193.03. Security deposits.

- (a) Limit on <u>Security Deposit</u> amount. No landlord shall demand, charge, accept, or retain from a tenant more than a <u>Single Month's Rent as a Security Deposit</u>.
- (b) Pre-paid rent limitation. No landlord shall demand, charge, accept, or retain from a tenant pre-paid rent an amount that exceeds the equivalent of <u>a</u> one <u>Single Month's Rent</u>. This provision should not be read to prohibit a landlord from demanding, charging, accepting, or retaining a <u>Security Deposit</u>, pet deposit, or application fees, pursuant to Sec. 54.03 of the Saint Paul Legislative Code.
- (c) Governing law. Any <u>Security Deposit</u> furnished herein shall be governed by the provisions of Minnesota Statutes, Section 504B.178, together with this section.
- (d) Exception. For applicants who could be disqualified under Sec. 193.04 an owner may charge, accept

and retain an additional payment not to exceed one (1) Single Month's Rent in the form of a Security D eposit or pre-payment as a condition to enter into a lease agreement with the applicant.

# Sec. 193.04. Applicant screening guidelines for prospective tenants.

- (a) Screening criteria made available. Before accepting applications for rental housing, a landlord must provide written rental screening criteria to all applicants.
- (b) Uniform screening criteria. A landlord must apply uniform screening criteria and cannot disqualify an applicant for any of the following reasons:
  - (1) Criminal history.
    - a. Any arrest or charge that did not result in conviction of a crime;
    - b. Participation in or completion of a diversion or a deferral of judgment program, including but not limited to: pre-charge or pretrial diversion, stay of adjudication, continuance for dismissal, or a continuance without prosecution;
    - c. Any conviction that has been vacated or expunged;
    - d. Any conviction for a crime that is no longer illegal in the state of Minnesota;
    - e. Any conviction or any other determination or adjudication in the juvenile justice system, except under procedures pursuant to Minn. Stat. § 260B.130.
    - f. A petty misdemeanor offense is not a criminal offense. For the purposes of this Chapter, a petty misdemeanor cannot be grounds for a denial;
    - g. Any misdemeanor, gross misdemeanor or felony conviction stemming from the following traffic offenses: reckless driving, driving without a license, driving with a suspended or revoked license, and DUI that did not result in additional charges for injury to a person;
    - h. Any conviction for misdemeanor or gross misdemeanor offenses for which the dates of sentencing are older than three (3) years;
    - i. Except as indicated in paragraph (j) below, any criminal conviction for felony offenses for which the dates of sentencing are older than seven (7) years; however, a landlord may deny an applicant who has been convicted of the illegal manufacture or distribution of a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802), or for those same offenses that mandate denial of tenancy in federally assisted housing subject to federal regulations, including but not limited to when any member of the household is subject to a lifetime sex offender registration requirement under a state sex offender registration program.
    - j. Any criminal conviction for the following felony offenses for which the dates of sentencing are older than ten (10) years: first-degree assault (Minnesota Statutes section 609.221), first-degree arson (Minnesota Statutes section 609.561), aggravated robbery (Minnesota Statutes section 609.245), first-degree murder (Minnesota Statutes section 609.185), second-degree murder (Minnesota Statutes section 609.19), third-degree murder (Minnesota Statutes 609.195), first-degree manslaughter (Minnesota Statutes 609.20), kidnapping (Minnesota Statutes section 609.25), or first-degree criminal sexual conduct (Minnesota Statutes section 609.342).

#### (2) Credit history.

- a. Credit score by itself; however, a landlord may use credit report information to the extent the report demonstrates a failure to pay rent or utility bills; or
- b. Insufficient credit history, unless the applicant in bad faith withholds credit history information that might otherwise form a basis for denial.

#### (3) Rental history.

- a. An eviction action pursuant to Minnesota Statutes Chapter 504 or other equivalents in other states, if the action occurred three (3) or more years before the applicant submits the application or if the action occurred during the three years immediately preceding submission of the application but did not result in a judgment entered against the applicant.
- b. Insufficient rental history, unless the applicant in bad faith withholds rental history information that might otherwise form a basis for denial.
- c. If a landlord uses a minimum income test requiring an income equal to two and half (2.5) times the rent or higher, the landlord must allow an exception to that test where the applicant can demonstrate a history of successful rent payment with the same or lower ratio of income to rent.
- d. Exception. Whenever local, state, or federal funding or loan requirements for tenant screening conflict with any portion of section Sec. 193.04, the funding or loan requirements will take precedence over only those portions in conflict.

#### Sec. 193.05. Just cause notice for tenants.

- (a) Just cause notice. A landlord may not issue a notice terminating tenancy unless the landlord is able to establish one or more of the following grounds:
  - (1) Non-payment of rent. The tenant fails to Cure the Deficiency after receiving a non-payment notice from the landlord, and the landlord does not pursue a valid non-payment eviction action under Minn. Stat. § 504B.291, subd. 1(a), but decides to terminate tenancy at the end of the lease.
  - (2) Repeated late payment of rent. The tenant repeatedly makes late payments of rent, no fewer than five times in a 12-month period. The landlord must provide the tenant with notice following a late payment that a subsequent late payment may be grounds for <u>Termination of Termination of tenancy</u>. If the tenant continues to make a late payment on no fewer than five occasions per year, the landlord must give the tenant notice to vacate at least equal to the notice period outlined in the original lease agreement terms.
  - (3) Material non-compliance. After receiving a written notice to cease from the landlord, the tenant continues, or fails to Cure the Deficiency, to a material breach of the lease. This subsection shall not diminish the rights of a landlord, if any, to terminate a lease for actions permitted under Minn. Stat. § 504B.281, et seq.
  - (4) Refusal to renew. The tenant refuses to renew or extend the lease after the landlord requests in writing that the tenant do so. The landlord shall give the tenant notice to vacate at least equal to the notice period outlined in the original lease agreement terms following the tenant's refusal to renew or extend the lease. This subsection shall in no way diminish the

fifteen to thirty day notice period as required by Minn. Stat. 504B.145 for leases with automatic renewal provisions.

- (5) Occupancy by property owner or Family Member. The property owner, in good faith, seeks to recover possession of the dwelling unit so that the property owner or a Family Member may occupy the unit as that person's principal residence. The property owner or Family Member must move into the unit within 90 days from the tenant's vacation. If a Substantially Equivalent Replacement Unit is vacant and available, that unit must be made available to the tenant at a Substantially Similar Rental Rate as the tenant's current lease.
- (6) Building demolishment and dwelling unit conversion. The landlord (i) elects to demolish the building, convert it to a cooperative provided the landlord complies with the provisions of Minn. Stat. Ch. 515B, or convert it to nonresidential use; provided that, the landlord must obtain a permit necessary to demolish or change the use before terminating any tenancy, or (ii) the landlord seeks, in good faith, to recover the unit to sell it in accordance with a condominium conversion, provided the landlord complies with the provisions of Minn. Stat. Ch. 515B, or (iii) the dwelling unit is being converted to a unit subsidized under a local, state or federal housing program and the tenant does not qualify to rent the unit under that program.
- (7) Rehab and renovation. The landlord seeks, in good faith, to recover possession of the dwelling unit that will render the unit uninhabitable for the duration of the rehabilitation or renovation. The landlord must provide 90 days' written notice to the tenant, and shall provide Relocation Assistance to the tenant upon delivery of the written notice. If a <u>Substantially E</u> quivalent <u>Replacement Unit</u> is vacant and available in the building, that unit may be made available to the tenant at a Substantially Similar Rental Rate as the tenant's current lease.
  - (8) Complying with a government order to vacate. The landlord is complying with a government agency's order to vacate, order to abate, or any other order that necessitates the vacating of the dwelling unit as a result of a violation of Saint Paul city codes or any other provision of law. The landlord shall provide Relocation Assistance to the tenant upon delivery of the written notice. If a <u>Substantially Equivalent Replacement Unit</u> is vacant and available in the building, that unit may be made available to the tenant at a <u>Substantially Similar Rental Rate</u> as the tenant's current lease.
- (9) Occupancy conditioned on employment. The tenant's occupancy is conditioned upon employment on the property and the employment relationship is terminated.
- (10) Exceeding occupancy. Tenant exceeds the occupancy standards under City of Saint Paul Code 34.13, except for that no tenant may be evicted, denied a continuing tenancy, or denied a renewal of a lease on the basis of familial status commenced during the tenancy unless one year has elapsed from the commencement of the familial status and the landlord has given the tenant six months prior notice in writing, except in case of nonpayment of rent, damage to the premises, disturbance of other tenants, or other breach of the lease. Any provision, whether oral or written, of any lease or other agreement, whereby any provision of this section is waived by a tenant, is contrary to public policy and void.
- (b) Landlord responsibilities. All residential tenant leases, except for state licensed residential facilities and subject to all preemptory state and federal laws, shall include the following Just Cause Notice language:

The landlord under this lease shall not unilaterally terminate or attempt to terminate the tenancy of any tenant unless the landlord can prove in court that  $\underline{J}$ ust  $\underline{C}$ ause

exists. The reasons for  $\underline{T}$ ermination of  $\underline{T}$ enancy listed in the City of Saint Paul's Just Cause Notice (Sec. 193.05), and no others, shall constitute  $\underline{J}$ ust  $\underline{C}$ ause under this provision.

- (c) Application. This section applies to every lease, written or oral.
- (d) Notice requirements. With any termination notices required by law, landlords terminating any tenancy protected by this Chapter shall advise the affected tenant or tenants in writing of the reasons for the termination and the facts in support of those reasons.

#### Sec. 193.06. Advance notice of sale (of affordable housing).

- (a) Notice of proposed sale. Any owner or representative of the owner who intends to make Available for Sale any Affordable Housing Building shall notify the Director of the Department of Planning and Economic Development. The notice shall be on a form prescribed by the city stating the owner's intent to make Available for Sale the Affordable Housing Building and which may include, at the city's sole discretion, some or all of the following information:
  - (1) Owner's name, phone number, and mailing address;
  - (2) Address of the Affordable Housing Building that will be made Available for Sale;
  - (3) Total number of dwelling units in the building; and
  - (4) Number and type (e.g., efficiency, one bedroom, two bedrooms, etc.) of affordable housing dwelling units in the building and the contract rent for every dwelling unit in the building.
- (b) Manner and timing of notice. The notice shall be mailed, or hand delivered to the Director of the Department of Planning and Economic Development no later than ninety (90) days prior to the Affordable Housing Building being made Available for Sale. The notice shall also be delivered directly to all affected tenants and include the following language requirement: "This is important information about your housing. If you do not understand it, have someone translate it for you now, or request a translation from your landlord." This advisory must be stated in the notice in the following languages: English, Spanish, Somali, Karen, and Hmong. This notice shall be delivered to all affected tenants no later than ninety (90) days prior to the Affordable Housing B uilding being made Available for Sale. Upon request by the tenant, the owner must provide a written translation of the notice into the tenant's preferred language of ones listed above.
- (c) Exclusions. This section shall not apply to the sale of transfer of title of an Affordable H ousing Building already subject to federal, state, or local rent or income restrictions that continue to remain in effect after the sale or transfer.

#### Sec 193.07 Relocation Assistance.

- (a) Relocation Assistance required. If, during the tenant protection period provided in 193.08(b), the new owner of an Affordable Housing Building terminates or refuses to renew any affordable housing dwelling unit tenant's rental agreement lease without cause, then the new owner shall pay Relocation Assistance.
- (b) Relocation Assistance upon written notice of termination. If, during the Tenant Protection Period provided in 193.08(b), the new owner of an Affordable Housing Building raises any affordable housing dwelling unit tenant's rent, or rescreens an existing affordable housing dwelling unit tenant, and the tenant or new owner delivers written notice to terminate the rental agreement lease because the new owner has determined that the tenant does not meet the new screening criteria, the new owner shall, within thirty (30) days of receiving or delivering written notice of termination of the rental agreement lease, pay Relocation

Assistance to the tenant.

# Sec 193.08 Notice of sale (of affordable housing).

- (a) Written notice required. When a Transfer of Ownership occurs, the new owner shall, within thirty (30) days of acquiring ownership of the property, deliver written notice to each affordable housing dwelling unit tenant of the building that the property is under new ownership and all of the following information:
  - (1) Name, phone number, and mailing address of the new owner.
  - (2) The following statement: "Saint Paul Code of Ordinances Sec. 193.08 provides for a ninety (90) day Tenant Protection Period for affordable housing dwelling unit tenants. Under Sec. 193.07, an affordable housing dwelling unit tenant may be entitled to Relocation Assistance from the new owner if the new owner terminates or does not renew (pursuant to the City of Saint Paul Just Cause Notice) the tenant's rental agreement lease without cause within the ninety (90) day Tenant Protection Period following delivery of this notice. Affordable housing unit tenants may also be entitled to Relocation Assistance from the new owner if the owner raises the rent or initiates a tenant screening process within the Tenant Protection Period and the tenant terminates their rental agreement lease."
  - (3) Whether there will be any rent increase within the ninety (90) day Tenant Protection Period with the amount of the rent increase and the date the rent increase will take effect.
  - (4) Whether the new owner will require existing affordable housing dwelling unit tenants to be rescreened to determine compliance with existing or modified residency screening criteria (pursuant to Sec. 193.04) during the ninety (90) dayTenant Protection Period and, if so, a copy of the screening criteria.
  - (5) Whether the new owner will terminate or not renew rental agreements <u>leases</u> without cause during the ninety (90) day Tenant Protection Period and, if so, notice to the affected Affordable Housing Dwelling unit tenants whose rental agreements <u>leases</u> will terminate and the date the rental agreements leases will terminate.
  - (6) Whether, on the day immediately following the Tenant Protection Period, the new owner intends to increase rent, require existing affordable housing dwelling unit tenants to be rescreened to determine compliance with existing or modified residency screening criteria, or terminate or not renew affordable housing dwelling unit rental agreemenst leases without cause.
- (b) Tenant Protection Period. The Tenant Protection Period commences with the Transfer of Ownership of an Affordable Housing Building and runs through the end of the ninety (90) calendar days following the month in which written notice of sale is delivered to each affordable housing dwelling unit tenant pursuant to this Section.
- (c) Delivery of notice to Department of Safety and Inspections. This same written notice shall be furnished to the Director of the Department of Safety and Inspections at the same time notice is delivered to tenants. The new owner or representative of the new owner of an Affordable Housing Building shall not terminate or not renew a tenant's rental agreement lease without cause, raise rent, or rescreen existing tenants during the Tenant Protection Period without providing the notices required by this section. The notice shall also include the following language requirement: "This is important information about your housing. If you do not understand it, have someone translate it for you now, or request a translation from your landlord." This advisory must be stated in the notice in the following languages: Spanish, Somali, Karen, and Hmong. Upon request by the tenant, the owner must provide a written translation of the notice into the tenant's preferred language of ones listed above.

#### Sec. 193.09 Enforcement, penalties, and prohibitions.

- (a) Private right of action created Penalties for violation. In addition to any other remedy available at equity or law, failure Failure to comply with the provisions of this Chapter may result in criminal prosecution, and/or administrative fines and restrictions. In addition, any tenant aggrieved by a landlord's noncompliance with this Chapter may seek redress in any court of competent jurisdiction to the extent permitted by law.
- (b) Damages for violation of 193.05, Just Cause. A landlord who terminates a tenancy using a notice which references Sec. 193.05 as the ground for Termination of Tenancy, without fulfilling or carrying out the stated reason for or condition justifying the termination of such tenancy, shall be liable to such tenant in a private right for action for damages equal to Relocation <u>Assistance</u> costs under Sec. 193.07(b), costs of suit or arbitration, and reasonable attorney's fees.
- (c) Administrative fines and notice requirement for violation of 193.08, Notice of Sale. A violation of Sec. 193.08 as to each affordable housing dwelling unit shall constitute a separate offense. A notice of violation shall not be required in order to establish or enforce a violation of the section. Notwithstanding any other provision to the contrary, the administrative fine for a violation of Sec 193.08 shall be the sum of the applicable amount of Relocation Assistance. Within thirty (35) days after receipt of this money by the City, the City shall pay to the displaced tenant of the affordable housing dwelling unit for which the violation occurred an amount equal to the Relocation Assistance as defined by this Chapter.
- (d) Prohibition of waiver. Any lease provision which waives or purports to waive any right, benefit or entitlement created in this Chapter shall be deemed void and of no lawful force or effect.
- (e) 'No Just Cause' as lawful defense. In any action commenced to non-renew or to otherwise terminate the tenancy of any tenant, it shall be a defense to the action that there was no Just Cause for such non-renewal of lease or termination as required in this Section.
- (f) Mutual termination. This Section does not preclude a landlord and tenant from agreeing to a mutual termination.

Sec. 193.10 Evaluation

(a) The OFE shall conduct an evaluation of the impact of this chapter to determine if the section should be maintained or amended. The evaluation shall demonstrate the section's impacts, if any, on the ability of low-income persons, persons of color, and persons with limited English proficiency to obtain housing, and the overall availability of affordable housing in the city and known data on the compliance and known violations of the ordinance. The OFE may retain an independent, outside party to conduct the evaluation. The evaluation shall be conducted 18 months following the effective date of this chapter, and be submitted to the City Council within two and one-half years following the effective date.

Sec. 193.11 Budget

(a) Within 90 days after passage of this section, the OFE shall present to the Council the costs of implementing this section, including education and enforcement, and will propose a budget equal to these costs for the Council's consideration for every year beginning in 2021.

Sec. 193.12 Exemptions.

(a) Whenever local, state, or federal funding or loan requirements conflict with any portion of this Chapter, those funding or loan requirements will take precedence over only those portions in conflict. This subsection shall not be read to exempt properties from the requirements of this

#### Chapter based on funding source alone.

Sec. 193.13 Implementation Task Force Created

(a) The Office of Financial Empowerment (OFE) shall convene an Implementation Task Force made up of tenants, landlords and tenants' and landlords' advocates to propose rules and an implementation plan for this chapter, including a plan for educating landlords and tenants about the provisions in this section.

Sec. 193.14 Severability.

(a) If any section, clause, provision, or portion of this Chapter is determined to be invalid or unconstitutional by a court of competent jurisdiction, that section, clause, provision, or portion shall be deemed severed from the Chapter, and such determination shall not affect the validity of the remainder of the Chapter.

#### **SECTION 3**

This Ordinance will take effect and be in force on July March 1, 2021 following its passage, approval, and publication.