

90 DAY TENANT PROTECTION ORDINANCE



OVERVIEW

The Bloomington City Council adopted an ordinance that protects existing residents when a sale of a rental property occurs. The goal of the ordinance is to provide adequate time or resources for residents in affordable units to identify replacement housing if they will be displaced due to rescreening, raised rents, or non-renewal of lease as a result of their building was sold. This document will help explain the City Code requirements. The full ordinance can be found here: <a href="https://example.com/block/bl

What happens when my building is sold?

The protections include a 90 day period limiting rent increases, preventing termination of leases without cause, and a requirement to provide relocation assistance upon failure to comply for affordable units. The new owner is required to notify the existing tenants and City of Bloomington Community Development Director of the sale.

Is my building eligible for protection?

Multi-family rental buildings where at least 9% of the units are affordable to households with incomes at or below 60% Area Median Income (AMI) are covered under the TPO.

Current rent limits can be found on the Metropolitan Council Website here: <u>BLM.MN/AffordableRentLimits</u>

What rental units are eligible for protection?

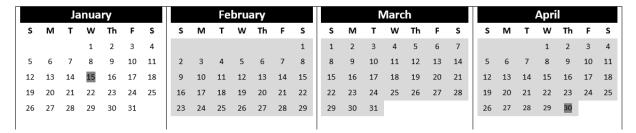
Rental units that are affordable to households with incomes at or below 60% AMI.

When is the 90 day tenant protection period?

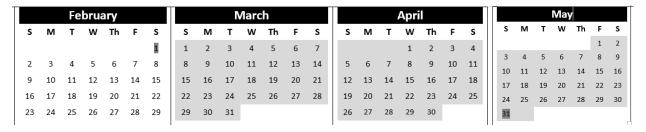
The tenant protection period begins on the date that the tenant receives notice that the building is sold to a new owner. The period runs through the end of the three calendar months following the month in which written notice of the sale is delivered to each affordable housing unit tenant.

For example, if the building is sold on January 15, the new owner must provide written notice within 30 days (by February 14).

If the tenant receives written notice on January 15, the 90 day tenant protection period runs through February, March and April. The protection period would end on the last day of April.



If the tenant receives written notice on February 1, the 90 day tenant protection period runs through March, April and May. The protection period would end on the last day of May.



If rent increases during the tenant protection period, will tenants receive relocation assistance?

If the new owner raises the rent or rescreens existing tenants in any affordable housing unit during the tenant protection period, and the tenant gives written notice to the new owner to terminate the lease, the new owner must pay the tenant the equivalent of https://doi.org/10.2016/j.com/html/ of receiving the tenant's written notice of termination of the rental agreement.

If a lease is terminated or not renewed during the tenant protection period, will tenants receive relocation assistance?

If the new owner terminates or refuses to renew any affordable housing unit tenant's lease without cause during the tenant protection period, the new owner must pay the tenant the equivalent of three months' rent as relocation assistance, no later than the day upon which the tenant vacates the unit.

What is termination of a lease without cause?

Without cause means with no violations of any terms of the rental agreement including nuisance, disorderly conduct, drug-related illegal activity or violence.

90 DAY TENANT PROTECTION NOTICE

When the building is sold, the new owner must deliver written notice of the sale to each affordable housing unit tenant within 30 days.

What information will be provided in the notice of sale?

The notice must include:

1. Contact information: the name, mailing address, and telephone number of the new owner.

2. Tenant Protection Statement:

"Bloomington City Code Section <u>9.45</u> provides for a three (3) month tenant protection period for affordable housing unit tenants. Under Section <u>9.45</u>, an affordable housing unit tenant may be entitled to relocation assistance from the new owner if the new owner terminates or does not renew the tenant's rental agreement without cause within the three (3) month tenant protection period. An affordable housing unit tenant may also be entitled to relocation assistance from the new owner if the tenant terminates his or her rental agreement because the new owner raises the rent or initiates a tenant rescreening process within the three-month tenant protection period."

- 3. If the rental agreement will be terminated or will not be renewed without cause during the 90 day tenant protection period and the date the rental agreement will end.
- **4. If there will be any rent increase** within the 90 day tenant protection period, the amount of the rent increase and the date the rent increase will take effect.
- 5. If tenant rescreening will be required within the 90 day tenant protection period. If the tenant screening criteria changes, the new owner must provide a copy of it.
- 6. If on the day immediately following the tenant protection period the new owner will increase rent, require tenant rescreening, or terminate or not renew the rental agreement without cause.

Will the City receive notice of the sale?

Yes. The new owner must also deliver a copy of the notice to the City Community Development Director at the same time notice is delivered to tenants.

[Letterhead]

Draft Tenant Notice: No rent increases, rescreening, or non-renewals during tenant protection period.

[Date]

RE: 90 Day Tenant Protection Notice

Dear TENANT:

This letter is notifying you of a change of ownership at the property and the City of Bloomington Tenant Protection Ordinance. Our company purchased the property and the new ownership is:

[New Owner Name]
[New Owner Mailing Address]
[New Owner Telephone Number]

"Bloomington City Code Section <u>9.45</u> provides for a three (3) month tenant protection period for affordable housing unit tenants. Under Section <u>9.45</u>, an affordable housing unit tenant may be entitled to relocation assistance from the new owner if the new owner terminates or does not renew the tenant's rental agreement without cause within the three (3) month tenant protection period. An affordable housing unit tenant may also be entitled to relocation assistance from the new owner if the tenant terminates his or her rental agreement because the new owner raises the rent or initiates a tenant rescreening process within the three-month tenant protection period."

The tenant protection period is three calendar months following the month in which this written notice, ending [date of end of protection period].

During the tenant protection period, there will be no rent increases, we will not be re-screening existing tenants, and we will not issue non renewals of leases without cause.

On [date], which is after the tenant protection period, we [will/will not] be increasing rents by [dollar amount /percentage amount/range], we [will/will not] rescreen tenants for eligibility, and we [will/will not] terminate or not renew affordable housing unit rental agreements without cause. If you have any questions regarding this notice, please contact [contact information]. Thank you.

Sincerely,

[NEW PROPERTY OWNER]

cc: Community Development Director, City of Bloomington 1800 West Old Shakopee Road, Bloomington MN 55431

This is important housing information. If you do not understand it, have someone translate it for you now. Información importante acerca de las viviendas. Si usted no lo comprende, pida a alguien que le traduzca ahora. Qhov no yog lus tseem ceeb heev qhia txog tsev nyob. Yog tias koj tsis tau taub thov hais rau lwm tus pab txhais rau koj. Это важная информация о жилпощади. Если Вы её не понимаете, попросите кого-нибудь сейчас перевести её Вам. Kani waa warbixin muhiim ah ee ku saabsan guriyaha. Haddii aadan fahamsaneyn waa in aad heshaa hadeertaan qof kuu tarjumaa