

**ORDINANCE NO. 2018- \_\_**

**AN ORDINANCE AMENDING CHAPTER 14 OF THE CITY CODE TO  
ESTABLISH A TENANT PROTECTION NOTICE PERIOD AND RELOCATION  
ASSISTANCE**

The City Council of the City of Bloomington, Minnesota does hereby ordain:

Section 1. That Article VIII of Chapter 14 of the City Code is hereby amended by adding those words that are underlined, to read as follows:

**CHAPTER 14: LICENSES AND PERMITS**

\* \* \*

**ARTICLE VIII: RENTAL HOUSING CODE**

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**DIVISION F: AFFORDABLE HOUSING BUILDING**

**§ 14.595 AFFORDABLE HOUSING BUILDING SALE.**

(a) Definitions. The following definitions apply in this Division F of this Article VIII of the Code. Defined terms remain defined terms, whether or not capitalized.

(1) Affordable housing building means a rented multiple-family dwelling, where at least fifteen percent (15%) of the units rent for an amount that is affordable to households at or below sixty percent (60%) of area median income, as most recently determined by the United States Department of Housing and Urban Development for the Minneapolis-St. Paul-Bloomington, Minnesota-Wisconsin Metropolitan Statistical Area, as adjusted for household size and number of bedrooms.

(2) Affordable housing unit means a rental unit in an affordable housing building that rents for an amount that is affordable to households at or below sixty percent (60%) of area median income, as most recently determined by the United States Department of Housing and Urban Development for the Minneapolis-St. Paul-Bloomington, Minnesota-Wisconsin Metropolitan Statistical Area, as adjusted for household size and number of bedrooms.

(3) Cause means the tenant or a member or the tenant's household materially violated a term of the lease or violated a provision of Division D, Crime-Free Rental Housing, of this Article.

(4) Tenant protection period means the period that commences when a real estate closing transfers ownership of an affordable housing building and runs through the end of the three (3) calendar months following the month in which written notice of the transfer is delivered to each affordable housing unit tenant.

(b) Relocation Assistance.

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

(2) If during the tenant protection period the new owner of an affordable housing building raises any affordable housing unit tenant's rent, or rescreens an existing affordable housing unit tenant, and the tenant gives written notice to the new owner to terminate the rental agreement, the new owner, must within thirty (30) days of receiving tenant's written notice of termination of the rental agreement, pay to the tenant the equivalent of three months' rent as relocation assistance.

(c) Notice to tenants. Whenever ownership of an affordable housing building is transferred or is otherwise conveyed to a new owner or member of the prior owner, the new owner must within thirty (30) days after the real estate closing that transfers or conveys ownership of the affordable housing building deliver written notice to each affordable housing unit tenant of the building that the property is under new ownership and all of the following information:

(1) The name, mailing address, and telephone number of the new owner.

(2) The following statement: "Bloomington City Code Section 14.595 provides for a three-month tenant protection period for affordable housing unit tenants. Under Section 14.595, 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-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) Whether there will be any rent increase within the three-month 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 unit tenants to be rescreened to determine compliance with existing or modified residency screening criteria during the three-month tenant protection period and if so, a copy of the applicable screening criteria.

(5) Whether the new owner will terminate or not renew rental agreements without cause during the three-month tenant protection period, and if so, notice to the affected affordable housing unit tenants whose rental agreements will terminate and the date the rental agreements will terminate.

(6) Whether the new owner intends to increase rent, require existing affordable housing unit tenants to be rescreened to determine compliance with existing or modified residency screening criteria, or terminate or not renew affordable housing unit rental agreements without cause on the day immediately following the tenant protection period.

(d) Notice to the city. The new owner must deliver a copy of the notice required by clause (c) of this section to the city community development director at the same time notice is delivered to tenants.

(e) Required tenant protection period. The new owner or member of the prior owner of an affordable housing building must not terminate or not renew a tenant's rental agreement without cause, raise rent, or rescreen existing tenants during the tenant protection period without providing the notices required by clauses (c) and (d) of this section.

Section 2. Annual Report. City staff must provide the City Council with an annual report regarding Section 14.595.

Passed and adopted this \_\_\_\_ day of \_\_\_\_\_, 2018.

DRAFT  
July 25, 2018

ATTEST:

/s/  
Secretary to the Council

/s/  
Mayor

Approved:

/s/  
City Attorney