90 DAY TENANT PROTECTION ORDINANCE

A Guide to Understanding the Ordinance for Owners and Renters of multi-family affordable rental property

Limiting rent increases or lease terminations when an affordable housing rental property is sold
OVERVIEW

The Bloomington City Council adopted an ordinance that provides protections for existing residents when a sale of a rental property occurs. The protections include a 90-day period limiting rent increases, preventing non-renewal of leases without cause, and a requirement to provide relocation assistance upon failure to comply with the ordinance.

The tenant protection ordinance was recommended by a city convened work group with the goal of protecting tenants with low incomes in the city when naturally occurring affordable housing (NOAH) rental properties are sold. The work group, Bloomington Housing Action Team, is a collaborative of the Bloomington rental community including owners or managers of rental properties, renters, advocates from housing and service agencies, HRA Commission members, City Council members, City staff and other stakeholders.

Owners of multi-family rental property in Bloomington are responsible for understanding the requirements of the ordinance. If you are an owner selling your property or a tenant this information may be helpful to you.

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For more information visit: blm.mn/opportunityhousing

or contact Cherie Shoquist at 952-563-8946 or cshoquist@BloomingtonMN.gov
FOR RENT INCREASE OR LEASE TERMINATION IN AFFORDABLE HOUSING

What happens when my building is sold?

The City of Bloomington provides protections for existing residents when a sale of an affordable rental property occurs. The protections include a 90 day period limiting rent increases, preventing termination or non-renewal of leases without cause, and a requirement to provide relocation assistance upon failure to comply.

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% AMI ($60,000 in 2019) are eligible.

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Is my rental unit eligible for protection?

A rental unit that is affordable to households with incomes at or below 60% AMI ($60,000 for a family of four in 2019) in an affordable housing building is eligible.

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 three months’ rent as relocation assistance within 30 days 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

The new 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 a notice to the tenants and to the City.

When will tenants be notified of the sale?

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 9.45 provides for a three (3) month tenant protection period for affordable housing unit tenants. Under Section 9.45, 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.
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 9.45 provides for a three (3) month tenant protection period for affordable housing unit tenants. Under Section 9.45, 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: Dr. Eric Johnson, 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 жилплощади. 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 inaad heshaa hadeertaan qof kuu tarjumaa
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 9.45 provides for a three (3) month tenant protection period for affordable housing unit tenants. Under Section 9.45, 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 we:

- [will/will not] issue rent increases on [date] by [dollar amount /percentage amount / range].
- [will/will not] re-screen existing tenants and a copy of the re-screening criteria is attached.
- [will/will not] terminate or not renew rental agreements without cause on [date].

If you have any questions regarding this notice, please contact [contact information]. Thank you.

Sincerely,

[NEW PROPERTY OWNER]

cc: Dr. Eric Johnson, Community Development Director, City of Bloomington
1800 West Old Shakoipee Road, Bloomington MN 55431

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Información importante acerca de las viviendas. Si usted no lo comprende, pida a alguien que le traduzca ahora.

Qhov no yol lus tseem ceeb heev qhia tsov tsev nyob. Yog tias koj tsis tau taub thov hais rau lwm tus pab txhais rau koj.

Это важная информация о жилплощади. 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...
Draft Owner Notice: Rent increases, terminations or non-renewals during tenant protection period.

RE: 90 Day Tenant Protection Period

Dear [NEW PROPERTY OWNER: ]:

“Bloomington City Code Section 9.45 provides for a three (3) month tenant protection period for affordable housing unit tenants. Under Section 9.45, 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.”

☐ My rent increased during the tenant protection period and this is my written notice to terminate my lease. Please pay three months’ rent as relocation assistance within 30 days, [date: ].

☐ My lease was terminated or not renewed during the tenant protection period. Please pay three months’ rent as relocation assistance, no later than the day upon which I vacates the unit, [date: ].

Thank you.

Sincerely,

[TENANT: ]
Home Line: 612-728-5757 (free legal advice hotline for tenants) homelinemn.org

Mid-Minnesota Legal Aid: 612-332-1441 | TYY 612-332-4668 (free legal assistance for tenants) mylegalaid.org

United Way 211: 651-291-0211 (housing and other resources) www.gtcuw.org/get-help

Hennepin County Front Door: 612-596-1300 (short-term emergency rental assistance and services) www.hennepin.us

V.E.A.P Volunteers Enlisted to Assist People: 952-888-9616 (access to healthy foods, social services, housing stability and supportive services) veap.org

Housing Link: 612-522-2500 (list of affordable rental vacancies and Section 8 program information) info@housinglink.org | www.housinglink.org/HousingResources

Minnesota Attorney General’s Office: 651-296-3353 (landlord and tenant’s rights and responsibilities) www.ag.state.mn.us/consumer/handbooks/lt

Minnesota Housing: 651-296-8215 (affordable rental housing and homeownership programs) mn.housing@state.mn.us | www.mnhousing.gov/sites/np/renters

HUD Minnesota: 612-370-3000 (general questions about HUD programs and housing referrals) www.hud.gov/states/minnesota/renting

Minnesota Homeownership Center: 651-659-9336 (homeownership education and counseling) www.hocmn.org

Community Action for Suburban Hennepin: 952-933-9639 (financial counseling) www.caphennepin.org/contact-us

Oasis for Youth: 952-512-2061 (social services and resources for youth) www.oasisforyouth.org/housing

Youth Services Network: 612-377-8800 (help for youth to find shelter and services) ysnmn.org/#/home

Metro Shelter Hotline: 1-888-234-1329 (information about available shelter and transitional housing) www.tccvm.org
§ 9.45 AFFORDABLE HOUSING BUILDING SALE.

(a) Definitions. The following definitions apply in this article of the city code. Defined terms remain defined terms, whether or not capitalized.

(1) **AFFORDABLE HOUSING** building means a rented multiple-family dwelling, where at least 9% of the units rent for an amount that is affordable to households at or below 60% of AMI, 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 60% of AMI, 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 of the tenant’s household materially violated a term of the lease or violated a provision of Division D, Crime-Free Rental Housing, of Article VIII of Chapter 14.

(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 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 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 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 9.45 provides for a three (3) month tenant protection period for affordable housing unit tenants. Under Section 9.45, 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) 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 subsection (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 subsections (c) and (d) of this section.