

ORDINANCE NO. 878

STATE OF MINNESOTA
COUNTY OF RAMSEY
CITY OF NEW BRIGHTON

**AN ORDINANCE AMENDING CHAPTER 13 OF THE NEW BRIGHTON CITY CODE
REGARDING TENANT NOTIFICATION AND NOTICE OF POTENTIAL SALE
WITH RESPECT TO RENTAL HOUSING UNIT BUILDINGS**

THE CITY OF NEW BRIGHTON ORDAINS:

SECTION 1. Chapter 13 of the Code of Ordinances of the City of New Brighton, Minnesota, is hereby amended as follows:

Existing Articles 1 through 3 are hereby restated and incorporated herein unchanged.

Existing Article 4, Division 1, Sections 13-170 through 13-172 are restated and incorporated herein unchanged.

Sec. 13-173—199 Reserved

Article 5. Tenant Notification and Notice of Potential Sale

Sec. 13-200. Purpose.

The purpose of this Article is to provide housing stability, protection, and notification to tenants in rental housing during an ownership transition. This Article requires notice to both tenants and the City whenever title to property containing three or more rental housing units is conveyed or otherwise transferred. Under this Article, an owner of a housing building is required to pay resident relocation benefits if the owner takes certain actions during a required three-month tenant notification period, and the resident of the building needs to move as a result of the owner's action(s). In addition, this Article requires that when rental properties affordable to lower income households become available for sale, the City must receive notice of the potential sale so that it can make such information available to parties interested in purchasing the property with a goal of keeping rents affordable for lower income households.

Sec. 13-205. Definitions.

The following definitions in this Section apply in Article 5. Defined terms remain defined terms, whether or not capitalized.

(1) Affordable Housing Building. A multiple-family rental housing building having five or more dwelling units where at least 20 percent of the units rent for an amount that is affordable. Affordable shall mean no more than 30 percent of income to households at or below 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) Available for Sale. 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.

(3) Cause. The tenant or a member of the tenant's household materially violated a term of the lease or rental agreement, or violated an applicable federal, state, or local law or regulation.

(4) Housing Building. A building with three or more rental units.

(5) Housing Unit. A rental unit within a housing building.

(6) Material Change. A change in the terms of a lease that significantly limits or restricts the tenants' use and enjoyment of a housing unit or the housing building.

(7) Tenant Notification Period. The period that commences on the date when a written notice of the transfer of ownership of a housing building is sent to each housing unit tenant pursuant to Section 13-215 and ends on the last day of the third full calendar month following the date on which the notice was sent. In no case shall the tenant notification period be less than 90 days.

(8) Transfer of Ownership. 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.

Sec. 13-210. Notice to the City of Proposed Sale.

(1) Notice to the City. 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 Community Assets and Development of the proposed sale by providing the notice required in this Section. 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:

(A) Owner's name, phone number, and mailing address;

(B) Address of the affordable housing building that will be made available for sale;

(C) Total number of dwelling units in the building; and

(D) Number and type (e.g., efficiency, one bedroom, two bedrooms, etc.) of each of the affordable housing dwelling units in the building and the contract rent for every dwelling unit in the building.

(2) *Manner and Timing of Notice.* The notice shall be mailed or hand delivered to the Director of the Department of Community Assets and Development no later than 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 90 days prior to the affordable housing building 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 if the language is listed above.

(3) *Exclusions.* This notice of potential sale requirement shall not apply to the sale or transfer of title of an affordable housing building already subject to federal, state, or local rent or income restrictions that continue to remain in effect after the sale or transfer; or with respect to the sale or transfer of a residential rental building in which the buyer contracts with the City to maintain the property in compliance with the definition of an “affordable housing building” as defined in this Article, for a period of no less than 10 years.

Sec. 13-215. Post Sale Notice.

(1) *Notice to Tenants.* Whenever title to property containing a housing building is conveyed or otherwise transferred, as a condition of receipt of a rental license, the new owner must within 30 days after the real estate closing, deliver written notice to each housing unit tenant that the housing building is under new ownership. The notice must include, at a minimum, the following information:

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

(B) The following statement: “New Brighton City Code Section 13-215 provides for a three month tenant notification period to housing unit tenants when new ownership takes control of a property. A tenant may be entitled to relocation assistance from the new owner if, during the three month tenant notification period, the new owner:

1. Terminates or does not renew the tenant’s rental agreement without cause;
2. Raises the rent and the tenant terminates his or her rental agreement due to the rent increase;
3. Requires existing tenants to be re-screened or comply with new screening criteria, and the owner or tenant terminates the tenant’s lease based on that re-screening or failure to meet those new screening criteria;
4. Imposes a material change in the terms of the lease, and the owner or tenant terminates or does not renew the tenant’s lease because of those material changes; or
5. Engages in construction activity at the property that would trigger federal, state, or local law regarding lead paint or asbestos safety.”

(C) Whether there will be any rent increase within the three month tenant notification period and, if so, the amount of the rent increase and the date the rent increase will take effect.

(D) Whether the new owner will require existing housing unit tenants to be re-screened or comply with new screening criteria during the three month tenant notification period and, if so, a copy of the applicable screening criteria.

(E) Whether the new owner will, without the tenant's consent, impose a material change in the terms of the lease during the three month tenant notification period and, if so, the language of the material change and explanation of its effect.

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

(G) Whether the new owner intends to increase rent, require existing tenants to be rescreened to determine compliance with existing or modified residency screening criteria, terminate or not renew housing unit rental agreements, or impose a material change in the terms of the lease without cause within 30 days immediately following the tenant notification period.

(H) Whether the new owner intends to engage in construction activity at the property that would trigger federal, state, or local law regarding lead paint or asbestos safety.

(I) The date that the tenant notification period will expire.

(2) Language requirement. Each notice required by this Section shall contain an advisory that reads as follows: "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. Upon written request by a tenant that identifies the tenant's native language, the owner must provide a written translation of the notice in that language.

(3) Notice to the City. The new owner must deliver a copy of the notice required by this Section to the City of New Brighton Community Assets and Development Department at the same time that the notice is delivered to tenants.

(4) Required tenant notification period. The new owner of a housing building must not terminate or not renew a tenant's rental agreement without cause, raise rent, re-screen existing tenants, or impose a material change to the terms of the lease during the tenant notification period without providing the notices required by this Section.

Sec. 13-220 Relocation Assistance.

(1) When Required. A new owner of a housing building must pay relocation assistance to housing unit tenants if, during the three month tenant notification period, the new owner:

(A) terminates or does not renew the tenant's rental agreement without cause;

(B) raises the rent and the tenant terminates his or her rental agreement due to the rent increase;

(C) requires existing tenants to be re-screened or comply with new screening criteria and the owner or tenant terminates the tenant's lease; or

(D) imposes a material change in the terms of the lease and the owner or tenant terminates or does not renew the tenant's lease.

(2) Amount. Relocation assistance shall be in an amount equal to three months of the monthly rent pursuant to the current lease.

(3) When Paid. The new owner shall, when required, pay relocation assistance to the tenant of a housing unit within 30 days after receiving tenant's written notice of termination of the lease or within 30 days after the owner notifies the tenant that the lease will be terminated or not renewed.

Sec. 13-225 Tenant Complaints.

A tenant of a housing unit who believes the new owner has not provided the tenant the notifications required under this Article may submit a notice of violation to the City. The purpose of the notice is to inform the City of an alleged violation of this Article to assist the City in determining whether to impose an administrative penalty provided for in this Section. The City is not required to take any particular action in response to a notice of violation, and any enforcement action it does take shall be on behalf of the City, not the tenant. Filing a notice of violation does not prohibit the tenant from pursuing any remedy available to the tenant under law.

Sec. 13-230 Penalty.

(1) Violations. A violation of this Article is an administrative offense that may be subject to an administrative citation and civil penalties as provided in Article 5 of the City Code. Notwithstanding any provision of Article 5 of the City Code, the penalty for a violation of Sections 13-215 or 13-220 shall be the sum of the applicable amount of relocation assistance plus \$500.

(2) Number of Offenses. A violation of this Article shall constitute a separate offense for each dwelling unit affected.

(3) Transfer of Funds. Within 30 days after a person pays the penalty in Section 13-230 (1) to the City, the City shall pay to the displaced tenant of the housing unit in which the violation occurred an amount equal to the relocation assistance amount specified in Section 13-220 (2).

(4) Additional Redress. 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.

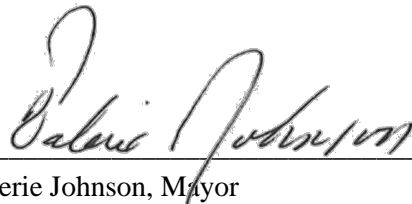
Sec. 13-231—249 Reserved

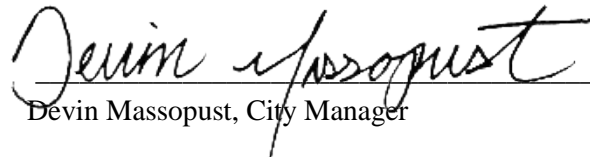
SECTION 2. Effective Date

This ordinance shall take effect upon its adoption by the City Council, its publication in the City's official newspaper.

ADOPTED this 27th day of October 2020, by the New Brighton City Council with a vote of 5 ayes and 0 nays.




Valerie Johnson, Mayor


Devin Massopust, City Manager

ATTEST:


Terri Spangrud, City Clerk