

S.A.F.E. Housing Tenant Protections

Advance Notice and Notice of Sale

CITY OF SAINT PAUL

March 2021



S.A.F.E Housing Saint Paul Pre-Recorded Webinar Series

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Housing
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What is S.A.F.E Housing Saint Paul?

The **S.A.F.E. Housing Saint Paul Tenant Protections** are a set of new rental housing policies being implemented to support a **Stable, Accessible, Fair, and Equitable** Saint Paul rental market.

Increase
Housing
Access

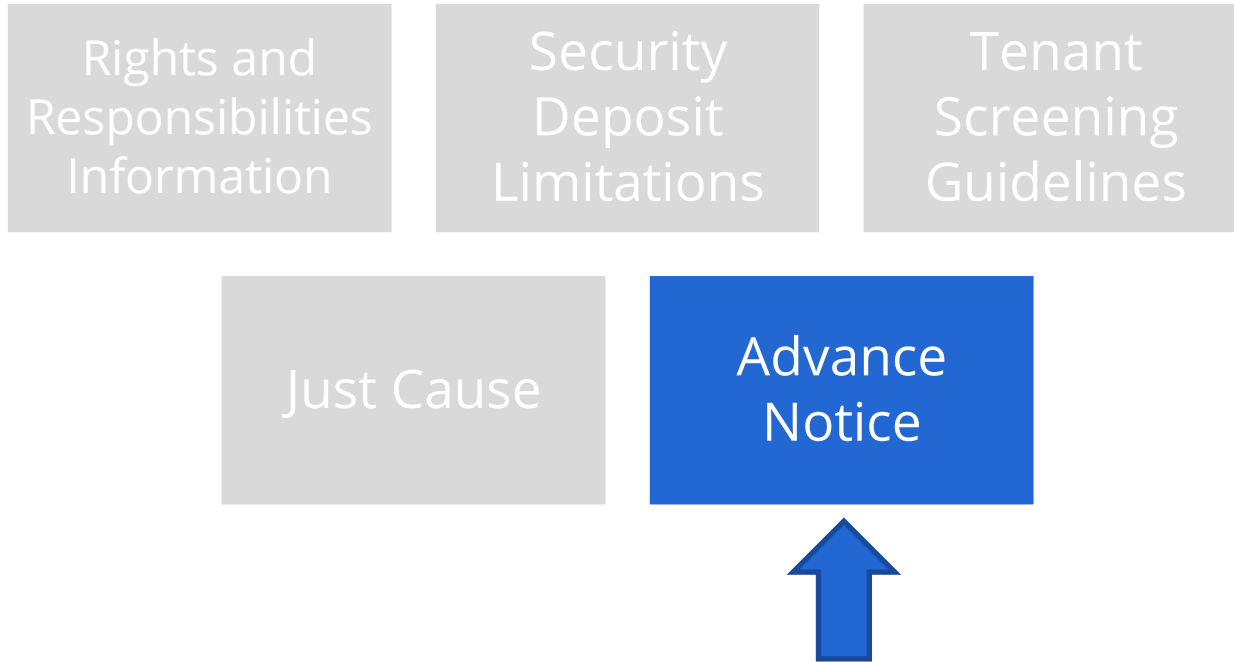
Decrease
Housing
Displacement

Affirmatively
Furthering
Fair Housing

Policy Goals



ORD 20-14 Chapter 193 Sections 193.06 & 193.08





Advance Notice and Notice of Sale 193.06 & 193.08

The **Advance Notice** policy supports the preservation of housing that serves low and moderate income residents and provides stability and transparency to renters of changes that may impact their homes. It ensures that a **notice of a proposed sale** be provided to the City and renter before a property that has **affordable rents** is placed on the market and new owners provide a **notice of sale** after the transfer of ownership occurs, coupled with a **Tenant Protection Period**.

- This policy applies to buildings defined below as “Affordable Housing Buildings”.
- This policy does **not** apply to subsidized affordable housing already subject to federal, state, or local rent or income restrictions that continue to remain in effect after the sale or transfer.

Affordable rent is any dwelling unit with a contract rent at or below 80% Area Median Income (AMI)



Affordable Housing Building Any rental housing building where twenty (20) percent or more of the units have Affordable rents.



Affordability Limits rent limits as defined and updated annually by HUD

Size	80% AMI rent limit
Efficiency	\$1448
1 bed	\$1552
2 beds	\$1860
3 beds	\$2150
4 beds	\$2400



Let's review each piece in more detail.

When does Advance Notice Apply?

Advance Notice applies to all buildings located in the City of Saint Paul with rents affordable to low- and moderate-income residents, defined as **Affordable Housing Dwelling Unit** and **Affordable Housing Building**.

Affordable Housing Dwelling Unit: Any rental dwelling unit with a contract rent in an amount at or below the 80% Area Median Income (AMI) rent affordability limit. Updated annually by HUD.

Affordable Housing Building: Any rental housing building where twenty (20) percent or more of the units rent for an amount at or below the 80% Area Median Income (AMI) rent affordability limit. Updated annually by HUD.

Advance Notice does not apply to the sale or transfer of title of subsidized affordable housing buildings already subject to federal, state, or local rent or income restrictions that continue to remain in effect after the sale or transfer.

Example: Project based section 8 housing, section 42 housing, 4D tax incentive housing





Here's how to determine if Advance Notice of Sale applies.

1. Do any of the units have affordable rents, meaning rent for an amount at or below the rent amount listed in the chart below, by size?

Size	80% AMI rent limit
Efficiency	\$1448
1 bed	\$1552
2 beds	\$1860
3 beds	\$2150
4 beds	\$2400

These are the units in the property with affordable rents, defined as **Affordable Housing Dwelling Unit**

2. Do more than 20% of the units in the property have affordable rents? Let's Calculate it.

- How many **Affordable Housing Dwelling Units** are in the property?
- How many total units in the property?



If more than 20% of the units have affordable rents, the building is an **Affordable Housing Building**, and the Advance Notice policy applies

Example

- A property has **4** total units with the rents listed below
- **1** unit has an affordable rent amount



# Bedrooms	Property Rents
1 bedroom	\$1,600
1 bedroom	\$1,600
2 bedrooms	\$1,750
2 bedrooms	\$1,875

Size	80% AMI rent limit
Efficiency	\$1448
1 bed	\$1552
2 beds	\$1860
3 beds	\$2150
4 beds	\$2400

This property **is** an ***Affordable Housing Building***, and the policy applies.



193.06 - Notice of Proposed Sale

Before making the rental property Available for Sale:

The current owner must notify the City of Saint Paul **and** the residents of any **Affordable Housing Dwelling Unit** of the intent to place the property on the market at least 90 days in advance of making the property **Available for Sale**.

The notice to the City must include:

- Current owner's information
- Address of the Affordable Housing Building that will be made Available for Sale
- Earliest date the Affordable Housing Building will be made Available for Sale
- Total number of dwelling units in the building
- Number and type of dwelling units in the building (e.g., efficiency, one bedroom, two bedrooms, etc.)
- If the rent in each unit is above or below the 80% AMI rent limit
- **Attachments:** Notices provided to the impacted Tenant(s)

The notice to the Tenant must include:

- **Advisory:** *"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."*
- Current owner's information
- Address of the Affordable Housing Building that will be made Available for Sale
- Earliest date the Affordable Housing Building will be made Available for Sale

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.



193.08 - Notice of Sale

After purchasing the rental property:

The new owner must notify the City of Saint Paul **and** the residents of any ***Affordable Housing Dwelling Unit*** of the change of ownership within 30 days of the purchase and ***Transfer of Ownership***.

The notice to the City must include:

- New owner's information
- If there will be any rent increase within the ninety (90) day ***Tenant Protection Period***, including the amount and date
- If the new owner will require tenants to be rescreened during the ninety (90) day ***Tenant Protection Period***, including a copy of the screening criteria.
- If the new owner will terminate or not renew rental agreements without cause during the ninety (90) day ***Tenant Protection Period***, including a copy of the notice to vacate
- If, on the day immediately following the ***Tenant Protection Period***, the new owner intends to increase rent, require existing tenants to be rescreened, or nonrenew rental agreements without cause.
- ***Attachments:*** Notices provided to the impacted Tenant(s)

The notice to the Tenants must include:

- ***Advisory:*** *"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."*
- New owner's information
- If there will be any rent increase within the ninety (90) day ***Tenant Protection Period***, including the amount and date
- If the new owner will require tenants to be rescreened during the ninety (90) day ***Tenant Protection Period***, including a copy of the screening criteria.
- If the new owner will terminate or not renew rental agreements without cause during the ninety (90) day ***Tenant Protection Period***, including a copy of the notice to vacate
- If, on the day immediately following the ***Tenant Protection Period***, the new owner intends to increase rent, require existing tenants to be rescreened, or rental agreements without cause.
- ***Tenant Protection Period advisory*** see next page



Tenant Protection Period advisory language required

This language must also be included in the Notice of Sale to Tenants:

"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 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 Lease."



Tenant Protection Period



When is the Tenant Protection Period?

The *Tenant Protection Period* begins 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 Sec. 193.08.

What is the Tenant Protection Period?

During the *Tenant Protection Period*, if the new owner:

- raises the rent of,
- rescreens,
- terminates **without** cause,
- or refuses to renew the rental agreement **without** cause of any **Affordable Housing Dwelling Unit tenant**, resulting in the tenant or new owner delivering written notice to vacate, the new owner must pay Relocation Assistance to the tenant within thirty (30) days of receiving or delivering the notice.





Enforcement

	Security Deposits	Tenant Screening Guidelines	Just Cause	Advance Notice
Section 1.05 of the Legislative Code provides that a violation of any provision of the Legislative code is a misdemeanor, punishable by a fine not to exceed seven hundred dollars (\$700.00) or imprisonment for a term not to exceed ninety (90) days, or both.	X	X	X	X
Private Right of Action Created: Any Tenant aggrieved by a Landlord's noncompliance with this section has the right to file a lawsuit in court.	X	X	X	X
Relocation Assistance: A payment in an amount equal to three (3) times the rental housing affordability limit at sixty (60) percent of the Area Median Income (AMI) for the Twin Cities. Updated annually by HUD			X	X



Have Questions or need more information?

**Visit: [StPaul.gov/SAFE](https://stpaul.gov/SAFE)
for more resources**