

Chapter 193 of the Legislative Code (Title XIX) pertaining to Tenant Protections

Section 1

WHEREAS, under City Council RES 17-994, the Council directed the creation of a fair housing workgroup to make policy and budget recommendations “with the goal of eliminating housing disparities, lowering barriers to affordable housing, and ensuring access to economic opportunity in the City of Saint Paul”; and

WHEREAS, under City Council RES 17-2064, the seated Council directed the development of a fair housing strategic plan; and

WHEREAS, under City RES 18-1204, the seated City Council acknowledged “the housing crisis” in our city and region, and the urgent need to address the crisis as our population grows;” and

WHEREAS, under City ORD 20-14, the seated City Council voted to passed Ordinance 20-14 Creating Chapter 193 of the Legislative Code (Title XIX) pertaining to Tenant Protections; and

WHEREAS, under City ORD 21-21, the seated City Council voted to passed Ordinance 21-21 Repealing Chapter 193 of the Legislative Code related to Tenant Protections; and

WHEREAS, the 2040 Comprehensive Plan identified decent, safe, and healthy housing for all Saint Paul residents, fair and equitable access to housing for all City residents, stable rental housing and improved access to affordable housing as 3 of 7 housing goals; and

WHEREAS, 47% of Saint Paul residents are renters; and recent data shows that 49% of Saint Paul renter households are cost burdened earning 60 percent or less of the Area Median Income; and

WHEREAS, the Fair Housing Act of 1968 requires that the City affirmatively further fair housing, meaning the City must take meaningful action to overcome historic patterns of segregation, promote fair housing choice, and foster inclusive communities that are free from discrimination; and

WHEREAS, prospective renters regularly are required to pay a security deposit at the outset of renting a unit and particularly for tenant applications with low credit scores, extraordinarily high security deposits are a common barrier to securing rental housing; and

WHEREAS, the City Council seeks to address this inequity and increase access to housing opportunity in part by ensuring security deposits are affordable for renters; and

WHEREAS, the City's 2040 Comprehensive Plan seeks to reduce homelessness by, in part, reducing "housing insecurity for those households that may have difficulty renting apartments due to credit history, past evictions, and criminal convictions"; and

WHEREAS, according to Americans with Criminal Records: The Sentencing Project states that as many as one-third of adults in the United States have a criminal history; and

WHEREAS, according to research from the Housing Justice Center, criminal offenses make up 40% of rental denials, due largely to discrimination in the Tenant screening process based on the existence of any criminal record regardless of severity or the period since the offense; and

WHEREAS, high rental application denial rates exist in communities of color and those with disabilities, based on Rental selection criteria pertaining to criminal background, credit history and Rental background; and

WHEREAS, in its guidance to the Fair Housing Act on April 4, 2016, the United Department of Housing and Urban Development stated that, "criminal history-based restrictions on housing opportunities violate the Act if, without justification, their burden falls more often on renters or other housing market participants of one race or national origin over another"; and

WHEREAS, on April 12th, 2022, a memorandum was issued from the Department of Housing and Urban Development instituting a HUD-wide efforts to review and eliminating barriers that may unnecessarily prevent individuals with criminal histories from participating in HUD programs; and

WHEREAS, according to Prison Policy Initiative incarceration rates in Minnesota disproportionately impact people of color, while people of color make up only 12.79% of the total population of Minnesota, they make up 49.4% of the incarcerated population with 38.7% being black residents; and

WHEREAS, according to a recent study by the Texas Criminal Justice Coalition, now known as the Texas Center for Justice and Equity, people experiencing homelessness are 11 times more likely to face incarceration compared to the general population, and formerly incarcerated individuals are 10 times more likely to be homeless; and

WHEREAS, according to a recent study by the Humphrey School of Eviction and Homelessness in Hennepin County, those who are evicted face an 18% higher risk of entering a shelter within 3 years of the filing than those without an eviction filing; and

WHEREAS, the City of Saint Paul continues to have record evictions filed, above pre-COVID (2020) and according to Eviction Lab, Minneapolis-St. Paul had the second highest jump in the country since pre-pandemic behind only Gainesville, Florida

WHEREAS, according to the Minnesota District Courts, eviction filings in January were 85% higher than the 2024 monthly average. Ramsey and Hennepin counties made up more than half of the 2,118 statewide filings that month alone; and

WHEREAS, according to Ramsey County's presentation provided to the City's Housing & Redevelopment Authority on November 6, 2024, "Housing and Redevelopment Authority (HRA) Levy Update," 82% of all Ramsey County evictions in 2024 were due to non-payment of rent or resident's inability to pay.

WHEREAS, history of evictions on a resident's record is a barrier to renter applicants and by providing a 30-day notice prior to eviction proceedings, the city seeks to decrease displacement and increase housing stability; and

WHEREAS, many cities across the country including several cities here in Minnesota, Brooklyn Center, Saint Louis Park, and the City of Minneapolis all passed local ordinances that requires landlords issue a 30-day pre-eviction notice before bringing an eviction action alleging nonpayment of rent or other unpaid financial obligations in violation of the lease; and

WHEREAS, the City's 2040 Comprehensive Plan identifies stable Rental housing as a housing goal for the City and seeks to support efforts and/ or legislation to discourage Renter displacement due to a change in ownership that increases rents and or eliminates acceptance of Section 8 vouchers; and

WHEREAS, the 2020 Regional Analysis of Impediments to Fair Housing Choice identified involuntary displacement of low-income households as a fair housing issue; and

WHEREAS, notice of sale provides renters time to plan for unexpected displacement; and

WHEREAS, the City desires to remove affordability barriers in the security deposit process for prospective Renters; and

WHEREAS, the City desires to increase access to housing for its residents by decreasing unnecessary barriers to prospective Renters during the screening process; and

WHEREAS, the City seeks to increase housing stability for its residents and decrease unwanted housing displacement; and

WHEREAS, the City of Saint Paul seeks to increase protections for low-income Saint Paul Renters by limiting security deposit charges, eliminating arbitrary screening requirements, and providing opportunities to preserve affordable housing and increase housing stability; now, therefore be it

RESOLVED, that the Council of the City of Saint Paul does hereby ordain:

Section 2

Chapter 193 of the Saint Paul Legislative Code is hereby created to read as follows:

Sec. 193.01. Definitions.

For purposes of this Chapter, the following terms have the meaning ascribed to them in this section.

Affordable Housing or Affordable Housing Building means a residential building where at least 20 percent of the units are Affordable Housing Units.

Affordable Housing Unit means a rental unit in an Affordable Housing Building that Rents for an amount that is no more than one third of 60% or below of area median income, as area median income was most recently determined by HUD for the Minneapolis-St. Paul-Bloomington, Minnesota-Wisconsin Metropolitan Statistical Area, as adjusted for household size and number of bedrooms.

City means the City of Saint Paul, Minnesota.

Council means the Saint Paul City Council.

The Code means the City Legislative Code.

Fair Housing Act means Title 42 of the United States Code, Chapter 45, sec. 3601 et. seq.

HUD means the United States Department of Housing & Urban Development.

Inactive Case means any case which is inactive under the terms of Minnesota Statutes sec. 13.82, subd. 7.

Cause means the tenant or a member of the tenant's household materially violated a term of the Rental Agreement.

Landlord has the same meaning as defined in Saint Paul Legis. Code Sec. 193A.02.

Rent has the same meaning as defined as Saint Paul Legislative Code Sec. 193A.02.

Rental Agreement has the same meaning as defined at Saint Paul Legislative Code Sec. 193A.02.

Tenant has the same meaning as defined in Saint Paul Legis. Code Sec. 193A.03.

Tenant Protection Period means 3 calendar months following the month in which written notice of a real estate transfer, sale, or closing is sent to each Affordable Housing Unit Tenant pursuant to Sec. 193.05 of this Chapter.

Sec. 193.02. Security deposits and prepaid rent.

- (a) Limit on security deposit amount. No Landlord may demand, charge, accept, or retain from a Tenant more than a single month's Rent as a security deposit.
- (b) Pre-paid Rent limitation. No Landlord may demand, charge, accept, or retain from a Tenant pre-paid Rent in an amount that exceeds the equivalent of a single month's Rent. This provision should not be read to prohibit a Landlord from demanding, charging, accepting, or retaining a security deposit, pet deposit, and/or application fees, pursuant to Sec. 54.03 of the Saint Paul Legislative Code.
- (c) Exception. For applicants whose rental application could be denied under Sec. 193.03(b), a Landlord may charge, accept, and retain an additional payment not to exceed one (1) single month's Rent in the form of a security deposit or pre-payment as a condition to enter into a rental Agreement with the applicant.
- (d) Governing law. Any security deposit furnished herein is governed by the provisions of Minnesota Statutes, Section 504B.178, together with this section.

Sec. 193.03. Applicant screening guidelines for prospective Tenants

- (a) Fee for service. Application fees for rental properties must not exceed the cost of the screening process. Written information on the actual cost of the screening process must be made available to the prospective Tenant or actual Tenant on request.
- (b) Nothing in this section prohibits a Landlord from collecting and holding an application fee so long as the Landlord provides a receipt for the fee and the fee is not cashed, deposited, or negotiated away until all prior rental applicants either have been screened or rejected for the unit, or have been offered the unit and have declined to take it. If a prior rental applicant is offered the unit and accepts it, the Landlord must return all application fees.
- (e) Application forms must allow the applicant to choose which of the following methods will be used for return of the application fee.
 - (1) Mailing it to the applicant's chosen address as stated on the application form;
 - (2) Destroying it; or
 - (3) Holding the fee for retrieval by the tenant upon one business-day's notice.
- (f) Screening criteria made available. Before accepting applications and/or payment of a security deposit, application fee, or other fee for Rental housing, a Landlord must make readily available to all applicants the Landlord's Rental screening criteria in detail.
- (g) Uniform screening criteria. A Landlord must apply uniform screening criteria and cannot deny an applicant's application for rent for any of the following reasons unless the Landlord follows the provisions of 193.03(c):
 - (1) Criminal and civil case history.
 - a. Any arrest or charge in an Inactive Case that did not result in conviction of a crime;
 - b. Participation in or completion of a diversion or a deferral of judgment program, including but not limited to: pre-charge or pretrial diversion, stay of adjudication, continuance for dismissal, or a continuance without prosecution;

- c. Any court file that is not public, has been expunged, or has been destroyed;
- d. Any conviction that has been vacated or expunged, or for which the applicant received a stay of imposition of sentencing and complied with the terms of the stay;
- e. Any conviction for a crime that is no longer illegal in the state of Minnesota;
- f. Any conviction or any other determination or adjudication in the juvenile justice system, except under procedures pursuant to Minn. Stat. § 260B.130.
- g. A petty misdemeanor offense is not a criminal offense. For the purposes of this Chapter, a petty misdemeanor cannot be grounds for a denial because it is not a criminal offense;
- h. Any conviction for misdemeanor or gross misdemeanor offenses for which the last date of sentencing served is older than three (3) years;
- i. Except as indicated in paragraph (i) below, any criminal conviction for felony offenses for which the last date of sentencing served is older than seven (7) years; however, a Landlord may deny an applicant who has been convicted of the illegal manufacture or distribution of a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802), or for those same offenses that mandate denial of tenancy in federally assisted housing subject to federal regulations, including but not limited to when any member of the household is subject to a lifetime sex offender registration requirement under a state sex offender registration program.
- j. Any criminal conviction for the following felony offenses for which the last date of sentencing served is older than ten (10) years: Minnesota Statutes section 609.221, Minnesota Statutes section 609.561, Minnesota Statutes section 609.245, Minnesota Statutes section 609.185, Minnesota Statutes section 609.19, Minnesota Statutes 609.195, Minnesota Statutes 609.20, subd. 1, 2 and 5, Minnesota Statutes section 609.25, subd. 2(2), or (Minnesota Statutes section 609.342, subd. 1(b) or (g)).

- (2) Credit history.
 - a. Credit score by itself; however, a Landlord may use credit report information to the extent the report demonstrates a failure to pay Rent or utility bills; or
 - b. Insufficient credit history, unless the applicant in bad faith withholds credit history information that might otherwise form a basis for denial.

- (3) Rental history.
 - a. A pending eviction action.
 - b. Any eviction action that has not resulted in a writ of recovery of premises and order to vacate, as that term is defined in Minnesota Statutes section 504B.001, subdivision 15.
 - c. An eviction action pursuant to Minnesota Statutes Chapter 504 or other equivalents in other states, if the action occurred three (3) or more years before the applicant submits the application.
 - d. Insufficient Rental history, unless the applicant in bad faith withholds Rental history information that might otherwise form a basis for denial.
 - e. If a Landlord uses a minimum income test requiring an income equal to two and half (2.5) times the Rent or higher, the Landlord must allow an exception to that test where the applicant can demonstrate a history of successful Rent payment with the same or lower ratio of income to Rent.

(h) Individualized Assessment. A Landlord that applies screening criteria that are more prohibitive than the uniform screening criteria set forth sec. 193.03(b) must conduct an individualized assessment for any basis upon which the Landlord intends to deny an application. In evaluating an applicant using individualized assessment, a Landlord must accept and consider all supplemental evidence provided with a completed application to explain, justify, or negate the relevance of potentially negative information revealed by screening. Supplemental evidence refers to any written information submitted by the applicant in addition to that provided on the Landlord's form application that the applicant believes to be relevant to the applicant's predicted performance as a Tenant. When evaluating the effect of supplemental evidence on a Landlord's decision of acceptance or denial of an applicant, the Landlord must also consider:

- (1) The nature and severity of the incidents that would lead to a denial;
- (2) The number and type of the incidents;
- (3) The time that has elapsed since the date the incidents occurred; and
- (4) The age of the individual at the time the incidents occurred.

(i) Denials.

- (1) All denials must include the name, address, and phone number of the tenant screening agency or other credit reporting agency used in considering the application.
- (2) *Uniform screening criteria.* If a denial is based on the uniform screening criteria of sec. 193.03(b), a Landlord shall notify the applicant in writing within fourteen (14) days of rejecting a Rental application and identify the specific criteria the applicant failed to meet. Before denying an applicant for criminal history, a Landlord must consider supplemental evidence provided by the applicant if provided at the time of application submittal.

(3) *Individualized assessment.* After performing an individualized assessment pursuant to 193.03(c), a Landlord may deny an applicant if the denial is non-discriminatory in accordance with the Fair Housing Act. A Landlord shall notify the applicant within fourteen (14) days of rejecting a Rental application and such notification shall include the following:

- a. The basis for the denial;
- b. The supplemental evidence, if any, that the landlord considered and an explanation of the reasons that the supplemental evidence did not adequately compensate for the factors that informed the landlord's decision to reject the application; and
- c. The notification shall be in writing and retained by the Landlord for a period of two (2) years.

(i) Exception. Whenever local, state, or federal funding or loan requirements for Tenant screening conflict with any portion of section Sec. 193.03, the funding or loan requirements will take precedence over only those portions in conflict.

Sec. 193.04. Written Notice for Nonpayment of Rent.

(a) Before bringing an eviction action alleging nonpayment of rent or other unpaid financial obligation in violation of the Rental Agreement, a landlord must provide written notice to the Tenant specifying the basis for future eviction action. The notice must include:

- (1) the total amount due;
- (2) a specific accounting of the amount of the total due from unpaid rent, late fees, and other charges under the Rental Agreement;
- (3) the name and address of the person or online location authorized to receive rent and fees on behalf of the landlord;
- (4) the following statement: "You have the right to seek legal help. If you can't afford a lawyer, free legal help may be available. Contact Legal Aid or visit www.LawHelpMN.org to know your rights and find your local Legal Aid office.";

- (5) the following statement: “To apply for financial help, contact your local county or Tribal social services office, apply online at MNBenefits.mn.gov or call the United Way toll-free information line by dialing 2-1-1 or 800-543-7709.”; and
 - (6) the following statement: “Your landlord can file an eviction case if you do not pay the total amount due or move out within 30 days from the date of this notice. “
- (b) The landlord or an agent of the landlord must deliver the notice personally or by first class mail to the residential tenant at the address of the leased premises.
 - (c) If the residential tenant fails to correct the rent delinquency within 30 days of the delivery or mailing of the notice or fails to vacate, then the landlord may bring an eviction action under Minnesota Statute Section 504B.321 based on nonpayment of rent.

Sec. 193.05. Affordable Housing - Notice of Sale.

- (a) The new Landlord of an Affordable Housing Building shall not terminate or not renew a Tenant’s Rental Agreement without Cause, raise Rent, or rescreen existing Tenants during the Tenant protection period without giving the notice required by this section.
- (b) As soon as is practicable, but in no event later than thirty (30) days after the date on which a real estate closing transfers ownership of the Affordable Housing Building, the new landlord must give written notice to each Affordable Housing Unit Tenant of the building that the property will be or is under new ownership stating:
 - (1) The name, mailing address, and telephone number of the new Landlord.
 - (2) The following text:

“Saint Paul Legislative Code chapter 193 provides for a tenant protection period for affordable housing tenants. Under section 193.06(b)(1), affordable housing tenants may be entitled to relocation assistance from the new landlord if the new Landlord, without Cause, terminates or does not renew the tenant’s rental agreement within the tenant protection period. Affordable housing unit tenants may also be entitled to relocation assistance from the new landlord if the landlord raises the rent or initiates a tenant rescreening process within the tenant protection period and the tenant terminates their rental agreement.”

- (3) Whether the new Landlord will require existing Affordable Housing Unit Tenants to be re-screened to determine compliance with existing or modified residency screening criteria during the Tenant protection period and if so, a copy of the screening criteria.
 - (4) Whether the new Landlord will terminate or not renew Rental Agreements without Cause during the 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.
 - (5) Whether the new Landlord 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.
- (c) Each notice required by this Section must 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 language identified in the City’s most current Limited English Proficiency Plan. Upon written request by a Tenant that identifies the Tenant’s native language, the Landlord must provide a written translation of the notice in that language.

Sec. 193.06. Affordable Housing - Relocation assistance.

- (a) Relocation assistance defined:
- (1) The relocation assistance must be in an amount equal to three (3) months of the current total rent per the Rental Agreement.

- (b) Where required.
- (1) A new Landlord of an Affordable Housing Building must pay relocation assistance to Affordable Housing Unit Tenants if any of the following occur during the Tenant Protection Period:
- a. The new Landlord, without Cause, terminates or does not renew the Tenant's Rental Agreement;
 - b. The new Landlord raises the Rent, and the Tenant submits a written notice of termination of their Rental Agreement;
 - c. Notwithstanding the individualized assessment provisions at sec. 193.03(c), the new Landlord requires existing Tenants to comply with new residency screening criteria and the Landlord or Tenant terminates or does not renew the Tenant's Rental Agreement; or
 - d. The new Landlord imposes, without the Tenant's consent, a material change in the terms of the Rental Agreement and the Landlord or Tenant terminates or does not renew the Tenant's Rental Agreement.
- (c) When paid. The new landlord must where required by 193.06(b)(1) pay relocation assistance to the Tenant of an Affordable Housing Unit within 30 days after receiving Tenant's written notice of termination of the Rental Agreement or within 30 days after the Landlord notifies the Tenant that the Rental Agreement will be terminated or not renewed.

Sec. 193.07. Enforcement; retaliation prohibited.

- (a) All complaints pertaining to this chapter must be investigated by the Department of Safety and Inspections (DSI). Upon completion, DSI will issue a written department determination along with any required notifications to Landlord, Tenant, or applicant.
- (b) Appeal process: A Landlord, Tenant or applicant may appeal any determination of violation in this chapter:
 - (1) Any appeals must be filed with the legislative hearing officer within thirty (30) days of the department's determination.
 - (2) The legislative hearing officer must notify the landlord of any appeal filed by a tenant or applicant in accordance with timelines in Saint Paul Legis. Code Ch. 18.02.
 - (3) The legislative hearing officer has the authority to review the complaint, department determination, appeal documents, and any other records relevant to the appeal. The legislative hearing officer must commence a public hearing and make a recommendation to council pursuant to chapter 18 of the Code.
- (d) Private right of action created: 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. These rights include, but are not limited to, those rights provided for in Minnesota Statutes sec. 504B.395 - .471.
- (e) Penalty for violation: In addition failure to comply with the provisions of this Chapter may result in any other remedy available at equity or law.
- (f) Retaliation prohibited: In accordance with State law, a residential Tenant may not be evicted, nor may the residential Tenant's obligations under a Rental Agreement be increased or the services decreased, if the eviction or increase of obligations or decrease of services is intended as a penalty for the residential Tenant's or housing-related neighborhood organization's complaint of a violation. The burden of proving otherwise is on the Landlord if the eviction or increase of obligations or decrease of services occurs within 90 days after filing the complaint, unless the complaint was not made in good faith. After 90 days the burden of proof is on the residential Tenant. Landlords who violate State law concerning this subsection shall be liable to any and all remedies available under State and federal law. To the extent that State law differs from this provision, State law controls.

Sec. 193.08. Prohibition of Waiver.

Any Rental Agreement provision which waives or purports to waive any right, benefit or entitlement created in this Chapter shall be deemed void and of no lawful force or effect.

Sec. 193.09. Implementation and Effective Date.

- (a) The provisions of this chapter shall become effective one (1) year from the date of passage by the Council and signature of the Mayor.
- (b) DSI must maintain a website information page with resources, rules, and enforcement tools necessary for full implementation of this chapter.
- (c) The City’s Office of Financial Empowerment (OFE) is responsible for education as to this Chapter. OFE must:
 - (1) Annually publish relocation assistance numbers, calculated pursuant to sec. 193.06(a) of this chapter.
 - (2) Publish “know your rights” materials for tenants, translated into any language identified in the City’s most current Limited English Proficiency Plan.
 - (3) Publish model notices for Landlords to provide to Tenants as required under sec. 193.05. Such model notices shall include all translated material as required under this chapter.

Sec. 193.10. Severability.

If any section, clause, provision, or portion of this Chapter is determined to be invalid or unconstitutional by a court of competent jurisdiction, that section, clause, provision, or portion shall be deemed severed from the Chapter, and such determination shall not affect the validity of the remainder of the Chapter.