

**<Regarding the notice of sale portion of ordinance> What does “within” mean? Before or after closing?**

[Sec. 193.08 \(a\)](#) of the ordinance requires a written notice be delivered to tenants “...within thirty (30) days of acquiring ownership of the property...”

If a “closing” means one has acquired ownership of the property, the ordinance appears to make that the starting date for the 30 days.

**If a landlord does not automatically renew leases, does the Just Cause limitations apply? I'm a landlord and typically offer tenants the option of renewing a lease with which includes increases in taxes, insurance and trash.**

[Sec. 193.01](#) of the ordinance includes nonrenewal of lease in the definition of “termination of tenancy.

[Sec. 193.05 \(a\) \(4\)](#) of the ordinance has a provision that would allow nonrenewal or termination of the lease if the tenant refuses to renew or extend the lease after given proper notice.

**I'm a landlord. Does the 2.5 rent to income provision refer to net income or gross income?**

The ordinance doesn't really address this question directly. Most landlords use gross income for this calculation.

**Aren't landlords now going to say if they cannot look further than three years back for eviction history they will be forced to search for more expensive informational sources and therefore must raise their rents out of affordability?? due to their cost.**

Not sure this is a legal question. Landlords increase rents for a variety of reasons. There are a number of locally based tenant screening agencies that can be hired at reasonable rates to ensure compliance with this ordinance. This part of the ordinance is requiring landlords to do what many landlords already do---prioritizing the applicant's most recent past, probably the best indicator of whether they'll be successful in their next home.

**I am an attorney with landlord clients. How does the just cause requirement work when a landlord wishes to increase the rent with a renewal? In other words would a rent increase at renewal be considered a sufficiently material change in the lease terms to constitute a nonrenewal requiring just cause? Is there some amount of increase on renewal that might trigger the just cause requirement?**

[Sec. 193.05 \(a\) \(4\)](#) of the ordinance has a provision that would allow nonrenewal or termination of the lease if the tenant refuses to renew or extend the lease after given proper notice. There is no rent cap built into the ordinance. Where a landlord would probably have trouble is if they raised the rent exorbitantly---from \$1,000 to \$2,000, for instance. Then, once the current tenant leaves, if the landlord

re-lists at \$1,000 to the next tenant, it would be a sign that the landlord was merely using the rent increase as an excuse to remove the tenant.

**Can you expand upon the just cause for material non-compliance requirement. What counts as material - would the tenant playing loud music and another tenant complaining multiple times count? Do I need a police report? What if they break items in the apartment?**

[Sec. 193.05 \(a\) \(3\)](#) of the ordinance is the provision that covers just cause for non-compliance. Most important, a written lease should state what actions constitute a material breach in order for it to be considered under this ordinance.

Some of the actions the question pose potentially could be a material violation if listed as such in the lease and then dependent on the severity of the breach. There have been a number of judicial interpretations of material violation/breach of lease that are worth reviewing. For example, [Skogberg v. Huisman](#).

**What is considered as a relocation cost? (referring to the 90 day protection period)**

[Sec. 193.01](#) of the ordinance defines relocation assistance:

*a payment in an amount equal to three (3) times the rental housing affordability limit at sixty (60) percent of area median income for the Twin Cities metro area as published by the metropolitan council. Annually updated payments calculations can be located on the met council websites affordability limits for ownership and rental housing: <https://metro council.org/>*

**For notice of intent to sell, will this also apply to properties that will be completely vacated once it closes? Ex: tenant tells us they'll move in 2 months and the owner decides to list the property for sale before they move out, but will not close on a sale until the home is vacated.**

[Sec. 193.01](#) of the ordinance defines the term "available for sale" which is what triggers the advance notice of sale, requiring such notice be delivered 90 days in advance of that time. In the given example, the landlord could give the 90 day notice immediately upon learning from the tenant that they will move out, and then could take any of the steps as described in the definition once the 90 days ends:

*Available for sale shall mean 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.*