

CHAPTER 504

LANDLORDS AND TENANTS

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504.181 COVENANT OF LESSEE NOT TO ALLOW DRUGS.

Subdivision 1. Covenant not to sell drugs or allow drug sales. In every lease or license of residential premises, whether in writing or parol, the lessee or licensee covenants that the premises, common area, and curtilage will not be used by the lessee or licensee or others acting under his or her control to manufacture, sell, give away, barter, deliver, exchange, distribute, or possess with intent to manufacture, sell, give away, barter, deliver, exchange, or distribute a controlled substance in violation of chapter 152.

Subd. 2. Breach voids right to possession. A breach of the covenant created by subdivision 1 voids the lessee's or licensee's right to possession of the residential premises. All other provisions of the lease or license, including but not limited to the obligation to pay rent, remain in effect until the lease is terminated by the terms of the lease or operation of law.

Subd. 3. Waiver not allowed. The parties to a lease or license of residential premises may not waive or modify the covenant imposed by this section.

History: 1989 c 305 s 1

504.255 UNLAWFUL OUSTER OR EXCLUSION; DAMAGES.

If a landlord, an agent, or other person acting under the landlord's direction or control, unlawfully and in bad faith removes, excludes, or forcibly keeps out a tenant from a residential premises, the tenant may recover from the landlord treble damages or \$500, whichever is greater, and reasonable attorney's fees.

History: 1989 c 328 art 2 s 1

504.26 UNLAWFUL TERMINATION OF UTILITIES.

Except as otherwise provided in this section, if a landlord, an agent or other person acting under the landlord's direction or control, interrupts or causes the interruption of electricity, heat, gas, or water services to the tenant, the tenant may recover from the landlord treble damages or \$500, whichever is greater, and reasonable attorney's fees. It is a defense to any action brought under this section that the interruption was the result of the deliberate or negligent act or omission of a tenant or anyone acting under the direction or control of the tenant. The tenant may recover only actual damages under this section if:

(a) the tenant has not given the landlord, an agent or other person acting under the landlord's direction or control, notice of the interruption; or

(b) the landlord, an agent or other person acting under the landlord's direction or control, after receiving notice of the interruption from the tenant and within a reasonable period of time after the interruption, taking into account the nature of the service interrupted and the effect of the interrupted service on the health, welfare and safety of the tenants, has reinstated or made a good faith effort to reinstate the service or has taken other remedial action; or

(c) the interruption was for the purpose of repairing or correcting faulty or defective equipment or protecting the health and safety of the occupants of the premises

involved and the service was reinstated or a good faith effort was made to reinstate the service or other remedial action was taken by the landlord, an agent, or other person acting under the landlord's direction or control within a reasonable period of time, taking into account the nature of the defect, the nature of the service interrupted and the effect of the interrupted service on the health, welfare and safety of the tenants.

History: 1989 c 328 art 2 s 2

504.29 DEFINITIONS.

Subdivision 1. **Applicability.** The definitions in this section apply to sections 504.29 to 504.31.

Subd. 2. **Owner.** "Owner" has the meaning given it in section 566.18, subdivision 3.

Subd. 3. **Tenant.** "Tenant" has the meaning given it in section 566.18, subdivision 2.

Subd. 4. **Tenant report.** "Tenant report" means a written, oral, or other communication by a tenant screening service that includes information concerning an individual's credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living, and that is collected, used, or expected to be used for the purpose of making decisions relating to residential tenancies or residential tenancy applications.

Subd. 5. **Tenant screening service.** "Tenant screening service" means a person or business regularly engaged in the practice of gathering, storing, or disseminating information about tenants or assembling tenant reports for monetary fees, dues, or on a cooperative nonprofit basis.

History: 1989 c 328 art 2 s 3

504.30 TENANT REPORTS; DISCLOSURE AND CORRECTIONS.

Subdivision 1. **Disclosures required.** Upon request and proper identification, a tenant screening service must disclose the following information to an individual:

(1) the nature and substance of all information in its files on the individual at the time of the request; and

(2) the sources of the information.

A tenant screening service must make the disclosures to an individual without charge if information in a tenant report has been used within the past 30 days to deny the rental or increase the security deposit or rent of a residential housing unit to the individual. If the tenant report has not been used to deny the rental or increase the rent or security deposit of a residential housing unit within the past 30 days, the tenant screening service may impose a reasonable charge for making the disclosure required under this section. The tenant screening service must notify the tenant of the amount of the charge before furnishing the information. The charge may not exceed the amount that the tenant screening service would impose on each designated recipient of a tenant report, except that no charge may be made for notifying persons of the deletion of information which is found to be inaccurate or which can no longer be verified.

Subd. 2. **Corrections.** If the completeness or accuracy of an item of information contained in an individual's file is disputed by the individual, the tenant screening service must reinvestigate and record the current status of the information. If the information is found to be inaccurate or can no longer be verified, the tenant screening service must delete the information from the individual's file and tenant report. At the request of the individual, the tenant screening service must give notification of the deletions to persons who have received the tenant report within the past six months.

Subd. 3. **Explanations.** The tenant screening service must permit an individual to explain any disputed item not resolved by reinvestigation in a tenant report. The explanation must be included in the tenant report. The tenant screening service may limit the explanation to no more than 100 words.

Subd. 4. Court file information. If a tenant screening service includes information from a court file on an individual in a tenant report, the outcome of the court proceeding must be accurately recorded in the tenant report, unless the outcome is not provided by the court. Whenever the court supplies information from a court file on an individual, in whatever form, the court shall include information on the outcome of the court proceeding when it is available. The tenant screening service is not liable under section 504.31 if the tenant screening service reports complete and accurate information as provided by the court.

Subd. 5. Information to tenant. If the owner uses information in a tenant report to deny the rental or increase the security deposit or rent of a residential housing unit, the owner must inform the prospective tenant of the name and address of the tenant screening service that provided the tenant report.

History: 1989 c 328 art 2 s 4

504.31 TENANT REPORT; REMEDIES.

The remedies provided in section 8.31 apply to a violation of section 504.30. A tenant screening service or owner in compliance with the provisions of the Fair Credit Reporting Act, United States Code, title 15, section 1681, et seq., is considered to be in compliance with section 504.30.

History: 1989 c 328 art 2 s 5

504.32 NOTICE REQUIREMENT.

Subdivision 1. Definitions. The definitions of "owner" and "tenant" in section 566.18 apply to this section.

Subd. 2. Notice. The owner of federally subsidized rental housing must give tenants a one-year written notice under the following conditions:

- (1) a federal section 8 contract will expire;
- (2) the owner will exercise the option to terminate or not renew a federal section 8 contract and mortgage;
- (3) the owner will prepay a mortgage and the prepayment will result in the termination of any federal use restrictions that apply to the housing; or
- (4) the owner will terminate a housing subsidy program.

The notice shall be provided at the commencement of the lease if the lease commences less than one year before any of the above conditions apply.

History: 1989 c 328 art 2 s 6

504.33 DEFINITIONS.

Subdivision 1. Scope. The definitions in this section apply to sections 504.33 to 504.35.

Subd. 2. City. "City" means a city of the first class as defined in section 410.01. The term "city" also includes, where applicable, a port authority, economic development authority, a housing and redevelopment authority, or any development agency established under chapter 469 which share common boundaries with the city.

Subd. 3. Displace. "Displace" means to demolish, acquire for or convert to a use other than low-income housing, or to provide or spend money that directly results in the demolition, acquisition, or conversion of housing to a use other than low-income housing.

"Displace" does not include providing or spending money that directly results in: (i) housing improvements made to comply with health, housing, building, fire prevention, housing maintenance, or energy codes or standards of the applicable government unit; (ii) housing improvements to make housing more accessible to a handicapped person; or (iii) the demolition, acquisition, or conversion of housing for the purpose of creating owner-occupied housing that consists of no more than four units per structure.

Subd. 4. Government unit. "Government unit" means a state agency; a public or private agency, corporation, or entity receiving a direct appropriation from the state for the purpose of a project that would displace low-income housing in a city; or a general or special purpose unit of government in the state, including a city, county, and county housing and redevelopment authority.

Subd. 5. Low-income housing. "Low-income housing" means rental housing with a rent less than or equal to 30 percent of 50 percent of the median income for the county in which the rental housing is located, adjusted by size. "Low-income housing" also includes rental housing that has been vacant for less than two years, that was low-income housing when it was last occupied, and that is not condemned as being unfit for human habitation by the applicable government unit.

Subd. 6. Rental housing. "Rental housing" includes rental apartments, rooms, and housing; board and lodging units; rooms in single-occupancy buildings and hotels that offer to be used as the sole residence of the occupant; transitional housing; and shelters. Rental housing does not include transitional housing located within a floodplain or community-based residential facilities.

Subd. 7. Replacement housing. "Replacement housing" means rental housing that is:

(1) the lesser of (i) the number and corresponding size of low-income housing units displaced, or (ii) sufficient in number and corresponding size of those low-income housing units displaced to meet the demand for those units;

(2) low-income housing for the greater of 15 years or the compliance period of the federal low-income housing tax credit under United States Code, title 26, section 42(i)(1), as amended. This section does not prohibit increases in rent to cover operating expenses;

(3) in at least standard condition; and

(4) located in the city where the displaced low-income housing units were located.

Replacement housing may be provided as newly constructed housing, or rehabilitated or rent subsidized existing housing that does not already qualify as low-income housing.

Subd. 8. Size. "Size" means the number of bedrooms in a housing unit.

History: 1989 c 328 art 8 s 1

504.34 ANNUAL HOUSING IMPACT REPORT.

Subdivision 1. Annual report required. A government unit shall prepare an annual housing impact report for each year in which the government unit displaces ten or more units of low-income housing in a city of the first class as defined in section 410.01.

Subd. 2. Draft annual housing impact report. A government unit subject to this section must prepare a draft annual housing impact report for review and comment by interested persons. The draft report must be completed by January 31 of the year immediately following a year in which the government unit has displaced ten or more units of low-income housing in a city.

Subd. 3. Contents. The draft and final annual housing impact reports must include:

(1) identification of each low-income housing unit that was displaced in the previous year in the city where housing was displaced by the government unit, including the unit's address, size, and rent; the number of persons who could have occupied the unit; the condition the unit was in, and whether it was habitable at the time of displacement; the owner of the unit; whether it was owner occupied; and how and when it was displaced;

(2) identification of each unit of replacement housing provided in the previous year in the city, including the unit's address, size, and rent; the number of persons who could occupy the unit; the owner of the unit; whether it is owner occupied; and an identification of the displaced low-income housing unit that was replaced by the unit of replacement housing;

(3) analysis of the supply of and demand for all sizes of low-income housing units, by size and rent, in the city;

(4) determination of whether there is an adequate supply of available and unoccupied low-income housing units to meet the demand for all sizes of low-income housing, by size and rent, in the city where housing has been displaced by the government unit;

(5) estimation of the cost of providing replacement housing for low-income housing not in adequate supply to meet the demand for all sizes of low-income housing, by size and rent, in the city where housing has been displaced by the government unit; and

(6) analysis of the government unit's compliance with the replacement plans of previous housing annual impact reports and project housing impact statements.

Subd. 4. Replacement plan. If there is an inadequate supply of available and unoccupied low-income housing units to meet the demand for the replacement housing in the city where housing has been displaced by the government unit, the draft and final annual housing impact reports must include a plan for providing the replacement housing within 36 months following the date of the final annual housing impact report.

Subd. 5. Notice; request for comments. A government unit subject to this section must provide for public input in preparing the annual housing impact report, including a public comment period and a public hearing. The government unit must publish notice of its draft annual housing impact report in a newspaper of general circulation in the city by the deadline for completion of the draft annual housing impact report. The notice must include a request for comments on the draft annual housing impact report within the 30 days following the notice, and the date, time, and location of the public hearing on the draft annual housing impact report, to be held within 15 to 30 days following the date of notice. Copies of the notice must be sent to the neighborhood and citizen participation organizations, district planning councils, housing referral and information services, shelters, homeless and tenants advocacy groups, and legal aid offices in the city where the displaced low-income housing was located. Copies of the notice and the draft annual housing impact report must be submitted to the state planning agency and the Minnesota housing finance agency.

Subd. 6. Final annual housing impact report. In preparing and approving a final annual housing impact report, a government unit subject to this section must consider comments received during the comment period and at the public hearing on the draft report. The final report shall be prepared within 30 days following the deadline for receipt of comments on the draft annual housing impact report. The government unit shall publish notice of the final annual housing impact report in a newspaper of general circulation in the city. Copies of the notice must be sent to neighborhood and citizen participation organizations, district planning councils, housing referral and information services, shelters, homeless and tenants advocacy groups, and legal aid offices in the city where the displaced low-income housing was located. Copies of the notice and the draft annual housing impact report must be submitted to the state planning agency and the Minnesota housing finance agency.

History: 1989 c 328 art 8 s 2

504.35 REPLACEMENT HOUSING REQUIRED.

A government unit which displaces ten or more units of low-income housing in a city of the first class as defined in section 410.01 and is subject to section 504.34 must provide the replacement housing within 36 months following the date of the final annual housing impact report, unless there is an adequate supply of available and unoccupied low-income housing units to meet the demand for the replacement housing in the city where housing has been displaced by the government unit.

History: 1989 c 328 art 8 s 3