CHAPTER 504

LANDLORDS AND TENANTS

GENERAL PROVISIONS

504.01 DISTRESS FOR RENT.

The remedy by distress for rent is abolished.

History: *(8186) RL s 3327*

504.012 WRITTEN LEASE REQUIRED; PENALTY.

An owner of a multiunit building, with 12 or more residential units, shall have a written lease for each unit rented to a residential tenant. An owner who fails to provide a lease, as required under this section, is guilty of a petty misdemeanor. The definitions of "owner," "tenant," and "building" in section 566.18 apply to this section.

History: *1993 c 317 s 1; 1994 c 496 s 1*

504.015 TENANT TO BE GIVEN COPY OF LEASE.

Subdivision 1. **Definitions.** For the purposes of this section, "owner" has the meaning given it in section 566.18, and "tenant" means any person occupying the dwelling unit whose signature appears on the lease agreement.

Subd. 2. **Copy of written lease to tenant.** An owner shall give a tenant a copy of a written lease. An owner may obtain a signed and dated receipt, either as a separate document or an acknowledgment included in the lease agreement itself, from the tenant acknowledging that the tenant has received a copy of the lease. This signed receipt or acknowledgment is prima facie evidence that the tenant has received a copy of the lease.

Subd. 3. **Legal action to enforce lease.** In any legal action to enforce a written lease, except for nonpayment of rent, disturbing the peace, malicious destruction of property, or a violation of section 504.181, it is a defense for the tenant to establish that the owner

failed to comply with subdivision 2. This defense may be overcome if the owner establishes that the tenant had actual knowledge of the term or terms of the lease upon which any legal action is based.

History: *1993 c 317 s 2*

504.02 CANCELLATION OF LEASES IN CERTAIN CASES; ABANDONMENT OR SURRENDER OF POSSESSION.

Subdivision 1. **Action to recover.** (a) In case of a lease of real property, when the landlord has a subsisting right of reentry for the failure of the tenant to pay rent the landlord may bring an action to recover possession of the property and such action is equivalent to a demand for the rent and a reentry upon the property; but if, at any time before possession has been delivered to the plaintiff on recovery in the action, the lessee or a successor in interest as to the whole or any part of the property pays to the plaintiff or brings into court the amount of the rent then in arrears, with interest and costs of the action, and an attorney fee not exceeding $5, and performs the other covenants on the part of the lessee, the lessee or successor may be restored to the possession and hold the property according to the terms of the original lease unless an action is pending under section 566.03, subdivision 5, for recovery of the property alleging a material violation of the lease.

(b) If the tenant has paid to the plaintiff or brought into court the amount of rent in arrears but is unable to pay the interest, costs of the action, and attorney fees required by this subdivision, the court may permit the defendant to pay these amounts into court and be restored to possession within the same period of time, if any, which the court stays the issuance of the writ of restitution pursuant to section 566.09.

(c) Prior to or after commencement of an action to recover possession for nonpayment of rent, the parties may agree only in writing that partial payment of rent in arrears which is accepted by the landlord prior to issuance of the order granting restitution of the premises pursuant to section 566.09 may be applied to the balance due and does not waive the landlord's action to recover possession of the premises for nonpayment of rent.

(d) Rental payments under this subdivision must first be applied to rent claimed as due in the complaint from prior rental periods before applying any payment toward rent claimed in the complaint for the current rental period, unless the court finds that under the circumstances the claim for rent from prior rental periods has been waived.

Subd. 2. **Lease greater than 20 years.** (a) If the lease under which the right of reentry is claimed is a lease for a term of more than 20 years, reentry cannot be made into the land or such action commenced by the landlord unless, after default, the landlord shall serve upon the tenant, also upon all creditors having a lien of record legal or equitable upon the leased premises or any part thereof, a written notice that the lease will be canceled and terminated unless the payment or payments in default shall be made and the covenants in default shall be performed within 30 days after the service of such notice, or within such greater period as the lessor shall specify in the notice, and if such default shall not be removed within the period specified within the notice, then the right of reentry shall be complete at the expiration of the period and may be exercised as provided by law. If any such lease shall provide that the landlord, after default, shall give more than 30 days' notice in writing to the tenant of the landlord's intention to terminate the tenancy by reason of default in terms thereof, then the length of the notice to terminate shall be the same as provided for and required by the lease.

(b) As to such leases for a term of more than 20 years, if at any time before the expiration of six months after possession obtained by the plaintiff by abandonment or surrender of possession by the tenant or on recovery in the action, the lessee or a successor in interest as to the whole or part of the property, or any creditor having a lien legal or equitable upon the leased premises or any part thereof, pays to the plaintiff, or brings into court, the amount of rent then in arrears, with interest and the costs of the action, and performs the other covenants on the part of the lessee, the lessee or successor may be restored to the possession and hold the property according to the terms of the origi-

nal lease. The provisions of this section shall not apply to any action or proceeding now pending in any of the courts of this state.

Subd. 3. **Judgment to be recorded.** Upon recovery of possession by the landlord in the action a certified copy of the judgment shall be recorded in the office of the county recorder of the county where the land is situated if unregistered land or in the office of the registrar of titles of such county if registered land and upon recovery of possession by the landlord by abandonment or surrender by the tenant an affidavit by the landlord or the landlord's attorney setting forth such fact shall be recorded in a like manner and such recorded certified copy of such judgment or such recorded affidavit shall be prima facie evidence of the facts stated therein in reference to the recovery of possession by such landlord.

History: *(8187) RL s 3328; 1917 c 428 s 1; 1923 c 76 s 1; 1937 c 38 s 1; 1976 c 181 s 2; 1986 c 444; 1992 c 376 art 1 s 2; 1992 c 464 art 1 s 46; 1993 c 165 s 1*

504.03 TENANT MAY NOT DENY TITLE; EXCEPTION.

When any person enters into the possession of real property under a lawful lease the person shall not while so in possession deny the title of the landlord in an action brought by such landlord, or any person claiming under the landlord, to recover possession of the property; but such estoppel shall not apply to any lessee who, at and prior to the lease, is in possession of the premises under a claim of title adverse or hostile to that of the lessor.

History: *(8188) RL s 3329; 1986 c 444*

504.04 PERSON IN POSSESSION LIABLE FOR RENT; EVIDENCE.

Every person in possession of land out of which any rent is due, whether it was originally demised in fee, or for any other estate of freehold or for any term of years, shall be liable for the amount or proportion of rent due from the land in possession, although it be only a part of the land originally demised. Such rent may be recovered in a civil action, and the deed, demise, or other instrument showing the provisions of the lease may be used in evidence by either party to prove the amount due from the defendant. Nothing herein contained shall deprive landlords of any other legal remedy for the recovery of rent, whether secured to them by their leases or provided by law.

History: *(8189) RL s 3330; 1986 c 444*

504.05 RENT LIABILITY; DESTROYED UNTENANTABLE TENEMENTS.

The lessee or occupant of any building which, without the fault or neglect of that lessee or occupant, is destroyed or is so injured by the elements or any other cause as to be untenantable or unfit for occupancy, is not liable thereafter to pay rent to the lessor or owner thereof, unless otherwise expressly provided by written agreement; and the lessee or occupant may thereupon quit and surrender possession of such premises.

History: *(8190) RL s 3331; 1986 c 444*

504.06 ESTATE AT WILL, HOW DETERMINED; NOTICE.

Estates at will may be determined by either party by three months' notice in writing for that purpose given to the other party, and, when the rent reserved is payable at periods of less than three months, the time of such notice shall be sufficient if it be equal to the interval between the times of payment; and, in all cases of neglect or refusal to pay the rent due on a lease at will, 14 days' notice in writing to quit, given by the landlord to the tenant, is sufficient to determine the lease.

History: *(8191) RL s 3332*

504.07 URBAN REAL ESTATE; HOLDING OVER.

When the lessee or tenant of urban real estate, or any interest therein, holds over and retains possession thereof after expiration of the term of the lease without express

contract with the owner, no tenancy for any other period than the shortest interval between the times of payment of rent under the terms of the expired lease shall be implied.

History: *(8193) RL s 3333*

504.08 NOTICE TO BE GIVEN OF VACATION OF BUILDING.

Every person who shall, between the 15th day of November and the 15th day of April following, remove from, abandon, or vacate any building, or part thereof, occupied by or in the possession of that person as tenant, except upon the termination of the tenancy, and which contains any plumbing, water, steam, or other pipe liable to injury from freezing, without first giving to the landlord, owner, or agent in charge of such building three days' notice of intention so to remove shall be guilty of a misdemeanor.

History: *(8194) 1915 c 213 s 1; 1986 c 444*

504.09 NOTICE OF CANCELLATION OF LEASES.

When a notice of the cancellation or termination of a lease of real property, or a copy of the notice, with proof of service thereof, and the affidavit of the lessor, or the lessor's agent or attorney, showing that the lessee has not complied with the terms of the notice, shall be presented for recording at the office of the county recorder in which the lease has been duly recorded, it shall be the duty of the county recorder to record the notice, proof of service thereof and affidavit, and the record thereof shall be prima facie evidence of the facts therein stated.

History: *(8192) 1921 c 394 s 1; 1976 c 181 s 2; 1986 c 444*

504.10-504.17 [Obsolete]

504.18 COVENANTS OF LESSOR OR LICENSOR.

Subdivision 1. In every lease or license of residential premises, whether in writing or parol, the lessor or licensor covenants:

(a) That the premises and all common areas are fit for the use intended by the parties.

(b) To keep the premises in reasonable repair during the term of the lease or license, except when the disrepair has been caused by the willful, malicious, or irresponsible conduct of the lessee or licensee or a person under the direction or control of the lessee or licensee.

(c) To maintain the premises in compliance with the applicable health and safety laws of the state, including the weatherstripping, caulking, storm window, and storm door energy efficiency standards for renter-occupied residences prescribed by section 216C.27, subdivisions 1 and 3, and of the local units of government where the premises are located during the term of the lease or license, except when violation of the health and safety laws has been caused by the willful, malicious, or irresponsible conduct of the lessee or licensee or a person under the direction or control of the lessee or licensee.

The parties to a lease or license of residential premises may not waive or modify the covenants imposed by this section.

Subd. 2. The lessor or licensor may agree with the lessee or licensee that the lessee or licensee is to perform specified repairs or maintenance, but only if the agreement is supported by adequate consideration and set forth in a conspicuous writing. No such agreement, however, may waive the provisions of subdivision 1 or relieve the lessor or licensor of the duty to maintain common areas of the premises.

Subd. 3. This section shall be liberally construed, and the opportunity to inspect the premises before concluding a lease or license shall not defeat the covenants established herein.

Subd. 4. The covenants contained herein shall be in addition to any covenants or conditions imposed by law or ordinance or by the terms of the lease or license.

Subd. 5. Nothing contained herein shall be construed to alter the liability of the lessor or licensor of residential premises for injury to third parties.

Subd. 6. The provisions of this section apply only to leases or licenses of residential premises concluded or renewed on or after June 15, 1971. For the purposes of this section estates at will shall be deemed to be renewed at the commencement of each rental period.

History: *1971 c 219 s 1; 1986 c 444; 1992 c 376 art 1 s 3*

504.181 COVENANT OF LESSEE NOT TO ALLOW DRUGS.

Subdivision 1. **Covenant not to allow drugs.** In every lease or license of residential premises, whether in writing or parol, the lessee or licensee covenants that:

(1) the lessee or licensee will not unlawfully allow controlled substances in those premises; and

(2) the common area and curtilage will not be used by the lessee or licensee or others acting under the lessee's or licensee's control to manufacture, sell, give away, barter, deliver, exchange, distribute, or possess a controlled substance in violation of any criminal provision of chapter 152.

The covenant is not violated when a person other than the lessee or licensee possesses or allows controlled substances in the premises, common area, or curtilage, unless the lessee or licensee knew or had reason to know of that activity.

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.

If the lessor or licensee breaches the covenant created by subdivision 1, the landlord may bring, or assign to the county attorney of the county in which the residential premises are located, the right to bring an unlawful detainer action against the lessee or licensee. The assignment must be in writing on a form provided by the county attorney, and the county attorney may determine whether to accept the assignment. If the county attorney accepts the assignment of the landlord's right to bring an unlawful detainer action:

(1) any court filing fee that would otherwise be required in an unlawful detainer action is waived; and

(2) the landlord retains all the rights and duties, including removal of the lessee's or licensee's personal property, following issuance of the writ of restitution and delivery of the writ to the sheriff for execution.

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; 1991 c 193 s 1; 1992 c 533 s 1*

504.185 EMERGENCY CONDITIONS; LOSS OF ESSENTIAL SERVICES.

Subdivision 1. **Definitions.** For the purposes of this section, the following terms have the meanings given to them.

(a) "Owner" has the meaning given to it in section 566.18, subdivision 3.

(b) "Tenant" has the meaning given to it in section 566.18, subdivision 2.

(c) "Building" has the meaning given to it in section 566.18, subdivision 7.

Subd. 2. **Procedure.** When a municipality, utility company, or other company supplying home heating oil, propane, natural gas, electricity, or water to a building has issued a final notice or has posted the building proposing to disconnect or discontinued the service to the building because an owner who has contracted for the service has failed to pay for it or because an owner is required by law or contract to pay for the service and fails to do so, a tenant or group of tenants may pay to have the service continued or reconnected as provided under this section. Before paying for the service, the

tenant or group of tenants shall give oral or written notice to the owner of the tenant's intention to pay after 48 hours, or a shorter period that is reasonable under the circumstances, if the owner has not already paid for the service. In the case of oral notification, written notice shall be mailed or delivered to the owner within 24 hours after oral notice is given.

(a) In the case of natural gas, electricity, or water, if the owner has not yet paid the bill by the time of the tenant's intended payment, or if the service remains discontinued, the tenant or tenants may pay the outstanding bill for the most recent billing period, if the utility company or municipality will restore the service for at least one billing period.

(b) In the case of home heating oil or propane, if the owner has not yet paid the bill by the time of the tenant's intended payment, or if the service remains discontinued, the tenant or tenants may order and pay for one month's supply of the proper grade and quality of oil or propane.

After submitting receipts for the payment to the owner, a tenant may deduct the amount of the tenant's payment from the rental payment next paid to the owner. Any amount paid to the municipality, utility company, or other company by a tenant under this subdivision is considered payment of rent to the owner for purposes of section 504.02.

Subd. 3. **Limitations; waiver prohibited; rights as additional.** The tenant rights under this section:

(1) do not extend to conditions caused by the willful, malicious, or negligent conduct of the tenant or of a person under the tenant's direction or control;

(2) may not be waived or modified; and

(3) are in addition to and do not limit other rights which may be available to the tenant in law or equity, including the right to damages and the right to restoration of possession of the premises under section 504.02.

History: *1988 c 470 s 1; 1992 c 376 art 1 s 4*

504.19 [Repealed, 1973 c 561 s 2]

504.20 INTEREST ON SECURITY DEPOSITS; WITHHOLDING SECURITY DEPOSITS; DAMAGES.

Subdivision 1. Any deposit of money, the function of which is to secure the performance of a residential rental agreement or any part of such an agreement, other than a deposit which is exclusively an advance payment of rent, shall be governed by the provisions of this section.

Subd. 2. Any deposit of money shall not be considered received in a fiduciary capacity within the meaning of section 82.17, subdivision 7, but shall be held by the landlord for the tenant who is party to the agreement and shall bear simple noncompounded interest at the rate of four percent per annum until May 1, 1997, and 5-1/2 percent per annum thereafter, computed from the first day of the next month following the full payment of the deposit to the last day of the month in which the landlord, in good faith, complies with the requirements of subdivision 3 or to the date upon which judgment is entered in any civil action involving the landlord's liability for the deposit, whichever date is earlier. Any interest amount less than $1 shall be excluded from the provisions of this section.

Subd. 3. (a) Every landlord shall:

(1) within three weeks after termination of the tenancy; or

(2) within five days of the date when the tenant leaves the building or dwelling due to the legal condemnation of the building or dwelling in which the tenant lives for reasons not due to willful, malicious, or irresponsible conduct of the tenant,

and after receipt of the tenant's mailing address or delivery instructions, return the deposit to the tenant, with interest thereon as above provided, or furnish to the tenant

a written statement showing the specific reason for the withholding of the deposit or any portion thereof.

(b) It shall be sufficient compliance with the time requirement of this subdivision if the deposit or written statement required by this subdivision is placed in the United States mail as first class mail, postage prepaid, in an envelope with a proper return address, correctly addressed according to the mailing address or delivery instructions furnished by the tenant, within the time required by this subdivision. The landlord may withhold from the deposit only amounts reasonably necessary:

(1) to remedy tenant defaults in the payment of rent or of other funds due to the landlord pursuant to an agreement; or

(2) to restore the premises to their condition at the commencement of the tenancy, ordinary wear and tear excepted.

(c) In any action concerning the deposit, the burden of proving, by a fair preponderance of the evidence, the reason for withholding all or any portion of the deposit shall be on the landlord.

Subd. 4. Any landlord who fails to:

(1) provide a written statement within three weeks of termination of the tenancy;

(2) provide a written statement within five days of the date when the tenant leaves the building or dwelling due to the legal condemnation of the building or dwelling in which the tenant lives for reasons not due to willful, malicious, or irresponsible conduct of the tenant; or

(3) transfer or return a deposit as required by subdivision 5,

after receipt of the tenant's mailing address or delivery instructions, as required in subdivision 3, shall be liable to the tenant for damages in an amount equal to the portion of the deposit withheld by the landlord and interest thereon as provided in subdivision 2, as a penalty, in addition to the portion of the deposit wrongfully withheld by the landlord and interest thereon.

Subd. 5. Upon termination of the landlord's interest in the premises, whether by sale, assignment, death, appointment of receiver or otherwise, the landlord or the landlord's agent shall, within 60 days of termination of the interest or when the successor in interest is required to return or otherwise account for the deposit to the tenant, whichever occurs first, do one of the following acts, either of which shall relieve the landlord or agent of further liability with respect to such deposit:

(a) transfer such deposit, or any remainder after any lawful deductions made under subdivision 3, with interest thereon as provided in subdivision 2, to the landlord's successor in interest and thereafter notify the tenant of such transfer and of the transferee's name and address; or

(b) return such deposit, or any remainder after any lawful deductions made under subdivision 3, with interest thereon as provided in subdivision 2, to the tenant.

Subd. 6. Upon termination of the landlord's interest in the premises, whether by sale, assignment, death, appointment of receiver or otherwise, the landlord's successor in interest shall have all of the rights and obligations of the landlord with respect to such deposit, except, that if tenant does not object to the stated amount within 20 days after written notice to tenant of the amount of deposit being transferred or assumed, the obligation of the landlord's successor to return such deposit shall be limited to the amount contained in such notice. Such notice shall contain a stamped envelope addressed to landlord's successor and may be given by mail or by personal service.

Subd. 7. The bad faith retention by a landlord of a deposit, the interest thereon, or any portion thereof, in violation of this section shall subject the landlord to punitive damages not to exceed $200 for each deposit in addition to the damages provided in subdivision 4. If the landlord has failed to comply with the provisions of subdivision 3 or 5, retention of a deposit shall be presumed to be in bad faith unless the landlord returns the deposit within two weeks after the commencement of any action for the recovery of the deposit.

Subd. 7a. No tenant may withhold payment of all or any portion of rent for the last payment period of a residential rental agreement, except an oral or written month to month residential rental agreement concerning which neither the tenant nor landlord has served a notice to quit, on the grounds that the deposit should serve as payment for the rent. Withholding all or any portion of rent for the last payment period of the residential rental agreement creates a rebuttable presumption that the tenant withheld the last payment on the grounds that the deposit should serve as payment for the rent. Any tenant who remains in violation of this subdivision after written demand and notice of this subdivision shall be liable to the landlord for damages in an amount equal to the portion of the deposit which the landlord is entitled to withhold under subdivision 3 other than to remedy the tenant's default in the payment of rent, plus interest on the deposit as provided in subdivision 2, as a penalty, in addition to the amount of rent withheld by the tenant in violation of this subdivision.

Subd. 7b. An action, including an action in conciliation court, for the recovery of a deposit on rental property may be brought in the county where the rental property is located, or at the option of the tenant, in the county of the landlord's residence.

Subd. 8. Any attempted waiver of this section by a landlord and tenant, by contract or otherwise, shall be void and unenforceable.

Subd. 9. The provisions of this section shall apply only to tenancies commencing or renewed on or after July 1, 1973. For the purposes of this section, estates at will shall be deemed to be renewed at the commencement of each rental period.

History: *1973 c 561 s 1; 1974 c 406 s 78; 1975 c 410 s 9; 1977 c 129 s 7; 1977 c 280 s 1-5; 1984 c 565 s 1; 1986 c 444; 1992 c 376 art 1 s 5-8; 1992 c 555 art 2 s 1*

NOTE: The reversion of the interest rate to 5-1/2 percent provided by subdivision 2 is subject to review by the legislature in the 1996 session. See Laws 1992, chapter 555, article 2, section 2.

504.201 RESTRICTION ON LEASE TERMS FOR BUILDINGS IN FINANCIAL DISTRESS.

Subdivision 1. **Definitions.** The definitions of "owner," "tenant," and "building" in section 566.18 apply to this section. For purposes of this section, the term "building" does not include a manufactured home park as defined in section 327C.01, subdivision 5.

Subd. 2. **Lease terms.** Once an owner has received notice of a contract for deed cancellation under section 559.21 or notice of a mortgage foreclosure sale under chapter 580 or 582, the owner may enter into a periodic lease agreement with a term of two months or less or a fixed term tenancy not extending beyond the cancellation period or owner's period of redemption until:

(1) the contract for deed has been reinstated or paid in full;

(2) the mortgage default has been cured and the mortgage reinstated;

(3) the mortgage has been satisfied;

(4) the property has been redeemed from a foreclosure sale; or

(5) a receiver has been appointed.

History: *1993 c 317 s 3*

504.21 RESTRICTION ON AUTOMATIC RENEWALS OF LEASES.

Notwithstanding the provisions of any lease of real property used for residential purposes, no person shall have the right to enforce any automatic renewal clause of a lease of an original term of two months or more which states, in effect, that the term thereof shall be deemed renewed for a specified additional period of time of two months or more unless the lessee or tenant gives notice to the lessor of an intention to quit the premises at the expiration of the term due to expire, unless the lessor or the lessor's agent, within 15 days prior to the time that the lessee or tenant is required to furnish notice of an intention to quit, but not more than 30 days prior thereto, shall give to the tenant written notice, served personally or by certified mail, directing the lessee's or tenant's attention to the automatic renewal provision of the lease.

History: *1973 c 603 s 1; 1978 c 598 s 1; 1978 c 674 s 60; 1986 c 444*

504.22 DEFINITIONS, DISCLOSURE AND ACTIONS.

Subdivision 1. **Definitions.** As used in this section,

(a) "tenant" shall have the meaning assigned to it in section 566.18, but for purposes of section 504.22, subdivision 4a, it does not include residents of manufactured home parks as defined in section 327C.01, subdivision 9; and

(b) "owner" shall mean one or more persons, jointly or severally, in whom is vested a legal or beneficial interest in the premises.

Subd. 2. There shall be disclosed to the tenant either in the rental agreement or otherwise in writing prior to commencement of the tenancy the name and address of:

(1) the person authorized to manage the premises; and

(2) an owner of the premises or an agent authorized by the owner to accept service of process and receive and give receipt for notices and demands.

Subd. 3. **Posting of notice.** A printed or typewritten notice containing the information which must be disclosed under subdivision 2 shall be placed in a conspicuous place on the premises. Unless the owner is required to post a notice required by section 471.9995, the owner shall also place in a conspicuous place on the premises a notice that states that a copy of the statement required by subdivision 4a, is available from the attorney general to any tenant upon request. This subdivision is complied with if notices posted in compliance with other statutes or ordinances contain the information required by subdivision 2 and this section.

Subd. 4. If subdivisions 2 and 3, except for the provision requiring posting of a notice stating the availability of a summary of landlord-tenant law provided in subdivision 3, have not been complied with and a person desiring to make service of process upon or give a notice or demand to the owner does not know the name and address of the owner or the owner's agent, as that term is used in subdivision 2, then a caretaker or manager of the premises or an individual to whom rental payments for the premises are made shall be deemed to be an agent authorized to accept service of process and receive and give receipt for notices and demands on behalf of the owner. In case of service of process upon or receipt of notice or demand by a person who is deemed to be an agent pursuant to this subdivision, this person shall give the process, notice, or demand, or a copy thereof, to an owner personally or shall send it by certified mail, return receipt requested, to an owner at the owner's last known address.

Subd. 4a. **Disclosure statement; distribution.** The attorney general shall prepare and make available to the public a statement which summarizes the significant legal rights and obligations of owners and tenants of rental dwelling units. The statement shall include descriptions of the significant provisions of this chapter and chapter 566. The statement shall notify tenants in public housing to consult their leases for additional rights and obligations they may have under federal law. The statement shall include the telephone number and address of the attorney general for further information.

The attorney general shall annually revise the statement provided in this section as necessary to ensure that it continues accurately to describe the statutory and case law governing the rights and duties of owners and tenants of rental dwelling units. After preparing the statement for the first time and after each annual revision of the statement, the attorney general shall hold a public meeting to discuss the statement and receive comments on its contents before it is issued. When preparing the statement and evaluating public comment, the attorney general shall be guided by the legislature's intent that the statement be brief, accurate, and complete in identifying significant legal rights and obligations, and written using words with common, everyday meanings.

Subd. 5. Except as otherwise provided in this subdivision, no action to recover rent or possession of the premises shall be maintained unless the information required by this section has been disclosed to the tenant in the manner provided herein, or unless the information required by this section is known by or has been disclosed to the tenant at least 30 days prior to the initiation of such action. Failure by the owner to post a notice required by subdivision 3, or 471.9995 shall not prevent any action to recover rent or possession of the premises.

Subd. 6. Any tenant who moves from or subleases the premises without giving the owner at least 30 days written notice shall void any provision of this section and section 504.23, as to such tenant.

Subd. 7. This section extends to and is enforceable against any successor owner, caretaker, manager, or individual to whom rental payments for the premises are made.

History: *1974 c 370 s 1; 1984 c 586 s 1-5; 1986 c 444*

504.23 CODE VIOLATIONS, DISCLOSURE.

All code violation records pertaining to a particular parcel of real property and the buildings, improvements and dwelling units located thereon kept by any state, county or city agency charged by the governing body of the appropriate political subdivision with the responsibility for enforcing a state, county or city health, housing, building, fire prevention or housing maintenance code shall be available to all persons having a reasonable need for the information contained in the records relating to the premises, at reasonable times and upon reasonable notice to the custodian of the records, for inspection, examination, abstracting or copying at the expense of the person obtaining the information. The persons to whom the records shall be available under this section include but are not limited to the following persons and their representatives:

(a) any person having any legal or beneficial interest in the premises, including a tenant;

(b) any person considering in good faith the lease or purchase of the premises;

(c) any person authorized to request an inspection under section 566.19; and

(d) a party to any action related to the premises, including actions maintained pursuant to sections 504.18 and 566.18 to 566.33.

History: *1974 c 370 s 2; 1990 c 451 s 1*

504.24 PROPERTY ABANDONMENT.

Subdivision 1. If a tenant abandons rented premises the landlord may take possession of the tenant's personal property remaining on the premises, and shall store and care for the property. The landlord has a claim against the tenant for reasonable costs and expenses incurred in removing the tenant's property and in storing and caring for the property. The landlord may sell or otherwise dispose of the property 60 days after the landlord receives actual notice of the abandonment or 60 days after it reasonably appears to the landlord that the tenant has abandoned the premises whichever occurs last and may apply a reasonable amount of the proceeds of the sale to the removal, care, and storage costs and expenses or to any claims authorized pursuant to section 504.20, subdivision 3, clauses (a) and (b). Any remaining proceeds of the sale shall be paid to the tenant upon written demand. Prior to the sale the landlord shall make reasonable efforts to notify the tenant of the sale at least 14 days prior to the sale, by personal service in writing or sending written notification of the sale by certified mail, return receipt requested, to the tenant's last known address or usual place of abode, if known by the landlord, and by posting notice of the sale in a conspicuous place on the premises for at least two weeks.

Subd. 2. If a landlord, an agent or other person acting under the landlord's direction or control, in possession of a tenant's personal property, fails to allow the tenant to retake possession of the property within 24 hours after written demand by the tenant or the tenant's duly authorized representative or within 48 hours, exclusive of weekends and holidays, after written demand by the tenant or a duly authorized representative when the landlord, the landlord's agent or person acting under the landlord's direction or control has removed and stored the personal property in accordance with subdivision 1 in a location other than the premises, the tenant shall recover from the landlord punitive damages not to exceed $300 in addition to actual damages and reasonable attorney's fees. In determining the amount of punitive damages the court shall consider (a) the nature and value of the property; (b) the effect the deprivation of the property has had on the tenant; (c) if the landlord, an agent or other person acting under

the landlord's direction or control unlawfully took possession of the tenant's property; and (d) if the landlord, an agent or other person under the landlord's direction or control acted in bad faith in failing to allow the tenant to retake possession of the property. The provisions of this subdivision shall not apply to personal property which has been sold or otherwise disposed of by the landlord in accordance with subdivision 1, or to landlords who are housing authorities, created or authorized to be created by sections 469.001 to 469.047, and their agents and employees, in possession of a tenant's personal property, except that housing authorities must allow the tenant to retake possession of the property in accordance with this subdivision.

Subd. 3. If the landlord, an agent or other person acting under the landlord's direction or control has unlawfully taken possession of a tenant's personal property the landlord shall be responsible for paying the cost and expenses relating to the removal, storage or care of the property.

History: *1975 c 410 s 1; 1982 c 424 s 110; 1986 c 444; 1987 c 291 s 241*

504.245 ACTION FOR RENTAL OF CONDEMNED RESIDENTIAL PREMISES.

A landlord, agent, or person acting under the landlord's direction or control may not accept rent or a security deposit for residential rental property from a tenant after the leased premises have been condemned or declared unfit for human habitation by the applicable state or local authority, if the tenancy commenced after the premises were condemned or declared unfit for human habitation. If a landlord, agent, or a person acting under the landlord's direction or control violates this section, the landlord is liable to the tenant for actual damages and an amount equal to three times the amount of all money collected from the tenant after the date of condemnation or declaration, plus costs and attorney fees.

History: *1988 c 526 s 1*

504.246 DISCLOSURE REQUIRED FOR OUTSTANDING INSPECTION AND CONDEMNATION ORDERS.

Subdivision 1. **Disclosure to tenant.** (a) Except as provided in subdivision 3, a landlord, agent, or person acting under the landlord's direction or control shall provide a copy of all outstanding inspection orders for which a citation has been issued, pertaining to a rental unit or common area, specifying code violations issued under section 566.19, that the housing inspector identifies as requiring notice because the violations threaten the health or safety of the tenant, and all outstanding condemnation orders and declarations that the premises are unfit for human habitation to:

(1) a tenant, as defined in section 566.18, either by delivery or by United States mail, postage prepaid, within 72 hours after issuance of the citation;

(2) a person before signing a lease or paying rent or a security deposit to begin a new tenancy; and

(3) a person prior to obtaining new ownership of the property subject to the order or declaration.

The housing inspector shall indicate on the inspection order whether the violation threatens the health or safety of a tenant or prospective tenant.

(b) If an inspection order, for which a citation has been issued, does not involve code violations that threaten the health or safety of the tenants, the landlord, agent, or person acting under the landlord's control shall post a summary of the inspection order in a conspicuous place in each building affected by the inspection order, along with a notice that the inspection order will be made available by the landlord for review, upon a request of a tenant or prospective tenant. The landlord shall provide a copy of the inspection order for review by a tenant or a prospective tenant as required under this subdivision.

Subd. 2. **Penalty.** If the landlord, agent, or person acting under the landlord's direction or control violates this section, the tenant is entitled to remedies provided by section 8.31, subdivision 3a, and other equitable relief as determined by the court.

Subd. 3. **Exception.** A landlord, agent, or person acting under the landlord's direction or control is not in violation of this section if:

(1) the landlord, agent, or person acting under the landlord's direction or control has received only an initial order to repair;

(2) the time allowed to complete the repairs, including any extension of the deadline, has not yet expired, or less than 60 days has elapsed since the expiration date of repair orders and any extension or no citation has been issued; or

(3) the landlord, agent, or person acting under the landlord's direction or control completes the repairs within the time given to repair, including any extension of the deadline.

Subd. 4. **Landlord's defense.** It is an affirmative defense in an action brought under this section for the landlord, agent, or person acting under the landlord's control to prove that disclosure was made as required under subdivision 1.

History: *1993 c 317 s 4*

504.25 UNLAWFUL OUSTER OR EXCLUSION; PENALTY.

A landlord, agent of the landlord or person acting under the landlord's direction or control who unlawfully and intentionally removes or excludes a tenant from lands or tenements or intentionally interrupts or causes the interruption of electrical, heat, gas or water services to the tenant with intent to unlawfully remove or exclude the tenant from lands or tenements is guilty of a misdemeanor. In any trial under this subdivision, it shall be presumed that the landlord, agent or other person acting under the landlord's direction or control interrupted or caused the interruption of the service with intent to unlawfully remove or exclude the tenant from lands or tenements, if it is established by evidence that the landlord, an agent or other person acting under the landlord's direction or control intentionally interrupted or caused the interruption of the service to the tenant. The burden is upon the landlord to rebut the presumption.

History: *1975 c 410 s 2; 1986 c 444*

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: *1984 c 612 s 1; 1986 c 444; 1989 c 328 art 2 s 1*

504.257 UNLAWFUL DESTRUCTION; DAMAGES.

An action may be brought for willful and malicious destruction of leased residential rental property. The prevailing party may recover actual damages, costs, and reasonable attorney fees, as well as other equitable relief as determined by the court.

History: *1993 c 165 s 2*

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: *1975 c 410 s 3; 1986 c 444; 1989 c 328 art 2 s 2*

504.265 RESTRICTIONS ON EVICTION DUE TO FAMILIAL STATUS.

Subdivision 1. As used in this section, (a) "tenant" shall have the meaning assigned to it in section 566.18, and (b) "familial status" shall have the meaning assigned to it in section 363.01, subdivision 19.

Subd. 2. No tenant of residential premises may be evicted, denied a continuing tenancy, or denied a renewal of a lease on the basis of familial status commenced during the tenancy unless one year has elapsed from the commencement of the familial status and the lessor has given the tenant six months prior notice in writing, except in case of nonpayment of rent, damage to the premises, disturbance of other tenants, or other breach of the lease.

History: *1980 c 531 s 9; 1990 c 567 s 10*

504.27 REMEDIES ARE ADDITIONAL.

The remedies provided in sections 504.24 to 504.26 are in addition to and shall not limit other rights or remedies available to landlords and tenants. Any provision, whether oral or written, of any lease or other agreement, whereby any provision of sections 504.24 to 504.27 is waived by a tenant is contrary to public policy and void. The provisions of sections 504.24 to 504.27 shall apply only to tenants as that term is defined in section 566.18, subdivision 2, and buildings as that term is defined in section 566.18, subdivision 7. The provisions of sections 504.24, 504.25, 504.255, and 504.26 apply to occupants and owners of residential real property which is the subject of a mortgage foreclosure or contract for deed cancellation and as to which the period for redemption or reinstatement of the contract has expired.

History: *1975 c 410 s 4; 1992 c 376 art 1 s 9*

504.28 TERMINATION OF LEASE UPON DEATH OF LESSEE.

Subdivision 1. **Termination of lease.** Any party to a lease of residential premises other than a lease at will may terminate the lease prior to its expiration date in the manner provided in subdivision 2 upon the death of the lessee or, if there is more than one lessee, upon the death of all lessees.

Subd. 2. **Notice.** Either the lessor or the personal representative of the lessee's estate may terminate the lease upon at least two months' written notice, to be effective on the last day of a calendar month, and hand delivered or mailed by postage prepaid, first class United States mail, to the address of the other party. The lessor may comply with the notice requirement of this subdivision by delivering or mailing the notice to the premises formerly occupied by the lessee. The termination of a lease under this section shall not relieve the lessee's estate from liability either for the payment of rent or other sums owed prior to or during the notice period, or for the payment of amounts necessary to restore the premises to their condition at the commencement of the tenancy, ordinary wear and tear excepted.

Subd. 3. **Waiver prohibited.** Any attempted waiver by a lessor and lessee or lessee's

personal representative, by contract or otherwise, of the right of termination provided by this section, and any lease provision or agreement requiring a longer notice period than that provided by this section, shall be void and unenforceable; provided, however, that the lessor and lessee or lessee's personal representative may agree to otherwise modify the specific provisions of this section.

Subd. 4. **Applicability.** The provisions of this section shall apply to leases entered into or renewed after May 12, 1981.

History: *1981 c 168 s 2*

TENANT REPORTS

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. 2a. **Proper identification.** "Proper identification" means information generally considered sufficient to identify a person, including a Minnesota driver's license, a Minnesota identification card, other forms of identification provided by a unit of government, a notarized statement of identity with a specimen signature of the person, or other reasonable form of identification.

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; 1993 c 317 s 5*

504.30 TENANT REPORTS; DISCLOSURE AND CORRECTIONS.

Subdivision 1. **Disclosures required.** (a) 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.

(b) Files maintained on a tenant must be disclosed promptly as established in clauses (1) to (4).

(1) A tenant file must be disclosed in person, during normal business hours, at the location where the tenant screening service maintains its files, if the tenant appears in person and furnishes proper identification at that time.

(2) A tenant file must be disclosed by mail, if the tenant makes a written request with proper identification for a copy of the information contained in the tenant report and requests that the information be sent to a specified address. A disclosure made under this clause shall be deposited in the United States mail, postage prepaid, within five business days after the written request for disclosure is received by the tenant screening service. A tenant screening service complying with a request for disclosure under this clause shall not be liable for disclosures to third parties caused by mishandling mail, provided that the tenant file information is mailed to the address specified by the tenant in the request.

(3) A summary of the information in a tenant file must be disclosed by telephone, if the tenant has made a written request with proper identification for telephone disclosure.

(4) Information in a tenant's file required to be disclosed in writing under this subdivision may be disclosed in any other form including electronic means if authorized by the tenant and available from the tenant screening service.

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 unlawful detainer report or 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.** (a) 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. 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 becomes 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.

(b) A tenant screening service shall not provide tenant reports containing information on unlawful detainer actions in the second and fourth judicial districts, unless the tenant report accurately records the outcome of the proceeding or other disposition of the unlawful detainer action such as settlement, entry of a judgment, default, or dismissal of the action.

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; 1993 c 317 s 6-8*

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*

NOTICE TO FEDERALLY SUBSIDIZED TENANTS

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*

REPLACEMENT HOUSING

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.

"Displace" does not include downsizing large apartment complexes by demolishing less than 25 percent of the units in the complex or by eliminating units through reconfiguration and expansion of individual units for the purpose of expanding the size of the remaining low-income units. For the purpose of this section, "large apartment complex" means two or more adjacent buildings containing a total of 100 or more units per complex.

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.** (a) "Low-income housing" means either:

(1) 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, except that housing which receives a low-income housing credit under section 42 of the Internal Revenue Code of 1986, as amended through December 31, 1990, is considered low-income housing, if such rent levels do not exceed 30 percent of 60 percent of the median income for the metropolitan area as defined in section 473.121, subdivision 2, adjusted by size; or

(2) rental housing occupied by households with income below 30 percent of the median for the metropolitan area as defined in section 473.121, subdivision 2, adjusted by size.

(b) "Low-income housing" also includes rental housing that has been vacant for less than one year, 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.** (a) "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. Notwithstanding subclauses (i) and (ii), if the housing impact statement shows demonstrated need, displaced units may be replaced by fewer, larger units of comparable total size, except that single room occupancy units may not be replaced by units of a larger size;

(2) low-income housing for at least 15 years. 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 or in the surrounding metropolitan area as defined in section 473.121.

(b) Replacement housing provided in a different city shall have a preference for residents of the city where displacement occurred. The government unit providing such replacement housing shall affirmatively market the replacement housing to such residents.

(c) Replacement housing may be provided as newly constructed housing, or rehabilitated housing that was:

(1) previously unoccupied or vacant and in condemnable condition; or

(2) in condemnable condition and required substantial rehabilitation equal to or in excess of 50 percent of the prerehabilitation value of the unit; or

(3) rent-subsidized, existing housing that does not already qualify as low-income housing; or

(4) rent-subsidized housing in the form of either project-based assistance or portable vouchers, including the use of new Section 8 certificates or vouchers, which reduce rents on units to meet the definitions of low-income housing under subdivision 5, paragraph (a), clause (1).

(d) Notwithstanding the requirements in paragraphs (a) to (c), public housing units which are a part of a disposition plan approved by the Department of Housing and Urban Development automatically qualify as replacement housing for public housing units which are displaced.

(e) "Replacement housing" may also mean owner-occupied housing which creates a home ownership opportunity for people whose income is at or below 50 percent of the median for the metropolitan area as defined in section 473.121, subdivision 2, adjusted for family size.

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

History: *1989 c 328 art 8 s 1; 1993 c 265 s 1-3; 1993 c 317 s 9-11; 1994 c 632 art 4 s 76,77*

504.34 ANNUAL HOUSING IMPACT REPORT.

Subdivision 1. **Annual report required.** A government unit, or in the case of a gov-

ernment unit located in the metropolitan area as defined in section 473.121, the government unit and the metropolitan council, shall prepare a housing impact report either:

(1) 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; or

(2) when a specific project undertaken by a government unit for longer than one year displaces a total of 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.** As provided in subdivision 1, a government unit or a government unit participating with the metropolitan council 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. For a housing impact report required under subdivision 1, clause (2), the draft report must be completed by January 31 of the year immediately following the year in which the government unit has displaced a cumulative total of ten 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, including the housing requirements of residents of shelters for the homeless, 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 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 Minnesota housing finance agency.

History: *1989 c 328 art 8 s 2; 1991 c 345 art 2 s 67,68; 1993 c 265 s 4,5; 1993 c 317 s 12,13; 1994 c 632 art 4 s 78-80*

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*

PETS; HANDICAPPED ACCESSIBLE UNITS

504.36 PETS IN SUBSIDIZED HANDICAPPED ACCESSIBLE RENTAL HOUSING UNITS.

In a multiunit residential building, a tenant of a handicapped accessible unit, in which the tenant or the unit, receives a subsidy that directly reduces or eliminates the tenant's rent responsibility must be allowed to have two birds or one spayed or neutered dog or one spayed or neutered cat. A renter under this section may not keep or have visits from an animal that constitutes a threat to the health or safety of other individuals, or causes a noise nuisance or noise disturbance to other renters. The landlord may require the renter to pay an additional damage deposit in an amount reasonable to cover damage likely to be caused by the animal. The deposit is refundable at any time the renter leaves the unit of housing to the extent it exceeds the amount of damage actually caused by the animal.

History: *1993 c 369 s 145*