

UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA

Thelma Jones, Priyia Lacey, Faisa Abdi, Ali Ali, Rukiya Hussein, Lucia Porras, David Trotter-Ford, And Somali Community Resettlement Services, Inc.,

Plaintiffs,

v.

City of Faribault,

Defendant.

Case No. 18-CV-01643 (JRT/HB)

SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS

This Settlement Agreement is entered into by all Parties (Thelma Jones, Priyia Lacey, Faisa Abdi, Ali Ali, Rukiya Hussein, Lucia Porras, David Trotter-Ford, Somali Community Resettlement Services, Inc., the Plaintiffs, and the City of Faribault, the Defendant, together, the “Parties”) for the purposes of resolving the disputed claims in the matter entitled *Jones, et al, v. City of Faribault*, 18-cv-01643-JRT-HB (the “Action.”). The Parties agree this controversy should be resolved without further proceedings.

ACKNOWLEDGEMENTS AND BACKGROUND

- A. Plaintiffs are represented by American Civil Liberties Union Foundation, American Civil Liberties Union of Minnesota, Foundation, Inc., and Taft, Stettinius, & Hollister LLP; and
- B. Defendant is represented by Iverson Reuvers.
- C. The Parties wish to settle the matters raised in the lawsuit in accordance with the terms and conditions set forth below; and

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises contained in this Agreement, and for good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the Parties agree as follows:

I. NON-MONETARY TERMS

1. **Amendment of Ordinance 2019-17 (the City's Rental Licensing Ordinance)**

Defendant agrees that within 30 days of executing the Agreement it will amend, and follow the appropriate procedures to amend, the following provisions of Ordinance 2019-17 of the City of Faribault City Code consistent with the following:

- a. Section 7-38 "License Application and Renewal"
To make the agreed-upon revisions to Section 7-38 of the City's Rental Licensing Ordinance, as reflected in Exhibit A (attached and fully incorporated herein).
 - i. This includes requiring that rental license applications and renewals must include the agreed-upon "Licensee Certification," attached as Exhibit B, as required by the revised Section 7-38(c)(2).
- b. Section 7-40(h) "Occupancy Restriction"
To make the agreed-upon revisions to Section 7-40(h) of the City's Rental Licensing Ordinance, including to clarify that children under the age of two do not count towards the occupancy limit as reflected in Exhibit C (attached and fully incorporated herein).
- c. Section 7-41 "Disorderly Conduct"
To make the agreed-upon revisions to Section 7-41 of the City's Rental Licensing Ordinance, which narrow the list of offenses that may constitute "disorderly conduct" and requiring the conduct occurred in the rental dwelling unit as reflected in Exhibit D (attached and fully incorporated herein), including by providing tenants a right to appeal determinations of disorderly conduct. This includes clarifying that reports, emergency calls, or complaints regarding potential domestic abuse cannot be used as a basis for a "disorderly conduct" violation against the tenant victim.
- d. Section 7-42 "Crime-Free Housing Program"
To make the agreed-upon revisions to Section 7-42 of the City's Rental Licensing Ordinance, as reflected in Exhibit E (attached and fully incorporated herein), including—
 - i. By making criminal background checks optional, but recommended by the City, and requiring that any criminal background check must follow a two-step process to ensure applicants are not unfairly excluded from housing due to prior involvement in the criminal justice system, which does not indicate a demonstrable risk to resident safety and/or property. The process limits what portions of a criminal record may be considered in a housing application and requires that every applicant whose criminal record is considered receives an individualized assessment, by the agreed-upon Appendices A & B, attached as Exhibit F.
 - ii. By making Appendices A & B, attached as Exhibit G available on the City's website, for use by licenses as required by Section 7-42(d)(2)(i) and (4);
 - iii. By conferring to tenants a right to challenge a determination that the tenant violated the crime-free/drug-free lease provisions at a hearing conducted before the city council prior to termination of the tenancy by the licensee, as required under Section 7-42(f) of the revised Ordinance;

- iv. By requiring that housing providers complete the agreed-upon video training, as required under Section 7-42(b)(ii) and Section 7-38(c)(2)(b) of the revised Ordinance, and making that video available on the City’s website; and
- v. By making the agreed-upon “Rights of Rental Housing Applicants in Faribault” available on the City’s website, for use by licensees as required by Section 7-42(d) (“All licensees who choose to conduct criminal background checks on prospective tenants . . . must provide the written copy of this two-step criminal background check policy, provided by the City, to the applicant prior to accepting the application or application fee.”).

2. Notice of Ordinance Amendments

- a. To provide notice to the broader public regarding the revised Ordinance within 30 days of executing the Agreement.
 - i. The City will provide such notice by posting on its website the agreed-upon “Public Notice of Changes to the City’s Rules Concerning Rental Housing,” attached as Exhibit H, in English, Spanish, and Somali.
 - ii. The City will also maintain an updated version of the Ordinance at City Hall and Buckham Memorial Library and will change its website and social media pages to add an affirmative statement that the Ordinance has been updated and housing providers are no longer required to conduct criminal background checks on rental applicants and clearly stating the occupancy standard. The City will maintain the notice on the City’s webpage for one year from the date the City Council enacts the agreed-upon revisions to the City’s Rental Licensing Ordinance. The updated version of the Ordinance will be published in the above-referenced forums no later than 30 days after this Agreement is executed.
- b. To provide notice to all licensees regarding the revised Ordinance within 30 days of executing the Agreement. The City will provide such notice by mailing to each licensee the agreed-upon “Responsibilities of Housing Providers in Faribault, Minnesota,” attached as Exhibit I.

3. Video Training

- a. The video training discussed above will be created by the Louisiana Fair Housing Action Center (LFHAC).
- b. The cost of the video will be split evenly between the parties.
- c. The video will cover the following content: obligations on housing providers under the Fair Housing Act, 42 U.S.C. §§ 3601-19, and the Minnesota Human Rights Act, Minn. Stat. 363A.09; the 2016 HUD memo entitled: “Office of General Counsel Guidance on Application of Fair Housing Act Standards to the Use of Criminal Records by Providers of Housing and Real Estate-Related Transactions;” and discussion of the City’s revised Rental Licensing Ordinance.

II. CONSIDERATION

The City, through the League of Minnesota Cities Insurance Trust, agrees to pay a lump sum of \$685,000 to resolve all claims in this litigation, inclusive of any claim for attorney’s fees and costs,

via a check to be issued within 5 days of the date this Agreement is signed by all parties, payable to ACLU of Minnesota.

III. RELEASE

1. **Release by Plaintiffs.** The Plaintiffs, and each of them, jointly and severally on behalf of themselves and their heirs, successors and assigns hereby release and forever discharge City of Faribault and their respective heirs, successors and assigns, of and from any and all claims for monetary damages suffered or allegedly suffered by the Plaintiffs existing at any time up to and including the Effective Date of this Agreement, which directly or indirectly arise out of or relate in any manner to the Action or any causes of action, claims, or defenses that were, could have been, or should have been asserted by the Plaintiffs in the Action.

IV. DISMISSAL

The Parties agree to file a joint stipulation of dismissal under Fed. R. Civ. P. 41(a)(1)(ii) either within 5 days of full payment of the lump sum referenced above or within 5 days of passage of the revised Ordinance, whichever comes later.

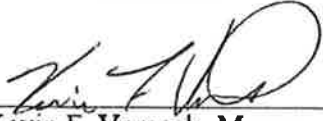
V. MISCELLANEOUS

1. **Liability.** It is understood and agreed that this Agreement is the compromise of a vigorously disputed case and this payment is not to be construed as an admission of liability on the part of the City, by whom liability is expressly denied.
2. **Term.** The Parties have agreed to a three (3) year term from the effective date of this Agreement. For the duration of that term the City agrees it will not adopt an ordinance that in form or substance reverts to the provisions of previous sections 7-38, 7-40(h), 7-41, and 7-42 of the Faribault Code as they existed in the 2017 and 2019 version of the City of Faribault's Rental Licensing Ordinance or otherwise adopt an ordinance to implement the policies parties agreed to change as a condition of this settlement.
3. **Entire Agreement.** The Parties agree that this Agreement constitutes the entire agreement between the Parties with regard to the matters described herein and no modification of this Agreement and/or other promises or agreements shall be binding unless in writing and signed by all the parties hereto. There are no other understandings or agreements, oral or otherwise in retaliation thereto, between the Parties.
4. **Severability.** If any provision of this Agreement or the application thereof is adjudicated to be void, invalid, or unenforceable, such action shall not invalidate the remainder of it, and the remainder shall remain in full force and effect, except as otherwise set forth in this Agreement. To the extent anything in this Agreement conflicts with state, local, or federal law, that law is controlling and the conflicting Agreement provision is severable.
5. **Enforcement.** This Agreement is to be interpreted and enforced in accordance with the laws of the United States and the State of Minnesota.

6. **Executed separately.** The Parties contemplate this Agreement may be executed in separate counterparts and all counterparts and signature pages together are one document.

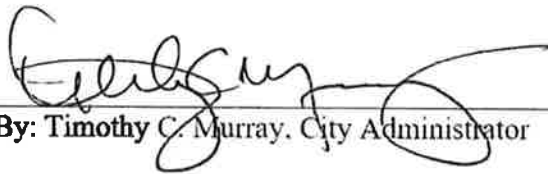
CITY OF FARIBAULT

Dated: June 14, 2022


By: Kevin F. Voracek, Mayor

ATTEST

Dated: June 14, 2022


By: Timothy C. Murray, City Administrator

6. Executed separately. The Parties contemplate this Agreement may be executed in separate counterparts and all counterparts and signature pages together are one document.

CITY OF FARIBAULT

Dated: June 14, 2022

By: Kevin F. Voracek, Mayor


ATTEST

Dated: June 14, 2022

By: Tim C. Murray, City Administrator

PLAINTIFFS

Dated: 4/13


Thelma Jones

Dated: 6/13/22


Priya Lacey

Dated: 6/13/22

David Trotter-Ford

Dated: 6-13-22


Lucia Porras

Dated: 6-13-2022

Ali Ali
Ali Ali

Dated: 06-13-2022

Faisa Abdi
Faisa Abdi

Dated: _____

Rukiya Hussein

Dated: 6-13-2022


Somali Community Resettlement Services

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CITY OF FARIBAULT

Dated: June 14, 2022

By: Kevin F. Voracek, Mayor

ATTEST

Dated: June 14, 2022

By: Tim C. Murray, City Administrator

PLAINTIFFS

Dated: _____

Thelma Jones

Dated: _____

Priya Lacey

Dated: _____

David Trotter-Ford

Dated: _____

Lucia Porras

Dated: _____

Ali Ali

Dated: _____

Faisa Abdi

Dated: 6/13/2022

Rukiya Hussein
Rukiya Hussein

Dated: 6-13-2022

[Signature]
Somali Community Resettlement Services

EXHIBIT A

Sec. 7-38 - Licensing of rental units

(a) *License required.*

- (1) No person shall operate a rental dwelling without first having obtained a license to do so from the City of Faribault. A license shall be granted pursuant to the provisions of this article by the compliance official or designee(s).

Exceptions:

- a. An owner whose only rental dwelling is a single-family dwelling homesteaded by a relative is exempted. Compliance of this exemption may require written proof from the county.
 - b. A residential property owned by a "snowbird" where the property is rented to another person for a period of less than one hundred twenty (120) consecutive days while the owner is residing out of the State of Minnesota. The owner must occupy the property during the remainder of the year.
 - c. Unoccupied dwelling units that have been issued a vacant building registration.
- (2) When more than one building containing rental dwelling units exists on one property, a separate license shall be required for each building.
 - (3) Licenses shall be issued for a single rental dwelling unit in the case of a freestanding dwelling, a condominium, a townhouse, a dwelling in a cooperative, or a dwelling in a nonresidential structure; for a two-unit rental dwelling; or for an apartment building.
- (b) *License term.* Except for a provisional license as identified herein, a rental license issued by the city under this article will be valid for a two-year time period. All licenses may be reviewed at any time by the compliance official or designee(s) after the commencement of the license term to determine whether the rental dwelling continues to be in compliance with this article.

(c) *License application and renewal.*

- (1) The license application or renewal shall be made by the owner or agent. Application forms are available from the city and must be completed in full and accompanied by the appropriate license fee as established by the city council.
- (2) Every application must contain three certifications, sworn under penalty of perjury, on a form provided by the city:
 - a. First, that the licensee understands that they are not required to conduct a criminal background check on prospective tenants, and if they choose to conduct criminal background checks of rental applicants they must only do so in compliance with Sec. 7-42(e), and that any criminal background checks conducted after July 5, 2022 were conducted in compliance with Sec. 7-42(e).
 - b. Second, that the licensee completed the training video on the housing providers obligations under Faribault's rental housing ordinance, the Fair Housing Act, 42 U.S.C. §§ 3601-19, and the Minnesota Human Rights Act, Minn. Stat. 363A.09, within six months of July 5, 2022.

- c. Third, that the licensee maintains the following records for three years after receipt of an application for rental housing: the rental applications; the criminal records associated with those applications; letters between the landlord and applicant; the rental decision for that applicant, and the basis for that decision. The licensee understands that these records are subject to inspection by the city, and upon reasonable basis to believe a licensee is violating the Ordinance, such as by receipt of a complaint, the city will investigate, which may include sharing records with a third-party non-profit organization, and take appropriate action.
- (3) Every licensee shall give notice in writing to the city within ten (10) business days after any change of information on the application or if the licensed premises is sold or otherwise conveyed in any way. Depending on the nature of changes, the city may require a new inspection of the licensed premises.
- (4) Each license issued by the city under this article will expire two (2) years after the date of issuance unless otherwise suspended or revoked.
- (5) An application for renewal of a license and the appropriate fee must be filed with the issuing authority at least thirty (30) days prior to the expiration date of an existing license. Any renewal license application and fee not received before the expiration date shall be assessed a late fee as established by the city council for processing of the application.

Within thirty (30) days of receipt of a completed application and of the license fee required by this article, the inspector shall schedule an inspection. No license shall be granted or renewed until the inspector has determined that all life, health safety violations, or application inconsistencies have been corrected. In cases where a weather deferral for repairs has been granted by the inspector, the license may be granted on conditions of the repairs being completed before a specific date in the future. If the license application is incomplete, or the applicant does not meet the requirements of this section during the term of a provisional license issued under Sec. 7-39, the application shall be canceled.

- (d) *License and inspection fees.* License fees, as set forth by city council resolution, shall be due thirty (30) days prior to the license expiration date. In the cases of new unlicensed units, license fees shall be due at time of application.
 - (1) *License fees, delinquent payments.* A delinquency penalty of fifteen (15) percent of the amount of the license fee may be charged to the operators of the dwelling unit. Once issued, a license is nontransferable and the licensee shall not be entitled to a refund of any license fee. Upon revocation or modification of a license, or if the applicant withdraws an application, or in the case of an incomplete application or process, or if an application is canceled, the fee shall be nonrefundable.
 - (2) *Inspection/reinspection fees.* Fees for annual inspections of a rental dwelling are part of paid license fees. Reinspection fees will only be charged for subsequent inspections after failure to comply with official orders or when the owner or agent fails to keep a scheduled inspection without prior notice to the inspector. All reinspection fees are set by city council resolution. If the reinspection is being performed as part of the licensing process, fees must be paid prior to the time of license issuance or renewal. If a reinspection fee of any portion is not paid within thirty (30) days after billing, or

within thirty (30) days after any appeal becomes final, the city council may certify the unpaid cost against the rental dwelling.

- (e) *Minimum licensing standards.* The following minimum standards and conditions must be met in order for an owner to hold or be granted a rental dwelling license under this article. Failure to comply with any of these standards or conditions shall be adequate grounds for denial, nonrenewal, suspension or revocation of an owner's rental dwelling license.
- (1) The licensee or applicant must have a current, complete, and accurate rental dwelling application on file with the city.
 - (2) The licensee or applicant shall have paid the required license fee and any other fees required by this article.
 - (3) The licensee or applicant must be current on the payment of all utility fees, taxes, assessments, fines, penalties, or other financial claims due to the city on the licensed premises and any other rental dwelling in the city owned by the licensee or the applicant. In the event a suit has been commenced under Minnesota Statutes, Sections 278.01—278.03, questioning the amount or validity of taxes, the city may upon request of the licensee or applicant waive strict compliance with this provision; no waiver may be granted, however, for taxes or any portion thereof that remain unpaid for a period exceeding one (1) year after becoming due.
 - (4) The rental dwelling must be in compliance with all federal, state and local laws, including but not limited to all provisions of this article, the Property Maintenance Code as adopted in Sec 7-21 of the city Code, and all applicable zoning laws.

EXHIBIT B

APPENDIX C
LICENSEE CERTIFICATION

I, _____, hereby make the following three certifications:

****Please initial each relevant check box****

Certification #1

I understand criminal background checks on prospective tenants are optional. Please select option A or B.

Option A: I have chosen not to conduct criminal background checks.

>>Move on to Certification #2<<

OR

Option B: I have chosen to conduct criminal background checks, and certify any criminal background checks will be conducted in compliance with the City's Ordinance.

Certification #2

Please select option A or B.

Option A: For licensees being re-licensed, I have watched and completed the training video on my obligations under Faribault's rental housing ordinance, the Fair Housing Act, 42 U.S.C. §§ 3601-19, and the Minnesota Human Rights Act, Minn. Stat. 363A.09 on _____ 20 ____.

OR

Option B: For new licensees, I will complete the required eight-hour crime-free housing course, which includes the training video on my obligations under Faribault's rental housing ordinance, the Fair Housing Act, 42 U.S.C. §§ 3601-19, and the Minnesota Human Rights Act, Minn. Stat. 363A.09.

Certification #3

I have as of July 5, 2022, and will continue to, maintain the following records for three years after receipt of an application for rental housing: rental applications; the criminal records associated with those applications; letters between the landlord and applicant; the rental decision for that applicant and the basis for that decision, to the extent allowed by state and federal law. I understand these records are subject to inspection by the City, at its request.

I declare under penalty of perjury the foregoing is true and correct.

Dated: _____

Signature

Printed Name

Property Name(s)

Property Address(es)

EXHIBIT C

Sec. 7-40(h) - Occupancy Standards

The maximum permissible occupancy of a rental dwelling unit must be determined by applying one of the two standards set forth in paragraphs (1) and (2) below. Whichever standard allows the greatest number of occupants for a given rental dwelling will be the governing standard for that dwelling.

- (1) Square footage standard: Every bedroom shall contain not less than 70 square feet and every bedroom occupied by more than one person shall contain not less than 50 square feet of floor area for each occupant thereof.
- (2) Headcount standard: Total number of occupants in the rental dwelling may not exceed two (2) times the number of legal bedrooms plus one.
- (3) A “legal bedroom” is “Any room or space used or intended to be used for sleeping purposes in either a dwelling or sleeping unit.” Sec. 7-21 (adopting the 2018 Edition of the International Property Maintenance Code (IPMC), as the Property Maintenance Code of the City of Faribault); Sec. 202, 2018 IPMC (defining bedroom).
- (4) In applying either standard (1) or (2), occupants under the age of two (2) years shall not be included in the calculations.

EXHIBIT D

Sec. 7-41. - Disorderly conduct prohibited.

- (a) *Disorderly conduct prohibited.* Disorderly conduct is prohibited on all licensed rental dwellings. It shall be the responsibility of the licensee to prevent disorderly conduct by tenants, the tenant's family and the tenant's guests in the rental dwelling unit. Offenses that occur outside of the rental dwelling unit do not constitute a violation of this section. For purposes of this section, a rental dwelling unit includes the unit which the tenant, family member or guests occupy along with the common areas both inside and outside of the building where the rental dwelling unit is located.
- (b) *Disorderly conduct defined.* For the purposes of this section, disorderly conduct and nuisance conditions are the following activities committed by tenants, their family members, or guests:
- (1) Drug-related illegal activity occurring in the rental dwelling unit. Drug-related illegal activity means the illegal possession, manufacture, sale, distribution, purchase, use or possession with intent to manufacture, sell or distribute a "controlled substance," as defined in the Controlled Substance Act (21 U.S.C. § 802).
 - (2) Minnesota Statutes, § 609.755(4) and § 609.76 prohibiting the use of one's home as a gambling place, bucket shop or lottery.
 - (3) Minnesota Statutes, §§ 609.321–609.324 prohibiting prostitution and acts relating thereto.
 - (4) Minnesota Statutes, § 340A.401, which prohibits the unlawful sale of alcoholic beverages.
 - (5) Minnesota Statutes, § 340A.503, subdiv. 1(2), which prohibits the underage use of alcoholic beverages, except within the household of and with the permission of the underage person's parent or guardian, provided there is no violation of the City's Social Host Ordinance. (See the related reference to Faribault, Minn. Ordinances, ch. 17, art. 1, §17-17, in subsection (6), below).
 - (6) The following provisions of the Faribault, Minnesota Code of Ordinances, chapter 17, article 1, §§ 17-2(1) (physical conduct only), 17-5, 17-8, 17-10–17-12, 17-17 (see related subsection (5), above), and 17-42 (except for instances where the noise is caused by a medical emergency).
 - (7) Minnesota Statutes § 609.66, prohibiting the unlawful use of a dangerous weapon.
 - (8) Minnesota Statutes, §§ 609.185–609.205, which prohibit murder and manslaughter, unless a tenant was acting in self defense or in defense of others.
 - (9) Minnesota Statutes, §§ 609.221–609.2231, which prohibit assault, unless a tenant was acting in self defense or in defense of others.
 - (10) Minnesota Statutes, §§ 609.342–609.3451, which prohibit criminal sexual conduct.
 - (11) Minnesota Statutes, § 609.52, which prohibits theft, as long as the acts constituting theft occur in the dwelling unit.
 - (12) Minnesota Statutes, §§ 609.561–609.5632, which prohibit arson.
 - (13) Minnesota Statutes, § 609.582, which prohibits burglary, but which shall not apply to acts that could also be considered shoplifting.
 - (14) Minnesota Statutes, § 609.595, which prohibits intentional damage to the property of another without their consent.
 - (15) Minnesota Statutes, § 609.50, subd. 1(2)–(4), which prohibits interference with a peace officer, firefighter, or member of an ambulance service in the performance of their official duties.
 - (16) Minnesota Statutes, § 609.713, subd. 1, which prohibits threatening to commit a violent crime with the intent to terrorize another or to cause the evacuation of a building.

- (17) Minnesota Statutes, § 609.71, which prohibits riot.
 - (18) Minnesota Statutes, § 609.226, relating to great or substantial bodily harm caused by dangerous dogs and the negligent confinement of dangerous dogs.
 - (19) Minnesota Statutes, § 609.78, which prohibits intentional interference with "911" phone calls.
 - (20) Minnesota Statutes, § 243.166, subd. 6, which ascribes punishment for violating the statute's registration requirement (Predatory Offender Registration). A tenant is not subject to this section simply because they are required to register and properly do register.
 - (21) Minnesota Statutes, § 609.229 (Crime committed for benefit of a gang).
 - (22) Minnesota Statutes, § 609.903 (Racketeering).
 - (23) Minnesota Statutes, § 609.53, which prohibits stolen property, but only if the value of the property, which must be no less than \$1,000, is such that the underlying theft would qualify as a felony.
 - (24) Minnesota Statutes, §§ 609.255 (False Imprisonment) and 609.25 (Kidnapping).
- (c) *Violations and resulting action.* Upon a determination by the Faribault Police Department that disorderly conduct has been committed on a licensed premises, as described in paragraph (a), the city shall take the following actions:
- (1) For a first instance of disorderly conduct, a notice describing the specific violation(s) will be sent to the licensee via First Class mail along with a directive for the licensee to take steps to prevent further violations. The licensee shall notify the tenant or tenants within ten (10) days of the notice of disorderly conduct violation.
 - (2) If a second instance of disorderly conduct occurs within a rolling twelve-month time period for the same tenancy, a second notice describing the specific violation(s) will be sent to the licensee via First Class Mail along with a directive for the licensee to submit a written report to the Faribault Police Department within ten (10) calendar days of receipt of the notice of disorderly use of the licensed premises which details all actions taken by the licensee in response to the previous notices of disorderly conduct on the licensed premises. The licensee shall notify the tenant or tenants within ten (10) days of the notice of disorderly conduct violation.
 - (3) If a third instance of disorderly conduct occurs within a rolling twelve-month time period for the same tenancy, the rental dwelling license for the licensed premises may be suspended, revoked or not renewed by the city. An action to suspend, revoke, or not renew a rental dwelling license under this article shall be initiated by the compliance official or designee(s) pursuant to the procedures outlined in Section 7-44 herein. The licensee shall notify the tenant or tenants within ten (10) days of the notice of disorderly conduct violation, and proceed with termination of the tenancy of all tenants occupying the unit. In addition to notice, tenants shall also have the right to request a hearing to contest the Faribault Police Department's determination that the tenant has committed disorderly conduct, which includes the ability to challenge all three determinations of disorderly conduct, pursuant to the procedure set forth in Section 7-42(f)(2).
 - (4) If the compliance official or designee(s) determines that the licensee has proceeded in good faith to secure termination of the tenancy in accordance with this subsection, but was unsuccessful for reasons beyond the licensee's reasonable control, then the licensee shall not be subject to the penalties.
 - (5) In lieu of revoking, suspending or not renewing the rental license under Section 7-44 herein, the compliance official or designee(s) may require an action plan to be completed and complied with by the licensee, manager or local agent within a designated time frame which outlines the steps

necessary to be taken and complied with in order to correct identified violations and the measures to be taken to ensure ongoing compliance with the city Code and other applicable laws.

- (d) *Determining disorderly conduct.* A determination that a licensed premises or any particular dwelling unit has been the location of a disorderly conduct violation shall be made upon a finding of fact by the Faribault Police Department by a preponderance of the evidence. It shall not be necessary that criminal charges be brought in order to support such finding, nor shall the dismissal or acquittal of such a criminal charge operate as a bar to any action under this section.
- (e) *Review of disorderly conduct determination.* Within five (5) days of being notified of an instance of disorderly conduct occurring on the licensed premises under section 7-41(c)(1) or (2), the licensee or tenant may submit information to the Faribault Police Department and seek reconsideration of the determination that disorderly conduct has occurred in the rental unit in violation of this article. The member of the Faribault Police Department who initially determined the existence of the disorderly conduct shall respond to the licensee's or tenant's request for reconsideration within ten (10) days after receipt of the request. Any determination of disorderly conduct which results in the revocation, suspension or nonrenewal of a rental license will be reviewed by the city council pursuant to the provisions of Section 7-44(e) herein.
- (f) *Notices.* All notices given by the city under this article shall be personally served on the licensee or sent by First Class Mail to the licensee's address as provided to the city. If neither method of service effects notice, the city may provide notice to the licensee by posting on a conspicuous place on the licensed premises. All notices shall include notice of the provisions of Section 7-41(j).
- (g) *Lease termination.* In addition to the licensee's responsibilities to respond to disorderly conduct as outlined herein, the licensee may also be required to terminate the tenancy of a tenant that violates the crime free/drug free lease addendum as outlined in Section 7-42 herein. No adverse license action shall be imposed by the city where the instance of disorderly conduct on the licensed premises occurred during the pendency of eviction proceedings (unlawful detainer) or within thirty (30) days of notice given by the licensee to a tenant to vacate the premises where the disorderly use was related to conduct by that tenant or by other occupants or guests of the tenant's unit. Eviction proceedings shall not be a bar to adverse license action, however, unless they are diligently pursued by the licensee. Further, an action to deny, revoke, suspend, or not renew a rental license based on violations of this article may be postponed or discontinued at any time if it appears that the licensee has taken appropriate measures which will prevent further instances of disorderly use.
- (h) *Enforcement.* Enforcement actions provided in this article shall not be exclusive, and the city may take any action with respect to a licensee, a tenant, guests, or the licensed premises as is authorized by this Code or state law.
- (i) *No retaliation for making an emergency call.* For purposes of verifying instances of disorderly conduct in violation of this section, the following are exceptions:
 - (1) An "emergency call" within the definition of Minnesota Statutes, § 609.78, subd. 3, as it may be amended from time to time, will not be considered an instance of disorderly behavior for purposes of this section where the victim and suspect are "family or household members" as defined in the Domestic Abuse Act (Minn. Stat. § 518B.01, subd. 2(b)) and where there is a report, call, or complaint of "Domestic Abuse" as defined therein.
 - (i) "Family or household members" includes spouses and former spouses; parents and children; persons related by blood; persons who are presently residing together or who have resided together in the past; persons who have a child in common regardless of whether they have been married or have lived together at any time; a man and woman if the woman is pregnant and the man is alleged to be the father, regardless of whether they have been married or lived together at any time; and persons involved in a significant romantic or sexual relationship.

- (ii) "Domestic Abuse" includes the following, if committed against a family or household member by a family or household member: physical harm, bodily injury, or assault; the infliction of fear of imminent physical harm, bodily injury, or assault; or terroristic threats, criminal sexual conduct, or interference with an emergency call.
- (2) An "emergency call" within the definition of Minnesota Statutes, § 609.78, subd. 3, as it may be amended from time to time, will not be considered an instance of disorderly behavior for purposes of this section where the call is the result of a tenant, or a member of the tenant's household, or a guest taking action to seek emergency assistance that is protected by Minnesota Statutes § 504B.205, relating to a residential tenant's right to seek police and emergency assistance.
- (3) An "emergency call" within the definition of Minnesota Statutes, § 609.78, subd. 3, as it may be amended from time to time, will not be considered an instance of disorderly behavior for purposes of this section where the call is the result of an emergency assistance that is protected by Minnesota Statutes § 604A.04, relating to a person who is not a health care professional who acts in good faith in administering an opiate antagonist to another person whom the person believes in good faith to be suffering a drug overdose.
- (j) *Tenant Victim.* For purposes of determining disorderly conduct events triggering notice of a violation, the police department will evaluate whether the tenant is the alleged victim of the underlying disorderly conduct offense. A "Tenant Victim" is an individual who was a victim, or whose household member or guest was a victim, in whole or in part of the incidents that formed the basis of the disorderly conduct offense, including but not limited to domestic abuse as defined in Section 7-41(i)(1). Where the perpetrator is not a tenant, no notice of violation will be sent. Where the perpetrator is a tenant, the police department will note the tenant's victim status when providing notice of a disorderly conduct event to a licensee. The licensee will note any determination of a tenant-victim and will not take any action against the tenant-victim or other household occupants who did not perpetrate the offense. The notice required by Section 7-41(c) shall include notice of the provisions in this Section 7-41(j) and Minnesota Statutes § 504B.206, "Right of Victims of Violence to Terminate Lease." Any decision or related order in a proceeding imposing enforcement action pursuant to Section 7-41(c)-(h) with respect to an individual shall make a finding whether that individual is a victim and may be subject to such enforcement action under this Section 7-41(j).

A tenant may not waive and a license holder may not require the tenant to waive the tenant's right under law to call for police or emergency assistance. This section shall not prohibit the eviction of tenants from a dwelling unit for unlawful conduct of a tenant or invitee or violation of any rules, regulations, or lease terms when such unlawful conduct or violation is unrelated to the conduct of which the tenant, or a member of the tenant's household, or guest is the victim.

- (k) *Falsely reporting violations.* No person shall report a violation of this article or city ordinance knowing or having reason to know that the report is false with the intent to affect the licensing status or inspection schedule of the licensed premises.
- (l) *Tenant responsibilities.*
 - (1) *Access to licensed premises.* When required by Minnesota Statutes, each tenant or occupant of a rental dwelling must give the owner, agent, or authorized city official access to any part of such rental dwelling unit at reasonable times for the purpose of inspection, maintenance, repairs, or alterations as are necessary to comply with the provisions of this article.
 - (2) *Compliance with regulations.* A tenant must comply with applicable city Codes and all applicable local, state, and federal regulations. A tenant is responsible for compliance with all applicable city Code, nuisance, and violations of disorderly conduct as specified in this section that occur in the dwelling unit, including violations committed by household members or guests.

EXHIBIT E

1 **Sec. 7-42. - Crime-free housing program.**

2 (a) *Purpose.* The city council finds that repeated police calls to rental dwelling units in the city
3 related to disturbances or criminal activity have taxed law enforcement resources. The city
4 council also finds that persons residing in rental dwelling units who engage in disorderly
5 conduct or cause nuisance conditions create an unacceptable environment for others living in
6 close proximity, thereby threatening the public safety and welfare of the community. In order
7 to preserve and protect the city's neighborhoods and to promote public safety, the city council
8 enacts this section. For the purpose of this section of the city Code, the crime-free housing
9 program shall refer to the Minnesota Crime Prevention Association's Crime-Free Multi
10 Housing Program, unless otherwise indicated or amended by this section. The phases of the
11 program include, but are not limited to, the conditions set forth below.

12 (b) *Crime-free housing program overview.*

13 (1) An owner, agent or property manager of a rental dwelling in the city must comply with
14 the following components of the city's crime-free housing program:

15 (i) Attend a certified eight-hour crime-free housing course presented by the police
16 department, fire department, public housing and others, which shall include fair
17 housing training. Training will be available in English, Somali, Spanish and sign
18 language, if requested.

19 (ii) For any housing provider who previously completed the training in Section 7-
20 42(b)(i) prior to July 5, 2022, they must complete a video training (pre-recorded)
21 on conducting criminal background checks in compliance with the requirements of
22 the ordinance, as well as federal and Minnesota law. The training video is available
23 on the City's website.

24 (iii) Use a written lease which includes the crime-free/drug free housing lease
25 addendum.

26 (iv) Actively pursue the eviction of the tenants or termination of the lease with the
27 tenants who violate the terms of the lease and/or the crime free/drug free housing
28 lease addendum. Nothing in this provision restricts licensees from entering into
29 leases with applicants possessing a criminal history.
30

31 (2) It is recommended, but not required, that an owner, agent or property manager of a rental
32 dwelling conduct a criminal background check of all prospective tenants eighteen (18) years
33 and older. If an owner, agent or property manager chooses to conduct a criminal background
34 check, they must do so in compliance with Section 7-42(d).

35 (c) *Crime-free housing program training.*

36 (1) Every owner, agent, or property manager of a rental dwelling must attend a crime-free
37 housing training program that is either offered by the city or another municipality within
38 the State of Minnesota. Each owner, agent, or property manager will be charged a fee to
39 attend the crime-free housing training if attended in the City of Faribault. The owner,
40 agent, or property manager will provide the city with proof of having received such
41 training to the Faribault Police Department if it is obtained from another city or other
42 source.

1 (2) All new rental licenses applied for and issued after the adoption of this chapter have two
2 (2) years from the day of license issuance for the owner, agent or property manager to
3 attend and provide proof of completion of the crime-free housing training. Licenses may
4 be considered for revocation, suspension or nonrenewal for failure to attend the crime-
5 free housing training and provide proof to the Faribault Police Department within the
6 deadlines proscribed herein.

7 (d) *Tenant background checks.* All licensees who choose to conduct criminal background checks
8 on prospective tenants eighteen (18) years and older must do so in compliance with the
9 following two-step procedure. Licensee must provide the written copy of this two-step
10 criminal background check policy, provided by the City, to the applicant prior to accepting
11 the application or application fee.

12
13 (1) **Step One: Limited Criminal Background Screening.** A licensee may conduct a
14 limited criminal background screening either for the applicant or for all individuals age 18
15 and older who will reside in the rental dwelling, as long as the policy is applied to all
16 applicants consistently. The limited criminal background screening will consider only:

- 17
18 (i) Felony criminal convictions related to the following categories of offenses: (1)
19 property offenses,¹ (2) fraud offenses,² (3) major violent offenses against
20 persons,³ and (4) sex offenses.⁴ Any other category of offense will not be
21 considered. These categories were identified because they involve conduct by a
22 person whose tenancy may present a current direct threat of harm to others or the
23 risk of substantial damage to the property of others.
24
25 (ii) Only those felony criminal convictions in the above listed categories where the
26 conviction occurred within the last five years.
27
28 (iii) The property's limited criminal background screening will not consider arrests,
29 charges, expunged convictions, convictions reversed on appeal, vacated
30 convictions, offenses where adjudication was withheld or deferred, pardoned
31 convictions, and sealed juvenile records for any applicant or tenant. It will not
32 treat people differently based on whether the applicant is on probation or parole.
33

34 (2) **Step Two: Individual Assessment.** If an applicant is identified as having a felony
35 criminal conviction in one of the specified categories of offenses within the five years
36 prior to the application ("covered criminal conduct"), the property will provide an
37 individual assessment of the applicant's current situation. The purpose of the assessment
38 is to determine whether the applicant is able to fulfill the obligations of tenancy at the
39 property.
40

¹ Property offenses include theft, burglary, vandalism, arson and other criminal damage to property.

² Fraud offenses include identify theft, use of stolen checks, writing bad checks, counterfeiting, and forgery.

³ Major violent offenses include assault, battery, and homicide.

⁴ Sex offenses include rape, taking indecent liberties with a minor, pandering, sex trafficking, and sexual battery. Not included are victimless crimes such as prostitution or solicitation.

1 (i) The property will first send a written notice to each applicant identified as having
2 covered criminal conduct that includes specific information from the background
3 check that creates a concern. The notice will inform the applicant that covered
4 criminal conduct was identified in the limited criminal background screening and
5 will invite the applicant an opportunity to provide additional information within
6 seven (7) days of receipt of the written notice for the property to consider. The
7 requested information could include, for example, letters from parole officers,
8 case workers, counselors, family members, or community organizations
9 commenting on the applicant's responsible conduct and rehabilitation efforts.
10 The form of this request letter (the "REQUEST FOR ADDITIONAL
11 INFORMATION" letter) is attached as Appendix A, and will be available on
12 Faribault's website.

13
14 (ii) Based on the information received from the applicant, as well as the information
15 provided by the property's criminal background screening provider, the property
16 will then conduct an individual assessment of each applicant identified as having
17 covered criminal conduct. The property will consider all applicants equally and
18 render decisions in a fair and consistent manner. The property will consider the
19 following factors in determining whether to approve or reject the application:

- 20 (1) The facts or circumstances surrounding the criminal conduct;
- 21 (2) The age of the applicant at the time of the occurrence of the criminal
22 offense;
- 23 (3) Evidence of a good tenant or employment history before or after the
24 conviction or conduct;
- 25 (4) Evidence of rehabilitation efforts;
- 26 (5) The time that has elapsed since the occurrence of the conduct;
- 27 (6) Any information about the applicant that indicates good conduct since the
28 offense occurred;
- 29 (7) Whether the conduct/conviction arose from the applicant's status as a
30 survivor of domestic violence, sexual assault, stalking, or dating violence;
- 31 (8) Whether the conduct/conviction arose from an applicant's disability,
32 including mental illness; and
- 33 (9) Any other information related to whether the applicant's specific criminal
34 history creates the potential that the property's current residents,
35 employees, or property will be exposed to a heightened risk of crime.

36
37 (3) If an applicant does not provide information for the property's consideration within seven
38 (7) days of the date of receipt of the "REQUEST FOR ADDITIONAL INFORMATION"
39 letter, the property will assess the applicant based upon available information obtained during
40 the application process, including the information received from the property's credit and
41 criminal background screening provider.

42
43 (4) If, after the individual assessment described above, the property decides to reject an
44 applicant, then on the day of such determination, the property will send to the applicant a
45 "CRIMINAL BACKGROUND ADVERSE ACTION LETTER in the form attached hereto
46 as Appendix B.

1

2 (5) **Record-Keeping Requirements**

3 (i) Licensees will retain for three years after receipt of an application for rental
4 housing, and make available to the City and its designees upon request, the
5 following information: all rental applications; the criminal records associated with
6 those applications; letters between the landlord and applicant; the rental decision
7 for that applicant; and the basis for that decision, to the extent allowed by state
8 and federal law.

9
10 (ii) Licensees must make these records available to the City, upon request by the City.
11

12 (e) *Crime-free/drug-free housing lease addendum requirements.* All tenant leases for rental
13 units governed by this article shall contain the crime-free/drug-free housing lease addendum.
14 The crime-free/drug-free housing lease addendum provisions are in addition to all other terms
15 of the lease and do not limit or replace any other provisions. These lease provisions shall be
16 incorporated into every new and renewed lease for a tenancy. The lease addendum shall
17 contain the following "crime-free/drug-free" language or language that is the contractual and
18 legal equivalent as follows:

19 (1) Tenant, any members of the tenant's household or a guest shall not engage in drug-related
20 illegal activity, in the said premises or in the common area or curtilage of the premises.
21 "Drug-related illegal activity" means the illegal manufacture, sale, distribution, purchase,
22 use or possession with intent to manufacture, sell, distribute, or use of a controlled
23 substance, as defined by Minnesota. Statute 152.01, subdivision 4.

24 (2) Tenant, any members of the tenant's household or a guest will not permit the dwelling to
25 be used for, or to facilitate drug-related illegal activity, regardless of whether the
26 individual engaging in such activity is a member of the household.

27 (3) Tenant, any members of the tenant's household or a guest, shall not engage in acts of
28 violence, that is, behavior involving physical force intended to hurt, damage, or kill
29 someone or something.

30 (4) Violation of the above provisions shall be a material violation of the lease and good cause
31 for termination of tenancy. A single violation of any of the provisions of this agreement
32 shall be deemed a serious violation and material noncompliance with the lease. Tenants
33 shall have the right to contest any determination that they have violated the above
34 provisions.

35 (5) Non-exclusive remedies. The crime-free/drug free provisions are in addition to all other
36 terms of the lease and do not limit or replace any other provisions.

37 (f) *Crime-free housing violations.*

38 (1) Upon determination by the Faribault Police Department by a preponderance of the
39 evidence that a licensed premises or dwelling unit within a licensed premises was used in
40 violation of the crime-free/drug-free lease provisions of this subchapter, the police

1 department shall cause notice to be made to the owner, agent, or property manager of the
2 violation. If the violation of the crime-free/drug-free lease addendum committed on the
3 licensed premises would rise to the level of a felony charge under state or federal law, the
4 police department shall cause notice to be made to the owner, agent, or property manager
5 to proceed with termination of the tenancy of all tenants occupying the unit, except for a
6 "Tenant Victim" as described in Section 7-41(j). If the violation of the crime-free/drug-
7 free lease addendum committed on the licensed premises would rise to the level of a
8 misdemeanor or gross misdemeanor charge under applicable law, the police department
9 may cause notice to be made to the owner, agent, or property manager to proceed with
10 termination of the tenancy of all tenants occupying the unit if the violation threatens the
11 peaceful enjoyment or safety of any other resident or neighbor to the premises, except for
12 a "Tenant Victim" as described in Section 7-41(j).

- 13 (2) Written notice, hearing. Any determination by the police department for the termination
14 of tenant's lease based on a violation of the crime free/drug free lease provisions shall be
15 preceded by written notice to the licensee of the grounds therefore. The licensee, agent,
16 or property manager shall notify the tenant or tenants in writing within ten (10) days of
17 the notice of violation of the crime free/drug free lease language and advise the tenant(s)
18 of the termination of the tenancy as directed by the police department. The licensee and
19 the tenant will be given an opportunity to challenge the determination at a hearing
20 conducted before the city council prior to termination of the tenancy by the licensee. The
21 licensee or tenant shall request the hearing within twenty (20) days after receipt of the
22 police department's notification of the termination of the tenancy.

23 In the event a hearing is requested by the licensee or tenant, a determination that a
24 licensed premises or any particular dwelling unit has been the location of a violation of
25 the crime-free/drug-free lease addendum shall be made upon a finding of fact by the
26 city council by a preponderance of the evidence. It shall not be necessary that criminal
27 charges be brought in order to support such finding, nor shall the dismissal or acquittal
28 of such criminal charge operate as a bar to any action under this section. Upon
29 completion of the hearing, the city council shall issue a decision to either uphold or
30 reverse the determination of the police department to terminate the tenancy only upon
31 written findings and notice to the licensee and the tenant.

32 In the event a hearing is not requested by the licensee or the tenant, the licensee, agent,
33 or property manager shall notify the tenant or tenants within twenty (20) days of the
34 notice of violation of the crime free/drug free lease language and advise the tenant(s) of
35 the termination of the tenancy as determined by the licensee.

- 36 (3) The licensee shall not enter into a new lease with an evicted tenant (or with a tenant
37 whose tenancy was otherwise terminated for violating the crime-free/drug-free lease
38 language) for a period of one year after the eviction or lease termination for a rental
39 dwelling unit that is owned or operated by the licensee in the city.
- 40 (4) If the Faribault Police Department determines that the licensee or agent has proceeded
41 in good faith to secure termination of the tenancy in accordance with this subsection, but
42 was unsuccessful for reasons beyond the owner or agent's reasonable control, then the
43 licensee shall not be subject to the penalties.

- 1 (5) Any person who violates any part of this article, upon conviction thereof shall be guilty
2 of a misdemeanor, punishable in accordance with state law which may include up to
3 ninety (90) days in jail. Nothing in this article however is deemed to limit other remedies
4 or civil penalties available to the city under city Code or state law. Each day that a
5 violation continues is deemed a separate punishable offense.
- 6 (6) Tenant remedies. Nothing in this article limits a tenant's rights or remedies under the
7 terms of the lease or other applicable law.

EXHIBIT F

APPENDIX A

REQUEST FOR ADDITIONAL INFORMATION ON CRIMINAL BACKGROUND

[Date]

Dear [Applicant Name],

Thank you for your recent application to [insert housing complex or address].

A limited criminal background check has indicated that you have been convicted of the following felony(ies) within the last five years:

- [CONVICTION(S)]

This limited criminal background check was provided by [insert provider of criminal screening results]. If you believe this information to be incorrect, you may contact [insert provider of criminal screening results], which can be reached at [ADDRESS] or by phone at [PHONE NUMBER]. We encourage you to contact [insert provider of criminal screening results] to request a free copy of the criminal background report. If any discrepancies exist, you may open a dispute with [insert provider of criminal screening results].

You may also submit documentation to [insert licensee] at [EMAIL ADDRESS/MAILING ADDRESS] that establishes that an expunged conviction, a conviction overturned on appeal, or sealed juvenile records erroneously appeared. Such information will not be considered in the criminal background screening process.

If you do not believe that the criminal background check was in error and you have been convicted of the above listed felony(ies) within the last five years, [insert licensee] will consider whether to withdraw your conditional offer based on an individualized consideration of the following factors: (a) the facts or circumstances surrounding the criminal conduct; (b) your age at the time of the crime; (c) evidence of a good tenant and employment history; (d) evidence of rehabilitation efforts; (e) the time that has elapsed since the occurrence of the conduct; (f) any information about you that indicates good conduct since the offense occurred; and (g) any other factors related to whether your specific criminal history poses a threat to the safety and security of [insert licensee]'s residents and associates or to the property. **No single factor will be outcome determinative.**

To facilitate this evaluation, we are requesting that you provide us with any additional information that you would like us to consider. Please contact us at the number below and/or return this form by email to [EMAIL ADDRESS] or addressed to [MAILING ADDRESS] with any additional information.

If you would like us to consider additional information, please provide us with any of the following information (as applicable) **within seven (7) days of receipt of this letter:**

- the date(s) of the conviction(s);
- your age when the conduct occurred;
- the specific crime(s) of which you have been convicted;
- the facts and circumstances of the criminal conduct;
- any rehabilitation efforts that you have undertaken;
- any evidence of proof of employment;

- any evidence of good rental history;
- letters of recommendation from case workers, counselors, therapists, probation/parole officers, community organizations, family members, employers, or teachers commenting on your responsible conduct and rehabilitation efforts (each letter is important);
- certificate of completion of a treatment program relevant to the conduct underlying the conviction;
- certificate of completion of an employment or vocational training program; and
- any additional relevant information that you would like [insert licensee]to consider.

Providing this information does not guarantee that your application will be approved.

If you do not provide the information requested in this letter within the seven (7) day period referenced above, we will conduct our assessment based solely on the information obtained in the application process, including the information received from [insert licensee]'s criminal background screening provider.

Sincerely,

[NAME]

[CONTACT INFORMATION]

APPENDIX B
CRIMINAL BACKGROUND ADVERSE ACTION LETTER

[Date]

Dear [Applicant Name],

Thank you for your recent application to [insert licensee].

We have reviewed your application and conducted an individualized assessment based on the following information:

- Information contained in consumer report(s) obtained from or through [insert provider of credit screening results, if any], which may include credit or consumer information from one or more credit bureaus or consumer reporting agencies;
- Information contained in the limited background check⁶ conducted by [insert provider of criminal screening results];
- All of the information that you provided to us in response to our Request for Additional Information on Criminal Background, dated [Date of Reply to Request for Additional Information]. This information included: [LIST INFORMATION PROVIDED BY APPLICANT].
- Other: _____

[IF APPLICANT DID NOT PROVIDE INFORMATION IN RESPONSE TO LETTER: You did not provide any additional information to us in response to our Request for Additional Information on Criminal Background, dated [Date of Request]. Accordingly, we reviewed only available information obtained during the application process, including the information received from [insert licensee credit and criminal background screening provider].

Based on this individualized assessment, at this time, we are withdrawing our conditional offer to rent a unit at [insert licensee] because [description of the outcome of individualized review].

Sincerely,

[NAME]

⁶ The limited criminal background screening only considered the following category of felony offenses in which the conviction occurred within five years prior to the application: (1) property offenses, (2) fraud offenses, (3) major violent offenses against persons, and (4) sex offenses. Any other category of offense was not considered. These categories were identified because they involve conduct by a person whose tenancy may present a current direct threat of harm to others or the risk of substantial damage to the property of others.

[APPLICANT CONTACT INFORMATION]

NOTICE OF RIGHTS

You have certain rights under federal and state law with respect to your consumer report.

If any person takes adverse action based in whole or in part on any information contained in a consumer report or credit report, you have the right to a disclosure of the information in your consumer file from the agency that provided such information, if you make a written request to them and provide proper identification within sixty (60) days of receiving this denial. The federal Fair Credit Reporting Act (FCRA) also provides that you are entitled to obtain from any nationwide credit reporting agency or credit bureau a free copy of your report in any twelve-month period. You have the right to directly dispute with the consumer reporting agency and/or credit bureau the accuracy and completeness of any information furnished by that agency or bureau and to provide a consumer statement describing your position if you dispute the information in your consumer file.

EXHIBIT G

RIGHTS OF RENTAL HOUSING APPLICANTS IN FARIBAULT

CAN FARIBAULT HOUSING PROVIDERS CONDUCT CRIMINAL BACKGROUND CHECKS?

Criminal background checks are optional, but recommended by the City. Any criminal screening of applicants must comply with a two-step individualized assessment which limits the types of criminal records that can be considered. It also requires that housing providers provide notification to the applicant of exactly what criminal records will be considered, and that housing providers conduct an individualized assessment, including any additional information the applicant provides.

WHAT IS THE INDIVIDUALIZED ASSESSMENT FOR RENTAL APPLICANTS?

The individualized assessment has two steps: (1) a limited criminal background screen of the applicant or all individuals age 18 and older who will reside in the rental dwelling; and (2) individual assessment of the rental applicant or persons found to have a felony criminal conviction for an offense in the specified categories within the 5 years prior to the application.

Step One: Criminal Screening is Limited

- The criminal background screening only considers the following categories of felony offense convictions that occurred within the 5 years prior to your rental application: (1) property offenses; (2) fraud offenses; (3) major violent offenses against persons; and (4) sex offenses.
- Any felony convictions within the last 5 years that fall in any other category of offense cannot be considered.
- Felonies from more than 5 years ago cannot be considered regardless of the category of offense.
- Misdemeanors or arrests from any time cannot be considered, regardless of the category of offense.

Step Two: Notice, Accuracy of Report, & Individualized Assessment

- If a landlord conducts a criminal background check and the report shows that you have been convicted of one or more of the covered felonies in the last 5 years, the landlord must provide you notice by the “REQUEST FOR ADDITIONAL INFORMATION” letter: [LINK].

Notice and Accuracy of Criminal Background Report

- You have the right to contact the criminal screening provider to request a free copy of your criminal background report.
- If you believe the information on your criminal background report is incorrect, you have the right to contact the criminal screening provider to open a dispute to correct the report.
- If the prior conviction has been (1) expunged; (2) overturned on appeal; or (3) sealed as a juvenile record, you have the right to submit supporting documentation to the housing provider, and the conviction will not be considered in the criminal background screening process.

Individualized Assessment

- You have the right to provide the housing provider with any additional information you would like to be considered with your rental application within 7 days of receiving the “REQUEST FOR ADDITIONAL INFORMATION” letter.
- If you do not provide additional information within 7 days of receiving the letter, the assessment will be conducted solely on the information obtained in the application process and information received from the criminal background screening provider.
- The landlord will consider your application based on an individualized consideration of the following factors (no single factor will be outcome determinative):

- a) Facts and circumstances surrounding the criminal conduct;
- b) Your age at the time of the crime;
- c) Evidence of a good tenant and employment history;
- d) Evidence of rehabilitation efforts;
- e) Time elapsed since the occurrence of the conduct;
- f) Any information about you that indicates good conduct since the offense occurred;
- g) Whether that conviction arose from the applicant's status as a survivor of domestic violence, sexual assault, stalking or dating violence, or because of a disability such as mental illness;
- h) Any other factors related to whether your specific criminal history poses a threat to the safety and security of neighboring residents and associates, or to the property.

WHAT IS THE MAXIMUM NUMBER OF PEOPLE WHO CAN LIVE IN A RENTAL UNIT?

- The maximum occupancy of a rental unit is determined by either the (1) *Square footage standard* which requires every bedroom to contain at least 70 square feet and every bedroom occupied by more than one person to contain at least 50 square feet of floor area for each occupant; or (2) *Headcount standard* which requires that the total number of occupants in the rental dwelling does not exceed 2 times the number of legal bedrooms plus one.
- In applying either standard, occupants under the age of 2 years are not included in the calculations.
- Whichever standard allows the greatest number of occupants for a given rental unit will govern the standard for that dwelling.

WHAT SHOULD I DO IF I BELIEVE I HAVE BEEN TREATED UNLAWFULLY?

Get Help Now!

HOME Line (free legal help for renters)
 For English, call (612) 728-5767
 Af- Soomaali wac (612) 255-8860
 Para Español, llame al (612) 255-8870
 Hais lus Hmoob, Hu (612) 255-7104
 Website: <https://homelinemn.org/form-letters/>
 has online form

Southern Minnesota Regional Legal Services (SMRLS)
 Phone: (888) 575-2954
 Website: smrls.org has online form

Somali Community Resettlement Services (SCRS)
 Phone: (507) 384-3553
<https://somalcrs.org/contact-us>

File a Complaint

Minnesota Department of Human Rights (MDHR)
 Phone: (651) 539-1100
 Toll-free: (800) 657-3704
<https://mn.gov/mdhr/intake/consultationinquiryform/>

U.S. Department of Housing and Urban Development (HUD) - Minneapolis Field Office
 Phone: (612) 370-3000
https://www.hud.gov/program_offices/fair_housing_equal_opp/online-complaint

Minnesota Attorney General's Office
 Phone: (651) 296-3353
 Toll-free: (800) 657-3787
www.ag.state.mn.us/Office/Complaint.asp

EXHIBIT H

Public Notice of Changes to the City's Rules Concerning Rental Housing

This notice summarizes the changes in the City's Rental Licensing Ordinance [insert ordinance number] available at [link], including additional protections for renters. As with each and every requirement in the Ordinance, housing providers are subject to civil and/or criminal enforcement action for non-compliance.

Criminal background checks are now optional, but recommended by the City. Any criminal background check must follow a two-step process that provides protections for tenants with criminal histories. This process is intended to ensure applicants are not unfairly excluded from housing due to prior involvement in the criminal justice system, which does not indicate a demonstrable risk to resident safety and/or property.

Step One: Criminal Screening is Limited

- The Ordinance limits what portions of a criminal record may be considered in a housing application.
- Specifically, when conducting a criminal background screening, housing providers can only consider felony convictions within 5 years of the rental application that fall within the following specified categories: (a) property offenses, (b) fraud offenses, (c) major violent offenses against persons, and (d) sex offenses. A conviction that meets these specifications is considered a "covered criminal conviction."
- Housing providers are barred from conducting criminal background screens of children (anyone below the age of 18) who will reside in the rental dwelling.
- Any felony convictions within the last 5 years that fall in any other category of offense cannot be considered.
- Felonies from more than 5 years ago cannot be considered regardless of the category of offense.
- Misdemeanors from any time cannot be considered, regardless of the category of offense.
- Arrests from any time cannot be considered, regardless of the category of offense.

Step Two: Individualized Assessment

Rental applicants and other prospective tenants with potentially disqualifying felony convictions from within the past 5 years cannot be automatically denied housing based on their criminal record. The Ordinance also requires housing providers to conduct an individualized assessment of whether the individual would be a good tenant, despite their record.

If a housing provider conducts a criminal background check that shows an applicant has been convicted of one or more felonies in specified categories in the last 5 years, the housing provider must do all of the following:

1. Inform the applicant that covered criminal conduct was identified and invite the applicant to provide additional information for the housing provider to consider as part of the individualized assessment;
2. Give the applicant 7 days from the date of the receipt of the notice letter to provide additional information, such as letters from personal references showing responsible conduct and rehabilitation efforts; and

3. Conduct an individualized assessment, using all information provided, to determine whether the rental applicant would be a good tenant. Unless the tenant poses a risk to the property or to the personal safety of other tenants, the rental application should be approved.

Housing providers must maintain (1) the rental applications; (2) the criminal records associated with those applications; (3) letters between the landlord and applicant; (4) the rental decision for that applicant; and (5) the basis for that decision for three years after receipt of an application for rental housing. These records are subject to inspection by the city, and upon reasonable basis to believe a licensee is violating the Ordinance, such as by receipt of a complaint, the city will investigate and take appropriate action.

Housing providers must also provide to all applicants a notice of their rights before accepting their applications. Additional information about what is considered as part of the individualized assessment, examples of what types of information applicants may choose to submit to housing providers as part of the individualized assessment, and the right to challenge an inaccurate criminal background report is available in the notice, [Rights of Rental Housing Applicants in Faribault](#): <[link here]>.

LANDLORD CERTIFICATION

Housing providers must certify that they are in compliance with the revised Rental Licensing Ordinance each time they renew their licenses. Every application for a license must contain three certifications, sworn under penalty of perjury, by the licensee that (1) they understand they are not required to conduct a criminal background check on prospective tenants, and if they choose to conduct criminal background checks of rental applicants they must only do so in compliance with the revised policy; (2) they completed the training video; and (3) they are maintaining and/or will maintain records.

NARROWED LIST OF WHAT CONSTITUTES “DISORDERLY CONDUCT”

The City has narrowed the list of offenses that may constitute “disorderly conduct” under Sec 7-41(b) of the Ordinance.

- The number of subsections has been decreased from 33 to 24, eliminating unrelated and duplicative offenses.
- Specific subsections have been narrowed further, e.g.:
 - Now only specific subsections of Chapter 17, Faribault City Code of Ordinances, can apply. Previously, conduct covering the entire chapter could subject tenants to potential eviction.
 - Alleged ‘disorderly conduct’ must occur on/in the rental dwelling to warrant a citation. Sec. 7-41(a).
 - Alleged ‘disorderly conduct’ is limited to only the offenses listed in Sec. 7-41(b). Previously, the range of offenses spanned not just those specified in Sec. 7-41(b) but potentially others that were not referenced in the section.

NUMBER OF PEOPLE WHO CAN RESIDE IN A SINGLE RENTAL DWELLING

In order to clarify any confusion regarding the City's limits on how many people can live in a rental dwelling, the City has clarified the Ordinance. To be clear: Children under the age of 2 do not count towards the occupancy limit.

The City requires housing providers apply one of the two standards for occupancy:

1. Square Footage Standard: The first occupancy standard is based on the number of square feet in each bedroom ("square footage standard"). Each bedroom must be of at least 70 square feet in size (roughly a few feet larger than two standard queen size beds). If multiple people share a bedroom, the bedroom must provide for at least 50 square feet per person. For example, if four people over the age of 2 share a bedroom, that bedroom must be at least 200 square feet in size.
2. Headcount Standard: The second occupancy standard is based on the total number of people in the rental dwelling compared to the number of legal bedrooms in that dwelling ("headcount standard"). The number of occupants in a dwelling can be up to two times the number of legal bedrooms, plus one person. For example, a household with three legal bedrooms can house up to seven household members over the age of 2.

EXPANDED DUE PROCESS AND APPEAL RIGHTS FOR TENANTS

- The law now provides that tenants, as well as licensees, may submit information to the Police Department and seek reconsideration of the determination that a first or second instance of disorderly conduct has occurred in the rental unit, within five (5) days of being notified.
- Tenants have the right to request a hearing to contest the Police Department's determination that the tenant has committed three instances of disorderly conduct in a twelve-month period, which includes the ability to challenge all three determinations of disorderly conduct and have that determination reviewed by the city council.
- Tenants accused of violating the crime-free/drug-free lease addendum, as well as licensees, have the right to request a hearing before the City Council within twenty (20) days of receiving notification of the termination of their tenancy. This hearing gives tenants (and housing providers) the opportunity to challenge the determination and prevent an eviction.

PREVENTING EVICTIONS OF SURVIVORS OF DOMESTIC ABUSE

Housing providers cannot evict tenants or otherwise take adverse action against tenants because they have sought support against domestic abuse. Minn. Stat. § 504B.205.

- Tenant victims' reports, emergency calls, or complaints regarding potential domestic abuse cannot be used as a basis for a "disorderly conduct" violation against the tenant victim.
- The definition of a "tenant victim" includes an individual who was a victim of the incidents that formed the basis of the disorderly conduct offense, as well as an individual whose household member or guest was a victim of such events.
- The definition of "domestic abuse" includes the following, "if committed against a family or household member by a family or household member":
 - Physical harm, bodily injury, or assault;

- The infliction of fear of imminent physical harm, bodily injury, or assault;
- Terroristic threats;
- Criminal sexual conduct; or
- Interference with an emergency call.

CRIME-FREE/DRUG-FREE LEASE ADDENDUM

Going forward, the existing lease addendum is obsolete and must be replaced by the new lease addendum.

ADDITIONAL RIGHTS OF TENANTS IN FARIBAULT, MINNESOTA

For a fuller description of your rights as a tenant in Faribault, see [Rights of Rental Housing Applicants in Faribault: <\[link here\]>](#). This document includes contact information for government agencies and local organizations that can help you if you believe your rights as a tenant have been violated.

To obtain information about how to request FREE copies of your own consumer/credit report and criminal background report, go to [<\[link here to Appendix B on Faribault website\]>](#).

EXHIBIT I

Responsibilities of Housing Providers in Faribault, Minnesota

This notice summarizes the City's housing providers' updated responsibilities in light of changes to Chapter 7 of the City Code.

Criminal background checks are now optional, but recommended by the City. Any criminal background check must follow a two-step process to ensure applicants are not unfairly excluded from housing due to prior involvement in the criminal justice system, which does not indicate a demonstrable risk to resident safety and/or property.

Step One: Limited Criminal Screening

- The revised Rental Licensing Ordinance (Ordinance) limits what portions of a criminal record may be considered in a housing application.
- Specifically, when conducting a criminal background screening, housing providers can only consider felony convictions within 5 years of the rental application that fall within the following specified categories: (a) property offenses, (b) fraud offenses, (c) major violent offenses against persons, and (d) sex offenses. A conviction that meets these specifications is considered a "covered criminal conviction."
- Housing providers are barred from conducting criminal background screens of children (anyone below the age of 18) who will reside in the rental dwelling.
- Any felony convictions within the last 5 years that fall in any other category of offense cannot be considered.
- Felonies from more than 5 years ago cannot be considered regardless of the category of offense.
- Misdemeanors from any time cannot be considered, regardless of the category of offense.
- Arrests from any time cannot be considered, regardless of the category of offense.
- Tenants may challenge the accuracy of their criminal record.

Step Two: Individualized Assessment

Rental applicants and other prospective tenants with a record of a "covered criminal conviction" cannot be automatically denied housing based on their criminal record. The Ordinance also requires housing providers to conduct an individualized assessment of whether the individual would be a good tenant, despite their record.

If a housing provider conducts a criminal background check that shows an applicant has been convicted of one or more felonies in specified categories in the last 5 years, the housing provider must do all of the following:

1. Inform the applicant using the "REQUEST FOR ADDITIONAL INFORMATION" letter template, provided by the City. This will inform the applicant that covered criminal conduct was identified in the limited criminal background screening and will invite the applicant to provide additional information about the applicant for the housing provider to consider.
2. Give the applicant 7 days from the date of receipt of the notice letter to provide additional information, such as letters from personal references showing responsible conduct and rehabilitation efforts; and

3. Conduct an individualized assessment, using all information provided, to determine whether the rental applicant would be a good tenant. Unless the tenant poses a risk to the property or to the personal safety of other tenants, the rental application should be approved. Housing providers must consider whether factors laid out in the City Code at Sec. 7-42(d)(2)(i), including the following, weigh in favor of offering a tenancy:
 - a. Facts and circumstances surrounding the criminal conduct;
 - b. Prospective tenant's age at the time of the crime;
 - c. Evidence of good tenant and employment histories;
 - d. Evidence of rehabilitation efforts;
 - e. Amount of time elapsed since the offense occurred;
 - f. Any information that indicates good conduct since the offense occurred;
 - g. Whether that conviction arose from the applicant's status as a survivor of domestic violence, sexual assault, stalking or dating violence, or because of a disability such as mental illness; and
 - h. Any other factors related to whether the prospective tenant's *specific* criminal history poses a threat to either the safety and security of neighboring residents and associates or to the property.

Housing providers must maintain the following records for three years after receipt of an application for rental housing: the rental applications; the criminal records associated with those applications; letters between the landlord and applicant; the rental decision for that applicant; and the basis for that decision. These records are subject to inspection by the City. If there is a reasonable basis to believe a licensee is violating the Ordinance, such as by receipt of a complaint, the City will investigate, which may include sharing records with a third-party non-profit organization, and take appropriate action. *See* Sec. 7-42(d)(5). Housing providers must also provide a "RIGHTS OF RENTAL HOUSING APPLICANTS IN FARIBAULT" notice to all applicants before accepting their applications. See attached the notice of rights for applicants.

LANDLORD CERTIFICATION

Housing providers must certify that they are in compliance with the Ordinance each time they renew their licenses. Every application for a license must contain three certifications, sworn under penalty of perjury, by the licensee that (1) they understand they are not required to conduct a criminal background check on prospective tenants, and if they choose to conduct criminal background checks of rental applicants they must only do so in compliance with the revised policy; (2) they completed the training video; and (3) they are maintaining and/or will maintain records. *See* Sec. 7-38(c)(2).

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- Tenants have the right to request a hearing to contest the Police Department’s determination that the tenant has committed three instances of disorderly conduct in a twelve-month period, which includes the ability to challenge all three determinations of disorderly conduct and have that determination reviewed by the City Council.
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- Tenant victims' reports, emergency calls, or complaints regarding potential domestic abuse cannot be used as a basis for a "disorderly conduct" violation against the tenant victim. *See* Sec. 7-41(i).
- The definition of a "tenant victim" includes an individual who was a victim of the incidents that formed the basis of the disorderly conduct offense, as well as an individual whose household member or guest was a victim of such events. *See* Sec. 7-41(j).
- The definition of "domestic abuse" includes the following (*see* Sec. 7-41(i)), "if committed against a family or household member by a family or household member":
 - Physical harm, bodily injury, or assault;
 - The infliction of fear of imminent physical harm, bodily injury, or assault;
 - Terroristic threats;
 - Criminal sexual conduct; or
 - Interference with an emergency call.