

ORDINANCE

By Bender and Ellison

Amending Title 12, Chapter 244 of the Minneapolis Code of Ordinances relating to Housing: Maintenance Code.

The City Council of the City of Minneapolis do ordain as follows:

Section 1. That Chapter 244 of the Minneapolis Code of Ordinances be amended by adding thereto a new Section 244.2040 to read as follows:

244.2040. Security deposits and pet damage deposits. (a) *Security deposits.* If a landlord chooses to require, as a condition of tenancy, pre-payment of last month's rent, a landlord may not collect in addition, more than an amount equal to one-half (1/2) of a month's rent as a security deposit and the landlord must allow the tenant to pay the security deposit in installments over a period of up to three (3) months in installment amounts reasonably requested by the tenant. If a landlord chooses to not require last month's rent, a landlord may not collect more than an amount equal to one (1) month's rent as a security deposit. If rent is not due on a monthly basis, then for the sole purpose of applying this limit the total rent shall be calculated to determine the amount owed by the tenant in equal, monthly installments and the total charge to a tenant for the cost of a security deposit may not exceed the resulting monthly rental amount as calculated. "Security deposit" shall have the meaning specified in Minnesota Statutes, Section 504B.178. Any security deposit furnished herein shall be governed by the provisions of Minnesota Statutes, Section 504B.178, together with this section. Contemporaneously with a landlord's obligation to return the deposit, transfer the deposit, or provide a written statement pursuant to Minnesota Statutes, Section 504B.178, a landlord must also deliver to the tenant a written notice of rights under state law regarding security deposits in a form and manner approved by the city.

(b) *Pet damage deposits.* A landlord may require payment of a pet damage deposit provided that the total amount of the pet damage deposit may not exceed twenty-five (25) percent of one (1) month's rent, regardless of the time when the pet damage deposit is paid. If rent is not paid or otherwise due on a monthly basis, then for the sole purpose of applying this limit the total rent shall be pro-rated on an equal, monthly basis and the total charge to a tenant for the pet damage deposit may not exceed twenty-five (25) percent of the pro-rated, monthly rental amount. "Pet damage deposit" means money that is paid by the tenant to the landlord at any time as security to pay for damage to the landlord's property that is caused by a pet for which the tenant is responsible. Any pet damage deposit furnished herein shall be governed by the provisions of Minnesota Statutes, Section 504B.178, together with this section. A landlord may not charge the tenant any additional one-time fee for keeping a pet.

(c) *Enforcement.* In addition to any other remedy available at equity or law, failure to comply with the provisions of this section may result in criminal prosecution, adverse rental license action, and/or administrative fines, restrictions, or penalties as provided in Chapter 2 of this Code. A notice of violation, as described in section 244.150, shall not be required in order to establish or enforce a violation of this section.

(d) *Effective date.* This section shall become effective XXXX.