

ORDINANCE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

**SECTION 1.** Section 5-12-110 of the Municipal Code of Chicago is hereby amended by inserting the underscored language, as follows:

**5-12-110 Tenant remedies.**

In addition to any remedies provided under federal law, a tenant shall have the remedies specified in this section under the circumstances herein set forth.

For purposes of this section, material noncompliance with Section 5-12-070 shall include, but is not limited to, any of the following circumstances:

*(Omitted text is unaffected by this ordinance)*

Failure to maintain the dwelling unit and common areas in a fit and habitable condition.

Failure to remit a UBR credit, as defined in Section 11-12-545, or any other interference with a tenant participating or seeking to participate in UBR, as defined in Section 11-12-545.

*(Omitted text is unaffected by this ordinance)*

**SECTION 2.** Section 5-12-140 of the Municipal Code of Chicago is hereby amended by inserting the underscored language, as follows:

**5-12-140 Rental agreement.**

Except as otherwise specifically provided by this chapter, no rental agreement may provide that the landlord or tenant:

*(Omitted text is unaffected by this ordinance)*

(j) Agrees that a tenant shall pay, separate from rent, an amount for water service or wastewater service without specifically agreeing to such terms in writing, including a disclosure of the estimated average payments for water service and wastewater service for the dwelling unit.

(k) Agrees that a landlord may retain a tenant's UBR credit, as defined in Section 11-12-545, unless the agreement requires the landlord to reduce the tenant's applicable rent payments by an amount equal to such credits, or otherwise limits a tenant's right to participate or seek to participate in UBR as defined in Section 11-12-545.

A provision prohibited by this section included in a rental agreement is unenforceable. The tenant may recover actual damages sustained by the tenant because of the enforcement of a prohibited provision. If the landlord attempts to enforce a provision in a rental agreement prohibited by this section the tenant may recover two months' rent.

**SECTION 3.** Chapter 11-12 of the Municipal Code of Chicago is hereby amended by deleting the language stricken through and by inserting the underscored language, as follows:

**11-12-010 Definitions.**

For purposes of this chapter, the following definitions shall apply:

"Commissioner" means the city's Commissioner of Water Management.

"Department" means the city's Department of Water Management.

"Family" means any number of persons not to exceed 12, including children and employees.

"Full payment certificate" means a certificate issued by the comptroller indicating that all water and sewer charges and penalties that accrued to a water account are paid in full or otherwise not transferable to the subsequent owner.

"Owner" means: (1) the legal title holder or holders to any premises, or dwelling units, with or without accompanying actual possession thereof; (2) the beneficial owner or owners of an Illinois Land Trust if legal title is held by such a trust; (3) the purchaser under a real estate installment sales contract; (4) any person serving as executor, administrator, trustee, or guardian of an estate if legal title is held by the estate; or (5) any person, including the agent of the legal title holder, who is authorized or entitled to control, manage or dispose of any premises, dwelling or dwelling unit.

"Premises" means a lot or a part of a lot, a building or a part of a building, or any other parcel or tract of land.

"Residential user" shall mean all dwelling units such as, but not limited to, houses, mobile homes, apartments and multifamily dwellings.

"Tenant" means an individual who is renting or leasing real property as his or her principal residence, which includes, but is not limited to, apartments, mobile home park sites, residential shareholders in nonprofit residential cooperatives or mutual housing corporations, owners of condominiums, or persons who are boarding.

"Tenant user" means an individual who is renting or leasing real property at their principal residence, and who can verify that they pay a landlord, separate from the fixed periodic rent, an amount for water or wastewater services provided to their principal residence.

"Unified statement of charges" means the statement sent to the billed party showing amounts due for refuse collection, water and sewer charges assessed or charged under: (i) chapter 11-12 for water taxes, rates or rents, or charges for installation or disconnection of water service; (ii) chapter 3-12 for sewer service and sewerage usage; and (iii) Article II of chapter 7-28 for refuse collection.

“User” means an individual who is either a residential user or a tenant user.

*(omitted text is unaffected by this ordinance)*

#### **11-12-490 Enforcement of lien.**

For commercial and industrial water users, when any water taxes, rates or rents assessed or charged, or service charges for installation or disconnection of water service assessed or charged, pursuant to ordinance remain unpaid, in whole or in part, the statutory lien upon the premises or real estate upon or for which the water was used or supplied, or the water service was installed or disconnected, for which such taxes, rates, charges or rents have been assessed or charged, may be enforced in the following manner:

Suit may be commenced as hereinafter provided or a claim for lien in the name of the city shall be filed in the office of the recorder of deeds of Cook County or in the office of registrar of title of Cook County if the property affected is registered under the Torrens system; provided, that at least ten days before the commencement of such suit or the filing of such claim for lien, the city shall have sent a notice by mail, postage prepaid, to the premises upon or for which water was used or supplied, or the water service was installed or disconnected, addressed as follows: “To owner or owners and party or parties interested in the premises at (insert address)”, which notice shall state that the city will commence such suit or file such claim for lien if the water taxes, rates, rents or charges which have become due and payable are not paid within ten days from the date of such notice.

The claim for lien shall be verified by affidavit of the comptroller and shall consist of a brief statement of the nature of the claim including: (1) that water was furnished or water service installed or disconnected by the city; (2) a description of the premises or real property sufficient for identification upon or for which the water has been furnished or water service was installed or disconnected; (3) the quantity of water so furnished if registered by meter, or the amount of the charges for the installation or disconnection of the water service; (4) that such water was furnished at rates and charges fixed by assessment or such charges for installation or disconnection of water service were fixed as provided by ordinance if not registered by meter; (5) the amount or amounts of money due therefor; (6) the dates when such amount or amounts became due and payable; and (7) the date of mailing the notice as hereinbefore provided.

This section shall not apply to residential water users or tenant water users.

*(omitted text is unaffected by this ordinance)*

#### **11-12-500 Foreclosure suit.**

Suit shall be commenced in the name of the city to enforce its lien by foreclosure proceedings in any court of competent jurisdiction. Any person interested in premises or real estate affected may be made a party defendant to such suit and any judgment, decree, or order of sale of the premises or real estate subject to such lien shall affect only the interests therein of the parties defendant in such suit. No suit shall be commenced to collect any water or sewer taxes, rates or rents assessed or charged, or service charges for water or sewer service to any residential water user or tenant water user.

#### **11-12-545 UTILITY BILLING RELIEF PROGRAM**

(a) *Title.* This section shall be known and cited as the Utility Billing Relief Program.

(b) *Purpose.* The Utility Billing Relief Program is intended to address City water and sewer bills for the most vulnerable, low-income households, including by providing credits and assisting homeowners, especially those with past due debt.

(c) *Definitions.* For purposes of this section, the following definitions shall apply:

~~“Anniversary Date” means the date one year from a Participant’s enrollment in the UBR.~~

~~“Comptroller” means the Comptroller of the City of Chicago, or the Comptroller’s designee.~~

~~“Homeowner” means the Owner and occupant of a single family or two-unit residence located in the City of Chicago.~~

~~“LIHEAP” means the Low Income Home Energy Assistance Program, codified at 42 U.S.C. § 8621-8630.~~

~~“Participant” means a participant in the UBR.~~

~~“Reduced Rate” means a 50% reduction in the ordinary charges for water service imposed in Chapter 11-12, sewer service imposed in Chapter 3-12, and a corresponding reduction in the Chicago Water and Sewer Tax imposed in Chapter 3-80. Reduced Rate does not include the charge for refuse collection imposed in Article II of Chapter 7-28.~~

~~“UBR” means the Utility Billing Relief Program created by this section.~~

~~“UBR credit” means a credit or disbursement issued to a participant under this section.~~

~~“User” means any individual who is the water account holder for any dwelling unit that is their primary place of residence. “User” shall also include tenants and subtenants who pay a landlord or primary tenant, as a separate fee or charge from the applicable fixed periodic rent, an amount for water service or wastewater service provided to a dwelling unit occupied by the tenant as their principal place of residence.~~

~~\_(d) Program.~~

~~—(1) *Eligibility.* A Homeowner resident who is eligible to participate in the UBR and applies to the Comptroller may become a Participant. In order to become a Participant, a Homeowner resident must own and occupy the single family or two-unit residence in the City of Chicago for which participation in the UBR is sought, and must meet the eligibility criteria to participate in the LIHEAP with the exception of any United States citizenship requirement; provided, however, that a Homeowner does not need to participate in the LIHEAP in order to be eligible for the UBR. A Homeowner who receives an exemption under Section 3-12-050 shall not be eligible to simultaneously participate in the UBR. A Participant who does not successfully complete the UBR two times shall no longer be eligible to participate in the UBR.~~

~~—(2) *Billing and payment.* Upon acceptance and enrollment in the UBR, the City shall bill, and the Participant shall pay, the Reduced Rate for a period of one year in order to successfully complete the UBR. A Participant shall not be required to make any payment toward a past due balance while enrolled in the UBR. During participation in the UBR, a Participant is exempt from having water shut off; the assessment of additional penalties and interest on any past due~~

charges incurred before becoming a Participant, or charges incurred while a Participant; and referral for debt collection.

~~—(3) *Successful completion.* A Participant who has made payment for all Reduced Rate bills issued by the City during the UBR by the Anniversary Date shall have any past due balance incurred before enrollment in the UBR forgiven. A successful Participant who continues to meet enrollment eligibility requirements may re-enroll in the UBR.~~

~~—(4) *Unsuccessful completion.* A Participant who has not made payment for all Reduced Rate bills issued by the City during the UBR by the Anniversary Date shall have any past due balance, including penalties and interest, incurred before enrollment in the UBR reinstated to the Participant's account, in addition to any past due balance incurred during the UBR, and the Participant shall be required to make full payment of such past due balance. Such past due balance shall not have incurred any additional penalties or interest during participation in the UBR. The Participant may be eligible to participate in a payment plan to resolve the outstanding debt. If all criteria are met, an unsuccessful Participant may be eligible to re-enroll in the UBR, provided that the Participant has not been unsuccessful in completing the UBR on two occasions.~~

~~—(e) *Rules.* The Comptroller is authorized to adopt such rules as the Comptroller may deem necessary for the proper implementation, administration, and enforcement of this section.~~

~~—(f) In furtherance of administering this section, the Comptroller shall have the authority to enter into an agreement with the Community and Economic Development Association of Cook County ("CEDA"), or any successor agency that administers the LIHEAP in Cook County, to administer outreach and enrollment activity for the UBR. Such agreement may contain terms and conditions that the Comptroller deems appropriate, and the Comptroller shall have the authority to perform any and all acts as shall be necessary or advisable in connection with such agreement and any renewals thereto, including the expenditure of duly appropriated funds.~~

#### (d) Rulemaking and Interagency Coordination

The Comptroller is authorized to adopt such rules as the Comptroller may deem necessary for the proper implementation, administration, and enforcement of this section.

In furtherance of administering this section, the Comptroller shall have the authority to enter into an agreement with the Community and Economic Development Association of Cook County ("CEDA"), or any successor agency that administers the LIHEAP in Cook County, to administer outreach and enrollment activity for the UBR. Such agreement may contain terms and conditions that the Comptroller deems appropriate, and the Comptroller shall have the authority to perform any and all acts as shall be necessary or advisable in connection with such agreement and any renewals thereto, including the expenditure of duly appropriated funds. The Comptroller shall inform each residential user of the availability and eligibility criteria of the UBR Program under subsection (e) through an advertising campaign, which at minimum must include posting to City webpages with additional initiatives as the Comptroller deems appropriate.

#### (e) Eligibility criteria.

Each residential user whose household income is not more than 250% of the Federal Poverty Level, as published annually by the U.S. Department of Health and Human Services shall be eligible for the UBR Program. Users are not required to be citizens or permanent

residents of the United States in order to be eligible for UBR, and the Comptroller shall not collect any information concerning the immigration status of a user or participant.

**(f) Credit.**

. Each eligible user who submits an application providing all necessary information described in this Section shall receive one fixed annual credit for each household per calendar year, which shall be applied or disbursed in accordance with subsection (i). Eligible users who reside in a rental dwelling unit with multiple eligible tenants may only receive one UBR credit per dwelling unit, provided that nothing in this section shall prohibit the participant from remitting all or a portion of the UBR credit to, or otherwise reimbursing, the other tenants. If a subtenant is an eligible user, but the primary tenant is not an eligible user, the UBR credit shall be prorated for the time that the subtenant is a participant occupying the dwelling unit as such subtenant's primary place of residence.

**(g) Amount of the UBR credit.**

The UBR credit will be determined by the following:

- 1) (1) A user with a household income of less than 50% of the Federal Poverty Level will receive a credit equal to 100% of their water bill.
- 2) (2) A user with a household income of 50% through 100% of the Federal Poverty Level will receive a credit equal to 75% of their water bill.
- 3) (3) A user with a household income of over 100% through 250% of the Federal Poverty Level will receive a credit equal to 50% of their water bill.

Eligible users with a household income of 50% through 250% of the Federal Poverty Level, who reside in a building not controlled by a meter, and whose bill is more than 3% of their household income after applying the UBR credit in accordance with subsection (i), may submit a written request to the Department of Water Management to have their bill investigated. If the Department of Water Management cannot confirm that such user's water usage justifies the amount of their bill within 90 days of receiving such request, the Department shall inform the Comptroller and such user's bill shall be reduced to reflect a calculation of 3% of 250% of the Federal Poverty Level if the household income is over 100% through 250% of the Federal Poverty Level, and 3% of 100% of the Federal Poverty Level if the household income is 50% through 100% of the Federal Poverty Level.

**(h) Determination of Household Income counted.**

In calculating annual household income, the Comptroller shall use the same countable income as established by LIHEAP. Participants shall promptly notify the Comptroller should their household income exceed the amount estimated in such participant's application or recertification, as applicable.

**(i) Application and Distribution of UBR credits.**

The UBR credit shall be applied to the water or wastewater bill or sent to each participant as follows:

(1) UBR credits shall be applied or disbursed as soon as practicable, but in no case later than 90 days after a complete application demonstrating a user's eligibility is received by the Comptroller, and shall be applied to bills incurred from and after the date that the application was submitted.

(2) UBR credits for participants who are tenants of rental dwelling units in buildings that are "master-metered" and billed to the participant by the landlord on an allocated basis shall be disbursed by check payable to such participant.

(3) Participants billed on a monthly basis may elect to apply the UBR credit on a monthly basis in an amount equal to one-twelfth of the UBR credit. Participants billed every other month may elect to apply the UBR credit every other month in an amount equal to one-sixth of the annual credit. Participants billed on a semiannual basis may elect to apply the UBR credit on a semiannual basis in an amount equal to one-half of the annual credit. UBR credits shall be applied to each subsequent bill until the UBR credit is exhausted.

(4) Any unused portion of a UBR credit shall be applied to a participant's bills for the following year upon recertification under subsection (n).

**(j) UBR Program application.**

A user can submit a UBR Program application, on a form promulgated by the Comptroller, online, in person, or by mail. A complete application includes:

(1) the application form signed and dated by the applicant or the applicant's authorized representative;

(2) the total number of adults, dependents and minors of the household;

(3) the annual income of all household members;

(4) if a tenant: (A) the name and address of the landlord, the amount and frequency of rent, and verification that the tenant pays a separate fee or charge for water or wastewater services to the landlord; or (B) a copy of the rental or lease agreement or verification of tenancy including a verification that the tenant pays a separate fee or charge for water or wastewater services to the landlord;

(5) a signed statement authorizing the Comptroller to obtain verification, in accordance with this subsection, of the applicant's eligibility or any other information submitted during the application process;

(6) a signed statement that all information and documents submitted with the application form are true and accurate to the best of the applicant's knowledge; and

(7) a certification that the recipient will notify the Comptroller should their actual income exceed the amount estimated in the application to make the applicant ineligible.

Upon request by the Comptroller, and for good cause, the applicant shall provide verification of any information submitted during the application process, including photocopies of the applicant's federal or State income tax return or other acceptable evidence, such as wage

stubs, a medical eligibility card from the Illinois Department of Healthcare and Family Services, or award letters from the Social Security Administration.

In lieu of the application set forth in this subsection, an applicant who demonstrates participation in any federal, State, County, or City program where eligibility is established by income of 250% or less of the Federal Poverty Line, shall be deemed eligible for UBR. The Comptroller shall provide a streamlined application process for these applicants and may not require verification of income unless necessary to determine the amount of the UBR credit under subsection (g).

The Comptroller shall make automatic enrollment available to users enrolled in the following programs: LIHEAP, means-tested Veterans Programs, Supplemental Security Income, Supplemental Nutrition Assistance Program, and Temporary Assistance for Needy Families.

**(k) UBR Program confirmation.**

Upon entry into the UBR Program, the Comptroller shall provide the participant a written statement setting forth:

- (1) the estimated annual and periodic bill without the UBR credit;
- (2) the amount of the UBR credit;
- (3) the estimated annual and periodic bill with the UBR credit to be applied;
- (4) the periodic bill due date;
- (5) the amount of arrears that were accrued prior to enrollment;
- (6) the requirement that the participant pay any amounts owed on bills issued to the participant while enrolled in UBR;
- (7) a brief explanation of the consequences of nonpayment;
- (8) a brief explanation of the elimination of pre-enrollment arrears upon timely payments;
- (9) a brief explanation of the duty to remain eligible or to notify the Department immediately if the user becomes ineligible; and
- (10) a brief explanation of the annual recertification requirement for continued participation.

**(l) UBR Program arrears.**

Each timely payment while enrolled in UBR shall be credited towards any pre-enrollment arrearages in the amount of such payment until such arrearages are zero or until the participant has timely made the equivalent of 12 months of payments while enrolled in UBR, whichever is first. Once enrolled in UBR, timely payment of each bill in full shall satisfy all of a participant's current water liabilities, such that arrearages shall not accrue while the participant is enrolled in UBR. Upon successful completion of the program after 12 months of payments, all pre-enrollment arrearages will be forgiven.



**(m) Annual UBR Program recertification.**

No less than 60 calendar days before the end of each calendar year, the Comptroller shall notify each recipient of their obligation to recertify their eligibility for the program and allow each recipient to re-enroll upon recertification in person, online, or in the mail. The recipient's recertification of eligibility shall have the same effect as if the user had reapplied. A failure to provide such notice to the Comptroller within 90 days after the user's notification, renders the recipient ineligible to continue in the program, subject to reapplication.

**(m) UBR Program re-enrollment**

A participant who fails to make a timely payment while enrolled in UBR shall not have such payment credited towards any pre-enrollment arrearages. A participant who fails to make [6] consecutive timely payments while enrolled in UBR shall be unenrolled from UBR, and all then-outstanding arrearages, including penalties and interest, incurred before enrollment in UBR shall be reinstated to the participant's account, in addition to any past due balance incurred while enrolled in UBR. The participant shall be required to make full payment of such past due balance. Such past due balance shall not have incurred any additional penalties or interest during enrollment in UBR, provided that the participant may be eligible to participate in a payment plan to resolve the outstanding debt. If all criteria are met, a participant unenrolled from UBR under this section may submit a new application, provided that the participant has not been unsuccessful in completing the UBR on three occasions.

**(n) Exceptions.**

Sections 11-12-030, 11-12-110, 11-12-330, 11-12-480, 11-12-490 and 11-12-510 of this code shall not apply to participants while enrolled in UBR.

**SECTION 4.** Any person participating in the Utility Billing Relief Program in effect prior to the effective date of this ordinance shall continue to participate in UBR as modified by this ordinance, and the Comptroller shall automatically apply the applicable UBR credit to such account in accordance with this ordinance. For applicants to UBR after the effective date of this ordinance, the Comptroller shall prioritize the processing of applications for applicants with a household income of less than 50% of the Federal Poverty Level.

**SECTION 5.** This ordinance shall go into effect 180 days after passage and publication.

*Daniel P. La Spata*  
Daniel La Spata  
Alderman, 1<sup>st</sup> Ward

*Carl Domingo Jr*

*MDY 22*

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