



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Planning Division

m e m o r a n d u m

TO: Bruce K. Walden, Chief Administrative Officer

FROM: Elizabeth H. Tyler, AICP, Director

DATE: August 24, 2006

SUBJECT: AN ORDINANCE TO ESTABLISH A REGISTRATION PROGRAM FOR RESIDENTIAL PROPERTIES BEING RENTED WITHIN THE CITY OF URBANA

Introduction & Background

Please refer to the August 10, 2006 Memorandum for Introduction, Background, and Program Description material on the proposed Rental Registration Program.

Update

Council Review

At the Committee of the Whole meeting on August 14, 2006, public input regarding the proposed Rental Registration Program was received and Council members discussed a number of provisions. Among the topics of discussion were the following:

- Problems with applying no-trespass orders for evicted tenants
- Problems associated with conducting background or reference checks for certain tenants, such as international students
- Difficulties with administering key control for certain types of rental properties
- Pros and cons of exempting sabbatical or temporary rental housing from the program
- Problems with the Security section of the Ordinance
- Applying a neutral class identification for new construction, rather than Class "E"
- How to make rental housing safer for residents
- Need for a chronic nuisance ordinance
- Problems with the definition of unlawful behavior and how this could have unintended consequences
- Relationship and consistency with the City's Human Rights Ordinance
- Need for additional education of both landlords and tenants
- How to encourage and reward good landlords

It was determined that staff should continue to refine the proposed program based upon input and

that further review of the proposal should be conducted by the City Attorney and by the Neighborhood Safety Task Force. Council members asked that the item be carried forward for additional committee discussion prior to the next scheduled public hearing on September 25, 2006.

Neighborhood Safety Task Force Review

The Mayor's Neighborhood Safety Task Force met on August 16, 2006 and reviewed the questions and concerns referred by the City Council. A summary of the issues that were discussed is attached.

Some members of the Task Force believe that sabbatical or temporary housing should be exempted from the program, while others believe that the program should apply to all rental properties.

The Task Force reviewed the provisions of Section 13 and recommended that those items contained in 13(c) be reserved for problem properties only, rather than for all properties. The Task Force further recommended that much of the key tracking language contained in 13(a) would be impractical for many properties and would not materially result in improved tenant safety.

Draft Ordinance Revisions

Proposed revisions to the Draft Ordinance, as suggested by the City Council and Task Force are reflected in the attached mark-up draft dated August 24, 2006. As noted previously, the proposed Ordinance is in draft form and may continue to be revised and improved based upon continuing staff review and comments received from Council Members and others.

Recommendations

Staff recommends that the Urbana City Council review the revised draft ordinance, suggest any further revisions and continue to hold public input upon the matter up to and including the public hearing scheduled for September 25, 2006. Staff recommends approval at the Council meeting following this hearing to allow for the proposed start-up date of October 15, 2006.

Attachments:

- (1) Revised Draft Rental Property Registration Program Ordinance, August 24, 2006
- (2) Rental Property Issues and Discussion, as Presented to Rental Safety Task Force, August 16, 2006.

City of Urbana
Proposed Rental Registration Program
Draft Ordinance
August 24, 2006

ORDINANCE NO. 2006-08-109

AN ORDINANCE ADOPTING A REGISTRATION PROGRAM FOR RESIDENTIAL PROPERTIES BEING RENTED WITHIN THE CITY OF URBANA, ILLINOIS

WHEREAS, it is the determination of the Urbana City Council that there is a growing number of residential rental properties within the City of Urbana, that some of these properties are in a declining state of maintenance, and that there is a need for an increased pace and scope of systematic inspections by the City of Urbana to improve building safety and property maintenance code compliance; and

WHEREAS, in order to protect the health, safety and welfare of the citizens of Urbana from quality of life and life safety problems associated with the inadequate maintenance of residential rental units and to maintain the quality of residential rental properties and surrounding neighborhoods it is deemed necessary to establish controls and standards for the rental of residential properties by means of a registration program with certain responsibilities and obligations attending thereto.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF URBANA, ILLINOIS, as follows:

Section 1. Purpose. It is the purpose of the City of Urbana Rental Registration Program as adopted by this Ordinance to assure that rental housing in the City is maintained in a safe, decent, and sanitary condition and operated so as not to cause a nuisance or create blighting conditions to its surroundings. To ensure these conditions and to aid in the enforcement of the Property Maintenance Code, Building Safety Code, Zoning Ordinance, and other relevant provisions of Urbana Code of Ordinances, the Urbana City Council hereby establishes this Rental Housing Registration Program for all applicable residential rental units within the City limits.

Section 2. Scope. This Ordinance applies to any dwelling units and their accessory units that are leased as rental units located within the City of Urbana, with the following exceptions: nursing homes, rest homes, hotels and motels, public housing, University Certified housing, and any other units that are not covered by the Property Maintenance Code provisions of the City of Urbana.

Section 3. Definitions. The following words and phrases, when used in this Ordinance, shall have the meanings respectively ascribed to them in this section, except where the context otherwise requires.

Building Official means the acting Director of the Community Development Services Department, or his/her authorized representative.

Property Maintenance Code means any law, ordinance or governmental regulation concerning fitness for habitation, or the construction, maintenance, operation, occupancy, use or appearance of any premises or rental unit, in particular Article IX of Chapter 5 of the City of Urbana Code of Ordinances, as amended.

Local Agent means one or more persons who reside within Champaign County or an adjoining County who has charge, care, or control of a building in, or part thereof, in which rental units are maintained.

Multi-Family Building means a structure that contains three (3) or more Rental Units. Buildings with one (1) Rental Unit shall be known as Single-Family. Buildings with two (2) Rental Units shall be known as Duplexes.

Owner means one (1) or more persons, jointly, severally or in common, or any organization, in whom is vested all or part of the legal title to property, or all or part of the beneficial ownership and a right to present use and enjoyment of the premises, including a mortgagee in possession. As used herein, an organization shall include a corporation, government, governmental subdivision or agency, trust, estate, partnership, association or any other legal or commercial entity.

Rental Property means one or more structures sharing a common address which contain rental units, designed or used predominantly for continued occupancy of a residential nature; excepting properties as described under Section 2.

Rental Agreement means all agreements and valid rules and regulations embodying the terms and conditions concerning the use and occupancy of a rental unit and premises.

Rental Unit means one (1) or more rooms in a structure arranged, designed and used as a residence or living quarters by one (1) or more persons who are not its owner(s), and contained within a rental property as defined herein.

Section 4. Registration Required. From and after October 15, 2006, it shall be unlawful for any person, firm, partnership or corporation to operate a rental property without first registering it with the City of Urbana Building Official and henceforth complying with the provisions of the Rental Registration Program as presented herein, together with other applicable codes and ordinances of the City of Urbana. The registration is valid for one year and shall expire on the 14th day of October of the following year, unless violations of this Ordinance are identified as set forth in Section 15 16 of this Ordinance, in which case, the property shall be categorized as “Class F” pursuant to Section 10 of this Ordinance, and shall not be occupied for rental purposes until said violations are corrected.

Section 5. Application. Applications for registration shall be made in writing or online via the City's website on forms provided by the City and accompanied by the registration fee as established by the Urbana City Council. Such application shall be made at least thirty (30) days prior to the expiration of the registration, and shall specify the following:

- a) Name, address and telephone number of the owner of the rental unit.
- b) Name, address, and telephone number of the owner's agent responsible for the management of the premises of the rental unit.
- c) Legal address of the premises of the rental property.
- d) Number of units in each building within the rental property.
- e) Occupancy as permitted under the Zoning Ordinance, or as specified in the Certificate of Occupancy.
- f) Signed statement of owner and owner's agent indicating that he/she is aware of the City's Building Safety codes and Zoning (occupancy) codes and outlining the legal ramifications for knowingly violating said codes.
- g) Agreement by the owner and local agent (where applicable) to allow periodic systematic inspection of the rental unit by the Building Official and his/her designees.

Section 6. Registration Renewal. If there are no changes in ownership or agent representation, renewals of the registration may be made by filling out the Registration Renewal form furnished by the City and mailing said form together with the required registration fee to the Building Official, or by completing the registration renewal form and paying the required fee online.

Section 7. Changes in Ownership. Any changes occurring in the ownership of a rental unit shall require the new owner to apply for registration within 30 days of taking ownership. The new owner is not required to pay the registration fee until the current registration period expires.

Section 8. Fees. It is the goal of the Urbana City Council that the Rental Registration and Systematic Inspection Program be self-supporting. Council shall periodically establish a two-tiered schedule of registration fees: 1) for Single-Family Rentals and Duplex Rentals, which shall be applied on a per property basis; and 2) for Multi-Family Rentals, which shall be applied on a per property and per unit basis. The Building Official shall review income from fees and expenses of systematic inspections and administration of the registration program, and shall make recommendations to Council on any necessary adjustments as part of the annual fee schedule review. Fees shall be set for registration, failure to register, failure to appear for inspection, and subsequent re-inspections of Rental Properties which fail to meet City Codes. The annual fee for registration shall be increased by the amount of any fines that have been imposed at a particular address pursuant to Section ~~17~~ 18 of this Ordinance and which remain unpaid at the time of expiration of the term of the registration pursuant to Section 4 of this Ordinance.

Section 9. Inspections. Properties registered under the Rental Registration Program shall be periodically inspected by the City of Urbana pursuant to the following provisions.

a) The Building Official shall establish a schedule of periodic inspections of Multi-Family, Single Family, and Duplex Rental Units to ensure compliance with this ordinance as well as all applicable codes, including but not limited to the Property Maintenance Code, the Building, Fire, and Flood Safety Codes (City Code Chapter 5), and the Urbana Zoning Ordinance and occupation limits set therein.

b) The inspection schedule for Multi-Family, Single Family, and Duplex Rental Units shall be conducted considering the following factors:

- (1) By systematic zones throughout the City, as previously established by Administrative Order (see separate published map of Systematic Inspection Zones).
- (2) As determined by tenant or neighbor complaints about a particular structure or area of rental properties, and/or as indicated by Fire and Police calls or exterior nuisance complaints about a structure or area.
- (3) With an inspection effort proportionate to the amount of the housing stock represented by each of the three rental housing types: multi-family, single-family, and duplex.
- (4) As determined by the inspection class assigned to a particular building, pursuant to Section 10 of this Ordinance.

c) Each occupant of a rental unit shall give the Owner or the Owner's Agent access to any part of such rental unit at reasonable times 24 hours after being notified (as defined in Sec. 12.5-15(a) of Ord. No. 9394-58, § 1, 1-18-94) for the purpose of effecting inspection, maintenance, repairs, or alterations as are necessary to comply with the provisions of this ordinance. If any owner, owner's agent or tenant of a rental unit fails or refuses to permit entry to the rental unit under his/her control for an inspection pursuant to this ordinance the Building Official may seek a Court Order authorizing such inspection. If inspections of rental unit are not allowed within reasonable time pursuant to this section as determined by the Building Official, then the property may be deemed to be in violation of this Ordinance and the building or unit in question may not be occupied.

Section 10. Assignment of Classifications. Upon completion of a property's inspection, the property will be classified as follows. Property will be considered for reclassification at each subsequent inspection. An inspection may not be necessary for designation as Class F. e)

- a) CLASS A - Building has no violations of applicable City Codes. Building inspected as lower priority on regular cycle thereafter.

- b) CLASS B - Building has minor violations of applicable City Codes and the violations do not pose an immediate threat of danger to the life, health and safety of the occupants of the building. Building inspected on regular cycle thereafter.
- c) CLASS C - Building has major or minor violations of applicable City Codes that are numerous in number and/or that affect the overall livability of the building, but do not pose a threat of danger to the life, health or safety of the occupants of the building. Building may be inspected as frequently as every year thereafter.
- d) CLASS D - Building has critical violations and is either unsafe, contains unsafe equipment, is unfit for human occupancy or is unlawful. Pursuant to the Property Maintenance Code, the Building Official may disallow occupancy of all or a portion of the building until Code violations are corrected. Building may be placed on published list of "Class D" properties. Once codes are attained, building may be inspected every year thereafter, or more frequently if deemed necessary by the Building Official.
- ~~e) CLASS E - New construction within past 24 months. First inspection will occur on the next inspection cycle as lowest priority.~~
- e) CLASS F- Building is not in compliance with the Rental Registration Program pursuant to one or more of the violations specified in Section 15 of this Ordinance and may not be occupied for rental.
- ~~f) CLASS N - New construction within past 24 months. First inspection will occur on the next inspection cycle as lowest priority.~~

Section 11. Local Agent Required. If the owner of any rental unit covered under this ordinance does not reside within Champaign County or an adjoining county, or is not able to be contacted on a 24-hour basis, the owner shall provide the City with the name, address, and phone number of his/her local agent who resides within Champaign County or an adjoining County and is available to respond reasonably in the event of an emergency on a 24-hour basis.

Section 12. Deadlines for Compliance with Code Violations. Correction of all Code Violations pursuant to an inspection conducted in response to a tenant complaint or as part of the systematic inspection of rental properties shall follow the time lines established by Administrative Order or as adopted as a part of the Urbana Property Maintenance Code, as amended. Time lines for violations will be established by the Building Official or his/her designee in compliance with the Administrative Order and the Property Maintenance Code and shall consider the following factors:

- a) Whether the violation is pursuant to a tenant complaint or as part of a systematic inspection. Correction of tenant complaints shall be completed

- as soon as practicable and in no case longer than within 30 days, unless a bona fide extension has been granted by the Building Official or his/her designee.
- b) Whether the violation poses a life safety threat to tenants, in which case the violation must be corrected within one to three days, at the discretion of the Building Official or his/her designee, and occupancy of the unit may be disallowed by the Building Official or his/her designee. If the violation is not corrected within the established timeframe, occupancy of the unit will be disallowed. Said violations include, but are not limited to:
 - (1) No or dangerously malfunctioning utilities
 - (2) Insufficient heat
 - (3) Fire exits blocked or locked
 - (4) Severe overall deterioration of the property
 - (5) Serious structural problems that could endanger life
 - (6) Unsanitary conditions
 - c) Whether the violation poses a livability concern for tenants, in which case said violations shall be corrected within a time period of one to five days, at the discretion of the Building Official or his/her designee. Such violations include but are not limited to:
 - (1) Security locks on windows or doors
 - (2) Broken door frame or door or window that compromises security of the Rental Unit
 - (3) Lack of hot water
 - (4) Inoperable water closet
 - (5) Inoperable smoke detectors
 - (6) Inoperable oven/range or refrigerator
 - (7) Burned out or inoperable lights in hallways, stairwells, or entryways
 - d) Whether the violations involve routine maintenance, such as leaking faucets, water closet, hot water heater, or pipes; broken window glass; windows that do not open or close properly; missing or torn screens; and missing covers for electrical outlets or switches. Such corrections shall be completed within 30 days, unless a bona fide extension has been granted by the Building Official or his/her designee.
 - e) Multiple timelines may be assigned pursuant to any one inspection, so that those items that require correction in a shorter period of time shall be corrected while the owner is allowed additional time to correct less urgent violations.
 - f) The Building Official, at his/her discretion, may issue a second notice of violations prior to directing the City Attorney to file a complaint against the property owner pursuant to the enforcement provisions of the Property Maintenance Code.
 - g) Enforcement of the Property Maintenance Ordinance shall be as established in Chapter 5 of the Urbana Code of Ordinances, as amended.

Section 13. Safety and Security. To ensure the safety of all residents of rental properties in the City of Urbana, every Owner of Single Family, Duplex or Multi-Family housing shall:

a) Establish a building and unit security plan, including a key tracking system. ~~and issuance of non-duplicable keys to tenants. If such a system is not established to the satisfaction of the Building Official and/or Police Chief, or if security complaints are received, all applicable locks shall be changed or switched when possession of a Rental Unit changes. To assist in compliance, the City shall provide sample security plans upon request.~~

b) Restrict regular access to building and unit keys to occupied Rental Units to the Owner or the Owner's Agent. Keys may be issued to vendors and contractors for the purpose of maintenance and repair, but in such cases the Owner or Owner's Agent shall take responsibility for the tracking and prompt return of such keys in order to protect the safety and security of tenants. If keys are lost in the course of maintenance and repair activities, the Owner shall promptly change locks at his/her own expense.

c) Cooperate with the Urbana Police Department in addressing crime problems that occur at any of the Owner's rental properties.

~~Such cooperation shall include:~~

~~(1) Incorporation of a clause in every Rental Agreement prohibiting unlawful behavior on the premises and stipulating that a tenant may be evicted for unlawful behavior by the tenant or unlawful behavior by the tenant's invited guests on the premises.~~

~~(2) Incorporation of a clause in every Rental Agreement prohibiting willful destruction of property by the tenant or tenant's invited guests and stipulating that a tenant may be evicted for willful destruction of property by the tenant or tenant's invited guests.~~

~~(3) Preparation of a security plan and incorporation of crime prevention measures pursuant to this plan, as may be required by the Urbana Police Chief.~~

e) d) Every Owner or Local Agent of a Multi-Family Building containing 20 or more units shall attend a city-sponsored training about crime prevention at rental properties. Said training shall be conducted on an as-needed basis by the Urbana Police Department and other relevant City staff.

~~e) e) The Urbana Police Department and Community Development Services Department shall compile and provide educational materials to assist Owners and tenants with safety and security concerns. Such materials may include assistance with sample-developing security plans, model leases, crime prevention information, emergency contact information, etc.~~

Section 14. Problem Properties. Properties with significant safety concerns and police activity may be required to provide additional security measures by the Urbana Police Chief. Such measures may include:

(1) Preparation of a security plan and incorporation of crime prevention measures pursuant to this plan, as may be required by the Urbana Police Chief.

(2) Incorporation of a clause in Rental Agreements prohibiting unlawful behavior on the premises and stipulating that a tenant may be evicted for unlawful behavior by the tenant or unlawful behavior by the tenant's invited guests on the premises.

(3) Incorporation of a clause in every Rental Agreement prohibiting willful destruction of property by the tenant or tenant's invited guests and stipulating that a tenant may be evicted for willful destruction of property by the tenant or tenant's invited guests.

(4) Application of no-trespass orders as appropriate for the safety of residents.

Section 14.15. Occupancy of Rental Units. Occupancy of residential rental properties shall be restricted and monitored as follows:

a) Every Owner of a Rental Unit consisting of the following dwelling unit types: single family, duplex, common lot line, multiple-family, mobile home or loft (as defined in Section II-3 of the Urbana Zoning Ordinance), shall inform the tenants, before entering into a Rental Agreement, that no more than one household (as defined in Section II-3 of the Urbana Zoning Ordinance) and three (3) additional unrelated persons (as set forth in Section V-11 of the Urbana Zoning Ordinance) may legally occupy the Rental Unit and shall:

(1) Execute a Rental Agreement Addendum, consistent with the form and content to be provided by the City, clearly stating the legal occupancy limit for the Rental Unit, the Owner's agreement that the Rental Unit has not been offered to be occupied by more than the legal occupancy limit, and the tenants' agreement to allow no more than the occupancy limit to occupy the Rental Unit. The Addendum shall be signed by the Owner or Owner's Agent and all tenants who will occupy the Rental Unit.

(2) Include as part of the Rental Agreement addendum the relationships of any tenants excluding children if the number of tenants excluding children exceeds four (4).

(3) Provide a copy of the Rental Agreement Addendum to the Building Official, upon request.

b) Rental Units consisting of the following dwelling unit types: single family extended group occupancy, duplex extended group occupancy, community living facility, dormitory, home for adjustment, hotel or motel, nursing home, home for the aged, and bed and breakfast (as defined in Section II-3 of the Urbana

Zoning Ordinance), shall be occupied by no more than the maximum occupancy limit specified on the Certificate of Occupancy, as determined by the Building Official.

c) Rental Units consisting of a boarding house or rooming house, as defined in Section II-3 of the Urbana Zoning Ordinance, shall be occupied at any given time by no more than 15 persons, related or unrelated, or fewer as specified in the Certificate of Occupancy, as determined by the Building Official.

Properties so designated shall be leased on a per person basis.

d) Said requirements shall not limit the Owner from restricting occupancy to a lesser level than that defined above.

Section 15-16. Violations. Violations of the Rental Registration Program are identified and addressed as follows.

a) Violations Specified. Violations of the Rental Registration Program provisions may include the following and may result in levying of fines set forth in Section 17 18 of this Ordinance, and/or as separately applied if pursuant to violations of other applicable codes and ordinances of the City of Urbana, and may result in the denial of the ability to operate the property for rental under the terms of this Rental Registration Program.

- 1) Failure to Register. If the Owner of property that is subject to this program fails to register said property after up to three attempts at notification have been issued by the City, said property shall be determined to be in violation of this Ordinance and it shall be unlawful to occupy the property as a rental property.
- 2) False Information on Application. The Owner of the property provides false information on an application that affects the health, safety and welfare of the residents and/or which substantially interferes with the ability of the City to properly enforce this Ordinance.
- 3) Failure to Renew. If the Owner of the property fails to renew registration of a property after up to three attempts at notification have been issued by the City, said property shall be determined to be in violation of this Ordinance and it shall be unlawful to occupy the property as a rental property.
- 4) Failure to Notify the City of Pertinent Changes. The Owner of the property fails to notify the City of changes on the application which changes may affect the health, safety, and welfare of the residents and/or which substantially interferes with the ability of the City to properly enforce this Ordinance.
- 5) Failure to Pay Fees pursuant to Section 8 of this Ordinance, said fees to be adopted from time to time by the City Council of the City of Urbana.
- 6) Failure to Allow Inspection pursuant to the Building Safety and Property Maintenance Codes of the City of Urbana and to Section 9 of this Ordinance.
- 7) Failure to Make Corrections pursuant to the Building Safety and Property Maintenance Codes of the City of Urbana and to Section 12 of this Ordinance.

- 8) Failure to Observe Safety and Security Measures pursuant to the Building Safety and Property Maintenance Codes of the City of Urbana and as specified by Sections ~~13~~ and ~~14~~ of this Ordinance.
- ~~9) Failure to include crime reduction provisions in Rental Agreements as specified in Section 13(c) of this Ordinance.~~
- 9) Failure to abide by Occupancy Limits pursuant to the Zoning Ordinance of the City of Urbana and to the requirements of Section ~~14~~ 15 of this Ordinance.
- 10) Failure to enact a Rental Agreement Addendum pertaining to Occupancy in certain instances as required by Section ~~14~~ 15 of this Ordinance.
- 11) Failure to remove from a Rental Agreement any prohibited provisions as specified in Chapter 12.5-10 of the Urbana City Code (Ord. No. 9394-58 § 1,1-18-94).
- 12) Failure to Pay Fines, pursuant to Sections 8 and ~~17~~ 18 of this Ordinance.
- 13) Failure to abide by other applicable provisions of the Urbana Zoning Ordinance, noise ordinances, animal control ordinances, nuisance provisions or the Illinois criminal code that materially and detrimentally affect the health, safety and welfare of the residents of the property and its surroundings.

b) Publication of Class Listings and Violations. As a public education service and incentive for improved compliance, the City of Urbana shall periodically publish a list of properties receiving a “Class D” or “Class F” pursuant to Section 10 of this Ordinance. Such listings shall be considered to be information available to the public upon request. Listings of pertinent violations for the “Class D” or “Class F” properties shall similarly be provided to the public upon request.

~~Section 16~~ 17. Appeals. Within 30 days of receiving notice of violations of the provisions of this Ordinance by the Building Official, including designation of Class pursuant to Section 10 of this Ordinance, the rental property Owner or his/her Local Agent may appeal to the Property Maintenance Code Board of Appeals of the City of Urbana for reconsideration. Appeals must be submitted in writing on forms to be provided by the City of Urbana. An appeal fee shall be submitted as set forth in the Schedule of Fees of the City of Urbana. The Property Maintenance Board of Appeals shall hold a hearing and may issue findings and recommendations regarding the violations and/or classification of the subject property. Separate Appeals provisions and procedures are necessary for violations of other Ordinances of the City of Urbana, including the Zoning Ordinance, violations of which may be appealed to the Urbana Zoning Board of Appeals, and the Building Safety Code, appeals of which may be presented to the Building Safety Code Board of Appeals. Appeals of the Property Maintenance Code of the City of Urbana are heard by the Property Maintenance Code Board of Appeals.

~~Section 17~~ 18 Fines for Non-Compliance. Notwithstanding fines that may be applied pursuant to violations of other Ordinances of the City of Urbana, a minimum fine of \$300 shall be imposed for any of the violations identified in Section ~~15~~ 16 of this Ordinance. If after receiving notice of a violation and fine, the violation continues for more than 14 days after any deadline which may be

identified for correction, an additional minimum fine of \$600 will be imposed and the violation will be prosecuted by the City Legal Department.

Section 18 19. Severability. If any section, provision, or part of this Ordinance is held invalid or unconstitutional by a court of competent jurisdiction, the remainder of this ordinance shall remain in full force and effect and the application thereof to other persons, entities, or circumstances shall not be affected thereby.

PASSED by the City Council this _____ day of _____, 2006.

AYES:

NAYS:

ABSTAINS:

Phyllis D. Clark, City Clerk

APPROVED by the Mayor this _____ day of _____, 2006.

Laurel Lunt Prussing, Mayor

CERTIFICATE OF PUBLICATION IN PAMPHLET FORM

I, Phyllis D. Clark, certify that I am the duly elected and acting Municipal Clerk of the City of Urbana, Champaign County, Illinois.

I certify that on the _____ day of _____, 2006, the corporate authorities of the City of Urbana passed and approved Ordinance No. _____, entitled: **"AN ORDINANCE ADOPTING A REGISTRATION PROGRAM FOR RESIDENTAL PROPERTIES BEING RENTED WITHIN THE CITY OF URBANA, ILLINOIS,** which provided by its terms that it should be published in pamphlet form. The pamphlet form of Ordinance No. _____ was prepared, and a copy of such Ordinance was posted in the Urbana City Building commencing on the _____ day of _____, 2006, and continuing for at least ten (10) days thereafter. Copies of such Ordinance were also available for public inspection upon request at the Office of the City Clerk.

DATED at Urbana, Illinois, this _____ day of _____, 2006.

Rental Property Issues & Discussion

Neighborhood Safety Task Force

August 16, 2006

A number of revisions to the proposed ordinance have been suggested by Councilmembers and other stakeholders since its final review by the Neighborhood Safety Task Force. Where these suggestions are relatively minor, they have been incorporated directly into the attached draft and are shown by underlining or strikeouts. More significant suggestions will require further discussion to determine what changes should be made. Additional revisions may be suggested as a result of comments received during Council meetings or at the second public hearing to be held on September 25, 2006.

In addition to those included on the revised Ordinance, other suggested revisions and comments include the following. Items 9 through 13 were raised at the City Council meeting on August 14, 2006 and were suggested for further input by the Task Force.

1. Can properties that are inspected by HUD be exempted?

Staff does not recommend this exemption. The HUD inspection criteria are significantly different than the property maintenance and building inspection conducted by the City. Unless a property is owned by the Champaign County Housing Authority as public housing, HUD-subsidized properties are currently subject to the City's Property Maintenance Code. In the interest of keeping these properties safe, staff recommends that they be covered by the program.

2. Can HUD-subsidized senior housing be exempted from the program fees?

The City Council could consider exempting rental properties that are 100% occupied by low and moderate income seniors or disabled people from the program fees in order to reduce potential impact upon rents. There are three projects in Urbana that would qualify for this exemption: Sunnycrest Manor, Florida House Apartments, and Edge of Mall Apartments.

3. Can number of police calls resulting in conviction be added as a determinant of the Class system in Section 10?

The issues of safety and security are addressed by Section 13 of the Ordinance and violations are established by Section 15, items 8 and 9. Significant criminal activity at a property would likely result in the assignment of Class F, as the property would be deemed to be in violation of the safety and security component of the program. With the exception of Class F, the classification system is based only upon determinations made by the Building Official with respect to compliance with City Property Maintenance and other Building Codes. Including criminal activity as an additional factor would be outside of the jurisdiction of the Building Official and would depart from the legislative authority for this Ordinance which rests primarily with the City's Property Maintenance

and Building Safety Codes. Staff does not recommend changing the classification system described in Section 10 to include factors that pertain to tenant behaviors rather than building conditions.

4. Can sabbatical housing be exempted?

Many University communities exempt sabbatical housing from their rental registration programs. The Neighborhood Safety Task Force considered this exemption and determined that all properties which obtain rental income and which are not covered by an equivalent program (e.g., certified housing) should be included within the program. As a practical matter, it could be difficult for staff to track and include all sabbatical properties. However, some level of compliance can be achieved through education and monitoring of ads.

5. Can “good landlords” be rewarded with lower registration fees?

The structure of the program as currently conceived applies uniform fees for the different housing types regardless of Classification. Attempting to apply an array of differing fees for the differing classifications could be complicated to administer. In addition, because the program is intended to be self supporting, the fees for remaining properties would need to be increased by some unknown amount. This would raise these fees above the average charged by other communities. It is staff’s goal that over time all properties are able to attain a Classification of either “A” or “B”. Should this goal be achieved and incoming fees are reduced, the program could not be sustained. The result could then be a gradual lessening of the quality of the housing stock. Rather than provide a direct monetary incentive for attaining a good classification, staff recommends that property owners make use of the high classification as a positive marketing tool and possible opportunity to add rent value to the property.

6. What does “on a 24-hour basis” mean? Do I need to provide a Local Agent every time I leave town?

The rental registration form requests accurate and reasonable contact information for the housing inspector to be able to contact the owner or local agent in the event of an emergency (defective furnace, for example). This does not mean that the owner of a small property must leave a designated agent in charge every time they leave town, but should an emergency occur, the owner should be reachable. Arrangements can then be made to address the problem. Emergencies sometimes occur outside of business hours and contact information must include home or cell phone numbers that are operable during these times. The purpose of requiring this information is to help ensure the safety of both the tenants and the property itself.

7. Does Section 13.c.1 encompass past criminal convictions?

No. This provision pertains only to present day unlawful behavior on the premises.

8. Will the information contained in a Rental Agreement ~~Addendum Application~~ be available to the public?

The City would only require a copy of the Rental Agreement Application in the event that over-occupancy is suspected (Section 14.a.3). In this event, a copy of the Agreement may be necessary to prosecute the case. However, personal information contained on such a form would be protected from the general public under the privacy provisions of the Freedom of Information Act.

9. Can Section 8 and other subsidized housing be exempt from registration fees?

One councilmember also suggested possible exemptions for other subsidized housing. Staff recommends that if any fee exemptions are granted, for ease of administration, they be for properties where the subsidies are project-based (e.g., SRO, other HUD subsidized properties) rather than tenant-based (e.g., Section 8). Any exemption from fees should also consider the impact on staff time in inspecting and enforcing code corrections at certain properties. For example, the senior properties noted in the first question have not historically presented inspection or safety challenges. This has not always been true for other forms of subsidized housing.

10. Can a provision be added to the Security Section (Section 13) so that tenants who were previously ~~evicted~~ **banned** from a site be prohibited from visiting the property?

This provision was discussed by Council and several concerns were raised about possible hardships that could occur as a result of this provision. It was pointed out that most evictions are because of nonpayment of rent. Possible examples were given of family members not being able to visit each other because of this provision. This suggestion has been removed from the review draft of the Ordinance. City Council has asked for further guidance from the Neighborhood Safety Task Force on this and other safety provisions.

11. Can the City require that the landlord conduct background checks on potential tenants?

This provision needs to be specific about what kind of background checks would be required (e.g., credit check, verification of employment, personal references, etc.). This provision was also discussed at Council and several concerns were raised about possible hardships that could occur as well as the possibility that violations of the City's Human Rights Ordinance could result. One example given is how such checks could be done for foreign students. This suggestion has been removed from the review draft of the Ordinance. City Council has asked for further guidance from the Neighborhood Safety Task Force on this and other safety provisions.

12. Do the security provisions regarding locks and keys make sense for owner-occupied or rental single family housing?

Section 13, a may not make sense for single family and duplex type rentals. Section 13, a and b, also do not make a lot of sense for cases where there is an owner-occupied house where rooms are leased out. Are there different security provisions that can be developed for these situations?

13. What does unlawful behavior constitute?

Section 13, c.1. was discussed. There was a concern that a tenant could be evicted for unlawful behavior that does not necessarily indicate a safety issue, such as growing the grass too long. One example was if the father in a family was arrested for smoking marijuana. Would they then be evicted and not be able to see their family? The Council asked the Task Force to better define such behavior.