



**DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES**

*Building Safety Division*

**m e m o r a n d u m**

**TO:** Mayor Laurel Lunt Prussing

**FROM:** Elizabeth H. Tyler, FAICP, Director of Community Development

**DATE:** April 8, 2009

**SUBJECT:** An Ordinance Amending Section 12.5-34 of the Urbana City Code Concerning Waiver of Fees Authorized Under the Rental Registration Program

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**Description and Background**

On January 16, 2007, the City Council passed Ordinance No. 2006-08-109 establishing a rental registration and inspection program for residential property within the City of Urbana (copy attached). Section 8.b of this Ordinance allowed for a waiver of associated fees for HUD assisted low-income permanent housing project for seniors, persons with disabilities, and/or homeless individuals.

Since adoption of this program, there have been requests to extend this fee exemption provision to housing funded by Medicaid or Illinois Department of Human Services. This fee exemption would benefit two properties in Urbana that are operated by the Development Services Center. The attached ordinance will amend the Rental Registration fee schedule to make Medicaid or Illinois Department of Human Services funded housing eligible for a waiver of fees. This would provide for a more equitable treatment for supportive low income housing units regardless of funding source.

**Fiscal Impact**

There are presently only two housing units in Urbana that this would affect. Both of these properties have previously registered and paid the required fees. The fiscal impact of the proposed amendment would be approximately \$90 per year (\$45.00 per unit).

**Recommendation**

Approval of the attached Ordinance is recommended.

Prepared by:

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Gordon R. Skinner, Building Safety Division Manager

Attachments: Draft Ordinance  
Adopted Ordinance

Cc: Dale Morrissey, DSC

ORDINANCE NO. 2009-04-037

AN ORDINANCE AMENDING SECTION 12.5-34 OF THE URBANA CITY CODE  
CONCERNING WAIVERS OF FEES AUTHORIZED UNDER THE RENTAL  
REGISTRATION PROGRAM FOR RESIDENTIAL PROPERTY WITHIN THE CITY OF  
URBANA

**WHEREAS**, on January 16, 2007, the City Council passed Ordinance No. 2006-08-109, establishing a rental registration program for residential property within the City of Urbana; and

**WHEREAS**, Section 12.5-34 of the Urbana City Code provides that HUD assisted low-income permanent housing projects for seniors, persons with disabilities, and/or homeless individuals shall be eligible for a waiver of fees under said ordinance; and

**WHEREAS**, the Mayor and City Council find that the best interests of the City are served by amending said ordinance to provide that Medicaid or Illinois Department of Human Services funded housing for persons with disabilities also shall be eligible for a waiver of fees.

**NOW, THEREFORE, BE IT ORDAINED** by the Mayor and the City Council of the City of Urbana, Champaign County, Illinois, as follows:

**Section 1.**

The Urbana City Code Chapter 12.5, "Landlord-Tenant Relationships," Article III, "Rental Registration Program for Residential Property, Section 12.5-34, "Fees," is hereby amended with the underlined text indicating new language as follows:

Sec. 12.5-34. Fees.

(a) It being the goal of the city that the rental registration and inspection program be self-supporting, the council shall establish a two-tiered schedule of registration fees for:

- (1) Single-family dwellings and duplexes, which shall be applied on a per building basis; and
- (2) Multifamily housing, which shall be applied on a per building and per unit basis.

The building official shall review income from fees and expenses of this program, and make recommendations to the council on any appropriate adjustments in the fee schedule. Fees shall also be set for:

- (1) Failure to register;
- (2) Incomplete registration information;
- (3) Failure to register by the due date; and
- (4) Reinspections of rental properties.

(b) HUD assisted low-income permanent housing projects for seniors, persons with disabilities, and/or homeless individuals; and Medicaid or Illinois Department of Human Services funded housing for persons with disabilities shall be eligible for a waiver of fees by the building official.

(c) It shall be illegal for any owner or agent of the owner to charge a tenant or tenants, a fee greater than the actual pro rata cost of the registration fee and to attribute that greater than actual fee to the city. Any explicit pass-through of the registration fee must be accurately represented, calculated and communicated to the tenant in order to be effective, regardless of how the fee may be characterized in any lease documents.

(Ord. No. 2006-08-109, § 8, 1-16-07)

## **Section 2.**

Those sections, paragraphs, and provisions of the Urbana City Code that are not expressly amended or repealed by this Ordinance are hereby re-enacted, and it is expressly declared to be the intention of this Ordinance not to repeal or amend any portions of the Urbana City Code other than those expressly set forth as amended or repealed in this Ordinance. The invalidity of any section or provision of this Ordinance hereby passed and approved shall not invalidate other sections or provisions thereof.

## **Section 3.**

This Ordinance shall not be construed to affect any suit or proceeding pending in any court, or any rights acquired, or a liability incurred, or any cause or causes of action acquired or existing prior to the effective date of this Ordinance; nor shall any right or remedy of any character be lost, impaired, or affected by this Ordinance.

## **Section 4.**

The City Clerk is directed to publish this Ordinance in pamphlet form by authority of the corporate authorities, and this Ordinance shall be in full force and effect from and after its passage.

This Ordinance is hereby passed by the affirmative vote, the "ayes" and "nays" being called, of a majority of the members of the Council of the City of Urbana, Illinois, at a meeting of said Council.

**PASSED BY THE CITY COUNCIL** this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

AYES:

NAYS:

ABSENT:

ABSTAINED:

\_\_\_\_\_  
Phyllis D. Clark, City Clerk

**APPROVED BY THE MAYOR** this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Laurel Lunt Prussing, Mayor

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ORDINANCE NO. 2006-08-109

**AN ORDINANCE TO ESTABLISH A RENTAL REGISTRATION PROGRAM FOR  
RESIDENTIAL PROPERTY WITHIN THE CITY OF URBANA**

WHEREAS, the City Council finds there are a growing number of residential rental properties within the City, and that many of these properties are in a declining state of maintenance; and

WHEREAS, inadequate maintenance directly affects the health, life, safety and welfare of the citizens of Urbana and impacts the health and vitality of the surrounding neighborhood and the City as a whole; and

WHEREAS, the City of Urbana promotes the use of community policing efforts and cooperation with property owners and residents to help ensure the safety of the entire community, including residential rental properties; and

WHEREAS, the regular collection and maintenance of accurate, up-to-date information about residential rental properties and the identification of responsible persons for the property who are easily accessible will assist the City in the systematic inspections of these properties to ensure their safety and compliance with relevant property maintenance codes; and

WHEREAS, the City Council, after several public hearings and extensive deliberation, concludes that a rental registration program which includes regular inspections of rental properties, is the most reasonable method of insuring suitable housing, safe and viable neighborhoods and a healthy City.

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 and Inspection Program adopted herein to assure that rental housing in the City is maintained in a good, safe, and sanitary condition and does not create a nuisance or blighted 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

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provisions of Urbana Code of Ordinances, the City Council hereby establishes this Rental Registration and Inspection Program for all applicable residential rental units within the City.

Section 2. Scope. This Ordinance applies to any dwelling unit and its accessory units that are leased as rental units located within the City of Urbana, with the following exceptions:

- (1) Nursing homes, as defined in the Urbana Zoning Ordinance;
- (2) Hotels and motels, as defined in the Urbana Zoning Ordinance;
- (3) Public housing, owned by a governmental agency;
- (4) University Certified housing.

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 Director of the Community Development Services Department, or his/her authorized designee.

Property Maintenance Code means Article IX of Chapter 5 of the City of Urbana Code of Ordinances, as amended.

Duplex means a building with two (2) Rental Units.

Local Agent means one or more persons 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.

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 mortgage in possession. As used herein, an organization shall include a corporation, trust, estate, partnership, association or any other legal or commercial entity. The term shall not include a lessee who previously occupied a rental unit and who is subleasing the unit for the remaining part of his or her lease.

Rental Property means a structure with one or more residential units which are leased for occupancy. However, it does not include property excluded in Section 2.

Rental Agreement means all agreements, written or oral, and rules and regulations embodying the terms and conditions concerning the use and enjoyment of rented premises. It shall also include subleases.

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.

Rent, Rented or Rental means any payment made to an Owner or an Owner's agent pursuant to a rental agreement.

Single Family Dwelling means a structure with one (1) rental unit.

#### Section 4. Registration of Rental Property.

- a) After the effective date of this Ordinance, it shall be unlawful for any owner, as defined herein, to lease or operate a rental property without registering it with the City of Urbana Building Official and complying with the provisions of this Ordinance, together with other applicable codes and ordinances of the City of Urbana. The registration of rental properties required herein shall expire on the 14th day of October of each year. However, the fees for 2006 through 2007 shall be prorated according to the effective date of this Ordinance.
- b) No owner shall be allowed to register any property if the owner has outstanding fees or fines due and owing to the City.
- c) Registration may be denied or may be revoked by the Building Official as provided in this Ordinance. If registration is denied or revoked, the Building Official shall notify the Owner or Owner's Agent, in writing, of the denial and the reasons therefore, pursuant to Section 17 of this Ordinance and provide an opportunity to appeal the decision pursuant to Section 18 of this Ordinance.

Section 5. Application Requirements. Applications for registration shall be filed with the Community Development Services Department and accompanied by a registration fee as established in the Schedule Fees in Chapter 14 of the Urbana City Code. Such application shall be made at least thirty (30) days prior to the expiration of the registration, and shall include the following information:

- a) Name, street address and telephone number of the owner of the rental unit.



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- b) Name, street 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.
- 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 the legal ramifications for knowingly violating said codes.
- g) The name and address of the registered agent, if the Owner is a corporation.
- h) The name and address of the mortgage holder, if there is a mortgage on the Rental Property.
- i) The name and address of any buyer on a Contract for Deed.

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 paying the appropriate fee.

Section 7. Changes in Ownership. Within thirty (30) days of any change of ownership of a rental property, the new owner shall reregister the property by filing the registration information and form set forth in Section 5. There shall be no additional charge for the remaining period of the annual registration. A change of ownership shall include any change in ownership rights, including execution of a Contract for Deed, whether recorded or not.

Section 8. Fees.

- a) It being the goal of the City that the Rental Registration and Inspection Program be self-supporting, the Council shall establish a two-tiered schedule of registration fees: 1) for Single-Family Dwellings and Duplexes, which shall be applied on a per building basis; and 2) for Multi-Family housing, which shall be applied on a per building and per

unit basis. The Building Official shall review income from fees and expenses of this program, and make recommendations to the Council on any appropriate adjustments in the fee schedule. Fees shall also be set for failure to register, incomplete registration information, failure to register by the due date, and re-inspections of Rental Properties.

- b) HUD assisted low-income permanent housing projects for seniors, persons with disabilities, and/or homeless individuals shall be eligible for a waiver of fees by the Building Official.
- c) It shall be illegal for any Owner or agent of the Owner to charge a tenant or tenants, a fee greater than the actual pro rata cost of the registration fee and to attribute that greater than actual fee to the City. Any explicit pass-through of the registration fee must be accurately represented, calculated and communicated to the tenant in order to be effective, regardless of how the fee may be characterized in any lease documents.

Section 9. Inspections. Both the interior and exterior of properties registered under the Rental Registration and Inspection Program shall be periodically inspected by the City as set forth herein.

- 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 the property maintenance and building codes contained within Chapter 5 of the City Code and the permitted use and residential occupancy provisions contained within Article 5 of the Urbana Zoning Ordinance.
- b) The inspection schedule for Multi-Family, Single Family, and Duplex Rental Units shall be determined by 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) 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) By the inspection effort proportionate to the amount of the housing stock in each rental housing type: multi-family, single-family, and duplex.

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- (4) The inspection class assigned to a particular building, pursuant to Section 10 of this Ordinance.
- (5) The overall condition of the neighborhood in which the property is located.
- (6) The frequency of prior inspections and date of most recent inspection of the property.

c) Notice of Inspection and Right to Refuse.

- (1) Notice of periodic inspections of rental units, pursuant to this Section, shall be given in writing to each owner and each tenant of such rental unit, a minimum of seven (7) days prior to the inspection. Such notice shall be presumed to have been received as of the time it was served personally on such person, or if mailed by first class U.S. Mail ten (10) days prior to the inspection, it will be presumed to have been received at least seven (7) days prior to the inspection. In such notice, the tenants may be addressed as "occupants" and one such notice mailed to the address of the rental unit, shall be regarded as notice to all tenants. Notice to the owner, if mailed, shall be addressed to such owner at the address provided for such Owner in the application to register the Rental Property.
- (2) The notice shall advise that objections to such inspection may be lodged by telephone, fax, or e-mail or in person at the City's Community Development Services Department.
- (3) If any owner or any occupant objects to a periodic inspection, no inspection of the rental unit shall be undertaken without an administrative search warrant issued by a Court of competent jurisdiction, setting forth the general scope of the inspection.
- (4) Failure to reschedule an inspection or respond to a notice of inspection shall be treated as agreement to the date and time of the proposed inspection. The Owner shall be liable for the cost of re-inspection if the Owner or his/her Agent fails to provide access to the Rental Property as scheduled. Failure to provide access as scheduled or

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rescheduled, shall also constitute a violation of this Ordinance.

- (5) The notice and warrant requirements of this sub-section do not apply to inspections conducted pursuant to other parts of the City Code.

Section 10. Assignment of Classifications. Upon completion of a Rental Property's inspection, the property shall be classified by the Building Official according to the classification system set forth herein. Property will be considered for reclassification at each subsequent inspection. However, an inspection shall not be deemed necessary for designation as Class F in sub-section 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 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 violations of applicable City Codes that are in excess of ten 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 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. The Building Official may inspect the property on a regular basis to verify that it remains in compliance with City Codes.
- e) CLASS F- Building is not in compliance with the Rental Registration Program and may not be occupied for rental. Violations leading to a Class F designations are violations: (1) which render the unit unsuitable for habitation according to the City's Health, Life, Safety and/or Property Maintenance Codes after notification and reasonable opportunity to remedy such violations; (2) repeated and willful violation of the City's zoning code, including, but not limited to, occupancy requirements; or (3) use of the unit for a criminal purpose, as demonstrated by adjudication of the owner or a tenant for the manufacture , distribution or

sale of drugs as set forth and defined by the Illinois Criminal Code. The Class "F" designation shall be withdrawn when the underlying violation has been remedied, or in the case of subsection 3, there has been a change of ownership in the unit, the subject tenant has been evicted, and/or the owner has taken appropriate steps to prevent the unit from constituting a continuing threat to the public.

- f) CLASS N - New construction within past twenty-four (24) months. First inspection will occur on the next inspection cycle as lowest priority.

**Section 11. Publication of Class Listings and Violations.**

- a) As a public service and an incentive for improved compliance, the City shall periodically publish a list of properties with their designation pursuant to Section 10 of this Ordinance. This list shall be considered public information and shall be available upon request as well as posted on the City website. Listings of pertinent violations for "Class D" or "Class F" properties shall also be considered public information and available upon request.
- b) Any property receiving an "A" classification shall receive a placard suitable for posting on the property. The placard may be publicly displayed until such time as the City changes the classification.

**Section 12. Local Agent Required.** The owner of any rental unit covered by this ordinance shall be available to respond to an emergency on a 24 hour per day basis. This requirement may be met by maintaining an operating business or owner residence within sixty (60) miles of the rental unit, or by use of a local agent who resides within Champaign County or an adjoining county, either of whom can be contacted on a 24 hour per day basis. If a local agent is used, the owner shall provide the City with the name, address, and telephone number of the local agent in addition to owner information. A post office box, mailing address, or long distance 800 numbers shall not be deemed sufficient to meet the provisions of this section.

**Section 13. Safety and Security.** To ensure the safety of all residents of rental properties, every Owner shall:

- a) Establish a building and unit security plan, including a key tracking system.

- b) Restrict regular access to building and unit keys to occupied Rental Units to the Owner or the Owner's Agent with the exception of owner-occupied rental units which are exempt from this provision. 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 City and its Police Department to address continuing safety issues and crime problems at any rental property. This cooperation shall take the form of at least one meeting with City officials and, if necessary, an inspection of the property to review security and crime issues for formulation of remedies. The resulting security plan may include, but is not limited to, a review of access and security issues, lighting, access to common areas, crime prevention through environmental design (CPTED), neighborhood watch programs, graffiti removal, No Trespass Notices, lease clauses, and such other measures which are appropriate to the individual property and the type of problems at issue.
- d) Every Owner or Local Agent of a Multi-Family Building containing twenty (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) 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 developing security plans, model leases, crime prevention information, emergency contact information, etc.

**Section 14. Occupancy of Rental Units.** Occupancy of residential rental properties shall be restricted and monitored as follows:

- a) Every Owner of a Rental Unit subject to this Ordinance, shall inform the tenants, before entering into a Rental Agreement, that no more than one (1) 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:

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- (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 to each other, 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) If the City provides the Owner with evidence of over occupancy of a unit, the Owner shall take all necessary action to reduce occupancy to the legally allowed limit, including eviction. Failure to remedy over occupancy shall be considered a willful act and a violation of this Ordinance.
  - c) Rental Units consisting of the following dwelling unit types: single family extended group occupancy, duplex extended group occupancy, community living facility, dormitory, hotel or motel, nursing home 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.
  - d) 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 fifteen (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.
  - e) The above requirements shall not limit the Owner from restricting occupancy to a lesser level than that defined above.

Section 15. Violations.

- a) Violations of this Ordinance shall be punishable by fine of not less than One Hundred and Thirty Five (\$135) dollars nor more than Seven Hundred Fifty

(\$750) dollars for each violation. Each day may constitute a separate and continuing violation. The City may seek remedies which include corrective action or prohibitions as a part of its relief. In the event of conviction on three (3) or more offenses, the City shall also be entitled to recover its costs and reasonable attorney's fees in addition to fines imposed by the Court.

- b) The Building Official may refuse to register or may revoke the existing registration of any Rental Property which falls within the provisions set forth as the basis of the Class "F" designation in Section 10. In the event that the Building Official denies or revokes registration of a Rental Property, the tenants of the subject property shall be informed by the City of the decision and of their need to obtain other housing. An owner, or the Agent of the owner, may appeal a registration denial or revocation according to the provisions of Section 18.

**Section 16. Affirmative Defenses.**

- a) The following shall not be affirmative defenses to a violation of this Ordinance:
  - (1) The Owner and/or Owner's Agent did not receive notice, provided that the City issued notice according to the provisions of this Ordinance.
  - (2) The Property was inspected and issued a classification pursuant to Section 10 indicative of the City's satisfaction with the state of the property at the time of inspection.
- b) The following are affirmative defenses to a violation of this Ordinance:
  - (1) Full correction of each and every violation charged against the defendant.
  - (2) The violation charge has been caused by the current occupant or occupants, and the owner and/or owner's agent has persuasive evidence in support of the defense.
  - (3) The current occupant(s) has refused entry to the owner or his or her agents to that part of the dwelling or dwelling unit requiring correction, for the purpose of correcting the violation charge.

**Section 17. Notices.** Any written notice required to be given to the Owner of a Rental Property under this Ordinance shall be addressed to such



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effect and the application thereof to other persons, entities, or circumstances shall not be affected thereby.

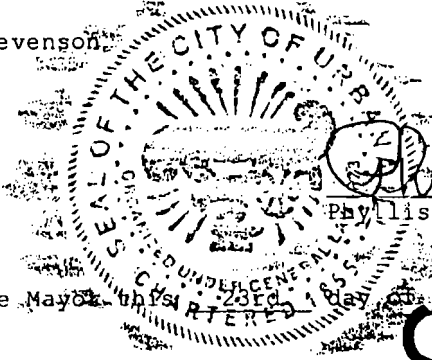
Section 21. Effective Date. This Ordinance shall become effective thirty (30) days after it is passed by the City Council and signed into law.

PASSED by the City Council this 16th day of January, 2007.

AYES: Barnes, Bowersox, Lewis, Roberts, Smyth

NAYS: Stevenson

ABSTAINS:



*Phyllis D. Clark*  
Phyllis D. Clark, City Clerk

APPROVED by the Mayor this 16th day of January, 2007.

2007.

*Laurel Lunt Prussing*  
Laurel Lunt Prussing, Mayor  
Danielle Chynoweth, Mayor Pro-tem