



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Administrative Division

m e m o r a n d u m

TO: Laurel Lunt Prussing, Mayor

FROM: Elizabeth H. Tyler, FAICP, Director

DATE: September 4, 2014

SUBJECT: AN ORDINANCE AMENDING URBANA CITY CODE CHAPTER 12.5 TO REQUIRE RELOCATION ASSISTANCE FOR TENANTS

Introduction & Background

At the request of City Council, staff prepared a draft Ordinance requiring landlords to provide tenant relocation assistance in circumstances where a rental unit becomes uninhabitable, unsafe or unlawful to occupy by reason of conditions created by their landlords. At the August 18, 2014 City Council meeting, City Councilmembers provided a number of comments on the draft Ordinance.

These comments have been incorporated into the revised Ordinance which is attached to this Memorandum. Among the changes are the following:

1. Removal of reference to loss or denial of rental registration as a lone causative factor in requiring the relocation assistance (Sec. 12.5-46)
2. Added reference to negligence by the tenant in addition to illegal conduct by the tenant as reasons for potential exclusion from the assistance (Sec. 12.5-46).
3. Added reference to assistance for hotel/motel stays to be limited to the local average daily rate. (Sec. 12.5-47). Staff is researching ways in which to quickly determine this statistic. Possibilities include collecting this data on an annual basis as part of our hotel/motel licensing procedures and/or using the indices provided by the General Services Administration for per diem lodging rates in Urbana.
4. Remove redundant reference to timing of reimbursement, as this is covered in Section 12.5-48. (Sec. 12.5-47).
5. Add clarification of timing of reimbursement (Sec. 12-5.48).

All other sections remain the same. Attached to this Memorandum are both a revised Ordinance and a mark-up version of this Ordinance.

Recommendations

Staff requests that the Mayor and City Council review the attached revised Ordinance and offer any additional revisions prior to adoption.

Attachments:

Draft Ordinance Regarding Relocation Assistance for Tenants
Mark Up version of Draft Ordinance

Cc: Neil Malone, Illinois Association of Realtors
Esther Patt, C-U Tenants Union
Tanisha King-Taylor, Community Life and Tenant Services
CIRPP, Central Illinois Rental Property Professionals
Kevin Jackson, Kerri Spear, City of Champaign
Darlene Kloeppe, Champaign County RPC
Daniel Culkin, Mike Loschen, Village of Rantoul
Ed Bland, Housing Authority of Champaign County
Michelle Mayol, Cunningham Township
Beverly Baker/ Sue Grey, United Way

**AN ORDINANCE AMENDING URBANA CITY CODE CHAPTER 12.5 TO ADD A NEW
ARTICLE FOUR
(Regarding Relocation Assistance for Tenants)**

WHEREAS, the City of Urbana ("City") is a home rule unit of local government pursuant to Article VII, Section 6, of the Illinois Constitution, 1970, and may exercise any power and perform any function pertaining to its government and affairs, including the power to regulate for the protection of the public health, safety, and welfare; and

WHEREAS, the City Council did heretofore on the 18th day of January 1994, pursuant to Ordinance No. 9394-58, amend Urbana City Code Chapter 12.5 to establish regulations regarding Landlord-Tenant Relationships for the protection of the public health, safety, and welfare; and

WHEREAS, the City Council recognizes that the number of tenants who have been displaced from their dwelling units due to uninhabitable conditions caused or created by landlords in violation of City codes and ordinances have been increasing in recent years; and

WHEREAS, the City Council deems it appropriate to require landlords to refund to their tenants security deposits and rents which have been paid in advance as well as providing certain relocation assistance where such tenants become displaced from their rental dwelling units by reason of conditions created by their landlords which render the dwelling units uninhabitable, unsafe or unlawful to occupy; and

WHEREAS, the City Council finds that adding Article IV to Chapter 12.5, as provided herein, will protect the health, safety, and welfare of the public.

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

Section 1.

That Article IV of Chapter 12.5 be adopted to read as follows:

Article IV. Relocation Assistance for Tenants

Sec. 12.5-46. Purpose and declaration of policy.

If the City provides a landlord with written notice that a rental property or any dwelling unit located therein ~~(i)~~ will be designated as unlawful to occupy due to conditions created by the landlord that violate one or more applicable codes, statutes or ordinances, ~~or (ii) loss or denial of rental registration~~, the landlord shall pay relocation assistance to every displaced tenant household as provided for in Sections 12.5-47 and 12.5-48. However, no tenant whose own illegal or negligent conduct caused the conditions which require relocation shall be entitled to relocation assistance and no tenant whose right to possession has been terminated by court order shall be entitled to relocation assistance. For purposes of Sections 12-5-46 through 12-5-51, "tenant household" shall mean an individual tenant who resides in a

rental dwelling unit or two or more individuals who lawfully reside in the same rental dwelling unit whether or not such individuals are related to one another by blood or marriage.

Sec. 12.5-47. Landlord's obligation to provide relocation assistance payment defined.

Relocation assistance payment from the landlord to the tenant household, as defined in Section 12.5-46, shall include:

- (a) Refund of all prepaid rent; and
- (b) Refund of the unused balance of the current month's rental payment with such refund being computed by the number of days remaining in the month divided by the total days in that month with the result thereof multiplied by the total rent paid for that month; and
- (c) Refund of any security deposit; and
- (d) The cost of the physical move such as moving company or rental of moving van; and
- (e) The tenant household's fee to reconnect any utilities in the location to where such tenant household relocates. Said reconnection fee shall not include any arrearage due and owing to any utility company.
- (f) If any tenant household is given less than thirty (30) days' notice in which to vacate the dwelling unit pursuant to Section 12.5-46 and where the tenant, after reasonable efforts, is unable to relocate directly to another habitable dwelling unit, the landlord shall be obligated to reimburse the tenant household for any and all costs which the tenant household incurs in relocating to and staying at a local area hotel or motel. The landlord's obligation to each tenant household to reimburse for such hotel or motel stay shall be limited to no more than fourteen (14) days of stay. The amount of such hotel or motel stay for which the landlord shall be obligated to reimburse to the tenant household shall not exceed the average daily rate, including taxes, which hotels and motels located in the City of Urbana customarily charge for comparable accommodations. The landlord shall be obligated to reimburse the aforesaid hotel/motel costs within one business-day of the tenant household's presentment to the landlord of an invoice, bill, or paid receipt from the hotel/motel which evidences the tenant household's stay at such hotel/motel.

Sec. 12.5-48. Timing of payment.

The landlord shall pay to the tenant household (as defined in Section 12.5-46) that portion of the relocation assistance provided for in Sub-sections 12.5-47(a), (b) and (c) in no fewer than three (3) days prior to the date the tenant household is required to vacate the dwelling unit. However, if the City requires any tenant household to vacate a rental property or any unit located on three (3) or less days' notice, the landlord shall pay that portion of the relocation assistance provided for in Sub-sections 12.5-47(a), (b) and (c) within one (1) day of receiving notice that the rental property or any dwelling unit therein must be vacated. The landlord shall pay that portion of the relocation assistance to the tenant household provided for in Sub-sections 12.5-47(d), (e) and (f) in no more than one business day following presentment by the tenant household of invoices, bills or paid

receipts for the cost of the physical move, reconnection of utilities, and/or hotel/motel stay, as the case may be. Nothing herein shall be construed as prohibiting the tenant household from presenting to the landlord invoices, bills or paid receipts as they are issued to the tenant household. All payments by the landlord to the tenant household shall be by certified check and tendered to the head of the tenant household.

Sec. 12.5-49. City action in the event of non-payment.

If the landlord fails to timely complete the payments identified in Section 12.5-47 within the timeframes provided in Section 12.5-48, the City may assess an Ordinance violation fine of up to \$750 per day, for each day the landlord has failed to make such payments.

Sec. 12.5-50. Administrative Fees, Penalties, and Fines.

In the event that the City advances any amount or amounts to one or more tenant households, the City shall have the right to assess the landlord -

(a) An amount equal to all such relocation assistance provided by the City to each tenant household; and

(b) A civil penalty equal to fifty dollars (\$50.00) per day for each displaced tenant household to whom the City advanced financial relocation assistance times the number of days until the landlord reimburses the City for any and all sums to be paid by the landlord pursuant to this Section 12.5-50 with the accrual of such penalty commencing on the calendar day immediately following the date when the City advances such financial relocation assistance.

Sec. 12.5-51. Other damages.

Nothing in Sections 12.5-46 through 12.5-50 shall be construed or interpreted as creating any obligation on the City to undertake any court or administrative action on behalf of or in the name of any such displaced tenant household. Further, nothing in Sections 12.5-46 through 12.5-50 shall be deemed or construed as limiting any tenant household's legal or equitable rights under the lease for the dwelling unit from which the tenant household was displaced or under the statutory, equitable or common law rights.

Section 2.

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 3.

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

ORDINANCE NO. 2014-09-080

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WHEREAS, the City Council recognizes that the number of tenants who have been displaced from their dwelling units due to uninhabitable conditions caused or created by landlords in violation of City codes and ordinances have been increasing in recent years; and

WHEREAS, the City Council deems it appropriate to require landlords to refund to their tenants security deposits and rents which have been paid in advance as well as providing certain relocation assistance where such tenants become displaced from their rental dwelling units by reason of conditions created by their landlords which render the dwelling units uninhabitable, unsafe or unlawful to occupy; and

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Laurel Lunt Prussing, Mayor