

## City of Chicago

# Office of the City Clerk

## **Document Tracking Sheet**



O2020-2235

# Meeting Date:

### Sponsor(s):

Туре:

Title:

**Committee(s)** Assignment:

#### 4/24/2020

Martin (47) La Spata (1) King (4) Sadlowski Garza (10) Cardenas (12) Moore (17) Curtis (18) Taylor (20) Brookins (21) Rodriguez (22) Sigcho-Lopez (25) Maldonado (26) Cardona, Jr. (31) Rodriguez Sanchez (33) Ramirez-Rosa (35) Villegas (36) Vasquez, Jr. (40) Hadden (49) Ordinance

Call for rent relief protections for renters who lost income due to COVID-19 stay-at-home order Committee on Committees and Rules

Committee on Housing & Real Estate April 22, 2020 City Council Meeting

#### **ORDINANCE**

WHEREAS, As the City of Chicago confronts the unprecedented public health crisis of the novel coronavirus (COVID-19) pandemic, our residents and businesses are confronting devastating illness, financial hardship, and sharply reduced time spent in public; and

WHEREAS, Governor J.B. Pritzker and Mayor Lori Lightfoot have taken difficult but necessary steps to combat the spread of COVID-19 and "flatten the curve", including issuing stay at home orders, requiring "non-essential" business to close to the public, prohibiting dine-in service at bars and restaurants, and closing schools, parks, the Lakefront Trail, and other public facilities; and

WHEREAS, To ensure the effectiveness of the stay at home order, it is important that people leave their residences only for essential needs and for truly necessary and essential work; and

WHEREAS, Thousands of Chicagoans have seen their income reduced or eliminated entirely as a result of COVID-19, particularly individuals who work in the retail, food-service, and hospitality industries; and

WHEREAS, Lost income due to COVID-19 has left numerous Chicagoans unable to pay their rents on time and in full. Notably, the City of Chicago recently stood up a rental assistance program that provided \$1,000 grants to 2,000 Chicagoans, and approximately 86,000 Chicagoans applied for a grant through this program. Prior to the COVID-19 pandemic, half of all Chicago households who rented were rent-burdened (meaning that they spent more than 30% of their income on housing), and approximately 180,000 residents needed affordable housing but could not find it; and

WHEREAS, The federal government has directed entities including Fannie Mae and Freddie Mac to provide mortgage forbearance of up to twelve (12) months to borrowers negatively affected by COVID-19. Property owners who are eligible to receive mortgage forbearance are often able to pass this saving down to their tenants in the form of reduced or deferred rents; and

WHEREAS, Cities including Los Angeles, California, and San Francisco, California, have passed laws providing renters who have lost income as a result of COVID-19 with at least

1

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several months following the rescission of emergency orders to pay unpaid rent accrued during the emergency order; and

WHEREAS, Cities including Seattle, Washington, and Denver, Colorado, have passed resolutions calling for the suspension of rent and mortgage payments for residents who are unable to pay due to COVID-19; and

WHEREAS, The members of the City Council of the City of Chicago are committed to doing everything in our power to protect the health and safety of Chicagoans; now, therefore,

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

**SECTION 1.** Whenever used in this Ordinance, the following words and phrases shall have the following meanings:

"Landlord" has the meaning ascribed to the term in Section 5-12-030 of the Municipal Code of the City of Chicago.

"Rent" has the meaning ascribed to the term in Section 5-12-030 of the Municipal Code of the City of Chicago.

"Stay at home order" means Executive Order 2020-10, Executive Order 2020-18, any extension of either such Executive Order, and any subsequent order related to the novel coronavirus (COVID-19) pandemic issued by the Governor of Illinois or the Mayor of the City of Chicago that orders non-essential workers within the City of Chicago to stay at home or at their place of residence, except for essential activities, essential government functions, and essential business and operations.

"Tenant" has the meaning ascribed to the term in Section 5-12-030 of the Municipal Code of the City of Chicago.

**SECTION 2.** In the event of non-payment of rent during the stay at home order, tenants shall have up to twelve (12) months following the date on which the stay at home order is rescinded to repay any past due rent if the tenant is unable to pay rent during the stay at home order due to circumstances related to the novel coronavirus (COVID-19) pandemic, including loss of income due to a COVID-19-related workplace closure, increased or additional child care expenditures due to school closures or changed work schedules, healthcare and other expenses related to being ill with COVID-19 or caring for a member of the tenant's household or family who is ill with COVID-19, or reasonable expenditures that stem from government-ordered

2

emergency measures. Tenants may use the protections afforded in this Section as an affirmative defense to any action brought pursuant to Section 2-14-200 or Section 5-12-130(a) of the Code. However, the tenant and landlord may, prior to the rescission of the stay at home order or within 90 days of the first missed rent payment, whichever comes first, mutually agree to a plan for repayment of unpaid rent selected from options promulgated by the Commissioner of the Department of Housing. The Commissioner of the Department of Housing shall promulgate a series of options for repayment agreements under this Section within 30 days after the effective date of this Ordinance. In promulgating such options, the Commissioner shall take into account the interests of both tenants and landlords.

**SECTION 3.** From and after the effective date of this Ordinance, all decisions to approve City funding shall take into consideration whether the applicant for City funding or the applicant's owners or controlling party increased rents or filed any forcible entry and detainer action to forcibly evict a tenant related to non-payment of rent during the stay at home order. All City Departments, including the Department of Housing and the Department of Planning and Development, shall update any applicable applications and review procedures necessary to effectuate this Section.

**SECTION 4.** Notwithstanding any provision of the Municipal Code of the City of Chicago to the contrary, including Section 5-12-050, during the stay at home order, tenants may withhold consent to a landlord, or any persons authorized or directed by a landlord, entering such tenant's unit other than: as may be necessary to protect health and safety of the tenant or other tenants of the property; as may be necessary to make repairs to such tenant's unit or perform necessary maintenance elsewhere in the building that unexpectedly requires access to such tenant's unit; in case of emergency; or as otherwise required by any governmental agency.

**SECTION 5.** Nothing in this Ordinance shall eliminate any obligation to pay lawfully charged rent, or affect the accrual of interest or late fees upon any unpaid rent pursuant to Section 2 of this Ordinance.

2

**SECTION 6.** If any part, section, sentence, clause or application of this Ordinance shall be adjudged invalid, void and of no effect for any reason, such decision shall not affect the validity of the remaining portions of the titles, chapters, sections or other provisions of this Ordinance, or their application to other circumstances.

3

**SECTION 7.** This Ordinance shall take effect immediately upon passage, provided that Section 1 of this Ordinance shall apply retroactively to March 18, 2020.

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Matthew J. Martin Alderman, 47th Ward

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	David Moore
Alderman Ward 6	Alderman Ward 17
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	Jeanette Taylor
Alderman Ward 9	Alderman Ward 20
Susan Sadlowski Garza	Howard Brookins
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1 | Page

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2 | Page

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7

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