



# Office of the City Clerk

City Hall  
121 N. LaSalle St.  
Room 107  
Chicago, IL 60602  
www.chicityclerk.com

## Legislation Details (With Text)

**File #:** O2022-3984  
**Type:** Ordinance **Status:** Failed to Pass  
**File created:** 12/14/2022 **In control:** City Council  
**Final action:** 5/24/2023  
**Title:** Amendment of Municipal Code Title 5 by adding new Chapter 5-25 entitled "Chicago Healthy Homes Check-Up Pilot Program" and Chapter 5-26 entitled "Rental Housing Unit Registry"  
**Sponsors:** Rodriguez Sanchez, Rossana, Ramirez-Rosa, Carlos, Vasquez, Jr., Andre, Martin, Matthew J., Rodriguez, Michael D., Hadden, Maria E.  
**Indexes:** Ch. 25 Chicago Healthy Homes Check-Up Pilot Program, Ch. 26 Rental Housing Unit Registry  
**Attachments:** 1. O2022-3984.pdf

Date	Ver.	Action By	Action	Result
5/24/2023	1	City Council	Failed to Pass	
12/14/2022	1	City Council	Referred	

*Ccw/ri/Jtce (ta fc*

### ORDINANCE

WHEREAS, The preservation of rental housing stock is of great importance, since there are approximately 614,000 units of rental housing within the City. Rental housing provides needed, affordable housing for millions of Chicago residents and is a valuable asset that must be protected and maintained. The City has a significant interest in ensuring that rental housing is safe, healthy, and affordable; and

WHEREAS, Substandard and unsanitary rental housing exists in the City, with conditions that violate federal, State, and local law, including building, housing, and safety codes, standards, and ordinances; and

WHEREAS, Substandard and deficient rental housing is unfit or unsafe for human occupancy and jeopardizes the health, safety, and welfare of their occupants. Substandard housing conditions pose a particularly acute risk to young children, seniors, and people with chronic illnesses. Many health and safety hazards in housing are preventable, including those that cause lead poisoning and asthma; and

WHEREAS, Existing complaint-based enforcement programs has not ensured that rental housing is safely and adequately maintained. Too often, complaints about rental housing are not received in time to protect tenants, and tenants often do not complain due to fear eviction or retaliation, or in the face of language, education, and accessibility barriers that may prevent them from using complaint-based enforcement programs; and

WHEREAS, Deteriorating and substandard rental housing threatens the physical, social, and economic stability of adjacent structures, surrounding neighborhoods, and the public; and

WHEREAS, Providing landlords with knowledge of poor conditions before such conditions worsen helps landlords more efficiently and effectively maintain their properties. Proactive inspections encourage preventative maintenance; decrease the likelihood that properties become blighted; preserve neighboring

property values and the local tax base; can correct unhealthy housing conditions before they lead to costly medical interventions, loss of employment, or evictions, minimize public and private costs associated with unhealthy housing; enhance quality of life; and ensure that all persons living in rental housing are provided decent, safe, healthy, and sanitary housing; and

WHEREAS, Public interest demands that all rental housing properties comply with basic health and safety standards - the most effective way to seek universal compliance is through routine, periodic inspections of all rental housing properties; now, therefore

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

SECTION 1. Title 5 of the Municipal Code of the City of Chicago is hereby amended by adding a new Chapter 5-25, as follows:

**CHAPTER 5-25 CHICAGO HEALTHY HOMES CHECK-UP PILOT PROGRAM**

**ARTICLE I. GENERAL PROVISIONS.**

**1**

**5-25-010 Title, Purpose, and Scope.**

This Chapter shall be known as and may be cited as the "Chicago Healthy Homes Check-Up Pilot Program", and shall be liberally construed and applied to promote its purposes and policies.

It is the purpose of this Chapter to: (i) establish a proactive, publicly administered rental housing inspection pilot program to secure City-wide compliance of rental housing with evidence-based public health standards, principles, and benchmarks endorsed by the National Healthy Housing Standard and other nationally recognized healthy housing programs in order to ensure that the City's rental housing stock promotes residents' health; and (ii) identifying and remediating potential health-harming structural and habitability concerns in the City's housing stock, not the personal conduct or civil or criminal liability of the tenants living in rental housing.

**5-25-020 Definitions.**

For the purpose of this Chapter, the following definitions apply:

a) "Certificate of compliance" means a formal acknowledgment issued by the Commissioner that the rental housing unit or property was found in compliance during a Healthy Homes inspection.

b) "Commissioner" means the Commissioner of the Chicago Department of Public Health, or its successor Department, or the Commissioner's designee.

c) "Common areas" means the grounds, areas, and facilities that are accessible to or held out for the use of all tenants of the property, including, but not limited to, lobbies, laundry rooms, recreation areas, common kitchens, hallways, stairs, courtyards, light wells, garbage areas, boiler rooms, storage rooms, basements, roof areas, or parking garages or areas.

d) "Compliance verification inspection" means an inspection conducted after a rental housing unit or

property fails a Healthy Homes inspection to determine whether the violations identified in the remediation order issued under this Chapter have been corrected.

e) "Department" means the Chicago Department of Public Health, or its successor Department.

f) "Healthy Homes inspection" means an inspection conducted pursuant to this Chapter to determine compliance with the Healthy Homes standards.

g) "Healthy Homes inspector" means any public employee authorized by the City to conduct a Healthy Homes inspection under the Program.

(h) "Healthy Homes standards" means the standards for Healthy Homes inspections promulgated by the Commissioner, including the lead-based paint standards. Such standards shall be based on principles and benchmarks endorsed by the National Healthy Housing Standard, published by the National Center for Healthy Housing, including those standards regarding lead contamination of the water supply, and other nationally recognized healthy housing programs, and include, at a minimum:

1) Adequate ventilation;

2) Moisture and mold control;

2

(3) Safety from injury hazards;

4) Control or elimination of toxicological hazards, including lead in paint, drinking water, or other sources;

5) Adequate maintenance and structural soundness;

6) Adequate thermal control from excessive heat and coldness;

7) Control or elimination of pests, including insects, rodents, and other animals not kept as pets or service animals that are harmful to residents' health;

8) Compliance with all applicable accessibility standards under federal, State, and local law;

9) Compliance with fire safety standards;

10) Adequate and proper plumbing; and

11) Cleanability of surfaces.

(i) "Landlord" means the owner, agent, lessor, or the successor in interest of any of them, of a rental housing unit or the property of which it is part.

(j) "Lead-based paint standard" means the standards for the inspection of rental housing units and common areas for lead-based paint promulgated by the Commissioner. Such standards must: (i) include the requirements of all applicable laws, including Chapter 7-4; and (ii) be based upon the most current edition of the U.S. Department of Housing and Urban Development's Guidelines for the Evaluation and Control of Lead-based Paint in Housing, or the standards or guidelines of a reputable government agency, association or organization that reflect or contain the best practices for protecting health and safety from lead toxicity.

(k) "Life-threatening violation" means a violation of the Healthy Homes standards or lead-based paint standards that are likely to pose a present and substantial danger to health and safety, as determined by rule.

(l) "Minor violation" means a violation of the Healthy Homes standards that is not a life-threatening violation or serious violation, and that are likely to pose minimal risk to health and safety.

(m) "Owner" means one or more persons, jointly or severally, in whom is vested all or part of the legal title or beneficial ownership of the property, the rental housing unit, or both, including a mortgagee in possession or a "seller" as defined in the Illinois Installment Sales Contract Act (765 ILCS 67/5). For the purposes of this Chapter, the term "owner" shall include the Chicago Housing Authority and any other unit of government or subdivision thereof in whom is vested all or part of the legal title or beneficial ownership of the property, the rental housing unit, or both, to the extent permitted by law.

(n) "Owner's agent" means a person authorized as an agent for the owner who: (1) is designated for service of process and has full authority to accept all notices issued under this Chapter; (2) is

3

authorized by the owner to take remedial action and to respond to any remedial order or violation of this Chapter; and (3) maintains a residence or office located in the City.

(o) "Program" means the Chicago Healthy Homes Check-Up Pilot Program established under this Chapter.

(p) "Property" means the rental housing unit and the structure of which it is a part, and all common areas, or other facilities and appurtenances therein.

(q) "Rent" means any consideration, including any payment, bonus, benefits, or gratuity, demanded or received by a landlord for or in connection with the use or occupancy of a rental housing unit.

(r) "Rental housing registration" shall have the meaning ascribed in Chapter 5-26 of this Code.

(s) "Rental housing unit" shall have the meaning ascribed in Chapter 5-26 of this Code.

(t) "Serious violation" means a violation of the Healthy Homes standards or lead-based paint standards that are likely to pose material risk to health and safety, as determined by rule.

(u) "Tenant" shall have the meaning ascribed in Section 5-12-030.

### **5-25-030 Pilot Area and Term, Applicability, and Exemptions.**

a) Pilot Area. During the term set forth in subsection (b) of this Section, the Program shall apply to all rental housing units in the 20, 22, 49 wards.

b) Pilot Term. The term of the Program shall commence on the effective date of this Chapter, and shall end 180 days after the final report under Section 5-25-190 is submitted to City Council, unless prior to that date the City Council adopts an ordinance providing for the continuation or expansion of the Program.

c) Applicability and Exemptions. All rental housing units within the areas identified in subsection (a) of this Section shall be subject to the requirements of this Chapter, except as follows:

- 1) Short-term residential rentals, as defined in Section 4-13-100, and hotels, as defined in Section 4-6-180, so long as those units are generally advertised and used for occupancy on a daily or nightly basis or any part thereof for a period of 31 or fewer consecutive days. This exemption does

not apply to single-room occupancy units, transitional shelters, or temporary overnight shelters, as these terms are defined in Chapter 17-17.

- 2) Institutional units in a State-licensed hospital, hospice, community care facility, residential restrained care facility, or nursing home; convent, monastery, or other facility occupied exclusively by members of a religious order; housing provided by the U.S. armed forces for the use of active members of the military; or on-campus housing accommodations owned, operated, or managed by an institution of higher education or secondary school for occupancy by its students.
- 3) An owner-occupied property of six or fewer rental housing units which is the sole property owned by the owner in the City. An owner of property exempted under this

4

subsection (b)(3) may choose to voluntarily participate in the Program, including remediation assistance under Section 5-25-140.

## **ARTICLE II. HEALTHY HOMES INSPECTIONS.**

### **5-25-040 Healthy Homes Inspections.**

a) The Department shall conduct periodic Healthy Homes inspections of rental housing units, including any associated common areas and the property on which the rental housing unit is situated, in order to ensure compliance with the Healthy Homes standards. Each rental housing unit subject to this Chapter shall be subject to a Healthy Homes inspection at least once every three years, provided, however, the Department may inspect rental housing units that receive a certificate of compliance in the following five years after the previous Healthy Homes inspection.

b) The Commissioner may require that a rental housing unit or its associated common areas and property be subject to a Healthy Homes inspection more frequently than required under subsection (a) of this Section, based on the following factors:

- 1) The results of previous Healthy Homes inspections, including the number, nature, and severity of violations found;
- 2) Whether additional building code or other regulatory violations have been discovered since the most recent Healthy Homes inspection;
- 3) Whether the owner has other rental housing units that have been found to be in violation of the Healthy Homes standards;
- 4) Whether the owner is delinquent in any rental housing registration fees or other fees, charges, or fines assessed under this Code, and
- 5) Other criteria, established by rule, regarding the likelihood that a rental housing unit or property may have one or more violations of the Healthy Homes standards.

c) In rental housing units constructed prior to 1978 that have not been found to be free of lead-based paint in a previous inspection, the Healthy Homes inspection shall include an assessment of interior and exterior paint conditions according to the lead-based paint standards. If deteriorated paint is identified anywhere on the property, all rental housing units at the property shall be scheduled for a lead-based paint risk assessment within five business days. The lead-based risk assessment shall be conducted by a qualified inspector certified in conducting lead risk assessment activities and shall result in a written report about the nature, severity, and location of lead hazards at the property, including:

- 1) Information regarding the age and history of the property and whether any rental housing units are occupied by children aged six years or younger;
- 2) The results of a visual inspection;
- 3) The results of limited wipe sampling and other appropriate environmental sampling or investigation; and

5

- (4) Instructions for how remediation of the property and affected rental housing units must be conducted.

A lead-based paint hazard found during a lead-based paint risk assessment shall constitute a serious violation. Correction of the lead-based paint hazard shall require clearance in accordance with the lead-based paint standards. The compliance verification inspection for violations of the lead-based paint standards shall include a visual assessment of all interior and exterior areas on which work was performed, a collection and analysis of dust and soil samples from interior or exterior spaces, and such other activities that the Department may require.

#### **5-25-050 Notice of Healthy Homes Inspection.**

a) The Commissioner shall serve initial written notice of the date and time of any Healthy Homes inspection by mailing such notice by first class mail at least 30 calendar days prior to the scheduled date of the Healthy Homes inspection. This timeline shall not apply for notices of Healthy Homes inspections that the landlord or tenant has rescheduled. The Commissioner shall mail such notice to the tenants of each rental housing unit to be inspected, and to the owner, the owner's agent, and the landlord. The Department shall maintain a list displaying the address and unit number of rental housing units and properties where Healthy Homes inspections are scheduled to occur within the next 30 calendar days on the Department's website.

b) The landlord shall cause a copy of any notice received under this Section to be posted in one or more locations reasonably visible to all tenants of the property. Such notice shall be posted no later than seven days prior to the scheduled date of the Healthy Homes inspection.

c) Partnership with Community Organizations. Any notice sent under this Section shall include contact information for the participating community organizations under Section 5-25-150 serving the geographic region in which the rental housing unit is located. On a monthly basis, the Department shall share a list of Healthy Homes inspections scheduled in the next calendar month with the applicable participating community organizations.

d) Tenants' Right to Participate in the Healthy Homes Inspection. At the time of the Healthy Homes inspection, the tenants residing at the rental housing unit subject to the Healthy Homes inspection shall be provided with an opportunity to submit verbal or written comments to the Healthy Homes inspector regarding the compliance of the rental housing unit or property with Healthy Homes standards. The notice required under subsection (a) of this Section shall describe how the tenants can submit such comments if they are not able to be present during the Healthy Homes inspection. The Healthy Homes inspection findings shall account for and address any information submitted by the tenants to the Healthy Homes inspector.

#### **5-25-060 Rescheduling Healthy Homes Inspections.**

- (a) The landlord or the tenants of a rental housing unit may request that the Department reschedule a

Healthy Homes inspection by contacting the Commissioner's office at least 14 calendar days prior to the scheduled Healthy Homes inspection date. A Healthy Homes inspection may only be rescheduled once. If the landlord requests that a Healthy Homes inspection be rescheduled, notice of this request must be provided to the tenants of the rental housing unit or property whose Healthy Homes inspection is the subject of the landlord's request. If the tenant requests that a Healthy Homes inspection be rescheduled, notice of this request must be provided to the landlord of the rental housing unit. A rescheduled Healthy Homes inspection must occur within 30 calendar days of when the original Healthy Homes inspection was scheduled. The

**6**

revised written notice of the Healthy Homes inspection shall be sent to the tenants no later than ten days prior to the new Healthy Homes inspection date.

(b) **Healthy Homes Inspection Rescheduling Fees.** If a landlord fails to request a rescheduling of a Healthy Homes inspection at least 14 calendar days prior to the scheduled date, the landlord shall incur a rescheduling fee of \$40 per rental housing unit or property for which a Healthy Homes inspection is rescheduled. Rescheduling fees are due within 30 days of the originally scheduled Healthy Homes inspection and any landlord who fails to timely pay a rescheduling fee shall be assessed a late fee of \$20 per rental housing unit or property for which the rescheduling fee was not timely paid. The Department may waive rescheduling fees or associated late fees for circumstances beyond the landlord's control or for other good cause, as determined in the Commissioner's discretion.

**5-25-070 Right of Entry.**

a) The landlord shall provide the Healthy Homes inspector with access to all common areas and vacant rental housing units on the property.

b) The landlord shall provide additional written notice to tenants 48 hours before an inspection to each unit as required by Section 5-12-050 of the Code, as well as orally if possible. If a tenant refuses to consent to the entry for the Healthy Homes inspection, the Commissioner may connect such tenant with a participating community organization to provide support to tenant.

c) If a Healthy Homes inspector or the Commissioner has probable cause to believe that the rental housing unit is so unsafe, hazardous, or dangerous as to require immediate inspection to safeguard the health, safety, or welfare of any tenant, a Healthy Homes inspector may immediately enter and inspect the rental housing unit and may use any reasonable means required to affect the entry and make a Healthy Homes inspection.

**5-25-080 Results of Healthy Homes Inspections.**

a) No later than the completion of the Healthy Homes inspection, the Healthy Homes inspector shall provide the owner, owner's agent, the landlord, and the tenants with written directions on how and when to obtain results of the Healthy Homes inspection. If the tenants are not present during the inspection, the Healthy Homes inspector shall leave a copy of the written directions in a readily discoverable location inside the rental housing unit.

b) If the Healthy Homes inspector finds no violations during the Healthy Homes inspection, the Commissioner shall, within five business days, issue a certificate of compliance that states in plain language that the rental housing unit is in compliance with Healthy Homes standards. The Department shall send such notice to the tenants of each rental housing unit, the owner, the owner's agent, and the landlord.

c) If the Healthy Homes inspector discovers one or more violations, the Commissioner shall, within five business days, issue a notice of Healthy Homes inspection violations and a remediation order by registered mail to the owner, the owner's agent, and the landlord, and the tenants of the subject rental housing unit or property. Receipt of such notice and order is presumed to have occurred on the day when the tracking system

provided by the postal service indicates that the mailing was left at the delivery address. The Commissioner shall also send the notice and order to the tenants via electronic means if the tenants e-mail address is known.

7

Such notice shall: (i) state in plain language the particular violations found and the specific Healthy Homes standards with which the rental housing unit or the property is not in compliance; and (ii) characterize each violation as a life-threatening violation, serious violation, or minor violation. If only minor violations of the Healthy Homes inspection standards are discovered during the Healthy Homes inspection, the notice issued under this subsection shall describe how the landlord may elect to submit an attestation of full compliance under Section 5-25-090.

Such remediation order shall: (i) establish the deadline by which the violations must be fully corrected; (ii) state that failure to correct the violations within the period prescribed may result in additional fees, penalties, and other enforcement actions; and (iii) state a date and time when the compliance verification inspection is scheduled occur.

d) The Commissioner shall promulgate regulations that establish a procedure by which owners, landlords, and tenants may timely dispute the results of the Healthy Homes inspections. A brief description of this appeals procedure shall be provided with every notice of the result of a Healthy Homes inspection, including when a certificate of compliance is issued.

e) The Commissioner shall make the results of all Healthy Homes inspections for each rental housing unit and property publicly available, including on the Department's website, within ten business days of the Healthy Homes inspection. The website shall reflect whether a compliance verification inspection was conducted, or an attestation of full compliance was submitted, and which violations the Department found to have been fully corrected or remain out of compliance.

#### **5-25-090 Compliance Verification Inspections.**

a) Life-Threatening Violations. If a Healthy Homes inspection finds at least one life-threatening violation, the remediation order under Section 5-25-080 shall order the correction of such violations within 72 hours after the results of the Healthy Homes inspection is sent to the owner, the owner's agent, and the landlord. Within three business days after the time to correct life-threatening violations has elapsed, the Commissioner shall conduct a compliance verification inspection of the property, common areas, or rental housing unit subject to the remediation order to determine compliance with such order. Within three business days after conducting such compliance verification inspection, the results of the compliance verification inspection shall be sent by priority mail and, if possible, sent by e-mail to the owner, the owner's agent, the landlord, and the tenants of the property, common areas, or rental housing unit subject to the compliance verification inspection. If the compliance verification inspection finds that any life-threatening violations have not been corrected, the Commissioner shall take necessary steps to ensure immediate correction of conditions posing a present and substantial danger to health and safety and protect the health and safety of tenants, including, but not limited to, causing the necessary repairs to be made or seeking appointment of a receiver for the property.

b) Serious Violations. If a Healthy Homes inspection finds at least one serious violation, the remediation order under Section 5-25-080 shall order the correction of such violations within a reasonable time period, depending on the severity and number of the violations, but in no event more than 30 days after the date the results of the Healthy Homes inspection are sent to the owner, the owner's agent, and the landlord. Within 30 days after the time period allowed for correction of the serious violations has elapsed, the Commissioner shall schedule a compliance verification inspection of the property, common areas, or rental housing unit subject to the remediation order to determine compliance with such order. If the compliance verification inspection finds that any serious violations have not been corrected, the Commissioner shall take necessary steps to ensure prompt correction of identified violations and protect the health and



8

safety of the tenants, including, but not limited to, causing the necessary repairs to be made or seeking appointment of a receiver for the property.

c) Minor Violations. If a Healthy Homes inspection results finds at least one minor violation, the remediation order under Section 5-25-080 shall order the correction of such violations within 30 days from the date the results of the Healthy Homes inspection are sent to the owner, the owner's agent, and the landlord. Upon the landlord's request and payment of the compliance verification inspection fee under subsection (f) of this Section, the Commissioner may, in their sole discretion, permit a landlord to submit an attestation of full compliance with the remediation order within 30 days from the date when the results of the Healthy Homes inspection are sent to the owner, the owner's agent, and the landlord. This attestation of full compliance shall include an affidavit signed by the landlord and be supported by such documentation that the Department may require by rule. The landlord shall deliver a copy of such attestation to the tenants of the subject rental housing unit or property, and shall post a copy of such attestation in one or more locations at the property readily visible to all tenants of the subject rental housing unit or property. The copy of the attestation delivered to tenants shall indicate how objections to the landlord's attestation of full compliance can be submitted. The Department shall allow such objections to be submitted personally or by mail, facsimile, telephone, e-mail, and such other means as the Department deems necessary or proper.

If the landlord does not request to submit an attestation of full compliance, or such request is denied, within 30 days after the time period allowed for correction of the minor violations has elapsed the Commissioner shall schedule a compliance verification inspection of the property, common areas, or rental housing unit subject to the remediation order to determine compliance with such order. If the compliance verification inspection finds that all violations have not been fully corrected, the Commissioner may take necessary steps to ensure prompt correction of identified violations and protect the health and safety of tenants, including, but not limited to, causing the necessary repairs to be made or seeking appointment of a receiver for the property.

Any landlord who submits an attestation of full compliance to the Department that is materially false, misleading, or fraudulent may not elect to submit an attestation of full compliance in place of a compliance verification inspection for such time as the Commissioner deems appropriate, and may be subject to applicable fines for false statements to the City pursuant to Chapter 1-21.

d) Tenants' Right to Participate in Compliance Verification Inspections. At the time of the compliance verification inspection, the tenants residing at the rental housing unit or property subject to the compliance verification inspection shall be provided with an opportunity to submit verbal or written comments to the Healthy Homes inspector regarding the conditions of the rental housing unit or property subject to the compliance verification inspection. Notices of the compliance verification inspections shall describe how the tenants can submit such comments if they are not able to be present during the compliance verification inspection. The compliance verification inspection findings shall account for and address any information submitted by the tenants to the Healthy Homes inspector.

e) Results of Compliance Verification Inspections. The Commissioner shall promptly mail the results of a compliance verification inspection by registered mail within five business days to the tenants of each rental housing unit or property subject to the compliance verification inspection, the owner, the owner's agent, and the landlord. The Commissioner shall also make the results of all compliance verification inspections and attestations of full compliance publicly available on the Department's website within ten business days of the compliance verification inspection or the Department's receipt of the landlord's attestation of full compliance. The Commissioner shall

9

promulgate rules to establish a procedure by which owners, landlords, and tenants may timely dispute the

results of a compliance verification inspection. A brief description of such appeal procedure shall be included with every notice of the result of a compliance verification inspection, regardless of whether the compliance verification inspection finds that all violations identified in the remediation order have been corrected.

f) Compliance Verification Inspection Fees. Whenever a Healthy Homes inspection finds one or more violation of the Healthy Homes standards, regardless of the classification of the violation or whether a landlord has elected to submit an attestation of full compliance, the landlord shall be subject to a compliance verification inspection fee of \$80 per rental housing unit where a violation was found, and a fee of \$80 if a violation was found in a common area or other portion of the property. Compliance verification inspection fees are due within 30 days of the date when the results of the Healthy Homes inspection are sent to the owner, the owner's agent, and the landlord. Any landlord who fails to timely pay the compliance verification inspection fee shall be subject to a late fee of \$40 per rental housing unit, common area, or property for which the compliance verification inspection fee is late. The owner and landlord shall be jointly, severally, and personally liable for unpaid compliance verification inspection fees and any associated late fees. The Department may waive compliance verification inspection fees and associated late fees for circumstances beyond the landlord's control or for other good cause, as determined by rule.

g) Additional Remedies. If, after the compliance verification inspection, there remain violations of the Healthy Homes standards at a rental housing unit, common area, or property, the Department may seek compliance by any remedy allowed under law including, but not limited to, the suspension, revocation, or denial of a rental housing unit registration under this Chapter 5-26 of this Code.

### **ARTICLE III. ENFORCEMENT AND ADMINISTRATION. 5-25-100**

#### **Administration.**

a) This Chapter and the Program shall be enforced and administered by the Department. Nothing in this Chapter shall affect any inspection requirements or enforcement provisions of this Code, including, but not limited to those contained in the Building Code, the Zoning Code, and Chapter 5-12.

b) All funds collected under this Chapter shall be used exclusively to fund activities under this Chapter.

#### **5-25-110 Enforcement.**

a) If no fine is specified in this Chapter, an owner or landlord who violates any requirement of this Chapter shall be subject to a fine of not less than \$200 and not more than \$500 for each day that the violation continues. Each day that the violation exists shall constitute a separate and distinct offense.

b) Any owners or landlords found to have failed to timely correct one or more violations of the Healthy Homes standards or to have unreasonably resisted or interfered with a Healthy Homes inspection shall be jointly, severally, and personally liable for an administrative penalty under this Section. The penalty may be assessed and recovered in a civil action brought by the City in a

court of competent jurisdiction or through an administrative action. The City shall be entitled to the court costs and attorney's fees incurred in successfully enforcing owners' and landlords' liability under this Chapter.

c) The City may collect any judgment, fee, cost, or charge, including any fees, late charges, or interest, incurred under this Chapter that has not been paid within 45 days of notice thereof. Any owners or landlords failing to pay any judgment, fee, cost, or charge will be subject to the placement of a lien against the property that is the subject of the judgment, fees, costs, or charges, and such other judgment liens against their person

or assets as permitted by the Illinois Code of Civil Procedure.

d) The City may suspend, revoke, or deny a certificate of compliance for continued noncompliance, or may note non-compliance on its public site.

e) The liabilities and obligations imposed on an owner under this Chapter shall attach to any mortgage company or any other person with or without an interest in the property who knowingly takes any action in any judicial or administrative proceeding that is intended to delay issuance or enforcement of any remedy for any violation of this Chapter, provided that such persons shall only be liable for fines that accrue on or after the date of such action.

f) The rights, obligations, and remedies of the City provided in this Chapter shall be cumulative and not exclusive of any other remedies available under federal, State, or local laws.

### **5-25-120 Tenant Protections.**

a) Protection of Personal Information. Healthy Homes inspections shall be focused solely on the condition of the rental housing unit and property, not on the personal conduct of individual tenants. Healthy Homes inspectors shall take all reasonable steps to avoid photographing any personal property of a tenant during a Healthy Homes inspection or compliance verification inspection. No information gathered through the Program, including information obtained, acquired, or learned that concerns individual tenants, including immigration status and possession of controlled substances, in connection with any inspection, whether during a Healthy Homes inspection, a compliance verification inspection, or otherwise by consent, by warrant, administrative search, or by exigent circumstances, may be disclosed to any other City Department or local, State, or federal law enforcement or social services officials.

b) Prohibition on Retaliatory Conduct by Landlord. It is declared to be against public policy of the City for a landlord to take retaliatory action against a tenant under this Chapter. A landlord may not terminate a tenancy or occupancy, increase rent, decrease services, bring or threaten to bring a lawsuit against a tenant for eviction or possession, interfere with the tenant's rights under law, or refuse to renew a rental agreement or occupancy because the tenant has in good faith: (i) requested to reschedule a Healthy Homes inspection or compliance verification inspection; (ii) submitted comments to or identified potential violations to a Healthy Homes inspector; (iii) requesting or initiating an inspection; or (iv) otherwise participated in or cooperated with activities undertaken pursuant to this Chapter.

If the landlord violates this Section, the tenant has a defense in any action against them for eviction or possession and is entitled to the following remedies: recover possession or terminate the rental agreement and, in either case, recover an amount equal to and not more than two months' rent or twice the damages sustained by them, whichever is greater, and reasonable attorneys' fees and court costs. If the rental agreement is terminated, the landlord shall return all

## **11**

security deposits and interest recoverable under Section 5-12-080 and all prepaid rent. In an action by or against the tenant, if there is evidence of tenant conduct protected herein within one year prior to the alleged act of retaliation, that evidence shall create a rebuttable presumption that the landlord's conduct was retaliatory. The presumption shall not arise if the protected tenant activity was initiated after the alleged act of retaliation.

(c) Rights of a Tenant Following the Finding of Certain Violations. In addition to any other remedies to which the tenants are entitled under local, State, or federal law, if a Healthy Homes inspection finds one or more life-threatening violations or serious violations, until a compliance verification inspection finds that such violations have been corrected or the owner or landlord successfully appeal such findings:

- 1) A landlord may not terminate a tenancy or occupancy, increase rent, decrease services, bring or threaten to bring a lawsuit against a tenant for eviction or possession, interfere with the tenant's rights under law, or refuse to renew a rental agreement or occupancy; and
- 2) Rent for a rental housing unit shall abate from the date of the Healthy Homes inspection.

If the landlord acts in violation of this Section, the tenant has a defense in any action against them for possession and is entitled to the following remedies: recover possession or terminate the rental agreement and, in either case, recover an amount equal to and not more than two months' rent or twice the damages sustained by them, whichever is greater, and reasonable attorneys' fees and court costs. If the rental agreement is terminated, the landlord shall return all security deposits and interest recoverable under Section 5-12-080 and all prepaid rent.

d) Private Cause of Action. A tenant may bring a private cause of action in a court of competent jurisdiction seeking compliance with this Section or any remediation order issues under this Chapter, and the prevailing plaintiff shall be entitled to recover, in addition to any other remedy available, damages and reasonable attorney's fees. The rights, obligations, and remedies of tenants set forth in this Chapter shall be cumulative and in addition to any others available at law or in equity.

e) Relocation of Tenants. If a Healthy Homes inspection finds one or more life-threatening violations or serious violations, the Commissioner may order the permanent or temporary relocation of tenants of the rental housing units or property affected by the remediation order. The owner and the landlord shall be jointly, severally, and personally liable for the costs associated with such relocation, including any costs incurred by such tenants or the City.

If the relocation is permanent, then the owner and landlord shall be jointly, severally, and personally liable for relocation assistance in the amount of \$10,600 per rental housing unit. At least 20% of the total amount of relocation assistance shall be paid to the tenant no later than seven days prior to the vacate date, and the remaining relocation assistance shall be paid to the tenant within seven days of the tenant vacating the rental housing unit.

If the relocation is temporary, then the owner and landlord shall be jointly, severally, and personally liable for an amount of relocation assistance determined reasonable by the Commissioner, but not less than three times the amount of the monthly rent due from the tenants during the period when such relocation was deemed necessary. Temporary relocation assistance shall be paid to the tenant no later than 21 days prior to the vacate date, unless a shorter time

## 12

period is deemed appropriate by the Commissioner. Additionally, the tenants shall not be liable for rent due during the period when the Commissioner finds such relocation to be necessary.

### 5-25-130 Notices.

All notices, orders, or other communications under this Chapter shall comply with the Department's language access plan adopted under Chapter 2-40. All notices, orders, or other communications under this Chapter to an owner, the owner's agent, and a landlord under this Chapter shall be sent to the mailing addresses and e-mail addresses included on the applicable registration application under Chapter 5-26, and all such notices, orders, and communications sent to or received by an owner's agent shall be deemed to have been sent to or received by the owner. Notwithstanding the number of tenants occupying a rental housing unit, only one copy of a notice, order, or other communication under this Chapter is required to be sent to the tenants of a rental housing unit.

### **5-25-140 Financial Assistance for Remediation.**

a) The Department shall establish a fund available to owners who own, have title to, or have a beneficial interest in six or fewer rental housing units in the City. This fund shall support remediation activities ordered as the result of a Healthy Homes inspection. Through rulemaking proceedings that include opportunity for public input, the Department shall establish, application criteria for assistance from this fund that consider.

- 1) Whether the owner makes less than a certain percentage of the Area Median Income;
- 2) Whether the rental housing units at the property for which the owner is requesting financial assistance are affordable, meaning that tenants earning 60% of the Area Median Income would need to pay no more than 30% of their gross income in rent;
- 3) Whether the owner is delinquent on rental housing registrations or fees and penalties under Chapter 5-26 of this Code, or property taxes, utility bills, or other governmental fees or charges;
- 4) Whether property to which the owner had legal title or beneficial interest was previously found to be in violation of the Healthy Homes standards, and the severity of any violations; and
- 5) Such other criteria as the Department shall from time to time determine.

b) The Department shall annually determine the amount of duly appropriated funds available for remediation assistance under this Chapter, provided that the funds appropriated for remediation assistance shall not be less than \$5,000,000.

### **5-25-150 Education and Outreach Activities.**

(a) Partnership with Community Organizations. The Department shall work with and support community organizations to reach out to tenants, landlords, and owners and educate them about their respective rights and responsibilities under this Chapter, including through community events, notices and fliers, and help lines. Such community organizations shall include organizations that together can adequately serve all geographic areas of the City and have

## **13**

experience working with tenants, landlords, and owners, and organizations with expertise in public health.

b) Listing of Participating Community Organizations. The Department shall promulgate rules establishing a process by which community organizations may apply to be listed on the notices provided to tenants, landlords, and owners under this Chapter. Each community organization seeking to become listed under this Section shall be required to undergo Department-sponsored training about the Program. Each participating community organization shall provide a telephone number and e-mail address that tenants, landlords, and owners may contact to request more information about their rights and obligations under the Program. This contact information shall be included on all notices and orders under this Program in all geographic areas that the participating community organization serves.

c) Funding of Community Organizations. The Department may use revenue collected under this Chapter to fund Program-related activities of participating community organizations.

d) Comments and Recommendations from Community Organizations. The Department shall establish a process by which participating community organizations may regularly provide comments and recommendations to the Department about the Program.

### **5-25-160 Advisory Committee.**

(a) Establishment of Advisory Committee. The Department shall establish an advisory committee no later than 90 days after enactment of this Chapter. The advisory committee shall be comprised of representatives of at least six community organizations serving different neighborhoods in the City, including at least one tenant advocacy organization representing the entire City, at least one public health expert, and such other experts and organizations that the Department deems necessary or proper; provided that no more than two representatives may be appointed from organizations that receive funding under Section 5-25-150. In selecting persons and organizations to participate in this advisory committee, the Department shall promote the representation of diverse geographic areas, populations, and interests affected by the Program. The purpose of the advisory committee is to assist with implementation and administration of the Program, including by:

- 1) Educating and engaging community members about the Program and their rights and obligations thereunder;
- 2) Providing ongoing comment, recommendations, and consultation to the Department regarding operations and activities under this Chapter;
- 3) Reviewing and providing comment and recommendations on annual Program data collected by the Department, including the processes for collecting and analyzing that data; and
- 4) Participating in Departmental and external evaluations of the Program.

(b) Regular Meetings. The advisory committee shall meet no less than quarterly during the term of the Program. A record of the meetings shall be made publicly available, including on the Department's website.

14

c) Stipends. The Department shall pay a reasonable stipend to members of the advisory committee, in a manner and amount as the Department shall determine by rule from time to time, together with reimbursement or payment of out-of-pocket expenses associated with the attendance at advisory committee meetings and functions.

d) Transparency. The meetings and activities of the advisory committee shall be subject to the Illinois Open Meetings Act, 5 ILCS 120/1 et seq., and the Illinois Freedom of Information Act, 5 ILCS 140/1 et seq.

### **5-25-170 Regulatory Authority.**

a) Promulgation of Standards. The Department shall compile, regularly update, and make available for public inspection on its website the Healthy Homes standards and lead-based paint standards. The initial Healthy Homes standards and lead-based paint standards shall be promulgated no later than 90 days after enactment of this Chapter.

In promulgating the Healthy Homes standards and lead-based paint standards, the Department shall: (i) consult with building code experts; public health experts; federal, State, and local regulatory mandates; community organizations; and other sources as determined by the Commissioner; (ii) provide a meaningful forum for public input and comment on the current regulations and any proposed changes; (iii) indicate which

violations will be considered life-threatening violations, serious violations, or minor violations. The Department shall solicit public feedback on the Healthy Homes standards and lead-based paint standards not less than once per year, regardless of whether the Department has proposed any changes to the regulations.

b) The Department may promulgate rules and regulations to administer this Chapter. Any rulemaking activity related to this Chapter shall include a meaningful forum for public input and comment. The subject of rulemaking activities shall include, but is not limited to:

- 1) Updating the size of the remediation fund available from duly appropriated funds to provide financial assistance to lower-income owners.
- 2) Defining circumstances that will qualify as "good cause" for the waiver of fees under this Chapter.
- 3) Clarifying the composition and role of the advisory committee and participating community organizations under this Chapter.
- 4) Establishing application and eligibility criteria for the remediation fund available to provide financial assistance to qualified owners, under Section 5-25-140.
- 5) Prescribing the forms and notices required under this Chapter, and how information related to this Chapter will be collected, displayed, and timely updated by the Department.
- 6) Establishing an appeals process for owners, landlords, and tenants to contest the results of Healthy Homes inspections and compliance verification inspections, and
- 7) Establishing a process for tenants to submit information regarding the compliance of their rental housing unit, common areas, or property with the Healthy Homes standards or lead-based paint standards.

**15**

- 8) Establishing guidelines and criteria for hiring, training, and supervising Healthy Homes inspectors, including, but not limited to, requirements for sensitivity training on race, culture, and accessibility; and adopting standard work uniforms and identification badges so that Healthy Homes inspectors are ready identifiable.
- 9) Establishing goals for the recruiting and hiring Healthy Homes inspectors from low-and moderate-income neighborhoods or areas of the City where the Healthy Homes inspector will be assigned to work, and the feasibility of establishing Healthy Homes training programs at various campuses of the Chicago City Colleges.
- 10) Establishing basic inspection standards to ensure that rental housing units are reasonably accessible to persons with mobility and/or sensory impairments, to the extent required under applicable federal, State, and local law.
- 11) Classifying or re-classifying as necessary, Healthy Homes Inspection standards for life-threatening violations, serious violations, and minor violations.

**ARTICLE IV. PROGRAM REVIEW.**

**5-25-180 Annual Reporting.**

- (a) The Commissioner shall annually compile a report on activities conducted under this Chapter. This report

shall include, at a minimum, the following information:

- 1) The number of registered rental housing units subject to this Chapter, including details about any unregistered rental housing units that have been discovered and any units or properties that were unlawfully converted into rental housing units;
- 2) The number of rental housing units inspected in the preceding calendar year;
- 3) The rate of compliance among owners, landlords, and tenants in allowing Healthy Homes inspections to be timely completed;
- 4) The number of Healthy Homes inspections that found violations, and the categories of violations found;
- 5) The number of rental housing units that were not timely brought into compliance;
- 6) The number of appeals filed contesting the results of Healthy Homes inspections or compliance verification inspections, and the outcome of such appeals;
- 7) The number of Healthy Homes inspections that have resulted from complaints;
- 8) The amount and number of fines levied under this Chapter, and the amount and number of fines collected;
- 9) An accounting of whether the fees, fines and other revenues collected under this Chapter adequately cover the Program's costs, including any recommendations to increase or decrease any fee, charge, or fine under this Chapter;

16

- 10) The number of cases that resulted in the City bringing an enforcement action against the owner or landlord, and a description of the enforcement action, including the number of receivers appointed under this Chapter;
- 11) A comparison of the Department's activities under this Chapter from the current reporting year to prior years;
- 12) Any recommendations for administrative or legislative modifications to the Program; and
- 13) Any other information the Commissioner may provide.

b) In preparing the annual reports required by this Section, the Department shall solicit input, feedback, and recommendations from community stakeholders, including, but not limited to:

- 1) Tenants and tenant advocacy organizations;
- 2) Landlords and landlord advocacy organizations;
- 3) Public health experts;
- 4) Community health workers and other public health organizations;
- 5) Building code experts;



- 6) Healthy Homes inspectors and other Program personnel;
- 7) Participating community organizations;
- 8) The advisory committee; and
- 9) Other interested members of the community and community organizations.

c) The annual report for the preceding year shall be submitted to the City Council no later than April 1 of each year. The report shall also be promptly posted to the Department's website and otherwise made available for public inspection. Within a reasonable time after this annual report is submitted, the Committee on Health and Human Relations and the Committee on Environmental Protection and Energy, or their respective successor committees, shall schedule a joint-public hearing to solicit comments on the report. This hearing shall be attended by officials from the Department and the Chicago Board of Health.

### **5-25-190 Independent Evaluations.**

(a) Timeline of Evaluations. The Department shall enter into an agreement with an appropriate independent entity with relevant expertise to conduct an interim evaluation and final evaluation of the Program.

- (1) Interim Evaluation. No later than two years after the beginning of the effective date of this Chapter, a report by the independent entity shall be provided to the City Council and publicly available on the Department's website.

17

- (2) Final Evaluation. No later than three years after the effective date of this Chapter, a report by the independent entity shall be provided to the City Council and publicly available on the Department's website.

b) Elements of Independent Evaluation. The independent evaluations conducted under this Section shall include, at a minimum, the following information:

- 1) An analysis of how the Program has affected the average rent, vacancy rate, and quality of the housing stock of the City;
- 2) An analysis of how the Program has affected the incidence and severity of health conditions associated with substandard housing conditions, including changes in the existence and size of disparities in the incidence and severity of these health conditions;
- 3) A consideration of how the Program has affected the availability and quality of affordable housing in the City;
- 4) A consideration of any differential effect the Program has had on minority racial and ethnic groups, lower-income tenants, landlords, and property owners;
- 5) An analysis of retaliatory conduct taken by owners and landlords against tenants as a result of the Program;
- 6) An analysis of the fiscal sustainability and cost-effectiveness of the Program;
- 7) A comparison of the Program's effectiveness with other proactive rental housing inspection programs across the country;

8) Recommendations for how to improve the Program in the short- and long-term; and

9) Any other information that the Commissioner may require or that the evaluator deems appropriate.

c) Funding for Independent Evaluation. The Department shall use duly appropriated funds collected under this Chapter to fund the interim and final evaluations of the Program required under this Section, allocating no less than a total of \$500,000 for such evaluations.

SECTION 2. Title 5 of the Municipal Code of the City of Chicago is hereby amended by inserting a new Chapter 5-26, as follows:

## **CHAPTER 5-26 RENTAL HOUSING UNIT REGISTRY**

### **5-26-010 Definitions.**

For the purpose of this Chapter, the following definitions apply:

"Commissioner" means the Commissioner of the Chicago Department of Public Health, or its successor Department, or the Commissioner's designee.

18

"Department" means the Chicago Department of Public Health, or its successor Department.

"Landlord" means the owner, agent, lessor, or the successor in interest of any of them, of a rental housing unit or the property of which it is part.

"Owner" means one or more persons, jointly or severally, in whom is vested all or part of the legal title or beneficial ownership of the property, the rental housing unit, or both, including a mortgagee in possession or a "seller" as defined in the Illinois Installment Sales Contract Act (765 ILCS 67/5). For the purposes of this Chapter, the term "owner" shall include the Chicago Housing Authority and any other unit of government or subdivision thereof in whom is vested all or part of the legal title or beneficial ownership of the property, the rental housing unit, or both, to the extent permitted by law.

"Owner's agent" means a person authorized as an agent for the owner who: (1) is designated for service of process and has full authority to accept all notices issued under this Chapter; (2) is authorized by the owner to take remedial action and to respond to any remedial order or violation of this Chapter; and (3) maintains a residence or office located in the City.

"Rent" means any consideration, including any payment, bonus, benefits or gratuity, demanded or received by a landlord for or in connection with the use or occupancy of a rental housing unit.

"Rental housing registration" means the registration issued by the Department under this Chapter.

"Rental housing unit" means a dwelling unit, whether or not part of a multi-unit property, that:

- 1) is rented or available for rent to tenants; or
- 2) is located within residential real estate purchased pursuant to an installment sales contract, as defined in the Illinois Installment Sales Contract Act (765 ILCS 67/5); provided, however, that (i) such a unit shall be considered a rental housing unit only for as long as the seller continues to have an interest or security in the real estate, and (ii) each such unit shall be considered a rental housing

unit regardless of whether it is occupied by the buyer or another tenant.

"Tenant" shall have the meaning ascribed in Section 5-12-030.

#### **5-26-020 Rental Housing Registration Required.**

(a) Registration. Each owner of a rental housing unit within the City shall register all such rental housing units with the Department by submitting to the Department a registration application meeting the requirements of this Section. The Department shall post such registration application to its website. The registration application under this Section be in a form and manner prescribed by the Commissioner, and shall be accompanied by the following information:

- 1) The description of the property and the rental housing unit, including, but not limited to, the street address, any applicable unit number or similar unit identification and the Cook County Assessor's 14-digit property Index Number (PIN);
- 2) Name and contact information for the owner of the rental housing unit;
- 3) Name, and contact information, including a physical address within the City, for an owner's agent if the owner does not maintain a residence or office located in the City;
- 4) Name and current contact information for the landlord, if not the same person as the owner or owner's agent;
- 5) If the owner is a corporation, partnership, limited partnership, limited liability company, or other entity: (A) the corporate name, business address, website address (if any), and contact information, including a telephone number and e-mail address, of an authorized agent if not the same person as the owner's agent or the landlord; (B) proof that the entity is in good standing under the laws of the State; and (C) the name and contact information of each partner, member, and officer of the entity and the name of each person holding a 20% or greater interest in the entity, provided that in the event that no person holds 20% or greater interest in the entity, the foregoing information for each of the five persons holding the greatest interests in the entity;
- 6) A statement by the owner that the form is being signed under penalty of perjury; and
- 7) Any other information reasonably required by the Commissioner.

b) Rental Housing Registration Fee. An owner of any rental housing units subject to this Chapter shall pay to the Department an annual rental housing registration fee of \$100 per rental housing unit; provided that:

- 1) an owner of an owner-occupied building containing six or fewer rental housing units whose income is equal to or less than 120% of the area median income, as determined by the Department, shall be exempt from paying a rental housing registration fee for the rental housing units in that building;
- 2) a not-for-profit which provides affordable housing units may apply to the Commissioner for an exemption from the annual registration fee for a period of up to four years for any rental housing unit, in accordance with rules promulgated by the Commissioner; and
- 3) the Chicago Housing Authority and any other unit of government or subdivision shall be exempt from paying a rental housing registration fee for the rental housing units in that building.

c) Late Fees. Any owner who submits a registration application after December 31 of the calendar year for

which the rental housing registration is due will be assessed a late fee of \$20 per rental housing. Any owner who submits a registration application after January 31 of the year following the calendar year for which the rental housing registration is due shall, in addition to the registration and late fees contained in this Chapter, be subject to a fine of \$100 per rental housing unit for the first year in which the rental housing unit is not properly registered, and \$500 per rental housing unit for the second or subsequent year in which the rental housing unit is not properly registered.

(d) Initial Rental Housing Registration Periods. For the initial registration of a rental housing unit:

- (1) Owners of properties with seven or more rental housing units that have received a certificate of occupancy on or before the effective date of this Chapter shall submit the

20

registration applications to the Department no later than 180 days after the effective date of this Chapter; and

- (2) Owners of properties with six or fewer rental housing units that have received a certificate of occupancy on or before the effective date of this Chapter shall submit the registration applications to the Department no later than 365 days after the effective date of this Chapter.

(e) Subsequent Rental Housing Registration Periods. Owners of rental housing units that receive a certificate of occupancy after the effective date of this Chapter shall submit the registration applications to the Department no later than 60 days after receiving a certificate of occupancy, but in no event shall an owner be found in violation for failing to submit a registration application before the applicable date in subsection (d) of this Section. For the re-registration of a rental housing unit, the registration application must be received by the Department on or before December 31 of each calendar year.

(f) The Department shall create, keep, maintain, and make publicly available on its website a list of all active registrations under this Chapter.

#### **5-26-030 Issuance of Rental Housing Registration.**

a) Within 30 days of the Department's receipt of a registration application and receipt of rental housing registration fee, the Department shall issue a rental housing registration to the owner or notify the owner of what additional information is required.

b) The landlord shall cause a copy of the rental housing registration to be delivered to the tenants in each rental housing unit, and shall post a list of all current rental housing registrations in one or more locations at the property readily visible to all tenants. If a tenant in a legal proceeding establishes that the current rental housing registration was not delivered to the tenant or posted at the property, the tenant shall be entitled to recover \$300 in damages, reasonable attorney's fees, and court costs from the landlord.

c) A copy of the rental housing registration shall be provided by the landlord to all new tenants prior to the execution of any rental agreement or the payment of rent, security deposit, or other fee, including an application or move-in fee. If a tenant in a legal proceeding establishes that the current rental housing registration was not properly provided prior to the execution of any rental agreement or the payment of rent, security deposit, or other fee, the tenant shall be entitled to recover \$300 in damages, reasonable attorney's fees, and court costs from the landlord.

d) In the event of a sale, assignment, or transfer of a rental housing unit, the new owner of a registered rental housing unit shall, within 14 days after the transfer of ownership of the rental housing unit, submit

updated rental housing registration forms to the Department. If rental housing registration fees are owed for the current year, the new owner and the seller of the rental housing unit for the current year shall be jointly and severally liable for the rental housing registration fees due for that year. A bona fide third-party purchaser shall not be liable for rental housing registration fees and late fees due from previous years, so long as such bona fide third-party purchaser has complied with this subsection (d).

#### **5-26-040 Rights of a Tenant of an Unregistered Rental Housing Unit.**

### **21**

In addition to any other remedies to which the tenants are entitled under local, State, or federal law, if an owner or landlord rents a rental housing unit that is not registered with the Department in accordance with this Chapter, until such rental housing unit is registered with the Department and all housing registration fees and associated late fees have been paid:

- 1) A landlord may not terminate a tenancy or occupancy, increase rent, decrease services, bring or threaten to bring a lawsuit against a tenant for possession, interfere with the tenant's rights under law, or refuse to renew a rental agreement or occupancy; and
- 2) Rent for a rental housing unit shall abate from the date of possession by the tenant.

If the landlord acts in violation of this Section, the tenant has a defense in any action against them for possession and is entitled to the following remedies: recover possession or terminate the rental agreement and, in either case, recover an amount equal to and not more than two months' rent or twice the damages sustained by them, whichever is greater, and reasonable attorneys' fees and court costs. If the rental agreement is terminated, the landlord shall return all security deposits and interest recoverable under Section 5-12-080 and all prepaid rent, as well as move-in fees, application and credit check fees, and any other fees demanded by landlord.

#### **5-26-050 Prohibition on Pass Through of Registration Fees.**

No owner or landlord may pass on any fees for which they are liable under this Chapter to a tenant, whether as rent or some other charge or fee.

SECTION 3. This ordinance shall take effect on May 15, 2023.

Alderman Rossana Rodriguez Sanchez