



Office of the City Clerk

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Legislation Details (With Text)

File #: SO2011-4233
Type: Ordinance **Status:** Passed
File created: 9/8/2010 **In control:** City Council
Final action: 5/4/2011
Title: Amendment of Municipal Code Chapter 13-72 regarding condominium-related consumer protection
Sponsors: Suarez, Regner Ray
Indexes: Ch. 33 Chicago Real Property Transfer Tax, Ch. 40 Residential Real Estate Developers, Ch. 72 Condominiums
Attachments: 1. SO2011-4233.pdf

Date	Ver.	Action By	Action	Result
5/4/2011	1	City Council	Passed	
5/3/2011	1	Joint Committee: Buildings; Housing and Real Estate	Recommended to Pass	
10/6/2010	1	City Council	Re-Referred	

S U B S I H U I E O R D I N A N C E

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

SECTION 1. Section 3-33-040 of the Municipal Code of Chicago is hereby amended by adding the language underscored, as follows:

3- 33-040 Payment of the tax.

A. Except in the case of tax paid pursuant to Section 3-33-100, the tax imposed by this chapter shall be paid by the purchase of tax stamps issued by the department of revenue or its agents.

(Omitted text is unaffected by this ordinance)

F. Neither the director of revenue nor any agent of the director shall issue tax stamps in connection with the initial sale of a residential condominium unit, as that term is defined in section 13-72-010. located in the city that is subject to the provisions of sections 13-72-060(A)(2) and 13-72-085 unless there is presented to the department of revenue or its agent a certificate issued by the commissioner of housing and economic development showing that the provisions of sections 13-72-060(A)(2) and 13-72-085 have been complied with or, if not complied with then, either (i) the fines imposed for violation of such sections have been paid or (ii) the required compliance bond pursuant to section 13-72-110 has been posted.

SECTION 2. Section 4-40-065 of the Municipal Code of Chicago is hereby amended by adding the language underscored and by deleting the language struck through, as follows:

4- 40-065 Duties.

A licensee under this chapter shall have the following duties:

(A) To affix a sign in a conspicuous location at any place where sales information about a residential building or any portion thereof is made available for distribution to prospective purchasers. The sign shall notify prospective purchasers of their right to request and immediately receive a written disclosure statement containing the information described in subsection (B) of this section. The lettering on the sign shall be in prominent type, clearly visible to and readable by the public, and in a color that contrasts with the background color of the sign.

(Omitted text is unaffected by this ordinance)

(F) to cooperate fully with any authorized city official in any inquiry, inspection or investigation necessary or appropriate to implement the requirements of this chapter?:

(G) To comply with the requirements of chapter 13-72, if applicable.

The duties set forth in this subsection shall apply to the licensee and to all controlling persons.

SECTION 3. Chapter 13-72 of the Municipal Code of Chicago is hereby amended by new sections 13-72-025, 13-72-065, 13-72-067, 13-72-085 and 13-72-105, by adding the language underscored and by deleting the language struck through, as follows:

13-72-010 Definitions.

For the purposes of this chapter, the following words and phrases shall have the meanings respectively ascribed to them by this section:

"Blanket encumbrance" means a trust deed, mortgage, judgment or other lien on a condominium including any lien or other encumbrance arising as a result of the imposition of any tax assessment by a public authority.

"Board of managers" means the board of managers provided and referred to in the Illinois Condominium Property Act.

"Closing of the sale" means the operation of transferring ownership of a condominium unit to the purchaser from the developer.

"Commissioner" means the commissioner of housing and economic development.

"Common elements" means all of the condominium except the condominium units. "Common elements" also includes limited common elements.

"Condominium" means a form of property established pursuant to the Illinois Condominium Property Act.

"Condominium Disclosure Summary" or "Disclosure Summary" means the summary required in accordance with section 13-72-025.

"Condominium project" means the sale of or plan by a developer to sell or the offering for sale of residential condominium units in an existing building or building to be constructed or under construction, and shall include a conversion condominium.

"Condominium unit" or "unit" means a separate three-dimensional area within the condominium identified as such in the declaration and on the condominium plat and shall include all improvements contained within such area except those excluded in the declaration.

"Conversion," "convert," or like words means the offering for sale by a developer or his agent of a condominium unit occupied or rented for any purpose by any person before commencement of a condominium project which includes such unit.

"Declaration" means the declaration referred to in the Illinois Condominium Property Act.

"Developer" means any person who submits property legally or equitably owned by him to the provisions of the Illinois Condominium Property Act including any successor to such developer's entire interest in the property; or any person who offers units legally or equitably owned by him for sale in the ordinary course of his business.

~~"Developer" does not include a corporation owning and operating a cooperative apartment building unless more than six units are to be sold to persons other than current stockholders of the corporation.~~

"Offering" means any inducement, solicitation, advertisement, publication or announcement by a developer to any person or the general public to encourage a person to purchase a condominium unit in a condominium or prospective condominium.

~~"Person" means a natural individual, corporation, partnership, trustee or other legal entity~~

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~~capable of holding title to real property.~~

"Property report" means the property report required in accordance with Section 13-72-020 of this chapter.

"Prospective purchaser" means a person who visits the condominium project site for the purpose of inspection for possible purchase or who requests the property report or disclosure summary.

"Residential condominium unit" means a condominium unit arranged, designed, used or intended to be used primarily for residential occupancy.

"Conversion condominium," "Parcel," "Person" and "Record" have the same meaning ascribed to those terms in the Illinois Condominium Act. 765 ILCS 605 et seq., as amended.

"Landlord," "Rent," "Rental Agreement" and "Tenant" have the same meaning ascribed to those terms as in section 5-12-030. •

13-72-020 Contents of property report.

A property report shall contain the following:

(A) A statement indicating name and address of:

(1) The developer and legal and beneficial owner, if different, of the land and improvements, including all general partners of a partnership or principal executive officers and directors of a corporation; provided that for

any property report for a condominium project for which a declaration is recorded on or after January 1, 2012, the property report shall also include if, a partnership or limited partnership, the names and addresses of all general partners; if a corporation, the names and address of all principal executive officers and directors, or, if a limited liability company, the names and addresses of all members and managers; provided further that whenever a stock or beneficial interest is held by a corporation, partnership, limited partnership, limited liability company or any other legal entity, other than a natural person, such shareholder or beneficiary shall also make such disclosures as required by this section;

(Omitted text is unaffected by this ordinance)

(Q) (1) If a condominium conversion, a report from a qualified licensed engineer or registered architect describing the condition and expected useful life of the roof, foundation, external and supporting walls, mechanical, electrical, plumbing, heating, and structural elements and all other common facilities, together with an estimate of repair and replacement costs, for those items needing repair or replacement, at current market prices. This report shall include the approximate dates of installation of the facilities listed above and the dates of major repairs to such facilities. There shall be attached to such report (1) a statement of the developer that no notice of violations of the building provisions of the Municipal Code pertaining to the condominium building have been received by the owner or his predecessors for ten years preceding the property report and its latest amending or (2) a list of all notices of violations of the building provisions of the Municipal Code received, together with a detailed statement of all violations referred to in such notices, for the prior ten years;

(2) For all condominium projects which are not a condominium conversion and for which a declaration is recorded on or after January 1, 2012, a report that is signed and sealed either by an licensed architect or engineer that certifies that the building plans are in compliance with the requirements of the applicable provisions of the building code, and that estimates the expected

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useful life of the roof, foundation, external and supporting walls, mechanical, electrical, plumbing, heating, and structural elements and all other common facilities;

(Omitted text is unaffected by this ordinance)

13-72-025 Condominium Disclosure Summary

(A) For a condominium project for which a declaration is recorded on or after January 1, 2012, the developer of the project shall prepare a condominium disclosure summary, which shall include a description of the following information:

1) The condominium property;

2) Parking;

3) Appliances, heating, air conditioning, and hot water equipment, including warranties;

4) Amenities and recreational facilities;

5) Estimated operating expenses, reserves and assessments;

6) If the project is a conversion condominium, a description of the renovation of the property, if any;

7) Limitations and restrictions on sale, lease or use of units;

8) Waste removal;

9) Telecommunications services;

10) Construction warranties;

11) Windows;

12) Type of masonry, if applicable;

13) Elevators, if any;

14) Security systems, if any;

15) A list of all contractors and subcontractors, including the state and city license or registration numbers of the contractors and subcontractors who worked on any part of the building for conversion or construction as a condominium project; and

(16) Any other pertinent information required by the commissioner.

The developer shall attach to each disclosure summary a statement that notifies a prospective purchaser that, pursuant to the municipal code of Chicago, a certificate of occupancy that certifies that the unit complies with all applicable zoning or building code requirements may be required to be obtained, prior to occupying the residential condominium unit.

The disclosure summary shall be in the form prescribed by the commissioner in rules and regulations.

(B) The developer shall file a copy of the condominium disclosure summary with the commissioner no later than 90 days prior to the first offering for sale of any residential condominium unit. Any material changes or amendments to the disclosure summary shall be filed with the commissioner within 30 days of the change or amendment.

13-72-050 Requirements for property report and disclosure summary distribution developer of more than six units

(A) Not later than the offering for sale of the first residential condominium unit, a developer of a condominium project of more than six units must shall:

(1) Have a property report available for distribution to each prospective purchaser and for examination by the commissioner department. A developer may make a

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charge, not to exceed \$2.00, for each report so distributed;

(2) Make available for inspection by prospective purchasers copies of all documents that were filed or required to be filed in connection with the condominium project with the recorder of deeds of Cook County;

(3) Keep a receipt signed by each purchaser acknowledging that the person entering a contract to purchase has received and has had an opportunity to review the property report. Such receipts are to be kept on file in the possession of the developer for a period of three years from the date of signature of the purchaser and such receipts are subject to the inspection of the department by the commissioner or the commissioner of business affairs and consumer protection at any reasonable time.

(B) For all condominium projects, regardless of the number of units, for which a declaration is recorded on or after January 1, 2012, the developer shall comply with the requirements of subsection (A) of this section. In addition to the requirements of subsection (A), the developer shall make the disclosure summary available with marketing materials and distribute it at open houses and any showings; (ii) furnish the disclosure summary to a prospective buyer before the execution of any contract for the initial sale of a residential condominium unit; and (iii) keep a receipt signed by each purchaser acknowledging that the person entering a contract to purchase has received and has had an opportunity to review the condominium disclosure summary.

(B C) The board of managers shall keep a copy of the latest property report and condominium disclosure summary, if applicable, for seven years following the date of the property report's their initial distribution. Upon reasonable notice the property report shall be made available for inspection by any prospective purchaser of a unit from a unit owner.

13-72-060 Notice to tenants of intent to declare submission of property for condominium consideration required.

(A) (1) Subject to subsection (A)(2), no No less than 120 days prior to recording the declaration submitting the property to the provisions of the Illinois Condominium Property Act, a developer shall give notice of such intent to record to all persons who are tenants of the building on the property on the date notice is given.

(2) For any condominium project for which a declaration is recorded on or after July 30, 2012, no less than 180 days, or in the case of any tenant who is over 65 years of age, or who is deaf or blind or who is unable to walk without assistance 210 days, prior to recording the declaration submitting the property to the provisions of the Illinois Condominium Property Act, a developer shall: (1) mail, by certified or registered mail, return receipt requested, a written notice of such intent to record, and attach to such notice the summary of a tenant's rights prepared by the commissioner pursuant to section 13-72-067, to all persons who are tenants of the building on the property on the date notice is given; and (2) post at all public entrances to the building, a statement that the property is being converted to condominiums and the tenants must receive notice, by certified mail, of such conversion and a summary of the tenant's rights. It is the duty of the developer to assure that the statement is posted at the required entrances for the entire tenant notice period required by this subsection (A) (2) prior to the recording of the declaration.

The developer shall: (i) keep all return receipts required by this subsection (A)(2) for a period of three years after the sale of the last unit in the condominium project; (ii) at all times during the developer's business hours, and at all other times upon reasonable notice, make such receipts

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available for inspection by the commissioner; and (iii) if applicable, at the time of registration of the

condominium project, pursuant to section 13-72-085, file an affidavit with the commissioner attesting to the date the notice of intent was sent and that the developer has complied with the applicable tenant notification provisions of this subsection (A)(2).

(B) (1) Subject to subsection (B)(2). any Any person who was a tenant as of the date of the notice of intent and whose tenancy expires other than for cause prior to the expiration of 120 days from the date on which a copy of the notice of intent was received by the tenant shall have the right to an additional tenancy on the same terms and conditions and for the same rental until the expiration of such 120 -day period by the giving of written notice thereof to the developer within 30 days of the date upon which a copy of the notice of intent was received by the tenant; provided, that in the case of any tenant who is over 65 years of age, or who is deaf or blind or who is unable to walk without assistance, said tenant shall have the right to an additional tenancy on the same terms and conditions and for the same rental for 180 days following receipt of said notice of intent to record by giving notice as aforesaid.

(2) For any condominium project for which a declaration is filed on or after July 30, 2012. any person who was a tenant as of the date of the notice of intent and whose tenancy expires other than for cause prior to the expiration of 180 days from the date on which a copy of the notice of intent was received by the tenant shall have the right to an additional tenancy on the same terms and conditions and for the same rental until the expiration of such 180-day period by the giving of written notice thereof to the developer within 30 days of the date upon which a copy of the notice of intent was received by the tenant: provided, that in the case of any tenant who is over 65 years of age, or who is deaf or blind or who is unable to walk without assistance, such tenant shall have the right to an additional tenancy on the same terms and conditions and for the same rental for 210 days following receipt of said notice of intent to record by giving notice as aforesaid.

(C) (1) Subject to subsection (C)(2), during During the period of 120 days following his the receipt of the notice of intent, and during a period of 180 days following his receipt of notice of intent in the case of any person who is over 65 years of age, or who is deaf or blind or who is unable to walk without assistance, any person who was both a tenant on the date of the notice of intent and a current tenant shall have the right of first refusal to purchase his unit.

(2) For a condominium project for which a declaration was recorded on or after July 30, 2012, during the period of 180 days following the receipt of the notice of intent, and during the period of 210 days following the receipt of notice of intent in the case of any person who is over 65 years of age, or who is deaf or blind or who is unable to walk without assistance, any person who was both a tenant on the date of the notice of intent and a current tenant shall have the right of first refusal to purchase his unit.

(3) The tenant must exercise the right of first refusal, if at all, by giving notice thereof to the developer prior to the expiration of 30 days from the giving of notice by the developer to the tenant that a contract to purchase the unit has been executed. Each contract for sale of a unit shall conspicuously disclose the existence of, and shall be subject to, such right of first refusal. The statement in the deed conveying the unit to a purchaser to the effect that the tenant of the unit either waived or failed to exercise the right of first refusal or had no right of first refusal with respect to the unit shall extinguish any legal or equitable right or interest to the possession or acquisition of the unit which the tenant may have or claim with respect to the unit arising out of the right of first refusal provided for in this section. The foregoing provisions shall not affect any claim which the tenant may have against the developer for damages arising out of the right of first refusal provided in this section, nor shall it affect the penalties provided in Section

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13-72-110 hereof.

(D) No occupied unit shall be shown to any purchaser or prospective purchaser for 30 days after notice of intent to record, as provided herein, is given.

(E) Except as provided in subsections (A) and (F), any Any notice provided for in this section shall be given by a written notice delivered in person or mailed, certified or registered mail, return receipt requested, to the party who is being given the notice.

(F) Before the execution of any written or oral rental agreement entered into: (i) on or after January 1, 2012; and (ii) after the notice of intent to convert has been sent pursuant to subsection (A), the landlord shall give a written notice to a prospective tenant that the property has been submitted to the provisions of the Illinois Condominium Property Act and the building is being converted to condominiums. The written notice shall be attached to the written rental agreement, and in the case of an oral agreement, the written notice shall

be given to the prospective tenant: provided that this provision shall not apply to the renewal of any lease for which the tenant has received notice pursuant to subsection (A).

13-72-065 Tenant relocation assistance.

For any building containing residential rental units that is being converted to a condominium project and for which a declaration is recorded on or after July 30, 2012, a qualified tenant may, at the tenant's option, receive relocation assistance. If such qualified tenant exercises the option for relocation assistance, the landlord of such building shall provide the qualified tenant with relocation assistance, as follows:

(A) The landlord shall pay to a qualified tenant who exercises the option for assistance a one-time relocation fee of \$1,500.00: provided that if the tenant's one month's rent is greater than \$1,500.00, the landlord shall pay to the tenant one month's rent at the highest rent charged to that qualified tenant for that rental unit, or \$2,500.00, whichever is less: provided further, that if a rental unit is occupied by two or more Qualified tenants, the landlord's total liability to all the qualified tenants of the rental unit shall be no more than if the rental unit was occupied by one qualified tenant.

(B) The landlord shall pay the relocation fee to the Qualified tenant no later than 7 days after the day of complete vacation of the rental unit by the Qualified tenant. The relocation fee shall be paid by certified or cashier's check payable to the qualified tenant.

(C) The relocation fee shall be in addition to any damage, deposit or other compensation or refund to which the qualified tenant is otherwise entitled.

(D) No rental agreement may provide that a Qualified tenant agrees to waive or forego the rights and remedies provided under this section and any such provision included in a rental agreement is unenforceable.

(E) The landlord may deduct from the relocation fee all rent due and payable for the rental unit occupied by the qualified tenant prior to the date on which the rental unit is vacated, unless such rent has been validly withheld or deducted pursuant to state, federal or local law. The landlord shall not retain all or any part of the relocation fee for the payment of any other amount, including without limitation, for any damage to the premises or for any other violation or breach of a rental agreement.

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(F) The landlord shall not be liable to pay the relocation fee to any qualified tenant:

(1) who exercises the right to purchase the rental unit, or another unit within the same building or condominium project:

(2) against whom the landlord has obtained a judgment for possession of the rental unit:

(3) who fails to provide the landlord with the written evidence, as provided in rules and regulations, to prove household income: or

(4) who fails to exercise the option for relocation assistance.

(G) An affidavit signed by the landlord which attests that the landlord is in compliance with the provisions of this section shall be filed with the condominium registration required pursuant to section 13-72-085.

(H) For purposes of this section only, the following definitions apply:

"Household" means, collectively, all the persons who occupy a residential rental unit as their primary residence.

"Household income" means the combined income of the members of a household for the calendar year preceding the date the notice of intent was given.

"PMSA Median Income" means the Primary Metropolitan Statistical Area median income, for the Chicago-Naperville-Joliet, Illinois, Metropolitan Fair Market Rent Area, as determined by the United States Department of Housing and Urban Development from time to time.

"Principal residence" means a tenant's primary or chief residence that the tenant actually occupies on a regular basis.

"Qualified tenant" means a tenant:

(1) who is entitled to receive the notice of intent pursuant to section 13-72-060(A)(2):

(2) who has a rental agreement to occupy a residential rental unit as the tenant's principal residence in a building that is being converted into a condominium project that is subject to the provisions of this section: and

(3) with a household income of no greater than 120% of the PMSA Median Income.

"Residential rental unit" means a dwelling unit for which a tenant has a rental agreement to occupy the dwelling unit as the tenant's principal residence.

"Dwelling unit" and "rental agreement" have the same meaning ascribed to those terms in section 5-12-030.

13-72-067 Summary of a tenant's rights.

The commissioner shall prepare a summary of this chapter, describing the rights, obligations and remedies of landlords, tenants and developers hereunder.

13-72-080 Examination of records by unit owners.

No person shall fail to allow unit owners to inspect the financial books and records of the

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condominium association within three ten business days of the time written request for examination of the records is received.

13-72-085 Condominium Registration.

(A) (1) For any condominium project for which a declaration is recorded between January 1, 2012 and on or before July 30, 2012, the developer shall file, no later than 14 days prior to the recording of the declaration, a condominium registration form with the commissioner. The registration, in a form and manner prescribed by the commissioner, shall contain the following information:

0 Name of property owner:

ii) Name and real estate residential developer license number of the developer, if applicable:

iii) Address of the parcel:

iv) The number of condominium units in the condominium project, and a statement whether the condominium units will be constructed, improved, or converted:

v) Any other pertinent information required by the commissioner.

(2) For any condominium project for which a declaration is recorded on or after July 31, 2012, the developer shall file the condominium registration form with the commissioner no later than 160 days prior to the recording of the declaration. In addition to information listed in subsection (A)(1), the registration form shall also include the following information:

i) In the case of a conversion, an affidavit signed by the developer which lists, by unit:

(a) all tenants who are eligible to receive the notice of intent pursuant to section 13-72-060(A)(2): and

(b) all qualified tenants, as that term is defined in section 13-72-065:

ii) Attached to the registration, the affidavits required pursuant to section 13-72-060(A)(3) and 13-72-065: and

The developer shall make available within 10 business days all information requested by the commissioner.

(B) No registration shall be accepted unless the developer, if required to be licensed under chapter 4-40, has a valid residential real estate developer license issued pursuant to that chapter.

(C) The following fee shall be paid at the time of filing of the registration:

(D) If a change in any information required under this section occurs at any time, the developer shall file with the commissioner a statement indicating the nature and effective date of the change within ten days after the change takes effect.

(E) A condominium registration shall not be considered complete until the developer files a condominium disclosure summary pursuant to section 13-72-025 with the commissioner.

(F) Twenty-five percent of fines collected for violations of this section shall be used to

Number of units constructed or converted

1 to 6

7 to 50

51 and over

Fee

\$300.00 \$600.00 \$900.00

administer the condominium registration program and the remainder of the fines shall be deposited into the Affordable Housing Opportunity Fund.

13-72-090 Administration and enforcement of chapter.

The commissioner of business affairs and consumer protection shall administer this chapter and may adopt rules and regulations for the effective administration of this chapter.

The commissioner of business affairs and consumer protection shall enforce any provision of this chapter by instituting an action with the department of administrative hearings or by the corporation counsel through injunction or any other suit, action or proceeding at law or in equity in a court of competent jurisdiction.

Any information, receipt, notice, or other document required under this chapter shall be open for inspection and review by the commissioner or the commissioner of business affairs and consumer protection at any

reasonable time.

13-72-100 Rights, obligations and remedies.

The rights, obligations and remedies set forth in this chapter shall be cumulative and in addition to any others available at law or in equity. A person may bring a private cause of action in a court of competent jurisdiction seeking compliance with the provisions of this chapter and the prevailing plaintiff shall be entitled to recover, in addition to any other remedy available, his damages and reasonable attorney's fees: ~~The department or any prospective purchaser, purchaser or owner of a unit may seek compliance of any provision of this chapter,~~ provided, however, that only the department may enforce the provisions of Section sections 13-72-110 or 13-72-085. In any action brought to enforce any provision of this chapter except Section 13-72-110 the prevailing plaintiff shall be entitled to recover, in addition to any other remedy available, his reasonable attorney fees.

13-72-105 Consultation.

The commissioner and the commissioner of business affairs and consumer protection shall consult and cooperate with each other in the implementation, administration and enforcement of the provisions of this chapter.

13-72-110 Penalty for violation.

Unless otherwise provided, any Afty person found guilty of violating sections 13-72-050(A) & (B). 13-72-060.13 -72-065 or 13-72-085 shall be punished by a fine of not less than \$200.00 nor more than \$5,000.00 for the first offense, and not less than \$2,000.00 nor more than \$10,000.00 for the second and each subsequent offense in any given 180-day period. Any person found guilty of violating any of the provisions other section of this chapter upon conviction thereof shall be punished by a fine of not less than \$100.00 nor more than \$300.00 for the first offense and not less than \$300.00 nor more than \$500.00 for the second and each subsequent offense in any 180-day period, provided, however, that all actions seeking the imposition of fines only shall be filed as quasi-criminal actions subject to the provisions of the Illinois Civil Practice Act (Illinois Revised Statute s 1975, Ch. 110, par. 4 et seqr). Repeated offenses in excess of three within any 180-day period may also be punishable as a misdemeanor by incarceration in the county jail for a term not to exceed 180 days six months under the procedure set forth in Section 1"2"1.1 of the Illinois Municipal Code (Illinois Revised Statutes 1975, Ch. 24, par. 1-2"1.1) under the provisions of the Illinois Code of Criminal Procedure (Illinois Revised Statutes 1975, Ch. 38, pars. 100^1, et seq.) in a separate proceeding. Each failure to comply with the provisions of this chapter with respect to each person shall be considered a separate offense. A separate and distinct offense shall be regarded as committed each day on which such person shall continue or permit any such violation.

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In addition to such fines and penalties, violation of any provision of this chapter shall be cause for revocation of any license issued to such violator or offending party by the City of Chicago. Nothing herein shall be construed to preclude the revocation of any license for violation of any other provision of the Municipal Code of Chicago.

In addition to any other fines or penalties provided for, no tax stamps required under chapter 3-33 shall be issued to any developer who has received a citation for violating section 13-72-060(AK2) or section 13-72-085 which has not been adjudicated, unless the developer, at his or her option:

(1) Delays the sale of the residential condominium until such time that the developer has come into compliance or the matter has been adjudicated:

(2) Pays any fine imposed for such violation: or

(3) Posts a bond with the city, in a form prescribed by the commissioner of business affairs and consumer protection, in the amount equal to the maximum fine due. After adjudication, if the developer is found not liable, the bond shall be returned, or if the developer is found liable, the bond shall be used to satisfy the amount of the fine and anv amount remaining after payment of such fine shall be returned to the developer.

SECTION 4. Following due passage and approval, this ordinance takes effect on January 1,2012.

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Committee Memberships:

Housing and Real Estate (Chairman)

Committees, Rules and Ethics (Vice-Chairman)

Transportation and Public Way (Vice-Chairman)

Aviation

Budget and Government Operations Buildings Finance Zoning

May 4, 2011 CHICAGO, ILLINOIS

TO THE PRESIDENT AND MEMBERS OF THE CITY COUNCIL:

Your Joint Committee on Housing and Real Estate and Committee on Buildings which was referred a substitute ordinance by the Department of Business Affairs and Consumer Protection, amending Chapter 13-72 of the Municipal Code regarding condominium-related consumer protection.

Having the same under advisement, begs leave to report and recommend that Your Honorable Body Pass the proposed substitute ordinance transmitted herewith.

This recommendation was concurred in by a unanimous vote of the members of the joint committee present with no dissenting votes.

Respectfully submitted,

(signed)

Ray Suafcez, Chair Committee on Housing & Real Estate

(signed)

Respectfully submitted,

Jernard L. Stone, Chairman Committee on Buildings