File #: O2020-3457, **Version:** 1

Committee on Licensing and Consumer Protection
June 17,2020 City Council

ORDINANCE

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

SECTION 1. Section 4-5-010 of the Municipal Code of Chicago is hereby amended by deleting the language stricken through and by inserting the language underscored, as follows:

(Omitted text is unaffected by this ordinance)

(36) Short Term Residential Rental ~~Intermediary~~ Housing Platform (4-13)i$10.000.00. plus a $60.00 per unit fee for each short term residential rental listed on its platform

~~-Short Term Residential Rental Advertising Platform ('1 13) $10,000.00, if the intermediary has 1,000 or mere short term residential rental:; listed on its platform; or $5,000.00, if the intermediary has 999 or fewer short term residential rentals listed on its platform~~

~~-Shared Housing Unit Operator (<\ 16) $250.00~~

SECTION 2. Section 4-6-290(a) ofthe Municipal Code of Chicago is hereby amended by deleting the language stricken through and by inserting the language underscored, as follows:

4-6-290 Bed-and-breakfast establishment.

(a) Definitions. As used in this section:

(Omitted text is unaffected by this ordinance)

"Short term residential rental i-R~~termediai-y~~ hosting platform" or "~~intermedia~~ry hosting platform" has the meaning ascribed to that term in Section 4-13-100.

■^~~hort term residential rental advertising platform" or "advertising platform" has the meaning~~ af^fibed-te-that-term-in-Seetien 4 ~~13 100.~~

(Omitted text is unaffected by this ordinance)

(f) Legal duties. Each licensee engaged in the business of bed-and-breakfast establishment shall have a duly to:

(Omitted text is unaffected by this ordinance)

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18) If the bed-and-breakfast establishment ids listed on any short term residential rental int~~ermediary~~ hosting platform ~~or sh~~ort-ter~~m residential rental advertising~~ ~~platform~~, a licensee under this section shall have the following duties:

SECTION 3. Section 4-6-300 ofthe Municipal Code of Chicago is hereby amended by deleting the language stricken through and by inserting the language underscored, as follows:

ARTICLE XXX[1]. VACATION RENTALS (4-6-300 et-scq.) 4-6-300 Vacation rentals.

a) Definitions. As used in this section:

(Omitted text is unaffected by this ordinance)

~~"Shared housing unit operator' mean~~s ~~any person~~ l~~icensed or required to be licensed~~ under-€-hapter-4-~~16 ofthis Code.~~

(Omitted text is unaffected by this ordinance)

b) Application - Additional information required. In addition to the requirements set forth in Section 4-4-050, an application for, and, if requested, a renewal of a regulated business license authorizing the owner of a dwelling unit to rent or lease such dwelling unit as a vacation rental shall be accompanied by the following information:

(Omitted text is unaffected by this ordinance)

(12) a statement as to whether, within two years ofthe date of application or renewal, the applicant or licensee, as applicable, has ever had a license for a vacation rental, bed-and-breaklasl establishment, hotel ~~or shared housing unif~~-ope ~~rator~~. or a shared housing unit registration under Chapter 4-14 ofthis Code, for the dwelling unit identified in the license application suspended or revoked for cause;

(Omitted text is unaffected by this ordinance)

c) License issuance and renewal - Prohibited when. No regulated business license to engage in the business of vacation rental shall be issued to the following persons:

(Omitted text is unaffected by tin's ordinance)

(8) any applicant or licensee, as applicable, whose license to engage in the business of vacation rental, bed-and-breakfast establishment, or hotel ~~or shared housi~~>g-uml-o~~perator~~ or whose shared housing unit registration under Chapter 4-14 has been suspended or revoked lor cause within two years of the date of application or renewal;

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(9) any applicant or licensee, as applicable, whose license lo engage in the business of vacation rental, bed-and-breakfast establishment, or hotel ~~or shared~~ hotist-r+~~g unit operator~~ for the dwelling unit identified in the license application, or whose shared housing unit registration under Chapter 4-14 for the dwelling unit identified in the license application, has been suspended or revoked for cause:

(Omitted text is unaffected by this ordinance)

g) Prohibited acts.

(Omitted text is unaffected by this ordinance)

h) Vacation rentals listed on a platform. If a vacation rental is listed on any short term residential rental i~~nterme diary~~ hosting platfonn ~~or short term residential advertising platform~~ within the meaning of Chapter 4-13 ofthis Code, a licensee under this section shall have the following duties:

SECTION 4. Chapter 4-13 ofthe Municipal Code of Chicago is hereby amended by deleting the language stricken through and by inserting the language underscored, as follows:

CHAPTER 4-13
SHORT TERM RESIDENTIAL RENTAL ~~INTERMEDIARIES AND~~ A-DV-E-RT-ISI-NGHOSTING PLATFORMS

Article I. Definitions

Section 4-13-100 Definitions.

As used in this chapter:

"Bed-and-breakfast establishment" has the meaning ascribed to that term in Section 4-6-290.

"Booking transaction"' means a transaction in which a hosting platform collects or receives compensation or fees for facilitating the rental for transient occupancy of a short term residential rental located in the City bv directly or indirectly allowing a reservation to be made for a guest or collecting or processing guest payments through a platform.

"Cooperative building" means a multiple-dwelling complex owned by a cooperative corporation, stock in which affords the owner thereof the right to possess or occupy a particular cooperative allocated lo that stock within the complex. This right of possession or occupancy is granted through a proprietary lease or similar arrangement, and. unlike the owner of a condominium, the owner ofthe cooperative stock does not hold legal title to his or her individual cooperative. As used in this definition, "cooperative" means an individual dwelling unit within a cooperative building.

"Dwelling unit" has the meaning ascribed to that term in Section 1 7-1 7-0248.

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"Egregious condition" has the meaning ascribed to that term in Section 4-14-010.

"Guest" has the meaning ascribed to that term in Sections 4-6-290. 4-6-300. or 4-14-01 0. as applicable.

"Homeowners association'[1] has the meaning ascribed to that term in Section 4-6-300(a).

"Platform"[1] means an internet-enabled application, software, website, mobile application, or any other digital system ~~platform~~ used by a short term residential rental wte^mediary-hosting platform to connect guests for transient occupancy with, or advertise rentals for transient occupancy tor, w+th-a short term residential rental provider.

"Restricted residential zone'* has the meaning ascribed to lhal term in Section 4-1 7-010.

"Shared housing host" or "host" has the meaning ascribed to that term in Section 4-14-010.

"Shared housing unit" or "unit"' has the meaning ascribed to that term in Section 4-14-010.

~~"Shared housing unit operator" means any person that requires a shared housing unit operator~~ lic-ense-under-Ghapter 4-16 ~~ofthis Code~~r

"Short term residential rental" means a dwelling unit located within the eCily lhal is rented as, or held out as being used as, a shared housing unit, bed-and-breakfast establishment or vacation rental lor transient occupancy.

"Short term residential rental hosting platform"~~intermediary"~~ or "hosting platform ~~interme~~diary"' means any person who: (I) provides a platform on which a short term residential rental located in the City is advertised or held out to the puhlic as available to rent for transient occupancy: and (2) facilitates booking transactions.~~, for compensation or a lee~~ ~~: (I) u~~ses renting-a-short term-residenti~~al rental, and~~-(4-2-)-pr-~~imai ily~~ li~~sts shared~~ hetKS-mg-units-on-its ~~platform: .~~

~~residential rental advertising platform" or •• advertising-platform" moans any person who. for compensation or a fee: (1) uses a platform to connect guests with a short term residential rental prov ider for the purpose of renting a short term residential rental, and (2) primarily lists licensed bed-and-breakfast establishments, vacation-rettta-ls or hotels on its plat-fer-m-ordwelling units that require a license under this Code to engage in the business of~~

"Short term residential rental provider" or "provider" means any person who offers for rent a short term residential rental.

"Transient occupancy"' has the meaning ascribed to that term in Section 4-6-290.

"Vacation rental"' has the meaning ascribed to the term in Section 4-6-300.

ARTICLE II. SHORT TERM RESIDENTIAL HOSTING PLATFORM

Section 4-13-200 License - Required.

No person shall engage in the business of short term residential rental intermediary hosting platform without first having obtained a license under Article II ofthis Chapter 4-13.

Section 4-13-205 Licensee - Fee.

The license required under this Article II shall be renewed annually. The license fee set forth in Section 4-5-010 shall be payable annually.

Section 4-13-210 License application - Additional information required.

In addition to the requirements set forth in Section 4-4-050. an application for. and, if requested, renewal of, a license to engage in the business of short term residential rental en-a ~~intermediary~~hosting platform shall be accompanied by the following information:

1) the name, address and contact information ofthe ~~i~~ ~~nterm~~ ~~ed~~ ~~iary~~ hostin g p lat form's local contact person;

2) an affidavit from the local contact person identified in the license application attesting that such local contact person: (i) is designated for service of process; (ii) is authorized by the applicant or licensee to take remedial action and to respond to any violation ofthis Code: and (iii) maintains a residence or office located in the eCity;

(3) proof of all required insurance, as set forth in Sections 4-13-220(a) and 4-l3-220(b);

4) a written plan, subject to the approval ofthe commissioner, describing the applicant's procedures, processes and policies for ensuring that the applicant and any short term residential rental provider utilizing the platform are, and will remain, in compliance with this Chapter 4-13:

5) a quality of life plan, subject to the approval ofthe commissioner, meeting the requirements of Section 4-1 3-220(h);-awd

6) an affidavit from the hosting platform that it has obtained, and will continue to obtain, written consent for the disclosure ofthe information required under, and the furnishing of such information in accordance with. Section 4-13-240. from all providers with short term residential rentals in the City who intend to utilize their platform to rent a short term residential rental for transient occupancy: and

(76) any other information that the commissioner may reasonably require in connection with the issuance or renewal ofthe license.

Section 4-13-215 Attestation -A c k now I ed gem en t- Required.

The ~~intermediarv~~hosting platform shall be required to make available an electronic copy of a summary ofthe requirements ofthis ordinance, including the requirement that the shared

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housing unil host or vacation rental licensee be a natural person and that the relevant shared housing unit is the person's primary residence as defined in Section 4-14-010: the eligibility requirements Tor registration of a shared housing uniu as set forth in Chapters 4-1 3 and 4-14 of the Municipal Code of Chicago, the eligibility requirements for licensure of a vacation rental as set forth in Chapter 4-6 ofthe Municipal Code of Chicago, and the potential penalties applicable for violation of these ordinances. As a condition of listing on the platform, the i~~ntermediary~~hosting platform shall require the short term residential rental provider shared ~~housing host~~ to attest that the hes^provider has reviewed the summary ofthe requirements ofthis ordinance and lo acknowledge that their listing, rental and operation of a short term residential rental ~~shared housing units~~ in the City ar-e-js_subject to those requirements.

Section 4-13-220 Legal duties.

(a) Insurance for ~~inlermediary~~hosting platform - Required. Each licensee under this Article II shall have the duty to obtain commercial general liability insurance, with limits of not less than $1,000,000 per occurrence, for bodily injury, personal injury (if commercially available to the licensee) and property damage arising in any way from the issuance of the short term residential rental i ~~n te~~ i~~m~~ e~~d i a i y~~ h ost i n g p I a t fo rm license or activities conducted pursuant to that license. Eacli policy of insurance shall: (i) be issued by an insurer authorized to insure in the State of Illinois; (ii) name the City of Chicago as an additional insured on a primary, nonconlributory basis for any liability arising directly or indirectly from the issuance ofthe license (if commercially available to the licensee); (iii) be maintained in full force and effect for the duration ofthe license period; and (iv) include a provision requiring 30 calendar days' advance notice to the commissioner prior to cancellation or lapse ofthe policy;

(Omitted text is unaffected by this ordinance)

(d) Compliance with tax laws - Required. Each licensee under this Article II shall have the duty to comply with all applicable federal, state and local laws and regulations regarding collection and payment ol'taxes, including hotel accommodation taxes; however, when a hosting platform facilitates a booking transaction it shall be required to act as the relevant short term residential rental provider's agent for that transaction and: (i) assess, collect, report and remit all relevant taxes to the appropriate taxing body: (ii) maintain records of all relevant taxes collected that have been remitted to the appropriate taxing body; and (iii) submit the records of (ii) to the department:

(Omitted text is unaffected by this ordinance)

(g) Process lo remove listings from a platform - Required. Each licensee under this Article II shall have the duty to establish a process, to be approved by the commissioner, that enables a short term residential rental provider to remove from the -intermediaryhosting platform' ~~s platform~~ any or all ofthe provider's listings on such platform.

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(h) Process lo address quality of life concerns due to units on ineligible list - Required.

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Eacli licensee under this Article II shall establish and comply with a process, to be approved by the commissioner, tor mitigating the impact on quality of life of units determined to be ineligible under Section 4-13-260 or any hotel that is not properly licensed under Chapter 4-6 ofthis Code.

(i) Compliance with written plan - Required. Each licensee under this Article II shall have the duty to comply with any written plan approved by the commissioner pursuant to Section 4-13-210(4).

(j) License number on listing - Required when. Each licensee under this Article II shall establish a process, to be approved by the commissioner, to ensure that every-netel shared housing unit, bed-and-breakfast establishment or vacation rental listed on its platform includes the provider's license or registration numberr

Section 4-13-230 Shared housing units - Bulk proposed registration ~~required.~~

a) Bulk registration^-~~Required.~~ Each licensee under this Article II shall ~~register with-~~submit to the department, on behalf of the owner or tenant of the applicable shared housing unit, and in accordance with this section, all proposed shared housing units sought to be listed on the licensee's platform. The proposed registrations required under this subsection shall meet the requirements set forth in Section 4-14-020(b) and (c).

b) Notice to provider of bulk registration - Required. Each licensee under this Article II shall post a notice, in a conspicuous place on its platform, informing providers of shared housing units that: (1) the Intermedtar-yhosting piatform will submit~~register~~ the provider's shared housing unit for registration with the department, as required under subsection (a) ofthis section: and (2) ~~when~~ if the department assigns a registration number to the unit, the int~~ermediary~~hosting platform will notify the shared housing provider of such fact, as required under subsection (d+) of this section; and (3) upon receipt of such notification from the ~~i n te rm ed i a ry~~ h os t i n g p 1 a 11 o rm. the provider, pursuant to Section 4-l4-03()(d), has 3£-5_calendar days to update the applicable listing application to include the registration number assigned by the department; and (4) if no registration number is assigned lo the unit by the department within 90 days ofthe date on which the shared housing unit was registered with the department, the proposed listing shall be deemed to be invalid and the provider shall not allow the unit to be listed on the ffimeve-tiie-listrinu-lVom the platform: and (5) upon receipt of notification from the commissioner that a unit is ineligible under Section 4-13-260 for listing on the platform, the provider, pursuant to Section 4-14-030(c), shall not allow the ineligible unit to be listed or shall remove the ineligible listing from the p 1 atform. as the case may be.

c) Registration report required - Timeline for submission On the 1st and 15lh day of each month, each licensee under this Article II shall submit to the department a registration report, which shall be complete and accurate lo the last day ofthe preceding reporting period under this subsection, containing all ofthe registration information required under Section 4-14-020(b) and (c) for each shared housing unit that the licensee is seeking to register with the

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department during the applicable reporting period. Provided, however, that the licensee shall be deemed to be in

compliance with this subsection (c) if the licensee submits the required report and registration information lo the department on a daily or weekly basis or more frequently than twice each month. Provided further, that the interroed+afy shall facilitate the collection, and

wr-eonsistet>t with requirements prescribed by the cerr-

(aj-Duration of pending registration status

rtform does h

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(d)-Pending registration-Listing and rental of shared housing units while registration ►^Pr4er-to-subm4ssion-by-the intermediary ofthe registmtiorvH^pe>i't-i'equired-ttt>def subsection (c) ofthis section aftd the assignment under Section 4 14 020(e) of a unique registration number to the shared housing unit identified in such report: (i) a shared housing host may-list a shared housing unit that will be identified by the intermediary in its monthly registration report on its platform if the listing clearly indicates that the unit's registration by the departm enhis-pendtngt-afid-^ii) the host of any unit that will be-identitied in such registrat ion r-epefrshall be allowed to rent such shared housing unit, and to book future listings for such unit, until such time that the commissioner determines that such unit is ineligible under Section '\ 13-2-60(a Ho4>e-bsted-en-the p I at form.

Removal of invalid listing required when. leeem-pam
to be accompanied by the notification required under subsection (d) ofthis section indicating that approval ofthe shared housing unit's registration is pending, such listing, without an assigned registration number, shall not be valid for more than 90 calendar days after the date on which the shared housing unit was registered with the department pursuant to subs ection (a) ofthis section-Such invalid listing shall be lemoved-from-the-plat-fomT-by-the host no later tlwT-9-l-ealendar-days after the date on which the shared housing unit was registered with the department pursuant to-subseclion (a) ofthis section, unless the department notifies the shared housing host itv-wmiftg

registration status to a date certain, which shall be identified in the written notice, after which

remtvved-fronvthe-plat-('omT-by-the host.

(df) Duties of+nl-er-mediaryhosting platform following department's assignment of a unique registration number lo a shared housing unit. When-If the department assigns a registration number to a shared housing unit listed in the proposed registration report submitted by the jfrtewwediaryhost i n g p lat form pursuant to subsection (c) ofthis section, the department shall notify the intenriediaryhosling platform and the shared housing provider of such fact. Such departmental notification shall identify the registration number that the department has assigned to such shared housing unit. The licensee shall establish a process, which shall be approved by the commissioner, to ensure that the shared housing unit's listing on the platform is promptly updated to include the assigned registration number. The licensee's failure lo comply with such approved process shall be a violation ofthis subsection. No listing shall be displayed that does not have a valid registration number.

(eg) Ineligible listings - Duties ofthe mier-~~mediarv~~hosting platfonn. 11" ihe department determines that a shared housing unit listed in the registration report submitted by the i~~nterme~~diar-yhosting platform pursuant to subsection (c) ofthis section- is ineligible under Section 4-13-260(a) for listing on a platform, the department shall notify the ~~intermediary~~hosting platform of such fact in accordance with Section 4-l3-260(b). Upon receipt of such notice from the department, the i nter- mediar-y h ost i n g p I at form shall notify the shared housing host of the$_T$ facts set forth in such notice from the department. No hosting platform may list a shared housing unit found to be ineligible by the department.

Section 4-13-240 Data and reports - Required.

Notwithstanding any other provision of law or department action to the contrary, and as a condition of licensure:

a) Departmental report - Required. Each licensee under this Article II shall have a duty to submit to the department, every twe-months. a report, in a form approved by the commissioner, that contains the following information about the short term residential rentals listed OB-through the inter-t^ed4arvhosting platform during the reporting period:. (i) the te-total number of short term residential rentals listed on the platform during the applicable reporting period; (ii) the total number of nights that each short term residential rental listed on the platform was rented to guests during the applicable reporting period; (iii) ~~the itemiz~~ed-the amount of rent paid by guests in connection with the rental of each short term residential rental listed on the platform during the applicable reporting period; (iv) the total amount of tax paid by the

~~i n t~~ e ~~rm~~ e ~~d i a ry~~ h o s t i n g p I a t lb r m to the eCity under Section 3-24-030 in connection with the rental of each short term residential rental l~~isted on~~ the hosting platform facilitates a booking transaction for during the applicable reporting period; (v) a cumulative tally to date ofthe number of nights that each short term residential rental listed on the platform is booked for rental during the remaining months ofthe applicable calendar year: and and-(vi) a notation indicating each short term residential rental listed on the platform that the department has determined is ineligible under Section 4-l3-260(a) to be listed on the platformThe report shall also contain the following information about each specific short term residential rental booking transaction during the reporting period: (vii) the address of ~~each l~~istmgthe short term residential rental, including anv unit designations; (v4ii) the name of eaeh-thc short term residential rental provider~~shared housing host or op~~erator-: (iiix)-any-the short term residential rental provider's applicable registration or license numbers as required bv Code: (ivx-) the individual periods of rental hy calendar date:l-ieensee-t>u-mber-ot-ti>~~e shared housing host or operator:~~ (v) the itemized amounts collected or processed by the hosting platform for the rental, taxes, and all other charges: and (*vi) anv other information as may be required by the commissioner.-

b) Additional departmental reports - Required when. Upon request by the commissioner, each licensee under this Article II shall have a duty to submit to the department, in a form and manner prescribed by the commissioner, data identifying the total number of shared housing units that have been rented for more than 30 nights, or for any other period of nights during the current, previous, or subsequent calendar year, that the commissioner reasonably determines is necessary to assist the department in enforcing this Chapter 4-1 3 or

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Chapters 4-14 or 4-1 6 ofthis Code. Such submission shall include a notation indicating each shared housing unit included in the data that the department has determined is ineligible under Section 4-1 3-26()(a') foi- listing on a platform.

c) Aldermanic report - Required. Each licensee under this Article II shall have a duty to submit to each alderman, every two months, a report, in a form approved by the commissioner, that contains, on ward specific basis for the respective ward, the information set forth in i~~tems (~~iHhrwg~~h (vi) of~~ subsection (a) ofthis section about each ofthe short term residential rentals listed on-through the

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jfriemtediar-vhosting platform during the applicable reporting period.

d) Maintaining hooks and records - Required. Each licensee under this Article II shall have a duty to keep accurate books and records^ and maintain such books and records, for a period of three years. Such books and records shall include the reports set forth in subsections (a), (b) and (c) ofthis section and their underlying records.

e) Additional reports and data. Each licensee under this Article II shall have a duty to provide additional reports and data to the City as provided by the commissioner in rules.

(f) Departmental audit and subpoena powers. The department shall have the right to utilize anv ofthe reports set forth in subsections (a), (b) and (c) ofthis section and their underlying records for auditing purposes. Each licensee under this Article II shall also have a duty to provide these reports and records upon written request ofthe department for such purposes, and the department may issue and serve subpoenas and compel the production of these reports and records as necessary to enforce hosting platform compliance. Such underlying records mav not include copies of specific message exchanges between the hosting platform and a short term residential rental provider or guest, or between the provider and guest.

ff)-Form of data and report submission. The information contained-in-the reports fequire<furHter-subsefet-ien7>-(a-)r-fbj and (c) ofthis section may be submitted in an anonymiz-ed

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applicable provision of-this-Ck)deT-ineludingT-biit-die cotn-missioncr may issue an order, in the form-

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.Section 4-13-250 Prohibited acts.

a) List ineligible short term residential rentals imds-on the platform. It shall be unlawful for any short term residential rental provider to list on a short term residential rental imerroediaryhostmg platform ~~platform~~ any short term residential rental that the commissioner has determined is ineligible for listing pursuant to Section 4-13-260(aXr-er

b) Financial benefit from ineligible listings on the platform. It shall be unlawful for anv person acting as. or on behalf of. a short term residential rental hosting platform to facilitate a booking transaction for a short term residential rental located in this City that is not registered in accordance with Chapters 4-13 and 4-14t not licensed in accordance with Chapter 4-6. or is ineligible under Section 4-13-260.

c) Failure lo remove ineligible listings from ihe platform. It shall be unlawful for any short term residential rental provider to fail to remove from a short term residential rental mt~~ermediary~~hosting platform ~~platform~~ any short term residential rental that appears on the list of ineligible short term residential rentals made available to intermediaries pursuant to Section 4-13-230(g).

Section 4-13-260 Ineligibility - Listing on platform by a provider prohibited when.

(a) Conditions of ineligibility for listing. A short term residential rental shall be ineligible for listing by a provider on a licensee's platform under the following conditions:

1) Nuisance When, in the determination ofthe commissioner, the rental ofthe short term residential rental creates a nuisance because at least three-two separate incidents involving illegal acts, as that term is defined in Section 4-4-313(h). occurred: (i) in the short term residential rental; (ii) in or on the premises in which the short term residential rental is located: (iii) in the short term residential rental's parking facility; or (iv) on adjacent property. For purposes of determining whether three-two or more illegal acts occurred, illegal acts occurring shall be limited to acts ofthe guests, or of invitees ofthe guests, or to acts otherwise involving circumstances having a nexus to the operation ofthe short term residential rental while rented to a guest: or

2) Egregious condition. When the short term residential rental is the situs of an egregious condition: or

3) Scofflaw or problem landlord. When a short term residential rental is listed on. or located in a building that is listed on. the city's Building Code Scofflaw List or Problem Landlord List pursuant to Section 2-92-416; or

4) Uncorrected code violations. When a short term residential rental is found to be in violation of any applicable licensing or registration chapter ofthis Code, and the condition that gave rise to the violation has not been corrected: or

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5) Suspension or revocation. When any license or registration of any person engaged in the business of short term residential rental oi-sharetl-liousing-i+r+it-eperatoi--is suspended or revoked under this Code; or

6) Zoning violation When the area in which the short term residential rental is located is not properly zoned for the applicable use. Provided, however, that any dwelling unit properly licensed as a vacation rental as of June 22, 2016 shall be deemed to be in compliance with the applicable zoning requirements ofthis Code that applied and were in existence af the time such vacation rental license was approved; or

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7) Rental caps exceeded. If the short term residential rental is a shared housing unit, when any unlawful act set forth in Section 4-14-060 occurs; or

8) ~~Shared housing host~~ Provider is not a natural person. If the short term residential rental is a shared housing unih or vacation rental, when the ~~registered shared housing~~ hostprovidcr is not a natural person; or

9) Building owner prohibits all vacation rentals or shared housing units from operating in such building. If the building contains five or more dwelling units, when the owner ofthe building notifies the commissioner, in a manner prescribed by rule, that no licensed vacation rentals or shared housing units are permitted to operate anywhere in such building. Provided, however, that if the building is a cooperative building, condominium building or building governed by a homeowners' association, the requirement that such building must contain live or more dwelling units shall not apply for purpose ofthis subsection (a)(9); or

10) Suspension or revocation of related licenses. If the short term residential rental is a shared housing unit, when the shared housing unit host has had a vacation rental license, bed-and-breakfast establishment license, ~~hotcl~~ ~~license~~ ~~or~~ ~~shared housing unit operator license,~~ or a shared housing unit registration under this chapter, suspended or revoked for cause for the shared housing unit identified in the registration application or for any other shared housing unit registered with the eCity; or

11) Shared housing unit or vacation rental is located in a restricted residential zone and was not a legally established use as ofthe effective date ofthe ordinance establishing such zone. If the short term residential rental is a shared housing unit or vacation rental, when: (i) such short term residential rental is located in a restricted residential zone, and (ii) such shared housing unit or vacation rental, as applicable, was not a legally established use within the meaning of Section 4-17-070 as ofthe effective date ofthe ordinance establishing such restricted residential zone.

(b) Ineligibility for listing on a platform - Notification process. Upon determining that a short term residential rental is ineligible under this subsection to be listed on a platform, the commissioner shall notify the short term residential rental provider and ~~intermediary~~hosting platform, in writing, of such fact and ofthe basis for the determination of ineligibility. Such notice shall include a statement informing the short term residential rental provider and the mtermediar -yhostinu plat form that such provider may. within 5-1-0 calendar days ofthe date on which the notice was sent, request, in a form and manner prescribed by the commissioner in rules, a hearing before the commissioner to contest the determination of ineligibility for listing.

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The notice shall also advise the short term residential rental provider and ~~intermcdiar~~yhosting platform that the provider is entitled to present to the commissioner any document, including affidavits, related to the commissioner's determination. If requested, a hearing before the commissioner shall commence within 10 business days of receipt of such request. Within 60 calendar days of completion ofthe hearing the commissioner shall either affirm or reverse such determination based upon the evidence presented. The commissioner's determination shall be linal and may be appealed in the manner provided by law. If a short term rental provider fails to request a hearing within the prescribed time, the commissioner's determination shall be final and the short term residential rental shall be deemed ineligible for listing on the platform.

(c) Ineligibility for listing on a platform - License or registration number absence. If the department notifies a hosting platform in writing that an advertisement or listing on its platform for a short term residential rental in the City

fails to display a valid, current and applicable license or registration number in accordance with Section_4-6-30(). 4-12-200. 4-14-20. or 4-14-30. the hosting platform must remove all advertisements or listings for that short term residential rental from its platform within 3 business days unless the advertisement or listing is otherwise brought into compliance with the law. It shall be a rebuttable presumption that a short term residential rental is unlawful if the provider has not included their applicable license number in the rental's advertisement or listing.

Section 4-13-270 Departmental duties.

a) Duly lo maintain list of short term residential rentals. The commissioner shall maintain a list, by address, of all short term residential rentals currently licensed or registered under the applicable provisions ofthis Code.

b) Duty to maintain ineligibility list. The commissioner shall prepare and maintain a list of all short term residential rentals that are ineligible lo be listed on a short term residential rental ~~intermediary~~ hosting platform~~'s platform~~ . Such list, which shall be updated by the commissioner periodically, but in no event fewer than four times per calendar year, shall include the date on which the list was most recently updated and shall be made available by the commissioner to all licensed short term residential rental hosting ~~intermediaries and short~~ term ~~residential rental advertising~~ platforms in a form and manner prescribed by the commissioner.

(Omitted text is unaffected by this ordinance)

(e) Duly to share data with government entities. The commissioner shall, upon proper written notice and as further dellned by rules, share the reports, sections ofthe reports, underlying records, or anv combination of those items required pursuant to Section 4-13-240. with other municipal departments for tax auditing purposes, and such as other City government entities require to ensure compliances wilh all laws, ordinances, or regulations that are not otherwise preempted bv ILCS 5 ILCS 140/1.

~~ARTICLE 111. SHORT TERM RESIDENTIAL RENTAL ADVERTISING PLATFORM~~

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~~Sectio~~B-4-43-305-Licensee-Feer

T4~~ic lic~~ense-~~required under this Article III shall b~~e renewed-annuaUyT-44>e4i~~cense fee~~ set for~~th in S~~ eetioft-4-r>-(W)-slra^ ~~annually.~~

~~Section~~4-13-310 License application-Additional ~~information required.~~

~~In addition to the requirement~~s ~~set forth in Section 4 4 050, an application for, and, if requested, renewal of, a lic~~e ~~nse to engage in the business of short term residen~~tial-rental ~~advertising platform shall be accompanied by the following information:~~

(44-~~the name, address and contact information ofthe advertising platform's local conta~~ct persem

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(-3-)-an-a f lidavit-fronv-the-loeai contact person identified in the license appIieaI ion attesting that such local contact person: (i) is designated for service of process; (ii) is authorized by the applicant qr licensee to take remedial action and to respond to any violation-cf this Code; and (iii) maintains a residence or office located in the city;

(5-)-proof of inswfaneer-as set-forth in Section-4-l 3-32()(a·H

(4)-a written plan, subject to the approval ofthe commissioner, describing the

applicant's procedures, processes and policies for ensuring that the applicant and any short term

residefttefrental-prov^ platform are, and will remain, in compliance-witl-Hnis
0 h ii'pt&i "1*-1~l>t

(4)-a quality of life plan, subject to the approval ofthe commissioner, meeting the requirements of Sectio rv4-4-3-320(g): and

(6)-any other information that the commissioner may reasonably require in connection with-the-issuance or-renewal-af the-licenser

Section 4-13-32f)-Legaf-tlriities.

(a)-Insurance for short term residential rentH^idver-lhmg-fdatjonn-Required. Each licensee under-this Artie le4-il-shail-have a duly to obtain commercial general liability insuranee.

commereially available to the licensee) an el-property damage arising-in any way from the issuanee-of the .shor-Herin-resideiUial-rerrtaf-advertkring platform license or acti-v-k-ies-<;i->ndneted pursuant to that license. Each policy of insurance shall: (i) be issued by a+vi-nsurer-atri-horized to tnsHre4n-lhe--State-of-l41inois;-(ii)-mtnve-the-Git-y of-Ghieago as an additional insured on a primary, rwneontributory-basis-for-arry4iabi-fity-arising directly or indirectly from the issuanee-of-the license-^([1]eonnneretaliy-available-to-the4teensee be maintained in lull foree-and-e-ffeet for



the-duiation ofthe license period; and-fi-v-)4neludc a provision requiring 30 calendar-days^ advance notice to ih e-eomm-issiener-prier to cancellation or lapse ofthe petieyr

fb)-kk-Hl-i-fii-tHum trfl&eal-econtact person-Required. Each licensee-under this Article III shafl have a duty to include on its platform the-name of. and contact information for, the licensee's local contact person^

(e)-Compliance wilh tax laws-Required. Each licensee under this Article III shall have a-duty: (i) not to li s-fc-or-permit-an-y-pe-rson-to-list, any short term residential renlaf-on-ks-platforirtr

rules, from its short term residential rental providers that each such provider has a duty to comply with all applicable fedc ral, state and local laws and regulations regarding collection and payment of taxes, including hotel accommodation taxes; and (ii) to ensure that any third party bired-er-otherwise retained by the licensee to aceept-or-proeess-the-payment-of any

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rent or-hs equivalent that a provider charges a guest in connection with the rental of a short term residential rental obtains an attestation from its short term residential rental providers, in a form to be

such applicable laws and regulations.

d) -Conditions for listing on the platform-Vacation rental license required fform-to post license mtm -ber-ott-alf-lis+higs. Each licensee under this A-r-t-iele4f4

platfornv^fr^s^ place on its website rftdvismg short term residential rental providers that such providers are required under this Article III to obtain a vacation rental license in order to list a rental unit on a short term residential rental

hotel or bed-and-breakfast establishment; (2) includes the provider's vacation rental license number, hotel bemse-mtmber-or bed and breakfast establt shrcient-liee nse-number, as appbeabler on all listings that appear on the short term residential rental advertising platformr

e) -Descriptive listing information-Required. Each licensee under this Article-Hi shall

licensee advises the short term residential rental provider-that each such listing shall include-the descriptive information about the listing set forth in Section 'I f4-040('a)(1) through (a)(1). melus+ver

(f)-P-roeess to remove listings from a pkuft>r-m-Rapiired. Each licensee under this

Article III shall have a duty to establish a process, to be approved-by-the-corntuissioner. that

enables a short-term-residentraI-rental-provider to remove from the intermediarvVpkitform any or

all ofthe provider's listings on such platform.

(g-)-Process lo address tpudily of life concerns dne-H-Mim(s-on-im;ligih/e list. Each tieensee u nder-dds-.A44krl-e-H'-shall establish and comply with a process, to4j>e-appr-oved by the ^fity-of4i-le-of-tinks-deterniined to be ineligible plel that is not-properly-lieensed-t+nder Chapter 4 6 of-thls Coder

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ft-v)-C'tmqd4tmee-^w4th-wrillen plan-Required. Each lieerisee-tmdeMlwVArticle 111 .shall ^ty-t^)-eempiy-wkh-at>v-\VHitteii plan approved by the commissioner pursiiaFrt-te-Seetteft 4-14-34-0(4).

fH-N-ol-ification lo provider of ineligibility for listing-Required. Upon-r-eceipt of notice tk-)m-the-departn>enf-pHfsttaHt-to Section 4 13 330(b). each licensee tinder tln\s-Art-iele4II shall

depm Imcnt" unci ol the pio vicltji-s-tltrt\ to remove sucli kmcIiit) 1 e 11stinij, \iom tlic tidvoi lisinii, platform.

Section 4 13 330 Ineligibility-Listing on a platform prohibited when-Notice and hearing.

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(a) -A short term residential rental shall be ineligible for listing by a provider on a licensee's platform under the conditions set forttT4n-Seetion-4-l-3-36Qki)T

(b) -Upen-deterrnii

4>eartn

^ntredr

fetch licensee under this Article ll-l-slHtll--submit-to-tbe-department, no later than the tenth day of each month, a complete and accurate report, in a form approved by the com-missionerr identifying the name ofthe owner, and the addres s and business license number, of each hotel, bed and breakfast establishment, and vacation rental that: (I) is currently listed on the licensee's

tew listing since tho~t-i ine-lhe-l iee n see-s uk

sensee-shall

"TII~! II pL*

be deemed-to be in-eonvpliance with this seeHon4l-4he-Heense department on a daily, weekly or semi monthly basis.

ARTICLE I VIM. ENFORCEMENT

Section 4-13-300 Rules.

The commissioner is authorized to promulgate rules necessary to implement this chapter.

Section 4-13-310 Penalty for violation.

In addition to any other penalty provided by law. any person who violates this chapter or any rule promulgated thereunder shall be subject lo a line of not less than $24,500.00 nor more than $54,000.00 for each offense and to suspension, revocation, or refusal of anv applicable license or registration issued pursuant to this Chaptered^ Each booking transaction a hosting platform facilitates, or each day that a violation continues, shall constitute a separate and distinct offense.

SECTION 4. Chapter 4-14 ofthe Municipal Code of Chicago is hereby amended by deleting the language stricken through and by inserting'the language underscored, as follows:

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Section 4-14-010 Definitions.

As used in this chapter

'{Omitted text is unaffected by this ordinance)

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"Primary residence" means the dwelling unit where a person lives on a daily basis at least 245 days in the applicable calendar year. The failure of a person to claim a Cook Counts' homeowner exemption for a dwelling unit shall create a rebuttable presumption that such dwelling unit is not the person's primary residence.

"Rental agreement** has the meaning ascribed to that term in Section 5-12-030.

"Shared housing host"" or "host" means an owner or tenant of a shared housing unit who rents such unit to guests.

"Shared housing unit" or "unit" means a dwelling unit containing 6 or fewer sleeping rooms that is rented, or any portion therein is rented, for transient occupancy by guests. The term "shared housing unit" shall not include: (1) single-room occupancy buildings; (2) hotels: (3) corporate housing; (4) bed-and-breakfast establishments; (5) guest suites; or (6) vacation rentals.

"Short term residential rental ~~intermediary~~hosting platform" or "~~intermediary~~hosting platform" has the meaning ascribed to that term in Section 4-13-100.

(Omitted text is unaffected by this ordinance)

Section 4-14-020 Shared housing unit registration - Required.

a) Registration by ~~intermediary~~hosting platform or host required. ~~Except as otherwise~~ {^evided-in-stt-bsec-U~~en (g) ofthis section. n~~No dwelling unit listed en-through a short term residential rental ~~intermediary~~hosting platform Vplatform shall be rented by a shared housing host until such wter-mediarvh os t i n g p I at fo rm. acting on behalf ofthe owner or tenant ofthe listed dwelling unit$_T$ and in accordance with Section 4-l3-230(a). or the shared housing unit host themselves, registers such unit with the department, as evidenced by the submission to the department of a registration application meeting the requirements of subsections (b) and (c) of this section, and the department has approved such registration by providing a unique registration number in accordance with (e) ofthis Section.

b) Registration application - Form and contents. The registration application required under subsection (a) ofthis section shall be in a form and manner prescribed by the commissioner, and shall be accompanied by the following information:

1) the shared housing host's name, which shall be the name ofthe a natural person who is the owner of or tenant of the shared housing unit as defined in Section 4-14-010:

2) the address ofthe dwelling unit being registered as a shared housing unit, including the unit number, unit letter or similar unit identification:

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3) the-othcr contact information for the host or-and a local contact person where applicable, including telephone number and email address;

4) whether the dwelling unit identified in such application is a: (1) single family home, or (ii) a unit in a building containing multi-dwelling units, and (iii) whether the listing will make the entire dwelling unit available for rent

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or a room or portion ofthe dwelling unit available for rent;

5) whether-tan attestation ektuse-that the dwelling unit identified in such application is the shared housing host's primary residence; and

(Omitted text is unaffected by this ordinance)

(g)-Listing ami rental of a shared housing unit while registration is pemlmg- Permitted. Until the department approves the registration application, as evidenced by its assignment-of a unique-registration number to the dwelling unit-identified in such-appfteatierh any listing of such dwelling unit on an intermediary's platform shall be accompanied by a notation, which shall be leeated in a conspicuous place in the listing, indicating that approval of

pending approval by the department: (I) the intermediary may allow any shared housing unit that will be included in the registration report required under Section 4-13-230(c) to be listed on its platform, if the listing is accompanied by the required notation; and (2) the shared housing host identified in the registration application shall be allowed to rent the shared nous!ng-unit identified in such application and report, and to book future listings for such unit, until such time that: (i) the commissioner determines that the unit is incligible under Section 1 13 260(a) for listing on a platform, or (ii) the listing is invalid under Section 4-1 3-23()(c).

(gb) Annual review of registration - Required. After the initial registration is approved, the shared housing unit's registration may be renewed once each year thereafter in a manner prescribed by the commissioner in rules unless the commissioner determines that the unit is ineligible for registration under this Section or Section 4-1 3-260(a).

(hi) Transfer of registration - Prohibited. The registration for a shared housing unit shall be non-transferable.

Section 4-J4-030 Failure to meet eligibility requirements for registration - Legal effect -Processes.

(Omitted text is unaffected by this ordinance)

(c) Duly lo remove ineligible listings from platform. If. following a final determination of ineligibility under Section 4-l3-260(a) or Section 4-l4-030(a). the shared housing host is notified in writing by the commissioner that a shared housing unit is ineligible to be listed on any short term residential rental i n t e rm e J i a ry h os t i n g p I a t fo rm 's p 1 a t lb rm. the shared housing host shall remove the ineligible listing from the platform in accordance with rules prescribed by the commissioner, ln addition to any other penally provided by law. any shared housing host who fails lo comply with this subsection shall he fined not less than $1,500.00 nor more than $3,000.00 for such failure to comply within 8 to 14 calendar days ofthe date on which notice

under this subsection is sent: and not less than $2,500.00 nor more than $5,000.00 for such failure to comply on the 1 5th calendar day ofthe date on which such notice is sent or on any calendar day thereafter, bach day that a violation continues after such I 5th calendar day shall constitute a separate and distinct offense.

(tf)-Within thirty calendar days uf4l>e-dat-e-ei^which-netiee4s-sent4Ven^n

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~~listed by such host on the intermediaryhosting-platform's platform, the shared housing host shall update the applicable listing on the intermediaryhosting-platform's platform to include the registration number identified in such notice.~~

Section 4-14-040 Legal duties.

a) Descriptive information on listing - Required. Each shared housing host shall include the following information in every listing of a shared housing unit on a platform:

(Omitted text is unaffected by this ordinance)

(4) exeept as other-~~wise~~ ~~provided~~ ~~in Section I 13 24~~QfdVt The short term residential rental provider's eCity license or registration number;

b) Operating requirements. Each shared housing host shall comply with the following operating requirements:

(Omitted text is unaffected by this ordinance)

4) Registration number in advertisements - Required. ~~Except as otherwise~~ ~~provided in~~ ~~Section~~ ~~4-13-230(d~~VeEach shared housing host shall conspicuously display the shared housing unit's registration number in every advertisement of any type in connection with the rental ofthe shared housing unit, failure to comply with this requirement shall create a rebuttable presumption that the shared housing unit is being operated without the proper registration.

5) Smoke alarms and carbon monoxide detectors - Required. Each shared housing host shall ensure that the shared housing unit is in compliance with applicable laws regarding the installation and maintenance of functioning smoke alarms and carbon monoxide detectors.

6) Posting contact information - Posting evacuation diagram - Required. Each shared housing host shall post in a conspicuous place near the entrance ofthe shared housing unit: (i) the name and telephone number of themselves or a local contact person where applicable: and (ii) an evacuation diagram identifying all means of egress from the shared housing unit and the building in which it is located.

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7) Food handling safely - Required. Each shared housing host thai provides food to guests shall comply wilh all applicable food handling and licensing requirements ofthis Code and board of health regulations.

8) Registration records - Required. Each shared housing host shall maintain current guest registration records which contain the following information about each guest: (i) name, (ii) contact information, (iii) signature, and-(iv) dates of accommodation; (v) the amount of rent paid for each day.

(Omitted te.xt is unaffected by this ordinance)

Section 4-14-060 Rental requirements and restrictions.

(Omitted text is unaffected by this ordinance)

d) Listing and rental of single family home lhal is nol the licensee's primary residence - Restricted. It shall be unlawful for any shared housing host to list on any platform or to rent any shared housing unit that is a single family home, unless such single family home is the shared housing unit host's primary residence. Provided, however, that this prohibition shall not apply if: (i) the shared housing unit host is on active military duty and such host has appointed a designated agent or employee lo manage, control and reside in the single family home during such host's absence while on military duty; ~~or (ii) the a~~pplicable ~~conuidssio~~ner-Vad)^tft·refft ~~under Section '1 El 100(a) permitting otherwise has been obtained;~~ or (iii) the single family home was properly licensed, as of June 22, 2016, as a non-owner occupied vacation rental.

e) Listing and rental in buildings with up to Jour dwelling units - Restricted. Il shall be unlawful for any shared housing unit host to list on any platform or to rent any shared housing unit that is located in a building containing two to four dwelling units, inclusive, unless such dwelling unit is: (i) the shared housing host's primary residence, and (ii) is the only dwelling unit in the building that is or will be used as a shared housing unit or vacation rental, in any combination. Provided, however, that the prohibition set forth in item (i) shall not apply if the shared housing host is on active military duty and such host has appointed a designated agent or employee to manage, control and reside in the shared housing unit during such host's absence. Provided further, that the prohibitions set forth in items (i) or (ii) shall not apply if: (a) the applicable commissioner's adjustment under Section 4-14-100(a) permitting otherwise has been obtained: or (b) the shared housing unit was properly licensed, as of June 22, 2016, as a non-owner occupied vacation rental.

(0 Listing and rental in buildings with five or more dwelling units - Prohibited. It shall be unlawful for any shared housing host to list on any platform or to rent any shared housing unit thai is located in a building containing live or more dwelling units, when: (i) the dwelling unit being utilized or proposed to he registered by the host as a shared housing unit is not their primary residence: and (ii) more than six dwelling units in the building, or one-quarter ofthe total dwelling units in the building, whichever is less, are or will be used as shared housing units

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or vacation rentals, in any combination.~~, if the dwelling unit identit~~red4rvthe-~~regislration application is reg~~
iriterei4HiSH^s4wretl-bothsift~~g unit.~~

(Omitted text is unaffected by this ordinance)

Section 4-14-080 Registration - Suspension or revocation.

a) Registration suspension or revocation - Authorized when. In addition to any other penalty provided by law, a registration under this chapter may be denied, suspended or revoked by the commissioner for any violation ofthis chapter. Except as otherwise provided in subsection (b) ofthis section, no registration shall be revoked or suspended except in accordance with subsection (d) ofthis section.

b) Immediate suspension or revocation - Post- deprivation hearing - Authorized when. If the commissioner has good cause to believe that: (I) continued rental of a shared housing unit causes an imminent threat to public health, safety or welfare, and (2)

grounds exist for revocation or suspension ofthe shared housing unit's registration, including, but not limited to, any ofthe grounds set forth in subsection (c)(1) through (c)(6), inclusive, ofthis section, the commissioner may, upon issuance of a written order slating the reason for such conclusion and without notice or hearing, suspend or revoke the shared housing unit's registration and prohibit the shared housing host from renting the shared housing unit to guests for a period of time not to exceed ten calendar days; provided, however, that the shared housing host shall be afforded an opportunity to be heard during such period. If the shared housing host fails to request a hearing within the prescribed time, or requests a hearing but fails to appear at such hearing, the shared housing unit's registration shall be deemed revoked.

c) Suspension or revocation - Pre-deprivation hearing - Authorized when. In addition to any other applicable reason, a shared housing unit registration may be suspended or revoked in accordance with this section under the following circumstances:

1) Situs of one or more egregious conditions. When a shared housing unit is the situs of one or more egregious conditions while rented to guests; or

2) Situs of ~~three~~ two or more objectionable conditions. When a shared housing unit has been the situs, on three-two or more occasions, while rented to guests, of disturbance ofthe peace, public drunkenness, drinking in public, harassment of passersby. loitering, public urination: lewd conduct, overcrowding, exceeding design loads, or excessive loud noise. For purposes ofthis subsection (c)(2):

"Excessive loud noise"' means any noise, generated from within or having a nexus to the rental ofthe shared housing unit, between 8:00 P.M. and 8:00 A.M.. that is louder than average conversational level at a distance of 100 feet or more, measured from the property line ofthe shared housing unit.

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"Overcrowding" means occupancy by more persons than the maximum occupancy limit of no more than one person per 125 feet of floor area ofthe shared housing unit or the shared housing unit's actual capacity based on the applicable provisions ofthe building code, whichever is less.

"Exceeding design loads"" means placing loads on structural elements or components of buildings, including, but not limited to. porches, balconies, and roof decks, in excess ofthe minimum design loads required by the building code; or

(3) Situs ofthree-two_or more nuisance conditions. When, in the determination ofthe Commissioner, the rental ofthe shared housing unit creates a nuisance because at least three-two separate incidents involving illegal acts, as that term is defined in Section 4-4-313(h). occurred during a 12-month period: (i) in the shared housing unit; (ii) in or on the premises in which the shared housing unit is located; (iii) in the shared housing unit's parking facility; or (iv) on adjacent property. For purposes of determining whether three-two or more illegal acts occurred, illegal acts occurring shall be limited to acts ofthe guests, or of invitees ofthe guests, or to acts otherwise involving circumstances having a nexus to the operation ofthe shared housing unit while rented to a guest. In a proceeding to suspend or revoke the registration of a shared housing unit that is or creates a nuisance under this Section 4-14-080(c)(3), any evidence on which a reasonably

prudent person would rely may be considered without regard to the formal or technical rules of evidence, and the Commissioner may rely on police reports, official written reports, affidavits and business records submitted by authorized City officials or employees charged with inspection or enforcement responsibilities to determine whether such illegal acts or objectionable conditions occurred. If, during any 12-month period three separate incidents of illegal acts occur on the registered premises, on or in the registered premises' parking facility, or on adjacent properly, a rebuttable presumption shall exist that the shared housing unit is or creates a nuisance in violation ofthis Section 4-14-08()(c)(3); or

(Omitted text is unaffected by this ordinance)

(d) Notification and /tearingprocess. Upon determining that a shared housing unit's registration is subject to suspension or revocation under this section, the commissioner shall notify the shared housing host, in writing, of such fact and ofthe basis for the suspension or revocation ofthe registration. Such notice shall include a statement informing the shared housing host that the shared housing host may, within +0-5_calendar days ofthe date on which the notice was sent, request, in a form and manner prescribed by the commissioner in rules, a hearing before the commissioner to contest the suspension or revocation. The notice shall also advise the shared housing host that the shared housing host is entitled to present to the commissioner any document, including affidavits, related to the commissioner's determination for suspension or revocation. If requested, a hearing before the commissioner shall be commenced within 10 business days of receipt of such request. Within 60 calendar days of completion ofthe hearing the commissioner shall either affirm or reverse such determination based upon the evidence

presented. The commissioner's decision shall be final and may be appealed in the manner provided by law. If a shared housing host fails to request a hearing within the prescribed time, the shared housing unit registration shall be deemed suspended or revoked. Upon entry of a final order of suspension or revocation, the commissioner shall: (I) notify the short term residential rental ~~i n term ed i ary~~ h ost i n g plat form in writing of such fact; and (2) place the unit on the ineligibility list maintained by the commissioner under Section 4-l3-270(b). Within three calendar days ofthe date on which the commissioner sends such written notification of suspension or revocation to the shared housing host, the shared housing host shall remove the short term residential unit identified in such notice from its platform. The ~~inter~~ roediarvhosting platform shall act in accordance with the approved process established pursuant to Section 4-1 3-220(h).

Section 4-14-090 Violation - Penalties - Injunctive relief.

(a) Fines and other applicable penalties. Except as otherwise provided in this chapter, and in addition to any other penalty provided by law, any person who violates this chapter or any rule promulgated thereunder shall be subject to a fine of not less than $24,500.00 nor more than $53,000.00 for each offense. Each day that a violation continues shall constitute a separate and distinct offense.

(Omitted text is unaffected by this ordinance) Section 4-14-100 Shared housing units - Commissioner's adjustments - When authorized.

(a) The commissioner is authorized lo grant an adjustment to allow: (I) the operation of a

shared housing unit located in:

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(i) a-singie-ferm-ly home that-i-s-net the shared hetts-ing host's primary residences

er

(i)(4i·) a building containing two to four dwelling units, inclusive, where the dwelling unit is not the shared housing host's primary residence; or

SECTION 5. Title IV ofthe Municipal Code of Chicago is hereby amended by deleting the language stricken through, as follows:

CIIAPTER-4-16

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Sect ion-4-16-1 (MM)el uvi4HtHih

As used in this chapters

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-that term in Seetion-4-6-

"Shared housing host" has the meaning ascribed to that term in Section 4 14 010. "Shared no

usmg-unit-e^r-rtter-^rweat^s-at>y-]^T^tT-v4ffi-has registered, or whe-is-reqHired

^Shated4^eHS-ir+g-tinit" has-the-meaning ascribed-to-that-terni in Seclion-4-i4 01 Or

ilYaeaHett-refltal^has-the-mea

A R-ITC L E 11, S H A RED-IIOUSING-UN IT-OPERATOR

Section 4-16-200 License-Required.

No person shall engage in the business of shared housing unit operator without first having obtained a license under-Arnele 1 1 of this Ghapter 4 16.

Section 4-16-210 License application - Additional information required.

In addition to the-req u i re men is set fortlr-in-Seebon 4 4 050, an appHeaHeH-ter-r-and-rif requested, renewal o

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f a license lo engage in the business of shared housing unit operator shall be accompanied by the following information:

(1) the name. addre^s-anti-e^mtaef-inier-HTatie-H contact person;

2) an affidavit from the locaf-contact-person identified in the license application attesting that such-lecal e ontaЄ^-personr-(k)-is designatetkf-er service of process; (ii) is authorized by t-he licensee to take remedkrl^etionanaMe^esr^nd-to-any-violatietT-ef-this Code; and ^r-of-f4ee4ocated in the c itys

3) a statement as to whether the applicant or licensee has had a previous bed and breakfast establishment l icense or vacation rental license or shared housing unit registration revoked, and the reasons for revocations

4) any other information that the commissioner may reasonably require in connection with the issnanee-ot-renewal-of+he license-:

Seetk>iv4-16-220-Le*»a l-d u tiefh

(a) Local contact person-Required. Each licensee-tmder this Article II shall have a duty krHrk^d-eontaet-[)etsott-w-lH^-H-)-is-designated for serv ice of process; (ii) is authorized by-t-ke applicant or licensee to take remedial action antl-to-respond-te-any-vielal ien of this Code: and (iti'Hnaintains a residence or office located in the city.

\

fb) Coinpt4imee-widT-slTaFetk imri-ktws-R-etfH Article II shall have a-duty-ie-eemi^^ an d-regnla casing units-:

(c) Compliance wilh tax laws-Required. Each licensee under this Article Tl shall have a dtrty to comply witl r-ail-appHeaole-federal, state and local krws and regulations regarding ecH ect i on a nd pay-ment-ol^ta-x-esr-ineiudi ng-holebaeeom modat ien-la xe-Sr

Sec-tien-4-16-230-it)epa 1-1 men t a I d u t ies-.

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\ U) II 13 LJ"L,L 11 KJl 13 . I 1 It, "tit 1 d 11 L. WI I il 111 331 UnCI l3 IllltrlV7i TECtl IU 111 (.11 lUult till 1113 L/*CL. 11 V.7l1 WI rtTtjr

shared housing unit operated by a shared housing unit operator at least once every two years, at-a time and in manner, Hreluding-tirrongh third party-reviews, as provided f regulations promulgated by the building commissioner.

Seetion 4-16-240-P-r-ohibited-aet*h

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under Chapter 4 13.

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/V R. I f C trE T TI •

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The commissioner is authorized lo promulgate rules necessary to implement this chapter.

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having-obtained the required license lor such business shall be subject to a fine of not less than $-1^94)9 nor more than $3-,QQOr9r>-f-or each of4^er-Eaefvday-tbaHr^i-olation continues shaU constitute a separate and distinct offense.

Section 4-16-320 Suspension or revocation of shared housing unit registration.

Suspension or revocation of the registration of any shared housing unit held by a shared -saab-be grounds for the srrsr^nsion-or-re-veeation-ef all shirred housing uni wr-shared4iotising-tHal-operalor. and shall be grounds for suspensrorr-or

eattOH-er

Seetion-4-16-330-Penaltv

-any other penalty pr^4ded4>y-law-r^wy-{jersen-vv-he-vioIaies any provision of Article II ol" this chapter or any rule pronuilgaleebrhereunder-shall be subject lo a rHieol4K->t-less-rharr4>-hT>()n.OO nor more lhan $3,000.00 for each offense. Each da)' that such violation exists shall consrtt-nte a ser^ffirte-and-distinel-efl-enser

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(-2}-In~add\lietHe^Hty-frne-or-^^ section, the corporation counsel may seek a+i injunction or other equitable relief in a court ol'competent jurisdiction to stop any violation of

SECTION 6. Section 4-17-010 of the Municipal Code of Chicago is hereby amended by inserting the language underscored, as follows:

Section 4-17-010 Definitions.

As used in this Chapter:

(Omitted text is unaffected by this ordinance)

"Residentially zoned property" means property that bears an R-l, R-2, R-3. RT-4 or RM-5_designation pursuant to the Chicago Zoning Ordinance.

(Omitted text is unaffected by this ordinance)

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Michele Smith
43rd Ward Alderman

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The following legislation is being introduced by Alderman Michele Smith regarding Short Term Rental Reform co-sponsored by

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Alderman Ward 12

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Alderman Ward 13

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Alderman Ward 14

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Alderman Ward 21

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Alderman Ward 22

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The following legislation is being introduced by Alderman Michele Smith regarding Short Term Rental Reform co-sponsored by

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Alderman Ward 34

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Alderman Ward 35

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Alderman Ward 43

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Alderman Ward 44

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by Alderman Michele Smith regarding Short Term Rental

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Alderman Ward 45

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Alderman Ward 47

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Alderman Ward 49

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Alderman Ward 50

Click or tap here to enter text. Mayor Lightfoot Click or tap here to enter text. Clerk Valencia