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Legislation Text

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Fwnil,

Committee on ~~environmental Protection and Eaergy~~
February 1, 2023 City Council
Meeting

ORDINANCE

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

SECTION 1. Chapter 11-12 of the Municipal Code of Chicago is hereby amended by deleting the language stricken through and by inserting the underscored language, as follows:

11-12-010 Definitions.

For purposes of this chapter, the following definitions shall apply:

(omitted text is unaffected by this ordinance)

"Residential user" shall mean all dwelling units such as, but not limited to, houses, mobile homes, apartments and multifamily dwellings.

"Tenant" means an individual who is renting or leasing real property as his or her principal residence, which includes, but is not limited to, apartments, mobile home park sites, residential shareholders in nonprofit residential cooperatives or mutual housing corporations, owners of condominiums, or persons who are boarding.

"Tenant user" means an individual who is renting or leasing real property at their principal residence, and who can verify that they pay a landlord, separate from the fixed periodic rent, an amount for water or wastewater services provided to their principal residence.

"Unified statement of charges" means the statement sent to the billed party showing amounts due for refuse collection, water and sewer charges assessed or charged under: (i) chapter 11-12 for water taxes, rates or rents, or charges for installation or disconnection of water service; (ii) chapter 3-12 for sewer service and sewerage usage; and (iii) Article II of chapter 7-28 for refuse collection.

"User" means an individual who is either a residential user or a tenant user.

(omitted text is unaffected by this ordinance)

11-12-545 UTILITY BILLING RELIEF PROGRAM

(a) Title. This section shall be known and cited as the Utility Billing Relief Program.

(b) Purpose. The Utility Billing Relief Program is intended to address City water and sewer bills for the most vulnerable, low-income households homeowners, especially those with past due debt, who are at risk of having their water service shut off.

(c) Definitions. For purposes of this section, the following definitions shall apply: "Anniversary Date" means the date one year from a Participant's enrollment in the UBR.

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"Comptroller" means the Comptroller of the City of Chicago, or the Comptroller's designee.

"Homeowner" means the Owner and occupant of a single family or two-unit residence located in the City of Chicago.

"Household" means any occupied resident, be it owned or rented, located in the City of Chicago.

"LIHEAP" means the Low Income Home Energy Assistance Program, codified at 42 U.S.C. §8621-8630.

"Participant" means a participant in the UBR.

"Reduced Rate" means a calculated reduction of the rate following the formula in "UBR credit" in the ordinary charges for water service imposed in Chapter 11-12, sewer service imposed in Chapter 3-12, and a corresponding reduction in the Chicago Water and Sewer Tax imposed in Chapter 3-80. Reduced Rate does not include the charge for refuse collection imposed in Article II of Chapter 7-28.

"UBR" means the Utility Billing Relief Program created by this section.

~~-(d) Program.~~

~~(1) Eligibility. A Homeowner resident who is eligible to participate in the UBR and applies to the Comptroller may become a Participant. In order to become a Participant, a Homeowner resident must own and occupy the single-family or two-unit residence in the City of Chicago for which participation in the UBR is sought, and must meet the eligibility criteria to participate in the LIHEAP with the exception of any United States citizenship requirement; provided, however, that a Homeowner does not need to participate in the LIHEAP in order to be eligible for the UBR. A Homeowner who receives an exemption under Section 3-12-050 shall not be eligible to simultaneously participate in the UBR. A Participant who does not successfully complete the UBR two times shall no longer be eligible to participate in the UBR.~~

~~(2) Billing and payment. Upon acceptance and enrollment in the UBR, the City shall bill, and the Participant shall pay, the Reduced Rate for a period of one year in order to successfully complete the UBR. A Participant shall not be required to make any payment toward a past due balance while enrolled in the UBR. During participation in the UBR, a Participant is exempt from having water shut off; the assessment of additional penalties and interest on any past due charges incurred before becoming a Participant, or charges incurred while a Participant; and referral for debt collection.~~

~~(3) Successful completion. A Participant who has made payment for all Reduced Rate bills issued by the City during the UBR by the Anniversary Date shall have any past due balance incurred~~

before enrollment in the UBR forgiven. A successful Participant who continues to meet enrollment eligibility requirements may re-enroll in the UBR.

(4) ~~Unsuccessful completion.~~ A Participant who has not made payment for all Reduced Rate bills issued by the City during the UBR by the Anniversary Date shall

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have any past due balance, including penalties and interest, incurred before enrollment in the UBR reinstated to the Participant's account, in addition to any past due balance incurred during the UBR, and the Participant shall be required to make full payment of such past due balance. Such past due balance shall not have incurred any additional penalties or interest during participation in the UBR. The Participant may be eligible to participate in a payment plan to resolve the outstanding debt. If all criteria are met, an unsuccessful Participant may be eligible to re-enroll in the UBR, provided that the Participant has not been unsuccessful in completing the UBR on two occasions.

(e) ~~Rules.~~ The Comptroller is authorized to adopt such rule as the Comptroller may deem necessary for the proper implementation, administration, and enforcement of this section.

(f) ~~In furtherance of administering this section, the Comptroller shall have the authority to enter into an agreement with the Community and Economic Development Association of Cook County ("CEDA"), or any successor agency that administers the LIHEAP in Cook County, to administer outreach and enrollment activity for the UBR. Such agreement may contain terms and conditions that the Comptroller deems appropriate, and the Comptroller shall have the authority to perform any and all acts as shall be necessary or advisable in connection with such agreement and any renewals thereto, including the expenditure of duly appropriated funds.~~

d) **Rulemaking and Interagency Coordination**

The Comptroller is authorized to adopt such rules as the Comptroller may deem necessary for the proper implementation, administration, and enforcement of this section. In furtherance of administering this section, the Comptroller shall have the authority to enter into an agreement with the Community and Economic Development Association of Cook County ("CEDA"), or any successor agency that administers the LIHEAP in Cook County, to administer outreach and enrollment activity for the UBR. Such agreement may contain terms and conditions that the Comptroller deems appropriate, and the Comptroller shall have the authority to perform any and all acts as shall be necessary or advisable in connection with such agreement and any renewals thereto, including the expenditure of duly appropriated funds.
The Comptroller shall inform each residential user of the availability and eligibility criteria of the UBR Program.

e) **Eligibility criteria.**

Each residential user whose household income is not more than 250% of the Federal Poverty Level, as published annually by the U.S. Department of Health and Human Services shall be eligible for the UBR Program.

f) Citizenship-Users are not required to be citizens or permanent residents of the United States in order to be eligible for the UBR Program and the Department shall not collect any information concerning a residential user or tenant user's immigration status

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(g) Credit.

Each eligible residential user who submits an application providing all necessary information described in this article shall receive one (1) fixed annual credit for each household per calendar year. Eligible tenant users shall receive only 1 annual credit per eligible customer. However, where there are multiple tenants sharing rent in a household, the credit shall be remitted to the water account holder to be divided among those who are on the lease or rental agreement or who otherwise verify that they are eligible tenant users. For subleases, the credit shall be prorated for the time that the sublessee is an eligible tenant user living in that household.

(h) Amount of the UBR credit.

The UBR credit will be determined by the following:

- 1) A household whose income is less than 50% of the Federal Poverty Level will receive a 100% discount on their water bill.
- 2) A household whose income is between 51%-100% of the Federal Poverty Level will receive a 75% discount on their water bill.
- 3) A household whose income is between 101%-250% of the Federal Poverty Level will receive a 50% discount on their water bill.
- 4) Any unmetered household whose income is between 50%-250% of the Federal Poverty Level and whose discounted bill is more than 3% of their household income can submit a written request to the Department of Water Management to have their bill investigated within 90 days. If the Department of Water Management cannot identify the reason for an increased water bill, the household bill will be reduced to reflect a calculation of 3% of 250% of the Federal Poverty Level, if the household income is between 101-250% of the Federal Poverty Level. 3% of 100% of the Federal Poverty Level if the household income is between 51-100% of the Federal Poverty Level

(i) Income counted.

In calculating annual household income for both eligibility and amount of the UBR credit, the Comptroller shall use the same countable and non-countable income as established by the Illinois Low Income Home Energy Assistance Program.

(i) Distribution of the UBR credit.

The UBR credit shall be applied to the water or wastewater bill or sent to each recipient as follows:

(1) Distribution of the credit shall begin as soon as practicable after the eligible user applies for the program and will be applied back to the date that the application was submitted, but in no case shall it be later than 90 days after a complete application demonstrating a user's eligibility for the program is received.

(2) The credit for a tenant user whose water and wastewater utility service is master-metered and billed to the tenant user by the owner on an allocated basis shall be disbursed by check payable to the tenant user.

(3) Users who are billed on a monthly basis may elect to receive credits disbursed on a monthly basis in an amount equal to one-twelfth of the annual credit. Users who are billed on a bimonthly basis may elect to receive credits on a bimonthly basis in an amount equal to one-sixth of the annual credit. Users billed on a semiannual basis may elect to receive credits disbursed on a semiannual basis in an amount equal to one-half of the annual credit.

(4) The credit shall be applied to each subsequent bill until the full amount of the credit is exhausted.

(5) At the end of each calendar year, for users eligible for the UBR Program for the following year, the Comptroller shall apply any unused credit to the recipient's bills for the following year.

(omitted text is unaffected by this ordinance) (k) UBR Program

application.

A user can submit a UBR Program application to the Department online, in person, or by mail. A complete application includes:

- 1) the application form signed and dated by the user or the user's authorized representative:
- 2) the names of one adult household member and total number of adults, dependents and minors of the household:
- 3) annual income of all household members:
- 4) if a tenant, the name and address of the landlord, the amount paid in rent per month or the amount of the lease, and verification that the tenant pays a separate amount for water or wastewater services to the landlord: or a copy of the rental or lease agreement or verification of tenancy;
- 5) a statement signed by the applicant or the applicant's authorized representative allowing the Comptroller to obtain verification, through any statements made or documents presented by or other appropriate sources from the applicant or the applicant's authorized representative during the application process:
- 6) a certification that all answers to the Questions and items on the application form are true and accurate to the best of the applicant's knowledge. This certification shall be dated, signed (or marked) by the applicant or authorized representative: and
- 7) a certification that the recipient will notify the Department should their actual income exceed the amount estimated in the application to make the applicant ineligible.

Upon request by the Comptroller for good cause, the applicant must provide verification of the information provided on the eligibility application, and will be required to submit photocopies of the applicant's Federal, State, or City income tax return or other acceptable evidence, such as wage stubs, medical eligibility card from Public Aid, or award letters from Social Security.

In lieu of the application set forth in this section, an applicant who demonstrates participation in any federal, state, county, or city program where eligibility is established by income of 250% or less of the Federal Poverty Line, shall be deemed eligible for the UBR Program. The Comptroller will provide a streamlined application process for these applicants and shall not require verification of income-Automatic enrollment shall be available to residents enrolled in the following programs: LIHEAP, Means-tested Veterans Programs, Supplemental Security Income, Supplemental Nutrition Assistance Program and Temporary Assistance for Needy Families.

(l) UBR Program confirmation.

Upon entry into the UBR Program, the Department shall provide a written statement setting forth:

- 1) the estimated annual and periodic bill without the UBR credit:
- 2) the amount of the UBR credit:
- 3) the estimated annual and periodic bill with the UBR credit to be applied:
- 4) the periodic bill due date:
- 5) the amount of pre-UBR credit arrears that were accrued prior to enrollment:
- 6) the requirement that the user pay bills issued:
- 7) a brief explanation of the consequences of nonpayment:
- 8) a brief explanation of the elimination of pre-enrollment arrears upon timely payments:
- 9) a brief explanation of the duty to remain eligible or to notify the Department immediately if the user becomes ineligible: and
- 10) a brief explanation of the annual recertification requirement for continued participation.

(m) UBR Program arrears.

Each on-time payment by the UBR Program recipient shall be credited towards pre-enrollment arrearages in the amount of this payment until such arrearages are zero or

until the end of one year enrolled in the program, whichever is first. At the end of the first year enrolled in the program, all pre-enrollment arrearages will be forgiven.

Once enrolled in the UBR Program, timely payment of each bill in full shall satisfy all of a recipient's current water liabilities, so that there is no addition to arrears after enrollment.

(n) Annual UBR Program recertification.

No less than 60 calendar days before the end of each calendar year, the Comptroller shall notify each recipient of their obligation to recertify their eligibility for the program and allow each recipient to re-enroll upon recertification in person, online, or in the mail. The recipient's recertification of eligibility shall have the same effect as if the user had reapplied. A failure to provide such notice to the Department within 90 days after the user's notification, renders the recipient ineligible to continue in the program, subject to reapplication.

(o) Exceptions.

Sections 11-12-030, 11-12-110, 11-12-330, 11-12-480, 11-12-490 and 11-12-510 of this code shall not apply to recipients of the UBR credits while enrolled in the UBR Program.

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SECTION 2. The implementation of this ordinance shall be phased in based on income level. The changes to the UBR program outlined in this ordinance will go into effect for participants with incomes less than 50% of the Federal Poverty Level six months following the passage of this ordinance. The remainder of the ordinance will go into effect twenty-four months following the passage of this ordinance.