



City of Chicago



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Meeting Date:

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Sponsor(s):

Lightfoot (Mayor)
Burnett (27)
Hairston (5)
Sawyer (6)

Type:

Ordinance

Title:

Amendment of Municipal Code Chapter 5-12 by modifying landlord notification requirements regarding termination of or refusal to renew rental agreements, and adding provision for tenant relocation assistance

Committee(s) Assignment:

Committee on Housing and Real Estate

HSG



OFFICE OF THE MAYOR
CITY OF CHICAGO

LORI E. LIGHTFOOT
MAYOR

May 20, 2020

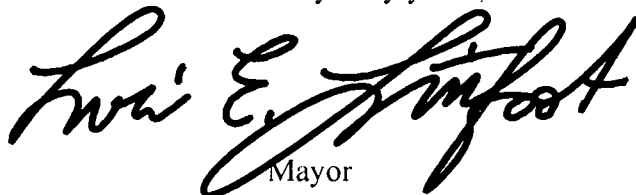
TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Housing, I transmit herewith, together with Aldermen Burnett, Hairston and Sawyer, an ordinance regarding notice of intent to terminate tenancies, and associated relocation assistance.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,


Mayor

ORDINANCE

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

SECTION 1. Section 5-12-020 of the Municipal Code of Chicago is hereby amended by inserting the text underscored, and by deleting the text struck through, as follows:

5-12-020 Exclusions.

Rental of the following dwelling units shall not be governed by this chapter, unless the rental agreement thereof is created to avoid the application of this chapter:

(a) Dwelling units in owner-occupied buildings containing six units or fewer less; provided, however, that ~~the provisions of Section~~ Sections 5-12-130(j) and 5-12-160 shall apply to every rented dwelling unit in such buildings within the City of Chicago;

(Omitted text is unaffected by this ordinance)

SECTION 2. Section 5-12-130 of the Municipal Code of Chicago is hereby amended by inserting the text underscored, and by deleting the text struck through, as follows:

5-12-130 Landlord remedies.

Every landlord shall have the remedies specified in this section for the following circumstances:

(Omitted text is unaffected by this ordinance)

(j) *Notice or Refusal to Renew Rental Agreement.* Provided that the landlord has not exercised, or is not in the process of exercising, any of its rights under Section 5-12-130(a) – (h) hereof, the following notice requirements shall apply:

(1) For any residential tenancy more than six months, the landlord shall notify the tenant in writing at least 90 30 days prior to the stated termination date of the rental agreement of the landlord's intent either to terminate a periodic rental agreement ~~month to month tenancy~~ or not to renew a fixed-term an existing rental agreement. If the landlord fails to give the required written notice, the tenant may remain in the dwelling unit for up to 90 60 days after the date on which ~~such required~~ written notice is given to the tenant, regardless of the termination date specified in the notice or in an existing rental agreement. During such occupancy, the terms and conditions of the tenancy ~~(including, without limitation, the rental rate)~~ shall be the same as the terms and conditions during the month of tenancy immediately preceding the notice; provided, however, that if rent was waived or abated in the preceding month or months as part of the original rental agreement, the rental amount during such 90-day 60-day period shall be at the rate established on the last date that a full rent payment was made.

(2) For any residential tenancy of six months or less, the landlord shall notify the tenant in writing at least 30 days prior to the stated termination date of the rental agreement

of the landlord's intent either to terminate a periodic rental agreement or not to renew a fixed-term rental agreement. If the landlord fails to give the required written notice, the tenant may remain in the dwelling unit for up to 60 days after the date on which such required written notice is given to the tenant, regardless of the termination date specified in the notice or in an existing rental agreement. During such occupancy, the terms and conditions of the tenancy shall be the same as the terms and conditions during the month of tenancy immediately preceding the notice; provided, however, that if rent was waived or abated in the preceding month or months as part of the original rental agreement, the rental amount during such 60-day period shall be at the rate established on the last date that a full rent payment was made.

(3) For any residential tenancy, a material change to the terms and conditions of the tenancy (including, without limitation, the rental rate) shall be considered a termination or non-renewal of an existing rental agreement for the purposes of this section.

SECTION 3. Chapter 5-12 of the Municipal Code of Chicago is hereby amended by adding a new Section 5-12-135, as follows:

5-12-135 Relocation assistance required.

(a) Any landlord that seeks to recover possession of a dwelling unit from a tenant to substantially rehabilitate or demolish such dwelling unit within 90 days following the tenant's vacation of such unit shall pay relocation assistance to the tenant in accordance with this section.

(1) The landlord shall pay a one-time, per-unit relocation assistance fee in the amount of \$2,500.00 to the tenant.

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

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

(C) No rental agreement may provide that a 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.

(D) The landlord may deduct from the relocation fee all rent due and payable for the dwelling unit occupied by the tenant prior to the date on which the dwelling 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 assistance 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.

(E) No tenant shall be entitled to any relocation assistance fee under this section if the tenant fails to pay rent and the landlord terminates the rental agreement in accordance with Section 5-12-130(a).

(b) This section shall not apply if the landlord seeks to recover possession of the dwelling unit in order to comply with a court or government agency's order to vacate, order to comply, order to abate, or any other order that necessitates the vacating of the dwelling unit as a result of a violation of the Municipal Code of Chicago or any other provision of law. However, unless mandated otherwise by the court or government agency, the landlord must provide the tenant with no less than 30 days' notice to vacate and include a copy of the order.

(c) If a landlord acts in violation of or fails to comply with this section, the tenant shall have a defense or claim in an eviction action or any action brought by the landlord against the tenant to recover possession of a dwelling unit. Additionally, for each violation, a tenant shall be entitled to two times the applicable relocation assistance fee, together with reasonable attorney's fees and costs.

(d) In addition to any other damage, compensation, remedy, refund, claim, or relief to which the tenant may be entitled, a tenant may bring a private cause of action seeking compliance with this section and for injunctive relief. A prevailing tenant shall be entitled to reasonable attorney's fees and costs.

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

"Demolish" means the destruction of any dwelling unit.

"Substantially rehabilitate" means extensive structural repair or extensive remodeling or renovation that requires a tenant to vacate a dwelling unit and either: (i) requires a building, electrical, plumbing, or mechanical permit; or (ii) is valued at \$25,000 or more for any tenant's dwelling unit. The term does not include repairs under Section 5-12-130(c).

SECTION 4. This ordinance shall not apply to any existing rental agreement that expires less than 90 days after the effective date of this ordinance.

SECTION 5. This ordinance shall be in full force and effect following due passage and approval.