



City of Chicago



SO2020-2862

Office of the City Clerk

Document Tracking Sheet

Meeting Date: 5/20/2020

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 with varying time periods for rental termination or non-renewal notices for non-payment, allowing renters one-time right to cure before entry of eviction or possession court order

Committee(s) Assignment: Committee on Housing and Real Estate

SUBSTITUTE
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~~ premises 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~~ premises within the City of Chicago;

(Omitted text is unaffected by this ordinance)

SECTION 2. Section 5-12-030 of the Municipal Code of Chicago is hereby amended by inserting the text underscored, and by deleting the text struck through, as follows:

5-12-030 Definitions.

Whenever used in this chapter, the following words and phrases shall have the following meanings:

(a) "Dwelling unit" means a structure or the part of a structure that is used as a home, residence or sleeping place by one or more persons who maintain a household, together with the common areas, land and appurtenant buildings thereto, and all housing services, privileges, furnishings and facilities supplied in connection with the use or occupancy thereof, including garage and parking facilities.

(Omitted text is unaffected by this ordinance)

(d) "Periodic tenancy" means a tenancy that continues for successive periods, whether month-to-month or otherwise, unless the landlord or tenant takes affirmative action to terminate the tenancy pursuant to this section.

~~(d)~~(e) "Person" means an individual, corporation, government, governmental subdivision or agency, business trust, estate, trust, partnership or association or any other legal or commercial entity.

~~(e)~~(f) "Premises" means the dwelling unit and the structure of which it is a part, and facilities and appurtenances therein, and grounds, areas and facilities held out for the use of tenants.

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

~~(g)~~(h) "Rental agreement" means all written or oral agreements embodying the terms and conditions concerning the use and occupancy of a dwelling unit by a tenant.

~~(h)~~(i) "Successor landlord" means any person who follows a landlord in ownership or control of a dwelling unit or the building of which it is part, and shall include a lienholder who takes ownership or control either by contract, operation of law or a court order. However, a "successor landlord" shall not include a receiver appointed pursuant to a court order.

~~(i)~~(j) "Tenant" means a person entitled by written or oral agreement, subtenancy approved by the landlord or by sufferance, to occupy a dwelling unit to the exclusion of others.

SECTION 3. 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:

(a) *Failure to Pay Rent.* If all or any portion of rent is unpaid when due and the tenant fails to pay the unpaid rent within five days after written notice by the landlord of the landlord's ~~his~~ intention to terminate the rental agreement if rent is not so paid, the landlord may terminate the rental agreement. Provided, however, that at any time prior to the issuance of any order of possession or an eviction order made pursuant to Article IX of the Illinois Code of Civil Procedure, 735 ILCS 5/9-101 et seq, the tenant has a one-time right to cure the non-payment of rent by paying the landlord unpaid rent, duly owed from the date of the notice of termination to the date of payment, together with all filing fees and costs paid by the landlord and all fees and costs expended by the landlord for service of process, but not including attorney's fees. If the tenant so cures, then the order of possession or eviction order shall be vacated, and the case dismissed upon motion by either the landlord or the tenant. If a landlord does not provide a total amount due, the tenant shall be obligated to provide only the amount of rent due from the notice to the date of judgment. Nothing in this subsection shall affect a landlord's obligation to provide notice of termination of tenancy in subsidized housing as required under federal law or regulations. A landlord may also maintain an action for rent and/or damages without terminating the rental agreement.

(Omitted text is unaffected by this ordinance)

(g) *Waiver of Landlord's Right to Terminate.* Provided that the tenant is not in the process of exercising the one-time right to cure non-payment of rent under Section 5-12-130(a) and if ~~if~~ the landlord otherwise accepts the rent due knowing that there is a default in payment of rent by the tenant, the landlord ~~he~~ thereby waives the ~~his~~ right to terminate the rental agreement for that breach.

(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 terminated the rental agreement under Section 5-12-130(a), (b), or (d), or that the dwelling unit has not been deemed abandoned under Section 5-12-130(e) —(h) hereof, the following notice requirements shall apply:

(1) For any residential tenancy of less than six months, 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 month-to-month tenancy, or not to renew a fixed-term an existing rental agreement or increase the rental rate. 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 ~~(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 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 to three years, the landlord shall notify the tenant in writing at least 60 days prior to the stated termination date of the rental agreement of the landlord's intent to terminate a periodic tenancy, not renew a fixed-term rental agreement or increase the rental rate. If the landlord fails to give the required written notice, the tenant may remain in the dwelling unit for up to 90 days after the date on which 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 90-day period shall be at the rate established on the last date that a full rent payment was made.

(3) For any residential tenancy greater than three years, the landlord shall notify the tenant in writing at least 120 days prior to the stated termination date of the rental agreement of the landlord's intent to terminate a periodic tenancy, not renew a fixed-term rental agreement or increase the rental rate. If the landlord fails to give the required written notice, the tenant may remain in the dwelling unit for up to 120 days after the date on which 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 120-day period shall be at the rate established on the last date that a full rent payment was made.

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.