

AGENDA

Planning & Development Committee Housing Sub-Committee Thursday, June 23, 2022 Lorraine H. Morton Civic Center, Room 2402 5:00 PM

Those wishing to make public comments may submit written comments in advance or sign up to provide public comment in-person during the meeting by completing the City Clerk's Office's online form at www.cityofevanston.org/government/city-clerk/public-comment-sign-up or by calling/texting 847-448-4311.

- (I) CALL TO ORDER/DECLARATION OF A QUORUM
- (II) APPROVAL OF MINUTES

Draft Minutes from the April 14, 2022 Meeting

- (III) PUBLIC COMMENT
- (IV) ITEMS FOR DISCUSSION

Discussion on Housing Related Items and Determination of Next Topic for Review

(V) ADJOURNMENT



Planning & Development Housing Sub-Committee Committee Meeting Minutes of April 14, 2022 5:00 p.m.

Civic Center, 2100 Ridge Avenue, Room 2402, Evanston, IL 60201

COMMITTEE MEMBERS PRESENT: Councilmember Clare Kelly, Councilmember Bobby Burns, Councilmember Eleanor Revelle

COMMITTEE MEMBERS ON PHONE: Councilmember Devon Reid

STAFF PRESENT: S. Flax, A. Schnur, M. Jones

PRESIDING OFFICIAL: Councilmember Kelly

CALL TO ORDER / DECLARATION OF A QUORUM

A quorum being present, Councilmember Kelly called the meeting to order at 5:11 p.m.

1. APPROVAL OF THE MARCH 21, 2022 MEETING MINUTES

PM1. Approval of the Minutes of the Planning & Development Housing

Sub-Committee Committee Meeting of March 21, 2022

Staff recommends approval of the Minutes of the Planning & Development Housing Sub-Committee Committee Meeting of March 21, 2022

For Action

Moved by 5th Ward Councilmember Revelle

Seconded by 7th Ward Councilmember Kelly

Ayes: 7th Ward Councilmember Revelle, 5th Ward Councilmember Bobby Burns, 8th

Ward Councilmember Reid, and 1st Ward Councilmember Kelley

Carried 4-0 on a recorded vote

2. PUBLIC COMMENT

Councilmember Kelly invited members of the public to speak. Mr. Carlis Sutton spoke about equitable service to landlords and outsourcing inspections. Ms. Lisa Hildice asked to clarify online building inspection scheduling and other general comments relating to licensing and tracking nuisances. Ms. Tina Paden asked for maps to go to Howard Street and requested that a licensing decision not move ahead without further discussion regarding inspections and the conditions of license revocation. Ms. Graham would like a timeline on when the subcommittee will discuss the three unrelated rule and the definition of family.

3. DISCUSSION OF RENTAL LICENSING VS. RENTAL REGISTRATION

Staff member Angelique Schnur clarified that updated maps will be provided in the next packet. Ms. Schnur advised that since there are more rental properties in certain wards and therefore there will be more inspections and more complaints. She also clarified that there were no routine inspections in 2021 due to COVID, only new rental inspections and complaint responses were completed. Ms. Sarah Flax clarified that the map labeled "City of Evanston Rental Inspections" are new rental inspections (regardless of building size). The rental assistance map is from 311 data.

Councilmember Kelly asked for an explanation of a drive-by inspection. Ms. Schnur explained that is an inspector-initiated case when a violation is seen in the field or seen at a property adjacent to a complaint inspection. Councilmember Kelly asked for an explanation of routine inspections. Ms. Schnur explained that it is a 3-5 year rotating schedule alphabetically by street, with each inspector assigned an area.

Councilmember Burns summarized his conversation with Emily Coffee from the Shriver Center on her research on places in Illinois with evictions and crime-free ordinances (Evanston does not have a crime free ordinance). The research did not address licensing and registration.

Councilmember Reid asked for an explanation of the data's relevance. Councilmember Kelly explained that it is a response to the question of equitable inspections and supports the need for a proactive inspection program. She also suggested dropping drive-by inspections and increasing fines to enable a proactive program. Ms. Schnur stated that drive-by inspections are typically initiated by a complaint. Councilmember Revelle noted that it is hard to make decisions based on one year of data.

Councilmember Reid asked for an explanation of the problem that needs solved. Councilmember Kelly responded that she thinks that the property standards and inspection program has not been effective and equitable and should be addressed. Councilmember Revelle responded that the goal was safe, healthy, and well-maintained housing for renters in Evanston. The problem is that there are some landlords who are not maintaining that quality and the inspection and penalty system is inadequate to address them. Also, the city lacks the software and number of inspectors for a proactive

program. Councilmember Kelly stated that fees and fines are very low and should be increased drastically and be based on minor vs. major violations. Councilmember Burns noted that some landlords may need financial help with their properties and staff needs more effective compliance methods.

Councilmember Burns stated that there should be a program to help landlords who need assistance to maintain their properties and education on how to do so. Landlords are virtually ignoring staff's efforts at mediation and property standards. Councilmember Reid agreed and explained that he wants to figure out a point when the City stops going back and forth with landlords, be it through receivership or court. Licensing has been tested, education is built in, and there is a culture around it that is valued.

Councilmember Burns then asked for staff to clarify the differences between rental registration and licensing. Ms. Schnur clarified that for fines, enforcement, noticing and the amount that it costs to register or license, the programs are essentially the same. It doesn't change anything for the landlords that are taking care of their properties. The difference comes when a non-compliant landlord is diverting city staffing resources and using up the time available for a proactive inspection program. Licensing changes the way staff can interact with non-compliant landlords eliminating time wasted in administrative hearings. Councilmember Revelle asked if landlords can be taken to court. Ms. Schnur responded that they can be taken to the Cook County Circuit Court (Skokie Courthouse) which requires additional time and paperwork for staff, adds attorney costs, and staff has not had meritable court outcomes. Councilmember Kelly asked if it would change with licensing. Ms. Schnur responded that the city could revoke the license through a process and have a contracted company complete the required compliance work.

A discussion ensued regarding nuisance property and criminal violations.

Councilmember Burns would like more time to continue the licensing/registration discussion. He suggested a working group with staff to make recommendations to the subcommittee. Councilmember Revelle suggested there should be more input from other councilmembers. There could also be concurrent and separate tracks for funding for an inspection team and setting a new fine structure.

Councilmember Kelly summarized to move licensing versus registration discussion to the Planning and Development Committee. Also, staff was asked to bring back an outline of a tiered fee schedule based on minor and major violations, the cost to do proactive inspections, an amnesty period recommendation for registration for a period then enact higher violation fee for failing to register units, and an update on software upgrade.

Next meeting Thursday, May 12, 2022 at 5 PM.

4. ADJOURNMENT:

Councilmember Kelly made a motion to recess the meeting at 7:03 p.m. Councilmember Revelle seconded the motion. All voted in favor.





Memorandum

To: Members of the Planning and Development Housing Sub-committee

From: Sarah Flax, Housing & Grants Manager; Angelique Schnur, Building and Inspections

Services Manager, Megan Jones, Neighborhood Planner, Amy Ahner, AICP,

Consultant

CC: Johanna Nyden, Director of Community Development

Subject: Consideration and Discussion of Rental Housing Related Matters

Date: May 12, 2022

Recommended Action:

Staff seeks feedback from the Planning and Development Housing sub-committee following discussion of rental housing related matters by committee members, and direction on next steps.

Sub-committee Action:

For Discussion

Summary:

At the Planning & Development Housing sub-committee meeting on April 14, 2022, there was discussion of rental licensing and rental registration programs. Title 5, Chapter 8 of the City Code outlines the registration and renewal of rental residential properties. Staff was asked to provide updated map information, an outline of a tiered fee schedule based on minor and major violations, the cost to do proactive inspections, an amnesty period recommendation for registration for a period then enacting a higher violation fee for failing to register units, a timeline on when other associated items will be discussed, and an update on software upgrades.

Maps

The 2021 inspection map has been updated and is attached. Additionally, a map of the 2015-2019 estimated number of renters by census tract is attached to show the relative concentration of rental units in different neighborhoods and wards. Staff notes that some

areas account for significantly more inspections and complaints simply because they have more rental properties.

Fees

Table 1 (attached) summarizes Evanston's fee structure for violations as well as for comparable communities. Implementing a tiered fine schedule for minor and major violations is not recommended at this time because it will be ineffective at achieving the goal of improving housing quality and safety, whether implemented through a registration or licensing process. Substantial fines for violations on the most problematic properties are liened but often do not motivate compliance or get paid, as the owner is not selling the property. Higher fees for property standards would apply to all properties, whether rental or owner-occupied, and could affect property owners who lack the financial capacity to address violations. Furthermore, it is difficult to differentiate major and minor violations, e.g. lacking smoke detectors could be a major violation because it is a life safety issue, however, code requires multiple detectors and if one of four were missing, the life safety risk is substantially different from if there are no working smoke detectors. Any change in fees or fines would also require a change in the ordinance. The City code already defines dangerous buildings and ways to address them in Title 4, Chapter 12 (attached) which may provide a more effective mechanism for addressing worst case situations and can be considered in concert with the property maintenance code.

Proactive Inspections

The City would need to add at least two inspectors and one part-time administrative staff person at an estimated annual cost of \$395,000 in order to implement a proactive inspection program as recommended.

Amnesty Program

When the City legalized rental of coach houses to non-family members of the primary dwelling unit, the registration process for renting these coach houses included an amnesty period to incentivize compliance with registration requirements. This could serve as a template to improve compliance by landlords/property managers, whether registration or licensing is used. That program offered a three-month period to register; unregistered properties found after the amnesty period were fined. The communications outreach program used the City's website, e-newsletters, printing notice of the rule changes on water bills, and contacting larger rental and condominium management companies.

Associated Items

Community members requested a timeline for the sub-committee to discuss and develop recommendations for the Planning and Development Committee for the related housing items referred to the committee: occupancy limits/the definition of a family, the

nuisance premises ordinance and the Residential Landlord Tenant Ordinance (RLTO). Staff seeks direction from the sub-committee on next steps.

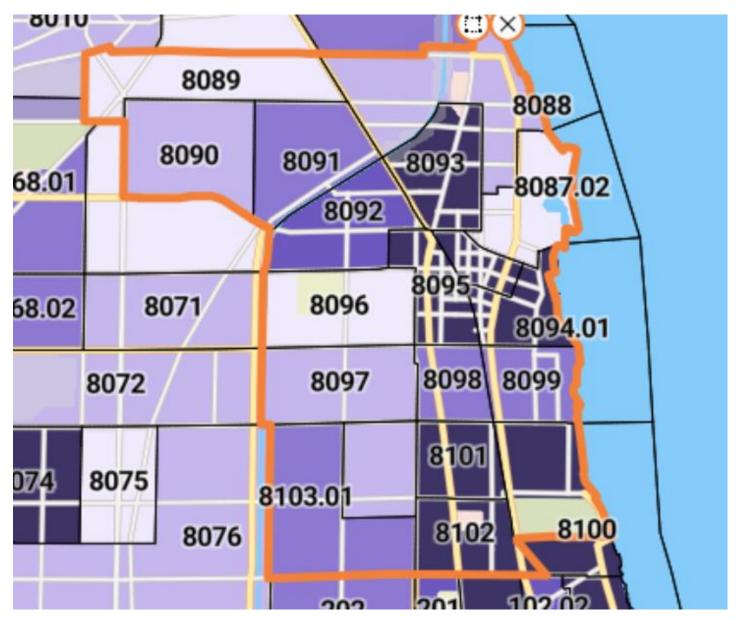
In addition to the materials provided by staff that relate to occupancy of dwelling units that was referred to the sub-committee, some work relating to updating the RLTO and Nuisance Premises ordinance was provided to the Housing and Homelessness Commission in 2021 (see attached materials). Nuisance premises ordinances were researched, including Boston, to improve the City's ability to address properties that disrupt neighborhoods and negatively impact the common good and general welfare of residents.

Permit Software RFP Update

Staff has shortlisted two vendors who conducted software demonstrations. Staff has determined a finalist and is preparing a memo for the City Council which may be presented at their June 27 meeting. Staff is working on prioritizing the improvements, module development and form conversion activities. Activities related to property standards have not yet been scheduled. It is staff's expectation that the process to develop the property standards module, collect accurate data on rental properties, and test the system could take up to two years. Neighboring municipalities with similar implementations have taken one to three years, primarily due to differences in data quality. The preferred finalist's references with similar Accela projects also took more than a year to implement.

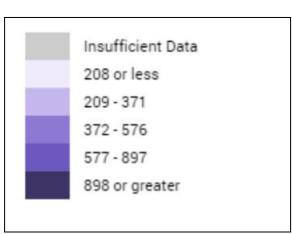
ATTACHMENTS

- 1) Maps
- 2) Table 1 Violation Fees/Remedies
- 3) Title 4, Chapter 12 Dangerous Buildings Code
- 3) April 8, 2021 Housing and Homelessness Commission Memo



Estimated number of Evanston renters by Census Tract

Source: U.S. Census, 2015-2019 ACS 5-year estimates



2021 Rental Inspections by Block

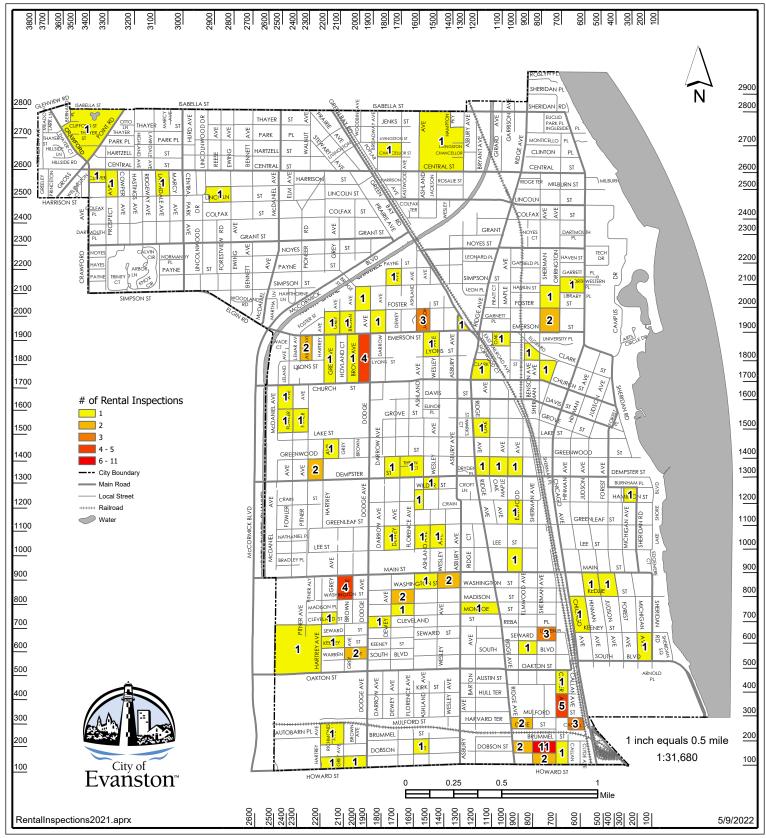


TABLE 1 FEE/REMEDY BASED ON VIOLATIONS

Community	Violation/Remedy		
	First offense is \$150/day; second offense is \$400/day; and third and subsequent violations are \$750/day.		
EVANSTON Current Rental Registration	Additionally for major violations, staff can apply the Property Maintenance Code (specifically subsections 106.6 -Criminal Housing Management and 106.6.1 -Criminal Housing Management Penalty) or the Code for Dangerous Buildings which has fines up to \$1,500 per day		
Minneapolis, MN	Properties with a higher property conditions tier are inspected more frequently and are charged a higher fee. A property's tier is determined by looking back at the last two years of data.		
	Tier 1, Eight-year inspection cycle - well-maintained, and meets minimum housing code.		
	Tier 2, Five-year cycle. Property is well-maintained but has a few documented issues that may have an urgent impact on renter safety and habitability.		
	Tier 3, One-year cycle. Property may be poorly maintained. There are several documented issues, and it is likely that more than one has an urgent impact on renter health and safety. All rental licenses expire at the end of February. Rental license fees are due March 1 of each year.		
	A provisional license may be issued to authorize the continued occupancy of rental dwelling units pending issuance of a rental dwelling license.		
Schaumburg, IL	Tall grass tickets - \$100 fine if not cut within five (5) days after being notified to so do by the village. The village may cause such weeds or turf grass to be cut and invoice, hold a transfer tax revenue stamp or lien the propoerty for \$100 administrative fee.		
	The landlord is fined not less than three hundred dollars (\$300.00) nor more than seven hundred fifty dollars (\$750.00) for each unit declared to be a chronic public nuisance property. Further, such landlord is fined not less than seven hundred fifty dollars (\$750.00) nor more than one thousand five hundred dollars (\$1,500.00) for each subsequent unlawful activity that occurs in, at, on or about that unit within the one-year period. A landlord is liable for administrative costs associated with any hearing. The chief of police charges the owners of such premises the costs associated with abating public nuisance violations at such premises for a period of one (1) year after which the president and board of trustees reconsider the facts and determine to continue to charge for such services.		
Rock Island, IL	A civil fine not to exceed \$750.00 per day or an injunction requiring the abatement of the nuisance activity that resulted in the activity being declared a chronic nuisance by the court. Any fines imposed on the owner and remaining unpaid after 60 days of imposition of said fines shall attach to the property where the nuisance activity occurred as a lien.		
Palatine, IL	Any person, firm or corporation causing any nuisance is subject to a fine of not less than fifty dollars (\$50.00) nor more than seven hundred fifty dollars (\$750.00). Each time such person shall continue or recause a nuisance after being found guilty for the same, a new cause of action will immediately accrue.		

CHAPTER 12 DANGEROUS BUILDINGS CODE

4-12-1. DANGEROUS, UNSAFE BUILDINGS DEFINED.

All buildings or structures which have any or all of the following defects shall be defined as dangerous or unsafe buildings and are declared public nuisances:

- (A) Those which have improperly distributed loads upon the floors or roof or on which the same are overloaded, or which have insufficient strength to be reasonably safe for the purposes used, imposed loads or for the intended design load.
- (B) Those which have been damaged by fire, wind or other causes so as to have become dangerous to life, limb or property of the occupants or others.
- (C) Those which have parts thereof which are so attached that they may suddenly fall and injure persons or damage property.
- (D) Those which are in a state of dilapidation, deterioration or decay; have faulty construction; lack ventilation; are overcrowded; are open, vacant or abandoned; or are in danger of collapse or failure.
- (E) Those which have sewerage or plumbing facilities which are backed up or otherwise unsanitary.
- (F) Those which have been designated by the city as unsafe for human habitation.
- (G) Those which are fire hazards, which lack code compliant means of ingress and egress, or which lack required operational smoke detectors.
- (H) Those which are manifestly unsafe or unsecured as to endanger life, limb or property.
- (I) Those from which the electrical, plumbing, heating or other facilities required by this code have been removed, disconnected, destroyed or which cannot safely perform their intended use.
- (J) Those to which the utility services have been removed, disconnected, tampered with, destroyed or interrupted, of which a reasonable owner is presumed to have knowledge and for which a reasonable owner shall be liable.
- (K) Those which have become unsanitary, which are vermin infested or insect infested, or which are littered with refuse.
- (L) Those that endanger life or property by the presence of toxic or flammable fumes, gases, vapors or materials. (Ord. No. 128-0-00; Ord. No. 8-O-12, (48-O-11(exh. A, § 4-12-1)), 1-23-2012)

4-12-2. NUISANCES DECLARED; ABATEMENT.

- (A) All dangerous or unsafe buildings or structures as defined in this chapter, are hereby declared to be public nuisances and shall be closed, secured, repaired, vacated or demolished.
- (B) It shall be unlawful for any person to maintain a building or structure in violation of this chapter.

(Ord. No. 128-0-00; Ord. No. 8-O-12, (48-O-11(exh. A, § 4-12-2)), 1-23-2012)

4-12-3. CLOSING BUILDING OR PREMISES.

The city manager or his/her designee shall have the power to order any building or premises closed, secured or any structure or equipment therein or thereof removed or its operation stopped when the condition of said

building imperils life, safety or health, and to keep same closed, secured, removed or shut down until it is made safe or until the building is demolished.

(Ord. No. 27-0-79; Ord. No. 8-O-12, (48-O-11(exh. A, § 4-12-3)), 1-23-2012)

4-12-4. POSTED OR PUBLISHED NOTICE OF DANGEROUS, UNSAFE BUILDINGS.

- (A) Whenever a court or administrative hearing officer has determined that a building is in violation of the building code or property maintenance code as adopted by the city, the director of Community and Economic Development shall have authority to place a sign which is visible to the public on or near the building to provide public notice of the violation(s). The sign may state the address of the building, the owner or owners of record of the building, other information identifying the owner, the nature of the violation(s), the name, address and phone number of the management company, and any relevant information pertaining to a pending administrative hearing or court proceedings.
- (B) Whenever the Director of Community & Economic Development has cause to file a court complaint or administrative complaint for an alleged violation of the Building Code and/or Property Maintenance Code, he/she shall be authorized to have a public notice published in one or more newspapers which includes any information relating to the filing of said case in a court of law or administrative tribunal, or any other action taken by the City seeking enforcement of the said Codes. The public notice may include all the information listed in Subsection (A) of this section.
- (C) Any rental property which has more than fifty (50) violations of the Building Code and/or Property Maintenance Code at the time the court complaint is filed, or administrative proceeding is requested, which violations are either unresolved more than one hundred eighty (180) days after written notice thereof to the owner or which are unresolved after the case has been on the court call or administrative proceeding call more than six (6) times after the court has jurisdiction over the defendant, whichever is less, is eligible for posting pursuant to this section.
- (D) Prior to posting pursuant to this Section, the Director of Community & Economic Development shall meet with neighbors within five hundred feet (500') of the subject property and the ward Alderman to advise them of a property eligible for posting, and the date after which the sign will be posted. Thereafter, if, in conjunction with the ward Alderman, the Director determines to proceed

with the posting, he/she shall send written notice to the owner(s) of record, informing him/her/them of the posting provisions of this Section, and that the owner(s) may stay the posting by appealing to the Planning and Development Committee of the City Council as provided for in Subsection (E) of this Section.

- (E) An owner desiring to appeal a posting pursuant to this section shall proceed as follows:
- 1. The appeal must: a) be filed with the Director of Community & Economic Development within ten (10) calendar days from the date of the Director's written notice of posting; b) be in writing; and c) specify with particularity the grounds for objection.
- 2. After receiving the appeal, the Director of Community & Economic Development shall set the appeal for the next available regular Planning and Development Committee meeting and notify the appellant and owner(s) of record within five hundred feet (500') of the subject property in writing of the meeting. The notice shall advise that the said owners of record that any comments they wish to make must be submitted to the Director of Community & Economic Development, in writing, within ten (10) calendar days from the date of the Director's notice.
- 3. The planning and development committee shall decide whether or not to hear the appeal, and if granted, set a hearing date for said appeal. A decision to not hear the appeal shall be in writing and shall be issued no later than the committee's next regular meeting.

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- 4. The hearing shall be confined to a review of the Director of Community & Economic Development's decision, and, if applicable, of the written objections submitted by the appellant and the record owners. No oral presentations shall be heard except upon invitation by the Committee and any such presentation(s) shall be confined to facts and matters contained in the written materials on file in the appeal.
- 5. The Planning and Development Committee shall either approve, approve with conditions, deny, or refer the matter back to the Director of Community & Economic Development for further investigation. The Committee's decision shall be in writing and shall be issued no later than the next regular meeting after the decision is made.
- 6. It shall be unlawful for any person to remove, cover, or obliterate any sign, notice or notices lawfully posted pursuant to this Section, as amended, without the City's prior written permission.
- 7. Any person who removes, covers, or obliterates any sign posted pursuant to this section without the prior written permission of the Director of Community & Economic Development shall be subject to a fine up to five hundred dollars (\$500.00) and/or incarceration for a period up to six (6) months. The penalty provision of this Chapter is inapplicable to this section.

(Ord. No. 94-0-97; Ord. No. 8-O-12, (48-O-11(exh. A, § 4-12-4)), 1-23-2012)

4-12-5. DEMOLITION OR REPAIR OF BUILDINGS.

If any building shall be found in a dangerous or unsafe condition or uncompleted or abandoned, the City Manager or his/her designee shall post a prominent warning thereon and shall notify in writing the owner or owners thereof, directing said owner or owners to put such building in a safe condition or to demolish it. Where, upon diligent search, the identity or whereabouts of the owner or owners of any such building shall not be ascertainable, such notice shall be sufficient if mailed to the person or persons in whose name such real estate was last assessed, and to all lien holders of record. If, after fifteen (15) days subsequent to delivery of such notice said owner or owners and lien holders of record have failed to put such building in a safe condition or to demolish it, the City Manager or his/her designee may initiate proceedings in accordance with this Chapter, as amended, and apply to the Circuit Court of Cook County for an order authorizing the City to demolish, repair or enclose or to cause the demolition, repair or enclosure of said building. It shall not be a defense to an action for demolition brought under this Section that the building is boarded up or enclosed.

(Ord. No. 27-0-79; Ord. No. 94-0-97; Ord. No. 8-O-12, (48-O-11(exh. A, § 4-12-5)), 1-23-2012)

4-12-6. SUMMARY ACTION; LIFE HEALTH SAFETY EMERGENCIES.

When a building's condition poses an immediate threat to the health, life or safety of the occupants or of the public because of the extremity of conditions, as set forth in Section -1 of this Chapter, as amended, the City Manager or his/her designee shall take or cause to be taken whatever measures are reasonably necessary to render the property safe and abate the nuisance, including, but not limited to, the immediate displacement of resident and/or board-up of the property. The City shall have recourse for the costs incurred as provided in Section -7 of this Chapter, as amended.

(Ord. No. 7-0-83; Ord. No. 94-0-97; Ord. No. 8-O-12, (48-O-11(exh. A, § 4-12-6)), 1-23-2012)

4-12-7. Costs.

The City may recover costs it incurs pursuant to this Chapter, as amended, from the owner or owners of such real estate either by order of a court of competent jurisdiction or an administrative hearing officer pursuant to Subsection 11-1-9-(F)-1 of this Code. Said costs may be a lien thereon as provided by law, provided that within sixty

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(60) days after said cost and expense is incurred, the City, or the person performing the service by authority of the City, shall file notice of lien as required by law.

(Ord. No. 27-0-79; Ord. No. 94-0-97; Ord. No. 8-O-12, (48-O-11(exh. A, § 4-12-7)), 1-23-2012)

4-12-8. PENALTY.

- (A) Any person found to have violated the provisions of this Chapter shall be punished by a fine of seven hundred fifty dollars (\$750.00) per violation. Subsequent offenses may be prosecuted in Circuit Court and punishable as a misdemeanor by incarceration in the county jail for a term not to exceed six (6) months and/or a fine not to exceed one thousand five hundred dollars (\$1,500.00).
- (B) A separate and distinct offense shall be regarded as committed each day on which such person or persons shall violate the provisions of this chapter.

(Ord. No. 128-0-00; Ord. No. 8-O-12, (48-O-11(exh. A, § 4-12-8)), 1-23-2012)

4-12-9. MUNICIPAL LIABILITY.

No officer, agent or employee of the City shall be held to be personally liable for any damage which may occur to persons or property as a result of any act required or permitted in the discharge of his/her duties under this Chapter. Any suit brought against any officer, agent or employee of the City as a result of any act required or permitted in the discharge of his/her duties under this Chapter shall be defended by the Corporation Counsel until the final determination of the proceedings therein.

(Ord. No. 27-0-79; Ord. No. 94-0-97; Ord. No. 8-0-12, (48-0-11(exh. A, § 4-12-9)), 1-23-2012)

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Memorandum

To: Members of the Housing & Homelessness Commission

From: Sarah Flax, Housing & Grants Manager

Marion Johnson, Housing and Economic Development Analyst Meagan Gibeson, Housing & Economic Development Analyst

Subject: Discussion of potential changes to the City's Landlord Tenant Ordinance, Model

Lease, and Human Rights Ordinance to incorporate elements of Cook County's

Landlord Tenant Ordinance effective June 1, 2021 and the Just Housing

Amendment to its Human Rights Ordinance

Date: April 8, 2021

<u>Summary</u>

Staff seeks guidance from the Housing and Homeless Commission on what changes to incorporate in the City of Evanston Residential Landlord Tenant Ordinance (RLTO) and Human Rights Ordinance (HRO) based on the recently approved Cook County Landlord Tenant Ordinance effective June 1, 2021, and the Just Housing amendment to the Human Rights Ordinance already in effect. Staff has collaborated with the Metropolitan Tenants Organization and Lawyers Committee for Better Housing, with whom the City contracts for landlord tenant services, and is taking into consideration work undertaken in 2019 by City staff on an addendum to the City's model lease so updates to these related ordinances are made simultaneously rather than piecemeal. Following input from HHC, staff will update the ordinances and model lease for consideration and approval by the Planning and Development Committee and City Council at the earliest practicable P&D and City Council meetings.

Changes to City of Evanston Residential Landlord Tenant Ordinance

On January 28, 2021, Cook County passed the Residential Tenant Landlord Ordinance, which outlines important provisions. These include protections against illegal lockouts, the prohibition of excessive move-in fees and security deposits; and limits on interest rates on late payments, among other new safeguards and guidance. The ordinance goes into effect June 1, while the lockout provision was in effect immediately upon approval by Cook County Commissioners.

Evanston, Chicago, and Mount Prospect are the only municipalities in Cook County that are exempt from this ordinance because each has a RLTO already in effect. These three ordinances were used as the basis for the Cook County ordinance so have substantial similarities, as well as additional protections, such as limits to fees on late rent payments that are not in Evanston's

RLTO, which has not been updated since 2016 to reflect new challenges facing residents and landlords due to changes in the rental market.

The following additions and changes to the City's RLTO are proposed for the HHC's consideration to ensure that the challenges faced by low-income renters, particularly BIPOC, are addressed and their opportunities to achieve stable housing are increased. Provisions also address longstanding challenges for landlords and property managers, including complying with the current requirements for security deposits. Proposed updates seek to prevent unscrupulous practices, address barriers to long term housing stability, and ensure safe housing conditions. Proposed changes to the ordinance would stipulate the following (further details can be found in the attached fact sheet):

- Requires that **move-in fees** be reasonably related to actual expenses.
- Limits **late fees** on rent payments.
- Prevents the renaming or replacement of **security deposits**, and **removes interest payments** on those deposits.
- Adds **foreclosure and utility disclosures** to ensure tenants are aware of these important issues before signing a lease.
- Adjusts period required to effect a cure to be consistent with Cook County.
- Balances the needs of landlords with the ability of tenants to apply for rental assistance by adding a **one-time right to pay**.
- Increases **notice period for lease renewal** particularly for long term residents.
- Requires attachment of a summary of the ordinance in plain language to rental leases rather than the entire ordinance.

Model Lease and Lease Addendum

Additionally, staff recommends making changes to Evanston's model lease and lease addendum for landlords to mirror the RLTO, lease addendum and <u>Nuisance Premises</u> Ordinance.

Just Housing Amendment to Human Rights Ordinance

Changes are proposed to Evanston's <u>Human Rights Ordinance</u> to include Cook County's <u>Just</u> Housing Amendment to provide important protections for residents with criminal histories.

Attachments:

- Fact Sheet: Updating the Evanston Residential Landlord and Tenant Ordinance
- Link to: Evanston's Current Residential Landlord Tenant Ordinance
- Link to: Cook County Residential Landlord Tenant Ordinance
- Link to: Evanston's Model Lease Agreement
- Link to: Cook County's Just Housing Amendment

Updating the Evanston Residential Landlord and Tenant Ordinance (April 2021)

Current Draviales	Duamagad Duamisias	Funlariation
Current Provision	Proposed Provision	Explanation
No limitation on	Defines move-in fees	Some landlords have increased move-in fees above the
move-in fees.	and requires that they	amount reasonably related to the costs to the landlord or
	be reasonable related	moving in, perhaps to avoid security deposit requirements.
Nie Partie Para	to actual expenses.	Brings Evanston in line with Cook County RTLO.
No limitation on	Limit late fees to \$10 on	Late fees make catching up on late rent difficult for modest
late fees.	\$1000 monthly rent; 5%	income tenants. Proposed formula consistent with Cook
	on amounts over \$1000.	County RTLO.
Contains security	Specify that security	Unfortunately, some landlords seek to avoid duly approved
deposit protections	deposits may not	ordinance requirements by changing the terms. This
but does not	renamed to avoid	provision brings ordinance in line with Cook County RTLO.
prevent renaming	requirements.	
deposit to avoid		
requirements. 5-3-		
5-1.		
Contains some	Add disclosure	Tenants are at a disadvantage without knowing important
disclosure	requirements for utility	issues about a potential rental, such as utility costs and
requirements. 5-3-	costs and foreclosure.	whether a foreclosure has been filed.
5-2.		
Thirty day period to	Even out wide divide	While 48 hours is too short for tenants to effect a cure, 30
cure unless 3 or	between 30 days and 48	days is quite long. Ten days' notice is consistent with
fewer units, then	hours to 10 days for all.	Chicago and Cook County.
48 hours. 5-3-6-1.		
Ten day period to	Add one-time right to	Ten days' notice is insufficient for low income tenants to
cure non-payment.	pay and stay that lasts	access rental assistance. Making the provision applicable
5-3-6-1.	to court judgment.	only one time balances needs of landlords to be paid. If
		landlord has filed court case, tenant required to pay filing
		fees. Included in Chicago Fair Notice Ord. and Cook County
		RTLO.
Notice of lease	Increase notice to 60	Thirty days' notice is insufficient for tenants any tenants,
non-renewal	days for tenancy of 1-3	especially tenants who have lived in the property for a long
requires 30 day	years and 120 days for	period – longer notice is important for families with
notice. 5-3-8-3.	tenancy of more than 3	children, seniors, and people using Housing Choice
	years.	Vouchers. Included in Chicago Fair Notice Ord.
Attach full	Attach approved	More likely that landlords and tenants will understand a
ordinance to lease.	summary.	plain language summary (to be drafted by City staff).
(5-3-10)		

Links to NYC's housing maintenance code

https://www1.nyc.gov/site/hpd/services-and-information/penalties-and-fees.page

http://tenant.net/Oversight/Codeenf/codeviol.html

https://www1.nyc.gov/site/hpd/services-and-information/alternative-enforcement-program-aep.page

https://www1.nyc.gov/assets/buildings/pdf/HousingMaintenanceCode.pdf



Decent, Safe, Sanitary... and Equitable: Protecting Rental Housing in Evanston Thursday, May 19, 2022, 6:30 PM - 8 PM, via Zoom

AGENDA

<u>Called to Order by Council Member Clare Kelly, chair of the Planning & Development Housing Subcommittee</u>

Welcome & Purpose of Tonight's Forum (Rick Marsh, President, CABG)

- To lift up our unity in support of high quality housing for, and respectful treatment of, all renters, regardless of race, neighborhood, income, or other categories.
- To educate ourselves and the public about the array of education and enforcement tools for landlord accountability
- To evaluate these tools on the basis of: (1) racial, health, and economic equity; (2) effectiveness (i.e., makes the landlord comply with maintenance codes without unintended consequences that hurt renters); (3) efficiency (i.e., covers a large number of rental units in a timely fashion with no backlog); (4) preserves the rental stock for lower-income residents without displacement and upholding their rights; and (5) promotes full transparency (i.e., neighbors and tenants know who the owner is and who to call with issues)
- To come up with next steps for the City of Evanston

<u>Introduction of Format</u> (Oliver Ruff, CABG)

Oliver welcomed speakers and asked that they follow time guidelines to make sure everyone has a chance to speak.

<u>State of Rental Housing Oversight in Evanston Today</u> (Gail Schechter, CABG, John Bartlett, MTO) Grateful to housing committee for participating in this forum

Schechter: Overview of the situation in which we have ourselves:

- Rental housing is now 43% of Evanston's housing stock more than 12,000 units. Used to be half.
- Evanston is the Tale of Four Cities: (1) Black/white; (2) childless (students, young professionals, empty nesters)/families with children; (3) rich/everyone else; and (4) people experiencing homeless or paying rent through vouchers/market-rate households.
- In 2008, Evanston adopted a requirement that landlords register their rental units in all non-owner-occupied properties. This was after the proposal for landlord licensing was tabled following opposition by housing rights groups like Open Communities. Evanston

- was supposed to inspect properties on a 3-5-year cycle; registration fees would amount to \$85,000/year.
- Last fall, City Council members began the process of focusing attention on the problem
 of the persistence of substandard rental housing by creating a Planning & Development
 Housing Subcommittee, especially focused on revisiting landlord licensing as a strategy.
 These stats come from the documents and minutes of that subcommittee. Note: three
 of the four Council Members of that Committee, including the chair, are here tonight:
 Bobby Burns, Clare Kelly, and Devon Reid.
- This year only 633 properties (1 in 4) have paid their fee of the 2,300 in the registry.
- Evanston staff say that the property database is inadequate. Does not have information on ownership structure and contact info for LLCs (Limited Liability Corporations) and does not track repeat violations for the same landlord.
- In 2019, there were 305 routine initial inspections. These were suspended in 2020 with the pandemic. There were 100 in 2021.
- Current staffing is 1 supervisor and 5 inspectors, but 2 inspector positions are vacant. Staff have said that for a proactive inspection program, would need 7-9 inspectors plus office staff support and a comprehensive database.

Bartlett: Shared "heat map" showing where the preponderance of Evanston complaints come from – mostly south. Complaints mostly focus on getting needed repairs, lease questions, and eviction prevention.

Landlord Accountability: Strategies and Solutions

- John Bartlett/MTO: Campaign for proactive rental inspections, Chicago
 - We have been working on Chicago campaign for proactive inspections. Proactive inspections are equitable because they do not depend on tenants who, especially if they are poor people of color or undocumented to risk retaliatory action.
 - o Fee amounts should be increased:
 - To pay for proactive inspections
 - To help small landlords who rent to low-income people
 - O Evictions are two kinds when tenants fail to pay their rent, and when they have no-cause 30-day notice to leave their house. Can be discriminatory or retaliatory.
 - O Just Cause Eviction notice ensures reason is given.
- Sheryl Ring/Tenant Advocate: Ideal rental oversight components for Evanston
 - Evictions are a rocket docket. 100-150 per morning at the Skokie Court House.
 Tenants are almost never represented.
 - o Landlords win 98% of eviction cases when tenant is unrepresented.
 - Everyone should spend a day in eviction court. Mostly white landlords and BIPOC tenants.

- Orders are pre-written, only need a stamp. If a tenant somehow wins, it is ripped up.
- Incentive for big landlords, system inherently favors large landlords.
- Registration program tends to be tied to the unit, but bad landlords get around them through opaque LLCs and incorrect contact addresses, as with current cases against Sargon Isaac.
- O Pitfall to unit registration is that if a landlord doesn't register their unit, a tenant has no standing to sue for habitability. When there is no certificate of occupancy, you are creating a "permanent underclass" of tenancy.
- O System harms BIPOC tenants and domestic violence victims.
- o Solutions:
 - Institute a right to counsel for tenants.
 - Create a lease registry system in addition to a unit registry. This would be simple for Evanston because the City already requires landlords to inform tenants of their rights. So simply add registration of the lease to the beginning of the tenant. This would also allow the City to check for a match between the unit and the person; it also allows the City to ensure that lease terms are legal.
 - Lease registration has been successful in Takoma Park, MD.
 - A lease registry buttresses a tenant's right to sue for repairs.
 - Registration of both the unit and the lease allows for information tracking and transparency.
- Jackie Koriath/The Network: Intended and unintended consequences
 - People want to live in Evanston because it is desirable, but limited availability of rentals
 - O Dilemma that tenants will suffer bad conditions just to be in Evanston
 - O Need to ensure that tenants can remain when a landlord is cited
- Cheryl Lawrence/Open Communities: Mandatory landlord education
 - Proactive strategy mandatory landlord education on topics like eviction prevention, fair housing and landlord/tenant laws, how to keep illegal activities off of the property, how to handle noise and nuisance, bedbugs
 - Want stable housing for both tenant and landlord
 - Best way to set up for good relationship is through training
 - Harder to get landlords to voluntarily receive training
 - O Working on intensive training for renters, how to be a good renter
- Council Member Devon Reid: Just Cause eviction protections
 - o Thanks to 8th ward residents who co-founded CABG, and to everyone here
 - Establish a right to housing
 - Support policies that support Just Cause eviction laws that landlords must show cause to evict

- Licensing what we are looking at is very different than other cities, i.e.,
 warrantless searches, not what we're looking for; Better regime for landlord
 licensing
- Council Member Clare Kelly: Strengthening Evanston's Fair Housing Ordinance
 - o Thank you to the experts here, and to CABG
 - Want to protect affordable housing throughout Evanston. People want to live here, it's beautiful, but we don't want it to become a rarified
 - O Want safe and affordable, all over Evanston, and more of it
 - Fee for rental has been distorted more and more, home prices have become distorted
 - O Housing subcommittee: continuing to review
 - O Should be right to repair landlord can't discriminate against someone who wants repair
 - Formally proposed updates to Evanston's Fair Housing Ordinance including adding Just Housing protections for people who have an arrest record but did not commit violent crimes. This is already Cook County law.
- Council Member Bobby Burns: Building a robust legal department for enforcement
 - Thank you for having us.
 - O Councilmember Reid and Burns are renters, may be only ones on elected councils in northern suburbs
 - Good relationships with landlords
 - Has had to intervene between landlords and tenants, keep landlords from having tenants lose their voucher
 - o If a landlord repeatedly refuses to remediate, pay fines, ignores the city, wants process for what to do when that happens
 - O Has asked, do we have enough law department staff to enforce things? They say yes. But need law department to take landlords to court, with orders adhered to.
 - Exploring option of Receivership, in which City, as a last resort, gets a court order to put a property in need of urgent repairs into the hands of an organization (there are several nonprofit housing groups in Evanston who could potentially do this) to effect the repairs using the rent roll. (Schechter added that in NYC, the City also had special funds for emergency repairs for these buildings, and the obligation to repay was structured as a lien. If the landlord walked away, there was a program to help the tenants purchase the building as a limited equity coop.)

<u>Open Discussion and Public Comment</u> among panelists and questions from attendees Councilmember Kelly noted that there has been a problem with equity in the past. Feels like we have been catering to wealthy landlords who live elsewhere, while we should be supporting our local landlords who provide Naturally Occurring Affordable housing. Would like our Inclusionary Housing Ordinance include requirement for Section 8 voucher

Attorney Sheryl Ring talked about Right to Counsel. Warned that receivership may be prohibited in some mortgages.

Ring suggested directing eviction filing fees to Evanston's affordable housing fund.

Devon: How do we keep slumlords from chronically renting substandard housing?

Doreen Price commented that the City's Legal Department has focused more on going after private homeowners like herself.

Tina Paden: Her family has been providing affordable housing for 50 years. They have accepted low-income tenants through Connections, Catholic Charities, Trilogy, for years. Since pandemic, she has not received any help from the city or the agencies. Recommends that City only focus on bad landlords. Housing stock will be affected. What is the plan to support small landlords? What incentive do you have to bring more affordable housing?

Devon - working on supports for small and medium property providers

<u>Next Steps</u>: Impressions from Council Members Burns, Kelly and Reid The Council Members thanked CABG and the panelists. They said the ideas presented will be useful as they proceed. Councilmember Kelly reminded the public that the next Housing subcommittee meeting is June 23, 5:00pm

Adjourn Council Member Reid adjourned the meeting at approximately 8 PM.

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Open Discussion among panelists and questions from attendees

Next Steps: Impressions from Council Members Burns, Kelly and Reid

<u>Adjourn</u>

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2021 Evanston Hotline Calls

