

## **PROPOSED SUBSTITUTE TO FILE 16-2505 (6-29-16)**

**Sponsored by:** TONI PRECKWINKLE, President, Cook County Board of Commissioners

### **PROPOSED ORDINANCE AMENDMENT**

#### **RESIDENTIAL RENTAL LICENSING ORDINANCE**

**BE IT ORDAINED**, by the Cook County Board of Commissioners, that Part II, Chapter 102, Building Code, Article V, Residential Rental Licenses, of the Cook County Code is hereby enacted as follows:

#### **ARTICLE V. - RESIDENTIAL RENTAL LICENSES**

##### **Sec. 102-180. - Short title.**

This Ordinance shall be known and may be cited as the "Cook County Residential Rental License Ordinance."

##### **Sec. 102-181. - Purpose.**

The Cook County Board of Commissioners has deemed it necessary to establish a Residential Rental License for Unincorporated Cook County in order to effectively protect the public health, general welfare, and safety of its residents. This Residential Rental License Ordinance is adopted pursuant to Cook County's home rule powers.

##### **Sec. 102-182. - Jurisdiction.**

The provisions of this Ordinance shall apply to the unincorporated area of Cook County and such other areas as may be designated by the Cook County Board of Commissioners in accordance with State Statutes but excluding all publicly owned property or rights-of-way under the jurisdiction of any governmental agency.

##### **Sec. 102-183. - Definitions.**

The following words, terms, and phrases, when used in this Ordinance shall have the following meanings ascribed to them in this Ordinance, except where the context clearly indicates a different meaning:

*Cook County* or *County* means the County of Cook, Illinois.

*Department* means the Cook County Department of Building and Zoning.

*Dwelling Unit* means any room or group of rooms located within a Multi-Unit Building and forming a single habitable unit with facilities, which are used or intended to be used for living, sleeping, cooking, bathing, and eating.

*Multi-Unit Building* means a structure that is designed and built with four (4) or more Dwelling Units.

*New Owner* means any Person that owns a Dwelling Unit that is initially offered as Rental Property on or after June 1, 2017 and any Person who becomes an Owner on or after June 1, 2017.

*Owner* means any Person who alone, jointly or severally with others has legal title to any Rental Unit, with or without accompanying actual possession thereof; or is an executor, administrator, trustee or guardian of the estate of the Owner; or is a mortgagee in possession thereof.

*Person* means any natural person, trust, court appointed representative, syndicate, association, partnership, firm, club, company, corporation, business trust, institution, agency, government corporation, municipal corporation, district or other political subdivision, contractor, supplier, vendor, vendee, operator, user or owner or any officer, agent, employee, or other representative, acting either for himself/herself or for any other person in any capacity, or any other entity recognized by law as the subject of rights and duties.

*Rental Property* means any residential property whose Owner receives payment in exchange for the right to occupy or use the property by another during any time of the year.

*Residential Rental License* means a license required by County ordinance as a condition to offering residential property for rental purposes in unincorporated Cook County.

*Rental Unit* means a Dwelling Unit which is being offered as Rental Property, and is not Owner occupied.

*Sheriff* means the Sheriff of Cook County, Illinois or his/her designee.

*Tenant* means a Person who occupies a Rental Unit by way of an agreement with the Owner (or designee).

#### **Sec. 102-184. - Notice of Residential License Ordinance.**

(a) The Department will provide a copy of this Ordinance on its website at least sixty (60) calendar days prior to the effective date of this Ordinance.

(b) The County Clerk shall publish a copy of this Ordinance in a newspaper of general circulation within thirty (30) days of passage by the Cook County Board of Commissioners.

#### **Sec. 102-185. - License Requirement.**

It shall be unlawful for any Person to rent any Dwelling Unit unless the Owner has obtained a current Residential Rental License from the Department for such Rental Unit.

#### **Sec. 102-186. - Authority to Issue Licenses.**

The Department is authorized, upon application thereof, to issue and renew Residential Rental Licenses for Rental Units provided that all applicable requirements are met.

#### **Sec. 102-187. - License Application and Renewal Requirements.**

(a) All applications for Residential Rental License issuance and renewal shall be made in such form and accompanied by such information as required by the Department.

(b) The initial Residential Rental License application and applicable fee must be submitted by the Owner to the Department no later than June 1, 2017.

(c) Each year thereafter, a Residential Rental License renewal application and applicable fee must be submitted by the Owner to the Department no later than September 15th, provided that there has been no change of ownership.

(d) Any New Owner shall submit a new Residential Rental License application and applicable fee to the Department within 45 days of becoming the owner of record.

(e) Every application for Residential Rental License issuance or renewal shall be accompanied by a License Fee established by the Cook County Board of Commissioners and set forth in Chapter 32 of the Cook County Code of Ordinances, payable to Cook County Collector. License Fee payments remitted after the date on which the fee is due, shall be subject to a Late Fee equal to the amount of the License Fee. The Residential Rental License Fee shall be separate and apart from any other fee required pursuant to Part II, Chapter 102 of the Cook County Code of Ordinances or other applicable law. The License Fee shall not be prorated and is not refundable, except as provided in Sec. 102-187(f), below.

(f) Applications for Residential Rental License issuance or renewal which fail to comply with this section shall be returned by the Department to the Owner with instructions to re-apply, and the accompanying application fee will be refunded.

#### **Sec. 102-188. - Consent to Inspection.**

In order to obtain a license or renewal, the Owner shall allow inspection of the Rental Unit by the Department consistent with lawful lease provisions pertaining to access by the landlord and that take into consideration the possessory rights of the tenant. The scheduling of the inspection shall provide sufficient notice to tenants as provided in Section 102-191. If consent is denied or withheld, the Department shall have the authority to seek an Order of Inspection from a tribunal with jurisdiction to enter such an Order.

#### **Sec. 102-189. - Duration of License.**

Each Residential Rental License shall be effective until September 15th of each year, unless the Residential Rental License is suspended or revoked, or ownership of the Rental Unit is transferred prior to expiration resulting in automatic termination of the Residential Rental License.

#### **Sec. 102-190. - Non-Transferability of License.**

No Residential Rental License shall be transferable to another Person, or to another Rental Unit.

#### **Sec. 102-191. - Inspection.**

(a) The Department is authorized and empowered to make all inspections of Rental Units. Such inspection shall be for the purpose of determining whether the Rental Unit meets all applicable requirements referenced in Sec. 102-192(a) below.

(b) All inspections will take place during regular County business hours, Monday through Friday, excluding County holidays.

(c) The Department shall notify the Owner of any inspection at least three (3) business days in advance. The Department shall provide the name and contact information of a representative of the Department that the Owner may contact to reschedule the Rental Unit inspection, if necessary, to a mutually agreeable date and time.

(d) The Owner shall provide sufficient notice of inspection to tenant (i.e., at least two (2) calendar days in advance), and shall work with the Department to accommodate the tenants' schedule. If consent is denied or withheld, the Department shall have the authority to seek an Order of Inspection from a tribunal with jurisdiction to enter such an Order.

(e) The Department will inspect each Rental Unit at least once every four years to ensure compliance with all applicable requirements of this Section, the Cook County Building Ordinance, Part II, Chapter 102 of the Cook County Code of Ordinances; the Cook County Zoning Ordinance, Part II, Appendix A of the Cook County Code of Ordinances; and the Cook County Public Health and Private Nuisance Ordinance, Chapter 38, Article III, § 51-55 of the Cook County Code of Ordinances. The provisions of the respective Cook County Code Ordinances shall apply.

**Sec. 102-192. - Failure to Comply - Code of Ordinances.**

(a) Owners must comply with all applicable requirements of this Ordinance and the following Cook County Code Ordinances:

- (1) The Cook County Building Ordinance, Part II, Chapter 102 of the Cook County Code of Ordinances;
- (2) The Cook County Zoning Ordinance, Part II, Appendix A of the Cook County Code of Ordinances; and
- (3) The Cook County Public Health and Private Nuisance Ordinance, Chapter 38, Article III, § 51-55 of the Cook County Code of Ordinances.

(b) Failure to comply with all applicable requirements of this Ordinance and the applicable Cook County Code Ordinances may result in Residential Rental License suspension, denial or revocation.

**Sec. 102-193. - License denial, nonrenewal, suspension, and revocation.**

(a) The Department shall have the authority to issue to the Owner a notice of violation recommending denial, nonrenewal, suspension, or revocation of an Owner's Residential Rental License if it determines the Owner has failed to comply with any provision of this Ordinance, the Cook County Building Ordinance, Part II, Chapter 102 of the Cook County Code of Ordinances, the Cook County Zoning Ordinance, Part II, Appendix A of the Cook County Code of Ordinances and the Cook County Public Health and Private Nuisance Ordinance, Chapter 38, Article, III, Section 51-55. However, no Residential Rental License shall be denied issuance or renewal, be suspended, or revoked except after a hearing with the Cook County Department of Administrative Hearings in accordance with Cook County Code of Ordinances, Chapter 2, Administration, Article IX, Administrative Hearings.

- (1) After the Department issues a notice of violation recommending denial, nonrenewal, suspension or revocation to the Owner, a copy of this notice of violation, along with copies of any documents supporting the above recommendation shall be forwarded to the Department of Administrative Hearings. The notice of violation and documents supporting the recommendation shall be "Prima Facie" or on its face legally sufficient to deny issuance, deny renewal, suspend or revoke the license, until disproved by documentary evidence.
- (2) At the conclusion of the administrative hearing, the hearing officers, or administrative law officer or administrative law judge, shall make a final

determination and order. The Department and/or Administrative Hearing Officer shall inform the Owner of the Administrative Hearing determination; both the Department and Owner have the right to seek judicial review of the Administrative Hearing decision.

(b) A Person whose license has been denied renewal, suspended or revoked may seek re-issuance or reinstatement of the license in accordance with procedures prescribed by Department.

**Sec. 102-194. - Separate Violations.**

(a) Failure by the Owner to provide sufficient notice of the inspection to Tenant.

(b) Operating without a valid Residential Rental License shall constitute a separate violation of this Ordinance.

(c) Knowingly furnishing false or misleading information or complaint(s) to the Department shall constitute a separate violation of this Ordinance.

**Sec. 102-195. - Penalties.**

In addition to such fines, penalties, and injunctive relief as provided in the Cook County Building Ordinance, Part II, Chapter 102 of the Cook County Code of Ordinances; the Cook County Zoning Ordinance, Part II, Appendix A of the Cook County Code of Ordinances; and the Cook County Public Health and Private Nuisance Ordinance, Part I, Chapter 38, Ordinance III, § 51-55 of the Cook County Code of Ordinances, any Person determined to have violated this Ordinance may be subject to a fine of not less than \$100.00 nor more than \$1,000.00 for each offense and/or Residential Rental License suspension, denial and/or revocation. A separate and distinct offense shall be regarded as committed each day upon which said Person shall continue any such violation, or permit any such violation to exist after notification thereof.

**Sec. 102-196. - Reinstatement of License.**

If, upon re-inspection, the Department finds that the subject property has been brought into compliance, then the Department shall lift the suspension, reinstate the Residential Rental License, or issue a new Residential Rental License.

**Sec. 102-197. - Rule Making and Enforcement.**

(a) The Department shall prescribe reasonable rules, definitions, and regulations as are necessary to carry out the duties imposed upon it by this Ordinance. Such rules, definitions, and regulations shall include, but are not limited to, reasonable procedures consistent with existing practices of Persons doing business in Cook County.

(b) The Cook County Department of Building and Zoning shall have the authority to make such decisions and determinations as are necessary with respect to the enforcement of this Ordinance, and to impose such requirements and orders as are necessary under Part II, Chapter 102 of the Cook County Code of Ordinances to bring Dwelling Units, Rental Units, buildings, structures, property, and premises into compliance with this chapter. Representatives of the Department may enter all Dwelling Units, Rental Units, buildings, structure, property and premises in order to enforce the provisions of this Ordinance and chapter during reasonable hours subject to reasonable notice, to the extent consistent with the provisions of

this Ordinance and other applicable law. The Sheriff of Cook County is authorized to, and shall assist the Department, in enforcement of this Ordinance.

**BE IT FURTHER ORDAINED**, by the Cook County Board of Commissioners, that Chapter 32, Fees, of the Cook County Code is hereby amended as follows:

**Sec. 32-1. - Fee schedule.**

The fees or charges provided for or required by the below-listed sections shall be as shown below:

CHAPTER 102, BUILDING CODE		
<u>102-187</u>	<u>Residential Rental License fee, annually per Multi-Unit Building, based on number of Rental Units:</u>	
	<u>1 Rental Unit</u>	<u>60.00</u>
	<u>2 Rental Units</u>	<u>120.00</u>
	<u>3 Rental Units</u>	<u>180.00</u>
	<u>4 Rental Units</u>	<u>240.00</u>
	<u>5 Rental Units</u>	<u>300.00</u>
	<u>6-10 Rental Units</u>	<u>360.00</u>
	<u>11-20 Rental Units</u>	<u>650.00</u>
	<u>21-30 Rental Units</u>	<u>950.00</u>
	<u>31-40 Rental Units</u>	<u>1,200.00</u>
	<u>41-50 Rental Units</u>	<u>1,500.00</u>
	<u>51-75 Rental Units</u>	<u>2,100.00</u>
	<u>76-100 Rental Units</u>	<u>2,500.00</u>
	<u>101 or more Rental Units</u>	<u>3,000.00</u>

**Effective Date:** This Proposed Ordinance Amendment shall be in effect on January 1, 2017.