



ST. CHARLES

SINCE 1834

AGENDA ITEM EXECUTIVE SUMMARY

Title: **Recommendation regarding Residential Rental Licensing and Inspection program**

Presenters: Rita Tungare, Community Development Director
Jim Lamkin, Chief of Police

Please check appropriate box:

	Government Operations		Government Services
X	Planning & Development – 9/12/11		City Council

Estimated Cost:	-Recurring Costs- \$172,800 -One time non-recurring cost - \$6,500	Budgeted:	YES		NO	x
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If NO, please explain how item will be funded:

Program will pay for itself through license fees

Executive Summary:

At the July 11th meeting, the Planning and Development Committee directed staff to prepare an ordinance for a proposed residential rental licensing and inspection program. Included in the Committee packets is an ordinance prepared in consultation with City’s legal counsel from Gorski and Good and a staff memo. We have also researched programs from other communities and the findings are summarized in an attached spreadsheet for your reference.

The key components of the proposed program are: Rental Licensing; Crime free housing seminar & training; Crime free lease addendum; and Interior and Exterior Inspections. The program would apply to an estimated 3,426 rental units within St. Charles, based on the City’s current Utility Billing Records.

Proposed license fees and costs associated with administering such a program are provided in the staff memo for your consideration. The proposed fees have been structured to ensure that the program will be self-supporting in terms of costs and will not have a significant impact on the City’s operating budget.

Attachments: *(please list)*

Staff memorandum; Rental License Ordinance; Crime Free Addendum to Lease Agreement; Programs from other communities spreadsheet.

Recommendation / Suggested Action *(briefly explain):*

Staff is presenting the proposed program for discussion and Committee’s recommendation for approval. The ordinance can be modified per direction from Committee and presented to City Council for approval. If approved, the program could be implemented as early as January 1, 2012.

<i>For office use only:</i>	<i>Agenda Item Number:</i>
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Memo

Date: September 1, 2011

To: Chairman Cliff Carrigan
and Planning and Development Committee

From: Rita Tungare, Community Development Director
Jim Lamkin, Chief of Police

Cc: Brian Townsend, City Administrator
Bob Vann, Building & Code Enforcement Division Manager
Robin Jones, Gorski and Good

RE: Residential Rental Licensing and Inspection Program

I. BACKGROUND:

At the July 11th meeting, the Planning and Development Committee directed staff to prepare an ordinance for a proposed residential rental licensing and inspection program. Included in the Committee packets is an ordinance prepared in consultation with City's legal counsel from Gorski and Good. We have also researched programs from other communities and the findings are summarized in an attached spreadsheet for your reference.

II. PROGRAM PARAMETERS:

If approved, the proposed rental licensing program will fulfill the following purposes:

1. To protect public health, safety and welfare by ensuring residential rental units comply with minimum housing standards of city ordinances.
2. To correct and prevent housing conditions that adversely affect or are likely to adversely affect the life, safety, general welfare and health, including the physical, mental and social well-being of persons occupying rental dwellings.
3. To prevent the overcrowding of rental dwellings by requiring each unit to be in compliance with occupancy limitations.
4. To facilitate the enforcement of minimum standards for the maintenance of residential rental structures and premises and thus preventing blighting conditions.
5. To preserve the value of land and buildings throughout the city, and thus protect the city's tax base.

Provided below is an overview of the key components of the proposed program for St. Charles:

Rental License:

- The license permits the property owner to engage in the renting of a residential unit. Renting shall not be permitted without a license.
- Annual license required prior to renting of units (renewable on January 1st of each year)
- To be administered by the Building & Code Enforcement Division of Community Development.
- The program would apply to an estimated 3,426 rental units, based on the City's current Utility Billing Records.
- The proposed regulations will not apply to the following:
 - Single family owner occupied homes; single family dwellings occupied by a member of the owner's family; vacant single family dwellings that are not intended to be rented; townhomes and owner occupied condominiums; hotels, motels and bed and breakfast establishments; dwellings and structures that are licensed and inspected by state or federal government such as nursing homes, assisted and independent living facilities hospitals; and dwellings/structures owned by other governmental agencies and public housing authorities.
- Section 5.54.040 of the proposed ordinance outlines the specific information that needs to be provided by the owner.
- Owner is required to notify City of any change to ownership or property management within 30 days and to file a revised license application.
- If a license fee is not paid before expiration on January 1st, the fee shall be increased by 20%.
- Failure to comply will result in fines and the certificate of occupancy for the unit being revoked.

Training/Crime Free Housing seminar:

- The license applicant (property owner and/or property manager) is required to attend a mandatory crime free housing seminar administered by the Police Department prior to issuance of a license.
- Attendance is required within 3 months of submittal of a rental license application.
- A seminar must be attended at least once every 4 years.
- A certificate of completion shall be issued.
- The Police Department will provide Community Development with a list of individuals who have fulfilled the requirement.
- The Police Department anticipates holding 4 seminars per year or as needed.
- Topics shall include the St. Charles Chronic Nuisance Property ordinance and procedures that follow, crime prevention by environmental design, suggested screening processes, lease agreements and the crime free lease addendum, dealing with crime related problems and eviction procedures in Illinois.
- The training will be provided as part of the program at no additional cost.

Crime Free lease Addendum:

- A crime free lease addendum shall be included as part of a lease for residential rental properties.

- A license shall not be issued until a copy of the lease addendum is submitted to the Community Development Department.
- A form for the lease addendum provided by the City shall be used or a clause may be included in the lease that is substantially similar to the City's form, with approval of the City.
- The clause will make criminal activity a lease violation and gives the owner or property agent the right under the clause to initiate an eviction proceeding.
- Failure to provide the City with a crime free lease addendum may result in suspension or revocation of the license to rent the property.
- Violations by tenants of the lease addendum shall be cause for the landlord to abate the problem tenant from the involved rental property or be subject to being cited for a violation of the Rental License ordinance. If the landlord refuses/fails to take action, the City will initiate enforcement proceedings as outlined in Section 5.54.150 and 5.54.160 of the Rental Licensing Ordinance.

Inspection

- Inspections shall include interior, exterior and common areas. These inspections are required to ensure that the both the interior and exterior of the unit complies with all codes and ordinances of the City pertaining to life/safety, occupancy, and maintenance.
- Each dwelling unit required to be licensed shall be subject to an inspection to be scheduled by owner or property agent at time of submittal of license application.
- Thereafter, licensed dwelling units will be inspected every 4 years.
- For properties containing more than 12 dwelling units, 20 percent of the units shall be inspected. The City will determine which units are to be inspected. If the inspection reveals that the dwelling units are not in compliance, then the City reserves the right to inspect the remainder of dwelling units.
- Two inspectors will be sent in for interior inspections at any given time.
- Upon scheduling of the inspection, a temporary certificate shall be issued.
- Violation needs to be rectified within period specified by City.
- Once all violations have been rectified satisfactorily and crime-free seminar completed, a license can be issued.
- Owners or property agents shall be responsible for informing tenants of inspections and requesting permission if necessary.
- If access is denied, the City may file for an administrative search warrant.

Annual License/Inspection Fees:

The proposed fees have been structured to ensure that the program will be self-supporting in terms of costs and will not have a significant impact on the City's budget. Fees are based on a current estimate of 1612 single family, townhomes, condos and two family dwellings and 1814 multi-family dwelling units.

Single family, two-family, townhomes - \$ 75 per dwelling unit

Multi-family - \$ 32 per unit

Re-inspection fees - \$ 30.

Fines/Penalties:

- Failure to comply with the requirements of the Rental Licensing program could result in a fine of not less than \$50 and not more than \$750 per day.
- Violations shall be cited through the City's administrative adjudication process.

III.COSTS/RESOURCES/STAFFING:

Estimated costs to administer the program have been broken down into recurring and non-recurring costs:

a) One time non-recurring costs:

- There will be initial costs for setting up the rental program in Lawson including designing and documenting the process and training users -\$3500
- Initial personnel training costs - \$1500. This will include training for police and code enforcement personnel.
- Costs for other City Departments such as Utility Billing/Finance: \$1500

TOTAL ESTIMATED NON-RECURRING COSTS: \$ 6,500

b) On-going recurring costs:

- Police Department:
Presenting 4 crime free seminars per year -\$ 4800.
Administrative record keeping and assigned crime-free personnel: up to \$1,000 per month in overtime related expenses for records review and follow-up.
- Community Development Department:
 - The Building & Code Enforcement Division staffing has recently been reduced by one inspector and one part-time administrative assistant. Additional staffing will be needed to administer the program.
The City will need to hire one additional Code Enforcement Officer (\$98,000) and one additional part-time Administrative Assistant (\$18,000).
 - Approx. 40% of existing Code Enforcement officer's time - \$ 40,000
 - Incidentals such as postage, office supplies, gas, attorney fees, copying, adjudication costs, etc. - \$ 7,500 – \$10,000
 - Overtime for staff - \$ 1,000

Two employees will be sent out for interior inspections of units to minimize liability for the City. The two Code Enforcement Officers will work in tandem and split their time on performing both code enforcement duties as well as the rental inspections. The two existing building inspectors will be called upon to assist as necessary. Inspectors/code enforcement officers will perform interior and exterior inspections, draft violations letters, and attend administrative adjudication and court hearings. The administrative staff will be responsible for data entry, processing license applications, tracking change in ownership, scheduling inspections, assisting with training and attendance at administrative adjudication hearings.

TOTAL ESTIMATED RECURRING COSTS: \$172,800

IV. STAFF RECOMMENDATION:

Staff is presenting the proposed program for discussion and Committee's recommendation for approval. The ordinance can be modified per direction from Committee and presented to City Council for approval. Once approved, the program could be implemented as early as January 1, 2012.

Rental Licensing Community Comparison

	Program Overview	License fees	Staffing	Results	Number of rental properties licensed	Number of annual inspections
Addison	<ul style="list-style-type: none"> • License required – fee covers annual inspection ONLY; additional fees are required for exterior inspections and re-inspections•Inspections are based on “grade” of very good, satisfactory or unsatisfactory-this determines how many external and re-inspections are required•Penalties include fees ranging from \$150 - \$1,000 per offense• Reinspection fees are the same rate as the cost of license 	<p>Apt bldgs w/1 - 5 units: \$50 + \$50/unit; 6-11 units: \$75 + \$50/unit; 12-17 units: \$100 + \$50/unit; 18-23 units: \$125 + \$50/unit; +23 units: \$150 + \$50/unit; Single-family home: \$100; Condos/Townhouse w/no exterior inspections: \$50; Duplexes & 2-flats: \$150</p>	<p>Secretary, 3 housing inspectors (one of which is also a Code Enforcement Officer); Supervisor oversees this program and Code Enforcement</p>	<p>Very good - majority of properties have improved ratings since start of program</p>	780	N/A
Aurora	<ul style="list-style-type: none"> • License required•Annual inspections• Fees and penalties – beginning at \$100 for first offense; Administrative Hearings for repeat offenses• Crime free program requirements 	<p>1 unit \$40; 2 units \$45; 3-5 units \$50; 6-10 units \$85; 11-20 units \$175; 21-30 units \$250; 31-40 units \$330; 41-50 units \$400; 51-75 units \$475; 76-100 units \$535; 100+ \$615</p>	<p>3 clerical; 14 property maintenance inspectors; 2 coordinators; 3 quality of life inspectors; hearing officer when needed; Sept. 1 - August 31 - send out renewals</p>	<p>Increase in compliance</p>	6400 properties; 16,000 units	200/yr each inspector
DesPlaines	<ul style="list-style-type: none"> • License required• Annual external inspections required; internal inspections conducted upon request or when the property is sold• Violation fees only assessed if property does not comply after inspection• Crime free program requirements 	<p>Single-family detached \$100; Single-family attached \$50; Multi-family \$20</p>	<p>1 coordinator; 3 Housing Inspectors (they only do external inspections on every property annually - an internal inspection is only conducted when the property is sold or an inspection is requested)</p>	<p>Definite decrease in crime in the “bad” sections of town</p>	2,000 - definite increase in the past 5 years - only 500 properties at that time	Approx. 3,000
Elgin	<ul style="list-style-type: none"> • License required• Inspection required for all new licenses•Additional fees assessed for re-inspections, late payments on imposed fees, canceled/suspended/revoked licenses•2-year license extension offered to landlords who are violation-free and have attended all mandatory training• Crime free program requirements 	<p>Starts \$71/annual (1-5 units) - fee is based on # of units - highest fee is \$748 (96-100 units)- if they pass and attend mandatory training, they may rec. a 2 yr. extension</p>	<p>F/T coordinator; Code Enf Officers (7) help with annual inspections as well as their day-to-day responsibilities</p>	<p>Increase in compliance</p>	N/A	N/A
Hanover Park	<ul style="list-style-type: none"> • Biannual License required for single units; annual for dwellings with three or more units• Annual inspection required for multi-units; biannual inspection for dwelling with 2 or less units• Reinspection fees required - \$75 each for second and third inspections• No crime free program established 	<p>\$100 for 2 years</p>	<p>F/T Inspector for Residential - Code Enforcement Officers conduct the apartment building inspections</p>	<p>Increase in compliance</p>	N/A	N/A

Rental Licensing Community Comparison

	Program Overview	License fees	Staffing	Results	Number of rental properties licensed	Number of annual inspections
Mt. Prospect	<ul style="list-style-type: none"> License required• inspection only required for properties that contain three or more units; however all properties are subject to inspections if a violation is reported•Crime free program requirements• Monthly enforcement fees established for properties not in compliance 	\$40 per unit (multi-family); \$75 (single-family)	4 full-time staff (3 inspectors; 1 Crime Free Officer; 1 Supervisor - who also has other duties) approx. \$300,000.	Substantial increase in compliance; violations have decreased 50%; court cases dropped 95%; reinspections dropped by 50%; police calls to complexes and "problem areas" decreased 50%	6500 total - only 700 - 1000 are SF/condos or townhomes	580 buildings and 20% of the units annually = 580 buildings; 1500 units. RI avg. 1.5/insp.
Prospect Heights	<ul style="list-style-type: none"> License required – inspection required prior to obtaining license• Reinspection fee is \$175; 14 days to comply• No crime free program established 	\$100 - any and all rentals (started at 25, then 40, now is \$100) - this includes their annual inspection	N/A - Regular year-round staff - this is their "winter project" and they aim to have all licenses issued and inspections complete between December & April 30th.	98% compliance; have all owner and occupant info in a database for easy access for all - including PD when complaints arise.	Approximately 1500 - if they pass, they receive their registration; RI fee is \$175 - 14 days to correct	Dec - April - "Down season" to complete
Rolling Meadows	<ul style="list-style-type: none"> License required• License fees based on violation history; new licenses based upon 0-3 violation fee• All new licenses require an inspection. If inspection passes and no violations have occurred, no inspections required for two years, however, an annual license must still be obtained• Rental license fee covers one inspection and one reinspection; additional reinspections are \$92• No crime free program requirements 	<p>Single-family: 0-3 violations \$50 for annual license and inspected every 3 yrs; 4 or more violations \$150 and inspected every 12 months; Condominiums: 0-3 violations \$30 and inspected every 3 years; 4 or more violations \$90 and inspected every 12 months. RI Fee \$92</p>	Initially F/T to start-up program; then only part-time coordinator - that person left and they didn't replace her; they also have 2. Code Enforcement Inspectors. Process: initial insp - 3 or less violations, won't go back for 2 years - 20% of apts are done each year to be complete every 5 years	Great success and large percentage of compliance	800 - not including apartments	Varies - depends on new applicants and RI
Schaumburg	<ul style="list-style-type: none"> License required• Annual apartment rental inspections; single-family inspections only conducted upon complaint or request• \$100 citation issued when fees are unpaid; leads to adjudication if those fees are not collected• Crime free program requirements 	<p>\$55 Single-family homes & Multi-family units; this is an annual fee; 1/2 rate is \$27.50 for licenses after July 1st. Apartments: 1-50 units \$320; 51-100 units \$645; 101-200 units \$970; 201-300 units \$1,300; 301-400 units \$1,620; 401-500 units \$1,950.</p>	1 F/T coordinator - in charge of licensing and renewals; 1 F/T PD employee who facilitates the mandatory seminar; Code Enforcement Officers conduct mandatory annual business & apartment rental inspections - single-family property inspections are only conducted upon complaint or request.	Increase in compliance	3,000 - contact stated this number will be going up substantially this year due to foreclosures.	N/A
West Chicago	<ul style="list-style-type: none"> License required• Annual inspection required• No fee for first reinspection. Any additional reinspections are \$75 per hour, per inspector• Crime free program requirements (2011) 	<p>Single-family, 2-flats & townhomes: \$210 per building; Condominiums: \$210 per unit; Multi-family buildings: \$210 per bldg. And \$25 per unit.</p>	1 Secretary; outside consulting firm conducts annual inspections; Supervision in Community Development oversees program and sends out notices	Increase in compliance - they've had the licensing program for approximately 5 years and have seen enormous improvements		410,843 units total

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ORDINANCE NO. _____

AN ORDINANCE AMENDING THE MUNICIPAL CODE OF THE CITY OF ST. CHARLES - TITLE 5, "BUSINESS LICENSES AND REGULATIONS" - ADDING A NEW CHAPTER 5.54, "RESIDENTIAL RENTAL LICENSING"

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ST. CHARLES, KANE AND DUPAGE COUNTIES, ILLINOIS, AS FOLLOWS:

SECTION ONE: That Title 5, "Business Licenses and Regulations" of the St. Charles Municipal Code be and is hereby amended by adding a new Chapter 5.54, entitled "Residential Rental Licensing", as follows:

"Chapter 5.54

RESIDENTIAL RENTAL LICENSING

Sections:

- 5.54.010 - Purpose.
- 5.54.020 - Definitions.
- 5.54.030 - Annual residential rental license required.
- 5.54.040 - Application requirements for residential rental license.
- 5.54.050 - Crime-free housing seminar.
- 5.54.060 - Crime-free lease addendum-Notice of occupancy standards.
- 5.54.070 - Licensing inspection—Temporary certificate.
- 5.54.080 - License issuance.
- 5.54.090 - License renewal.
- 5.54.100 - Inspection upon sale—New license required.
- 5.54.110 - Tenant responsibilities.
- 5.54.120 - Right-of-entry.
- 5.54.130 - Appeals.
- 5.54.140 - Compliance with regulations.
- 5.54.150 - Enforcement procedures.
- 5.54.160 - Fines—Penalty.
- 5.54.170 - Conflicts.

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5.54.010 Purpose.

The purpose of this chapter is to provide for the inspection and annual licensing of residential rental property so as to protect the public health, safety and welfare of the city including, but not limited to:

- A. To protect public health, safety and welfare by ensuring residential rental units comply with the applicable building, fire and property maintenance codes of the city.
- B. To correct and prevent housing conditions that adversely affect or are likely to adversely affect the life, safety, general welfare and health, including the physical, mental and social well-being of persons occupying rental dwellings.
- C. To prevent the overcrowding of rental dwellings by requiring each unit to be in compliance with occupancy limitations.

- D. To facilitate the enforcement of minimum standards for the maintenance of residential rental structures and premises and thus preventing blighting conditions.
- E. To preserve the value of land and buildings throughout the city, and thus protect the city's tax base.

5.54.020 Definitions.

As used in this chapter, the following terms shall have the meanings set forth:

"Building" means a single structure.

"Code official" means any officer, employee, or consultant of the city responsible for administering or enforcing provisions of this chapter or provisions of this code that are administered pursuant to this chapter. The term "code official" shall also mean "code enforcement officer" or "building inspector" and shall include the community development director, public works director, the fire chief, the chief of police, or their designees.

"Dwelling unit" means a single unit providing complete independent living facilities for one or more persons, in accordance with occupancy limitations, including permanent provisions for living, sleeping, eating, cooking and sanitation. For purposes of establishment of residential licensing fees, the following applies:

"Condominium unit" means one dwelling unit contained within a building that has been established in accordance with the Illinois Condominium Act. Each unit is considered a single residential rental property, unless all units within the building are under single ownership and control.

"Multi-family dwelling" means a building with three (3) or more dwelling units not designed as townhomes, where each dwelling unit is provided an individual entrance to the outdoors or to a common hallway.

"Single-family dwelling" means one dwelling unit within a detached building or house designed to contain one dwelling unit.

"Townhome unit" means a building with three (3) or more dwelling units arranged side-by-side, sharing common fire-resistive walls without openings, where each dwelling unit occupies an exclusive vertical space with no other dwelling unit above or below, and where each dwelling unit has at least one individual exit directly to the outdoors. Each unit is considered a single residential rental property, unless all units within the building are under single ownership and control.

"Two-unit dwelling" means a building containing two dwelling units where both dwelling units are under single ownership and control.

"Let" means to provide or offer for possession or occupancy a dwelling unit to a person who is not the legal owner of record thereof, without compensation.

"Operate" means to own, manage, maintain, rent, lease, advertise, or offer for rent or lease any residential rental property or any dwelling unit therein for the purpose of renting to others.

"Owner" means the person or persons, jointly or severally, that hold legal or equitable title to a parcel of property, including a mortgage holder in possession.

"Person" means an individual, partnership, corporation, business trust, estate, trust, beneficial interest holder, association or any other legal or commercial entity.

"Premises" means a lot together with all the building and structures thereon.

"Property agent" means a person, operator, firm, partnership, corporation, or other entity under whose management or supervision the residential rental property will be operated and who can be contacted in case of an emergency. A property agent must have an office within fifty (50) miles of said property, have the authority to cause repairs to be made and properties to be vacated and secured, and have the authority to receive and accept notices and citations. The property agent may be the owner of the residential rental property, provided that the owner resides within fifty (50) miles of the city.

"Re-inspection" means subsequent inspection(s) conducted for the purpose of verifying that all violations reported during an initial inspection have been corrected and the premises is compliant with the applicable building, fire and property maintenance codes of the city.

"Rent" means to provide or offer for possession or occupancy a dwelling unit to a person who is not the legal owner of record thereof, pursuant to an agreement, written, oral or implied, for consideration or pursuant to articles of agreement for deed or similar agreement, if not recorded with the Recorder of Deeds of Kane County, Illinois.

"Residential rental property" means a dwelling unit that is rent or let to persons other than the person(s) holding legal or equitable title to the property. A dwelling unit occupied by a purchaser under the provisions of articles of agreement for deed or similar agreement shall be considered a residential rental property unless the articles of agreement or similar agreement have been recorded with the Recorder of Deeds of Kane County, Illinois.

"Single ownership and control" means that the legal owner of each dwelling unit within a building is the same person(s) or entity.

"Structure" means anything constructed or erected with a fixed location on the ground or attached to something having a fixed location on the ground. Among other things, structures include buildings, walls, fences, driveways and service walks.

"Tenant" means an occupant of residential rental property.

Words or phrases as used in this section and not herein defined shall be defined as provided by, in the following order of precedence, the city's property maintenance code, zoning ordinance or building code.

5.54.030 Annual residential rental license required.

No person shall operate a residential rental property, or shall rent or let any residential property, unless an annual license or temporary certificate is in effect for such property, as provided by this chapter, and remains unexpired. Each license shall be issued only for the premises and to the owner named in the application and shall not be transferable or assignable. Licenses shall expire on December 31 of each year.

This chapter shall not apply to the following:

- A. Single-family owner occupied dwellings.
- B. Single-family dwellings occupied by a member of the owner's family, meaning an individual related to the owner by blood, marriage or adoption.
- C. Single-family dwellings which are vacant but which are not intended to be let for rent.
- D. Townhome and condominium owner occupied dwellings.

- E. Hotels, motels and bed and breakfast establishments.
- F. Dwellings, buildings, structures and uses licensed and inspected by the state or the federal government, including, but not limited to, nursing homes, assisted living facilities, independent living facilities, hospitals and hospices.
- G. Dwellings, buildings and structures owned by other governmental agencies and public housing authorities.

5.54.040 Application requirements for residential rental license.

- A. Each applicant for a new license to operate a residential rental property for the purpose of renting it to others or for a renewal of an existing license shall file a complete application on an application form provided by the community development department.
- B. All residential rental property applications shall contain at a minimum, the following information:
 - 1. The name and street address of the applicant if an individual, and if a firm, partnership, limited liability corporation or association, of every member thereof, and in the case of a corporation, the name and address thereof and of its officers and its registered agent.
 - 2. The full legal name, street address, and home and work telephone number of each and every owner of the property, including beneficial interest holders, if applicable.
 - 3. The name, street address, and telephone number of the property agent for the residential rental property. Post office box addresses shall not be acceptable.
 - 4. The street address of the residential rental property.
 - 5. The number of dwelling units within the residential rental property.
 - 6. The total square footage of each dwelling unit and the total number of rooms, bedrooms and bathrooms in each dwelling unit.
 - 7. Each application shall be accompanied by a proof of address for each person listed upon the application.
 - 8. Each application shall contain an attestation that the information contained within the application is true and correct and shall be signed under penalty of perjury.
- C. Whenever there is a change in the property agent, manager, or other responsible party of a residential rental property, the owners shall notify the community development department within thirty (30) days of such change and file an updated residential rental license application. No fee is due for filing such an update.
- D. Approval shall be obtained from the community development department prior to any change in the number or configuration of residential rental dwelling units. Application for such change shall be made on a form provided by the community development department. Any and all changes must meet all zoning, property maintenance code, fire and building code requirements of the city.
- E. Building permits shall be obtained from the community development department for any construction activity to the residential rental property.

- F. No application shall be accepted without the required payment of the annual license fee, as follows:

Single family, two-family, townhomes, condominiums - \$ 75 per dwelling unit
Multi-family dwelling units - \$ 32 per unit

License fees are thereafter payable annually on or before expiration of said license. No fee will be pro-rated, except as provided in Section 5.54.100. If a completed license application is not submitted together with the required license fee prior to January 1 of each year, the license fee shall be increased by twenty percent (20%).

- G. All persons applying for a license to operate a residential rental property shall successfully complete a mandatory crime-free housing seminar, administered by the St. Charles Police Department, prior to issuance of the license.
- H. All persons applying for a license to operate a residential rental property shall submit a copy of their lease agreement to the community development department for confirmation that the lease includes a crime-free housing lease addendum or have a clause in that lease substantially similar to the crime-free lease addendum, as required by Section 5.54.060.

5.54.050 Crime-free housing seminar.

- A. Any owner of residential rental property within the city, or their property agent, shall attend and complete a City of St. Charles crime-free housing program seminar within three months of submitting an application for a new license. An owner or agent shall thereafter attend the City of St. Charles crime-free housing program seminar every four years.
- B. In the event a City of St. Charles crime-free housing program seminar is not available, the owner or property agent may attend a crime-free housing seminar provided by another municipality, if pre-approved by chief of police.
- C. A property agent shall be considered an agent of the owner. If a new property agent is hired, the new agent shall have three months after hiring to attend the City of St. Charles crime-free housing program seminar.
- D. The crime-free housing program coordinator, as designated by the chief of police, shall provide the community development department with a list of owners, agents and/or designees who have attended the City of St. Charles crime-free housing program seminar (or approved alternate), with the date of attendance and verification that the owner or property agent has complied with this chapter and is eligible to obtain, maintain or renew the license to rent.

5.54.060 Crime-free lease addendum - Notice of occupancy standards.

- A. Any owner or property agent entering into leases regarding residential rental property shall utilize a crime-free lease addendum in substantially the form that is on file with the community development department, or have a clause in the lease similar to the crime-free lease addendum. The department shall review any

clauses within actual leases to determine if the clause is similar to the required crime-free lease addendum. The clause is to make criminal activity a lease violation and shall specify that criminal activity is not limited to violent criminal activity or drug-related criminal activity engaged in by, facilitated by, or permitted by the tenant, a member of the household, guest or other party under the control of the tenant. The operator or property agent shall have authority under the clause to initiate an eviction proceeding as specified in the Illinois Forcible Entry and Detainer Statutes. Proof of a criminal violation shall be by a preponderance of the evidence. Failure to include a crime-free lease addendum or similar approved language may result in suspension or revocation of the license to rent property within the city.

- B. The owner or property agent of a residential rental property shall inform each tenant or occupant in writing, prior to occupancy, of the maximum number of persons allowable by the occupancy standards of the city's property maintenance code. This number shall be determined by the code official.

5.54.070 Licensing inspection—Temporary certificate.

- A. Each dwelling unit required to be licensed under the provisions of this chapter shall be subject to a licensing inspection which shall be scheduled by the owner or property agent with the community development department at the time the complete application is submitted. Thereafter, licensed dwelling units shall be subject to regular inspections every four years.
Notwithstanding the foregoing, for residential rental property containing more than twelve (12) dwelling units, twenty percent (20%) of the dwelling units shall be inspected. The code official or his designee shall determine which dwelling units are to be inspected. Should the inspections reveal that any of the dwelling units are not in compliance with the current and applicable building, fire and/or property maintenance codes of the city, the remainder of the dwelling units in the residential rental property shall be subject to inspection.
- B. Upon receipt of a complete application and the scheduling of the required licensing inspection, the community development department shall issue a temporary certificate indicating that a license has been duly applied for, and that the residential rental license shall be issued if and when the property has been inspected and is found to be in compliance with the applicable building, fire and/or property maintenance codes of the city and the crime-free housing seminar has been completed. A temporary certificate shall be valid for a period of three (3) months; provided, however that the community development director may extend such period, if in his or her reasonable opinion, the owner is making a good-faith effort to fulfill the requirements to obtain a license.
- C. Licensing inspections of all residential rental property shall include the building exterior, the premises, common areas, basement, and the interior of the dwelling units therein and shall be limited to inspections to determine compliance with the applicable building, fire and/or property maintenance codes of the city.

- D. Nothing in this section shall preclude the inspection of any dwelling unit subject to this chapter more frequently than as set forth in subsection A. above based upon probable cause that a violation of city ordinances exist upon the dwelling unit.

5.54.080 License issuance.

- A. When a licensing inspection of a residential rental property reveals any violation of the applicable building, fire and/or property maintenance codes of the city, the owner shall comply with such codes within thirty (30) days of the licensing inspection or within such longer time period as specified by the City.
- B. The code official shall issue the correction notice in person or to the property owner or property agent by regular U.S. mail at the last address provided on the most recent license application. Said notice shall include the following:
 - 1. The property address of the residential rental property.
 - 2. A statement listing the violations of the applicable building, fire and/or property maintenance codes.
 - 3. The date by which the owner or authorized representative shall complete the work and have the violations corrected, re-inspected and approved by the city.
 - 4. An explanation that, if the owner or property agent has not corrected the violations or scheduled a re-inspection within the deadline, the license may be denied, the temporary certificate revoked and enforcement actions taken in accordance with section 5.54.150.
- C. The license applicant shall schedule a licensing follow-up inspection on or before the compliance deadline.
- D. If stated violations have been satisfactorily corrected and the crime-free housing seminar has been completed, a license shall be issued.
- E. Failure to comply with the findings of any licensing inspection may result the license being denied, the temporary certificate being revoked and enforcement action in accordance with section 5.54.150.
- F. A re-inspection fee in the amount of \$_30_ shall be charged for each inspection conducted after the first re-inspection.

5.54.090 License renewal.

It shall be the responsibility of each residential rental property owner or property agent to annually renew a residential rental property license prior to expiration.

5.54.100 Inspection upon sale-New license required.

- A. A license issued pursuant to this chapter shall terminate upon the sale of a residential rental property.
- B. No residential rental property shall be sold unless the seller furnishes the buyer a presale inspection report dated no more than one hundred twenty (120) days prior to the date of closing and dated no later than the day of closing. Said report shall be based on an inspection of dwelling units, the number of such dwelling units to be determined in the same manner as set forth in Section 5.54.070A. The report

shall state that the residential rental property complies with the applicable building, fire and property maintenance codes of the city or, in the alternative, list with specificity the manner in which the residential rental property does not comply with such standards.

- C. The request for a presale inspection must be made, in writing, not less than thirty (30) days prior to the scheduled date of closing.
- D. An inspection made under this subsection shall satisfy the quadrennial inspection required by Section 5.54.070A., if said inspection is done with two (2) years of said quadrennial inspection date.
- E. A sale for purposes of this section includes contract sales, exchanges, conversions to condominiums and transfers of possession or control of any residential rental property. Any person participating in such a sale in violation of this section, either as seller or buyer, shall be deemed in violation of this section and be subject to the penalties as provided for in Section 5.54.160.
- F. The new owner shall not operate the residential rental property, or rent or let the residential property, until a new license or temporary certificate has been issued for such property. The application fee shall be prorated based upon the number of days left from the application date to the end of the license year.

5.54.110 Tenant responsibilities.

- A. No tenant shall commit vandalism in the building in which the tenant's dwelling unit is located and no tenant shall permit vandalism to occur or shall violate any of the provisions of this code in the dwelling unit leased by the tenant.
- B. No tenant shall cause the dwelling, premises, and other areas of the property to become unsafe or unsanitary.

5.54.120 Right-of-entry.

- A. The owners and their designated property agents shall be responsible for informing their tenants of any scheduled inspection or re-inspection of any residential rental property; and they shall be responsible for requesting permission from any person whose consent is necessary for city inspector to enter the property if that person is not home at the time of the inspection or re-inspection.
- B. The city shall provide notice to both the owner and the tenant, on a form provided by the city, of their right to refuse consent to the residential licensing inspection and to require the city to obtain an administrative search warrant.
- C. If any owner, property agent, occupant or other person in control and/or possession and whose consent to inspect is necessary concerning a residential rental property or a dwelling unit contained therein fails or refuses to consent to access and entry to the property or dwelling unit under his or her control for any residential licensing inspection required by this chapter, the code official or his or her designee may apply to the circuit court for an administrative search warrant. The application for the administrative search warrant shall specify the basis upon which the warrant is being sought and shall include a statement that the inspection

shall be limited to a determination whether there are any violations of the applicable building, fire and property maintenance codes of the city.

- D. Nothing set forth herein shall limit the right of a tenant to grant the city access to the dwelling unit.

5.54.130 Appeals.

- A. Any person directly affected by a decision of the code official or notice or order issued under this chapter shall have the right to file a petition as set forth in chapter 15.40 of this code with the appeals board vested with the authority for considering any such petition. An application for an appeal shall be taken within twenty (20) days of the action.
- B. An appeal stays all proceedings in furtherance of the action appealed from, unless in the reasonable opinion of the community development director or his or her designee, a stay would cause imminent peril to life or property.

5.54.140 Compliance with regulations.

It is unlawful for any person or legal entity to operate a residential rental property in violation of any provision of this chapter or any applicable rules and regulations of or adopted by the city pursuant to this chapter, or to change occupancy of any residential rental unit unless in full compliance with the provisions of this code.

5.54.150 Enforcement procedures.

- A. Code officials are authorized to exercise the police power of the city in such manner and to such extent as any code official determines that the character of the violation and the interests of public health, safety and welfare warrant to secure compliance with the provisions of this chapter and this code.
- B. Code officials are authorized and shall demand compliance with the provisions of this chapter and this code in pursuit of this chapter through enforcement actions including, but not limited to, the issuance of a stop work order, a determination that the dwelling unit is uninhabitable and order the unit be vacated, notice of violation, citation or ticket, prosecution for violations, and to recover any penalty or fine and authorized attorney's fees and costs, the institution of the appropriate action of law or in equity to restrain, correct or abate such violation or to require the removal of the unlawful use or act and the filing of liens and judgments against property, as authorized by law.

In addition, the code official may suspend and/or recommend revocation of any license issued hereunder if the licensee is in continuing violation of any law or ordinance, or that the licensee is operating in a manner not conducive to the public health, morals or safety.

Prior written notice of a violation shall not be required for the initiation of enforcement actions. The code official shall institute or cause to be instituted the appropriate legal proceedings to prosecute, restrain, correct or abate any violation or to require removal or termination of the unlawful use of the premises, building

or structure in violation of the provisions of this title or of any order or direction made pursuant thereto.

- C. Written notice of enforcement actions shall be served upon the owner, a duly authorized agent or upon the occupant or other person responsible for the condition that is the subject of the enforcement action violation. Such notice shall be served either by delivering a copy of same to such person or persons by ordinary mail to the last known post office address, delivered in person or by delivering it to and leaving it in the possession of any person in charge of the premises, or in case such person is not found upon the premises and reasonable attempts to locate the individual or a valid address have been unsuccessful, by affixing a copy thereof, in a conspicuous place at the entrance door or avenue of access; and such procedure shall be deemed equivalent of personal notice.

5.54.160 Fines—Penalty.

- A. Any person, firm, or corporation who fails to obtain a license when required or operates a residential rental property and violates, disobeys, omits, neglects or refuses to comply with the provisions of this chapter shall be issued a ticket, citation or notice to appear and will be fined.
- B. Any person or legal entity who violates any provision of this chapter or provisions of this code pursuant to this chapter or the codes adopted hereunder, or fails to comply with any of the requirements thereof shall be subject to a fine for each offense of not less than fifty dollars (\$50) nor more than seven hundred fifty dollars (\$750). Each day that a violation continues shall be deemed a separate offense.
- C. Any person charged with any violation of this chapter who has since come into compliance or who desires to pay the applicable fine in advance of a court or administrative adjudication hearing may contact the city and request a re-inspection or shall fully comply with the residential rental licensing provisions of this chapter. Upon verification of compliance, the city may accept prepayment of any fine, or may otherwise agree to dispose of the matter in advance of a court or administrative adjudication hearing, subject to the following conditions:
1. No pre-court payment shall be made more than ten (10) days from the date on the ticket that set forth the court hearing.
 2. A receipt shall be issued for any pre-court payment.
 3. Any violation for which the fine or penalty is paid in full by pre-court-payment as provided in this subsection shall not be subject to further prosecution.
 4. If more than two violations are issued for the same property in any thirty-day period, only the first two violations may be subject to the pre-court or administrative adjudication hearing payment pursuant to this subsection.
 5. Any violation for which a fine is sought shall be confirmed by the code official to be in compliance no less than five days before the date of a court hearing set for such violation at the request of the person receiving the citation alleging the violation.

5.54.170 Conflicts.

To the extent any provision of this chapter conflicts with chapter 5.04 of this code, the provision of this chapter shall prevail.”

SECTION TWO: That all ordinances and resolutions, or parts thereof, in conflict with the provisions of this Ordinance are, to the extent of such conflict, expressly repealed.

SECTION THREE: That this Ordinance shall be in full force and effect ten (10) days from and after its passage, approval and publication as provided by law; provided, however, that the requirement of obtaining a license or temporary certificate hereunder shall not be required until January 1, 2012.

PRESENTED to the City Council of the City of St. Charles, Illinois, this ____ day of _____, 2011.

PASSED by the City Council of the City of St. Charles, Illinois, this ____ day of _____, 2011.

APPROVED by the Mayor of the City of St. Charles, Illinois, this ____ day of _____, 2011.

Donald P. DeWitte, Mayor

ATTEST:

City Clerk

COUNCIL VOTE:

Ayes:

Nays

Absent:

Abstain:

CRIME FREE ADDENDUM TO LEASE AGREEMENT

No community is free of crime. However, in an effort to detect criminal activity at the community, this Crime Free addendum is a necessary and crucial element of the lease. Resident hereby agrees to live crime free and insure that Resident's guests and invitees live crime free, on and off the property.

Resident understands that crime can and does occur in every segment of life, as well as in every apartment community and neighborhood, regardless of the location. No property can or should be considered totally safe and free from crime regardless of the measures taken to the contrary. Hence, Landlord/Manager does not, and cannot, in any way warrant or guarantee Resident, Resident's occupants, Resident's guests, or Resident's invitee's safety or security at, on, near or off the community property. Resident understands that the safety of Resident and Resident's household is Resident's responsibility and not the responsibility of the community, or Landlord/manager's staff.

Therefore as part of the consideration for the execution or renewal of a lease, Resident agrees as follows:

1. Resident, Resident's occupants, and Resident's and occupant's guests and invitees shall not engage in any criminal activity, on or off the leased premises.

2. Resident, Resident's occupants, and Resident's and occupant's guests and invitees shall not engage in any act that is intended to or actually facilitates any criminal activity, on or off of the leased premises and common ground.

3. Resident, Resident's occupants, and Resident's and occupant's guests and invitees shall not permit the dwelling unit, leased premises or common ground to be used for any criminal activity.

4. Resident, Resident's occupants, and Resident's and occupant's guests and invitees shall not engage in any act of violence or threat of violence, including, but not limited to, the unlawful display or discharge of a firearm, a racial slur, a hate crime, or any property damage on or off of the leased premises.

5. Resident, Resident's occupants, and Resident's and occupant's guests and invitees agree and understand that management cooperates with law enforcement agencies by allowing management to release any information contained in management's file regarding Resident and Resident's occupants to any law enforcement agency upon request. Resident agrees that landlord/manager may use any police generated report as direct evidence without objection in any court action, including but not limited to eviction.

6. VIOLATION OF THE ABOVE PROVISIONS IS A MATERIAL AND IRREPARABLE VIOLATION OF THE LEASE AND GOOD CAUSE FOR IMMEDIATE TERMINATION OF TENANCY. *A single violation of any of the provisions of this addendum shall be deemed a serious, material and irreparable violation and noncompliance of the lease, regardless of whether or not Resident has any knowledge of the violation by an occupant, guest or invitee and regardless of whether on or off the property.* It is understood and agreed that a single violation shall be good cause for immediate termination of the lease. Proof of the violation shall not require criminal conviction, but shall require only a preponderance of the evidence.

7. In case of conflict between the provisions of this addendum and any other provisions of the lease, the provisions of the addendum shall govern. This Lease Addendum is incorporated into the lease or renewal thereof, executed or renewed at any time between Landlord/Manager and Resident/Lessee.

Property Name and Address: _____

Resident Signature-- Lessee

Date

Resident Signature-- Lessee

Date

Landlord/Manager -- Lessor

Date

DRAFT

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE MUNICIPAL CODE OF THE CITY OF ST. CHARLES - TITLE 9, "PUBLIC PEACE, MORALS AND WELFARE", CHAPTER 9.45, "NUISANCE ABATEMENT" – SECTION 9.45.020, "DEFINITIONS", SUBSECTION A.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ST. CHARLES, KANE AND DUPAGE COUNTIES, ILLINOIS, AS FOLLOWS:

SECTION ONE: That Title 9 "Public Peace, Morals and Welfare", Chapter 9.45 "Nuisance Abatement" Section 9.45.020 "Definitions", Subsection A., of the St. Charles Municipal Code is hereby deleted in its entirety and in lieu thereof, the following language shall be substituted:

- “ A. **CHRONIC NUISANCE PROPERTY.** Property upon which two or more of the behaviors listed below have occurred during any 180-day period, as a result of any two (2) separate factual events that have been independently investigated by any law enforcement agency.
1. Disorderly Conduct as defined in 720 ILCS 5/26-1.
 2. Unlawful Use of Weapons as defined in 720 ILCS 5/24-1, *et seq.*
 3. Mob Action as defined in 720 ILCS 5/25.1.
 4. Discharge of a Firearm as defined in 720 ILCS 5/24-1.2 and 1.5.
 5. Gambling as defined in 720 ILCS 5/28-1.
 6. Possession, Manufacture or Delivery of Controlled Substances as defined in 720 ILCS 570/40, *et seq.*
 7. Assault or Battery or Any Related Offense as defined in 720 ILCS 5/12-1, *et seq.*
 8. Sexual Abuse or Related Offenses as defined in 720 ILCS 5/12-15, *et seq.*
 9. Public Indecency as defined in 720 ILCS 5/11-9, *et seq.*
 10. Prostitution as defined in 720 ILCS 5/11-14, *et seq.*
 11. Criminal Damage to Property as defined in 720 ILCS 5/21-1, *et seq.*
 12. Possession, Cultivation, Manufacture or Delivery of Cannabis as defined in 720 ILCS 550/1, *et seq.*
 13. Illegal consumption or Possession of Alcohol as defined in 235 ILCS 5/1, *et seq.*
 14. Violation of any City of St. Charles ordinance or State of Illinois statute controlling or regulating the sale or use of alcoholic beverages.
 15. Violation of City of St. Charles property maintenance code section 305, or any successor code section, relative to rubbish and garbage.
 16. Violation of chapter 8.28 of this code relative to plants and weeds.”

SECTION TWO: That all ordinances and resolutions, or parts thereof, in conflict with the provisions of this Ordinance are, to the extent of such conflict, expressly repealed.

SECTION THREE: That this Ordinance shall be in full force and effect ten (10) days from and after its passage, approval and publication as provided by law.

PRESENTED to the City Council of the City of St. Charles, Illinois, this _____ day of _____, 2011.

Ordinance No. _____
Page 2 of 2

PASSED by the City Council of the City of St. Charles, Illinois, this ____ day of _____, 2011.

APPROVED by the Mayor of the City of St. Charles, Illinois, this ____ day of _____, 2011.

Donald P. DeWitte, Mayor

ATTEST:

City Clerk

COUNCIL VOTE:

Ayes:
Nays
Absent:
Abstain:

APPROVED AS TO FORM:

City Attorney

DATE: _____