

## **Chapter 5-10: Good Cause for Eviction**

### **Section 1. Title, Purposes, and Scope.**

This chapter shall be known and may be cited as the “Good Cause for Eviction Ordinance” and shall be liberally construed and applied to benefit renters and to promote its purposes and policies.

The purposes of this chapter are to promote the stability of housing and neighborhoods in the City of Chicago by protecting renters against unreasonable evictions, thereby maintaining the vitality and stability of Chicago neighborhoods.

### **Section 2. Findings.**

- (a) A housing crisis exists in the city of Chicago due to the lack of adequate, safe, sanitary, and affordable housing.
- (b) Chicago has no good cause protections for renters.
- (c) When renters are evicted without cause, they frequently lack the time to save money for moving costs and to find comparable housing. Lower and middle income renters are the most adversely affected by the displacement eviction costs. Moving costs, advanced payments, utility fees, security and damage deposits, and anticipated additional rent are often beyond their ability to pay.
- (d) Renters face many personal hardships beyond financial detriment, including lost time, stress, change in schools mid-term and, in some cases, emotional trauma or homelessness.
- (e) No-cause evictions often mask unlawful retaliation or discrimination against renters.
- (f) As housing costs are a significant portion of a family’s income, abrupt or unexpected changes in rent can be destabilizing and cause hardship, especially for low and middle income renters.
- (g) Arbitrary, unreasonable, and unfair evictions have detrimental effects on neighborhoods’ stability and vitality.
- (h) Without the institution of good cause protections, the housing crisis in Chicago will continue, and contribute to increases in forced displacement, homelessness, loss of affordable housing, and neighborhood instability.

### **Section 3. Definitions.**

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

- (a) “Landlord” means the owner, agent, lessor, or the successor in interest of any of them, of a rental unit or the property of which it is a part.
- (b) “Principal residence” means a person’s primary or chief residence that the renter or person occupies on a regular basis.
- (c) “Property” means the dwelling unit and the structure of which it is a part, and facilities and appurtenances therein, and grounds, areas, and facilities held out for the use by renters.
- (d) “Qualified relative” means the landlord’s spouse, domestic partner, child, parent, grandparent, sibling, or grandchild.
- (e) “Rent” means any consideration, including any payment, bonus, benefits, work arrangement, or gratuity demanded or received by a landlord for or in connection with the use or occupancy of a rental unit.
- (f) “Rental agreement” means all written or oral agreements embodying the terms and conditions concerning the use and occupancy of a rental unit by a renter.
- (g) “Rental unit” means any unit in any real property, regardless of zoning status, including land appurtenant thereto, that is rented or available for rent for residential use or occupancy, together with all housing services connected with use or occupancy of such property, such as common areas and recreational facilities held out for use by renter.
- (h) “Renter” means a person entitled by written or oral agreement, or by a subtenancy, or by sufferance to occupy a rental unit to the exclusion of others.

#### **Section 4. Good Cause Required for Eviction.**

- (a) No landlord shall endeavor to recover possession, issue a notice terminating tenancy, or file or initiate an eviction action of a rental unit unless the landlord is able to establish one or more of the following grounds:
  - 1. *Non-payment of rent.* The renter fails to cure the deficiency, after receiving from the landlord a written five-day notice terminating tenancy if rent is not paid, within the five-day period pursuant to chapter 735, Act 5, Article IX of the Illinois Code of Civil Procedure, 735 ILCS 5/ et seq., provided that said rent is not paid prior to the issuance of an order for possession or an eviction order pursuant to chapter 725, Act 5, Article IX of the Illinois Code of Civil Procedure, 735 ILCS 5/et seq.

2. *Repeated late payment of rent.* The renter repeatedly makes late payments of rent, no fewer than four times in a 12-month period. Nothing in this subsection shall be construed to limit the absolute right of the renter to tender all rent due within the five-day period listed on the notice terminating tenancy. To use this subsection, the landlord must provide the renter with notice following a late payment that a subsequent late payment may be grounds for eviction. If the renter continues to make a late payment, the landlord shall give the renter 30 days' notice to vacate.
3. *Material non-compliance.* After receiving a written 10-day notice to cease from the landlord, the renter continues, without adequate cure:
  - A. To cause or create a material disturbance of the peaceful enjoyment of other renters at the property.
  - B. To deliberately or negligently materially damage the property.
  - C. To use the rental unit or other parts of the property for any criminal activity that either materially threatens the health, safety, or peaceful enjoyment of other renters at the property, or has a material adverse effect on the management of the property. This subsection shall not diminish the rights of a landlord, if any, to terminate a rental agreement for actions permitted under sections 9-118, 9-119, or 9-120 of chapter 735, Act 5, Article IX of the Illinois Code of Civil Procedure. 735 ILCS 5/ et seq.
  - D. To wrongfully deny the landlord access to the rental unit three or more times in a 12 month period. This subsection shall only apply if the landlord provided notice in compliance with state and local requirements for seeking access.
4. *Refusal to renew.* In all tenancies or rental agreements for a term of one year or more, after the rental agreement expires, the renter refuses to renew or extend the rental agreement within fourteen days after the landlord requests in writing that the renter do so. The offered renewed or extended rental agreement must be substantially similar in material terms. The landlord must provide the renter with 30 days' notice to vacate following the renter's refusal to renew or extend the rental agreement.
5. *Occupancy by landlord or qualified relative.* The landlord, in good faith, seeks to recover possession of the rental unit so that the landlord or a qualified relative may occupy the unit as that person's principal residence for a period of no fewer than 24 continuous months. The landlord or qualified relative must move into the unit within three months from the renter's vacation. If a substantially equivalent

replacement unit is vacant and available, that unit may be made available to the renter at a substantially similar rental rate as the renter's current rental agreement. The renter may reject the landlord's offer of a replacement unit without prejudicing the renter's right to relocation assistance under this chapter. The landlord must provide the renter with 120 days' advance notice.

A.If the landlord recovers possession under this subsection, and continuous occupancy by the landlord or qualified relative is for fewer than 24 months, the landlord shall be presumed to be in violation of this chapter.

B.If the landlord recovers possession under this subsection, and the landlord or qualified relative fail to occupy the unit within three months of the vacation of the renter, the landlord shall be presumed to be in violation of this chapter.

C.A landlord may not recover possession of a rental unit under this subsection if the renter notifies the landlord, prior to the landlord's recovery of the unit, that the renter:

- i. Has a disability, as defined in section 2-160-020 of this Code; or
- ii. Is suffering from a life-threatening illness as certified by the renter's treating physician.

6. *Condominium conversion.* The landlord seeks, in good faith, to recover the unit to sell it in accordance with a condominium conversion approved under chapter 13-72 of the Chicago Code.
7. *Significant repair needed.* The landlord seeks, in good faith, to recover possession of the rental unit in order to comply with a government agency's order to vacate, order to comply, order to abate, or any other order that necessitates the vacating of the rental unit as a result of a violation of the Municipal Code of Chicago or any other provision of law; or the landlord seeks, in good faith, to recover possession of the rental unit in order to substantially rehabilitate, remodel, or repair the unit, which will, according to a licensed contractor, render the unit uninhabitable for the duration of the rehabilitation, remodel, or repair. The landlord must provide 90 days' notice to the renter, and shall provide relocation assistance to the renter pursuant to section 5 of this chapter. If a substantially equivalent replacement unit is vacant and available, that unit may be made available to the renter at a substantially similar rental rate as the renter's current rental agreement. The renter may reject the landlord's offer of a replacement unit without prejudicing the renter's right to relocation assistance under this chapter.

8. *Removal or demolition.* The landlord seeks, in good faith, to recover possession to demolish or permanently remove the rental unit from residential use. The landlord must provide the renter with written 90-day notice to terminate tenancy.
- (b) A landlord who seeks to recover possession of a rental unit, including in an eviction action under chapter 735, Act 5, Article IX of the Illinois Code of Civil Procedure, 735 ILCS 5/9 et seq., bears the burden to prove compliance with section 4 of this chapter.
  - (c) A landlord shall not attempt to recover possession of a rental unit, including an eviction action under chapter 735, Act 5, Article IX of the Illinois Code of Civil Procedure, 735 ILCS 5/9 et seq., unless the landlord has complied with all applicable notice requirements under state, federal, and local law, and the landlord's notice terminating tenancy or other written demand for possession of a rental unit to the renter must be in English, Spanish, Polish, and Chinese, and must include:
    1. An explicit statement of the subsections of section 4 the landlord is invoking and setting forth the grounds with enough specificity to allow the renter to prepare a defense.
    2. The following statement: "You may wish to contact a lawyer or your local legal aid or housing counseling agency to discuss any rights that you may have."
    3. If terminating under subsections (5), (6), (7), or (8) of section 4, a statement providing notice that the renter may be entitled to \$10,600 in relocation assistance.
    4. The failure to include any of the notice requirements shall be a defense to any eviction action or action for possession of the rental unit.

#### **Section 5. Renter Relocation Assistance.**

- (a) The landlord shall pay a one-time relocation assistance fee of \$10,600 per unit for renters whose tenancy is terminated based on the grounds set forth in subsection (5), (6), (7), or (8) of section 4 of this chapter.
- (b) The landlord shall pay the relocation assistance within 14 days prior to the date set for termination of the tenancy.
- (c) If the landlord fails to pay relocation assistance within 14 days prior to the date set for termination of the tenancy, the landlord shall pay to renter two times the relocation assistance.

## **Section 6. Notices for Rental Rate Increases**

(a) A landlord shall not, over a rolling 12 month period, increase a renter's rent unless the landlord provides the renter with:

(1) 30 days' written notice prior to the effective date of the change for any increase by less than five percent;

(2) 60 days' written notice prior to the effective date of the change for any increase by five percent but less than ten percent;

(3) 90 days' written notice prior to the effective date of the change for any increase by ten percent but less than fifteen percent; or

(4) 120 days' written notice prior to the effective date of the change for any increase by fifteen percent or greater.

(b) Any single or cumulative increase in rent by greater than twenty percent over a rolling 12 month period is deemed to be unconscionable and against public policy. Where a landlord offers or demands such an increase, the renter may, in addition to any other remedies, reject the increase and vacate the premises on or before the expiration of the notice provided in subsection (a)(4), and the landlord shall provide the renter with \$10,600 in relocation assistance at least 14 days prior to the expiration of the landlord's notice.

## **Section 7. Remedies; Defenses**

(a) If landlord acts in violation of or fails to comply with this chapter, the renter has a defense in an eviction action or any action brought against the renter to recover possession of the rental unit.

(b) For each violation of this chapter, a renter shall be entitled to \$21,200, together with reasonable attorney's fees and costs.

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

(d) The rights, obligations, and remedies set forth in this chapter shall be cumulative and in addition to any others available at law or in equity.

## **Section 8. Waiver of Rights Prohibited.**

The provisions of this chapter may not be waived, and any term of any rental agreement, contract, or other agreement which purports to waive or limit a renter's substantive or procedural rights under this chapter are contrary to public policy, unenforceable, and void.

**Section 9. Severability.**

If any provision, clause, phrase, sentence, paragraph, section, or part of this chapter or application thereof to any person or circumstance, shall for any reason be adjudged by a court of competent jurisdiction to be unconstitutional, preempted, or invalid, said judgment shall not affect, impair, or invalidate the remainder of this chapter and the application of such provision to other persons or circumstances, but shall be confined in its operation to the provision, clause, phrase, sentence, paragraph, section or part thereof directly involved in the controversy in which such judgment shall have been rendered and to the person and circumstance affected thereby.