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**MAYOR EMANUEL, ALDERMAN SUAREZ AND KEEP CHICAGO RENTING COALITION
ENHANCE PROTECTIONS FOR TENANTS**

Reform ordinance provides clear guidelines for landlords and tenants of foreclosed properties

Mayor Emanuel, Alderman Ray Suarez and the Keep Chicago Renting Coalition announced today that City Council has approved an ordinance that will bolster protections for renters living in foreclosed properties. The ordinance will provide tenants and landlords with clear timelines and processes for ensuring tenants are not dislocated after a foreclosure.

“Part of building stronger neighborhoods means making sure that every resident has a safe and affordable place to live, including tenants who live in foreclosed properties,” said Mayor Emanuel. “These reforms will be another important step we can take to protect tenants and make sure they are not suddenly and unfairly left without housing through no fault of their own.”

The reform ordinance will strengthen protections for tenants of foreclosed properties by establishing clear timelines and ensuring that landlords do not keep renters living in unsafe, illegal units.

Under the revised ordinance, landlords taking control of foreclosed properties will be required to provide notice and a Tenant Disclosure Form requesting important information within 21 days of taking control of a foreclosed property. Tenants in foreclosed properties will have 21 days to return the form to the new owners. If tenants fail to respond to the offer of a lease extension within 21 days after receiving the offer, or in certain cases in which tenants may have 42 days if they meet special criteria, the owner is not responsible for a lease extension.

“I’ve seen foreclosures devastate residents in my ward, disrupting their lives and creating housing uncertainty,” said Alderman Ray Suarez. “By working collaboratively with the Mayor, Aldermen and stakeholders, we have been able to achieve robust protections for tenants through this ordinance.”

“Tenants should not have to suffer because of decisions made independently by their landlord, and this ordinance contains a fair set of principles designed to protect the well-being of tenants in the case of foreclosure,” said Alderman Walter Burnett.

The ordinance will also ensure that tenants living in illegal or unsafe units do not remain in such conditions after foreclosure. In situations where a tenant lives in an unsafe unit, the new owners will restore the unit to habitability and provide the tenant with temporary housing while the repairs take place. In cases where tenants live in illegal units, such as buildings that have more housing units than authorized by law, the new owner will be required to offer these tenants a new housing unit or the relocation fee.

Diane Limas and other Albany Park residents door-knocked hundreds of renters that were protected by the ordinance since it went into effect. “From talking directly to renters like Lucy, we learned that some new owners would cut off all contact after a short period of time, leaving renters in limbo, not knowing if they will get a lease or relocation assistance.” Diane and other coalition members gleaned from the experiences of many renters, and worked with the City to craft common sense changes to strengthen the ordinance. “These amendments should prevent this type of activity from happening to other renters moving forward,” said Limas.

Lastly, the ordinance will make the definition of “qualified tenant” consistent with state law that governs mortgage foreclosures and evictions by including a family member of the mortgagor as a qualified tenant protected under the ordinance, if the family member does not reside in the same unit and has a bona fide lease.

The Keep Chicago Renting Ordinance, enacted in June 2013, protects tenants in foreclosed properties by requiring new owners to either extend leases for tenants with no more than a 2 percent increase in rent over 12 months or pay tenants a \$10,600 relocation fee. Over the past year, the City’s Department of Business Affairs and Consumer Protection (BACP) has collected more than \$300,000 in fines from 42 cases, with another 41 under investigation.

The City will continue enforcing the Keep Chicago Renting Ordinance and remains committed to protecting the rights of Chicago tenants in foreclosed properties. BACP has an informative consumer protection campaign to educate residents of their rights posted on their website which also explains how to file a 311 complaint:

<http://www.cityofchicago.org/content/dam/city/depts/bacp/Consumer%20Information/flyerkeepchicagorenting20141209.pdf>.

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