



City of Chicago



SO2022-3581

Office of the City Clerk

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Meeting Date: 10/26/2022

Sponsor(s): Lightfoot (Mayor)

Type: Ordinance

Title: Amendment of Municipal Code Titles 2, 4, 7, 9, 10, and 11 regarding various costs, fees and debt relief (2023 Revenue Ordinance)

Committee(s) Assignment: Committee on Finance

**SUBSTITUTE
REVENUE
ORDINANCE**

WHEREAS, The City of Chicago is a home rule unit of government as defined in Article VII, Section 6(a) of the Illinois Constitution; and

WHEREAS, As a home rule unit of government, the City of Chicago may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, The management of its finances is a matter pertaining to the government and affairs of the City of Chicago; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

This ordinance is organized into Articles, as follows:

Article I.	Asset Management Cost Recapture
Article II.	Business License Application Fee
Article III.	Vacant Lot Towing
Article IV.	Late Payment Penalty
Article V.	Public Way Permit Subcontractor Reform
Article VI.	Public Way Use Fee Reform
Article VII.	Full Payment Certificates
Article VIII.	Lead Service Line Replacement
Article IX.	Administrative Debt Relief Ordinance of 2023
Article X.	Severability; Superseder
Article XI.	Effective Dates

**ARTICLE I.
ASSET MANAGEMENT COST RECAPTURE**

SECTION 1. Section 2-44-065 of the Municipal Code of Chicago is hereby amended by adding the language underscored, as follows:

2-44-065 Program applications, administration, and related fees.

(a) The Commissioner shall have the authority to charge fees in the amount specified and provided in this section for the processing of program applications and program administration and closing costs of programs administered by the Department. Such fees shall not be refundable and shall not guarantee approval of an application or adequacy of funding. The amount of fees shall be as follows:

(1) Application Fee for multifamily finance or asset management, including, but not limited to loans, grants, bonds, loan restructurings, subordinations, modifications, transfers, and tax credits – \$1,500 for for-profit applicants and \$750 for nonprofit applicants.

(Omitted text is unaffected by this ordinance)

**ARTICLE II.
BUSINESS LICENSE APPLICATION FEE**

SECTION 1. Section 4-5-010 of the Municipal Code of Chicago is hereby amended by adding the language underscored, and by deleting the language struck through, as follows:

4-5-010 Establishment of license fees.

This chapter shall establish fees for various licenses created by this title unless otherwise provided. The following fees shall apply for the specified licenses. The chapter in which each fee requirement is created is also provided. Unless otherwise stated, fees shall be assessed every two years. For every license application which includes fingerprinting of the applicant as part of the application process, a fingerprint fee sufficient to cover the cost of processing fingerprints will be assessed in addition to the below fees. The fingerprint fee will be assessed regardless of whether the license applied for is issued or denied. The amount of the fee will be set forth by regulation promulgated by the Commissioner of Business Affairs and Consumer Protection.

A non-refundable online license application fee in the amount of \$25.00 must be paid to the City at the time of initial submission of any online application for a new business license under this chapter. A non-refundable credit equal to the online license application fee paid by the applicant will be applied towards the applicable license fee under this chapter. The balance of the license fee required by this section must be paid to the City before the applicable license may be issued. A license is not valid until all fees required by this chapter have been paid to the City. The Commissioner is authorized to establish rules based on operational requirements for license approval that limit the types of online license applications subject to the online license application fee established by this paragraph.

(Omitted text is unaffected by this ordinance)

**ARTICLE III.
VACANT LOT TOWING**

SECTION 1. Section 2-100-110 of the Municipal Code of Chicago is hereby amended by adding the language underscored, and by deleting the language struck through, as follows:

2-100-110 Police powers for designated employees.

Each ward superintendent, and such other employees of the ~~department of streets and sanitation~~ Department of Streets and Sanitation as the ~~commissioner of streets and sanitation~~ Commissioner of Streets and Sanitation shall designate, shall have the powers of members of the police force to serve process or notice within the city City for the violation of Sections 4-4-310, 4-6-130, 7-12-387, 7-12-420, 7-28-060, 7-28-065 through 7-28-090, 7-28-120, 7-28-130, 7-28-150, 7-28-180 through 7-28-240, 7-28-260 through 7-28-310, 7-28-360 through 7-28-410, 7-28-430 through 7-28-470, 7-28-490 through 7-28-510, 7-28-660 through 7-28-680, 7-28-710 through 7-28-720, 7-28-735 through 7-28-750, 7-28-780, 7-28-785, 7-38-115, 7-38-117, 7-38-124, 8-4-135, 9-64-100(c), 9-64-115, 10-8-180, 10-8-220 through 10-8-230, 10-8-250 through 10-8-271, 10-8-310, 10-8-320, 10-8-380, 10-8-402 through 10-8-405, 10-8-470, 10-8-480, 10-28-030, 10-28-340, 10-28-792, 10-32-050, 10-32-060, 10-32-110 through 10-32-150, 10-32-170, 10-32-180,

10-32-200, 14A-4-406.7, and 14A-4-407.3 of the Municipal Code of Chicago. A copy of such designation, and any amendments thereto, shall be kept by the ~~deputy-commissioner-of-streets and sanitation~~ Commissioner of Streets and Sanitation ~~for the bureau of sanitation~~ and shall be available to the public upon request. The powers granted hereunder are expressly limited to the service of such process or notice, and this section shall not be construed as granting additional law enforcement powers.

SECTION 2. Section 7-28-010 of the Municipal Code of Chicago is hereby amended by adding the language underscored, and by deleting the language struck through, as follows:

7-28-010 Notice to abate.

It shall be the duty of the ~~building-commissioner~~ Building Commissioner or the ~~building-commissioner's~~ Building Commissioner's designee to serve notice in writing by certified first class mail upon the owner, occupant, agent or person in possession or control of any building or structure in or upon which any nuisance may be found, or upon any person who may be the owner or cause of any such nuisance other than the nuisance specified in Sections 7-28-120 or 7-28-440 through 7-28-455 or 7-28-750 of this chapter, ordering such owner, occupant, agent or person to abate such nuisance, within a reasonable time, in the manner the ~~building-commissioner~~ Building Commissioner shall prescribe. It shall not be necessary in any case for the ~~building commissioner~~ Building Commissioner to specify in such notice the manner in which any nuisance shall be abated, unless the ~~building-commissioner~~ Building Commissioner deems it advisable to do so. If the person so notified shall neglects, refuses or otherwise fails to comply with any of the requirements of such order ~~within the time specified in the notice required under this section~~, such person shall be fined not less than \$250.00 nor more than \$500.00 for each such offense. Each day that a violation continues shall constitute a separate and distinct offense to which a separate fine shall apply. Nothing in this section shall be construed to require issuance of a notice to abate when the City does not affirmatively seek abatement as a remedy.

It shall be the duty of the ~~building-commissioner~~ Building Commissioner to proceed ~~at once, upon expiration of the time period specified in the notice~~, to cause the applicable nuisance to be abated. Provided, however, that if, after due diligence, the owner, occupant, agent, or person in possession or control of any building or structure in or upon which any nuisance may be found is unknown or cannot be found, the ~~building-commissioner~~ Building Commissioner shall proceed to abate the nuisance without notice. In either case, in addition to any fine or other penalty provided by law, the person who created, continued or suffered the nuisance to exist shall be liable to the city for any and all costs and expenses incurred by the city in abating the nuisance, plus a penalty of up to three times the amount of the costs and expenses incurred by the city. Such monies may be recovered in an appropriate action instituted by the corporation counselor or in a proceeding initiated by the applicable department at ~~the department of administrative hearings~~ Department of Administrative Hearings. The ~~commissioner of streets and sanitation~~ Commissioner of Streets and Sanitation or the ~~commissioner's~~ Commissioner's designee shall enforce the provisions of Sections 7-28-120, 7-28-440 through 7-28-455 and 7-28-750 in the manner provided herein for nuisances generally, unless the specific section provides otherwise.

SECTION 3. Section 7-28-780 of the Municipal Code of Chicago is hereby amended by adding the language underscored, and by deleting the language struck through, as follows:

7-28-780 Parking of vehicles in a vacant lot – Penalty for violation – Abatement – Lien.

(Omitted text is unaffected by this ordinance)

(b) *Parking prohibited.* (1) The owner of any vacant lot located within the City shall not allow or cause the parking of any vehicle in that vacant lot. Failure to install or maintain a fence around a vacant lot, as required under subsection (a) of Section 7-28-750, shall create a rebuttable presumption that the owner of the vacant lot has allowed or caused the parking of any vehicle parked in the vacant lot. Any owner of a vacant lot who violates this subsection (b)(1) shall be subject to a fine of not less than \$300 nor more than \$500. Each day that such violation continues shall be considered a separate offense to which a separate fine shall apply.

(2) As provided in Section 9-64-115, it shall be unlawful to park any vehicle in a vacant lot. Any person who violates this subsection (b)(2) shall be subject to a fine of not less than \$50 nor more than \$100. Each day that such violation continues shall be considered a separate offense to which a separate fine shall apply. The last registered owner of the vehicle parked in violation of this subsection (b)(2) shall be prima facie responsible for the violation and shall be subject to the penalty provided in this subsection (b)(2).

(c) *Public nuisance.* Any vehicle parked in a vacant lot is hereby declared to be a public nuisance. Except as otherwise provided in this subsection, Upon instituting an administrative adjudication proceeding or filing of a case in a court of law against the owner of a vacant lot for violation of subsection (b)(1) of this section, the Department shall post a yellow sticker, in a manner determined by rule, on each vehicle currently parked in the vacant lot, specifying that the any and all vehicles parked in said lot shall be subject to removal tow if the owner of the vacant lot is found liable of violating subsection (b)(1). If the owner of the vacant lot is found liable of violating subsection (b), On or after a finding by the Department of Administrative Hearings that the lot owner violated subsection (b)(1), the Department shall post a 10-day notice in the form of a red sticker, in a manner determined by rule, on each vehicle parked in the said vacant lot, specifying that the vehicle shall be subject to removal tow if not removed within 10 days from the posting of the notice. The Department is authorized to remove tow, or may cause to be removed towed, any vehicle parked in the vacant lot after the expiration of the 10-day notice posted on such vehicle pursuant to this subsection. Any such vehicle is deemed abandoned. Any vehicle not removed from a vacant lot within 10 days of posting of the red sticker is deemed abandoned under the terms of this subsection (c).

If the owner of a vacant lot has been found liable for violating subsection (b)(1), then (i) the Department need not place a yellow sticker on any vehicle before towing it from said vacant lot; and (ii) any vehicle parked in said lot before or after the finding of liability is subject to tow 10 days after the placement of the 10-day notice on the vehicle without further notice or adjudication.

Any vehicle so removed towed pursuant to this subsection shall be towed taken to an authorized facility. In such event, the owner of the vacant lot on which the removed towed vehicle was parked shall be liable to the City for any and all costs and expenses incurred by the City in removing towing the vehicle, except for towing and storage fees, plus a penalty of up to three times the amount of the costs and expenses incurred by the City. Provided, however, if the owner of the vacant lot is also the registered owner of a vehicle removed towed pursuant to this section, in addition to other costs and penalty provided in this subsection, the owner of the vacant lot shall be liable to the City for the towing and storage charges as provided in Sections 9-92-080 and 9-92-100(e) and the costs of postage for notices and costs of collection. Such monies may be recovered in an appropriate action instituted by the Corporation Counsel or in a proceeding initiated by the Department or the Department of Health at the Department of Administrative

Hearings. The penalties imposed by this subsection shall be in addition to any other penalty provided by law.

~~Once the owner of a vacant lot is found liable of violating subsection (b), vehicles that are parked in that lot are subject to removal, as provided in this subsection, until all such vehicles are removed and until the vacant lot owner complies with Section 7-28-750 of the Code.~~

(Omitted text is unaffected by this ordinance)

(f) *Post-tow notice.* If a vehicle parked in a vacant lot is removed towed by the Department as provided in subsection (c) of this Section, the owner of the towed vehicle removed shall be entitled to notice, consistent with Section 9-92-070, of the right to request a hearing regarding the validity of the removal tow and any towing or storage charges as provided in Section 9-92-080. Whenever the Department is not able to ascertain the name of the owner of an impounded vehicle or for any reason is unable to give notice to the vehicle owner as provided in this subsection (f), the Department shall immediately send or cause to be sent a written report of such removal tow by mail to the Secretary of the State of Illinois. Such notice shall include a complete description of the vehicle, the date, time, and place from which removed towed, the reasons for such removal tow, and the address of the authorized facility where the vehicle is stored. Unclaimed motor vehicles removed towed under subsection (c) of this Section shall be disposed of as provided in Section 9-92-100.

In addition to applicable penalties, the last registered owner of the vehicle removed towed under subsection (c) shall also be liable to the City for the towing and storage charges as provided in Sections 9-92-080 and 9-92-100(e) and the costs of postage for notices and costs of collection.

(Omitted text is unaffected by this ordinance)

SECTION 4. Section 9-64-115 of the Municipal Code of Chicago is hereby amended by adding the language underscored, and by deleting the language struck through, as follows:

9-64-115 Reserved Parking in a vacant lot – Prohibited.

It shall be unlawful to park any vehicle in a vacant lot. Any person who violates this section shall be subject to the fine set forth in Section 9-100-020(b). Each day that such violation continues shall be considered a separate offense to which a separate fine shall apply. The last registered owner of the vehicle parked in violation of this section shall be prima facie responsible for the violation and shall be subject to the penalty set forth in Section 9-100-020(b) for the violation of this section.

For purposes of this section, the term "vacant lot" has the meaning ascribed to this term in Section 7-28-780.

**ARTICLE IV.
LATE PAYMENT PENALTY**

SECTION 1. Section 9-4-020 of the Municipal Code of Chicago is hereby amended by adding the language underscored, as follows:

9-4-020 Violation – Penalty.

Every person who violates any provision of Chapters 9-4 through 9-100 for which no penalty is specifically provided shall be fined not less than \$90.00 nor more than \$500.00 for each offense except that no fine for a parking, standing, or compliance violation adjudicated at the Department of Administrative Hearings may exceed \$250.00.

SECTION 2. Section 9-4-025 of the Municipal Code of Chicago is hereby amended by adding the language underscored, and by deleting the language struck through, as follows:

9-4-025 Bicycle safety violation – Penalty.

(a) (1) Any person who violates subsection (e) or (f) of Section 9-16-020, subsection (c) of Section 9-36-010, or Section 9-40-060, of this Code, shall be subject to a fine of \$150.00 for each offense.

(2) Any Except as provided in subsection (a)(3) of this Section 9-4-025, any person who violates subsection (e) or (f) of Section 9-16-020, subsection (c) of Section 9-36-010, or Section 9-40-060, of this Code, when such violation causes a collision between a motor vehicle and a bicycle, shall be subject to a fine of \$500.00 for each offense.

(3) Any person who violates Section 9-40-060 of this Code by standing or parking on bicycle paths or lanes, when such violation causes a collision between a motor vehicle and a bicycle shall be subject to a fine of \$250.00 for each offense.

SECTION 3. Chapter 9-76 of the Municipal Code of Chicago is hereby amended by deleting Section 9-76-220, which prohibited driving a motor vehicle with tinted windows, in its entirety.

SECTION 4. Section 9-76-140 of the Municipal Code of Chicago is hereby amended by adding the language underscored, and by deleting the language struck through, as follows:

9-76-140 Exhaust system

(a) (1) Every motor vehicle shall at all times be equipped with a muffler in good working order and in constant operation to prevent excessive or unusual noise and annoying smoke.

(2) No person shall use a muffler cutout, by-pass, straight pipe or similar device upon a motor vehicle on a street, highway or other public way within the City. Any person who violates this subsection (a)(2) shall be subject to a the fine of \$500.00 set forth in Section 9-100-020(c) for each offense. Each day that a violation continues shall constitute a separate and distinct offense.

(Omitted text is unaffected by this ordinance)

SECTION 5. Section 9-100-020 of the Municipal Code of Chicago is hereby amended by adding the language underscored, and by deleting the language struck through, as follows:

9-100-020 Violation – Penalty.

(Omitted text is unaffected by this ordinance)

(b) The fines listed below shall be imposed for a violation of the following sections of the traffic code:

<i>Traffic Code Section</i>	<i>Fine</i>
	<i>(Omitted text is unaffected by this ordinance)</i>
9-64-110(a)(2)	\$300.00 <u>\$250.00</u>
	<i>(Omitted text is unaffected by this ordinance)</i>
9-64-110(h)	\$100.00
<u>9-64-115</u>	<u>\$100.00</u>
9-64-120	\$50.00
	<i>(Omitted text is unaffected by this ordinance)</i>

(c) The fines listed below shall be imposed for violation of the following sections of the traffic code:

<i>Traffic Code Section</i>	<i>Fine</i>
	<i>(Omitted text is unaffected by this ordinance)</i>
9-64-125(c)	\$500.00 <u>\$250.00</u>
	<i>(Omitted text is unaffected by this ordinance)</i>
9-76-140(a)	\$500.00 <u>\$250.00</u>
	<i>(Omitted text is unaffected by this ordinance)</i>
9-76-160(a)(5) - (7)	\$500.00 <u>\$250.00</u>
	<i>(Omitted text is unaffected by this ordinance)</i>

SECTION 6. Section 9-100-050 of the Municipal Code of Chicago is hereby amended by adding the language underscored as follows:

9-100-050 Determination of liability.

(Omitted text is unaffected by this ordinance)

(e) Except as otherwise provided in subsection (e) of Section 9-100-170, failure by any respondent to pay the fine within 25 days of issuance of a determination of liability for a violation will automatically subject the respondent to a penalty for late payment; provided that an eligible participant paying the indicated fine under an early installment payment plan pursuant to Section 9-100-160 and rules promulgated thereunder shall not be subject to the late payment, unless the eligible participant defaults on the early installment payment plan. In the event of such a default, the eligible participant shall be subject to the late payment in accordance with this section.

Except as otherwise provided in this subsection, the penalty for late payment shall be an amount equal to the lesser of either (1) the amount of the fine for the relevant violation or (2) \$250.00 minus the amount of the fine for the relevant violation. The fine for late payment of the fine for violating subsection (b) or (c) of Section 9-64-125 shall be \$50.

(Omitted text is unaffected by this ordinance)

ARTICLE V. PUBLIC WAY PERMIT SUBCONTRACTOR REFORM

SECTION 1. Chapter 10-20 of the Municipal Code of Chicago is hereby amended by adding the language underscored, by deleting the language struck through, and by repealing Section 10-20-165 in its entirety, as follows:

10-20-010 ~~Reserved.~~ Definitions.

For purposes of this article, the following definitions shall apply:

"Discipline" means any component activity of excavation performed by a permittee, subcontractor, or other person required to obtain an excavation permit.

"Excavation" has the same meaning ascribed to that term in Section 10-21-020.

"Restore" means restoration or replacement of the pavement, components of the pavement, or other materials to at least the condition that the pavement, components of the pavement, or other materials were in before the work contemplated by this article was commenced.

"Substantial owner" means any person or entity holding a 25 percent or greater ownership interest in any firm, partnership, limited partnership, corporation or limited liability company; provided, however, that where no person or entity holds such an ownership interest, substantial owner shall mean each of the four persons or entities with the largest ownership interests; provided further, that with regard to an individual or sole proprietorship, substantial owner means that individual or sole proprietorship.

10-20-150 Permit – Fees – Issuance.

(a) It shall be unlawful for any person to make an opening in, or to construct or repair any pavement in, any public way or other public place without first obtaining a public way work permit from the Commissioner of Transportation; provided, however, that any such opening,

construction or repair may be performed by a person holding the public way work license required by this article, who is not a permittee under this section but who is acting as subcontractor for, or otherwise acting under instructions from, as agent for, on behalf of, or in concert with, a permittee under this section. Except as otherwise permitted by Section 10-20-150 (i), the Commissioner of Transportation shall allow a permittee to include at most one subcontractor per discipline on the permit.

(Omitted text is unaffected by this ordinance)

(h) With respect to a permit applied for pursuant to this section in conjunction with the installation or relocation of any utility pole on the public way, the Commissioner of Transportation shall provide a 30-day notification to the alderman of the affected ward prior to issuing such permit.

(i) A permittee under this Section may petition the Commissioner of Transportation to permit more than one subcontractor per discipline, by submitting said petition in compliance with the submission process established by the Commissioner of Transportation. If such a petition is granted, the permittee shall be charged a separate permit fee for each subcontractor beyond the one per discipline added to the permit.

(j) The Commissioner of Transportation is authorized to promulgate such rules as are necessary or useful to implement the administration and enforcement of this article.

ARTICLE VI. PUBLIC WAY USE PERMIT FEE REFORM

SECTION 1. Section 10-28-017 of the Municipal Code of Chicago is hereby amended by adding the language underscored, and by deleting the language struck through, as follows:

10-28-017 Public way use permit – Fees.

(Omitted text is unaffected by this ordinance)

(b) For all other public way uses not specified in subsection (a), the fees shall be as follows:

Type of Public Use	Annual Fee
(1) balcony, bay window, bollard, permanent smoking management receptacle, door swing, light pole, park bench, trash container, flag pole, banner	\$75.00 each
(2) sign	\$300.00/sign 25 square feet or greater \$100.00/sign less than 25 square feet
(3) awning, marquee, canopy with or without an on-premise sign	\$50.00 for first 25 feet + \$1.00/additional foot
(4) light fixture	\$75.00 for the first fixture plus

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|-----|--|------------------------------------|
| | | \$5.00 for each additional fixture |
| (5) | windscreen, clock, fire escape, manhole | \$400.00 each |
| (6) | barber pole | \$10.00 |
| (7) | security camera, bicycle rack, landscaping and its associated structures, portable smoking management receptacle, <u>bench, trash container</u> | No fee |
| (8) | all other uses will be charged per square foot based on a formula that reflects the value of the land within the surrounding area, as established by the commissioner in rules and regulations; provided that there will be a \$400.00 minimum charge for all such uses. | |
| (9) | notwithstanding the above, the total fee for a public way use permit for any combination of signs less than 25 square feet, canopies, awnings, or light fixtures at the same location, shall not exceed \$175.00 for all such public way uses. | |

For purposes of calculating the fee pursuant to this subsection (b), a sign shall not include a Sidewalk Sign, as that term is defined in Section 10-28-360, or an awning, canopy or marquee that contains an on-premise sign, as that term is defined in Section 17-17-02109.

(Omitted text is unaffected by this ordinance)

**ARTICLE VII.
FULL PAYMENT CERTIFICATES**

SECTION 1. Chapter 11-12 of the Municipal Code of Chicago is hereby amended by inserting the language underscored, by deleting the language struck through, and by adding a new Section 11-12-532, as follows:

11-12-010 Definitions.

For purposes of this chapter, the following definitions shall apply:

"Commissioner" means the ~~city's commissioner of water management~~ City's Commissioner of Water Management.

"Department" means the ~~city's department of water management~~ City's Department of Water Management.

"Family" means any number of persons not to exceed 12, including children and employees.

"Full payment certificate" means a certificate issued by the ~~comptroller~~ Comptroller indicating that all water, and sewer, and refuse charges, taxes, penalties, and fees that accrued to a water account are paid in full, transferred pursuant to Section 11-12-532, or otherwise not transferable to the subsequent owner.

(Omitted text is unaffected by this ordinance)

11-12-532 Transfer of Utility Debt.

(a) Definitions. For the purpose of this section, the following definitions shall apply:

(1) "Comptroller", "LIHEAP" and "Participant" have the same meaning ascribed to these terms in Section 11-12-545(c).

(2) "Qualifying transferee" means a natural person, who:

(A) meets the eligibility criteria to participate in the LIHEAP with the exception of any United States citizenship requirement; provided, however, that said person does not need to participate in the LIHEAP;

(B) agrees in writing, on a form prescribed by the Comptroller, to assume responsibility for all outstanding utility debt on the subject property; and

(C) has signed an agreement to enroll in the Utility Billing Relief Program described in Section 11-12-545 for all utility debt.

(3) "Subject property" means the real property owned and occupied by the Participant that is being transferred to, or inherited by, a qualifying transferee for which a full payment certificate is sought pursuant to this Section.

(4) "Utility debt" means all water, sewer, and refuse charges, as well as all penalties, taxes, and fees that accrued to the utility account of the subject property.

(b) If a Participant transfers the subject property to a qualifying transferee, or a qualifying transferee receives the entirety of the subject property through a court-ordered settlement or other court order in a domestic relations action, or a qualifying transferee inherits the entirety of the subject property by intestate succession or as a testamentary devisee, whether such transfer is subject to or exempt from the real property transfer tax pursuant to Chapter 3-33 of this Code, a full payment certificate shall be issued without immediate payment of the outstanding utility debt.

(c) If real property is transferred or inherited pursuant to Section 11-12-532(b), the application fee specified in Section 11-12-530 shall be waived.

**ARTICLE VIII.
LEAD SERVICE LINE REPLACEMENT**

SECTION 1. Section 2-8-065 of the Municipal Code of Chicago is hereby amended by adding the language underscored, and by deleting the language struck through, as follows:

2-8-065 Discounted or waived fees – Restrictions.

(Omitted text is unaffected by this ordinance)

(c) *Exemptions.* The requirements of this section shall not apply to any ordinance or amendment thereto authorizing individual fee waivers: (1) for any governmental entity, as defined

in subsection (a) of this section, or (2) in connection with a block party, or (3) in connection with the waiver under Section 2-120-815 of any fee charged by the City of Chicago for the issuance of any permit requiring approval of the Commission on Chicago Historical and Cultural Landmarks, or (4) in connection with the ~~Homeowner-Initiated LSLR Program~~ a Department of Water Management Lead Service Line Replacement Program created within the authority granted in Article IX of Chapter 11-12, or (5) pursuant to the authority granted to the Commissioner of Housing to support neighborhood revitalization efforts under Section 14A-3-313.6.

(Omitted text is unaffected by this ordinance)

SECTION 2. Section 11-12-910 of the Municipal Code of Chicago is hereby amended by adding the language underscored, and by deleting the language struck through, as follows:

11-12-910 Owner-Initiated LSLR Program.

(a) Owners who voluntarily replace the full lead service line serving the owner's Property may apply to be part of the Owner-Initiated LSLR program.

(b) Subject to need, availability, and appropriation of funds,

(1) the Commissioner of Water Management shall provide a buffalo-box, water meter, and information on selecting contractors for the owner's lead service line replacement, to each owner voluntarily replacing the full lead service line at no cost to the owner.

(2) the permit fees and certain costs necessary to perform the full lead service line replacement, including permits and costs from the Department of Water Management, the Department of Transportation, and the Department of Buildings, shall be waived in an aggregate amount not to exceed ~~\$3,400.00~~ \$5,000.00. The Commissioners of Water Management, Transportation, and Buildings shall jointly issue rules specifying the types of permits, permit fees, and costs which may be waived.

**ARTICLE IX.
ADMINISTRATIVE DEBT RELIEF ORDINANCE OF 2023**

SECTION 1. Title. This article of the Revenue Ordinance shall be known and may be cited as the "Administrative Debt Relief Ordinance of 2023."

SECTION 2. Definitions. Whenever the following words and phrases are used in this article, they shall have the meanings respectively ascribed to them:

"Administrative hearing violation" means a violation of the Code for which a fine, restitution, and other costs, have been imposed by the Department of Administrative Hearings before the effective date of this article, except for:

(a) a tax;

(b) failure to pay a debt due and owing the City pursuant to Section 1-20-090 of the Code;

(c) wage garnishment proceeding conducted pursuant to Section 2-32-392 of the Code;

(d) a vehicle violation;

(e) any violation for which the City has: (i) commenced a case in a court of competent jurisdiction for the collection of the debt owed on said violation; or (ii) obtained a judgment from a court of competent jurisdiction for the collection of the debt owed on said violation;

(f) any violations for which a vehicle was impounded by the City and the City is still in possession of such vehicle; or

(g) any violation in which there is a pending motion to set aside default before the Department of Administrative Hearings.

"City" means the City of Chicago, Illinois.

"Code" means the Municipal Code of Chicago.

"Collection costs" means the expenses and time incurred by the City or its agents to collect any debt.

"Comptroller" mean the City Comptroller as established by Section 2-32-020 of the Code or the Comptroller's designee.

"Current Monthly Income" means all income of the debtor and any other individual who is 18 years or older and resides in the same household that is derived during the 30-day period immediately preceding the date of enrollment in a hardship payment plan no matter the source of the income and without regard to whether such income is taxable income, including but not limited to all pension, annuity, and all government benefit payments such as social security, unemployment insurance, and like payments.

"Debtor" means any natural individual, firm, trust, partnership, association, joint venture, corporation or other legal entity, with an unpaid balance to the City on at least one administrative hearing violation.

"Default" means either: (i) underpayment or non-payment of a monthly payment on a qualifying payment plan or a hardship payment plan within 60 days of the stated due date; or (ii) a finding by the Comptroller that a debtor misrepresented or made a false statement regarding the debtor's eligibility to enroll in a hardship payment plan.

"Department" means the Department of Finance of the City.

"FDO" mean a Findings, Decision, and Order entered at the Department of Administrative Hearings for an administrative hearing violation.

"Fine" means the monetary penalty imposed for an administrative hearing violation of the Code, excluding any other costs or restitution.

"Hardship debtor" mean a natural individual debtor, who: (i) is currently enrolled in the Utility Billing Relief program established pursuant to Section 11-12-545 of the Code; (ii) is currently enrolled in the Clear Path Relief Pilot Program established pursuant to Section 9-100-170 of the Code; or (iii) has a household income of 300 percent or less than the Federal Poverty Level as determined by the applicant's current monthly income. A firm, trust, partnership, association, joint venture, corporation or other legal entity, is not a hardship debtor.

"Hardship payment plan" means an agreement between the Department and a hardship debtor established pursuant to this article and any rules promulgated to implement or administer it during the hardship relief period for repayment of an administrative hearing violation fine pursuant to this article.

"Hardship relief period" means the time from April 1, 2023, until December 31, 2023, to enroll in a hardship payment plan or pay any required restitution in full plus fifty percent of the fine.

"Household Income" means Current Monthly Income multiplied by 12.

"Other costs" means any collection costs, attorney's fees, court costs, towing fees, storage fees, administrative fees, interest, or insufficient funds charges, associated with an FDO.

"Pay" means to make payment by cash, credit card, check or other means.

"Qualifying payment plan" means an agreement between the Department and a debtor established pursuant to this article and any rules promulgated to implement or administer it during the standard relief period for repayment of an administrative hearing violation fine.

"Restitution" means an amount of money ordered by the Department of Administrative Hearings to be paid by a debtor as recompense for injury or financial loss to either the City or a third party.

"Standard relief period" means the time from the start date the Comptroller establishes by rule based on operational needs, but in no event shall the start date be later than January 17, 2023, until March 31, 2023, to either pay the ordered fine and restitution in full or enroll in a qualifying payment plan.

"Tax" means any sum payable pursuant to a revenue measure imposed under any of the chapters of the Code or under any other ordinance passed by the City Council and paid or remitted directly to the Department.

"Vehicle violation" means a parking, standing, compliance, automated speed enforcement system, automated traffic law enforcement system violation, or tow initiated pursuant to authority granted under Sections 9-92-010 or 9-92-030 of the Code, for which a fine or other costs were imposed by the Department of Administrative Hearings.

SECTION 3. *Debt relief program established.* The Comptroller shall establish and administer a debt relief program pursuant to this article. The debt relief program shall provide for

relief as provided in this article only if the debtor complies with the applicable requirements of the program during the standard and hardship relief periods. The Comptroller may promulgate such rules as are necessary to implement this article.

SECTION 4. *Scope of debt relief.*

(a) During the standard and hardship relief periods, any person seeking relief pursuant to this article for an FDO shall apply for such relief through procedures established by the Department. Following the completion of such application procedures:

(1) during the standard relief period, a debtor shall either pay the fine and restitution amount ordered in the FDO in full or enroll in a qualifying payment plan; or

(2) during the hardship relief period, a hardship debtor shall pay any restitution amount in full plus fifty percent of the fine amount ordered in the FDO or enroll in a hardship payment plan for that same amount.

(b) (1) Following payment of the restitution and fine amount ordered in the FDO in full by a debtor during the standard relief period, or upon completion of a qualifying payment plan pursuant to its terms, the Department shall: (A) waive all other costs associated with the paid fine or restitution; and (B) the City shall not seek civil or criminal prosecution for the failure to have paid any fine, restitution, or other costs for that administrative hearing violation.

(2) Following payment of the restitution amount in full plus fifty percent of the fine amount ordered in the FDO by a hardship debtor during the hardship relief period, or upon completion of a hardship payment plan pursuant to its terms, the Department shall: (A) waive all other costs associated with the paid fine or restitution; (B) the City shall not seek civil or criminal prosecution for the failure to have paid any fine, restitution, or other costs for that administrative hearing violation; and (C) waive any remaining fines associated with the administrative hearing violations paid by the hardship debtor in accordance with this section during the hardship relief period or that were included in a hardship payment plan.

(c) If a debtor fails to complete any of the requirements of this section, during the standard or hardship relief period, as appropriate, then all other costs associated with the administrative hearing violation remain due and owing and no relief is available under this article. After the expiration of the standard or hardship relief periods, invoices, collection letters, or other documents created during the standard or hardship relief periods showing the balance of an administrative hearing violation shall not be used as evidence of the current balance of said administrative hearing violation.

(d) In no event shall any relief granted under this article entitle a debtor to a refund for any amounts paid prior to the effective date of this article.

SECTION 5. *Qualifying payment plans.* The Department is authorized to enroll any debtor into a qualifying payment plan during the standard relief period and to administer such qualifying payment plans, provided that:

(a) In order to satisfy the qualifying payment plan, a debtor shall pay any applicable restitution, and 100 percent of the fine imposed by the Department of Administrative Hearings for each administrative hearing violation included in the plan;

- (b) No qualifying payment plan shall have a term longer than 24 months,
- (c) No qualifying payment plan shall have a monthly payment of less than \$10.00 per month;
- (d) The down payment of a qualifying payment plan shall be in an amount no less than \$25.00; and
- (e) Qualifying payment plans shall not include any interest or other charges beyond the fine and restitution, if applicable.

SECTION 6. *Hardship payment plans.* The Department is authorized to enroll any hardship debtor into a hardship payment plan during the hardship relief period and to administer such hardship payment plans, provided that:

- (a) In order to satisfy the hardship payment plan, a hardship debtor shall pay any applicable restitution, and 50 percent of the fine imposed by the Department of Administrative Hearings for each administrative hearing violation included in the plan;
- (b) No hardship payment plan shall have a term longer than 60 months;
- (c) No hardship payment plan shall have a monthly payment of less than \$10.00 per month;
- (d) The down payment of a hardship payment plan shall be in an amount no less than \$25.00; and
- (e) Hardship payment plans shall not include any interest or other charges beyond any restitution owed and 50 percent of the ordered fine.

SECTION 7. *Default.* If a qualifying payment plan or a hardship payment plan enters default status, the debtor or hardship debtor shall no longer be eligible to receive waiver of fines or other costs pursuant to this article, unless they re-enroll in a hardship payment plan within 60 days of default or by the expiration date of this article, whichever is earlier, by paying any past due amounts and completing any applicable re-enrollment application required by the Department.

The City may provide notice to a debtor enrolled in a qualifying or hardship payment plan prior to declaring a Default; however, notice to the debtor is not required for a Default to be effective.

No debtor may re-enroll in either a qualifying payment plan or hardship payment plan more than twice.

If a debtor defaults a total of two times on either a qualifying payment plan or a hardship payment plan, they shall no longer be eligible to receive waiver of other costs pursuant to Section 4 of this article and the City shall be entitled to pursue any and all collection activities, including adjudication at a Court of competent jurisdiction, to recover all unpaid fines, restitution, and other costs without further notice.

SECTION 8. *Fraudulent conduct.* Relief under this program shall not be available to any person who is a party to any civil or criminal litigation concerning fraudulent conduct in relation to any debt owed to the City which is pending in any circuit court, appellate court or the Supreme Court of the State of Illinois, or the Department of Administrative Hearings.

SECTION 9. *Property interest.* The program and any benefits established by this article are created in the City's sole discretion, and participation in the program and any benefits that result from the program are not intended to create a property interest in any debtor or other individual or entity.

SECTION 10. *Severability.* If any part, section, sentence, clause or application of this article shall be adjudged invalid, void and of no effect for any reason, such decision shall not affect the validity of the remaining portions of this article, or their application to other circumstances.

SECTION 11. *Expiration date.* This section shall expire and be repealed of its own accord, without further action by the City Council, on January 1, 2024. The expiration of this article shall not invalidate qualifying or hardship payment plans that have been commenced during the standard or hardship relief periods, are not in default, and that end after December 31, 2023: Any payment plans completed after January 1, 2024, shall be entitled to the appropriate relief granted by this article despite its expiration.

ARTICLE X. SEVERABILITY, SUPERSEDER

SECTION 1. The provisions of this Ordinance are declared to be separate and severable. The invalidity of any provision of this Ordinance, or the invalidity of the application thereof to any person or circumstance, shall not affect the validity of the remainder of this Ordinance, or the validity of its application to other persons or circumstances.

SECTION 2. In the event of a conflict or inconsistency between this ordinance and any other ordinance, resolution, motion, or order, this ordinance shall prevail.

ARTICLE XI. EFFECTIVE DATES

SECTION 1. Following passage and approval, Article II of this ordinance shall be effective on September 1, 2023.

SECTION 2. In light of the urgent need to ensure the proper regulation of traffic fines and vacant lot usage, pursuant to 65 ILCS 5/1-2-4, Articles III and IV shall take effect immediately upon their passage and approval, if such passage is by a vote of at least two-thirds of the

members of this Council. In the event this ordinance passes by a majority vote of less than two-thirds of the members of this Council, Articles III and IV shall take effect ten days after passage and publication.

SECTION 3. Following passage and approval, Article VII of this ordinance shall be effective on April 1, 2023.

SECTION 4. Article VIII of this ordinance shall be effective upon passage and approval.

SECTION 5. Following passage and approval, Article IX of this ordinance shall be effective on December 16, 2022.

SECTION 6. Following passage and approval, all other parts of this ordinance shall be effective on January 1, 2023.