



*City Council*

City Council Chambers ◊ 524 West Stephenson Street ◊ Freeport, IL 61032

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**COMMITTEE OF THE WHOLE REPORT  
SPECIAL MEETING  
Monday, October 28, 2013**

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**1. CALL TO ORDER**

The special meeting of the Freeport, Illinois, Committee of the Whole was called to order by Mayor James Gitz with a quorum being present at 6:02 p.m. on Monday, October 28, 2013, in Council Chambers.

**2. ROLL CALL**

Present on roll call: Mayor James Gitz and council members Tom Klemm, Shawn Boldt, Ronnie Bush, Jennie DeVine, Dennis Endress, Sally Brashaw, Michael Koester, and Alderperson Crutchfield (8).

City Staff Present: Corporation Counsel Sarah Griffin, City Clerk Meg Zuravel, Community Development Director Shelly Griswold, City Accountant Duane Price, Public Works Director Tom Dole, Police Chief Jerry Whitmore, Interim Fire Chief Jim Blackburn, Water and Sewer Director Tom Glendenning, and City Engineer Shaun Gallagher

**3. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Alderperson Bush, chairperson of meeting.

Alderperson Bush stated before we begin he would like to change the order, pending council agreement to first present item number seven which is the draft ordinance and then to talk about the summary points contained in item number 6.

**4. PUBLIC COMMENTS – AGENDA ITEMS**

- Steve Carroll, 811 S. Oak, Freeport, Illinois, spoke in support of Residential Rental Property Regulation by using an example of where he has lived for the last 35 years. He stated he has watched the decline his neighborhood which he said is because of bad landlords. He stated this ordinance is a crossroad for Freeport and will determine which direction Freeport will go. He asked the council for the support of the ordinance. He feels that the fees and penalties are compatible. He stated he feels that the plight of the neighborhoods was the reason for the change in administrations in recent mayoral election.
- Conor Brown, 24 W. Stephenson Street, Freeport Illinois, introduced himself as the Governmental Affairs Manager of the Realtors Association of Northwest Illinois. He stated the big question with the Rental Regulations ordinance is who pays and how much and then those questions are compounded by resources. He referred to the article in the newspaper by Mayor Gitz. He stated this is not a licensing program or an inspection program it is a way to find and communicate with the responsible owner of a property. Mr. Brown recommended the

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use of a software program used by the City of Rockford and suggested that its cost could be absorbed into the \$17 million budget. He asked to drop the unjust fee and to make registration of a landlord free of charge.

- Jilly Whiting, 411 S. State, Freeport Illinois, spoke as a landlord and taxpayer in Freeport and stated her comments about the proposed Residential Rental Property Regulation and her opposition to the fees. She stated that if this continues, she will want to move to a less stressful area. She stated that there are ordinances that homeowners violate just as easy as rental property owner's tenant.
- Ken Opperman, 104 Mary Street, Durand Illinois, stated that overall it is a good ordinance but he did not expect a fee or a "tax" to be placed on it. He has maintained property in Freeport for the last seven years and watched as sales tax go up in Freeport and now this is another tax that will be passed onto the tenant. He stated the taxes are what drive people to other municipalities. He asked the council members to consider absorbing the rental registration fees and the cost of the software. He also has an issue with the 30 mile limit and asked that is expanded.
- Jon Staben, 1070 Canyon Drive, Freeport Illinois, spoke not as a landlord but as a citizen of Freeport stating that he agrees with the registration itself but has an exception with the fee. He would make it free to register and double the fines if you don't. He stated we need this ordinance and without it Freeport will continue to decline. He asked to make the registration free for six months.
- Brian Borchardt, 224 N. Cherry Avenue, Freeport, Illinois, spoke as a landlord in the City of Freeport and stated he lives in rural Orangeville. He provided his opinion on the Rental Property Registration draft ordinance and suggested that the solution is in the landlord-tenant agreement with the Freeport Police department and he summarized his proposed process and how it would work. He stated he objects to the fees in the ordinance.
- Joann Farnsworth, 507 W. Pleasant Street, Freeport, Illinois spoke as a landlord in Freeport and stated that she cannot afford to pay the fees required of the rental property registration ordinance and recommended that the council get rid of the fees.
- John Zajicek, 100 Tanglewood Drive, Freeport Illinois, provided his concerns about the rental property registration ordinance as written. He stated he has been involved in property ownership in Freeport for over 30 years and he has been very involved in community. He and other the landlords present here this evening are willing to help solve the issues and problems facing Freeport. He stated the Task Force came up with viable recommendations. He stated his concern about the penalties and the wording is way too vague and needs to be defined.
- Duane Janecke, 2125 S. Walnut, Freeport Illinois, stated that rental property is a business in Freeport and it brings in a large amount of tax revenue to the City of Freeport. He could have very well have invested in another town and if the tax payers leave town they will leave the houses to be torn down. If the administration makes it too hard to invest in rental property no one will invest in fixing up homes in Freeport. The City needs to be more business friendly because you can't chase away investors.

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- Merlyn Foat, 1321 S. Demeter Drive, Freeport Illinois, stated that he had concerns about the ordinance as written and the tenant accountability. He provided an example of a rental property that he has where there were three adults living in the property and now there are eight. He stated he appreciates the effort in the crime free housing addendum.
- Karen Senior, 6996 West Loran Road, Pearl City, Illinois stated that she pays an enormous amount of taxes in Freeport. She provided her opinion of the draft Rental Property Registration ordinance and stated she is in favor of the registration but she is not in favor of the fees. She would like to see it changed to only charge a fee if the property changes hands. She stated there is no way to enforce the penalties. She recommended that the City have a meeting with the judges to strengthen the judicial process of eviction a tenant.
- Lucrecia London, 1101 Arapaho Drive, Freeport Illinois spoke about being from a multiple generational Freeport family and she and her husband own a rental property business in Freeport. She stated she is against charging a fee for registration. She added that as a landlord they try to keep their properties in compliance.
- Brad Grant, 1276 W. Stover, Freeport Illinois, spoke about the properties he owns in which they pay on time and keep the properties clean. He would like to be able to keep the ownership confidential. He asked the administration to look to the Freeport Landlords Association to work with them in coming up with a process and lease that works.
- Jim Schwartz, 14 S. Chicago Avenue, Freeport Illinois, spoke about buying and fixing up property in Freeport where he employed three full time carpenters. He stated he tries to keep his rents at a low level but with the fees and property taxes it makes it hard. He is for the registration but with no fees.
- Jim Graham, 47 N. Mernitz, Freeport Illinois, spoke about his history in Freeport for over thirty years and the professional manner they have managed their rental properties. The administration needs to hold the bad landlords accountable and not those landlords who are maintaining their properties and running a professional business. We have no problem registering our properties but do have a problem with ongoing annual fees, intrusiveness of it, having the City dictate to us what our leases must include the crime free addendum and requiring our tenants to call the landlord when they have visitors stay over for over seven days. Mr. Graham stated the issue here is to hold bad landlords accountable.
- George Buss, 760 W. Lincoln, Freeport, Illinois, spoke as a life-long Freeport resident in favor of the Rental Property Registration Ordinance. He stated that he also rents property and feels that the fees are affordable. He stated that we have the attention and now is the time to seize the day to move forward with an agenda of some sort. The conversation has been started and now it is time for the alderman to make the decision because that is what they were elected to do. Mr. Buss read a courage quote from Abraham Lincoln stating, "It often requires more courage to dare to do right than to fear to do wrong." He stated that if at this time we do nothing it is same old same old and then what have you done for your constituents to make this place better for this generation and the next generations to come.

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- Cathy Basaraba, 206 S. Galena, Freeport Illinois, was signed on the sheet and had no public comment.
- Mike Feagan, 2137 N. Lynn Avenue, Freeport, Illinois stated his lived in Freeport all his life and was taught to sweep your own door-step before you go picking on someone else. He asked what is happening with the “diaper building” on the corner of Galena and Stephenson. He spoke about buildings owned by the City of Freeport that are not being maintained. He stated that he will be happy to register but does not feel that the fees are justified in the cost to hire two part-time employees or to purchase the software program to process the registration.
- Tracy Johnson, 801 E Stephenson Street, Freeport Illinois, stated that he has been a resident of Freeport most of his life and he encourages the support of the Rental Registration Ordinance because he feels it will strengthen the community in which we all live. He stated this ordinance is important to our neighborhoods to help make them strong and viable.
- Paul Arena, 8124 Roundtable, Rockton Illinois, spoke as a representative for the Northwest Illinois Realtors Association and stated that no one wants crime on their property and that having the provisions of the crime free lease addendum will not deter crime. He stated that he is not opposed to the registration but is opposed to the crime free housing addendum requirement for the leases. He asked if there is a registration fee, then what will the landlords get back in return.
- Jerry Siedenburg, 1255 W. Empire Street, Freeport Illinois, spoke against the requirements in the Rental Property Regulation draft ordinance. He stated that the property transfer tax fee should be used to fix up property and not be placed into the general fund as it has.
- Phil Hans, 511 W. Willis, Lanark Illinois, recommended that there be a one-time fee for registration and the City should be accountable for the dollars that they spend and what was purchased in regard to this program. He recommended that there be a one-time fee instead of an annual fee.

#### **5. APPROVAL OF MINUTES FROM MEETING HELD ON OCTOBER 15, 2013**

Aldersperson Endress moved for approval of the minutes, seconded by Aldersperson Brashaw. Motion prevailed by voice vote without dissent.

#### **6. Recommendation to Council regarding a draft of “AN ORDINANCE CREATING CHAPTER 882 ENTITLED (RESIDENTIAL RENTAL PROPERTY REGULATION) IN THE CITY OF FREEPORT, ILLINOIS”**

Chairperson Bush stated that we will have a presentation on the proposed ordinance and have heard considerable public comment on the documents.

The draft ordinance as written was as follows: **AN ORDINANCE CREATING CHAPTER 882 ENTITLED (RESIDENTIAL RENTAL PROPERTY REGULATION) IN THE CITY OF FREEPORT, ILLINOIS**

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**WHEREAS**, the City Council believes it to be in the City’s best interest to pass an Ordinance for the City of Freeport that provides for the regulation of the operation and use of rental units located within the city limits of the City of Freeport to ensure the safety of the rental units and its inhabitants and to protect and promote the public health, safety and welfare of all citizens of the City.

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FREEPORT, ILLINOIS** as follows:

**Section 1.** The foregoing recital is incorporated herein as findings of the City Council of the City of Freeport, Illinois:

**Section 2.** Chapter 882 entitled “RESIDENTIAL RENTAL REGULATION” of the Codified Ordinances for the City of Freeport is hereby created as follows: “**CHAPTER 882. RESIDENTIAL RENTAL PROPERTY REGULATION**”

**Section 882.01 Definitions.**

The following words and terms shall have the meanings respectively ascribed to them for the purposes of this Chapter of the Codified Ordinances of the City of Freeport, as follows:

- a. Landlord. The legal title holder of the premises, as shown by the records of the Stephenson County Recorder’s office, which has one (1) or more residential rental units on it. If the legal title holder is a land trust, however, the landlord shall mean the beneficial owner or owners of the land trust.
- b. Local Agent. A person twenty-one (21) years of age or older who resides in Stephenson County or within thirty (30) miles of the location of the rental unit. The local agent shall be authorized by the landlord to receive notices of code violations and receive process in any court proceedings or administrative enforcement proceedings on behalf of the landlord in connection with the enforcement of this Chapter or any of the Codified Ordinances of the City of Freeport and any enforcement of state or federal laws or regulations.
- c. Premises. A tract of land on which one (1) or more rental units is located.
- d. Residential Rental Structure. A “residential rental structure” is any apartment, rooming house, dwelling, multi-use dwelling structure (excluding hotels and motels) - and any mobile home – located within the corporate limits of the City of Freeport that the owner thereof rents, either entirely or in part, to another person or persons for occupancy as a residence, regardless of the zoning of the property. If there is more than one unit with such structure, it shall be identified by the term “residential rental unit”.
- e. Tenant. The person, or person, occupying a residential rental unit who is not a legal title holder of the premises.

**Section 882.02 Registration of landlords and rental properties.**

Registration Required. It shall be unlawful for an owner of a residential rental structure to rent that residential rental structure or unit thereof, either entirely or in part, to another person for occupancy as a residence, unless the owner shall have registered the residential rental structure and/or unit thereof with the City of Freeport on or before June 2, 2014.

**Section 882.03 Application.**

- a. The owner of a residential rental structure shall register such residential rental structure with the City of Freeport by completing (on forms supplied by the City of Freeport) a written Application for Registration, and filing the application for Registration with the Building Commissioner of the City of Freeport.
- b. The Application for Registration shall state, concerning the residential rental structure:
  - (i) its address,

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- (ii) a description of the structure,
- (iii) the number of rental units in the structure,
- (iv) the name, mailing address and telephone number of each owner of the structure. If an owner is a business entity that has its own separate legal existence, rather than a natural person, then the Application shall provide the name, phone number and address of a natural person that is the controlling individual on that entity – in no event shall compliance consist of the name of another company or non-natural persons,
- (v) the name, mailing address, physical address, and telephone number of the Local Agent for the structure.

**Section 882.04 Duration of Registration.**

Registration shall be required annually for each residential rental structure by January 1 of each year beginning January 1, 2015, unless (i) all or part of the ownership of the residential rental structure changes, or (ii) the number of rental units in the residential rental structure changes. If either such change occurs, the then owners of the residential rental structure shall within forty-five (45) days of the change, file a new application of Registration with the Building Commissioner of the City of Freeport.

**Section 882.05 Registration Not Assignable.**

The registration of a residential rental structure is not assignable. If a residential rental structure is sold or the ownership of the complete fee simple interest in the residential rental structure otherwise changes, the new owner or owners thereof shall complete an Application for Registration concerning the residential rental structure and shall file the Application for Registration with the Building Commissioner of the City of Freeport.

**Section 882.06 Rental Agreements – Required Terms.**

- a. All rental agreements should be in writing. Effective June 1, 2014, all rental agreements shall be in writing and comply with this section.
- b. All landlords shall incorporate into the body of all leases or rental agreements, or renewals of leases or rental agreements, the first and last names of all individuals eighteen (18) years of age or older, and the number of person(s) under the age of eighteen (18), who will reside or operate businesses at the subject property during the term of the lease. All such landlords shall also require their tenants, as a condition of their lease, to provide written notice containing the first and last names of any guests who will be temporarily residing at the subject property for more than a calendar week (seven (7) consecutive days). Landlords shall provide, upon either oral or written request, copies of the information required in subsections (a) and (b) to the City of Freeport Police Department, Legal Department and/or the Building Commissioner. Any such oral request shall be followed by a written confirmation of the oral request from the interested City of Freeport department.
- c. Crime Free Housing Lease Addendum.-  
After June 1, 2014, every lease, including lease extensions, shall contain a crime free lease provision, the purpose of which is to make nuisance activity, not limited to violent or drug related criminal activity, engaged by, facilitated by or permitted by the tenant, member of the household, guest or other party under the control of the tenant, a lease violation, and to provide the landlord with authority under that clause to initiate eviction proceedings pursuant to state law. The crime free lease provision shall in substantially the following form:

“Crime Free Housing Lease Provision

Prohibition against nuisance activity within the City of Freeport.

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Notice of City of Freeport Ordinances. The City of Freeport has enacted the following in this Code of Ordinances:

Chapter 659. Chronic Nuisances. This Chapter prohibits nuisance properties located within the corporate limits of the City of Freeport.

Crime Free Agreement:

In consideration of the execution or renewal of a lease of the rental unit identified in this lease (the "leased premises"), Owner (or Owner's agent or representative) and resident/tenant agree as follows:

- (i) The Tenant, any member of the tenant's household, Tenant's guest(s), and any person under Tenant's control shall not engage in or facilitate unlawful activity in, on, at or about the leased premises.
- (ii) The Tenant, any member of the tenant's household, Tenant's guest(s), and any person under Tenant's control shall not permit the leased premises to be used for, or to facilitate, unlawful activity, regardless of whether the individual engaging in such activity is a member of the household, or a guest.
- (iii) The Tenant, any member of the tenant's household, Tenant's guest(s), and any person under Tenant's control shall not engage in or facilitate any breach of the lease agreement that jeopardizes the health, safety, and welfare of the landlord, his agent, or other tenant, or involves imminent or actual serious property damage.
- (iv) The Tenant is vicariously liable for the unlawful activity of any member of the Tenant's household, Tenant's guest(s), and any person under Tenant's control, whether or not the Tenant had knowledge of the activity or whether or not the household member or guest was under the Tenant's control.
- (v) In case of conflict between the provisions of this addendum and any other provisions of the lease, the provisions of this addendum shall govern.
- (vi) For purposes of this Lease Section, unlawful activity shall mean:
  - 1. Any offense defined and prohibited by Section 6-16 (Prohibited Sales and Possession) or Section 6-20 (Purchase or Acceptance of Gift of Liquor by Persons Under Age 21) of the liquor Control Act of 1934, 235 ILCS 5/6-16 and 5/6-20, or similar City of Freeport ordinance;
  - 2. Any offense that constitutes a felony or misdemeanor under the Illinois Criminal Code of 1961, 720 ILCS 5/1-1 et seq;
  - 3. Any offense defined and prohibited by Chapter 659 of the Codified Ordinances of the City of Freeport; and
  - 4. Any inchoate offense defined and prohibited by Article 8 (Inchoate Offenses) of the Criminal Code of 1961, 720 ILCS 5/8-1, et seq., which is relative to the commission of any of the aforesaid principal offenses.
  - 5. Violation of any of the above provisions shall be a material and irreparable violation of the lease and good cause for termination of the tenancy, provided, however, a tenant shall not be retaliated against nor evicted when merely a victim of any unlawful act prohibited herein, but shall be responsible for the acts of his/her guests and persons under his/her control. A single violation of any of the provisions hereof shall be deemed a serious single violation shall be good cause for immediate termination of the lease. Unless otherwise provide by law, proof of

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violation shall not require criminal conviction, but shall be by a preponderance of the evidence. Tenant consents to venue in any court within the county wherein the unit is located in the event Owner initiates legal action against the tenant. Tenant hereby waives any objection to any venue chosen by Owner.

To the extent permitted by law, tenant agrees that service of process of any legal proceeding, including but not limited to a special detainer or forcible detainer action, or service of any notice to tenant, shall be effective and sufficient for purposes of providing legal service and conferring personal jurisdiction upon any Illinois court as to any tenant, co-signor, occupant or guarantor, if served upon any occupant or other person of suitable age and discretion who is present at the premises and residing therein, notwithstanding the fact that a tenant, co-signor, occupant or guarantor may reside at a different location other than the property address described in the lease agreement. This agreement regarding service is in addition to , and not in lieu of, any manner of service authorized under Illinois law or rule. By signing this lease the undersigned hereby waives any objection to service carried out under the terms of this agreement.”

- c. A provision must be included in a lease to authorize a Landlord to ban tenant guests whose conduct is prohibited by the Crime Free Housing Lease Addendum, as described in subsection (c) of this Section.

**Section 882.07 Banned List/No Trespass Agreements.**

- a. No Trespass Agreements. The Chief of Police or his designee is and shall be authorized to enter into No Trespass Agreements with landlords, property managers or other property owners (whether of rental property or otherwise), in a form acceptable to the Chief of Police and the property owner, providing that sworn personnel from the City’s Police Department shall be authorized to give persons trespassing on private property notice to leave, and to sign complaints against such persons should they remain on or return to the private property.
- b. Banned List. As a component of such No Trespass Agreements, property owners or managers shall be authorized to provide the City with a “Banned List” identifying persons who have been prohibited from entering upon specified properties within the City. To include a person on the Banned List, the owner or property manager shall include such detail as the Police Department shall require to positively identify a person. In additions, it must be shown that any person on the banned list has received actual notice that they are not permitted to trespass upon the private property in question, either by in-person, actual notice, or by written notice acceptable to the Police Department. The Police Department shall be authorized to sign a complaint against any person listed on the Banned List who enters upon or returns to private property from which he or she is banned. The owner or property manager’s decision to include a person on the banned list shall supersede any contrary direction from any tenant or lessee.

**Section 882.08 Fee.**

Annual registration fees shall be; \$25.00 for single family dwelling containing one (1) residential rental unit, \$35.00 for dwellings containing two (2) – five (5) residential rental units, and \$45.00 for dwellings containing five (5) or more residential rental units. For apartment complexes, each separate building will be assessed a registration fee as outlined above. For mobile home parks, a single trailer is considered one (1) residential rental unit and the entire contiguous park is considered one dwelling. The annual registration fee shall be waived during the initial ninety (90) day period after the effective date of this Chapter, and in light of this grace period, fees shall not be prorated for the 2014 year. These fees shall be reviewed from time to time for consistency with actual costs.

**Section 882.09. Penalty.**

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Failure to comply with the requirements of this ordinance will result in a violation being issued either through the Administrative Adjudication processes of the City or through a citation to appear in Court. There shall be a minimum fine of two-hundred fifty dollars (\$250.00) and a maximum fine of seven hundred and fifty dollars (\$750.00) per day for each violation hereunder.”

**Section 3.** This Ordinance shall be effective immediately upon its passage by the City Council, its approval by the Mayor, and its publication as provided by law.

**Section 4.** This Ordinance is expressly adopted pursuant to the Home Rule Powers of the City of Freeport under Section 6 of Article VII of the Illinois Constitution of 1970.

**Section 5.** All ordinances or parts of ordinances in conflict with this Ordinance are repealed insofar as they conflict.

**Section 6.** If any section, clause or provision of this Ordinance is declared by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the Ordinance as a whole or any part thereof, other than the part so declared to be invalid, and this City Council hereby expressly declares that it would have enacted this Ordinance even with the invalid portion deleted.

Community Development Director Shelly Griswold provided a power-point presentation dated October 28, 2013 which provided the goals of the rental property registration, the reason to have registration of rental properties, a summary of the sections in the ordinance and how it will work. She and Police Chief Jerry Whitmore took turns explaining the slides which included the services, the fees and how the revenues will be spent. They also summarized the penalties in the draft ordinance.

After the power-point presentation, the floor was opened for questions of council members. There was much discussion on the proposed ordinance with each member providing their opinion on the pros and cons of the sections.

Aldersperson Boldt and Aldersperson Brashaw stated publically that they were landlords.

Aldersperson Crutchfield made a motion to amend the draft ordinance by keeping the registration fees the same with no free 90-day period and to take out the recurring fee to make it a one-time registration fee. This motion was seconded by Aldersperson Koester.

Discussion was held on the motion with committee members providing their opinion on the motion and how the city would fund the two part-time employees to implement the processes and procedures required for it to run effectively. Upon no further discussion, motion failed by a roll call vote of:

Yeas: Crutchfield (1)

Nays: Klemm, Boldt, Bush, DeVine, Endress, Brashaw, Koester (7)

Discussion was held on sections in the ordinance and its funding. The committee members discussed the recommendations provided by the Rental Property Registration task force.

The committee members asked for verification of sections in the ordinance and Director Griswold stated that the tenant lease will not be placed on file with the City and it would not contain the tenant names in the registration process. Director Griswold also clarified that the landlord will be able to use

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their lease and the “crime free addendum” is an item that may be added as an addendum to the lease. Discussion was held as to who would be responsible for mowing the grass.

Aldersperson Koester made a motion to refer this item to the next regular meeting of the Committee of the Whole on Tuesday, November 12, 2013, seconded by Aldersperson Klemm. Motion failed by a roll call vote of:

Yeas: Klemm, Brashaw and Koester (3)

Nays: Boldt, Bush, DeVine, Endress, and Crutchfield (5)

Aldersperson Crutchfield made a motion to recommend the draft ordinance Creating Chapter 882 Entitled (Residential Rental Property Regulation) In The City Of Freeport, Illinois to the next city council meeting, seconded by Aldersperson Bush. Motion prevailed by a roll call vote of:

Yeas: Boldt, Bush, DeVine, Endress, and Crutchfield (5)

Nays: Klemm, Brashaw and Koester (3)

Mayor Gitz stated that the administration would consider amendments and prepare them for the council meeting.

**7. COMMITTEE OF THE WHOLE PACKET ITEM (6) NOW (7)**

Also provided in the packet was the following item that was referred to as item number 7: Communication from Administration regarding Summary Of Residential Rental Property Regulation Ordinance.

- Who must register?  
The Landlord, who is defined as the legal title holder to a premises which has one or more residential rental units. It does include the beneficial owner of a land trust.
- What is a residential rental structure?  
Any apartment, rooming house, dwelling, multi-use dwelling structure (excluding hotels and motels) and any mobile home that the owner thereof rents to another person for occupancy as a residence.
- Who can be a local agent?  
A person 21 or older who resides in Stephenson County or within 30 miles of the rental unit.
- How often is registration required?  
Once a year. The first year by June 2, 2014. Annually after that beginning January 1, 2015.
- What are the current proposed fees?  
There are no fees from June 2, 2014 through January 1, 2015, if a Landlord registers the property within 90 after passage of the ordinance. Beginning January 1, 2015, the annual fees would be \$25.00 for single family dwellings containing 1 residential rental unit, \$35.00 for dwellings containing 2 – 5 residential rental units, and \$45.00 for dwellings containing 5 or more residential rental units. For apartment complexes, each separate building will be assessed a registration fee as outlined above. For mobile home parks, a single trailer is considered 1 residential rental unit and the entire contiguous park is considered one dwelling.

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If a Landlord does not register within the 1st 90 days, they will be charged a full annual fee for the June 2, 2014 registration and then have to pay again January 1, 2015.

There is a specific provision in the ordinance for review of the fees to ensure consistency with actual costs. There is no intent to make money from this program - - there is a need to make the program self-sustaining.

- What is the City's position on modifying the proposed fee structure?

In response to the concerns raised by property owners at the October 15, 2013, Committee of the Whole meeting, the City is reviewing the fee structure and compiling data from other Illinois cities with similar ordinances. The ordinance will require resources to implement its provisions. Implementation requires more than mere software and data entry. For example, registration information will need to be verified. The Crime-Free provisions will require a person to follow arrest information and work with Local Agents. In addition, any fee estimates will have to take into account vacancies and failure to register. Moreover, past experience shows that fine collection is problematic and we can't rely on it for a source of funds.

- Is a written lease required?

A written lease is required, beginning June 1, 2014.

- Does the City require a copy of each written lease to register the property?

No. The City does not require a copy of each written lease. This is for the Landlord's benefit. The City only requires a copy of the lease upon request.

- Are there specific terms required in the lease, and if so, why?

There are 2 specific terms that are required in the written lease.

1) A Crime Free Housing Lease Addendum. Although including the provision in the lease is mandatory, eviction itself is not mandatory. This provision is intended as a tool for landlords to be able to evict problem tenants. This has been a consistent complaint of landlords when the police try to assist them with problem tenants.

2) A Banned List/No Trespass Agreement provision. This is a tool for landlords to get police assistance in keeping problem persons from the property, should the landlord so desire. This also gives the authority to the landlord to override the direction of the lessee/tenant.

- If a tenant violates the Crime-Free Housing Provision, is the Landlord held responsible?

No. The Landlord would only be in violation of the ordinance if they do not have such a provision in their lease.

- What are the current proposed penalties?

The current penalties are \$250 - \$750.

- Is the City addressing Landlords stated concerns regarding penalties?

In response to the concerns raised by Landlords at the October 15, 2013, Committee of the Whole meeting, the City is compiling data from other Illinois cities with similar ordinances regarding penalty structure and is certainly open to amending this section if the data shows the current penalty structure is out of line.

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- Have procedures been created regarding how a Landlord would register their property?

In response to the concerns raised by Landlords at the October 15, 2013, Committee of the Whole meeting, the City is compiling data from the software provider used by Rockford, as well as other communities for registration and tracking. We have set the implementation and deadline for initial registration as June 2, 2014, so that as properties are registered we can properly coordinate between departments. Registration and implementation dates are tentative at this point, and depending if and when this ordinance is passed, will be adjusted to allow for ample time. The final process will undoubtedly involve both Community Development and the Police Department working together to ensure the data is correct and entered properly. We will continue to look at best practices of other communities to find the best implementation strategy.

- How will the City use the registration information?

The Police/Fire Department will use the registration information to contact the Local Agent for emergencies that require immediate action. It will also be used to provide notification of calls for service, code violations and crimes that occur on their property and make them aware of the issue. Depending on the method and software used to register and track properties the contact could be made by phone, e-mail or text depending on the severity of the issue or crime being addressed. It is the Police Department's goal to have a designated employee make personal contact with each Local Agent after a crime has been committed on their property, to make them aware of the situation and assist in addressing the issue.

**8. PUBLIC COMMENTS – AGENDA OR NON-AGENDA ITEMS**

- Jilly Whiting, 411 S. State Street, Freeport Illinois, asked whether the contact person would need to be available 24 hours per day and seven days a week. She provide an example of when she had to be contacted by the Fire Department for a tenant who had fallen in one of her apartments and she wasn't more than two minutes away from the scene of the accident and they had to break in the door to tend to her tenant who was injured.
- Paul Arena, 8124 Roundtable Lane, Rockton Illinois, recommended the software program in use for rental property registration in Rockford Illinois.
- Jon Staben, 1070 N. Canyon Drive, Freeport Illinois, stated that clearly you have a nightmare before you with philosophical concerns as it is written. He stated he does not agree with charging a fee or perhaps it could be a \$5.00 registration fee.
- Brad Grant, 1276 W. Stover, Freeport, Illinois, provided information on good landlords and bad landlords.
- Gary Heilman, no address provided, stated that he agrees with registration except for paying of the fee. He asked how the Freeport Housing Authority falls into the realm of registration.
- Joann Farnsworth, 507 W. Pleasant, Freeport, Illinois, stated there are many tenants that can't pay for their rent and with the economy in Freeport they cannot take on additional fees. She stated that the administration doesn't enforce the ordinances that they have now. Ms. Farnsworth added that she has been mowing the property across the street from her for two years now. She then provided an example of a tenant that did not pay their water bill and she had to pay it and take it over in order to have water at that residence. This costs her, the landlord an additional \$465.00 to have the water bill placed into her name.

## COMMITTEE OF THE WHOLE REPORT

### SPECIAL MEETING

Monday, October 28, 2013

- Jim Graham, 47 N. Mernitz, Freeport Illinois, spoke about the partnership that should be maintained with the landlords. He stated we should register the properties but do not follow through on the sections that makes more intrusive government.
- Bob Capion, 912 Monroe Drive, Freeport Illinois stated that there has been a lot of discussion tonight and this ordinance is missing benchmarks and measurements need to be establish so that the results can be tracked and have reports given to the landlords.
- John Zajicek, 100 Tanglewood Drive, stated that this is a tax. In order to move forward with the registration, the City will need to get the landlords to buy into this in order for it to be effective. The communication with the landlords goes way beyond this ordinance. There were examples given tonight in nuisance violations where the percentages were pretty close to owner occupied violations. He suggested getting rid of the fees, bring down the penalties, and make sure you define what the penalties are for.
- Phil McDermott, 120 N. Wise, Freeport Illinois spoke about the registration fees and suggested that there be a one-time fee of perhaps \$45.00 or lower the fee to \$12.00 per property but to try to make them fair.
- Jim Bangs, 1452 Demeter Drive, Freeport, Illinois spoke about a new law in the State of Illinois in regard to resident managers having to be a licensed real estate agent. He suggested that more thought be put into this ordinance before it is moved forward by the council.

### **9. ADJOURNMENT**

Upon motion (Crutchfield) duly made and seconded (Koester), the meeting was adjourned at 8:42 p.m.

*S/ Meg Zuravel*

Meg Zuravel, City Clerk