



Housing & Community Development Committee

Tuesday, June 20, 2023 @ 7:00 PM

Lorraine H. Morton Civic Center, 2100 Ridge Avenue, Evanston, IL 60201 Room 2404

**COMMITTEE MEMBER
PRESENT:**

Hugo Rodriguez, Committee Member, Loren Berlin, Committee Member, Bobby Burns, Councilmember, Devon Reid, Councilmember, Eleanor Revelle, Councilmember, and Juan Geracaris, Councilmember

**COMMITTEE MEMBER
ABSENT:**

Joanne Zolomij, Committee Member and Kathy Feingold

STAFF PRESENT:

1. CALL TO ORDER/DECLARATION OF A QUORUM

A.

Chair Revelle called the meeting to order at 7:05pm.

2. PUBLIC COMMENT

Carlis S. (Potential Changes to Evanston RLTO)

Mr. Sutton and a Ms. Paden cooperated to write a proposal underscoring two key components they believe need to be changed in Evanston's RLTO. First, Mr. Sutton explained that any bed bugs detected after the first 30 days a tenant has moved into their unit should be the responsibility of tenants to exterminate. Additionally, Mr. Sutton stated that 30 days notice should be considered sufficient notice of lease nonrenewal, and that he and a Ms. Paden do not support the proposed graduated notice. He also explained just cause for nonrenewal should not be considered by the committee, citing numerous examples of reasons he may choose not to renew a tenant's lease. Furthermore, Mr. Sutton stated the requirement that landlords furnish tenants with relocation assistance when their unit is being converted into a condo should also be removed from consideration. He concluded his comments by expressing that it is not the housing provider's role to assist their former tenant in finding them a new place to live. Rather, it is the city's role or public service organization's role to do so.

Jim Schermerhorn, Schermerhorn & Co. Property Management (Potential Changes to Evanston RLTO)

Mr. Schermerhorn urged the committee to consider the costs landlords face when rent is late as they consider changes to late fee provisions. He gave the example of the City of

Evanston's Water Production Bureau, which bills its customers a 10% late fee if they don't pay their water bill on time. Furthermore, Mr. Schermerhorn stated the City of Evanston should stand out against other municipalities and suggested the City convert the Civic Center and develop the property adjacent to the Civic Center, presently known as Ingraham Park, into housing as an alternative to making changes to the RLTO to address the housing challenges the city is currently facing.

Carl K. (Potential Changes to Evanston RLTO)

Mr. Kettler referenced the May 16, 2023 memo from staff that addressed potential changes to the RLTO as he discussed his opinion on the various landlord-tenant housing provisions being considered by the Housing and Community Development Committee. He explained that further inquiry should be made by the committee before making a final decision on the updates to the RLTO due to the apparent low response rate from tenants to the Open Communities survey on housing rights. He went on to say that the housing market is a free market, and that as a small landlord, he rarely has to advertise his units and has a good relationship with his tenants. As such, he doesn't feel his business would be affected by any of the changes to the RLTO. Nevertheless, he believes the RLTO changes are disruptive to the "free market" and would like to see more tenant feedback before the committee makes a decision about the RLTO.

Aron B. (Potential Changes to the RLTO)

Mr. Bornstein introduced himself as a landlord who owns 8 units and provides affordable housing in low-income areas. He expressed his beliefs in opposition of the Just Cause ordinance proposal, and went on to give examples as to reasons he might evict a tenant as the policy currently stands, and how he believes he would lose those rights if just cause to evict was implemented. He further discussed how Just Cause failed to pass in other jurisdictions throughout the country. Mr. Bornstein concluded his comments by stating the City of Evanston seems to be siding with tenants.

Laurie M. (Potential Changes to Evanston RLTO)

Ms. Merel introduced herself as a landlord of nearly twenty years and shared her opinion that tenant survey responses in regards to RLTO were not representative of the typical tenant experience. She further shared her negative experience of having young people who lived in her building who violated the lease. She explained the impact of those lease violations were that she lost a different tenant due to the problematic younger tenants. Ms. Merel went on to explain that attempts to evict problematic tenants such as the one from her example failed in court. She described an instance in which the judge sided with the tenant when she filed for eviction. She concluded by stating she would not evict a good tenant.

Ilene T. (Potential Changes to the RLTO)

Ms. Thomas, a local landlord, discussed her experience of taking the time and resources to invest in property and shared that should the Just Cause ordinance pass, she'd feel as though she lost the property ownership rights she worked hard for to a tenant. She also

shared her concerns of not being able to occupy one of her rental units if she so chose, if the Just Cause ordinance passes.

James M. (Potential Changes to the RLTO)

Mr. McKee introduced himself as a landlord of 39 units who also publicly commented on the RLTO at last month's meeting. As a landlord of over 30 years, he shared that he can't recall a time he didn't renew a tenant's lease, but recounted numerous times in which he used nonrenewal as a negotiation tool to change negative or unwanted tenant behavior. Mr. McKee went on to say that he'd like the Housing & Community Development Committee to consider changing rental dwelling temperature and heat requirements to reflect those of Chicago and Cook County.

Michael T. (Potential Changes to the RLTO)

Mr. Thomas introduced himself as a landlord and shared his opinion that staff and the Housing & Community Development Committee have taken a one-sided stance in the development of potential changes to the RLTO. He urged the committee to stop what they're doing and go back and talk to the stakeholders and try to achieve justice with housing providers. In his comments, Mr. Thomas uplifted the number of landlords who came to the meeting to express their opposition to the changes.

Eric P., Northshore Apartments and Condos (Potential Changes to the RLTO)

Mr. Paset shared he's been a landlord and in property management in Evanston for approximately 35 years. He shared that previous city administrators involved landlords more in amending policies such as the Nuisance ordinance years ago. He expressed opposition toward preventing the collection of attorney fees from tenants in eviction cases and allowing survivors of gendered violence to change their locks. He stated landlords try to keep their rents down and are not happy when they have to raise them. Mr. Paset asked that the committee slow down on making a decision regarding the RLTO.

Mary R. (Potential Changes to the Evanston RLTO)

Ms. Rosinski introduced herself as representing 33,000 landlords across northern Illinois. She explained that laws such as the ones being considered in the RLTO are what cause disinvestment from the community. She attested the stake landlords hold in Evanston, citing the example of landlords purchasing supplies from local businesses like Lemoi ACE Hardware. Ms. Rosinski compared the landlord-tenant provisions of the Just Cause ordinance to applicability in other business or transactional services, such as that of a patron of a restaurant. She stated a restaurant owner would be able to ask a patron to leave for any reason, yet we're proposing landlords must cite a reason for choosing to evict or not renew a lease. She asked that the committee not "tie our [landlords] hands"

Sue L., Connections for the Homeless (Potential Changes to Evanston RLTO)

Ms. Loellbach acknowledged how difficult the work of the Housing & Community Development committee is and described the efforts Connections for the Homeless is making to support tenants in Evanston. She explained that most of the landlords in Evanston are "really good" and praised the committee for working with all the right people. Ms. Loellbach explained how important it is for the committee to meet both the needs of residents and of landlords.

Tina P. (Potential Changes to Evanston RLTO)

Ms. Paden introduced herself as a landlord and member of a family who has been providing affordable housing in Evanston for 50 years. Ms. Paden explained that the nationwide push for Just Cause is not the solution to the affordable housing crisis. She stated the Housing & Community Development Committee needs to sit down with landlords to solve the issue of affordable housing. She pointed out new luxury rental developments charging \$2,000-\$3,000 in monthly rent as potential causes to the housing crisis. Ms. Paden stated that a real estate investment trust is likely to purchase all of the rental properties in Evanston if the Housing & Community Development Committee continues to move forward with the potential changes of the RLTO. Finally, Ms. Paden stated she does not support the City Mitigation fund proposed in the updated RLTO and suggested that the city require tenants to take more responsibility for the units they rent, such as requiring renter's insurance. She stated a social service organization can help cover the cost of renter's insurance for low-income tenants.

Bill Schermerhorn, Schermerhorn & Co. Property Management (Potential Changes to Evanston RLTO)

Mr. Schermerhorn introduced himself as a family business owner providing third-party property management in Evanston for generations. He described the RLTO considerations as "tying our [landlords] hands". He provided an example of overturning a lease nonrenewal originally initiated by the tenant, where an elderly tenant initially turned down their renewal but changed their mind at the last minute. Mr. Schermerhorn believed that exemplified that landlords know how to make the "right" decisions about lease renewal. He provided another example in which one of his customers stated they haven't raised their tenants' rent in a decade since the tenant has been a resident of theirs for 50 years. Mr. Schermerhorn stated it seems the committee is trying to protect problematic tenants, and is fearful of losing the threat of nonrenewal as a negotiation tool--echoing the expressions of other public commenters at the meeting. Finally, Mr. Schermerhorn shared the experience of not having his evictions held up in court when he evicted for reasons considered "Just Cause". He concluded his comments by explaining that a lease should work both ways, and that the current considerations for the RLTO place way too much on the landlords.

Joan Schermerhorn, Schermerhorn & Co. Property Management (Potential Changes to Evanston RLTO)

Ms. Schermerhorn introduced herself as a member of family's longstanding property management company in Evanston. She stated they want to make sure they do everything they can to be sure their customers, which are landlords, are comfortable. She emphasized the need for tenant responsibility and a level playing field when it comes to landlord-tenant relationships.

Lisa Pildes (Potential Changes to Evanston RLTO)

Ms. Pildes stated she owns dozens of units in multiple wards in Evanston and that she doesn't believe the considerations for updates to the RLTO were written by a landlord. Ms. Pildes went on to comment on giving sufficient notice, stating that due to various contingencies, 120 days notice is not feasible for a landlord to give a tenant.

K.P. Smith (Potential Changes to Evanston RLTO)

Ms. Smith introduced herself as a landlord of an owner-occupied two flat who does not describe herself as a professional landlord. However, Ms. Smith stated that she feels the proposed Just Cause ordinance is an overreach.

Stephanie V., Reba Place Properties (Potential Changes to Evanston RLTO)

Dear Housing Sub-Committee,

I am a property manager and member-owner of Reba Properties. Our mission and focus is providing quality affordable housing in Evanston and Rogers Park. We operate on a not-for-profit basis and look to do what we can to contribute to the economically accessible housing market in Evanston. Many of the provisions that are being discussed seem like a mostly good idea. I won't comment on them all, but I do think the city needs more time to work on this proposal, and I do want to share some thoughts on the Just Cause portion of the proposed changes.

When I first read this proposal, I was really surprised that this kind of clause exists, and I had a lot of questions and concerns. It was alarming to me because we had just had an unfortunate experience with a tenant for whom we had to non-renew a lease. I imagined a situation similar to that one and realized immediately that the burden of proof to demonstrate our reasons for non-renewal would have been very problematic. I have shared this situation with my alderman, but due to the risk of copy cat behavior, I will not be disclosing the situation publicly. Not everything that is true is provable, and many of our tenants stay with us for decades.

Our organization has a very low non-renewal and eviction rate, but there are certainly instances in which it is not in the best interest of our affordable housing mission or our other tenants to continue working with certain occupants. While there are always a few really bad landlords and a few really bad tenants, in general, it is not in the best interest of a landlord to displace a tenant without a good reason. My primary concerns are that 1. Not every lease violation is provable. 2. Not every interpersonal conflict is a mere inconvenience. For example, sometimes the person being asked to leave is the one perpetuating sexual harassment, domestic violence, intimidation or racist aggression. 3. Not every problem can be anticipated, so landlords need to be able to add provisions to our leases at the time of lease renewal without being required to renew the old lease if the tenant refuses to sign the new one. 4. Landlords will be less willing to take on risky tenants if the barriers to non-renewal are high.

Still, my mission is quality affordable housing and I respect the work of tenant advocates. I want to understand their position. I did as much research as I could to understand how a clause like this works and what evidence there is that it could be efficacious. I would like to find a way to work with tenant advocates to meet our shared goal that takes into account the knowledge and experiences of both landlords and tenants to create the best possible outcome. I have spoken with both other landlords and tenants and their advocates and it is apparent to me that both groups do not yet feel adequately heard. This is another reason why the proposal as it stands is not yet ready to be written into legislation.

In my research, I have come across a number of concerns about how effective a Just Cause ordinance can be. New Jersey has had such an ordinance for 50 years. Several municipalities across the country have had this approach for around 20 years. In the last 2 years, several states have passed or are considering a Just Cause provision. Yet, despite decades of opportunity to demonstrate the presumed effectiveness of Just Cause, the evidence that this could work is very scarce. I have not been able to find research anywhere that provides reason to believe that these provisions positively impact racial equity in housing, such as the relative eviction rates of Black residents compared to other residents. In New Jersey, which has the longest running Just Cause legislation, proponents acknowledge that it has not particularly impacted eviction filings. In fact, New Jersey has very high eviction rates, and as of 2018, they had higher eviction filing rates than neighboring counties in New York. Their eviction rates were far higher than those in Cook County, with every county in New Jersey having at least twice and up to 9 times the eviction rates of Cook County that year.

The most significant research to date on these provisions looked at 4 cities in California who passed Just Cause legislation between 2002 and 2010. The researchers concluded that "Cities that implemented just cause eviction laws experienced lower eviction, by 0.808 percentage points, and eviction filing rates, by 0.780 percentage points, than those that did not." However, it also found that "Despite these results, the overall trends in eviction rates in treatment and control cities... present a less straightforward picture. There is no significant drop in eviction rates in the treatment cities after the passage of the just cause eviction ordinance, except in the case of Glendale, nor do the trends among treatment and control cities change dramatically."

Furthermore, the study did not look at more informal means of forced relocation that happen outside of the courts. It is entirely possible, and I suspect likely, that what improvement there was in court-based evictions is negated entirely by an increase in informal forced displacement. While I am not yet convinced that a just cause provision would have a net positive impact on residents of Evanston, I am hopeful that with more dialogue and more time at the table, we can address the specific concerns of all parties.

I am hoping that I can hear more from tenant advocates and the city about what specific data and information has informed their advocacy for this provision and others, and what other solutions may have been considered. Evanston can be a leader in housing justice not by necessarily replicating what other cities have done, but by doing the work to continue the dialogue about new solutions and evaluating what can be learned from other cities.

Wynn G. (Potential Changes to Evanston RLTO)

To: Members of Housing and Community Development Committee

I hope you will consider strengthening Evanston’s Landlord and Tenant regulations with a goal of supporting tenants who are struggling with the expensive housing market here. Open Communities has conducted research and offers thoughtful options. I support their suggestions:

- just cause for eviction, limiting reasons for not renewing, with relocation assistance when tenant has no fault
- limits on rent-to-income ratio requirements and
- more notice for non-renewal of leases,
- and first right for purchase when owner sells.

Dominic V., Open Communities (Potential Changes to Evanston RLTO)

Open Communities commends the thoughtful work of this committee as it explores ways to improve Evanston’s landlord tenant law.

Today, we would simply like to remind the committee that conferring stronger rights to renters will not only stabilize our communities in direct ways but in meaningful indirect ways as well. Stronger rights means recognition and dignity. Greater stability means more freedom to participate in society – for example, it is well-known that property holders participate much, much more robustly in the entire political process.

However, with greater stability – such as through prohibiting arbitrary evictions and non-renewals, prohibiting high rent-to-income requirements, providing greater notice periods for rent increases and nonrenewal, limiting late fees and providing tenants with an opportunity to cure late rent – tenants could begin to participate more in their community with a sense of security. Owning a home should not be the only path to stability, dignity, or even wealth creation.

Open Communities has recently written in the press about these proposals, and we referenced the White Housing Blueprint for A Renter’s Bill of Rights. This document, which emerged from the Biden administration in January, sets a number of important priorities and goals that should drive the work of this committee. The importance of the right to organize, of accurate and regulated tenant screening, of diversion programs and universal representation in eviction court, of a right to cure nonpayment, and indeed, of just cause for eviction, are all highlighted among many other important pillars of strong renter’s rights.

Below is a quote from page 5 of the Blueprint, which discusses affordability and income requirements in light of a severely “housing cost-burdened” population in the US.

“In 2019, almost one quarter of the 44 million renter households spent at least half their earnings on rent. In the last three years, rental affordability has worsened, with rents rising nearly 26 percent nationally during the pandemic, forcing many Americans to make difficult

trade-offs in their household budgets between food, healthcare, and education because “the rent eats first.””

Finally, on page 16, Just Cause for eviction is clearly endorsed as part of the solution.

The Blueprint states, “To prevent evictions, renters should have access to just- or good-cause eviction protections that require a justified cause to evict a tenant, and tenants need to receive adequate notice if their lease is not being renewed.” We agree with the White House.

Jane W. (Affordable Housing in Evanston)

Hello, as a resident of Evanston’s sixth ward and a senior citizen, I want to express my concern about the lack of affordable housing. I moved here 17 years ago in preparation for my retirement and found a nice cooperative building. Now as I have aged in place and need less room and an elevator building, all I see are expensive luxury apartments. The North Shore Hotel was an excellent place for many seniors to spend their golden years right in downtown Evanston. Then corporations came in and forced many in their 80’s and 90’s to look for new places to live...and it was not in Evanston. Affordable housing should not have us looking in other communities, but should afford us the right to continue living in Evanston at affordable rates

3. APPROVAL OF MEETING MINUTES

- A. Approval of Minutes from Tuesday, May 16, 2023 meeting.

Tabled for next meeting due to no quorum.

4. NEW BUSINESS/OLD BUSINESS

- A. Continuation of Discussion of Potential Changes to the City’s Landlord Tenant Ordinance

Staff presented a slide deck explaining the changes being considered to update the City’s Landlord Tenant Ordinance and supporting information and documentation. Jonathon Rafensperger of Law Center for Better Housing, John Bartlett of Metropolitan Tenants Organization, and Dominic Voz of Open Communities served as guest speakers to answer questions and provide context.

The discussion will continue at the July 18, 2023 Housing & Community Development Committee meeting.

- B. Approval to Recommend the Expansion of the Small/Medium Landlord Financial Assistance Program

This item was tabled by Chair Revelle until the next meeting.

- C. Approval of Cancellation of Tuesday, August 15, 2023 Housing & Community Development Committee Meeting

Motion to approve the cancelation of the Tuesday, August 15, 2023 Housing & Community Development Committee meeting.

Moved by Councilmember Reid
Seconded by Councilmember Burns

Ayes: Rodriguez, Berlin, Councilmember Burns, Councilmember Reid,
Councilmember Revelle, and Councilmember Geracaris

Approved 6-0 on a recorded vote

5. ADJOURNMENT

- A. Chair Revelle called the meeting to adjourn at 7:15pm.