

Utility Billing Relief Program

Annual Report to Council

February 2024

Program Overview

Since the City of Chicago (“City”) began increasing water and sewer charges to pay for needed infrastructure upgrades in 2012, there have been a growing number of homeowners struggling to keep up with the rising costs of their utility bills. This led to increased delinquencies and growing debts.

Founded on the same principles as the Federal/State Low-Income Home Energy Assistance Program (“LIHEAP”), the Utility Billing Relief (“UBR”) program provides low-income residents with a reduced rate on their water, sewer, and water and sewer taxes, as well as debt relief for those who demonstrate they can manage the reduced-rate bills for one year. Benefits for UBR participants include:

- A 50% reduction on water, sewer, and water and sewer tax rates
- Halt late payment penalties and debt collection actions
- Debt forgiveness after successfully completing one year with no accrued past due balance

To qualify for UBR, residents must be the owner of a single-family home or two-flat, reside in the property, and be responsible for their City utility bill. Once their utility account can be verified as eligible, they must demonstrate that they meet the federal income requirement for LIHEAP, which is generally at or below 200 percent of the federal poverty level guidelines. In keeping with the City’s Welcoming City Ordinance and ensuring undocumented residents have the same access to relief as any other resident, proof of residency status is not a requirement.

Operating in partnership with the Community and Economic Development Association of Cook County (“CEDA”), which administers LIHEAP in Cook County, the UBR program takes advantage of their expertise and extensive network of partner organizations to conduct outreach and enroll homeowners. Several online enrollment options are also available on the City’s website.

UBR was launched as a pilot program in April 2020. In October 2021, UBR was extended from a pilot program to a permanent program. Customers who have not failed to successfully complete a program year more than once, who continue to be eligible for UBR, and who reapply can continue to receive the benefits of UBR.

Results

From inception through December 29, 2023, a total of 24,793 homeowners have enrolled in UBR, and many have successfully completed the program and re-enrolled for subsequent program years. There have been 44,856 total enrollments into the UBR program since inception. As of the end of December 2023, the average amount of debt forgiven per household was \$896, while the average amount of debt forgiven for a household enrolling in UBR for the first time was \$1,355. From inception through the end of 2023, a total of \$25.4 million in past due debt has been forgiven,

while another \$9.5 million is currently set aside and can be forgiven if participants complete a year of enrollment with zero past due on their utility bills. Participants have also saved another \$24.8 million by receiving reduced rates during their program years. Overall, 92 percent of participants complete the program successfully and achieve debt forgiveness.

Demographics

Of the households enrolled in UBR, 48 percent identify as African American, and 32 percent identify as Hispanic. Households headed by women make up 60 percent of those enrolled and 47 percent of enrolled households are headed by seniors.

Program Expansion in 2023

During the 2023 budget cycle, amendments were made to Municipal Code of Chicago 11-12-530, the ordinance requiring full payment certificates. These changes to the law allow for customers in specific situations to transfer a property to a UBR-eligible recipient without requiring full payment of the charges at the time of the transfer.

Customers who are in UBR and are transferring the property to another low-income individual, properties where the property owner has passed away, and customers who are transferring a property as a result of a divorce case may be eligible to take advantage of this change. The party receiving the property will be required to apply for UBR, will be pre-qualified, and then will be enrolled in UBR once the property transfer is confirmed with the City. The new property owner will become responsible for any outstanding utility charges. These charges will be forgiven after the new customer completes a year successfully in the UBR program.

Current Status and Next Steps for UBR

As of the date of this report, the UBR program is nearing the completion of its fourth year. It has been an extremely successful program, as evidenced by 24,793 households participating in the program, 92 percent of enrollees successfully completing the program, and their collective achievement of over \$25.4 million in savings through debt forgiveness with an additional \$24.8 million in savings through rate reductions.

Beginning on April 1, 2024, we are excited to welcome eligible homeowners who own and reside in 3-flat properties to participate in UBR. We are currently making updates to technological infrastructure and to program materials in preparation for this change. We will also be reaching out to owners of 3-flat properties in the coming months to make sure they are aware that they might be eligible for UBR and to invite them to apply.

EXHIBITS

December 31st: 2020 - 2023 UBR Year End Numbers



2020 Total Enrollment Count

8,624

2021 Total Enrollment Count

9,659

2022 Total Enrollment Count

13,366

2023 Total Enrollment Count

13,207

Total Second Time Enrollment

12,347

Total Third Time Enrollment

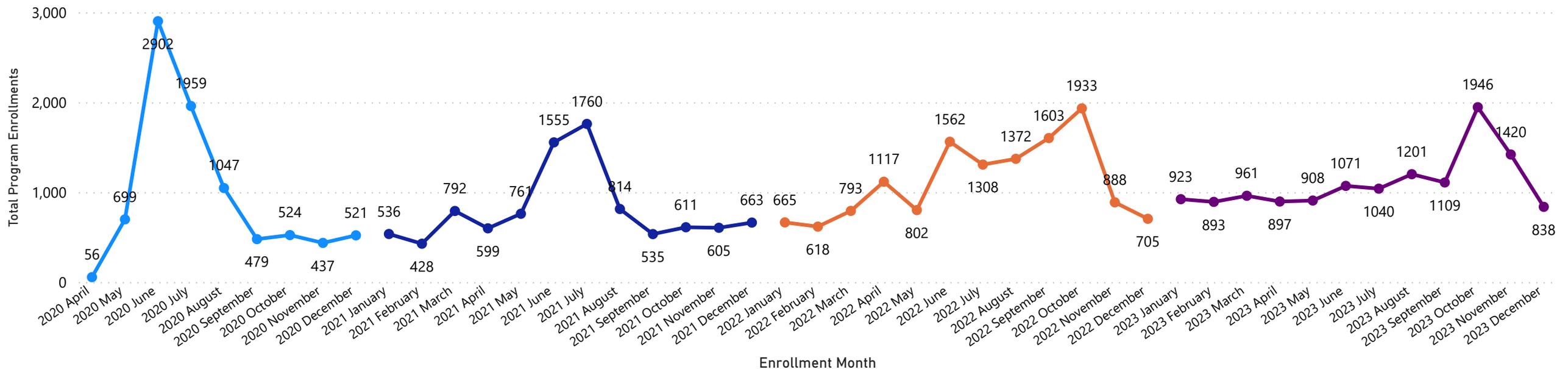
5,457

Total Fourth Time Enrollment

2,232

UBR Enrollment by Year

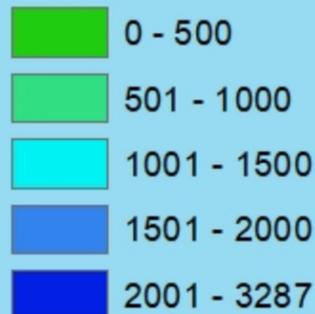
UBR Enrollment Year ● 2020 ● 2021 ● 2022 ● 2023



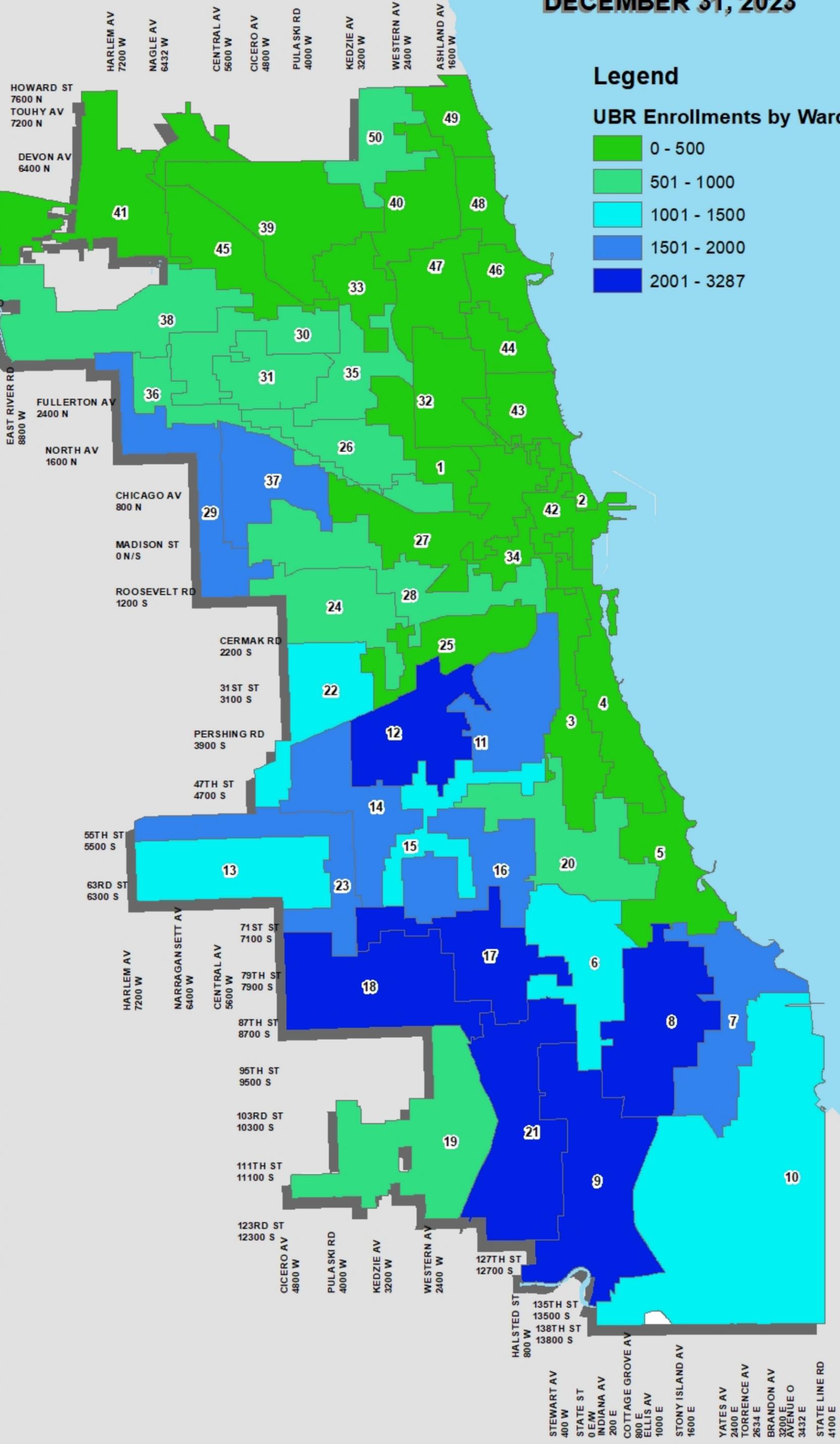
UBR ENROLLMENTS DECEMBER 31, 2023

Legend

UBR Enrollments by Ward



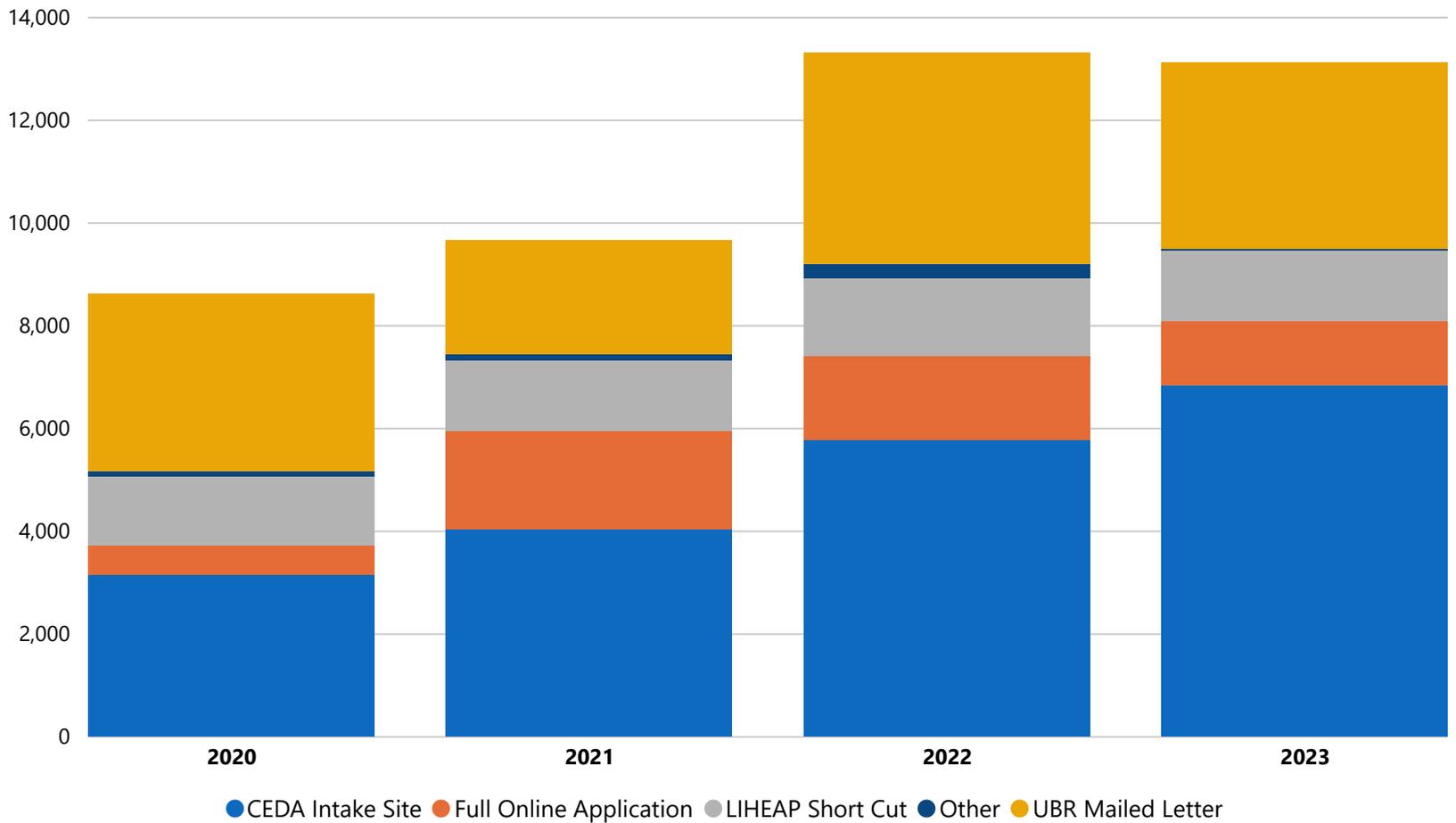
| Ward | UBR Enrollments |
|------|-----------------|
| 1 | 199 |
| 2 | 0 |
| 3 | 103 |
| 4 | 115 |
| 5 | 141 |
| 6 | 1467 |
| 7 | 1681 |
| 8 | 2056 |
| 9 | 2860 |
| 10 | 1454 |
| 11 | 1762 |
| 12 | 2042 |
| 13 | 1125 |
| 14 | 1544 |
| 15 | 1284 |
| 16 | 1796 |
| 17 | 2202 |
| 18 | 2469 |
| 19 | 512 |
| 20 | 517 |
| 21 | 3287 |
| 22 | 1154 |
| 23 | 1560 |
| 24 | 725 |
| 25 | 389 |
| 26 | 910 |
| 27 | 412 |
| 28 | 721 |
| 29 | 1563 |
| 30 | 947 |
| 31 | 936 |
| 32 | 86 |
| 33 | 406 |
| 34 | 5 |
| 35 | 737 |
| 36 | 809 |
| 37 | 1881 |
| 38 | 804 |
| 39 | 412 |
| 40 | 224 |
| 41 | 284 |
| 42 | 0 |
| 43 | 7 |
| 44 | 7 |
| 45 | 473 |
| 46 | 8 |
| 47 | 104 |
| 48 | 33 |
| 49 | 104 |
| 50 | 539 |



UBR Enrollments by Enrollment Method 2020 - 2023



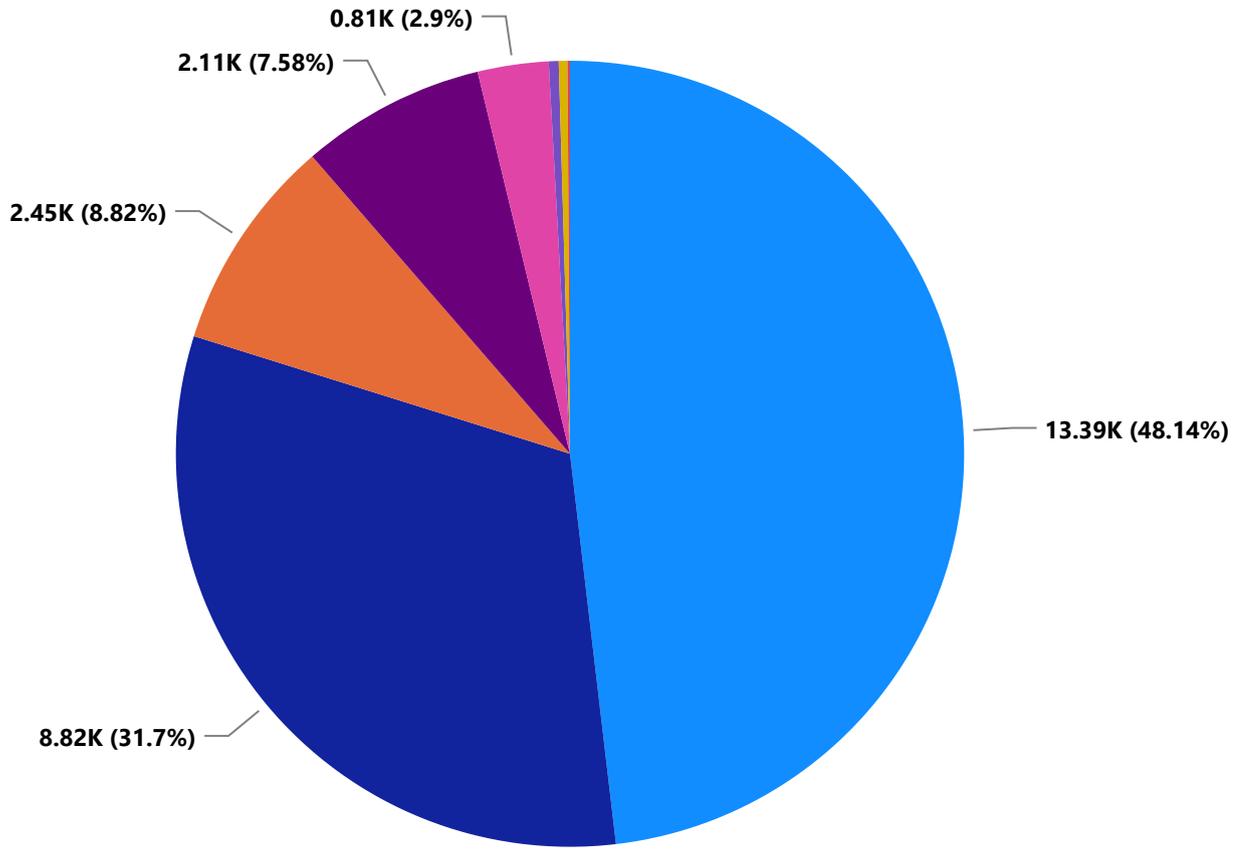
2020 - 2023 UBR Enrollments by Year and Enrollment Method



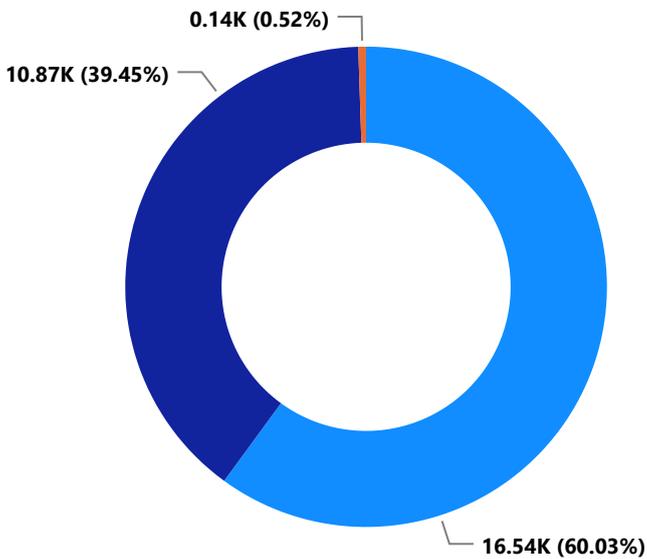
UBR Demographics

Matched Ethnicity

Ethnicity ● AFRICAN_AMERICAN ● HISPANIC ● WHITE ● ASIAN ● OTHER ● AMERICAN_INDIAN ● MULTIRACIAL ● NATIVE_HAWAIIAN_OR_OTHER_PACIFIC_ISLAN...

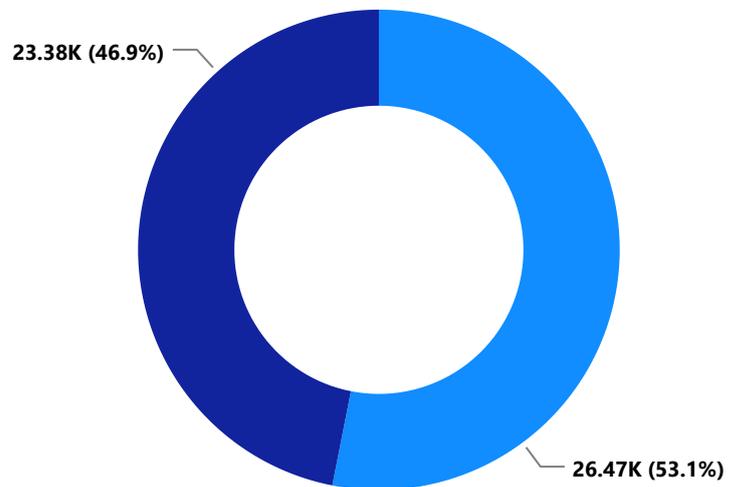


Matched Gender



● FEMALE ● MALE ● OTHER

Matched Age

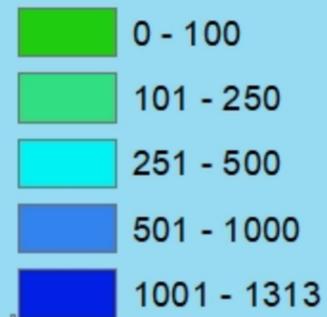


● Non-Senior ● Senior

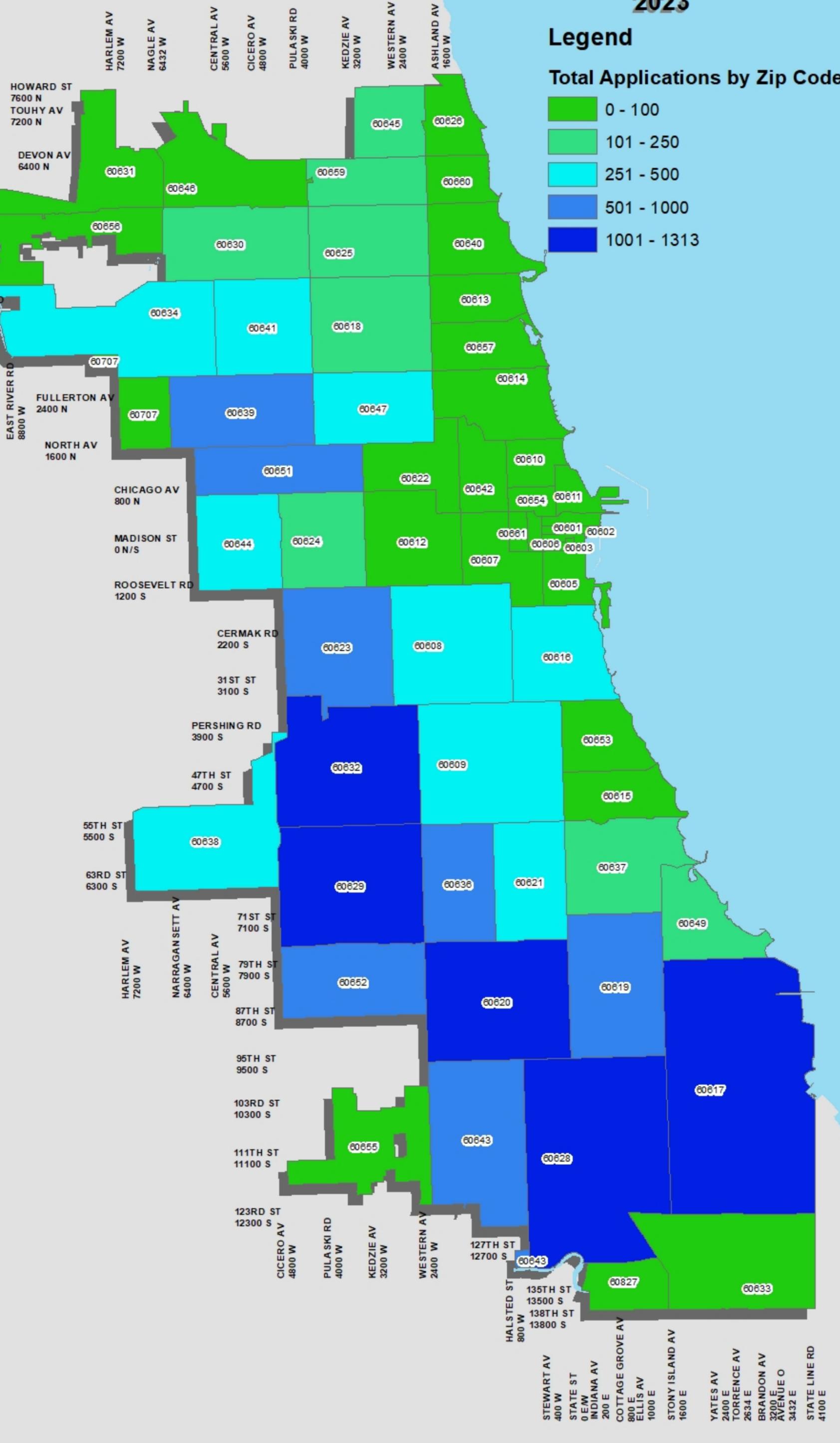
UBR APPLICATIONS 2023

Legend

Total Applications by Zip Code



| Zip | Total Application |
|-------|-------------------|
| 60601 | 1 |
| 60602 | 1 |
| 60606 | 1 |
| 60607 | 7 |
| 60608 | 476 |
| 60609 | 477 |
| 60612 | 70 |
| 60613 | 7 |
| 60614 | 8 |
| 60615 | 25 |
| 60616 | 251 |
| 60617 | 1173 |
| 60618 | 247 |
| 60619 | 753 |
| 60620 | 1053 |
| 60621 | 252 |
| 60622 | 56 |
| 60623 | 544 |
| 60624 | 246 |
| 60625 | 112 |
| 60626 | 26 |
| 60628 | 1313 |
| 60629 | 1289 |
| 60630 | 175 |
| 60631 | 38 |
| 60632 | 1069 |
| 60633 | 85 |
| 60634 | 459 |
| 60636 | 571 |
| 60637 | 112 |
| 60638 | 367 |
| 60639 | 696 |
| 60640 | 22 |
| 60641 | 329 |
| 60642 | 6 |
| 60643 | 660 |
| 60644 | 411 |
| 60645 | 138 |
| 60646 | 72 |
| 60647 | 267 |
| 60649 | 154 |
| 60651 | 771 |
| 60652 | 558 |
| 60653 | 38 |
| 60655 | 46 |
| 60656 | 65 |
| 60657 | 13 |
| 60659 | 114 |
| 60660 | 28 |
| 60661 | 1 |
| 60666 | 0 |
| 60707 | 99 |
| 60827 | 22 |



2023 UBR Enrollments by Zip Code and Property Type

| Zip Code | Single Family Home | Domestic Occupancy | 2-Flat | Grand Total |
|-----------------|---------------------------|---------------------------|---------------|--------------------|
| 46325 | 0 | 0 | 0 | 0 |
| 60007 | 0 | 0 | 0 | 0 |
| 60018 | 0 | 0 | 0 | 0 |
| 60053 | 0 | 0 | 0 | 0 |
| 60077 | 0 | 0 | 0 | 0 |
| 60103 | 0 | 0 | 0 | 0 |
| 60153 | 0 | 0 | 0 | 0 |
| 60160 | 0 | 0 | 0 | 0 |
| 60170 | 0 | 0 | 0 | 0 |
| 60171 | 0 | 0 | 0 | 0 |
| 60176 | 0 | 0 | 0 | 0 |
| 60201 | 0 | 0 | 0 | 0 |
| 60301 | 0 | 0 | 0 | 0 |
| 60302 | 0 | 0 | 0 | 0 |
| 60304 | 0 | 0 | 0 | 0 |
| 60402 | 0 | 0 | 0 | 0 |
| 60406 | 0 | 0 | 0 | 0 |
| 60419 | 0 | 0 | 0 | 0 |
| 60456 | 0 | 0 | 0 | 0 |
| 60459 | 0 | 0 | 0 | 0 |
| 60501 | 0 | 0 | 0 | 0 |
| 60513 | 0 | 0 | 0 | 0 |
| 60546 | 0 | 0 | 0 | 0 |
| 60601 | 0 | 0 | 0 | 0 |
| 60602 | 0 | 0 | 0 | 0 |
| 60603 | 0 | 0 | 0 | 0 |
| 60604 | 0 | 0 | 0 | 0 |
| 60605 | 0 | 0 | 0 | 0 |
| 60606 | 0 | 0 | 0 | 0 |
| 60607 | 2 | 0 | 1 | 3 |
| 60608 | 280 | 1 | 141 | 422 |
| 60609 | 241 | 1 | 190 | 432 |
| 60612 | 17 | 0 | 38 | 55 |
| 60613 | 3 | 0 | 3 | 6 |
| 60614 | 5 | 0 | 1 | 6 |
| 60615 | 18 | 0 | 7 | 25 |
| 60616 | 112 | 0 | 113 | 225 |
| 60617 | 782 | 0 | 181 | 963 |
| 60618 | 64 | 0 | 133 | 197 |
| 60619 | 516 | 0 | 101 | 617 |
| 60620 | 718 | 0 | 162 | 880 |
| 60621 | 93 | 0 | 121 | 214 |
| 60622 | 9 | 1 | 28 | 38 |
| 60623 | 168 | 0 | 297 | 465 |
| 60624 | 63 | 1 | 146 | 210 |
| 60625 | 33 | 0 | 56 | 89 |

2023 UBR Enrollments by Zip Code and Property Type

| Zip Code | Single Family Home | Domestic Occupancy | 2-Flat | Grand Total |
|--------------------|---------------------------|---------------------------|---------------|--------------------|
| 60626 | 10 | 0 | 10 | 20 |
| 60628 | 954 | 0 | 143 | 1097 |
| 60629 | 891 | 0 | 197 | 1088 |
| 60630 | 103 | 0 | 45 | 148 |
| 60631 | 22 | 0 | 5 | 27 |
| 60632 | 636 | 1 | 320 | 957 |
| 60633 | 65 | 0 | 4 | 69 |
| 60634 | 325 | 0 | 53 | 378 |
| 60636 | 370 | 1 | 113 | 484 |
| 60637 | 49 | 0 | 37 | 86 |
| 60638 | 272 | 1 | 13 | 286 |
| 60639 | 278 | 0 | 306 | 584 |
| 60640 | 7 | 0 | 12 | 19 |
| 60641 | 168 | 0 | 94 | 262 |
| 60642 | 2 | 0 | 3 | 5 |
| 60643 | 506 | 0 | 15 | 521 |
| 60644 | 166 | 0 | 186 | 352 |
| 60645 | 91 | 0 | 20 | 111 |
| 60646 | 46 | 0 | 9 | 55 |
| 60647 | 58 | 0 | 148 | 206 |
| 60649 | 109 | 0 | 29 | 138 |
| 60651 | 336 | 0 | 314 | 650 |
| 60652 | 450 | 0 | 4 | 454 |
| 60653 | 25 | 0 | 8 | 33 |
| 60654 | 0 | 0 | 0 | 0 |
| 60655 | 39 | 0 | 1 | 40 |
| 60656 | 47 | 0 | 2 | 49 |
| 60657 | 3 | 0 | 6 | 9 |
| 60659 | 70 | 0 | 31 | 101 |
| 60660 | 18 | 0 | 4 | 22 |
| 60661 | 0 | 0 | 0 | 0 |
| 60666 | 0 | 0 | 0 | 0 |
| 60668 | 0 | 0 | 0 | 0 |
| 60699 | 0 | 0 | 0 | 0 |
| 60706 | 0 | 0 | 0 | 0 |
| 60707 | 76 | 0 | 12 | 88 |
| 60712 | 0 | 0 | 0 | 0 |
| 60714 | 0 | 0 | 0 | 0 |
| 60803 | 0 | 0 | 0 | 0 |
| 60804 | 0 | 0 | 0 | 0 |
| 60805 | 0 | 0 | 0 | 0 |
| 60827 | 21 | 0 | 0 | 21 |
| Grand Total | 9,337 | 7 | 3,863 | 13,207 |