Utility Billing Relief Program

Annual Report to Council

April 2025

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, two-flat, or three-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. In 2022, UBR was extended again to 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 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 31, 2024, a total of 29,488 homeowners have enrolled in UBR, and many have successfully completed the program and re-enrolled for subsequent program years. There have been 59,234 total enrollments into the UBR program since inception. As of the end of December 2024, the average amount of debt forgiven per household was $815, while the

average amount of debt forgiven for a household enrolling in UBR for the first time was $1,388. From inception through the end of 2024, a total of $31.9 million in past due debt has been forgiven, while another $12.5 million was set aside and eligible for forgiveness if participants complete a year of enrollment with zero past due on their utility bills. Participants have also saved another $33.6 million by receiving reduced rates during their program years. Overall, 90 percent of participants complete the program successfully and achieve debt forgiveness.

Demographics

Of the households enrolled in UBR, 47 percent identify as African American, and 34 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 2024

During the 2024 budget cycle, UBR was expanded to include residential three-flat properties. This expansion was made to provide needed relief to low-income families sharing living expenses in these properties. As of April 1, 2024, the City began receiving and processing applications for homeowners residing in three-flats. A total of 623 three-flats were enrolled in 2024. Approximately $1.7 million in past due debt was set aside. This equates to an average amount of approximately $2,800 per household eligible for forgiveness upon successful completion of a year in the program. Homeowners residing in three-flats who meet all other UBR eligibility requirements can enroll or re-enroll in 2025.

Current Status and Next Steps for UBR

As of the date of this report, the UBR program is nearing completion of its fifth year. It has been an extremely successful program, as evidenced by 29,488 households participating in the program, 90 percent of enrollees successfully completing the program, and their collective achievement of over $31.9 million in savings through debt forgiveness with an additional $33.6 million in savings through rate reductions. While enrollments grew significantly in 2024 (14,378 in 2024 compared to 13,207 in 2023), our goals for 2025 include working to ensure our outreach efforts reach as many eligible customers as possible, as well as refining the processing of applications.

Additionally, we will be focusing on outreach related to a new debt relief program – the Leak Relief Pilot Program ("LRP"). LRP launched on January 1, 2025. The program is available for customers who experienced a leak on the customer's outdoor underground service line which was repaired on or after January 1, 2023. To be eligible, the Department of Water Management must have confirmed the location of the leak. Also, the property must be a residential single-family home, two-flat, three-flat, or a commercial property with a water service line 1" in size or smaller. The customer must own the property but is not required to reside in it. No proof of income is required. Customers who qualify for LRP will receive a one-time estimated bill (e.g., based on prior average usage) as opposed to paying the full cost during the time of the leak. Benefits are applied to the customer's account. Customers can potentially qualify for both the LRP and UBR.

EXHIBITS

December 31st: 2020 - 2024 UBR Year End

2020 Total Enrollment Count	2021 Total Enrollment Count	2022 Total Enrollment Count	2023 Total Enrollment Count	2024 Total Enrollment Count
8,624	9,659	13,366	13,207	14,378

Total Second Time Enrollment	Total Third Time Enrollment	Total Fourth Time Enrollment	Total Fifth Time Enrollment
15,962	7,994	3,999	1,766

UBR Enrollment by year

UBR Enrollment Year: ● 2020 ● 2021 ● 2022 ● 2023 ● 2024
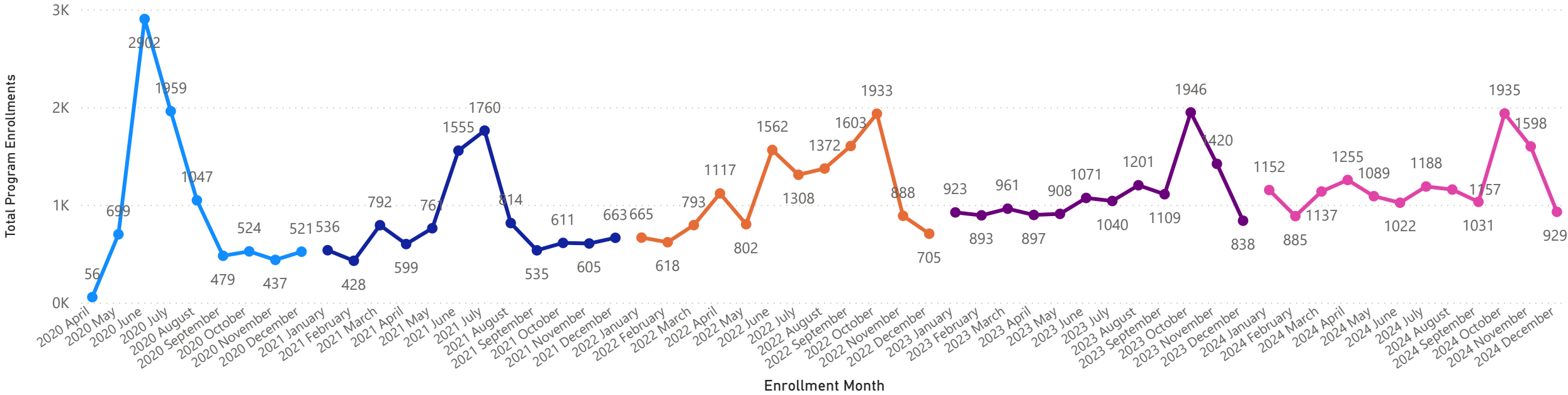
UBR ENROLLMENTS
DECEMBER 31, 2024

Legend

UBR Enrollments by Ward

- 0 - 750
- 751 - 1500
- 1501 - 2000
- 2001 - 3000
- 3001 - 4259

Ward	UBR Enrollments
1	260
2	0
3	138
4	145
5	199
6	1950
7	2197
8	2708
9	3714
10	1914
11	2344
12	2774
13	1476
14	2039
15	1718
16	2371
17	2873
18	3186
19	676
20	703
21	4259
22	1567
23	2020
24	1017
25	529
26	1206
27	563
28	988
29	2054
30	1259
31	1242
32	113
33	528
34	5
35	974
36	1077
37	2445
38	1071
39	552
40	308
41	381
42	0
43	10
44	10
45	617
46	9
47	137
48	42
49	141
50	725
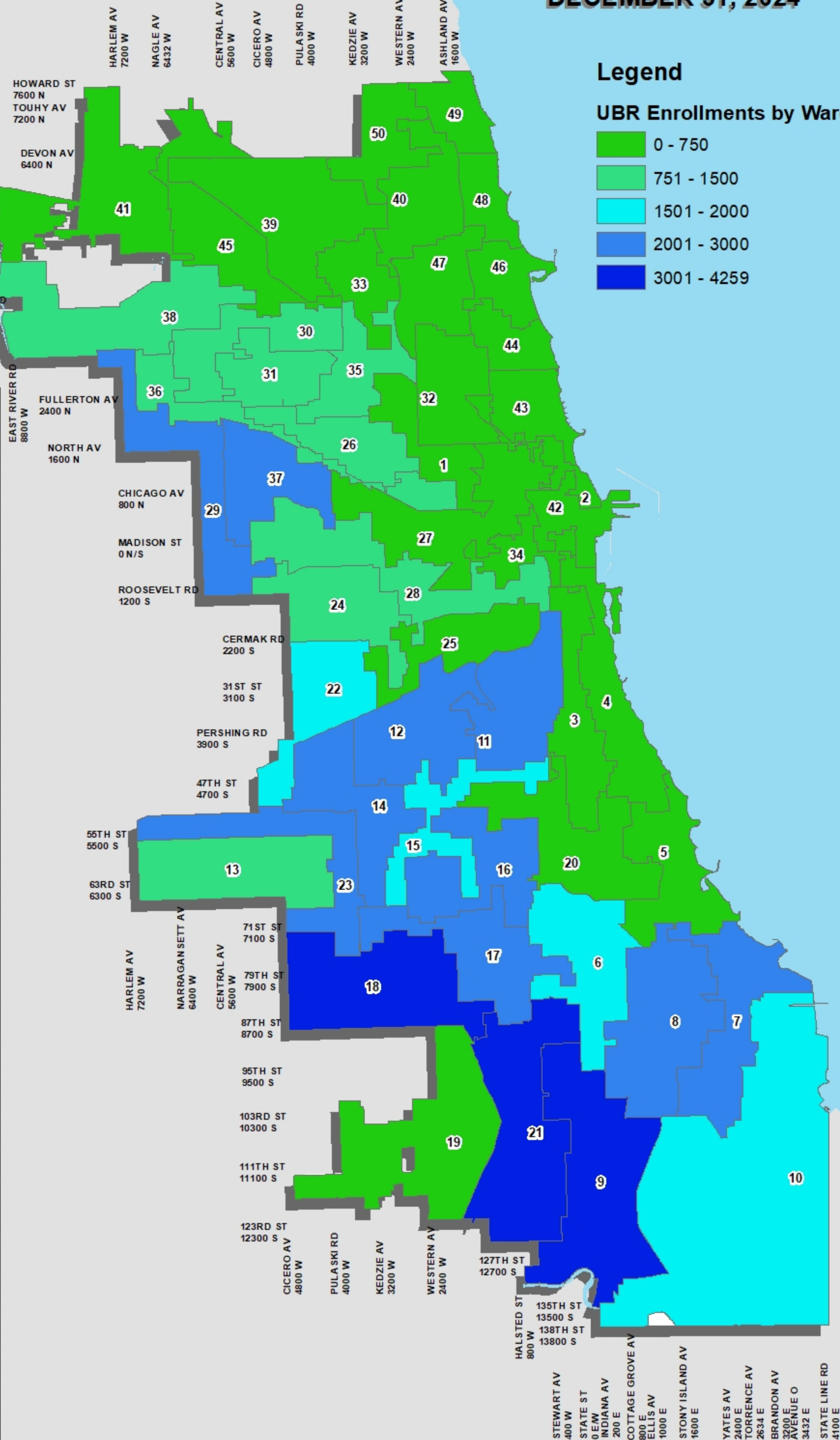
UBR Enrollments by Enrollment Method 2020 - 2024

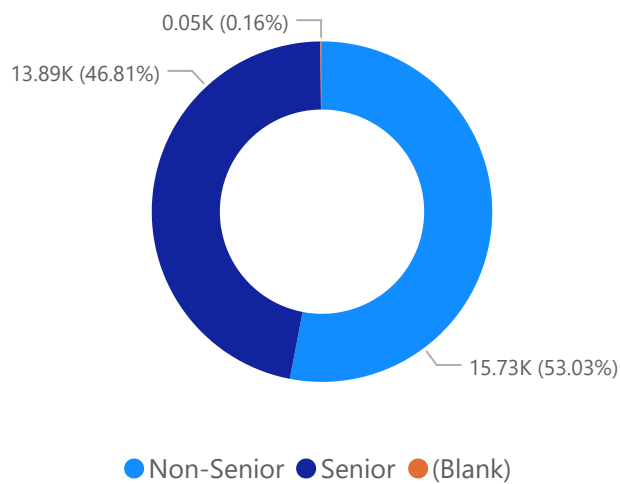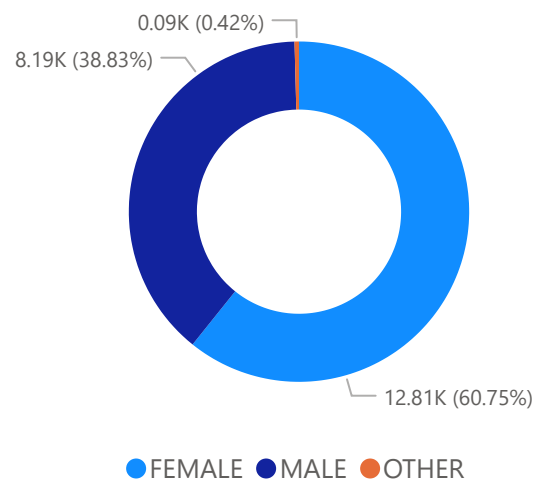## 2020 - 2024 UBR Enrollments by Year and Enrollment Method

Legend: ● CEDA Intake Site ● Full Online Application ● LIHEAP Short Cut ● Other ● UBR Mailed Letter
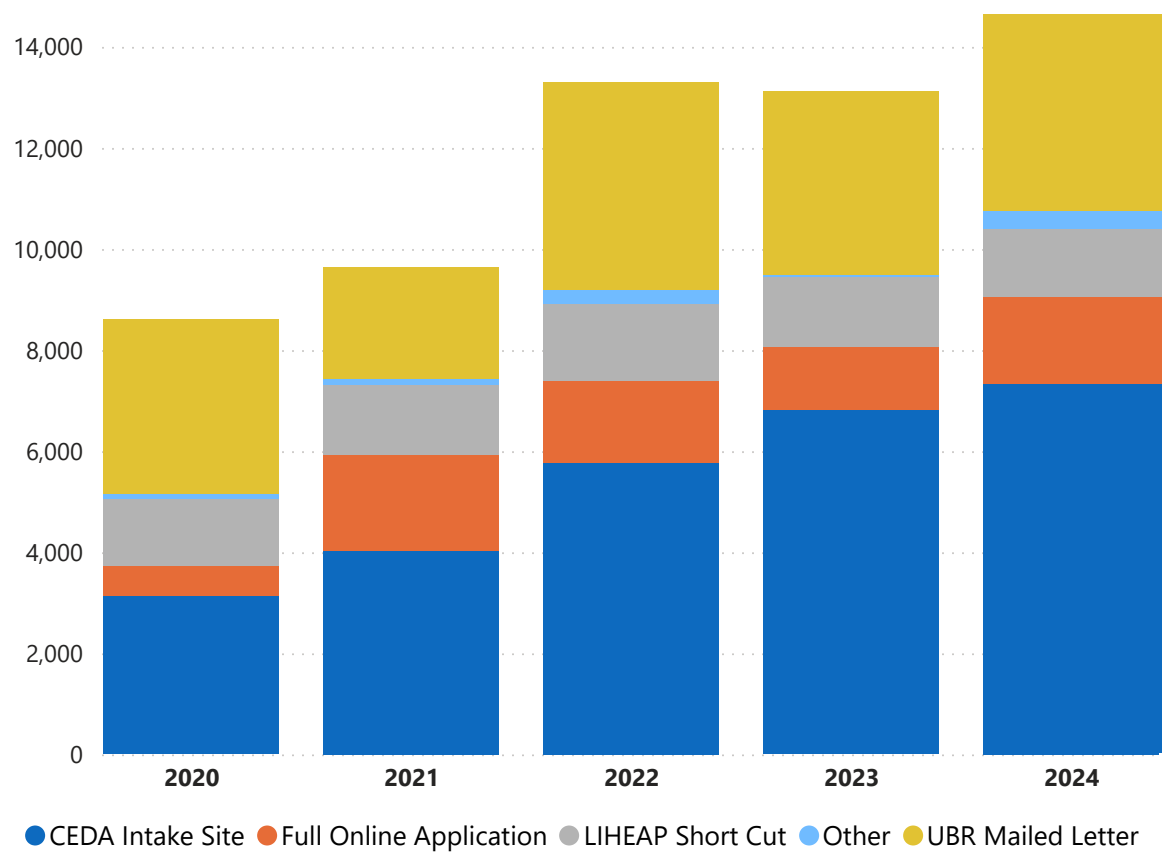
UBR Status Report: Demographics

Matched Ethnicity

Wcorethnicity

- AFRICAN_AMERICAN
- HISPANIC
- ASIAN
- WHITE
- OTHER
- AMERICAN_INDIAN
- MULTIRACIAL
- NATIVE_HAWAIAN_OR_OTHER_P...

- 10.01K (47.34%)
- 7.09K (33.51%)
- 1.84K (8.72%)
- 1.65K (7.79%)
- 0.43K (2.03%)

Matched Age

- 0.05K (0.16%)
- 13.89K (46.81%)
- 15.73K (53.03%)

● Non-Senior ● Senior ● (Blank)

Matched Gender

- 0.09K (0.42%)
- 8.19K (38.83%)
- 12.81K (60.75%)
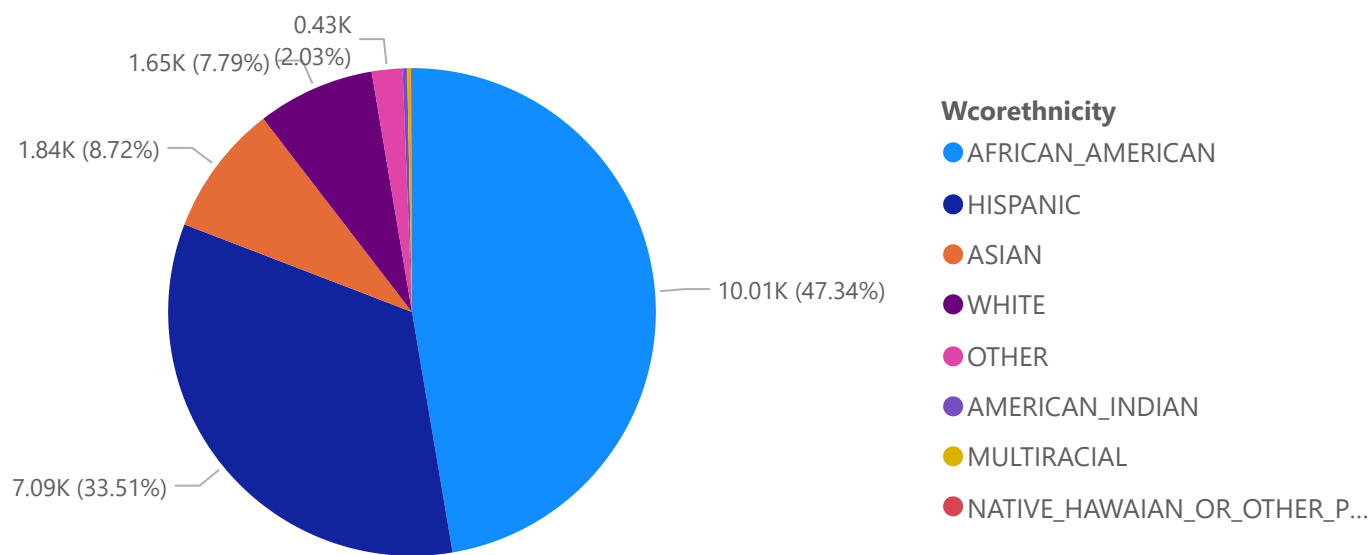
● FEMALE ● MALE ● OTHER

UBR APPLICATIONS 2024

Legend

Total UBR Applications

- 0 - 80
- 81 - 212
- 213 - 398
- 399 - 824
- 825 - 1420
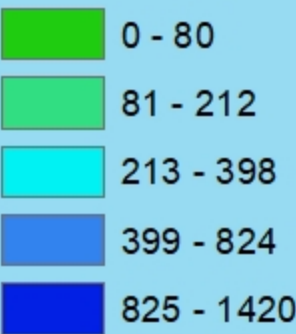
Zip Code	Total Applications
60602	1
60607	6
60608	530
60609	580
60611	1
60612	118
60613	10
60614	10
60615	20
60616	277
60617	1193
60618	243
60619	824
60620	1129
60621	302
60622	56
60623	673
60624	301
60625	131
60626	34
60627	3
60628	1420
60629	1359
60630	212
60631	49
60632	1173
60633	80
60634	543
60635	1
60636	576
60637	151
60638	398
60639	786
60640	19
60641	361
60642	7
60643	704
60644	499
60645	171
60646	71
60647	288
60649	193
60650	1
60651	790
60652	638
60653	53
60654	1
60655	49
60656	72
60657	15
60659	148
60660	28
60707	112
60827	25

Map street references:

HARLEM AV 7200 W
NAGLE AV 6432 W
CENTRAL AV 5600 W
CICERO AV 4800 W
PULASKI RD 4000 W
KEDZIE AV 3200 W
WESTERN AV 2400 W
ASHLAND AV 1600 W

HOWARD ST 7600 N
TOUHY AV 7200 N
DEVON AV 6400 N
BRYN MAWR 5600 N
LAWRENCE AV 4800 N
IRVING PARK RD 4000 N
BELMONT AV 3200 N
FULLERTON AV 2400 N
NORTH AV 1600 N
CHICAGO AV 800 N
MADISON ST 0 N/S
ROOSEVELT RD 1200 S
CERMAK RD 2200 S
31ST ST 3100 S
PERSHING RD 3900 S
47TH ST 4700 S
55TH ST 5500 S
63RD ST 6300 S
71ST ST 7100 S
79TH ST 7900 S
87TH ST 8700 S
95TH ST 9500 S
103RD ST 10300 S
111TH ST 11100 S
123RD ST 12300 S
127TH ST 12700 S
135TH ST 13500 S
138TH ST 13800 S

HARLEM AV 7200 W
NARRAGANSETT AV 6400 W
CENTRAL AV 5600 W
CICERO AV 4800 W
PULASKI RD 4000 W
KEDZIE AV 3200 W
WESTERN AV 2400 W
HALSTED ST 800 W

STEWART AV 400 W
STATE ST 0 EW
INDIANA AV 200 E
COTTAGE GROVE AV 800 E
ELLIS AV 1000 E
STONY ISLAND AV 1600 E
YATES AV 2400 E
TORRENCE AV 2634 E
BRANDON AV 3200 E
AVENUE O 3432 E
STATE LINE RD 4100 E

Map zip code labels: 60645, 60626, 60631, 60659, 60660, 60646, 60656, 60630, 60625, 60640, 60634, 60641, 60618, 60613, 60657, 60614, 60707, 60639, 60647, 60610, 60651, 60622, 60642, 60654, 60611, 60644, 60624, 60612, 60661, 60601, 60606, 60603, 60602, 60607, 60605, 60623, 60608, 60616, 60653, 60632, 60609, 60615, 60638, 60637, 60629, 60636, 60621, 60649, 60652, 60619, 60620, 60655, 60643, 60628, 60617, 60827, 60633

2024 UBR Enrollments by Zip Code and Property Type

Zip Code	Single Family Home	Domestic Occupancy	2-Flat	3-Flat	Grand Total
60607	1	0	0	1	2
60608	284	1	152	34	471
60609	249	1	198	36	484
60612	32	0	44	17	93
60613	1	0	5	0	6
60614	6	0	1	2	9
60615	13	0	2	1	16
60616	115	1	112	16	244
60617	798	0	172	19	989
60618	52	0	138	14	204
60619	554	0	108	33	695
60620	717	0	156	19	892
60621	117	0	118	15	250
60622	7	0	28	10	45
60623	170	0	332	75	577
60624	69	0	160	31	260
60625	38	0	68	4	110
60626	17	0	8	4	29
60628	964	0	135	9	1,108
60629	896	0	213	14	1,123
60630	111	0	54	4	169
60631	30	0	4	1	35
60632	650	1	343	44	1,038
60633	61	0	7	1	69
60634	365	0	64	5	434
60636	360	0	121	15	496
60637	54	0	53	19	126
60638	283	0	14	3	300
60639	302	0	331	30	663
60640	4	0	11	1	16
60641	164	0	120	13	297
60642	2	0	4	0	6
60643	545	0	22	4	571
60644	160	0	200	18	378
60645	110	0	25	5	140
60646	53	0	10	1	64
60647	54	0	159	40	253
60649	102	0	30	20	152
60651	322	0	323	27	672
60652	488	0	7	1	496
60653	23	0	7	12	42
60655	32	0	1	1	34
60656	53	0	2	0	55

Zip Code	Single Family Home	Domestic Occupancy	2-Flat	3-Flat	Grand Total
60657	3	0	3	1	7
60659	82	0	34	1	117
60660	22	0	4	0	26
60707	77	0	15	2	94
60827	20	0	1	0	21
Grand Total	9,632	4	4,119	623	14,378