

Utility Billing Relief Program

Annual Report to Council

February 2023

Program Overview

Since the 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 has led to increased delinquencies, growing debts, and rising numbers of homeowners at risk of having their water disconnected for nonpayment.

Given this reality, when she took office, Mayor Lightfoot announced that no one should lose access to water simply because they cannot afford the bill, prompting the creation of the Utility Billing Relief (UBR) Program.

Founded on the same principles as the Federal/State Low-Income Home Energy Assistance Program (LIHEAP), UBR 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 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 currently 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), who operates LIHEAP in Cook County, the UBR program takes advantage of their expertise and extensive network of partner organizations to conduct outreach and enroll homeowners.

Major Milestones

UBR launched in the midst of a pandemic, and as a result, faced unique challenges while attempting to reach and enroll residents. In response, the City launched a multi-pronged campaign to identify and engage these residents.

Beginning in March 2020, the City and CEDA launched their first wave outreach program focused on homeowners who have received LIHEAP in the past year. Over the course of three months, CEDA mailed letters to more than 8,000 homeowners with documented LIHEAP eligibility, asking them to confirm if they wish to enroll.

At the beginning of the pandemic, like many organizations in the City, CEDA was forced to temporarily halt in person activity including enrollments at their intake sites and develop an alternative. By May 2020, CEDA resumed LIHEAP intake by phone, with applicants submitting their

documentation by email or online. CEDA quickly moved to include UBR applicants in their process by June 2020. This opened up enrollment to all qualifying residents regardless of whether they had received LIHEAP in the past, including those who may not be eligible for LIHEAP due to residency status.

Also in June 2020, the City launched the first of two online UBR applications for residents. This initial application was again focused on LIHEAP recipients and provided them with a shortcut to completing a full application by requiring only a match of the LIHEAP recipient with their utility account.

In November 2020, the City launched a full online application, allowing homeowners who have not received LIHEAP to complete a full application and submit all of their required documentation online.

In April of 2021, the City, in partnership with CEDA, launched a campaign to ensure UBR participants are aware of any past due balance that might keep them from successfully completing their program year and of their ability to re-enroll for a subsequent program year if they are still eligible. Participants receive several letters in the months leading up to the end of their program. Within the last month of their program year participants receive automated calls and emails. During the last week of their program year participants who still have a past due balance receive live calls to remind them to become current so that they can successfully complete the program.

In October of 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, 2022, 19,968 unique homeowners have enrolled in UBR, and many have successfully completed the program and re-enrolled for subsequent program years. There have been 31,498 total enrollments into the UBR program since inception. As of the end of December 2022, the average amount of debt forgiven per household is \$1,080, while the average amount of debt forgiven for a household enrolling in UBR for the first time is \$1,404. From inception through the end of 2022 a total of \$17.5 million in past due debt has been forgiven, while another \$9.3 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 an additional \$14.8 million by receiving reduced rates during their program years. Overall, 92 percent of participants completed the program successfully and achieved debt forgiveness.

Outreach

Through the course of 2020, the City and CEDA initiated systematic efforts to connect with advocates, community organizations, and Aldermanic offices to share information on UBR and ask for assistance with reaching potentially eligible populations. City staff held 19 aldermanic briefings and trained aldermanic staff from 19 wards with significant low-income and minority populations on the program, including how to help residents navigate the online application. In addition to CEDA's network of more than 50 partner organizations that assist residents with the application process, CEDA held five virtual town halls reaching more than 600 additional organizations and residents. To further build program awareness, the City used social media, digital billboards, webinars and other forms of engagement to expand outreach efforts. CEDA has also been

leveraging its social media platform to reach additional residents and targeted eligible clients not already enrolled with email outreach.

In 2021 and 2022 many of the same methods of outreach were employed, such as leveraging CEDA's network of partner organizations, social media, digital billboards, and webinars. CEDA also continued to do a great deal of targeted outreach to customers who had recently received LIHEAP benefits, were living in a qualifying property, and had a past due balance, by sending thousands of easy-to-complete mailed letters to these customers. This allowed for expedited enrollment into UBR for these customers. Members of the Department of Finance also attended several virtual town hall-style meetings hosted by aldermen to discuss UBR and answer questions. The Comptroller gave several presentations where she discussed UBR program benefits and explained how to apply.

In addition, several new methods of outreach were employed in 2021 and 2022. In July 2021 and August 2022, DOF sent out thousands of postcards to customers with past due balances living in properties which were potentially eligible for UBR notifying them of the program and how to apply. In October 2021 and March 2022, the City partnered with the CTA to make customers riding the CTA aware of UBR through use of "over the seat" advertisements. In September and October of 2022, the City partnered with CEDA to promote UBR on the exterior of CTA busses and on CTA train platforms. The train platform advertisements contained QR codes which enabled customers to easily use their mobile devices to navigate to a web portal to find more information and begin the application process. All CTA advertisements were deployed City-wide in order to reach all populations.

Also in 2022, we were able to incorporate in-person methods of outreach. We attended in person events hosted by Aldermen, the City Clerk, and several community organizations. We provided information about UBR at the Mayor's Community Safety Town Hall meetings. All in all, we attended more than a dozen events where we provided information about UBR and answered questions about the program in 2022.

Demographics

Of the households enrolled in UBR, 48 percent identify as African American, and 31 percent identify as Hispanic. Households headed by women make up 60 percent of those enrolled and 46 percent of enrolled households are seniors. Please see the exhibits at the end of this document for more detailed information about demographics related to both UBR enrollees and UBR applicants.

Current Status and Next Steps for UBR

As of the date of this report the UBR program is nearing the completion of its third year. It has been an extremely successful program, as evidenced by 19,968 households participating in the program, 92 percent of enrollees successfully completing the program, and their collective achievement of over \$17.5 million in savings through debt forgiveness and an additional \$9.3 million in savings through rate reductions.

That said, the pandemic and economic conditions continue to create a need for UBR in Chicago. The City and CEDA continue to conduct outreach to try to ensure that all Chicago homeowners who might qualify for the program are aware of it, as well as to encourage households completing a year in the program to apply to continue if they continue to be eligible.

Additionally, the City is currently working to make modifications to its systems and processes to comply with amendments to Municipal Code of Chicago 11-12-530, the ordinance requiring full payment certificates. These amendments were passed during the 2023 budget cycle 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 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. Amendments to MCC 11-12-530 take effect on April 1, 2023.

The success UBR has seen would not have been possible without the partnership and expertise CEDA provided. Utilizing CEDA's vast knowledge and network of organizations dedicated to providing utility assistance to Chicago residents led to better understanding of the populations this program is intended to aid and greatly expanded the City's ability to reach those residents who may benefit. Members of City Council have also been key partners in promoting the benefits of UBR within their communities and assisting with enrollment. We are grateful for everyone's contributions to the success of this important program.

EXHIBITS

December 31st: 2020 - 2022 UBR Year End Numbers



2020 Total Enrollment Count

8,624

2021 Total Enrollment Count

9,659

2022 Total Enrollment Count

13,366

Total Second Time Enrollment

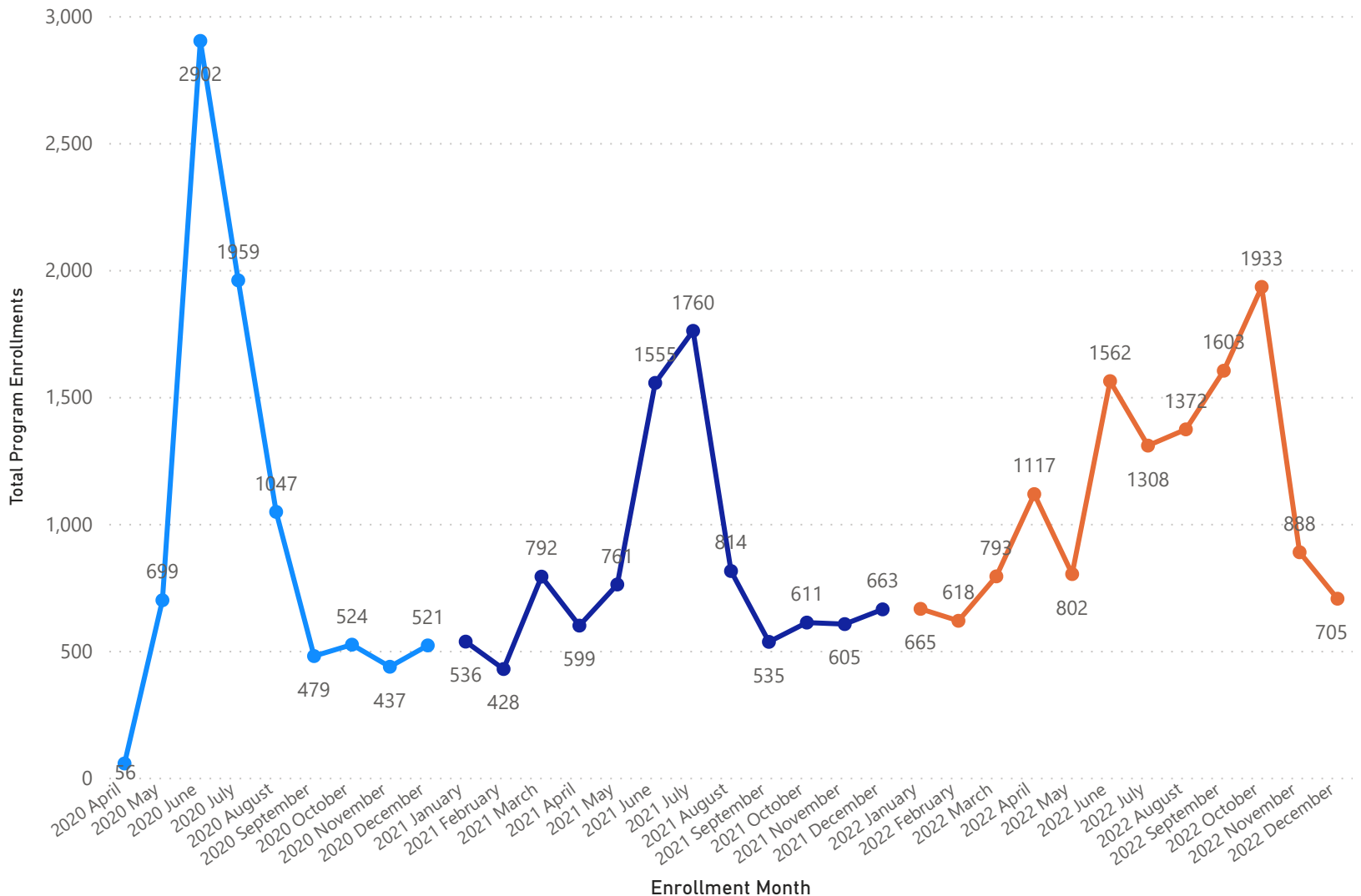
8,538

Total Third Time Enrollments

3,133

UBR Enrollment by year

UBR Enrollment Year ● 2020 ● 2021 ● 2022



UBR ENROLLMENTS DECEMBER 31, 2022

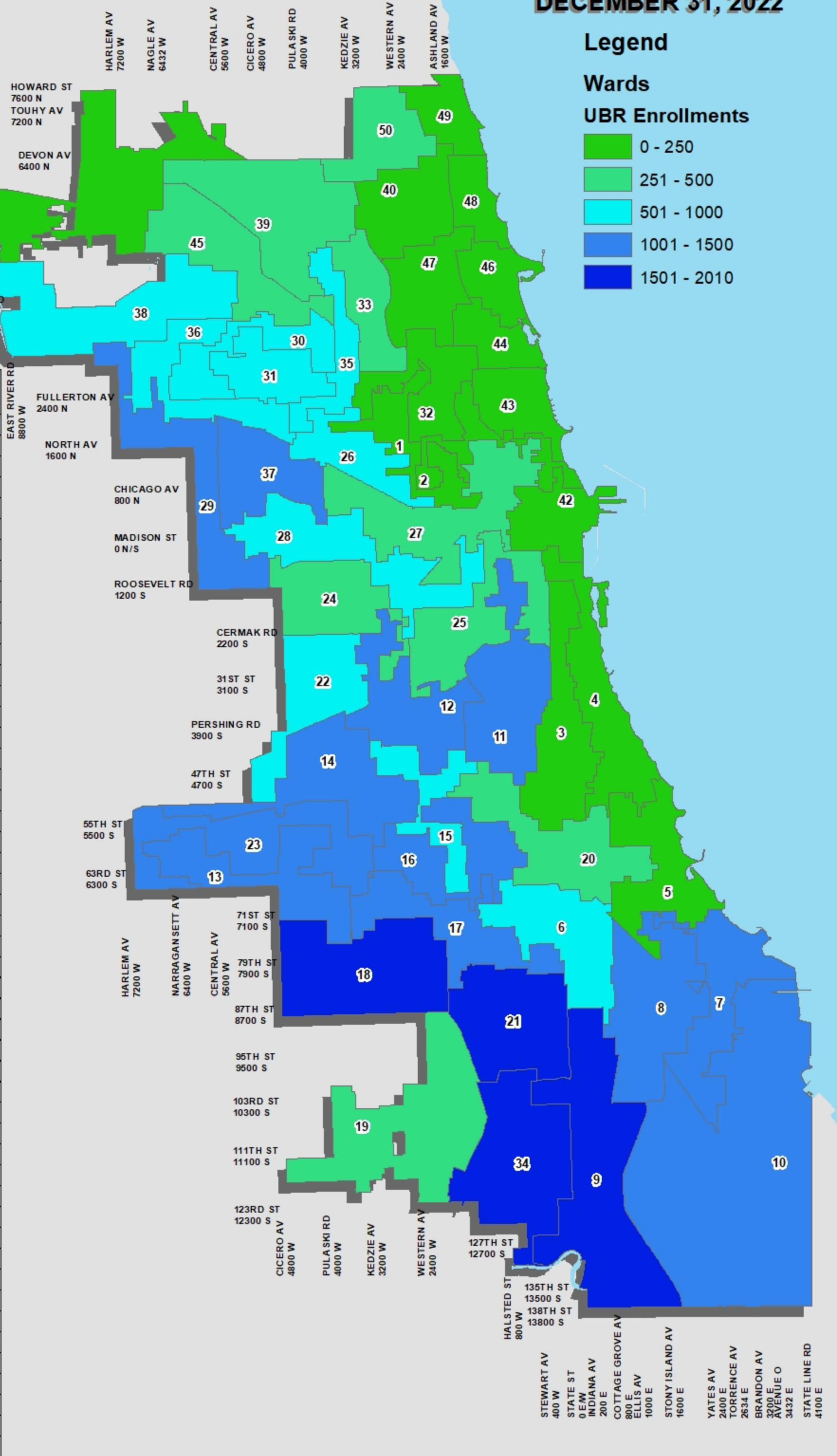
Legend

Wards

UBR Enrollments



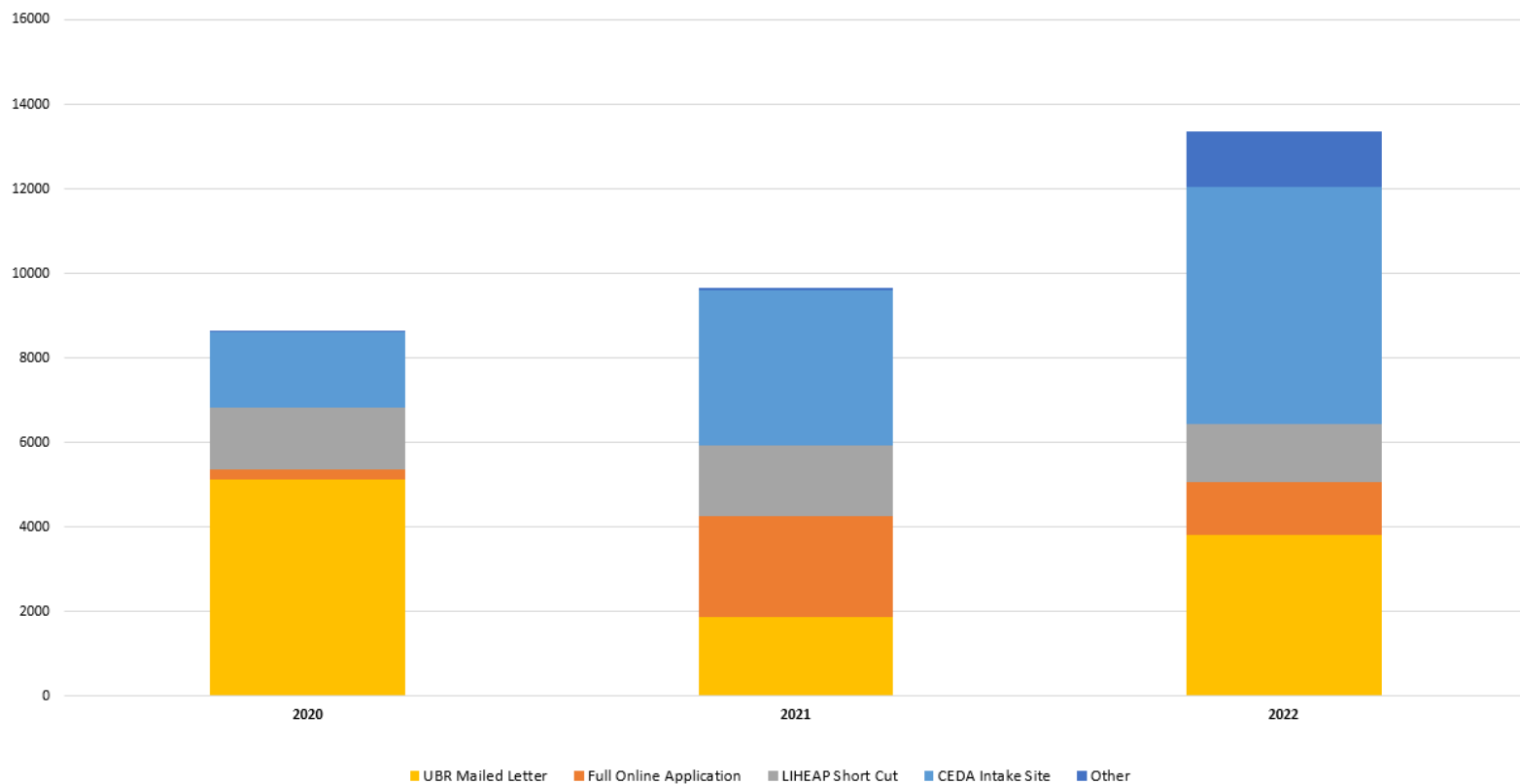
WARD	UBR Enrollments
1	202
2	11
3	125
4	84
5	126
6	958
7	1055
8	1318
9	1702
10	1052
11	1061
12	1122
13	1020
14	1109
15	810
16	1102
17	1369
18	1644
19	303
20	451
21	1645
22	795
23	1037
24	474
25	274
26	503
27	303
28	551
29	1130
30	640
31	855
32	111
33	280
34	2010
35	503
36	763
37	1271
38	553
39	304
40	169
41	186
42	0
43	4
44	4
45	375
46	4
47	78
48	27
49	68
50	365



UBR Enrollments by Enrollment Method 2020 - 2022



2020 - 2022 UBR Enrollments by Year
and Enrollment Method

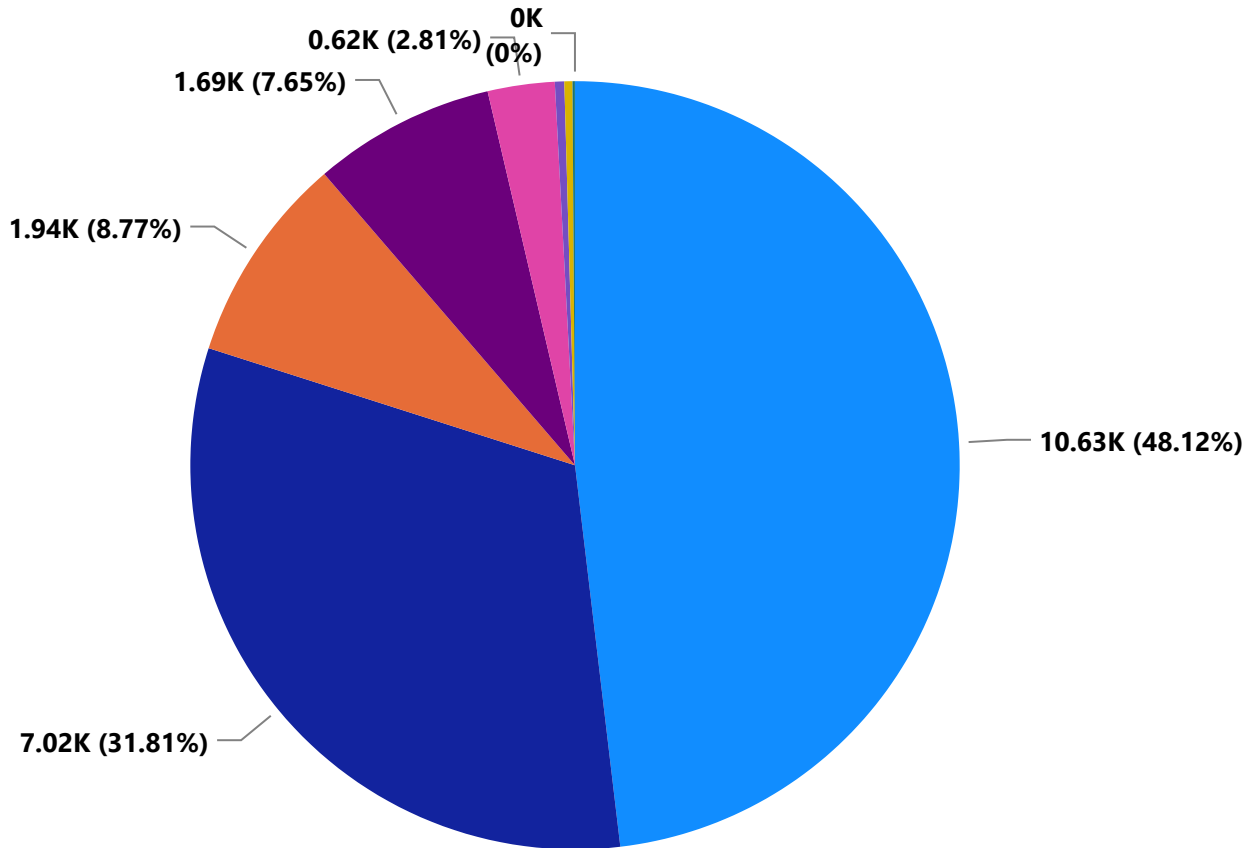


UBR Demographics



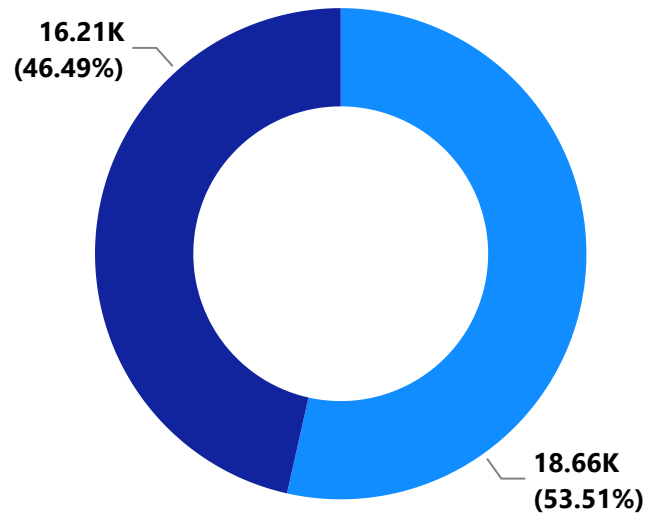
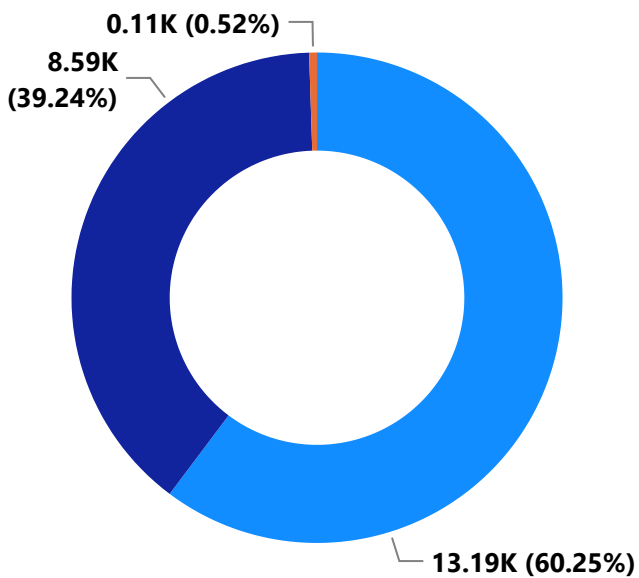
Matched Ethnicity

Ethnicity ● AFRICAN_AMERICAN ● HISPANIC ● WHITE ● ASIAN ● OTHER ● AMERICAN_INDIAN ● MULTIRACIAL ● PACIFIC_ISLANDER ● AFRICAN AMERICAN



Matched Gender

Matched Age



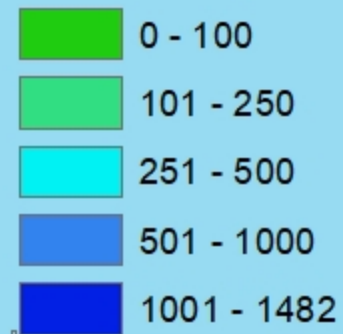
● FEMALE ● MALE ● OTHER

● Non-Senior ● Senior

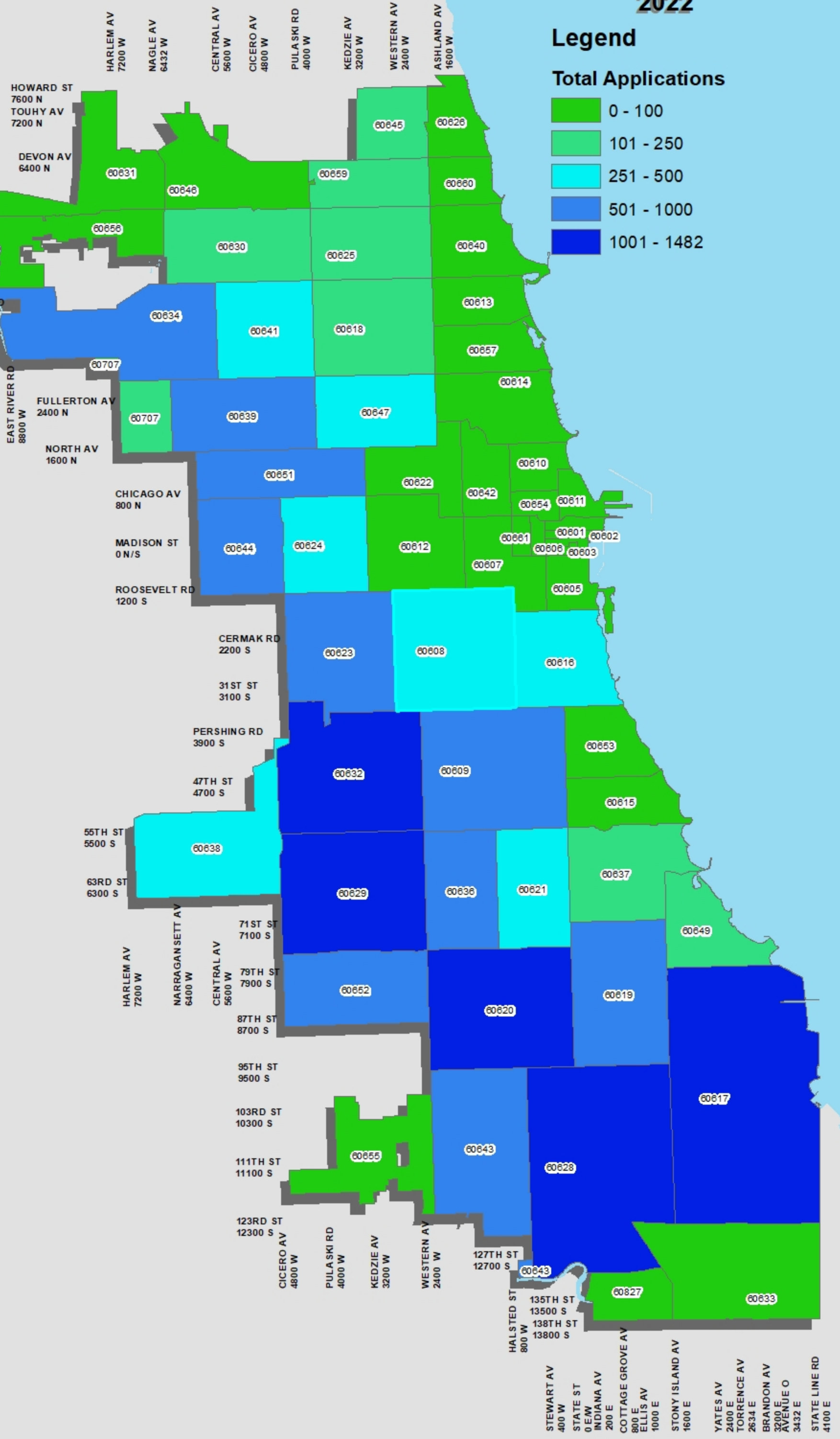
UBR APPLICATIONS 2022

Legend

Total Applications



Zip	Total Application
60601	0
60602	1
60603	3
60604	0
60605	0
60606	1
60607	12
60608	490
60609	516
60610	1
60611	0
60612	95
60613	11
60614	7
60615	23
60616	257
60617	1224
60618	249
60619	883
60620	1150
60621	311
60622	48
60623	571
60624	294
60625	121
60626	27
60628	1482
60629	1417
60630	215
60631	40
60632	1145
60633	99
60634	533
60636	603
60637	134
60638	405
60639	755
60640	24
60641	344
60642	7
60643	696
60644	534
60645	129
60646	75
60647	302
60649	189
60651	837
60652	657
60653	43
60654	0
60655	58
60656	69
60657	7
60659	150
60660	23
60661	1
60666	0
60707	140
60827	21



2022 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	2	4
60608	273	0	132	405
60609	236	0	161	397
60610	0	0	0	0
60611	0	0	0	0
60612	24	0	47	71
60613	4	0	5	9
60614	3	0	2	5
60615	13	0	3	16
60616	113	0	104	217
60617	803	0	166	969
60618	69	0	143	212
60619	508	0	119	627
60620	705	0	138	843
60621	132	0	109	241
60622	7	1	28	36
60623	167	0	291	458
60624	69	1	149	219

2022 UBR Enrollments by Zip Code and Property Type

Zip Code	Single Family Home	Domestic Occupancy	2-Flat	Grand Total
60625	41	0	55	96
60626	8	0	7	15
60628	989	1	142	1,132
60629	903	0	228	1,131
60630	102	0	45	147
60631	26	0	6	32
60632	620	0	302	922
60633	60	0	7	67
60634	337	0	62	399
60636	351	0	112	463
60637	60	0	35	95
60638	278	0	18	296
60639	276	0	314	590
60640	8	0	11	19
60641	170	0	105	275
60642	1	0	3	4
60643	493	1	22	516
60644	197	0	202	399
60645	91	0	16	107
60646	41	0	11	52
60647	60	0	168	228
60649	106	0	26	132
60651	341	1	296	638
60652	488	0	6	494
60653	23	0	11	34
60654	0	0	0	0
60655	38	0	0	38
60656	52	0	2	54
60657	4	0	4	8
60659	80	0	32	112
60660	12	0	4	16
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	85	0	25	110
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	16	0	0	16
Grand Total	9,485	5	3,876	13,366