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Hammond's apartment ordinance blocked by federal judge

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A federal judge has blocked a Hammond ordinance that charges non-city apartment owners more than those who live in the city.

U.S. District Judge Theresa Springmann also said in her order, issued Thursday in the U.S. District Court in Hammond, that the Indiana Apartment Association would likely win its lawsuit against Hammond's rental registration ordinance.

The suit focuses on a law the Hammond City Council approved in 2010 to charge apartment owners \$20 per rental unit in the city every year. Owners who do not live in the city would be charged more, however, at \$80 a unit every year.

IAA filed a federal lawsuit last year, saying the ordinance violates the U.S. Constitution's Commerce Clause by hurting a non-resident's right to do business in Hammond.

The city fought back, however, filing responses saying that because a large majority of rental problems come from those owned by non-residents, it was only fair to charge them more.

Springmann disagrees, saying in her ruling that the city did not provide similar statistics for how many of the apartments in Hammond are owned by non-residents. If a large majority are owned by people living outside the city, then it only makes sense they also make up a large portion of the problem apartments.

"The ordinance discriminates on its face against non-Hammond residents," Springmann says in the ruling.

The ruling also said the city had other options, such as charging all apartment owners the same fee to pay for board-ups, demolitions and other fixes to problem apartments or charging the specific apartments the city has to take action on.

Although the order puts a stop to the ordinance for now, it is unclear what happens to any rental owner who had already paid this year's registration fees. April was the first time that the owners were required to pay the annual fee.

Hammond Mayor Thomas McDermott Jr. could not be reached for comment.

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