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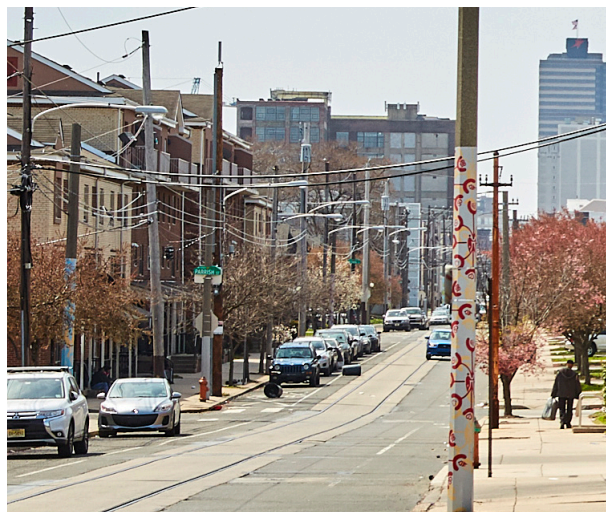
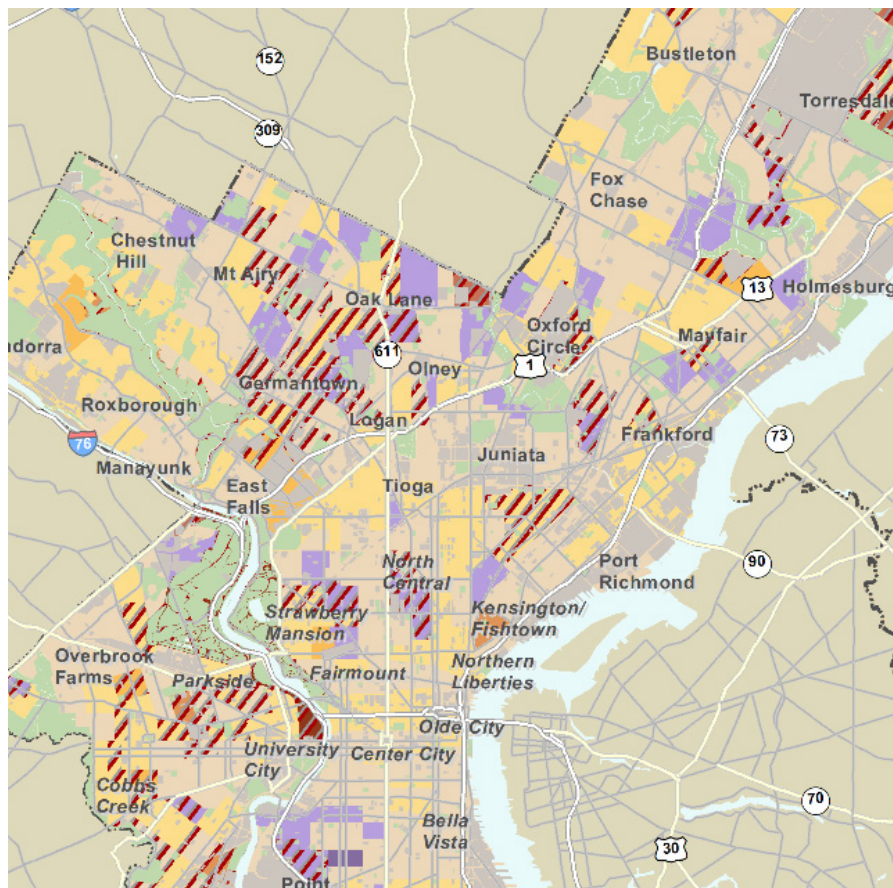


Policy Brief:

Evictions in Philadelphia: A Data & Policy Update

Prepared by **REINVESTMENT FUND**

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Acknowledgments

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This report is the first in a series to be released over the next two years to catalogue our findings.

We also thank the members of our Evictions Advisory Group and are grateful to the many individuals who have shared their time and expertise with us.

Introduction

In January 2017, Reinvestment Fund's Policy Solutions group released *Evictions in Philadelphia*, a research brief that detailed the volume and geographic distribution of eviction filings in the city.¹ Since that publication, eviction filing rates have declined while the local policy environment has undergone notable changes, and key household indicators related to housing instability have shifted. This paper provides an update to the analysis we presented in 2017 along with new analyses of the court process and tenant outcomes. We conclude with a preview of additional policy-relevant research pursuits that are underway.

Eviction filings began to decline in 2015 and dropped by a steeper 10% from 2017 to 2018. While the number of filings is on track to rise slightly in 2019 (based on filings through April), they remain well below the level of earlier years. During this period of decline in filings, the financial circumstances of many Philadelphians improved: employment and wages rose, the number of cost-burdened households fell, and more individuals had health insurance. There were also significant developments in the local policy sphere. In 2017, Mayor Jim Kenney convened the Philadelphia Task Force on Eviction Prevention and Response. In the same year, Philadelphia's City Council reallocated funds to address evictions through increased legal representation, financial counseling, a hotline and website, a court help center, community trainings and educational materials.² The Mayor's Task Force released a report in 2018 with 17 recommendations to reduce the number of evictions and minimize their adverse impacts.³ Philadelphia's Office of Community Empowerment and Opportunity now oversees a Housing Security Working Group which continues to facilitate and monitor implementation of those recommendations.

Although recent declines in eviction filings were greatest in areas that were racially mixed, our analysis found a persistent correlation of eviction filings with tract-level racial composition that was independent of both income, tenure mix, and the presence of (non-elderly) public housing units.

¹ <https://www.reinvestment.com/research-publications/evictions-in-philadelphia/>

² The Philadelphia Eviction Prevention Project (PEPP) is a collaborative effort of several nonprofit organizations to provide legal representation including Community Legal Services, Clarifi, Legal Clinic for the Disabled, SeniorLAW Center, TURN, and Philadelphia VIP. Regional Housing Legal Services participated in PEPP's first year.

³ <https://www.phila.gov/hhs/accomplishments/Pages/Taskforce.aspx>

Population, Housing and Economic Trends in Philadelphia

The city's population continued to edge upward since our previous report, which reflected American Community Survey data through 2015. The tenure trend identified in that brief persisted as well; Philadelphia long stood out from other big cities for its high homeownership rate, but that began to shift after the foreclosure crisis. According to Census estimates, 2017 was the first year in which renter households outnumbered homeowners. The share of renters grew among both lower-income and higher-income households. Citywide, the total number of occupied rental units climbed 12.7% while the number of ownership units dropped 3.1%. The construction of new housing units has been highly concentrated in the city's strongest real estate markets⁴, and industry reports show that the number of rental units in "Class A" multifamily buildings grew between 2015 and 2018 while the number of units in less expensive B and C class buildings was essentially flat. This indicates that growing numbers of rental units in weaker markets likely is associated with conversion of ownership units to rental rather than newly constructed supply.⁵

Figure 1: Philadelphia Occupied Housing Units by Tenure, American Community Survey 1-Year

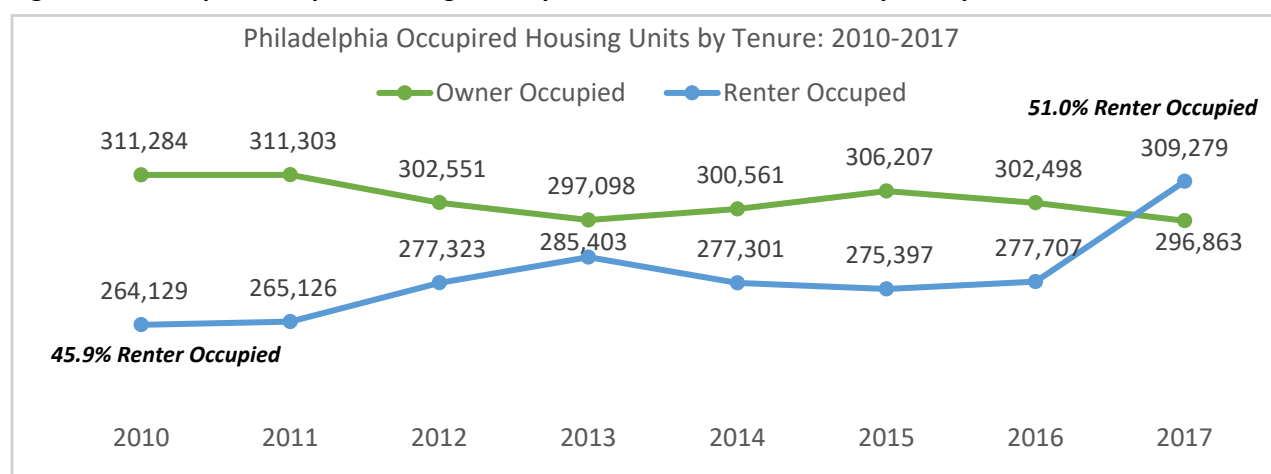


Figure 2: Philadelphia Population and Housing Trends; ACS 1-Year Estimates

	2014	2015	2016	2017	2018	Percent Change 15-17
Total Population	1,560,297	1,567,442	1,567,872	1,580,221	1,584,138	0.8%
Total Housing Units	670,445	672,657	674,504	685,988		2.0%
Total Occupied Units	577,862	581,604	580,205	591,280		1.7%
Owner Occupied	300,561	306,207	302,498	296,863		-3.1%
Renter Occupied	277,301	275,397	277,707	309,279		12.3%
Percent Renter Occupied	48.0%	47.4%	47.9%	51.0%		7.8%

⁴ Reinvestment Fund's 2018 Market Value Analysis of Philadelphia (MVA) found that 79% of new construction permits filed since 2013 were in the strongest four market categories out of nine total categories.

⁵ REIS Services Metro Philadelphia Report, 2019. See definition of asset class: <https://se.reis.com/ReisSEGlossary.pdf>

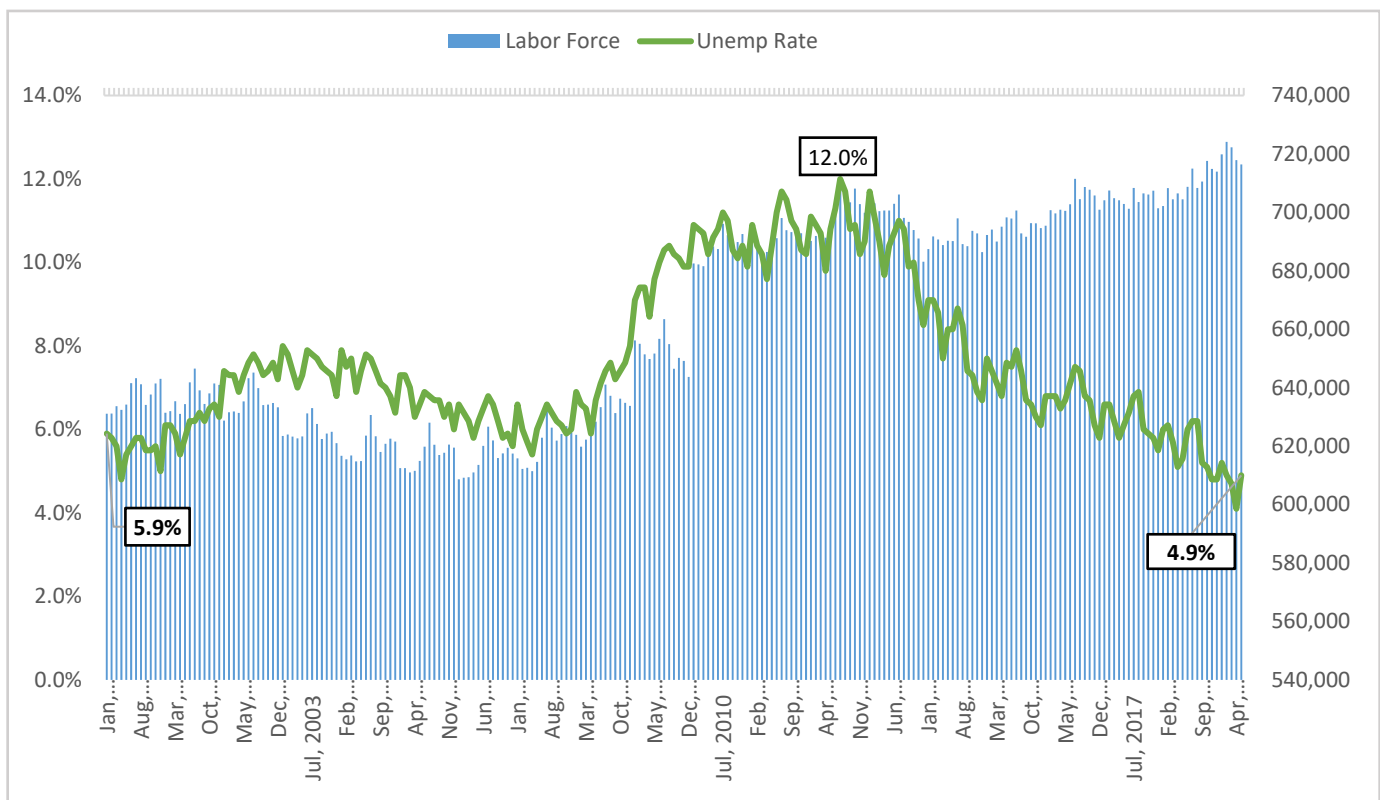
The number of cost burdened households (those paying more than 30% of their income in rent) has declined in recent years, including among households earning less than \$35,000. The share of lower-income households that are cost-burdened stayed about 30 percentage points higher than for renters as a group.

Estimates of the number of households in poverty has fluctuated year to year while other factors related to financial wellbeing have shifted more clearly. In May 2019, Philadelphia's unemployment rate hit 4.1%, a 20-year low. And compared to 2012, when the city reached an unemployment peak of 12%, the annual average number of labor force participants has climbed by more than 20,000.

Figure 3: Cost Burden in Philadelphia, ACS 1-Year Estimates

Cost Burdened Renters	2014	2015	2016 ⁶
All Renters			
Units Paying Rent	254,585	253,807	250,113
Number Paying 30% or More	146,313	143,067	133,439
Percent Paying 30% or More	57.5%	56.4%	53.4%
Renters with Income Under \$35,000			
Units Paying Rent	142,793	139,180	127,646
Number Paying 30% or More	121,275	120,136	109,821
Percent Paying 30% or More	84.9%	86.3%	86.0%

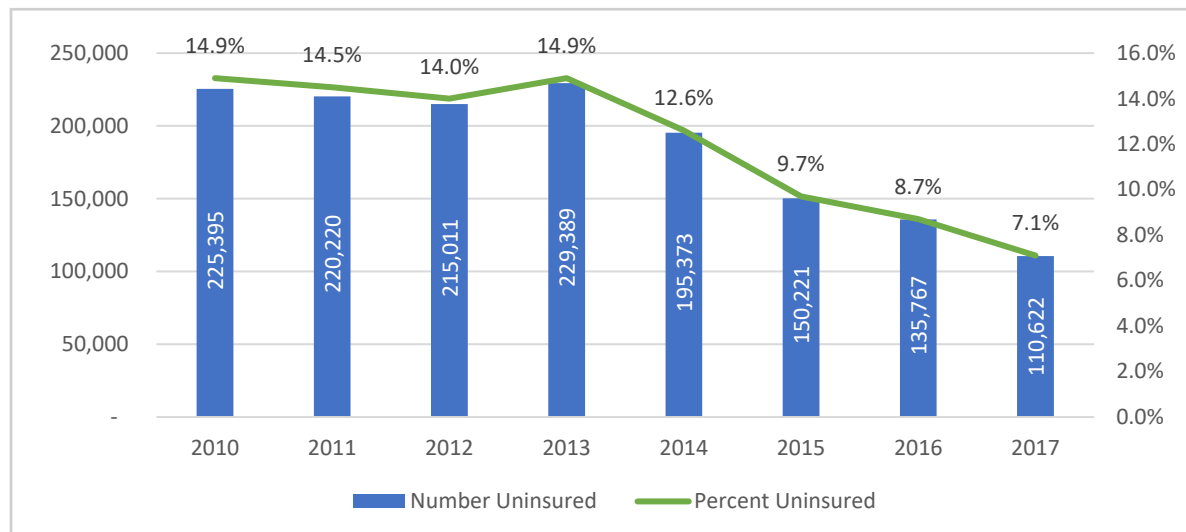
Figure 4: Philadelphia Labor Force and Unemployment trends, Bureau of Labor Statistics



⁶ 2017 ACS data is not included here due to an errata issued by the Census: <https://www.census.gov/programs-surveys/acs/technical-documentation/errata/121.html>

The most recent data on health insurance shows that the number of uninsured Philadelphians fell each year from 2013, by more than 100,000 as of 2017, cutting the share of residents without insurance by half. This is potentially significant as medical bills have been cited as a trigger for the inability to pay rent by tenants and attorneys we interviewed and in the broader eviction literature.⁷

Figure 5: Philadelphians without Medical Insurance, ACS 1-Year Estimates



Mortgage foreclosures are also cited as a driver of evictions. This relationship was underscored by a recommendation in the Mayor's Task Force report aimed at protecting tenants in foreclosed properties. Among Philadelphia homeowners with mortgages, the percentage of mortgages that were 90 or more days delinquent declined from over 5% in 2012-2014 to around 3% in 2017 and 2% in 2018, pointing to a more stable housing market.

⁷ For example, Tara Cookson, PhD, Margaret Diddams, PhD, Xochitl Maykovich, and Edmund Witter, "Losing Home: The Human Cost of Eviction in Seattle," Seattle Women's Commission and the Housing Justice Project of the King County Bar Association, 2018.

Eviction Filing Trends

Beginning in 2015 and continuing through 2017, there were close to 2,000 fewer evictions filed in Philadelphia Landlord Tenant Court each year compared to each of the previous five years. Filings dipped 10% in 2018, followed by a slight rebound in the first quarter of 2019. Combined with the rising number of rental units, this trend has reduced the filings rate over time.

Figure 6: Philadelphia Eviction Filings and Filing Rate, Philadelphia Municipal Court and ACS 1-Year Estimates

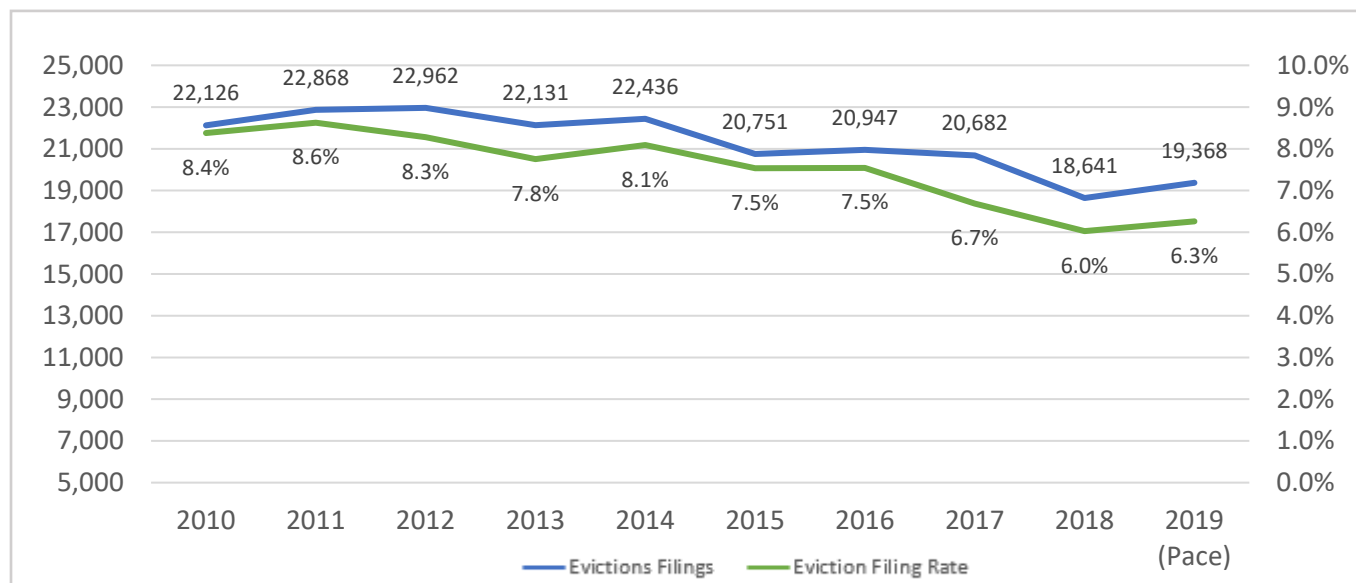


Figure 7: Occupied Rentals and Evictions, Philadelphia Municipal Court and ACS 1-Year Estimates

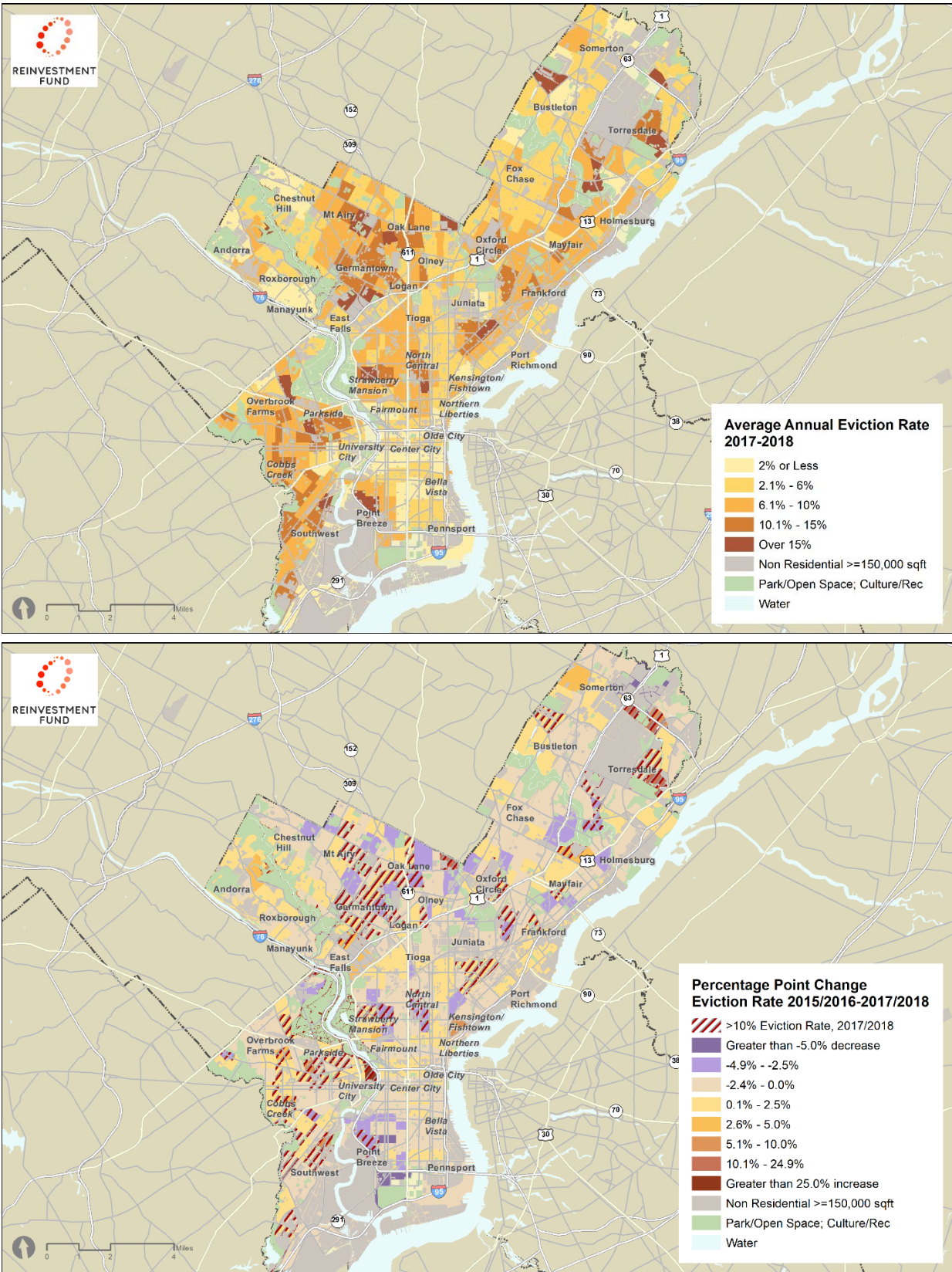
	2010	2011	2012	2013	2014	2015	2016	2017	2018 ⁸	2019 (Pace)
Renter Occupied Units (1-Year ACS)	264,129	265,126	277,323	285,430	277,301	275,397	277,707	309,279		
Evictions Filings ⁹	22,126	22,868	22,962	22,131	22,436	20,751	20,947	20,682	18,641	19,368
Eviction Filing Rate	8.4%	8.6%	8.3%	7.8%	8.1%	7.5%	7.5%	6.7%	6.0%	6.3%
Annual Change in Filings		3%	0%	-4%	1%	-8%	1%	-1%	-10%	4%

To evaluate geographic patterns, we combined filings at the tract level for two-year periods. Census tracts with the highest eviction filing rates for the 2017-2018 period were located in many different parts of the city, including in West and Southwest Philadelphia, Germantown and West Oak Lane, North Philadelphia and the Northeast. In some of these areas, including Strawberry Mansion and Central North Philadelphia, rates remained well above the city average despite notable rate decreases compared to 2015-2016. There were also notable declines in Olney and Oxford Circle. Significant filing rate increases were limited to pockets in the Far Northeast and in West Philadelphia.

⁸ 2018 and 2019 rates are based on unit counts for 2017, the latest available.

⁹ Differences in the number of filings between this report and Reinvestment Fund's 2017 Brief are a function of two factors. First, this Brief relies on data obtained directly from Philadelphia Municipal Court. Second, we have refined the way we account for duplicate filings. Although the number of filings therefore differs, the geographic distribution and temporal trends are the same.

Figure 8: Average Annual Eviction Rate and Rate Change, Philadelphia Municipal Court and ACS 5-Year Estimates



Community Characteristics and Eviction: Race, Income, and Public Housing

The biggest declines in filing volume during the 2016-2018 period were in areas where African American residents made up 10%-40% of the population, followed by areas that were 40%-80% African American, while the number of filings increased 13% in areas that were less than 10% African American. Still, the filing rate remained more than two times higher in census tracts that were at least 40% African American compared to the areas with the smallest shares of African American residents.

Figure 9: Philadelphia Eviction Filings and Filing Rate and Neighborhood Racial Composition

Number of Eviction Filings											
Neighborhood Racial Composition	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019*	Change 16-18
<10% African American	2,507	2,245	2,414	2,354	2,545	2,196	1,832	2,375	2,078	2,188	13.0%
10%-40% African American	5,508	5,958	5,976	5,862	5,640	5,507	5,750	5,252	4,653	5,012	-19.0%
40%-80% African American	5,112	5,944	5,900	5,747	5,754	5,276	6,017	5,678	5,087	5,220	-15.0%
>80% African American	8,992	8,715	8,647	8,149	8,465	7,748	7,326	7,373	6,819	6,864	-7.0%

Eviction Filing Rate											
Neighborhood Racial Composition	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019*	Percent Point Change 16-18
<10% African American	3.9%	3.6%	3.7%	3.7%	3.9%	3.4%	3.2%	3.9%	3.4%	4.4%	0.2
10%-40% African American	7.4%	7.4%	7.4%	7.1%	6.6%	6.2%	6.1%	5.7%	5.0%	5.8%	-1.1
40%-80% African American	10.9%	12.4%	11.8%	10.8%	11.1%	10.2%	10.6%	9.4%	8.4%	9.6%	-2.2
>80% African American	12.7%	12.6%	12.4%	11.6%	11.9%	11.0%	10.6%	10.7%	9.8%	11.1%	-0.8

Source: Philadelphia Municipal Court and ACS 1-Year Estimates

Neighborhood median income is also strongly associated with eviction rates. The number of filings in tracts with median incomes below \$25,000 increased 9% from 2016 to 2018 but remained below peak levels of 2014 and earlier. The greatest drops in eviction volume were in tracts with incomes between \$25,000 and \$70,000. The filing rate in the lowest-income tract was about three times higher than in the highest-income tract.

Figure 10: Philadelphia Eviction Filings and Filing Rate and Neighborhood Income

Number of Eviction Filings											
Neighborhood Median Income	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019*	Change 16-18
<\$25k HH Income	6,287	6,268	6,722	6,388	6,617	5,896	5,441	6,594	5,931	6,116	9.0%
\$25k-\$45k HH Income	10,762	11,229	11,210	10,999	11,146	10,613	10,524	9,363	8,500	8,364	-19.2%
\$45k-\$70k HH Income	4,355	4,379	4,222	4,069	3,931	3,405	4,193	3,841	3,390	3,872	-19.2%
>\$70k HH Income	722	992	808	675	742	837	789	880	809	932	2.5%

Eviction Filing Rate											
Neighborhood Median Income	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019*	Pct Point Change 16-18
<\$25k HH Income	11.1%	11.0%	11.2%	10.5%	10.8%	9.7%	10.0%	9.9%	8.9%	9.2%	-1.1
\$25k-\$45k HH Income	9.4%	10.0%	9.4%	8.8%	9.1%	8.8%	8.8%	8.2%	7.4%	7.3%	-1.4
\$45k-\$70k HH Income	6.7%	6.4%	6.8%	6.6%	6.0%	5.3%	6.0%	5.7%	5.1%	6.1%	-0.9
>\$70k HH Income	3.7%	4.4%	3.3%	3.0%	3.1%	2.9%	2.4%	2.5%	2.4%	2.9%	0.0

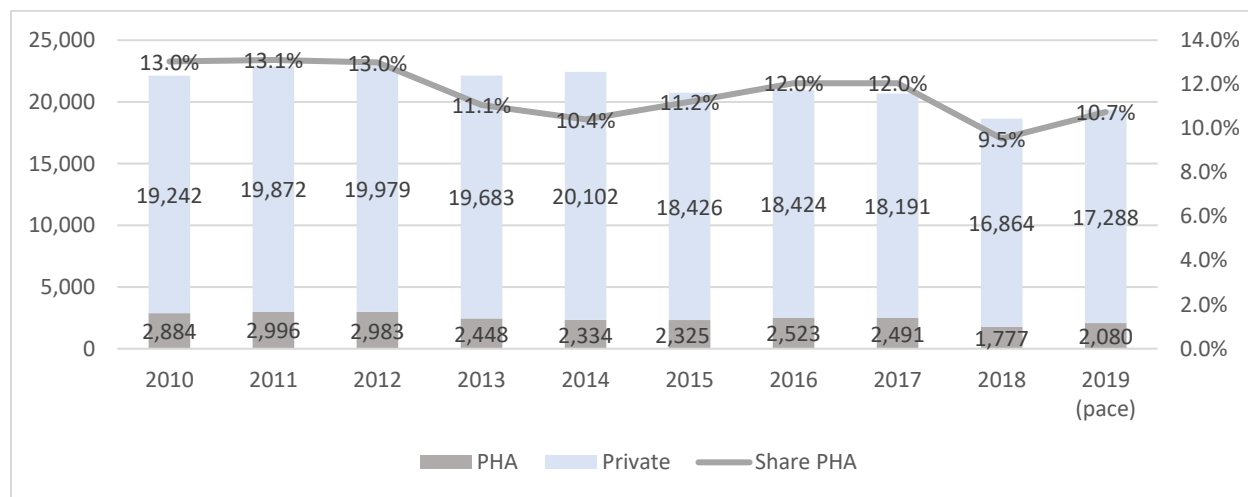
Source: Philadelphia Municipal Court and ACS 1-Year Estimates

The Philadelphia Housing Authority (PHA) is the single biggest landlord in the city and also the largest filer of evictions. PHA manages over 14,000 units, which is about 5% of the city's rental stock. PHA serves a low-income tenant base, and 91% of tenants in traditional PHA units are African American.¹⁰ The Authority has filed 9%-13% of all Landlord-Tenant Court eviction cases annually since 2010.¹¹ The share of PHA-owned units with at least one filing per year has ranged between about 15% and 25% during that same period, compared to between 6% and 9% of all rental units citywide being subject to an eviction filing. In 2018, PHA's share of filings dropped to a ten-year low of 9.5%, with a modest rebound in the first months of 2019.

¹⁰ City of Philadelphia Assessment of Fair Housing, 2016.

¹¹ PHA separates its rental portfolio into two categories: PHA-owned properties and Philadelphia Asset & Property Management Corporation (PAPMC)/Tax Credit Properties. PHA-owned sites include conventional developments and scattered-site properties. PAPMC is a nonprofit management entity that is separate from PHA and manages all Limited Partnership Low Income Housing Tax Credit (LIHTC) properties. Tenants must apply separately for PHA and PAPMC units. For purposes of this eviction analysis, Reinvestment Fund considers PAPMC properties as public housing because they are administered through the same court process and legal representation as PHA-managed properties. PHA is also affiliated with Alternately Managed Entities (AMEs) which provide privately managed public housing opportunities and are not included in the public housing numbers.

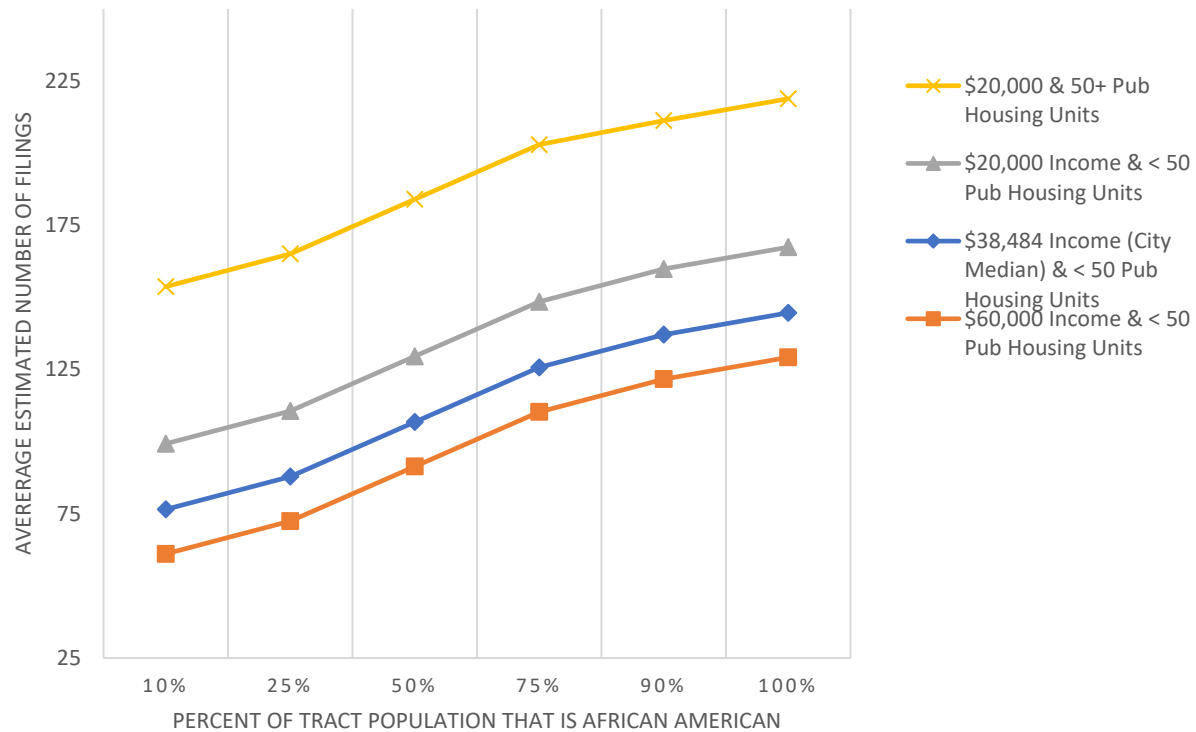
Figure 11: Public and Private Evictions, Philadelphia Municipal Court



Reinvestment Fund’s 2017 brief found elevated eviction rates in Philadelphia census tracts with greater concentrations of African American residents and with lower median incomes; the statistical significance of the impact of racial composition took account of differences in tract-level incomes and tenure mixes. That analysis has been updated to include the presence of non-elderly PHA units in a census tract. With the higher filing rate for PHA units noted above, we do also observe that the presence of 50 or more PHA units is associated with elevated filing rates. Our analysis also shows that racial composition has a persistent, statistically significant effect on filing volume, independent of other key factors. In fact, net of differences in census tract incomes, tenure mixes, and concentrations of public housing units, for each 10% increase in percent African American in the census tract, there are 7.6 more eviction filings (See Figure 12).

A neighborhood that is 49% owner occupied with the city’s median income of \$38,484, a population that is 50% African American, and with fewer than 50 non-elderly public housing units would expect to have about 107 eviction filings in a two-year period. That falls to just 77 filings in a neighborhood that is otherwise the same except that African American residents comprise only 10% of the population. The number of filings climbs to 145 filings for neighborhoods in which African American residents comprise 100% of all residents. Lower neighborhood incomes are associated with more filings, but the relationship between tract racial makeup and filings remains whether a tract’s income is 50% above or 50% below the city median (\$60,000 or \$20,000). Areas with low median incomes and more than 50 public housing units had some of the highest predicted eviction volumes in the city but among these tracts, areas that were predominantly African American could still expect to have up to 40% more eviction filings than areas that were mostly White.

Figure 12: Expected Number of Eviction Filings in Philadelphia Census Tracts by Racial Composition Controlling for Tenure, Public Housing, and Income; 2017-2018, Reinvestment Fund Analysis of Philadelphia Municipal Court Filings



Percent Black / African American						
Tract Characteristics	10%	25%	50%	75%	90%	100%
\$20,000 & 50+ Pub Housing Units	153.72	165.08	184.00	202.93	211.28	218.85
\$20,000 Income & < 50 Pub Housing Units	99.27	110.63	129.55	148.48	159.83	167.40
\$38,484 Income (City Median) & < 50 Pub Housing Units	76.52	87.88	106.80	125.73	137.08	144.65
\$60,000 Income & < 50 Pub Housing Units	61.08	72.44	91.36	110.29	121.64	129.21

COURT OBSERVATION

Reinvestment Fund staff observed 35 Landlord-Tenant court sessions between November 2018 and August 2019, during which 53 contested hearings took place. The purpose was to document information that court records do not capture—for instance, the race, ethnicity, and gender of landlords and tenants, or explanations put forth by defendants related to non-payment of rent or breach of lease. We also sought to form a deeper understanding of the general milieu in which eviction proceedings take place.

There are two main courtrooms dedicated to Landlord-Tenant cases at Philadelphia Municipal Court. One is dedicated to cases brought by the Philadelphia Housing Authority (PHA court) and typically operates two days a week; the other hears all remaining cases, including those involving tenants with Housing Choice Vouchers, and runs daily.

Both courtrooms generally hold a morning and an afternoon session. At the start of each session, the atmosphere often feels chaotic as landlords, tenants, attorneys and court staff fill the room. There is no clear sign-in procedure and, for the uninitiated, the roles of different individuals in the court can be unclear to arriving plaintiffs and defendants. Court staff then call out plaintiff and defendant names for each case. Cases for tenants who do not indicate their presence at this time are generally ruled a default in favor of the plaintiff and the Trial Commissioner enters the plaintiff's claims for possession and payment in full unless there is a flag for noncompliance. Observers noted several instances in which a defendant was present but did not respond when their name was called by court staff due to mispronunciation or limited English proficiency.¹²

During each session, much of the activity takes place in an adjoining room as part of the judgment by agreement (JBA) process. In a JBA negotiation, a landlord and tenant can agree to terms regarding total amount owed, the establishment of a payment plan, how long a tenant can stay in the unit, and other landlord/tenant issues (e.g., alleged lease violations). It is common for a landlord's attorney to broker a JBA because plaintiffs are much more likely than defendants to have an attorney. If neither party is represented there may be a mediated agreement. There is a period of an hour or more during which little formal happens in the courtrooms as JBA discussions take place. In any given court session, there are only a handful of contested hearings during which a landlord and tenant, or their legal representatives, each present their side of the case to a judge for a decision. Such hearings may occur when the parties cannot agree to terms for a JBA; when a plaintiff or defendant declines to participate in a JBA negotiation; when a continuance is requested; or when a defendant has filed a petition to open a judgment. Individual hearings before a judge varied in length from a few minutes to over an hour; the average hearing time observed was just over 15 minutes.

In PHA court, two attorneys represent the plaintiff (the Housing Authority) during each session, with occasional assistance or input from other PHA staff. In the general courtroom, there are more attorneys but typically just a handful of those lawyers represent a majority of the plaintiffs. For these attorneys, representing landlords is a key part of their legal practice; they may be involved in dozens of cases in a single session. In an attempt at efficiency, court staff often call up each attorney individually and work through all the cases associated with their firm. According to court data from 2018 denoting when a formal appearance of counsel has been entered, three quarters of plaintiffs appearing in court had legal representation; in 60% of these cases, representation was provided by just four attorneys and their

¹² PA Act 172 of 2006 ensures equal access to the Pennsylvania Courts and judicial proceedings to people who are LEP. The Administrative Office of the Pennsylvania Courts (AOPC) released a Statewide Language Access Plan ("LAP") in March 2017. The Pennsylvania Interbranch Commission for Gender, Racial and Ethnic Fairness is monitoring the implementation of the plan.

associated attorneys. Just 10% of tenants were represented in court, although some tenants seek legal information or advice prior to court through services provided by the Philadelphia Eviction Prevention Project's (PEPP) Landlord/Tenant Legal Help Center, the Tenant Legal Aid Referral Line and several other legal service providers.

There are two courtroom navigators that float between courtrooms, hallway areas, and rooms where JBA discussions take place, who provide information to landlords and tenants. A relatively new position, the navigator is funded and managed through PEPP. In the PHA courtroom, there are also representatives of a tenant-run advocacy group present who are not formally affiliated with the court or PEPP. The role of these representatives is not immediately clear to the uninitiated. Compared to the courtroom for the non-PHA eviction cases, our staff observed more frequent significant interpersonal tension between various parties.

Reinvestment Fund recorded demographic characteristics only when individuals clearly stated their identity as a plaintiff or defendant for the court record, and when those characteristics were readily observable. Within the observed set, a majority of defendants were African American and female while plaintiffs were more often male and White. Out of 273 defendants for whom both race/ethnicity and gender were observed, 76% were identified as female and 84% as African American (65% were African American females). In contrast, just 38% of the 71 plaintiffs were female, 42% were African American, and 22% were African American females. Asians accounted for 1% of defendants and 13% of plaintiffs. Hispanics made up 7% of defendants and 2% of plaintiffs. There were 12 observed cases where either the plaintiff or the defendant requested an interpreter for languages including Spanish, Mandarin, Russian, and American Sign Language. There were 22 instances where a plaintiff had a child or children with them in court.

Among plaintiffs for whom race/ethnicity was identified, 19% of African American tenants had an attorney. The share was 5% for White tenants. A third of the 15 Hispanic tenants observed had a lawyer, and none of the Asian tenants had representation. Our observation period began after the implementation of a "lawyer of the day program" (also part of PEPP) in which a lawyer from one of several nonprofit legal service providers is made available to represent up to five low-income tenants per court session (up to 10 per day). Some, but not all, of the tenants observed with legal representation were served through this program. A total of 547 tenants were represented by a lawyer for the day in the program's first year.¹³

Of the 30 recorded defenses or explanations for non-payment put forth by tenants, 9 (31%) were related to maintenance issues, 3 (10%) were related to utility shutoffs, and 2 (9%) were related to health issues. Other defenses included temporary loss of income, a contention that payment was attempted but returned by mail, and disagreement over the amount owed. The latter was often related to confusion over how much was owed respectively in late fees, ongoing rent, back rent, and other expense categories.

¹³ <http://www.phillytenant.org/pepp/>

Eviction Filings and Hispanic Communities

The relationship between the percent of an area's population that is Hispanic and the eviction filing rate is complex. When we created sets of tracts that were similar in terms of incomes and tenure but differing by racial and ethnic makeup, we found that filing rates in the set of tracts with notable shares of Hispanic residents were 3.5 to 6.5 percentage points lower than for the tracts that were predominantly African American.

A deeper look into the housing markets in each set of tracts identified two relevant factors to eviction filings. First, the number of rental units as estimated by ACS far outstrips the number of licensed rental properties in the areas with the city's highest concentrations of Hispanic residents. In other words, there appeared to be a large share of unlicensed rental units; the law requires a rental license in order for a landlord to file an eviction. Second, there may be a "subsidy paradox" in which low-income Hispanic households lack access to needed subsidized units and vouchers, but this lack of access also limits exposure to the observed elevated eviction rates associated with publicly subsidized units.

Figure 13: Ethnic and Racial Comparison Areas

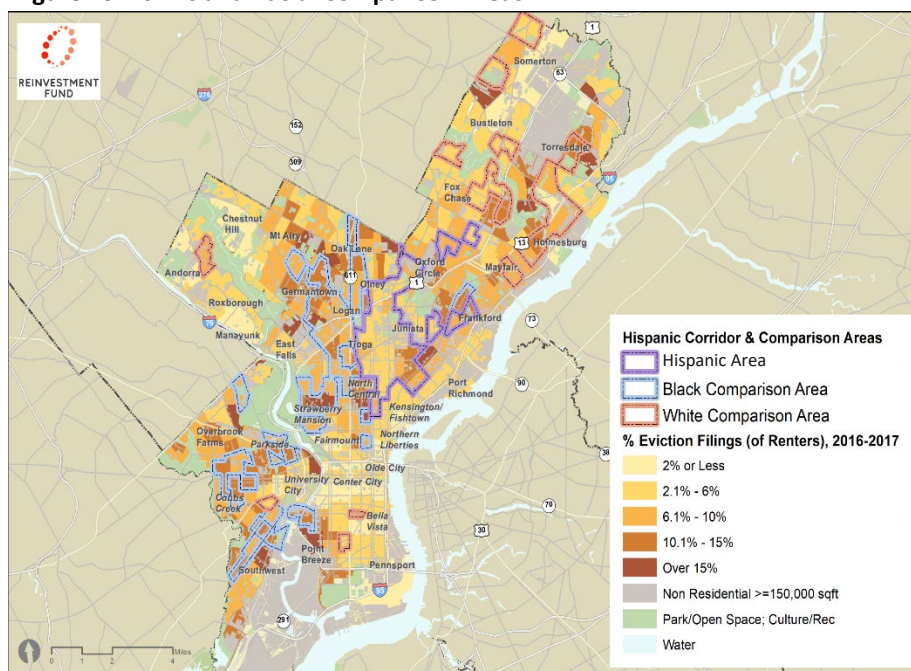


Figure 14: Eviction Filing Rates by Comparison Area

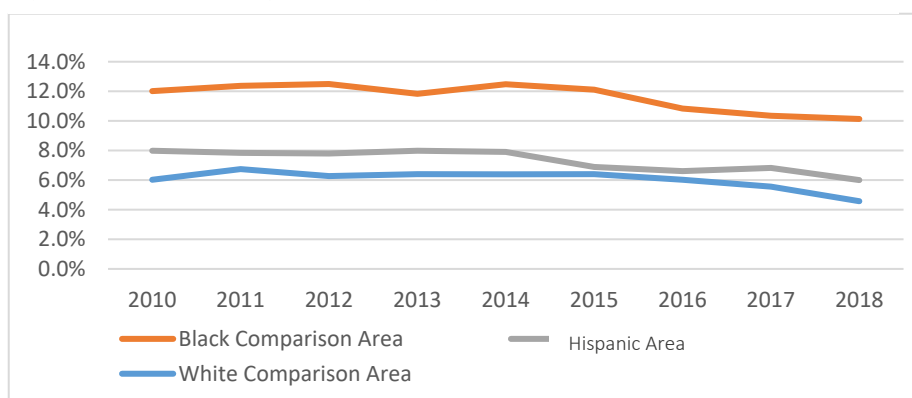


Figure 15: Housing and Population in Comparison Areas

	Hispanic Areas	Black Comp. Areas	White Comp. Areas
Housing Units	53,059	87,835	39,843
Rental Units	26,637	40,981	19,588
Low-Income Persons	102,170	107,955	32,850
Low/Mod-Income Persons	126,200	138,515	52,085
Subsidized Units (All)	3,227	17,731	1,686
Public Housing Units	333	4,617	79
Housing Choice Vouchers	1,341	4,848	1,059

To better understand why landlords operating in Philadelphia's Hispanic areas are less likely to obtain a license, and additional factors influencing the lower filing rate, we met with leaders of nonprofits that serve the housing and social service needs of Philadelphia's Hispanic communities. Several themes emerged in these interviews. Interviewees described a reliance on family and social networks in Philadelphia's Hispanic communities in order to find housing. This affects landlord-tenant dynamics: the personal connection between landlords and tenants may make landlords slower to evict and may encourage tenants to "self-evict" when they cannot pay in order to protect the relationship that helped them get the unit in the first place. Informal hosting or "couch surfing" is also reportedly common, where there is no lease or expectation of long-term residency. Stemming from these informal and personal relationships between landlords and tenants, the rent amount may be set by what a tenant can afford, not the "market rate" that would be charged outside of the informal relationship. Finally, interviewees pointed to a long-running lack of connection between city government and Hispanic communities, in part due to cultural expectations regarding the role of government. Landlords are less likely to go to court in a dispute and tenants are less likely to turn to the city for help with concerns about code violations or other housing rights. This dynamic may be exacerbated by the inadequacy of Spanish-language resources. For example, suggestions were made to translate the Philly Tenant Resource Guide and to ensure the courtroom navigators can meet the needs of Limited English Proficient tenants and landlords.

Court Process and Outcomes

Although the number of eviction filings has declined, thousands of Philadelphia households and their communities are still impacted by the legal threat to tenancy. There are many possible paths a case can take after the filing.

Between 30% and 40% of defendants in 2018 filings failed to appear in court when their case was called, resulting in what is called a Default Judgment for the landlord. A Default Judgment generally grants the landlord possession of the housing unit, which allows them to take the next step toward removal of the tenant. Usually, Default Judgments include provision to the landlord of back rent, court administrative fees (ranging generally from \$99.75-\$138.75), and legal fees (from \$250-\$500). Landlords do not need to provide evidence in a default. The

CHANGES IN COURT PRACTICE AND CITY POLICY SINCE 2017

In 2018 the Philadelphia landlord tenant court began confirming whether landlords held a rental license, a certificate of rental suitability, and a lead-safe designation before allowing an eviction case to move forward. Rent is not legally due for months during which the landlord was noncompliant. Now, when a landlord fails to include the required documentation, the court issues a notice of noncompliance. When the trial commissioner calls the cases at the beginning of the session, noncompliant cases are held and then later all called back when the judge arrives to explain the significance of the notice. Some legal professionals believe this change helped to reduce technically illegal filings and reduced the amounts of money owed by defendants, increasing their ability to pay off debts.

Philadelphia officials allocated \$500,000 for fiscal year 2018 and \$950,000 for fiscal year 2019 for enhanced services for tenants facing evictions. These funds supported the creation of the Philadelphia eviction prevention project (PEPP). PEPP is a collaborative effort of several nonprofit organizations including Community Legal Services, Clarifi, Legal Clinic for the Disabled, SeniorLaw Center, Turn, and Philadelphia VIP to provide information and legal representation to tenants facing eviction.

judgment amount may be greater than the original complaint filing if it includes the court and legal fees as well as an additional month or more of rent that has gone unpaid since the filing date. It may be less than the original if the tenant has paid some portion since the filing date.

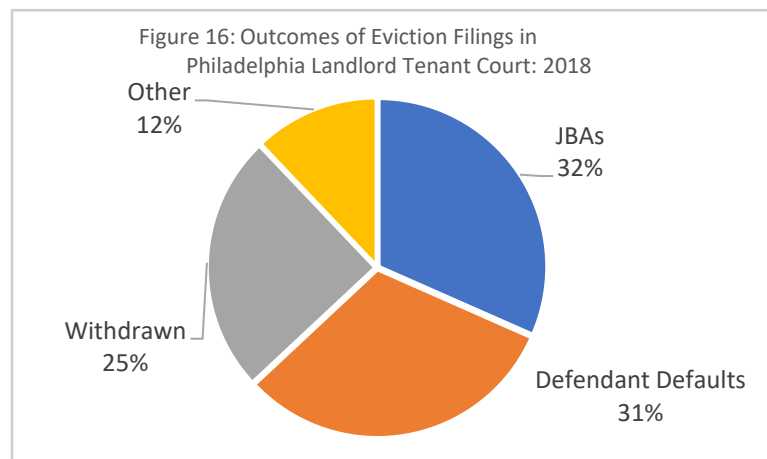
In 2018, a quarter of filings were withdrawn. Reasons for withdrawal include that a tenant paid the rent or vacated the unit before the court date, or that a plaintiff intends to refile with some adjustment to the case.

About a third of cases result in a Judgment by Agreement (JBA), which is about half of the filings that do not end in a default. Other outcomes at court include judgments from the bench in a contested hearing. No matter how a judgement is reached—through default, JBA, or from the bench—it may include judgement for possession (meaning the tenant must vacate the property), judgment for money, or both.

The JBA practice is unique to Philadelphia County in the Commonwealth of Pennsylvania. In all other Pennsylvania counties, a Magisterial District Judge hears all landlord/tenant matters, in addition to traffic cases and other civil

complaints. The JBA was created as a way to deal with Philadelphia's much larger case volume; it moves cases forward without the involvement of a judge or trial commissioner, thereby eliminating a bottleneck in case processing. Some proponents argue that this gives more control to the two parties involved in a venue that is more collaborative than contentious. In addition, JBAs can be vacated but judges' orders may not. Other experts

believe that the JBA process and outcomes may be unfair to tenants for a number of reasons, including that the settlement discussions are frequently presided over by the landlord's attorney. JBAs also are recorded by the tenant reporting services used by landlords to screen tenants; these judgments stay active on tenants' records for many years. Reinvestment Fund has begun an in-depth analysis of the JBA process and outcomes that will be covered in a future research brief.



Upcoming Research

Future research briefs will use the information presented here along with the results of interviews with tenants, landlords, court officials, landlords / property managers and other subject matter experts to inform a set of recommended policy, procedure, and resource allocation actions. We began conducting surveys of tenants who have faced an eviction to understand their perspective on the court process as well as the causes and consequences of their evictions and structured interviews with property owners and managers will follow. Our research will also include the results of an in-depth analysis of JBAs including judgment amounts, any benefits secured for tenants (e.g., extra time in the unit or a reduction of the amount owed), and representation patterns. Reinvestment Fund will also continue to monitor annual trends in eviction filings and outcomes.

Reinvestment Fund has published a range of reports addressing critical public policy issues. The highlighted reports below represent recent housing research projects. For details, please visit our Policy Publications site:

WWW.REINVESTMENT.COM/IMPACT/RESEARCH-PUBLICATIONS

2014

Philadelphia Residential Mortgage Foreclosure Diversion Program: Update



2016

West Philadelphia Scattered Site Model: An Affordable Housing Impact Study



2017

Evictions in Philadelphia



2019

HEMAP's Enduring Impact in Pennsylvania



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