



Action. Access. Progress.

## **Semi-Annual Report to The Barbara McDowell and Gerald S. Hartman Foundation March 2018**

As projected in our funding application, in September of 2017 we [filed a federal class action](#) lawsuit under the Federal Debt Collection Practices Act (FDCPA) on behalf of Philadelphia consumers who were sued for back rent and/or possession of their rental housing when Philadelphia law says that no money was owed. We are partnering with pro bono counsel from Chimicles & Tikellis LLP and the National Consumer Law Center to litigate this case.

Our suit seeks to give meaning to Philadelphia laws that have long been ignored by landlords and their attorneys. In order to protect public safety and ensure rental properties are safe and habitable, Philadelphia City Council has enacted a number of requirements that property owners must follow as a precondition to collecting rent. One of those preconditions is that a landlord must provide tenants with a Certificate of Rental Suitability. This requirement creates a chokepoint to force landlords to make their properties habitable: Philadelphia will only issue a Certificate if there are no outstanding code violations related to the property. Landlords, in other words, must make necessary repairs so that their properties are habitable and compliant in order to collect rent. But landlords do not comply with the law, demand rent anyway, and then hire attorneys to sue tenants for that money. We seek to change that.

We initially filed the lawsuit on behalf of Cassandra Baker, and others like her, all of whom were threatened with an eviction lawsuit or in fact actually sued in landlord-tenant court for money that they did not owe. Ms. Baker is a lifelong Philadelphian who now lives with her daughters and their families in the Germantown section of the city. Shortly after moving into her apartment in 2014, Ms. Baker notified her property manager that there was no heat in one of the bedrooms, making it unusable during the winter. The heating system in the rest of the house also regularly malfunctioned, causing her utility bills to skyrocket. After repeated demands to her landlord to fix these problems, she received a letter from Glenn M. Ross, her landlord's attorney, demanding back rent, late fees, legal fees, and threatening to file an eviction lawsuit against her. Moreover, Ms. Baker's landlord had not provided her with a Certificate of Rental Suitability, one of Philadelphia's preconditions on landlords' ability to legally collect rent. Despite that her landlord did not comply, our Defendants, Glenn M. Ross and Glenn M. Ross, P.C., sued her for that money anyway, in what we believe to be a clear violation of the FDCPA.

Ms. Baker shared her experience as part of a press release we issued when we filed the lawsuit: "Once I moved in, I realized there were a lot of problems. To get heat I had to turn the thermostat to ninety degrees, and my gas bills went through the roof. A bedroom did not have any heat at all, no matter what I did. And so I had to share a bedroom and even a bed with my teenaged daughter. My landlord just told me to buy an electric heater. Even before I went to Court, I came home one night, and we could not get back in. I realized that the lock was changed. I could not believe it. All we had were the clothes we were wearing that day."

Using publicly available data we secured through Right-to-Know requests, we learned that Mr. Ross had similarly sent debt collection letters and filed scores, if not hundreds of evictions against tenants on behalf of landlords who do not follow Philadelphia law. This lawsuit, therefore has the potential for real impact. If Mr. Ross is held accountable for his violations of federal law, hundreds of similarly situated, low-income tenants would be relieved from illegal eviction and debt collection practices.

But more than just changing the practice of a single attorney, we believed the case, along with a companion individual case we filed, would send a message to the landlord bar that suing for money that tenants did not owe would have consequences. And, we believed, the result of those consequences would be that the small group of landlord lawyers that dominate landlord-tenant court would tell their clients that if they wanted to file evictions, they would have to comply with the law.

No motion to dismiss was filed. Instead, in November 2017, the defendants filed [an Answer](#). In December, we [amended the complaint](#) to incorporate Corrine Morris as a second named plaintiff. Together with her partner, Charles Hagood, Ms. Morris is raising two young children. They rented an apartment for their family in the East Germantown neighborhood of Philadelphia. Like Ms. Baker's landlord, Ms. Morris and Mr. Hagood's landlord did not comply with Philadelphia preconditions on the collection of rent, including failing to provide her with a Certificate of Rental Suitability. And after moving in, they realized it was in need of serious repairs. Their most significant issue was the broken pipe in the basement, which kept water from reaching the first and second floors. Ms. Morris, while pregnant, had to haul buckets of water up from the basement to flush the toilet, bathe her child, and cook. The Department of Licenses & Inspections found nine other violations including a crumbling foundation and broken windows and doors. Ms. Morris regularly notified her landlord and requested repairs. In September of 2017, her landlord hired Mr. Ross to file an eviction claim against her and Ross again demanded back rent that the law says was not owed.

In January 2018, the parties exchanged initial disclosures and the court held a Rule 16 status conference. The court thereafter issued a scheduling order establishing deadlines for discovery (August 31); expert reports (October 31); and, a class certification motion (November 10). On January 31 2018, we served interrogatories and document requests. The responses are overdue, and we are contemplating a motion to compel.

While this case is ongoing, it, along with another case against a different attorney, have already made impacts. First, through a record request, we examined the frequency of landlords' compliance with Philadelphia law, including whether our suits have had an impact. They clearly have. In the months preceding the first lawsuit (against a different attorney), landlords acquired about 5,500 Certificates of Rental Suitability each month. In the months since, that number has increased to 8,800 per month. In other words, merely pursuing these suits has already increased compliance. Second, this suit was a strong part of a larger push from advocates to have Philadelphia's Municipal Court affirmatively check for compliance with Philadelphia law. In January, the Court did just that, promulgating rules demanding that landlords filing evictions show their properties are in compliance with city laws. An article on this achievement can be viewed here: <http://planphilly.com/articles/2018/01/25/philadelphia-renters-just-scored-a-courtroom-win>.

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