



## CDBG Supports Legal Help for Low-income Tenants in Philadelphia



**The Community Development Block Grant (CDBG) Program** is administered by the U.S. Department of Housing and Urban Development (HUD) and provides annual grants to states, cities, and counties to ensure affordable housing and to provide services to low- and middle-income people.<sup>1</sup>



**The Philadelphia Eviction Prevention Project (PEPP), which receives CDBG funding, is a collaboration among six organizations that provides comprehensive legal and social services to low-income tenants facing eviction.**<sup>2</sup> PEPP provides full representation in eviction cases, an in-court Tenant Help Center, Lawyer of the Day program, Court Navigators, a tenant hotline, pro bono support, financial counseling, and community outreach through tenants' rights workshops. Both before and during the COVID-19 housing crisis, PEPP has maintained high success rates preventing homelessness and housing instability.

### Legal Aid for Tenants Leads to Better Outcomes

Most tenants do not know their rights or how best to assert them when faced with eviction or unsafe living conditions. Exacerbating the problem is the power imbalance in court: approximately 90 percent of tenants are unrepresented compared to just 10 percent of landlords.<sup>3</sup> When tenants have counsel, they are more likely to remain housed, improve their housing conditions, receive more days to move, avoid going to trial, and remove a prior eviction from their record, reducing the likelihood of future housing instability.<sup>4</sup> Cost-benefit analyses have identified significant savings for cities when tenants have a right to counsel in matters relating to eviction, foreclosure, and ejection. For example, in Philadelphia, every \$1 spent on tenant representation saves the city nearly \$13 in costs for services.<sup>5</sup>

### CDBG Funds Legal Aid

Title I of the Housing and Community Development Act of 1974 authorizes CDBG to “develop viable communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons.”<sup>6</sup> Congress appropriated \$3.4 billion in FY 2020<sup>7</sup> for CDBG, allocating awards to states and larger cities based on a formula that considers community need measures, including the total population and number of people in poverty, overcrowding, age of housing, and population growth lag compared to other metropolitan areas.<sup>8</sup>

Chapter 2 of HUD’s Guide to National Objectives and Eligible Activities for State CDBG Programs makes clear that legal services are an eligible use of CDBG funds, including walk-in legal counseling, foreclosure mitigation and prevention, landlord/tenant matters, veterans and public benefit appeals, child support orders, reasonable accommodations for persons with disabilities, and consumer protection.<sup>9</sup> In addition, Chapter 2 explains that services carried out by nonprofit development groups designed to increase economic opportunities through job training and placement, including “... legal services to secure or retain employment”, are not subject to the general rule requiring a 15 percent cap on public services, adding advantageous flexibility for using CDBG funds to meet legal needs.<sup>10</sup>

### Philadelphia Eviction Prevention Project



**Philadelphia  
Eviction  
Prevention  
Project**

The urgency of Philadelphia's eviction crisis prompted advocacy by the Philadelphia Bar Association's Access to Justice Task Force, tenant testimonials, research documenting the problem, and grassroots organizing that persuaded the City Council and the City's Department of Planning and

Development to launch the Philadelphia Eviction Prevention Project (PEPP) and PhillyTenant.org. They received \$500,000 for this project – braiding together local government and CDBG funds – in late 2017.<sup>11</sup>

PEPP, an innovative collaboration among Community Legal Services, Philadelphia VIP, SeniorLAW Center, Legal Clinic for the Disabled, Tenant Union Representative Network (TURN), and Clarifi financial counselors, increases legal aid for low-income tenants facing eviction and provides a range of services including:<sup>12</sup>

- ▶ Tenant Hotline – live support and referrals to legal services
- ▶ Lawyer of the Day – free, same day representation to income-eligible tenants on the day of their eviction hearing
- ▶ Court Navigators – professionals to explain the court process, provide resources, and offer neutral information
- ▶ Tenant Help Center – onsite legal staff at the court
- ▶ Tenant Rights Workshops – informational sessions to learn about tenant-landlord rights and responsibilities
- ▶ Financial Counseling – Clarifi financial counselors available onsite at Philadelphia Municipal Court
- ▶ Pro Bono Representation – free representation to income-eligible tenants from private pro bono attorneys working with Philadelphia VIP

PEPP's internal analysis demonstrates that a robust and coordinated network of legal services is critical to ensuring tenants remain in their homes.<sup>13</sup> The data shows that between January 1, 2018 and September 30, 2020, nearly 110,000 people accessed legal self-help materials, legal information, and videos from PhillyTenant.org. In addition, the data reveals that 4,800 tenants received direct legal advice or representation and that:

- ▶ tenants who see a PEPP advocate are more likely to show up to court, win their cases, and enter into a more affordable agreement than tenants who do not;<sup>14</sup> and
- ▶ only 5 percent of tenants with representation experience “disruptive displacement,” as compared to 78 percent of tenants without representation.<sup>15</sup>

The program's success led to a significant increase in funding and expansion in FY 2021, and contributed to the historic vote of the Philadelphia City Council creating a renter's right to counsel in November of 2019.<sup>16</sup> PEPP partners have also provided support to the design and implementation of the city's first pre-filing eviction diversion program, launched in September 2020.

PEPP's expansion could not have been more timely. The COVID-19 pandemic dealt an additional blow to renters, causing widespread job loss, sickness, delays in resolving repairs, illegal lockouts, new and changing governmental regulations, and a constant threat of losing one's home. The courts and advocates in Philadelphia are able to quickly respond to the changing landscape of the pandemic because of partnerships like PEPP, which already had built trust and systems for coordinating by working closely for over two years.

## Endnotes

1. See <https://www.hudexchange.info/programs/cdbg/>

2. See <http://www.phillytenant.org/pepp/>

3. Matthew Desmond (March 2015), *Unaffordable America: Poverty, Housing, and Eviction*, <https://www.irp.wisc.edu/publications/fastfocus/pdfs/FF22-2015.pdf>

4. See *The Justice in Government Project* (last updated July 2020), *Key Studies and Data About How Legal Aid Improves Housing Outcomes*, <https://www.american.edu/spa/jpo/toolkit/upload/housing-7-30-19.pdf>

5. See Stout Risius Ross (November 2018), *Economic Return on Investment of Providing Counsel in Philadelphia Eviction Cases for Low-Income Tenants*, <https://www.philadelphiabar.org/WebObjects/PBA.woa/Contents/WebServerResources/CMSResources/PhiladelphiaEvictionsReport.pdf>; see also Stout Risius Ross (May 2020), *The Economic Impact of an Eviction Right to Counsel in Baltimore City*, <http://bmorerentersunited.org/rtc/stoutreport/>. See also Stout Risius Ross (March 2016), *The Financial Cost and Benefits of Establishing a Right to Counsel in Eviction Proceedings Under Intro 214-A*, [https://www2.nycbar.org/pdf/report/uploads/SRR\\_Report\\_Financial\\_Cost\\_and\\_Benefits\\_of\\_Establishing\\_a\\_Right\\_to\\_Counsel\\_in\\_Eviction\\_Proceedings.pdf](https://www2.nycbar.org/pdf/report/uploads/SRR_Report_Financial_Cost_and_Benefits_of_Establishing_a_Right_to_Counsel_in_Eviction_Proceedings.pdf)

6. See <https://www.hudexchange.info/resource/2184/housing-and-community-development-hcd-act-of-1974/>

7. See [https://www.hud.gov/program\\_offices/comm\\_planning/budget/fy20/](https://www.hud.gov/program_offices/comm_planning/budget/fy20/)

8. See <https://www.hudexchange.info/resource/4895/cdbg-formula-and-appropriation-process-video/>. See also Congressional Research Service (September 2020), *Community Development Block Grants and the CARES Act*, <https://crsreports.congress.gov/product/pdf/IN/IN11315>

9. See <https://www.hudexchange.info/sites/onecpd/assets/File/CDBG-State-National-Objectives-Eligible-Activities-Chapter-2.pdf> and <https://www.hudexchange.info/resource/2179/guide-national-objectives-eligible-activities-state-cdbg-programs/>

10. *Id.* at 38 and 54.

11. City of Philadelphia (January 30, 2018), “*Mayor Kenney Announces Philadelphia Eviction Prevention Project*,” <https://www.phila.gov/2018-01-30-mayor-kenney-announces-philadelphia-eviction-prevention-project/> and <http://www.phillytenant.org/pepp/>

12. See [http://www.phillytenant.org/documents/PEPP\\_Services\\_English.pdf](http://www.phillytenant.org/documents/PEPP_Services_English.pdf)

13. Between January 1, 2018 and September 30, 2020, 4,795 tenants facing an eviction received expert legal assistance; 109,238 people accessed legal self-help materials, legal information, and videos from PhillyTenant.org; 1,396 tenants received legal advice or full representation from the Landlord Tenant Help Center; 1,764 tenants were represented by the Lawyer of the Day; 235 tenants were represented by pro bono attorneys; 6,375 tenants received live assistance and referrals from the Tenant Helpline; 764 tenants received financial counseling; 8,000 tenant resource guides and 5,000 illegal lockout postcards were distributed to tenants and advocates; and 2,763 tenants learned about courtroom processes and community resources from Courtroom Navigators. Project outcomes also available at <http://www.phillytenant.org/pepp/>

14. Internal analysis of court data by the Philadelphia Eviction Prevention Project (PEPP).

15. See Stout Risius Ross (November 2018), *Economic Return on Investment of Providing Counsel in Philadelphia Eviction Cases for Low-Income Tenants*, <https://www.philadelphiabar.org/WebObjects/PBA.woa/Contents/WebServerResources/CMSResources/PhiladelphiaEvictionsReport.pdf>. “Disruptive displacement” refers generally to tenants who receive a judgment on their eviction cases without adequate time to prepare to leave their homes.

16. Pending funding, this law requires that all low-income renters have access to an attorney in eviction proceedings. Philadelphia was only the fourth city in the nation to pass a right to counsel: <https://www.phillytenant.org/right-to-counsel/>