

August 6, 2014

Dan Ruben, Executive Director  
Equal Justice America  
Building II, Suite 204  
13540 East Boundary Road  
Midlothian, VA 23112

Dear Mr. Ruben:

Thank you for once again providing me with an Equal Justice America Summer Fellowship. With Equal Justice America's support I was able to accept a position with Community Legal Services in Philadelphia. I have spent my summer primarily defending homesteads from property tax foreclosure and researching the laws that affect foreclosure and related defenses. It has been a rewarding summer, and I am certain it will impact my career as a consumer-protection attorney.

Philadelphia is unique in that for such a large American city it still has a high percentage of owner-occupied homes. For many decades the City of Philadelphia did not strictly enforce the collection of property taxes. A few years ago, the City changed its practices, resulting in increased enforcement rates and a new method of tax assessment. These two changes have led to higher tax bills for property owners and several hundred tax foreclosures every month as the City attempts to collect back taxes from impoverished homeowners.

Fortunately, there is an option for a homeowner who occupies her homestead to enter into an Owner-Occupied Repayment Agreement with the City. The contracts fix the payment at an affordable percentage of a homeowner's income, if her income is at or below 70% of the area poverty line. Because the City has hired outside counsel to collect back taxes and arrange payment agreements, often applications to enter into agreements are erroneously denied. I have encountered several such cases this summer.

In one case, my client lives in a single-room dwelling attached to another building. He owns his dwelling outright. My client has everything he needs in his home: a working bathroom, running water, electricity, his guitars, his pets, a small refrigerator, microwave, etc. Yet, his application for an agreement was denied by the City's outside counsel, because they claimed 1.) my client's home was uninhabitable due to the water being legally supplied after the meter from his neighbor and 2.) that the property was in a commercially zoned area. I quickly recognized that the property is actually zoned multi-family residential and that habitability is not a requirement of the Owner-Occupied Payment Agreement program. I have filed an appeal with the City on behalf of my client and have every reason to believe it will be granted. Without the assistance of legal counsel, the client's home would have been foreclosed upon for nonpayment of back taxes and sold at sheriff's sale, thereby displacing him.

Through my work this summer, I understand that it is in the City's best interest to keep people in their homes. The increased rates of homelessness that would result from rampant property tax foreclosures will only place a further burden on an already stressed network of agencies working in Philadelphia to ameliorate the impact of poverty on the community. It has been a rewarding summer, and I thank Equal Justice America for contributing to my successes.

Sincerely,



Catherine Martin

Legal Intern for Montgomery Wilson, Esq.  
Homeownership & Consumer Unit