

**Philadelphia's Certificate of Rental Suitability**  
**November, 2011 Update – Rental Owners Must Once Again Obtain**  
**Certificates of Rental Suitability**

In 2005 the City of Philadelphia added the Certificate of Rental Suitability to the collection of documents and licenses rental owners must obtain before renting a dwelling unit. Requirements for the Certificate originally included a promise on the part of the rental owner that the property would be free of defects that affect health and safety at the start and throughout the tenancy. The City's vague idea of what actually constitutes such a defect was never spelled out. Nor could they explain how a rental owner could swear to maintain the property free of something they could not define. So The Apartment Association (AAGP) challenged the Certificate in court. After years of wrangling AAGP secured an agreement from all parties that was signed in to law as a Consent Order.

The Consent Order substantially reduced the requirements for obtaining a Certificate. Owners must now simply acknowledge their responsibilities that were already present under the law, but not swear to any new or ill-defined obligation. Owners no longer have to swear the property will be free of all defects that affect health and safety, and renters no longer have a separate private right of action to compel compliance.

**Here is a summary of the new requirements for obtaining a Certificate:**

- Philadelphia rental owners must obtain the Certificate of Rental Suitability from the L & I website no more than 60 days before the inception of a tenancy.
- The Certificate will include an acknowledgement by the owner of his or her obligation to provide a fit and habitable property, and all operating systems are in a fit and habitable condition. Additionally, all fire protection and smoke detection equipment must be present and in proper operating order. The owner must also acknowledge the operating systems will be maintained in a fit and habitable condition.

- L & I will issue the Certificate if there are no violations for the property or if the owner has filed an appeal of the violation for reasons including failure to receive the violation, and has notified L & I of the appeal in the proper manner.
- L & I will not issue the Certificate if the owner has not also obtained all required licenses with respect to the property. These additional requirements have been in place for some time. They include:
  - A Housing Inspection License, a Business Privilege License and a business tax account number. Additionally, the owner must name a managing agent to receive service of notices, orders or summonses issued by L & I.
  - Rental owners must also provide the renter with a copy of L & I's booklet, "Partners for Good Housing" along with the Certificate. Owners can download and print the booklet from the L & I site as needed. They are also available through AAGP at 40 cents each.
  - At the time of the signing of the Consent Order, the City planned to issue the Certificate of Rental Suitability without charging a fee. But the Consent Order allows L & I to institute a fee at a later date, if they feel the need to do so.
- A final note: if owners need to start eviction proceedings, they must show a copy of the Certificate they obtained at the start of the tenancy.