Today our clients, volunteers, and law firm partners are united by the same conviction that drew a group of young idealists together to found this organization 35 years ago – that the legal community can positively impact the quality of life in the City where we live and work. Through hundreds of thousands of hours of expert legal assistance by staff and volunteers, Lawyers Alliance has persisted in the belief that neighborhoods and the local nonprofit organizations that know them best are the source of enduring improvements in jobs, housing, child care, education, and all of the conditions that affect the quality of life. Expert legal assistance is essential leverage for nonprofit groups with innovative ideas to restore and preserve their communities, and Lawyers Alliance makes that assistance available to organizations that could not otherwise afford it.

The nonprofit sector is a profoundly different force today than it was 35 years ago. It has grown exponentially in size and importance, and essential services of every kind are now provided by nonprofit organizations throughout the City. It is a measure of the endurance of our mission that hundreds of nonprofit groups that began as storefront service organizations have grown to become institutions upon which hundreds of thousands of New Yorkers depend. It is a measure of the vitality of our dream that our original founders have been succeeded by generations of volunteers who share their vision and passion for a better New York.

Because New York is a place of constant change, Lawyers Alliance recently reviewed its priorities. In the years to come, we have resolved to support the work of more nonprofit organizations that are creating affordable housing, stimulating economic development, and serving children and young people, the elderly, and new immigrant communities all over New York City. I invite you to learn more about our priority areas in this 35th anniversary issue of our newsletter.

At our 35th Anniversary Gala on June 10, 2004, we announced a five-year, $10 million Anniversary Campaign that will help us sustain and expand our services to the city’s community-based nonprofit organizations in the years to come. The Campaign will enable Lawyers Alliance to pursue its new priorities and remain as vibrant a force for positive change as it was in 1969.

As we celebrate 35 years of community change, of volunteer service, of the vitality of life in this City, we look forward to another 35 years of building a better New York – one building, block, and neighborhood at a time.

Sean Delany
Executive Director
Lawyers Alliance for New York evolved from a handful of young lawyers who came together in 1969, linked by a spirit of political activism and a desire to make a difference. Founded as The Council of New York Law Associates, the organization recruited more than five hundred associates in its first year alone. Just beginning their careers in major New York firms, these idealists believed that lawyers bore a personal and professional obligation to give something back to society.

At that time, few formal structures existed to support lawyers seeking to take on volunteer projects. From the outset, the Council fostered communication between associates at different firms, promoted activism among lawyers in an era of turbulent political change, and provided legal assistance in a diverse array of community action projects. In the early 1970s, Council volunteers served as trained and neutral observers of political demonstrations, and they helped organize 2,000 lawyers for a march in Washington, D.C.

The Council also served as a clearinghouse for lawyers who wished to offer their pro bono services drafting legislation for elected officials at the federal, state, and local levels; providing free legal assistance to clients at methadone clinics and community centers; assisting in investigations of conditions at correctional facilities; and helping nonprofit groups incorporate and seek recognition of their tax-exempt status, establish child facilities, and rehabilitate and build affordable housing.

As New York City changed, so did the Council. During the next decades of its existence, the Council’s leaders recognized the growing importance of nonprofit organizations in rebuilding neighborhoods and in improving the quality of life in low-income communities. A new initiative, the Community Development Legal Assistance Center, was launched in 1980 to advise nonprofit housing groups and other community-based organizations in corporate, real estate and tax law. In 1988, the Nonprofit Law Program was created to serve as a legal resource center for nonprofits, to provide education and training, and to advocate for the nonprofit sector in the public policy arena.

In recognition of this evolution, the Council was renamed Lawyers Alliance for New York in 1991. Today, Lawyers Alliance is the leading source of free and low-cost business law services for nonprofit organizations in New York City, teaming its own superb legal staff with hundreds of volunteer attorneys from law firms, corporations and financial institutions each year. This vital partnership helps community-based nonprofit groups provide essential services to thousands of New Yorkers in need.

After 35 years of evolution and change, Lawyers Alliance continues to reflect its founders’ original vision: that lawyers could – and should – be a vital force for change. Through Lawyers Alliance, the talents of business lawyers from every discipline are being mobilized to help make the City a better place in which to live and work.
For decades, nonprofit housing developers have served as the backbone of every effort to increase the supply of affordable housing in New York City. Today, in a time of soaring demand and ever more scarce resources, their missions are under stress as never before.

On June 23, 2004 Mayor Bloomberg announced a new plan to end chronic homelessness in New York City that includes an expansion of community-based homelessness prevention programs and the creation of 12,000 units of low-income housing with supportive social services over the next five years. This announcement follows the Mayor’s unveiling in 2002 of an ambitious program to build 59,000 units and rehabilitate 27,000 units of low-income housing in New York City. That plan included a mix of new financing initiatives, ways to facilitate land development either through funding of hard-to-develop sites or by strategizing on environmental cleanup and streamlining zoning approvals. The city’s affordable housing development community has reacted to both plans with great interest – and some skepticism – because they come at a time when the city is facing record numbers of homeless and available land is scarce.

Implementing these two ambitious housing development plans is a daunting challenge. Nonprofit affordable housing developers face two major challenges in their work: (1) a scarcity of developable land and (2) the unavailability of funding to finance affordable housing. Nonprofits in the real estate arena compete with each other and with for-profit developers for available sites, and some of the remaining sites are difficult to develop because of zoning and environmental issues. When sites can be pieced together, combining city-owned sites with privately-owned sites adds considerable delay to the development schedule and additional cost to each project.

Nonprofit housing developers must also cobble together funding sources to finance each project. Projects that once might have been funded entirely from a sole federal or state funding source are now typically supported by a patchwork of a half-dozen or more government and private grants and loans, requiring enormous ingenuity and many more hours of planning.

Lawyers Alliance has been providing low-income housing development services to nonprofits since 1980, and has helped to create thousands of units of housing, representing dozens of nonprofit groups. We undertook our first tax credit projects in 1987, shortly after the Federal Low Income Housing Tax Credit legislation was enacted, and we have represented numerous organizations using the tax credit every year since that time. To support our clients, we have worked with the funding institutions and government agencies that are essential to the success of these projects, including the Department of Housing Preservation and Development, the Division of Housing and Community Renewal, LISC, Enterprise, the Corporation for Supportive Housing, the New York Equity Fund and the National Equity Fund. In addition to providing help on a project basis, we educate our clients through workshops and publications that are tailored to help nonprofits develop affordable housing.

While affordable housing developers face a myriad of development issues, homeless service providers are swamped with a rising demand and stagnant government funding for services. Those stresses often require organizations to adopt new strategies to keep pace with the need, whether it means simply subleasing some of their office space, looking at fundraising options, or considering a strategic alliance or merger with another nonprofit. Since 2002 Lawyers Alliance has expanded its outreach and client services efforts to assist additional groups working with the City’s homeless residents.

El Barrio’s Operation Fightback

Established in 1986, El Barrio’s Operation Fightback is a dynamic nonprofit engaged in the development of affordable housing in the Northern Manhattan community of East Harlem. Over the years it has evolved from a tenant advocacy group to a comprehensive community development organization that is also engaged in housing rehabilitation and management, new construction, and the provision of youth programs and other social services.

Lawyers Alliance attorneys recently helped El Barrio’s Operation Fightback to acquire land from the City of New York and secure the financing necessary to develop 42 units of affordable rental housing in East Harlem. We assisted this organization in obtaining a $4.4 million construction loan from JPMorgan Chase Bank and creating the legal structure needed to tap $6.3 million in equity investments. Construction began in December of 2003.
Economic Development
Bringing opportunity to all of New York City’s neighborhoods

As New York City recovers from the economic impact of September 11th and the subsequent recession, its economic development groups are working to ensure that the recovery benefits residents in all of the City’s neighborhoods. Economic development groups improve their neighborhoods by stimulating economic growth and commercial activity, and by preparing workers for jobs.

Economic development captures many activities. Some non-profits foster community revitalization and commercial activity by attracting shoppers to a community, like BIDS which beautify shopping streets, maintain planters and provide parking. Job training and job preparedness programs offer English and computer classes, technical skills training and job placement services to the under- and unemployed. Other economic development non-profits offer access to capital to start-up and small businesses, enabling borrowers with little or no credit history to become entrepreneurs when traditional avenues of financing are closed to them. Faith-based community development nonprofits build upon the resources and infrastructure of their religious organizations to provide a broad array of services to people of all faiths.

Funding is the biggest challenge facing groups engaged in economic development activities. Access to capital and funding has become more restricted as philanthropic resources for new ideas is limited by funders’ stagnating assets. In this environment, organizations need to consider the financial, legal and performance challenges they will face when starting a business venture or financing micro-entrepreneurs.

Lawyers Alliance is excited to continue to support the activities of New York City’s economic development agencies by providing expert legal advice. Since 1998, it has been our priority to serve economic development groups. Since then, we have helped over 150 organizations doing innovative work in the fields of economic and community development, job training, and community lending. Our clients range from start-up community development organizations to organizations with multi-million dollar budgets that have been in existence for over 50 years.

Greater Jamaica Development Corporation

Since its founding in 1967, Greater Jamaica Development Corporation has been working to transform downtown Jamaica, Queens into a dynamic center of commerce, business and government services, with cultural and higher education opportunities.

During the past year, Lawyers Alliance attorneys helped Jamaica First Parking, an affiliated organization, to obtain part of the $14 million in financing needed for the construction of a 406-space parking garage. We assisted with a bond closing involving New York City IDA bonds, and a letter of credit from J P Morgan Chase.

CELEBRATE
35
YEARS
Looking out for the youngest New Yorkers

The 2000 census revealed that one-third of children in New York City live below the poverty line of $18,000 a year for a family of four. On a typical night in New York City, over 11,000 children sleep in homeless shelters. And almost 60% of all New York City elementary and middle school students are reading below grade level. Because very young children are the fastest growing part of our population, the urgency of these alarming indicators will only be magnified in the years to come if their underlying causes are not addressed.

Nonprofit service providers are the safety net for young New Yorkers. They serve the youngest children in child care programs, Universal Pre-K and Head Start centers, caring for and educating children from 6 weeks old through 4 years of age. Nonprofit groups serve school-aged children by working to improve public education, bringing resources into local schools; forming and operating charter and other types of alternative public schools; and serving the needs of children in the after-school hours. Lawyers Alliance serves these children and youth groups by working to improve education programs throughout New York City in securing federal approval for expansion, and negotiating with the City and Federal agencies that regulate childcare.

Lawyers Alliance’s Children and Youth Services Initiative supports the work of agencies serving this vulnerable population, providing a comprehensive array of legal services to help nonprofits operate effectively. The legal support we provide to youth services clients cuts across all of our practice areas, including employment law, governance, real estate and corporate structuring. Youth service providers are often settlement houses or other multi-service organizations, and their business law needs include reconciling the personnel, contract, and other legal implications of their youth programs with programs serving other constituents.

Nonprofits serving children and young people also have specialized legal needs. Liability issues associated with working with children are of utmost importance to these organizations. Lawyers Alliance and our law firm and corporate volunteers are asked frequently to help craft parental release forms, participation agreements and other liability-limiting tools for youth organizations. We frequently advise children and youth groups on insurance-related topics, particularly as our clients are having increased difficulties procuring affordable insurance for their activities in a tight insurance market. Our youth organization clients frequently rely on volunteers and interns in their programs, so we are increasingly advising these groups on legal issues related to the use of unpaid staff.

Lawyers Alliance is committed to continuing to serve nonprofits that provide a continuum of vital services to the City’s most needy youth, from young children to young adults.

Head Start

As part of Lawyers Alliance’s expanded work with Head Start programs, we have been representing 30 Head Start preschool education programs throughout New York City in securing federal approval for expansion of their facilities, so that they can serve more children and families. These projects will generate over $20 million in funding for the acquisition, construction, or renovation of Head Start facilities, which will make preschool available to over 2,700 children from low-income families.

The legal work involves assisting such groups in completing and submitting their applications for federal funding of facilities expansion, and negotiating with the City and Federal agencies that regulate childcare.
Strengthening Immigrant Communities
Helping support the new Americans in our city

One-third of New York City residents are immigrants, and over half of these immigrants and their families are low-income. Our immigrant population is also more diverse than ever before, with immigrants from parts of the world not substantially represented until now clustered in neighborhoods throughout the City. In recent years, a number of new nonprofit organizations have formed to serve those new immigrants, and more established agencies that have been serving new immigrants for decades are also facing increased demand for services. Through pro bono legal assistance, these organizations can build capacity, strengthen their service delivery and meet the demands of a growing population.

The organizations serving immigrant communities are as varied as the neighborhoods that they serve, ranging from 100-year-old settlement houses to storefront start-ups formed to meet the needs of the newest immigrants. Some are multi-service organizations, while others are policy and advocacy organizations focused on improving the lot of a particular ethnic community. These nonprofits are offering citizenship and English classes, voter registration drives, access to healthcare and public benefits, assistance with immigration law problems, and assistance with employment rights. More and more, these groups are also increasing civic participation, advocating for civil rights and liberties, and engaging in lobbying and political activity.

Lawyers Alliance’s Immigrant Communities Initiative was officially launched in July 2003 in response to a real need for legal services among nonprofit organizations serving low-income immigrants. Because the programs and in-house resources of these organizations vary greatly, so do their legal needs. There are, however, identifiable patterns in the legal assistance provided in our Immigrant Communities Initiative.

Corporate formation and governance matters are very important for new organizations. Growing demand for nonprofit accountability makes it especially important that immigrant service organizations start with a strong foundation in regulatory compliance, financial transparency, and personnel practices. Additionally, many nonprofits serving immigrant communities seek constituent representation in their governance, raising issues about the rights and responsibilities of members in membership corporations.

Lobbying and political activity by nonprofits is a topic of increasing interest for organizations working with new immigrants. Advising organizations on these activities is crucial given their vital role in advocating for immigrants’ rights and mobilizing others to do the same. At the same time, proposed changes in federal electioneering laws and heightened enforcement of state lobbying registration laws can pose challenges to these organizations advocating effectively and legally on behalf of their constituents.

Confidentiality concerns are especially acute for immigrant service organizations. Groups serving immigrants must be cautious about sharing information about their clients with funders, both government and private, for fear of exposing undocumented persons. Those organizations may need guidance as to their obligations to disclose such information under contracts and funding agreements. As the legislative landscape with respect to the treatment of the undocumented and protection of confidential information evolves, organizations will reassess their strategies on how to report on their work with individual immigrant clients.

There is much collaboration between nonprofits working with immigrant communities. With the proper support, these groups have a real potential to grow in size and strength. They will continue to be essential to the ability of the “newest New Yorkers” to become integrated into the cultural, civic, and economic life of our city.

Latin Women in Action

Since Latin Women in Action was founded in 1990, this community-based social service agency has been an important force for low-income Latino women and their families. The organization offers workshops on resume preparation and employment interviews for low-income women; trains welfare recipients for employment; holds citizenship classes; operates a voter registration campaign; and provides employment information, referrals, immigration, and other services.

With legal assistance from Lawyers Alliance staff and volunteers, Latin Women in Action recently amended its certificate of incorporation to allow it to operate a day care center. This amendment will help the organization acquire the necessary public funding to open a child care center that will serve 40 low-income children from the Corona, Jackson Heights, and Elmhurst neighborhoods of Queens.

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Elder Services
Preventing a rapidly growing population

Over 900,000 of New York City’s 8 million residents are over the age of 65 and this number is expected to rise rapidly in the next decade. The overwhelming majority of New York City’s elder population (over 90%) live by themselves or with family members, with the largest number of elders living in Brooklyn and Queens. Close to 18% of New York City’s elders live in poverty, which is twice the national average. These people face several challenges including securing affordable housing, accessing health care and obtaining nutritious meals. These challenges are heightened among special populations such as immigrants where immigration status and language barriers may limit access to social security, Medicaid and Medicare.

Community-based organizations are working to ease the burdens of the elder population by providing case management services, information and referrals, counseling, meals on wheels, legal services, transportation, adult day care, support for caregivers and senior centers. Many of these programs are funded through grants from the federal government and New York City tax levy income. Through the New York City Department for the Aging Meals on Wheels program, over 45,000 meals are delivered daily.

In 2005, Lawyers Alliance will launch its newest initiative, Elder Services. We will conduct extensive outreach to organizations supporting New York City’s elder population and offer legal services relating to facilities issues, development of supportive housing, use of volunteers, City contracting, reporting of suspected elder abuse, and minimizing the risk of liability.

Lawyers Alliance currently represents numerous programs serving the elderly. Those nonprofits rely on Lawyers Alliance to guide them with issues as diverse as the negotiation of leases for their programs, the limits on their legislative activities as they lobby for seniors in Albany and City Hall, and corporate and tax advice on revenue-generating business ventures. That merely scratches the surface. As Lawyers Alliance reaches out to the growing number of nonprofits serving this growing segment of our population, these groups will be strengthened – and seniors will be better served – through this new initiative.

Alpha Phi Alpha Senior Citizens Center

Alpha Phi Alpha Senior Citizens Center had been providing senior citizens with recreational, educational and cultural services for 30 years from the basement of the Cambria Heights Community Church in Queens, but the steep stairs to this facility make it an unsuitable location for seniors. Through an affiliated entity, Alpha Phi Alpha purchased a storefront property, a former Salvation Army thrift shop, which will satisfy the Center’s program needs after undergoing renovations.

Lawyers Alliance volunteer attorneys represented the Center in a third-party bankruptcy proceeding, helping to address legal matters that cleared the way for the Center to receive renovation funds from City and State agencies. Lawyers Alliance staff attorneys are assisting the Center with amending its lease with the affiliated entity to comply with City funding requirements. The new space is scheduled to open by fall 2004.
Clients and Volunteers Cheer Lawyers Alliance in 35th Anniversary Video

Every year Lenox Hill Neighborhood House serves approximately 20,000 people: seniors, homeless clients, formerly homeless people, new immigrants, people learning English. These are the people that directly benefit from the work of Chris Rogers and her colleagues at Arnold & Porter. It’s the peace of mind of knowing that you have the best of the legal profession behind you. And that’s a very powerful tool. We’re lucky to have Arnold & Porter and Lawyer Alliance as our partner.

- Warren Scharf
Lenox Hill Neighborhood House

I think it’s important for those lawyers working in corporations to take a minute to think about how they can give back to the community. Lawyers Alliance is going to tell you how to do it. They have the knowledge, the background, and the resources. And they’ve done it a million times before.

- Terri Austin
AIG

Most pro bono programs involve litigation or something that I don’t do on a regular basis. Lawyers Alliance helped me to find NYANA, which is doing lending work which is similar to what I do on a day-to-day basis for big clients. For me, it’s been an extremely rewarding experience.

- Michael Anderson
Morgan, Lewis & Bockius LLP

Lawyers Alliance is like a friend that helps you get through the difficult parts of a project and get it accomplished. They are very knowledgeable and helpful and they try to find pro bono attorneys that are dedicated to your mission. Promesa saved enough money through the assistance of Lawyers Alliance to pay for the salary of one teacher for one year.

- Larry Gonzalez
Promesa