

First Monday Address
Gloria Guard
People's Emergency Center
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Panel Keynote
Economic and Community Development –
The Critical Need for Attorneys to Partner with Community Developers

Thank you for having me here today, among such an auspicious panel and audience.

While the nation -- and so much of the rest of the world -- is understandably preoccupied with the horrible crisis that came crashing in on us so unexpectedly on September 11th, we simply can't afford to lose sight of longer-standing domestic crises in our communities. We are in the midst of the worst housing crisis this country has ever known, with the result that homelessness is growing each year. Research presented at the most recent Conference of Mayors showed that the demand for emergency shelter is up by 15% -- the largest increase in more than a decade. The poorest of the poor cannot find housing at all. The working poor cannot find or maintain housing. In fact, there isn't a single city in America where a family dependent on a single person working full time at minimum wage can afford to rent an apartment at market rate.¹ Not a single city in America. The housing crisis has hit the middle class as well. The "average schoolteacher" married to the "average police officer" can no longer afford to buy a home in most of America's large cities or in any of the more desirable suburbs.

Our City and State reflects this national crisis². Here in Philadelphia, three quarters of poor rental households spend more than half their income on housing costs.³ Let's look at that in real terms. A working mother of two children living at the poverty level earns under \$15,000 a year or about \$7.00 an hour. That means she takes home \$960 a month or \$240 a week. That's hardly enough to pay for a 2-3 bedroom apartment, not to mention living expenses like food, transportation to work, school uniforms, childcare and toothpaste. If this is her situation, you can imagine the situation for the same family dependent on welfare - \$400 a month. No wonder homelessness is on the rise!

This housing crisis, coupled with the loss of a thriving economic base in our big cities, presents an opportunity -- an imperative even -- for the legal profession to make a real and positive difference by choosing work in the field of Community and Economic Development law. Unlike many areas of public interest law, in which attorneys are on the defensive and must constantly protect their poor and vulnerable clients from unresponsive or punitive government policies or bureaucrats, this field gives attorneys the opportunity to be proactive. Community Development lawyers work on the supply side of the housing and community revitalization equation, to help forgotten neighborhoods marred by vacancies, trash, graffiti and abandoned cars be transformed into thriving communities with successful commercial enterprises, public recreation space and community centers, affordable and special-needs housing, new charter schools, and health or child care centers.

¹ The State of the Nation's Housing, 2001, Joint Center for Housing Studies of Harvard University. Available at www.gsd.harvard.edu/jcenter.

² Financing Affordable Rental Housing: A Comparison of How the Pennsylvania Housing Finance Agency and Other State Housing Agencies Use Revenue Bonds to Finance Rental Housing, Pennsylvania Low Income Housing Coalition, 2001.

³ Watching Out for Children in Changing Times, Philadelphia Citizens for Children and Youth, 2001, p.7.

Sound like rewarding work? Ready to get involved? Well today you will be treated to a panel of experts to help you understand how you can become part of a crucial economic and community development effort.

For starters, I want to point out that in this public interest domain, the client is typically not an individual or business, but is more often a community development agency, a social service group, neighborhood organization, or block association.

As someone who works daily with homeless women and their children, I can tell you how crucial it has been for People's Emergency Center to work with committed attorneys, not only to ensure that our families have decent and affordable housing, but to pursue our overall community development agenda, which has transformed our neighborhood located only a few blocks from Penn.

PEC is the oldest shelter for homeless families in Pennsylvania. We provide a continuum of care that includes emergency shelter, intensive case management, parenting and life skills education, welfare-to-work services, and other social services for several hundred homeless women, children and teenage girls each year. In addition, we created the PEC Community Development Corporation (or "CDC"), which develops rental and homeownership housing for formerly homeless and low-income families.

Over the past nine years, our CDC has transformed 70 blighted properties into 94 units of housing, 3 social service facilities, a 14,000-square-foot Community Playground and a smaller Tot Lot in West Powelton. Our housing projects include emergency shelter, transitional housing, Section 8 rental apartments; homes for first-time homebuyers; two playgrounds, and a health center expansion, for a total of \$14 million in public and private investments in the West Powelton neighborhood. Our newest project, Families First, is under construction and will be a large childcare, job training and health care center. And, we have 20 more rental units in the pipeline.

In negotiating the legal complexities of all this community development work, we rely heavily on the skilled attorneys at Regional Housing Legal Services, who do much more than "represent" us. They are our **partners** in transforming the community. The kind of work they do has also been undertaken *pro bono* by individual members of the bar at the big and small firms and is now part of the curriculum taught at Penn by one of our panelists, Dina Schlossberg, a Regional Housing alum.

This kind of practice falls generally into seven areas – 1) Non-Profit Organizational Activities, 2) Acquisition and Site Control, 3) Zoning, 4) Partnership Assistance, 5) Financing, 6) Design and Construction Assistance, and 7) Operations and Property Management. The array of legal skills involved is broad and the needs are varied -- everything from helping a block association apply for non-profit status so they can acquire a vacant lot to start a community garden, negotiating a limited partnership agreement with an investor who will make a multi-million dollar tax credit investment into a housing development; from technical assistance with the City's arcane public acquisition process (which you need when the building is vacant and the owner of the property is no where to be found) to drafting sales agreements with a seller; from representing the organization at zoning hearings in City Hall typically with neighborhood support to going all the way to the United States Circuit Court of Appeals which is where you may end up without neighborhood support! Our attorneys have also helped us get public and private funding from FHLB, AHP, CDBG, DCED, HOME, HOPWA, HUD, PHFA, PennHOMES and all the other alphabet-soup programs; as well as making sure that the various funding programs are not mutually exclusive and negotiating with the relevant bigwigs and smallwigs to make sure all the documents are "in order." Of course, the most fun (in my opinion) for the lawyer and the community developer is designing the buildings and getting them built.

Here, the attorneys develop all the contracts and make sure that the organization, as the owner, is protected when something goes wrong.

Let me assure you that, with this kind of work, plenty can and does go wrong. We've dealt with irate neighbors who didn't want homeless people on their block and with others who wanted to sign up for the construction crew but who weren't in the union. With prospective funding sources which had conflicting rules. With investor partners who have insisted that we breach our fiduciary responsibilities as a non-profit. With arrogant architects who have insisted on particular color schemes. With myopic government building inspectors who have demanded changes that wouldn't work with our programs. We've had "warranted" skylights and roofs that leaked, walls that collapsed into the neighbors' yards, and construction workers who fell down and couldn't get up.... I could go on and on, but the happy ending is that, because of our incredible attorney partners, we have successfully weathered these setbacks and legal threats. And, most importantly, dozens of mothers and children have safe, affordable, attractive new homes with fabulous playgrounds and facilities down the street.

I should add that this list of legal tasks doesn't even include the policy and advocacy work that we rely on as we serve the City's most vulnerable families. We are acutely aware of the changes in public policy and financing that make housing more accessible and affordable for the poor, the homeless, the disabled. Let me assure you that every major positive change in this area – here and across the state -- is directly attributable to a team of dedicated attorneys from Regional or CLS, along with members of the private bar, in partnership with service providers, advocates and clients. From Project HOME's 1515 Fairmount Avenue case to the Ogontz Manor case, low-income tenants rights have been protected and affordable housing made possible because of public interest attorneys who are not just committed but incredibly smart and perseverative.

On the lighter side, lawyers in this field will learn to use terms like NIMBY or BANANA in everyday conversation. They can regale colleagues and loved ones with stories about Brownfields or Greyfields.... *Perhaps I need to do some translation:* Brownfields are places where toxic waste has made land re-use impossible. Greyfields, a newer term, refers to abandoned malls and shopping centers – those huge expanses of vacant concrete shells and asphalt parking lots -- a big problem. Everyone knows that NIMBY stands for Not In My Back Yard; it's been updated a bit by BANANA, which stands for Build Absolutely Nothing Anywhere Near Anything!

In all seriousness, though, this work is rigorous, demanding and incredibly rewarding. At the end of each development, our partnering attorneys attend the ribbon-cuttings along with elected officials, donors and all of those who had a hand in turning a good idea into reality. They publicly receive our gratitude, but they also get to see firsthand how a depressing block of rundown crack houses and abandoned cars became a new playground or a row of beautifully renovated Victorian homes. They get to hear a young mother tell how her dream of owning her own home has come true and know that they made that possible. Hopefully, they get to feel good about all this work and they definitely get to participate on the cutting edge of real community change.

I hope I've painted an attractive and challenging picture for you. Now, it's time for the real experts to tell us how it's done! Thank You.

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