



PRO BONO BUSINESS LAWYERS: PARTNERS FOR COMMUNITY CHANGE

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The Community Economic Development Pro Bono Project (“CED Pro Bono Project”) was established in 1998 by the DC Bar Pro Bono Program to mobilize business lawyers to provide free legal assistance to community-based non-profit organizations and small disadvantaged businesses

in the District of Columbia. More than two hundred organizations have received free legal services since the Program’s inception. Sixty-five non-profit organizations have been matched with teams of business lawyers in law firms or corporate offices for long-term legal assistance. The balance of these matters, a combination of small start-up non-profits and micro-businesses, were placed through neighborhood clinics for short-term help with discrete issues. A fifteen member advisory committee meets regularly to guide the policy and resource development activities of the Project. This standing committee of the DC Bar includes transactional attorneys with a range of business law expertise, a law professor who directs a community development law school clinic, and representatives of funders and community-based development organizations.

The CED Pro Bono Project delivers corporate, real estate, tax, employment and intellectual property law advice and representation. The project started with a focus on outreach to community development corporations and other established economic development entities. A strategic planning process in 2001, funded by Power of Attorney, led to an expanded programmatic emphasis on childcare and healthcare organizations and resident-sponsored affordable housing development projects¹.

The Model: Long Term/Full Service Relationships

Our general goal is to obtain a commitment from a law firm to provide ongoing pro bono assistance to the

non-profit on a range of different legal issues and for an extended period of time. This is distinct from “matter by matter” placement. Surveys conducted during the planning phase of the Project indicated that non-profits in DC had some success in finding individual lawyers to work on individual matters as they arose, but had great difficulty establishing an ongoing, full service, relationship with a firm to provide legal assistance that could not be funded through a particular transaction’s legal fees’ line.

Obviously, in pro bono as well as in commercial representations, an extended engagement encourages the legal team to deepen their understanding of the client’s legal and business needs, which pays dividends over time for both parties. The pro bono team has an opportunity to develop a sense of camaraderie and expertise regarding the organization’s business and legal needs. Ongoing relationships with the non-profit and involvement in special projects, ground-breakings, awards dinners etc., increase the firm’s visibility and builds goodwill in the community which strengthens the firm’s “brand.” The client reaps tremendous benefits from working with a legal team that knows its mission and programs. The firms are better positioned to spot issues, and provide preventative legal support and access and connections in the broader business community.

Part of our role as the intermediary is to encourage and support this full service approach in whatever way we can. An example of this model can be seen in the pro bono relationship which Latham & Watkins has developed with East of the River Community Development Corporation. This match was made in 1998 and is still going strong.

There are challenges to implementing this model for an intermediary or referral agency. It takes longer to make a match with a firm for comprehensive legal services than to find a single attorney to handle one matter. Once the match is up and running, it can be more difficult to monitor progress and assess impact, since there

are not really any natural points of intervention (i.e., client does not call in for more service because firm is in place long term).

We address these challenges in several ways. 1) We make every effort to get to know the organization's mission and program plans as a part of the screening and intake process. We look beyond the legal request to see if there are other current and pending legal issues that are suggested by the group's short term and long term organizational plans. 2) We go to every initial meeting of the client and the law firm. This face-to-face contact sets the stage for the Project to facilitate and support the relationship that is established. 3) We send a written client satisfaction survey to all client organizations and e-mail questionnaires to law firms at least annually. This year we are doing an additional survey to a small number of clients and an additional mailing to attorneys for case updates. 4) We offer our support to law firms by way of legal research and updates on trends or developments pertinent to the issues they are working on for the client.

The benefits of brokering long term full service relationships are the great leverage of staff time. We estimate conservatively that our \$200,000 budget leverages more than a million dollars of volunteer time each year. It also improves our ability to strategically target our services. Because we are working holistically, we view intake and referrals to firms through the lens of community impact and non-profit organizational development, as much as we do through the lens of individual legal tasks. We also are able to keep intake open and expand our base of potential client groups because we are not recycling a large number of matters from the same organizations. A part of our success to date has come from our intention to think broadly about the issues the city faces, find out who is working on them and provide legal services as a value added component to the non-profits that are already trying to make an impact. Our Project and the firms and lawyers who participate are motivated by a desire to have a positive impact on the community and use pro bono legal assistance to make progress on important organizational goals and high impact projects for non-profit clients.

The Power of Partnerships

Carebuilders

In terms of economic development activities that alleviate poverty and strengthen communities, the development of affordable quality childcare stands out as a high priority in the District of Columbia. Forty percent of the city's children live in poverty and less

than half of the children who qualify for subsidized care receive it. The shortage of affordable, quality care is particularly acute for children under the age of two.

In late 2001, the CED Pro Bono Project joined a coalition of other technical assistance providers to form the Carebuilders Consortium. A major goal of the project is to assist childcare centers to become loan ready in order to obtain financing to expand their facilities to care for more infants and children under two. The Pro Bono Program receives referrals for case placement. Six of the thirteen centers that the Project is working with were referred to us through the Carebuilders Consortium. We partnered with a law firm on a day-long training for volunteer lawyers on the legal and business aspects of running a non-profit day care center.

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The DC Medical Homes Project

The DC Primary Care Association (DCPCA) is leading the charge to expand the safety net for the city's medically vulnerable populations. According to DCPCA's research, the city has less than half of the primary care space that is needed. This gap in primary care is filled by excessive emergency room visits, which places a significant strain on hospital resources available to handle true emergencies. The CED Project has joined as a partner group in the initiative known as The Medical Homes Project to expand and improve physical facilities, business practices and systems in the primary health care delivery system. The Project paired Crowell & Moring with DCPCA to create the legal structure that will house the new program. Once the Medical Homes Community Development Corporation is established, legal services provided through the CED project will be a part of the menu of technical assistance offered to community clinics. Right now, an HIPAA compliance training for health organizations identified by DCPCA is scheduled. Powell Goldstein LLP will provide the faculty and members of the DC Bar's Health Law Section will provide follow-up consultation where needed. The

CED Project is the central clearinghouse and coordinator for all legal service and legal information activities.

Tenant-Sponsored Affordable Housing

The rental housing conversion and sales laws in the District provide a process for tenant associations to submit bids to purchase apartment buildings that are placed on the market for sale. The real estate market is rapidly appreciating in the inner city after years of disinvestments and deterioration. The tenant purchase provisions of the DC Rental Housing Conversion & Sale Act provide tenants with a measure of control over the disposition of their apartment buildings by requiring housing providers to give residents notice of their intent to sell. The tenant association also has a statutory right of first refusal and can compete with third party offers. Unfortunately, in buildings with a significant percentage of low-income and immigrant households, the leverage provided by these statutory safeguards is rarely exercised unless the group is able to quickly identify sources of technical, legal and project finance assistance. The CED Pro Bono Project works in partnerships with tenant organizers and technical assistance providers to identify tenant associations that are trying to purchase their building or have other non-litigation legal needs. The Project has matched counsel with ten associations to date, and we are receiving a steady stream of requests for assistance.

Legal Service Providers

Legal service providers are also an important component of the partnerships that we build. Several of our

The emphasis on strategic deployment of pro bono resources, community outreach and case screening, and volunteer support and training are critical to effectively marshalling pro bono resources. We are thankful to our volunteers and fortunate to be working in a bar that has such a long and rich pro bono tradition.

matches, especially the tenant association purchases, have been between the client, a legal service lawyer and attorneys from a private firm. The expertise of the legal service lawyers in the area of eviction defense and subsidized housing regulation is critical to protecting the tenants against involuntary displacement during purchase negotiations with the seller and other developers.

Legal service offices that wish to engage in more community development transactional work have an important base of knowledge and expertise. The knowledge of low-income community needs and assets is a foundation for building strong partnerships with private law firms to carry out high impact non-litigation legal work. Attorneys who know welfare to work rules are perfectly situated to help non-profits that want to develop job-training programs for TANF recipients. Attorneys who understand the child welfare regulations and bureaucracy have an edge when advising youth service organizations about possible government contracts and funding sources. For almost every problem that legal service attorneys battle, there is a response that can be developed through a community improvement initiative. The specific business law expertise needed to develop the building or draw up the partnership agreement can be recruited through the pro bono relationships with the private bar to compliment the vision, strategy and expertise that exists in the legal services program.

What's on the Horizon?

Despite our general economic slowdown (or perhaps because of it), the interest in small business formation by entrepreneurs in DC has never been stronger. We are revamping our neighborhood clinic model. We are planning to sponsor a legal help desk within non-profit business counseling centers to address the burgeoning demand for legal information for small and disadvantaged business entities. Our plan is to tap law firms to staff the legal help desk twice a month for a 6-12 month period. The lawyers would provide brief advice and consultation on business formation, licensing requirements, taxation and document review.

The CED Project will tap a law firm to assist in the development of a resource manual for volunteers that has legal forms and documents and an overview of relevant local law and regulation. We plan to pilot this effort this fall at the small business center of the Anacostia Economic Development Corporation. As we gain experience with this approach, we will be able to replicate it in community development corporations in other parts of the city. *(continued on p. 53)*