



2009-2010 Annual Report



"For an extended period of time, RHLS has been at the forefront of creative advocacy, developing housing and community and economic development projects. This work has resulted in affordable housing for many Pennsylvanians, job creation, and positive neighborhood development. We applaud that leadership."

**--Sam Milkes,
Executive Director
Pennsylvania Legal
Aid Network**

RHLS Annual Report 2009-2010

For additional information, visit www.rhls.org

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“Regional Housing Legal Services is an excellent example of how creative, energetic lawyers can use the law to foster partnerships between the private and public sectors and the low income community to create affordable housing and revitalize neighborhoods.”

**--Alfred Azen,
Executive Director
Pennsylvania IOLTA
Board**



RHLS by the Numbers

77

projects receiving legal and technical assistance

423

individuals receiving direct assistance

1,630

units of low-income housing in the 77 projects

1,925

educational brochures distributed

4,868

times educational materials were accessed on www.rhls.org

984,614

low-income utility customers helped through advocacy on Universal Service programs which provide discounted utility rates, free weatherization services, and cash grants to low-income Pennsylvanians

Executive Summary

Regional Housing Legal Services (RHLS) is a nonprofit legal services program with unique expertise in affordable, sustainable housing and its related components — community and economic development, utility matters and preservation of home ownership. RHLS provides innovative project and policy solutions that help create sustainable communities offering decent, safe and affordable housing for lower-income Pennsylvanians.

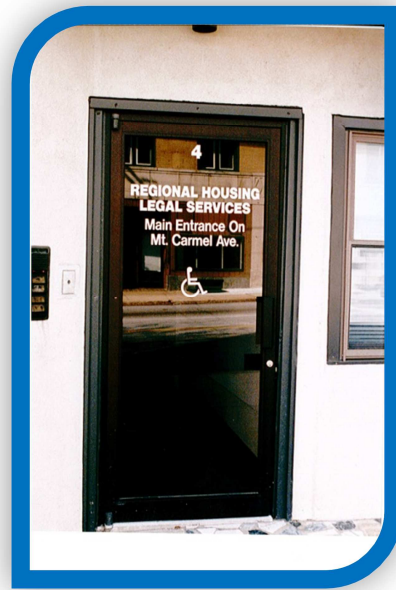
RHLS works in five practice areas in four offices across the state, but everything we do is designed to make life better for low-income Pennsylvanians. We help nonprofits build affordable housing. We help low-income homeowners find ways to keep their homes and to keep them warm. We work with public and private partners throughout the state to identify programs and policies that diminish the quality of life of low-income Pennsylvanians. Once we identify the problems, we work aggressively to devise and help implement comprehensive solutions.

While the number of people impacted by our policy work can be difficult to quantify, its value is clear. The work we do on behalf of low-income individuals and communities helps to make all of us stronger.

We look forward to working with you in FY 2010-2011.



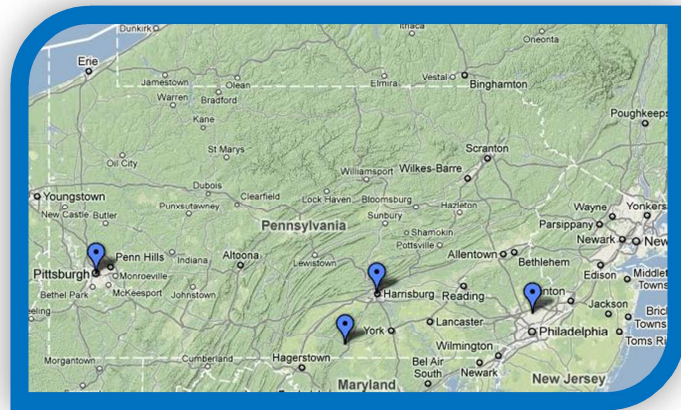
Mark Schwartz
Executive Director



Overview

For more than 35 years, RHLS has been your partner in community renewal.

RHLS has four offices throughout the state and provides services to a variety of constituencies through our five practice areas.



RHLS has been involved in hundreds of millions of dollars of development projects since its inception in 1973. In an average year—

- Development Services works with 60 client organizations working to improve the lives of low-income Pennsylvanians on development services projects, indirectly impacting thousands of low-income individuals;
- PA Housing Law Project provides information and support to legal aid organizations throughout the state, improving the quality of service received by thousands of low-income individuals with housing issues;
- PA Utility Law Project provides direct assistance to dozens of low-income individuals with utility issues and improves the quality of life of thousands through policy advocacy on utility issues that impact low-income Pennsylvanians;
- Policy Initiatives improve the living conditions of thousands of low-income Pennsylvanians, strengthen community organizations focused on low-income individuals, and increase the efficiency of scores of government agencies; and
- The HEMAP Help Center assists more than 500 individuals understand and apply for the Homeowners' Emergency Mortgage Assistance Program (HEMAP).



Development Services

Legal and technical services for nonprofit clients



PA Housing Law Project

Support center for legal services programs



PA Utility Law Project

Utility-related information and assistance on matters affecting low-income consumers



Policy Initiatives

Policy and program innovations for low-income Pennsylvanians



HEMAP Help Center

Helps individuals applying for HEMAP loans understand the process and requirements

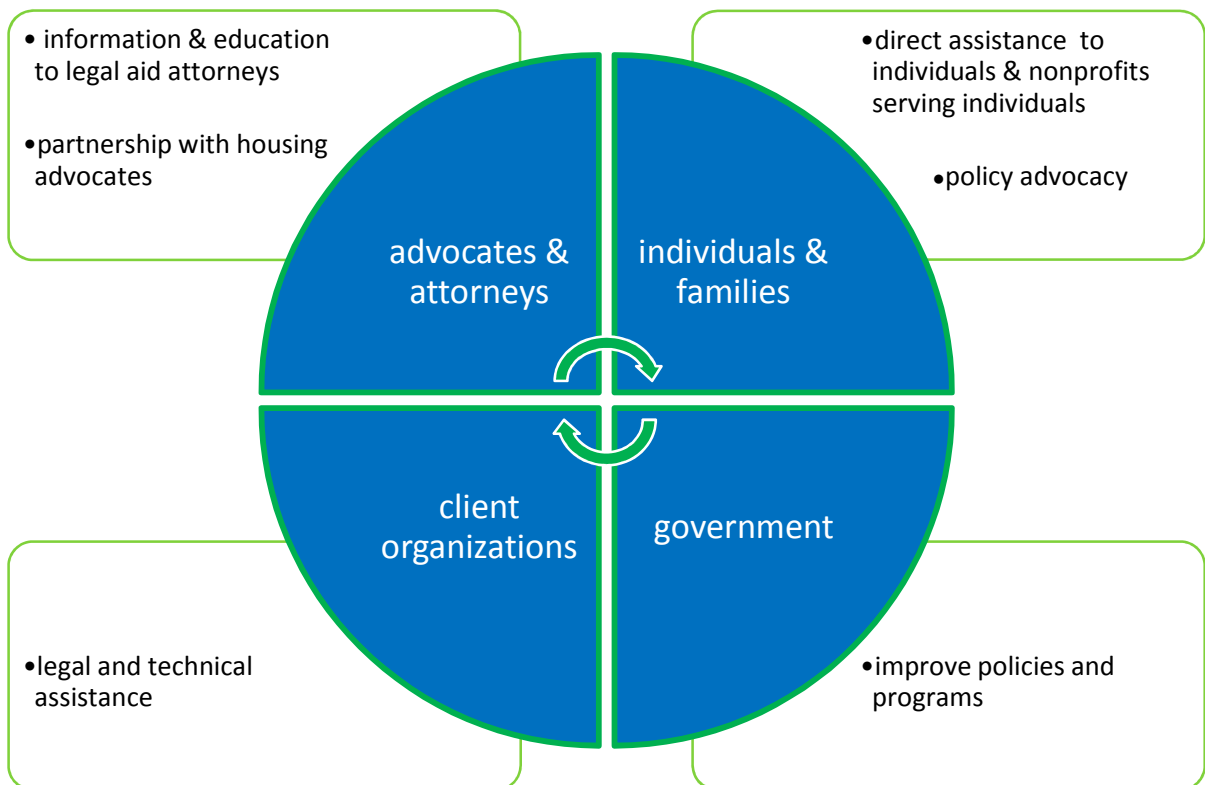
RHLS plays a unique role in Pennsylvania’s housing and community development ecosystem – bridging the gaps between individuals & families, client organizations, legal services agencies, and local and state governmental agencies.

Individuals & Families -- RHLS’s work is targeted at improving the lives of low-income families and communities. A healthy housing and community development system provides more opportunities for stable families and stable communities.

Government -- Local and state agencies administer a variety of programs designed to help individuals, families and communities. RHLS actively works with a number of agencies to provide feedback on existing programs and to design new solutions.

Client Organizations -- Nonprofit community-based organizations focused on low-income Pennsylvanians have long been RHLS’s major clients. RHLS provides these client groups with legal and technical assistance so they can create vital affordable housing and community development projects.

Advocates & Attorneys -- RHLS works with a network of advocates and attorneys. From our partnerships with the Housing Alliance of Pennsylvania to our work to share and explain new housing-related cases and legislation with legal services colleagues, RHLS helps connect people and organizations working to improve housing and communities in Pennsylvania.





Solving Hard Problems Connelly House

Connelly House is a LEED-certified (an internationally recognized green building certification system) building that will provide **79 units** of affordable, permanent housing and on-site services for **formerly homeless** individuals with **special needs**.

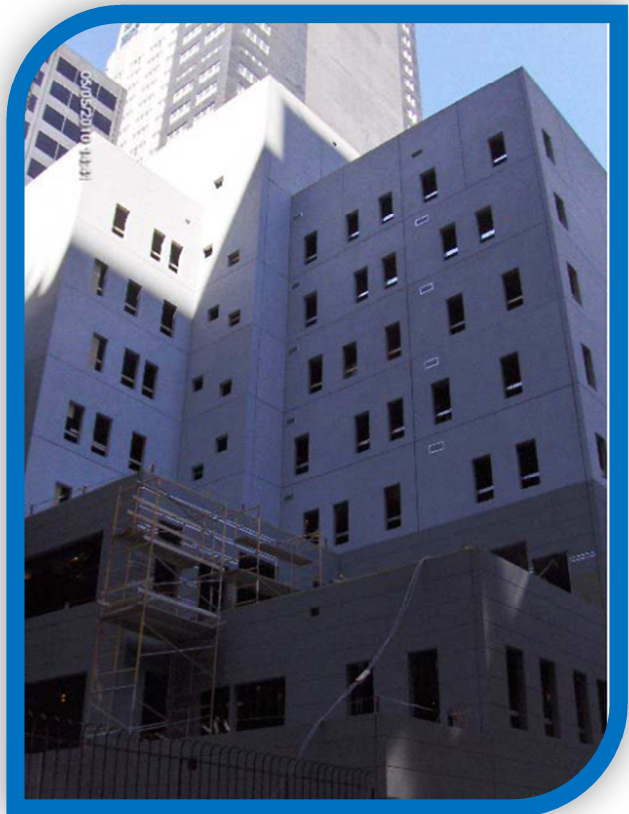
Located in Center City Philadelphia, Connelly House will give its residents easy access to public transportation, additional needed services, and the first-class amenities of Center City Philadelphia.

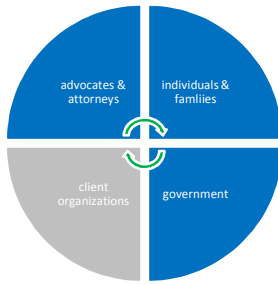
Connelly House was the vision of Project H.O.M.E. and Bethesda Project, both client organizations with track records of innovative work on behalf of low-income people in Philadelphia. Both partners have long relied on Regional Housing Legal Services to provide critical legal and technical assistance on their projects.

To make Connelly House a reality, RHLS assisted with the conceptualization, structuring, and financing of the project. RHLS helped create the partnership between the co-sponsors, formed the partnership entities that would own the project, made arrangements to lease the land, handled construction issues, and handled the financial closing.

RHLS was also able to solve critical financial issues that could have derailed the project:

- successfully negotiating with the City of Philadelphia for its largest contribution to a single project.
- securing a real estate tax exemption for the property estimated to save at least \$850,000 in real estate taxes over 30 years.





Avoiding Foreclosure The HEMAP Help Center

Homeowners' Emergency Mortgage Assistance Program (HEMAP) provides loans averaging \$11,000 to homeowners who are unable to pay their mortgages due to some event beyond their control – typically unemployment, medical issues or family issues

(death, divorce, domestic violence).

Approximately **80%** of HEMAP recipients have been able to **keep their homes**.



The HEMAP application requires a description of the circumstances that make an applicant unable to pay and some evidence that the applicant will be able to resume payments in the next 2-3 years.

Many applicants overstate their circumstances hoping it will help them get approved, when it actually hurts their chances by making it look like they will not be able to repay the loan in a timely manner.

In response, Regional Housing Legal Services (RHLS) created the HEMAP Help Center (www.hemap.org), a web-based interface to help clients learn about the HEMAP loan process and get **feedback** from an attorney on their draft “statement of circumstances” and other essay answers required in the HEMAP application. Clients of the HEMAP Help Center have a success rate **nearly double those who do not use the service**. RHLS helps hundreds of HEMAP applicants each year.

“Within a matter of hours an RHLS lawyer had read my application and gotten back to me with comments. When I met with the credit counselor I had a clear idea of the best way to present my situation and explain my hardship. Having that feedback from an expert was a huge relief during a time of great emotional stress and uncertainty.”

-Aimee Y.

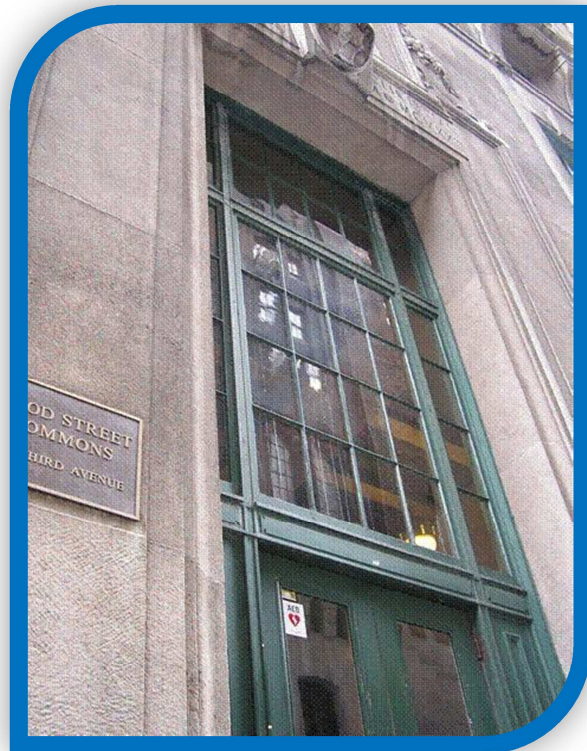


Affordable Housing Preservation Wood Street Commons

Every day for two years, more than **200 low-income people** living at Wood Street Commons -- a 16-story, 258 unit building containing SRO housing for individuals at risk of homelessness and retail/office complex located in downtown Pittsburgh -- feared that the place they called home would close. Wood Street Commons was threatened with foreclosure because the owners had stopped paying the mortgage.

For the past 20 years Wood Street Commons, in tandem with its social services provider, Community Human Services, has served as a **vital asset to the community**, providing low cost **housing**, access to low cost **meals** in its dining facility, and related assistance, including **mental health services, job counseling, and substance abuse support** groups. The average length of stay at Wood Street Commons is four years, illustrating the importance of this project as a critical resource for transitioning individuals at risk to permanent housing, thus breaking the cycle of homelessness.

RHLS played a key role in this transaction, working with nonprofit, for-profit, and governmental partners to help create a new community-based organization, which acquired the property and averted foreclosure. In 2010, three RHLS attorneys received an **Excellence Award** from the Pennsylvania Legal Aid Network (PLAN) for their work on the Wood Street Commons.



RHLS continues to work with Wood Street Commons on rehabilitation issues, including obtaining weatherization funding.



Systems Change Preservation through Weatherization

The majority of low-income families and individuals in Pennsylvania are renters. Many of them live in older properties without the weatherization features that come standard on modern homes. Until recently, weatherization programs have focused exclusively on single-family properties, effectively excluding those who could most benefit from weatherization from those programs.

RHLS worked to expand Pennsylvania's weatherization programs to include multi-family properties – especially affordable multi-family properties. Not only does this focus help our lowest-income neighbors, it also helps to ensure that the properties are able to stay affordable. Unlike market-rate rentals, owners of affordable rental properties cannot pass the costs on to the tenants. So, when utility costs increase significantly, there is often little that owners can do other than cutting back on maintenance or services. In the long-term, the utility increases make it impractical to continue operating older buildings.



RHLS played a major role in successfully advocating for a set-aside of more than \$21 million in Pennsylvania to provide grants to weatherize affordable multi-family properties. This money will supplement weatherization funds available from local utility companies.

To get the maximum benefit from these funds, it is critical to find a way to use both local and federal sources of funds in the same project. Unfortunately, integrating weatherization resources is not easy.

To address the problem, RHLS formed the Philadelphia Weatherization and Conservation Collaborative (PWCC) to focus on removing the regulatory and policy barriers to weatherizing affordable multi-family properties. Already, RHLS and PWCC have worked to identify potential grantees; trained owners on how to access federal weatherization funds; and started conversations with a local utility company about helping to facilitate a “wholesale rather than retail” approach to energy efficiency in Philadelphia neighborhoods.

RHLS is also working with nonprofit clients like Wood Street Commons (see p. 9) to access available weatherization funds.

Financials

Support and Revenues

Access to Justice	373,285
Corporations	429,775
Foundation Grants	527,856
Individual Contributions	15,370
Interest and Other	9,006
IOLTA	63,091
Local Government	4,000
State Government	721,310
Total Revenues	2,143,693

Expenditures

Salaries	1,177,191
Fringe Benefits	366,379
Consultants and Contractors	379,098
Travel	34,833
Space Costs	83,132
Consumable Supplies	18,357
Equipment Related	5,333
Other	57,297
Total Expenses	2,121,620

Supporters

RHLS wishes to recognize the many individuals, foundations and corporate donors who supported RHLS in the 2009-2010 Fiscal Year.

Sponsors

Corporation for Enterprise Development (CFED)
 Commonwealth Housing Development Corporation (CHDC)
 Commonwealth Housing Legal Services (CHLS)
 Falk Foundation
 Independence Foundation
 PA Access to Justice
 PA IOLTA
 Pennsylvania Department of Community and Economic Development (DCED)
 Pennsylvania Legal Aid Network, Inc. (PLAN)
 NeighborhoodsNow
 Philadelphia Bar Foundation
 Montgomery County
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 William Penn Foundation

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 The Beneficial Foundation
 The Hill House Association
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 Trish Schoor
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