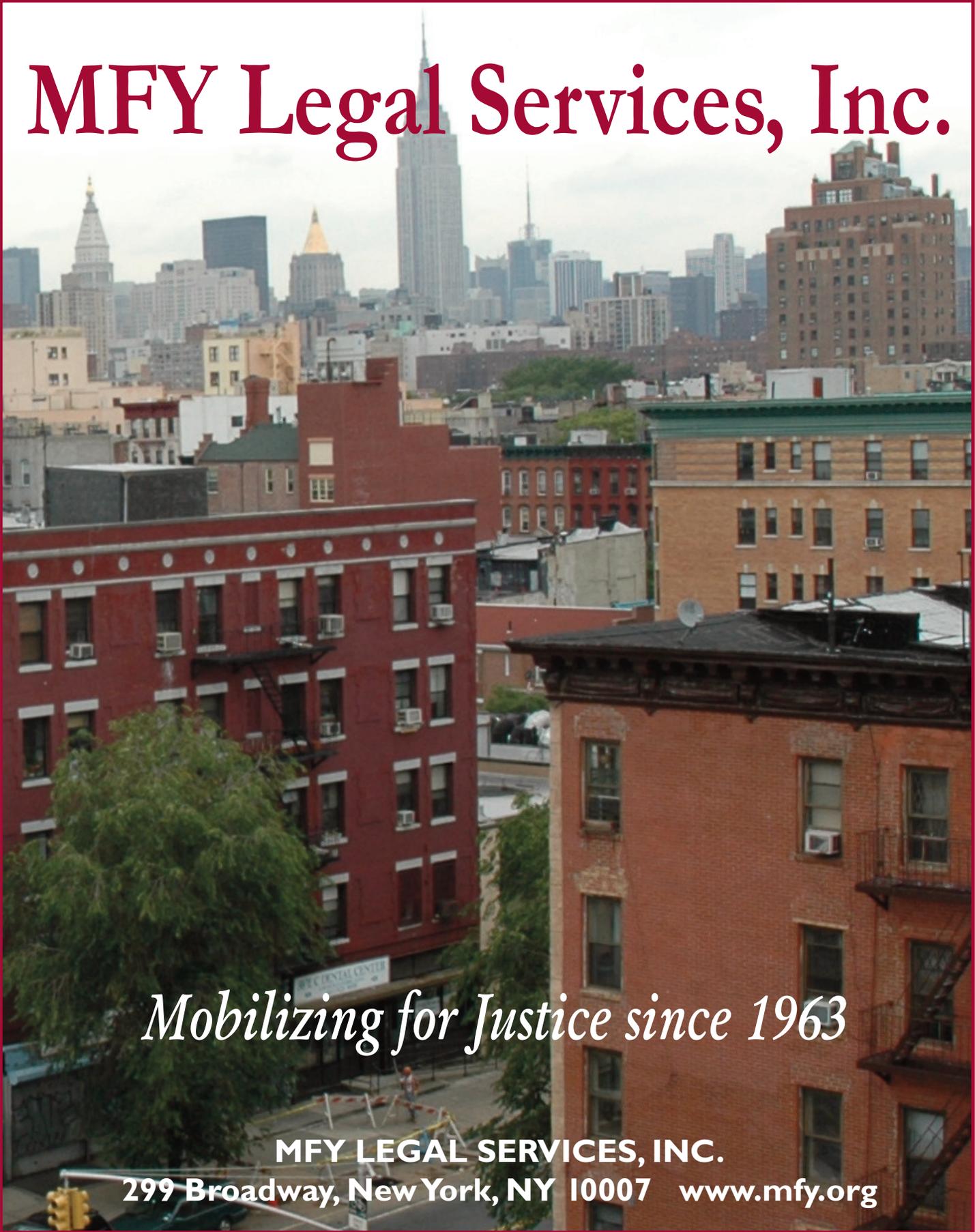


# MFY Legal Services, Inc.



*Mobilizing for Justice since 1963*

**MFY LEGAL SERVICES, INC.**  
299 Broadway, New York, NY 10007 [www.mfy.org](http://www.mfy.org)

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**50** years ago, MFY Legal Services pioneered a new approach to providing legal services for the poor, creating a model that has been followed by hundreds of legal services organizations nationwide. A comprehensive history of MFY would take volumes. On the occasion of our 50th anniversary, we present a much briefer account that highlights MFY's work throughout our history and how we have responded to the many challenges we have faced.

We thank the hundreds of attorneys, paralegals, social workers and support staff whose commitment and hard work over the years have made MFY a vibrant force for justice in our city, and to the members of our Board of Directors for their insight, courage, and steadfast support.

—Jeanette Zelhof  
Executive Director

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# An Idea Takes Hold

Like most bold ideas, the creation of MFY started with a small group of committed people asking hard questions about a seemingly intractable problem. In this case, the committed people were members of the Board of Directors of the Henry Street Settlement House, the social service organization that had aided waves of immigrants on Manhattan's Lower East Side for six decades. The year was 1957, and the immediate concern was rampant juvenile delinquency in the largely Puerto Rican and African-American community, the result of decades of poverty and discrimination.

After hearing the Settlement's social workers discuss the community's issues and their work, Jacob Kaplan, a prosperous local businessman and Board member, asked what it would take to tackle the problem. Henry Street's staff wanted to flood the community with social services to help lift residents out of poverty. Kaplan agreed to fund a planning process, and Henry Street enlisted Lloyd Ohlin, Director of the Columbia University School of Social Work, and Richard Cloward, his colleague, to lead the planning process. Ohlin and Cloward, nationally-recognized experts on juvenile delinquency, put forward their "opportunity theory." They believed that by creating opportunities—educational, social, cultural and economic—young people would engage in productive activity rather than delinquent behavior. Aided by Columbia University professors, social workers and representatives of community organizations on the Lower East Side, Ohlin and Cloward set to work developing Mobilization for Youth. At the same time, the Kennedy Administration was devising its own strategies to address similar problems on a national level.

## Mobilization for Youth Is Born

John F. Kennedy took three important steps to tackle juvenile delinquency: he created the Presidential Committee on Juvenile Delinquency; he sought and won approval from Congress for the Juvenile Delinquency and Youth Offenses Control Act, which authorized \$30 million over three years to finance local delinquency projects; and he recruited Lloyd Ohlin to lead the anti-delinquency effort.

*Poor people had always  
seen a lot of lawyers,  
but never on their  
side of the table.*

—Richard Cloward  
Columbia School  
of Social Work



# MFY Litigation History: A Selection of Significant Decisions

## DUE PROCESS

**Goldberg v. Kelly**, 397 U.S. 254 (1970).

The United States Supreme Court held that a state could not terminate “public assistance payments to a particular recipient without affording him the opportunity for an evidentiary hearing prior to termination.” The concept of fair hearings is now commonplace, and millions of Americans continue to benefit from this decision.

## SOCIAL SECURITY

**Schisler v. Bowen**, 851 F.2d 43 (2d Cir. 1988).

This influential decision arising out of class action litigation forced the Social Security Administration (“SSA”) to adopt the “treating physician rule,” which established that a treating physician’s opinion was (1) binding on the SSA’s determination of a claimant’s disability unless contradicted by substantial evidence, and (2) even if contradicted, entitled to substantially greater weight than that of the SSA’s consulting examiner.

**New York v. Sullivan**, 906 F.2d 910 (2d Cir. 1990).

This class action successfully challenged procedures of the Social Security Administration (“SSA”) for evaluating cardiovascular disabilities and resulted in the potential reopening of thousands of claims that SSA had previously rejected. The Second Circuit decision rejected the position that equitable tolling of claims is permissible only in limited circumstances. This liberalized tolling rule renders more claims viable and thus increases

In 1961, Mobilization for Youth’s (MFY) 617-page proposal was submitted to and approved by the Presidential Committee, headed by Robert F. Kennedy. The following June, at a ceremony in the White House Rose Garden, President Kennedy presented Mobilization for Youth with a \$2.1 million grant to help pay for its programs. Another \$11 million came from the National Institute of Mental Health, the Ford Foundation, the City of New York, and the Columbia School of Social Work. In a front-page article on June 1, 1962, *The New York Times* described Mobilization for Youth as a project that will “enlist the actionist and the researcher in a joint program of social engineering organized to improve opportunities for youth and guide young people into pursuing them.”

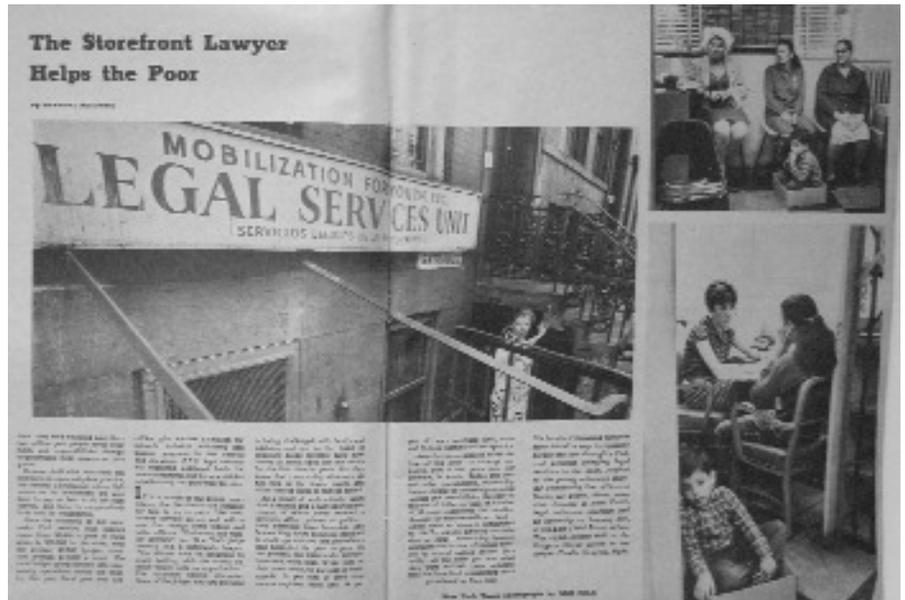
Mobilization for Youth opened its first storefront office on New York City’s Lower East Side in October 1962, and hired over 300 community organizers, social workers, and other professionals to carry out its ambitious agenda. Edward Sparer, a former labor organizer and recent law school graduate, who was inspired by the successes of organizations like the NAACP and ACLU and saw law as a means to redress inequality, was appointed the MFY Legal Unit director in 1963.

Mobilization for Youth wasted no time in organizing the community to fight injustice. In an early example of community activism, the organization stood on the side of local welfare recipients who were denied a winter clothing allotment. Rejecting a piecemeal, case-by-case approach, MFY appointed an attorney who acted as the representative for several hundred claimants. Threatened with massive picketing, the city’s Welfare Commissioner agreed to provide the allotment. As word spread across the city, thousands of families applied for and received the clothing benefit. This action, more than any other, provided the impetus for the formation of the National Welfare Rights Organization, one of several organizations that grew out of Mobilization’s pioneering work.

# Mobilization for Youth Forges a New Legal Approach

During its first year of operation, Mobilization for Youth recognized the community's pressing need for legal assistance. The welfare rights movement was growing rapidly, and large numbers of community residents needed help in accessing government benefits, which were often arbitrarily cut off by city case workers. Attuned to the community's needs and with years of experience in grassroots organizing, Edward Sparer advocated a new approach: "Instead of piecemeal direct legal services in the Legal Aid tradition, most of MFY Legal Unit's resources should be channeled into targeted study and direct litigation designed to change the institutional structure that created and sustained poverty." He advocated the use of test cases that would "create new legal rights for the poor." Sparer identified specific issues in the welfare rights arena that were ripe for legal challenges—including residency laws, arbitrary welfare terminations, violations of privacy, and inadequate benefits—linking litigation strategy to a social movement.

Mobilization's leaders embraced Sparer's pioneering philosophy and mission, and the four young lawyers it hired would soon jump headlong into a battle to win equality before the law for the city's poor. In its first year, the small staff handled 350 housing cases, 60 Workers' Compensation cases, 50 consumer credit cases, and 200 criminal matters. MFY's social workers were trained to identify legal issues, and legal clinics were held at neighborhood centers and settlement houses to educate community residents about their rights and options.



The New York Times Magazine feature article on the Mobilization for Youth Legal Unit in its November 10, 1968 issue began:

*Jobs, housing, education—these are recognized as the major problems of the sixth of the nation that lives in poverty. But a fourth—equality before the law—is seldom mentioned because it is little recognized and, anyway, seems like a luxury. Yet a new generation of dedicated young attorneys, shunning the blandishments of Wall Street firms, is proving that access to legal rights can help the poor to attain the other basic rights.*

*And the poor are coming to these young community lawyers by the hundreds of thousands. If the poor can't find the lawyers, the lawyers track down the poor. Nothing like this has happened before to extend legal rights in this country . . . .*

both the number of claims for which appeal is timely as well as the number of persons who can benefit from any particular class action decision involving government benefits.

**Stieberger v. Sullivan**, 801 F. Supp. 1079 (S.D.N.Y. 1992).

This class action challenged the Secretary of Health and Human Services' policy and practice of nonacquiescence to decisions of the Second Circuit Court of Appeals. The Secretary failed to require Social Security Administration ("SSA") adjudicators to apply binding interpretations of law issued by the Second Circuit to claims for disability benefits submitted by New York state residents. After prolonged litigation, the parties entered into a Court-approved settlement that established procedures to ensure that SSA adjudicators followed and applied Second Circuit disability decisions in the future and rectified past misapplication of law, which led to the reevaluation of thousands of claims that had been denied or terminated.

## NYC HOUSING AUTHORITY

**Brown v. Popolizio**, 166 A.D.2d 44, 569 N.Y.S.2d 615 (1st Dep't 1991).

**Holiday v. Franco**, 268 A.D.2d 138, 709 N.Y.S.2d 523 (1st Dep't 2000).

**Robinson v. Martinez**, 308 A.D.2d 355, 764 N.Y.S.2d 94 (1st Dep't 2003).

These three decisions are merely representative of the hundreds of instances in which MFY has preserved its clients' valuable New York City Housing Authority ("NYCHA") tenancies. In each cited case, the presence in his mother's apartment of an adult son previously deemed "nondesirable" by NYCHA prompted NYCHA's administrative termination of the mother's long-term tenancy. Representing the mother in each case on appeal, MFY successfully argued that the penalty imposed was "shockingly disproportionate" to the misconduct alleged. Moreover, the court held that

By the end of 1965, Sparer recognized that a neighborhood legal office deluged with clients was not equipped to initiate the kind of strategic work he envisioned. He revised his delivery model, opting for a two-tiered model in which strategic litigation would be generated and supervised by specialists working as partners with community-based offices. He left the MFY Legal Unit in late 1965 to create a "backup center," which was located at Columbia's School of Social Work. Sparer's new Center on Social Welfare Policy and Law (now called the National Center for Law and Economic Justice) would play an important role in collaborating with MFY and the hundreds of legal services offices that were created through the "War on Poverty."

When President Lyndon B. Johnson declared a new War on Poverty in 1964, he elevated community action from an experimental program to a major national initiative. Johnson created the Office of Economic Opportunity (OEO), which administered the Community Action Program and funded hundreds of new legal offices, including MFY. Staffed by young lawyers who were inspired by Sparer's vision of combining routine services with strategic litigation, a new chapter in the movement to expand justice for the poor began, enabling MFY to expand its legal advocacy efforts and laying the foundation for the landmark U.S. Supreme Court ruling on due process in *Goldberg v. Kelly*. In 1968, after five years of groundbreaking work, the MFY Legal Unit became an independent non-profit organization, incorporated as MFY Legal Services, Inc.

# MFY Leads the Due Process Revolution

From its inception, MFY focused on helping clients meet basic human needs. As the welfare rights movement grew and OEO funding put more lawyers to work for the poor, MFY's practice expanded to include welfare, family, and social security law. In 1967, a steady stream of clients whose welfare benefits had been arbitrarily terminated led lawyers at MFY and the Center on Social Welfare Policy and Law to prepare briefs challenging the cutoffs of welfare benefits without a hearing.

In January, 1968, John Kelly, a 29-year-old homeless man who had been disabled in a hit-and-run accident two years earlier, came to MFY when his

\$80.05 bi-weekly Home Relief check was cut off. Kelly explained to MFY that a month earlier his caseworker had asked him to move to a new Single Room Occupancy (SRO) hotel. Although the new SRO was filled with drug addicts and alcoholics, he obeyed his case worker, fearful that she would cut off his benefits. Unable to tolerate the new conditions, Kelly took temporary refuge in a friend's apartment. When he returned to the hotel to pick up his mail, he found that his checks had been returned and his welfare grant had been terminated.

Neither Kelly nor his MFY advocate had any success trying to restore Kelly's welfare grant, and he wound up sleeping on the streets, penniless. MFY attorneys knew this was the right client to launch a challenge to arbitrary terminations of welfare benefits. Lawyers told Kelly this and asked him if he wanted to litigate the issue. Kelly agreed. Within a few days, five more plaintiffs joined and by the end of the month MFY filed *Kelby v. Wyman*, alleging that the practices of the state and city welfare departments violated the plaintiffs' due process rights. A three-judge panel found in favor of the plaintiffs in November 1968, but the city eventually appealed the case to the Supreme Court.

In 1970 in *Goldberg v. Kelly* the Supreme Court held that the plaintiffs were entitled to their assistance by statute. Due process, it maintained, required that recipients be given timely and adequate notice, including the reasons for the proposed termination, and an opportunity to be heard and defend against this termination by confronting any witnesses against them and presenting their argument and evidence. Furthermore, the Court held that the decision must rest only on evidence presented and that the decision should be made by an impartial decision-maker. The Court balanced the government's cost of continuing to provide benefits until a hearing could be held against the recipient's brutal need for those benefits. The court found that for recipients who lacked other financial resources, terminating assistance, would, in effect, deprive them of the very means necessary to live.

Thus, MFY Legal Services was responsible for launching one of the seminal public interest and due process cases in the history of the United States, handing the welfare rights movement, and the anti-poverty movement as well, a powerful victory.



*Goldberg v. Kelly ... proved to be ... a critical building block in what came to be known as the due process revolution.*

*A series of decisions that followed erected a constitutional shield for the ordinary citizen against the arbitrary or standardless use of governmental power in many contexts.*

—Linda Greenhouse  
*The New York Times*

where NYCHA fails to follow its own procedures in terminating a public housing tenancy, the termination must be annulled.

## CHILD SUPPORT

***Velazquez v. New York***, 226 A.D. 141, 640 N.Y.S.2d 510 (1st Dep't 1996).

MFY represented a class of approximately 35,000 indigent non-custodial parents and obtained a judgment declaring that *Rose v. Moody*, 83 N.Y.2d 65 (1993) – which held that New York State's \$25 mandatory minimum child support orders violated the Supremacy Clause of the U.S. Constitution – should be applied retroactively. The court also ordered the state to pay thousands of dollars in retroactive relief to class members.

## SRO HOUSING

***Gracecor v. Hargrove***, 90 N.Y.2d 350, 660 N.Y.S.2d 74, 683 N.E.2d 326 (1997).

MFY successfully argued that New York City Rent Stabilization Code protected a Single Room Occupancy (“SRO”) tenant living in a lodging house cubicle typical of those found in traditional Bowery hotels. The New York Court of Appeals agreed that the cubicle met the statute's definition of “housing accommodation” because, whatever its structural characteristics, it served as our client's home. This holding has served to protect thousands of marginalized individuals from arbitrary eviction.

## DISABILITY RIGHTS

***Bowen v. Rubin d/b/a Leben Home for Adults***

No. 01-CV-0070 (EDNY 2001)

MFY, Disability Advocates, Inc. and Patterson Belknap Webb & Tyler LLP filed a lawsuit on behalf of 17 men with mental disabilities who were subjected to unnecessary and unconsented prostate surgeries while residents of the Leben Home for Adults. In 2005

# MFY's Neighborhood Offices Respond to Multiple Community Needs

Throughout the 1970s, MFY Legal Services continued to work for social change through litigation while carrying out a vibrant practice in six neighborhood offices. In Washington, however, the political will for anti-poverty funding was waning. In 1972, the War on Poverty, for the most part, was largely abandoned, and economic well-being of families dependent on welfare slowly deteriorated over the next decade. The same year, the U.S. Supreme Court refused to recognize the “poor people's right to live,” which Sparer and others had hoped would bring about a guaranteed minimum income. Many welfare rights groups disbanded. Links between legal strategists at organizations like the Center for Social Welfare Policy and Law and grassroots activists weakened.

A year later, however, Congress recognized civil justice as a federal concern and created the Legal Services Corporation, which made more money available for legal assistance to the poor. MFY again served as the model of a community law office, inspiring the founding of countless other legal services programs across the nation in both urban and rural areas.

During the 1970s, MFY responded to a wide range of issues affecting the communities it served—from representing minority parents who believed a new school redistricting plan was discriminatory, to forcing the State Education Commissioner to rule that the needs of students with disabilities must be met in special classes. In 1977, MFY and others won a suit to eliminate co-payments for Medicaid recipients over age 21, a ruling that impacted tens of thousands of people. Two years later, MFY helped win an important victory for domestic abuse victims, reaching an unprecedented out-of-court settlement that required New York City police to arrest husbands committing assaults where orders of protection were violated under the same standards of probable cause applicable in non-spousal cases.

# MFY Expands to Serve Emerging Legal Needs

The 1980s saw a new period of growth with the addition of three projects that addressed the legal needs of highly vulnerable populations. In 1981, the East Side SRO Law Project, funded by the city and state, was launched to protect residents of Single Room Occupancy hotels. Using lawyers and community organizers, the project worked to improve conditions in scores of buildings and prevent the displacement of residents from this “housing of last resort.” A new Community Support Systems (CSS) project, funded by the NYC Department of Mental Health, placed attorneys in each borough to help people who had been recently discharged from state mental hospitals as part of a growing deinstitutionalization movement obtain benefits that would help them live in the community. The SSI/SSD Project, funded by the city’s Human Resources Administration, provided assistance to people with disabilities who were living on meager welfare benefits but who were entitled to federal disability benefits.

By 1983 MFY’s four offices in low-income Manhattan neighborhoods were staffed by 26 attorneys, six paralegals, and seven social workers, and were handling 5,700 cases. Throughout the 1980s—and continuing to the present day—preventing evictions and preserving affordable housing became the community’s most pressing issue. At the same time, however, the Reagan Administration began dismantling Johnson’s anti-poverty programs and funding for legal services was cut by 25%.

Despite these funding setbacks, in the late 1980s MFY built on the CSS project to develop the Mental Health Law Project (MHLP), which expanded its work to ensure that New Yorkers with psychiatric disabilities were supported in their struggle to live independent lives. MHLP provides an array of civil legal services, including representation in housing court to fight evictions, maintain habitable housing, and appeal denials of public benefits. MHLP is now the largest civil legal practice for mental health consumers in the nation, handling some 2,000 cases a year. In 1989, as the HIV epidemic ravaged the city, MFY launched the HIV Law Project to provide direct services while pursuing impact litigation and policy advocacy. The HIV Law Project became an independent organization in 1994.



... To make sure that the legally indigent are being reached in the New York area, MFY even reaches out to them with the first mobile “storefront” law office of its kind in the United States. It is a camping truck that parks for a week at a time on blocks distant from the regular offices. Before it wheels up, leaflets are distributed saying where the truck will be parked and inviting a discussion of legal problems by those who cannot afford a lawyer. The truck has room for a driver, attorney, secretary, a couch for the client and a telephone for the lawyer on duty . . . .

—From “The Storefront Lawyer Helps the Poor” by Herbert Mitgang, *The New York Times Magazine*, November 10, 1968

defendants settled claims against them for more than \$10 million.

***Fountain House, Inc. v. Metropolitan Transportation Authority***, CV-03-2579 (CBA) (CLP) (E.D.N.Y. Oct. 15, 2003).

This class action against the Metropolitan Transit Authority (MTA) was brought on behalf of poor New Yorkers with psychiatric disabilities who were being denied the reduced fares given to other passengers with disabilities, through unnecessarily burdensome application and eligibility verification procedures. The suit was settled by stipulation requiring the MTA to streamline its application form and procedures, to disseminate reduced fare information to mental health advocates, and to submit to continued monitoring by the plaintiffs, benefiting thousands of poor NYC transit riders with disabilities.

***Cortigiano v. Oceanview Manor Home for Adults***, 227 F.R.D. 194 (E.D.N.Y. 2005).

This decision certified a class of current and future residents of the Oceanview Manor Home for Adults in an action seeking to end the home's control over the residents' meager monthly personal allowances, which are state entitlements not legally subject to the home's control. The suit also sought to redress the ongoing invasion of privacy and verbal abuse in the distribution of the residents' funds. In certifying the class, the court emphasized the importance of class certification for persons vulnerable to retaliation if their claims were pursued individually. The suit was settled favorably.

***Disability Advocates, Inc. v. Paterson et al***  
653 F.Supp.2d 184 (EDNY 2009)

And after a 2009 trial, the court held that New York State discriminated against adult home residents and violated the ADA by not providing services to 4,300 residents in the most integrated setting appropriate to their needs and ordered the state to pro-

# Surviving Federal Budget Cuts & Restrictions

During the 1990s MFY responded to continued federal budget cuts. The MFY Board of Directors, which had stood by MFY during earlier fiscal challenges, began to seek increased support from New York's established law firms. New York's private bar had been steadfast in its support for MFY, and several firms were providing substantial financial support and pro bono assistance. Cleary Gottlieb Steen and Hamilton LLP began sending extern fellows to serve four-month pro bono rotations in MFY's housing unit in 1975, and Willkie Farr and Gallagher LLP joined the program in 1989. In 1999 Wachtell, Lipton, Rosen & Katz established a funded fellowship line for a staff attorney at MFY. All of these programs continue today. To reduce operating costs, in the mid-1990s MFY's board of directors raised capital funds to close the aging neighborhood offices with redundant library and rental costs, and consolidate MFY into one modern space in lower Manhattan, a stone's throw from the courts and convenient for clients to reach through public transportation.

Building on the success of the Mental Health Law Project, in 1992 MFY secured state funding to develop the Adult Home Advocacy Project, a city-wide program that uses a lawyer-organizer model to defend the rights of residents with psychiatric disabilities and address the deplorable conditions that exist throughout the industry. The Project has become a leading force in advocating for more humane and appropriate treatment of people with mental disabilities in New York State.

In 1996, Congress imposed new restrictions on organizations receiving funds from the Legal Services Corporation (LSC), including prohibiting class action suits, lobbying, and serving undocumented immigrants. A lawsuit was brought challenging these restrictions, arguing that the LSC could not restrict how agencies used non-LSC funding, but after years of litigation the issue was not resolved favorably. MFY was faced with a choice: stay true to its mission and give up federal funding or severely limit the extent of its advocacy and representation of its clients. MFY's Board of Directors decided to forego federal funding and withdraw from Legal Services of New York, the umbrella organ-

ization through which these funds were disbursed. In January 2003 MFY successfully restructured itself as an independent legal services provider, able to respond to emerging legal needs with all the tools available to lawyers not subject to federal restrictions.

## MFY Stays True to Its Mission

Free to chart its own path, MFY renewed its commitment to the vision put forth by Ed Sparer in 1963, redressing the inequities faced by clients, using whatever lawful methods are available. As the 21st century approached, the face of poverty in the city had changed, and MFY's independent status allowed it to create new programs to address the needs of the working poor, who account for half of the households living in poverty in the city. The working poor have incomes that often made them ineligible for services by federally-funded providers but they do not have resources to hire lawyers.

MFY's Workplace Justice Project, begun in 2003, defends the rights of low-wage workers, regardless of citizenship status, winning hundreds of thousands of dollars in back wages for exploited and immigrant workers each year, and helping hundreds of workers secure Unemployment Insurance benefits.

In 2005, MFY's Consumer Rights Project, developed through a fellowship funded by Patterson Belknap Webb & Tyler, quickly became one of the largest programs in the city offering legal assistance to low-income consumers who are victims of identity theft, improper debt collection practices, and financial scams. Outraged that low-income New Yorkers were finding their bank accounts restrained as a result of default judgments in cases they knew nothing about, the Project exposed rampant "sewer service" in debt collection cases in its white paper, *Justice Disserved*. This report formed the basis of a major advocacy campaign to end sewer service, culminating in new legislation requiring stricter proof of service, and spurred action by the Attorney General against egregious offenders.



MFY and Domestic Workers United joined forces to bring public attention to rampant wage theft among immigrant workers at a press conference on December 5, 2007.



MFY attorney Anamaria Segura presents check for recovered funds to client who was the victim of identity theft in April 2008.



Clients from Chinatown joined MFY to demand better language access services from city agencies at a City Hall hearing in March 2008.

vide, *inter alia*, supported housing for these adult home residents. In April 2012, the Court of Appeals for the 2nd Circuit reversed the District Court decision and dismissed the case on procedural grounds, but did not question the District Court's findings. Settlement negotiations are ongoing.

**New York Coalition for Quality Assisted Living v. MFY Legal Services, Inc.**

17 NY3d 886 (2011)

The New York State Court of Appeals upheld an Appellate Court decision that affirmed the right of lawyers and advocates to meet freely with residents of adult homes in a case that centered on whether NYCQAL, a trade association of adult home operators, can issue "guidelines" on behalf of its members limiting lawyers' access to residents and impeding confidential visits.

## CONSUMER RIGHTS

**Centurion Capital Corp. v. Druce**  
14 Misc. 3d 564 (N.Y.C. Civ. Ct 2006)

The Court dismissed the collection suit against MFY's client and held, in a matter of first impression, that local licensing rules that are intended to prevent abusive practices apply to third parties who purchase consumer debt from creditors and seek to collect in New York City. The decision subjects these third party collectors to local government regulation and oversight.

**Martha Vasalle v. Midland Funding LLC**

11-3814 U.S. Court of Appeals for the 6th Circuit

MFY objected to a proposed settlement of several private class action lawsuits against debt buyers that potentially affects 253,247 New Yorkers, expressing concerns about the broad language of the settlement agreement and the significant rights that class members would be giving up in return for a paltry sum of money. In February 2013, the Sixth Circuit granted the relief requested by MFY and its co-ob-

## Meeting the Legal Needs of Vulnerable Groups

Like low-wage workers, many seniors on fixed incomes cannot afford attorneys to challenge landlords' increasingly aggressive tactics aimed at ejecting them from rent-regulated apartments. In 2005, MFY secured city funding to help older adults in Manhattan avoid eviction so that they can age in place with dignity. In 2006, MFY created a project to address the legal needs of children in kinship care, who are the largest, and most ignored, segment of the child welfare system. MFY leveraged its resources to recruit and train pro bono attorneys to represent grandparents and other relatives caring for related children in custody, guardianship and adoption proceedings, bringing greater permanency and stability to their lives. A year later, MFY expanded services to preserve affordable housing and economic diversity in lower Manhattan neighborhoods that had been heavily impacted by the events of September 11, 2001. With support from the Skadden Fellowship Foundation, MFY began a new effort in 2009 to challenge operators of "three-quarter houses," an exploitative industry that recruits people leaving shelters, prisons and rehabilitation programs with promises of social services, and then illegally evicts them after they complete substance abuse programs chosen by the operator. The project defends tenants and is litigating two class actions challenging operators' illegal use of rent-regulated apartments and SROs as three-quarter houses.

## Responding to Crises

The economic crisis of 2008 created new challenges for MFY. MFY's Workplace Justice Project and Consumer Rights Project were well-positioned to help New Yorkers who lost jobs and fell into debt. With the bottom falling out of the housing market, MFY responded and created a Foreclosure Prevention Project to represent homeowners in Queens, Brooklyn and Staten Island, where entire neighborhoods were being decimated. In two white papers, *Justice Deceived* and *Justice Unsettled*, the project exposed unlawful practices of mortgage servicers. These studies found thousands of foreclosure cases stuck in a "shadow docket," unable to move forward because attorneys representing the servicers had failed to file statements attesting to the accuracy of their filings. As a result of the white papers and MFY's advocacy, many courts developed special programs to bring homeowners to the courthouse to meet with MFY and other legal services providers to assess their options and

secure representation if needed. In addition, the Office of Court Administration drafted legislation to require that attorney attestations be filed along with the summons and complaint.

Long-term unemployment combined with lack of health insurance left many New Yorkers overextended on credit cards and amassing huge debt. With a Skadden Fellow, MFY expanded its practice to assist low-income New Yorkers to file for bankruptcy to make a fresh start in an economically hostile environment.

When Super Storm Sandy hit the city in October 2012, MFY immediately mobilized, setting up workshops for tenants, workers and homeowners, holding legal clinics in affected area, and providing user-friendly fact sheets for those affected. New staff was hired to help storm victims appeal denials of FEMA benefits and address insurance problems and other disaster-related issues.

## Making an Impact

Freedom from federal restrictions has enabled MFY to initiate impact litigation. MFY is waging a battle against wage theft, initiating class action lawsuits against employers in the home health care industry who fail to pay lawful wages. In 2012, one such case resulted in a \$1.1 million settlement for its largely female, immigrant workforce. On behalf of distressed homeowners, MFY filed suit against Bank of America for breach of contract in refusing to modify mortgages, and against New York's largest foreclosure law firm for violations of the Fair Debt Collection Practices Act. In one of the only cases of its kind, MFY filed a class action lawsuit against a debt collection law firm, a debt buyer, and a process serving company, charging that these entities obtained default judgments against tens of thousands of consumers using fraudulent affidavits of merit. MFY has challenged the state's practice of placing people with psychiatric disabilities in adult homes as a violation of the Americans with Disabilities Act, leading to settlement negotiations with the state to create thousands of units of supported housing so these residents can live with greater independence and dignity. On behalf of 200 adult home residents, MFY is suing an individual home for long-standing violation of residents' rights. These cases, and others like them, have the potential to benefit hundreds of thousands of New Yorkers.



*MFY attorney Tanya Kessler speaks at rally of three-quarter house tenants protesting illegal evictions and lack of promised services on December 15, 2010.*



*Faybal James reads the loan modification agreement finalized in April 2013 that allowed her to avoid foreclosure as MFY attorney Aaron Jacobs-Smith looks on.*

lief requested by MFY and its co-objectors and remanded the case to the district court for further proceedings.

***Sykes v. Mel S. Harris, LLC***  
09 Civ. 08486 (SDNY)

In 2012 the court certified a class in the case, which alleges that a debt collection law firm, a debt buying entity, and a process serving company purposefully obtain default judgments against consumers in consumer credit transactions in New York City Civil Court by not serving defendants with court papers and obtaining default judgments using fraudulent affidavits of merit. The class is believed to include some 100,000 New Yorkers.

**WORKPLACE JUSTICE**

***Acosta v. NYC Department of Education***

16 NY3d 455 (2011)

The NYS Court of Appeals ruled that New York City's Department of Education violated the Corrections Law by denying employment to Ms. Acosta based on a criminal conviction and failing to consider all of the mitigating factors set forth in the law.

***Montero v. McMillan's Home Care Agency, Inc.***

Supreme Court, NY County, Index No. 104779/2010

In June 2012, the case against a home care agency that consistently underpaid its workers settled for \$1,090,000, which will be distributed to class members on a pro rata basis based on overtime hours worked and not paid. It also prohibits the agency from retaliating against employees who complain about wages and hours and requires it to appoint an administrator to handle complaints about payment of wages or reimbursement of expenses. This was the first lawsuit against a New York home care agency to successfully reach classwide settlement over violations of state wage-and-hour laws.

Fifty years after opening a tiny storefront office, MFY has grown in size and scope, maintaining its commitment to addressing the basic needs of its clients to preserve affordable housing and income security, while expanding services citywide to serve highly vulnerable populations and developing projects to address emerging legal needs in the areas of disability rights, foreclosure, workers' rights, consumer, and family law. As a client recently put it, "When you have no money or power, you really need a place to go for justice." MFY has been, and will continue to be, the place to go for justice.

*Special thanks to Dolores Schaefer for researching MFY's history and preparing this report.*

# *Thank You*

MFY expresses its deep appreciation to the dedicated attorneys who have served the organization as Executive Director and Chair of the Board of Directors.

## **Executive Directors**

**Edward Sparer**

1963-65

**Harold Rothwax**

1965-70

**Martie Thompson**

1970-71

**George Stewart**

1971-75

**Nancy LeBlanc**

1975-78

**Norman Siegel**

1978-85

**Wayne Hawley**

1985-1998

**Lynn Kelly**

1998-2007

**Christopher D. Lamb**

2008-2011

**Jeanette Zelhof**

2007-2008

2011 - present

## **Board Chairs**

**Ethan Allan Hitchcock**

1968-70

**Morton Pepper**

1970-80

**Elizabeth De Feis**

1980

**Joan Stern Kiok**

1981-86

**Carolyn Heft**

1986-94

**Lisa E. Cleary**

1994-2000

**David W. Ichel**

2000-02

**David G. Keyko**

2002-04

**Eric M. Roth**

2004-06

**Alan Mansfield**

2006-08

**Ariana J. Tadler**

2008-10

**Thomas E. Dunn**

2010-12

**Mark E. Segall**

2012-present



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