

THE COUNCIL OF THE CITY OF NEW YORK

Hon. Corey Johnson
Speaker of the Council

Hon. Rory I. Lancman
Chair, Committee on Justice System



Report of the Finance Division on the
Fiscal 2019 Preliminary Budget and the
Fiscal 2018 Preliminary Mayor's Management Report for the
Human Resources Administration's Office of Civil Justice
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Finance Division

Sheila D. Johnson, Financial Analyst
Eisha Wright, Unit Head

Latonia McKinney, Director
Regina Poreda Ryan, Deputy Director

Nathan Toth, Deputy Director
Paul Scimone, Deputy Director

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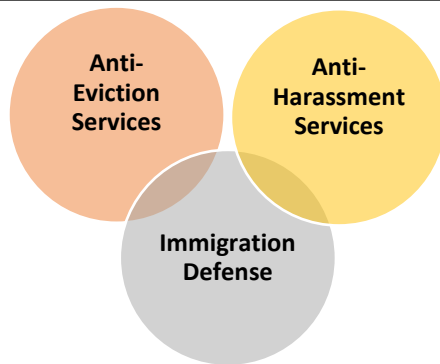
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Office of Civil Justice

In 2015, pursuant to Local Law 61, the Office of Civil Justice (OCJ or the Office) was created. OCJ advises and assists the Administration in understanding and meeting the civil legal service needs of low-income New Yorkers citywide. HRA's Office of Civil Justice oversees the provision of free civil legal services for New Yorkers in need, including tenants facing eviction, immigrant New Yorkers in need of deportation defense, access to benefits, support for survivors of domestic violence, assistance for veterans, and other legal assistance for tenants in need.

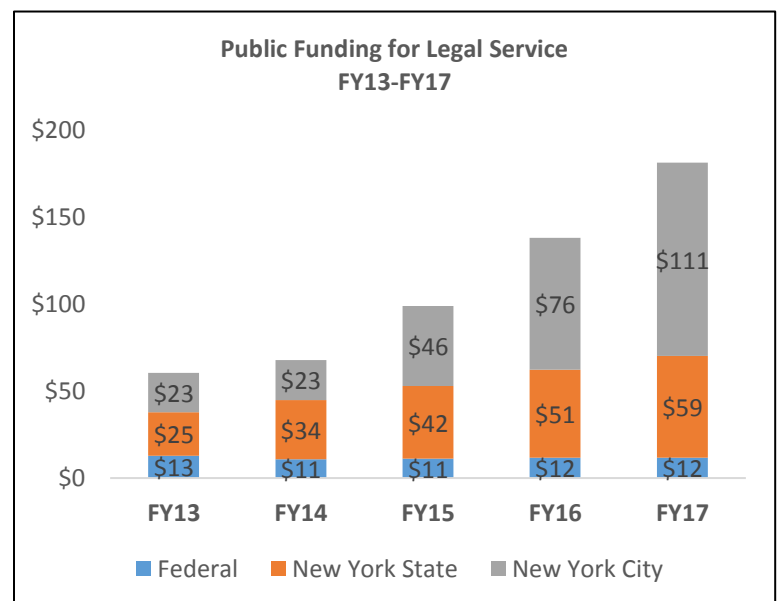
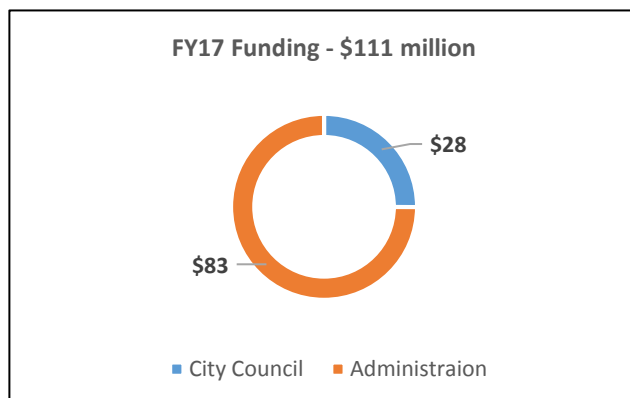
Legal Assistance for Low-income New Yorkers is provided free in three key areas:



This report provides an overview of the portion of the HRA budget that supports the Office of Civil Justice. The first section provides a historical overview of public funding for civil legal services for New Yorkers. This is followed by a section that provides an overview of the Fiscal 2019 Preliminary Budget for civil legal services with a discussion of the year-over-year changes. The second section provides an overview of civil legal service providers and the contracts that are managed by OCJ.

Public Funding for Civil Legal Services

In the last five years, as shown in the chart to the right, public funding for civil legal services has grown by more than 200 percent, from \$60.4 million in Fiscal 2013 to \$181.4 million in Fiscal 2017. During the same time, New York City's share has grown by almost twice as much from \$22.6 million in Fiscal 2013 to \$111 million in Fiscal 2017. For Fiscal 2017, the City's investment of \$111 million reflected the Council's and the Administration's goal of providing free legal representation to more low-income New Yorkers.



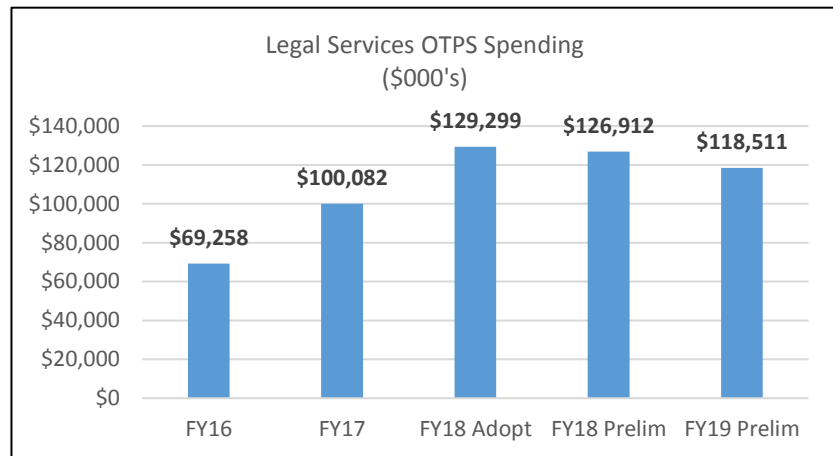
*Dollars in Millions

Source: Office of Civil Justice 2016 Annual Report.

Fiscal 2019 Preliminary Budget Highlights

The chart below provides an overview of the Other Than Personal Services (OTPS) budget for legal services. This includes actual expenditures for Fiscal 2016 and Fiscal 2017, the Fiscal 2018 Adopted Budget, and the Fiscal 2018 and 2019 budgets as of the Preliminary Plan.

The Fiscal 2019 Preliminary Budget for legal services contracts within OCJ totals \$118.5 million, a decrease of \$10.8 million compared to the Fiscal 2018 Adopted Budget of \$129.3 million. This decrease is due in part to City Council funding that was added at Fiscal 2018 Adoption and not included in the Fiscal 2019 proposed budget. The Fiscal 2018 Budget



as of the Preliminary Plan reflects a decrease of \$2.4 million due to shifts in contractual expenditures.

Budget Structure and Staffing

Since OCJ is not an independent city agency, it does not have its own budget. The Office is funded in HRA, which is a \$9.8 billion agency with many other offices, divisions and programs that support New Yorkers. Currently, neither the HRA budget, nor any of the supplementary budget reports provided by Office of Management and Budget (OMB) include a section that schedules all of the resources used by OCJ and as a result, it is difficult to track how much the City commits to OCJ. The Council recognizes that HRA did create both a new Unit of Appropriation (U/A) and program area for Legal Services in Fiscal 2017. Both include only Other Than Personal Services (OTPS) spending for OCJ. This action helped to create a comprehensive view of the contractual spending on legal services managed by the Office of Civil Justice. However, a similar change for Personal Services (PS) is still needed to ensure accountability and transparency.

The Office currently includes 41 staff, including central administration, program development staff, a contract management team, and a group of HRA liaisons located in the Housing Courts who help connect individuals to legal service providers and other HRA administered benefits as needed. OCJ is part of the Homelessness Prevention Administration (HPA) which was created to streamline HRA's work in homelessness prevention, rental assistance and early intervention. While HRA has always provided preventive services, the efforts are now produced out of a single division. HPA works with the Department of Homeless Services (DHS), the NYC Housing Authority (NYCHA) and many other organizations and City agencies to prevent homelessness and assist families and individuals in need of maintaining stable, affordable housing in their communities.

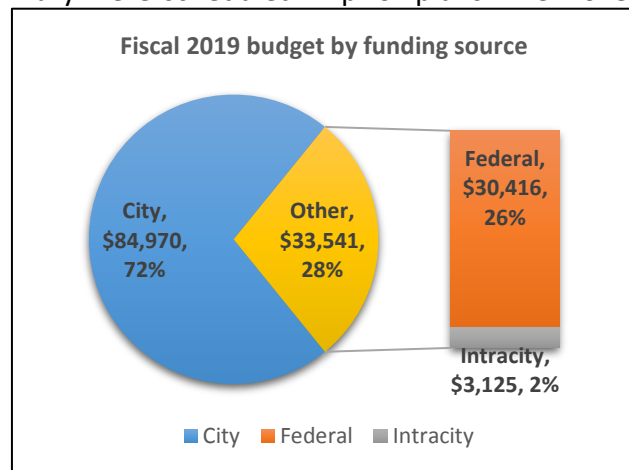
As part of HRA's continued efforts to ensure that families and individuals at risk of eviction receive the critical resources they need, HRA created the Legal Services Unit, which manages approximately \$80 million in contracts on an array of civil legal service matters.

Financial Plan Summary

HRA's Legal Services Program Area provides funding for various legal services programs to assist individuals and families. The program area includes two OTPS units of appropriation for the Legal Services contracts. This includes U/A 103 and U/A 107. Within the U/As are budget codes which more accurately define program spending. The Financial Plan Summary Chart below provides by budget code name, actual expenditures for Fiscal 2016 and Fiscal 2017, the Fiscal 2018 Adopted Budget, and the Fiscal 2018 and 2019 Budgets as of the Preliminary Plan.

Legal Services Financial Plan Summary						
<i>Dollars in Thousands</i>						
	FY16	FY17	FY18	Preliminary Plan		*Difference
	Actual	Actual	Adopted	FY18	FY19	FY18-FY19
Other than Personal Services Spending						
Access to Counsel	\$0	\$0	\$0	\$14,900	\$30,304	\$30,304
Anti-Eviction Services	69,258	100,082	127,924	96,909	74,479	(53,445)
Deportation Defense	0	0	0	13,728	13,728	13,728
Other Expenses - General	0	0	1,375	1,375	0	(1,375)
TOTAL	\$69,258	\$100,082	\$129,299	\$126,912	\$118,511	(\$10,788)
City Funds			\$98,449	\$98,196	\$84,970	(\$13,479)
Federal - TANF			26,585	26,585	30,416	3,831
Intra City			4,265	2,131	3,125	(1,140)
TOTAL	\$69,258	\$100,082	\$129,299	\$126,912	\$118,511	(\$10,788)
Contracts - Homeless Family Services			103	76	76	(27)
TOTAL			103	76	76	(27)

The Preliminary Plan did not introduce any changes to the Legal Services budget. All of the year-to-year changes shown in the Financial Plan Summary were scheduled in prior plans. The November 2017 Plan did, however, update the budget structure for unit of appropriation 107 by introducing two new budget codes – Access to Counsel and Deportation Defense. While this updated structure improves the accuracy and transparency of civil legal services funding in unit of appropriation 107, the budget however still includes approximately \$3 million in unit of appropriation 103, which does not allow for full transparency. Furthermore, the PS spending for OCJ is not consolidated into a single U/A.



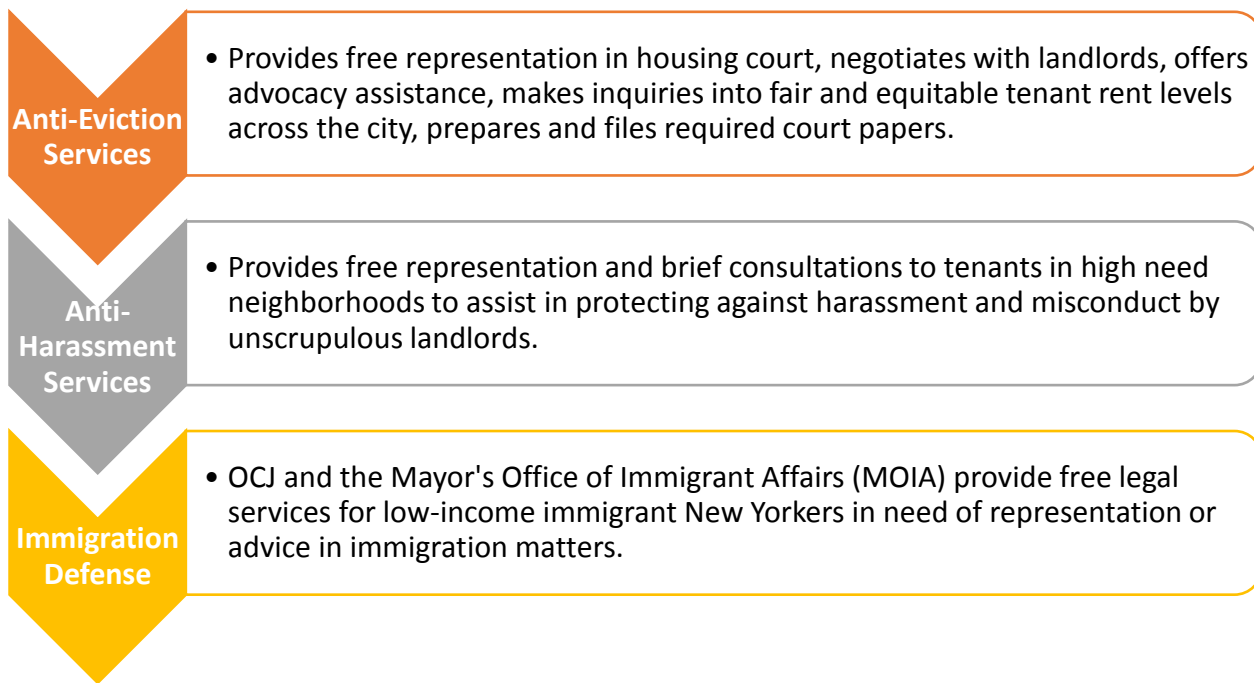
The Fiscal 2019 Preliminary Budget for legal services totals \$118.5 million, all of which funds contractual services through 76 contracts. Of that amount, approximately \$85 million or 72 percent is City-tax levy and \$33.5 million or 28 percent is non-city funding. The Fiscal 2018 Adopted Budget totaled \$129.3 million, and included City Council initiatives totaling approximately \$23 million. The Fiscal 2018 Budget of \$126.9 million as of the Preliminary Plan includes a reduction of \$2.4 million due to adjustments in previous plans.

Office of Civil Justice Programs Overview

The Fiscal 2019 Preliminary Budget totals \$118.5 million for contracts administered by the Office of Civil Justice for anti-eviction services, anti-harassment services, immigration defense and City Council initiatives.

Of note, contracts for Anti-Eviction services are scheduled to expire on September 30, 2018 and Anti-Harassment end on June 30, 2018. However, the Office of Civil Justice confirms that both contracts will be extended to maintain continuity of services and funding. Prior to the next contract expiration, HRA will issue an RFP, but no dates have been announced yet. OCJ acknowledges that a careful analysis of what capacity looks like in the housing areas of anti-eviction and anti-harassment is critical to maintain efficiency and sustainability in both services and providers.

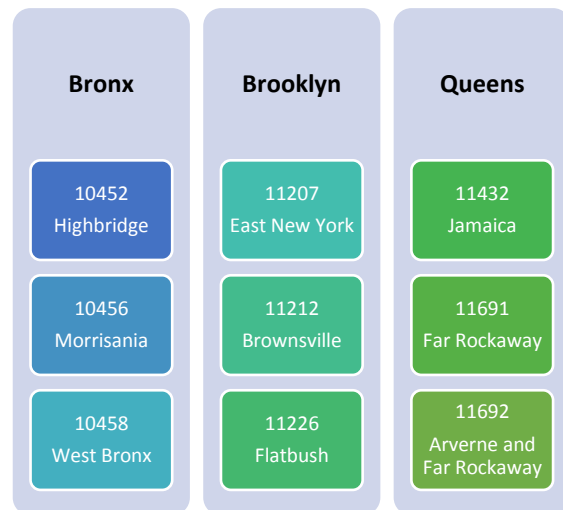
Below is a summary by contract area, which provides more detail.



Anti-Eviction Services

- **Homelessness Prevention Law Project (HPLP).** The Fiscal 2018 Budget includes \$26.3 million for the HPLP anti-eviction legal services program. Funding will support full legal representation for low-income New Yorkers facing eviction and displacement, who are at or below 200 percent of the federal poverty level in housing court. New Yorkers earning more than the federal poverty level receive free legal advice. Program attorneys are available across all five boroughs and provide an array of legal services that help ensure that low-income families facing eviction or other potential loss of housing remain housed and avoid becoming homeless and entering shelters.

- Universal Access to Counsel.** The Fiscal 2019 Preliminary Budget includes \$30.3 million for the “Universal Access to Counsel” program, \$15.4 million more than Fiscal 2018 Adopted Budget. The additional support will extend the program into neighborhoods with high shelter entrants from targeted zip codes. New Yorkers who earn less than \$50,000 a year would be guaranteed free legal representation while battling their landlord in court. Those earning more would be offered free legal counsel. Funding for the program will be phased in over the next five years for a total of \$155 million by 2022. In Fiscal 2018, the increased funding will be distributed among the 12 existing legal providers in all five boroughs that have an HPLP contract. The City estimates an additional 400,000 New Yorkers each year will qualify for legal help in the Housing Court.



Anti-Harassment Services

- Anti-Harassment Tenant Protection (AHTP).** The Fiscal 2018 Budget includes \$38.1 million for Anti-Harassment Tenant Protection. Of this amount, \$4.7 million will be used for program expansion. AHTP provides legal representation and/or advice to low-income New Yorkers living in high-need neighborhoods to assist in the prevention of tenant harassment, misconduct by unscrupulous landlords, displacement and to maintain affordable housing.



Immigration Services

- Deportation Defense.** The Fiscal 2019 Preliminary Budget includes \$13.7 million in Fiscal 2018 and Fiscal 2019 for a variety of free legal services programs for low-income immigrant New Yorkers in need of legal advice or representation in immigration matters.

- **Immigration Legal Services.** The Fiscal 2018 Budget includes \$2.1 million in federal Community Services Block Grant funding. This program provides full legal representation to assist in citizenship, lawful immigration status, social services for survivors of domestic violence and human trafficking, education and advocacy. There are three separate programs and they are Services for Immigrants (Adults), Services for Immigrant Victims of Domestic Violence and Trafficking and Services for Immigrant Workers.
- **Immigration Opportunity Initiatives (IOI).** The Fiscal 2018 Budget includes \$5.9 million for IOI. This program provides legal services to non-citizens to assist in matters ranging from complex cases, citizenship and lawful permanent residency applications, to more complex immigration matters, including asylum applications and removal defense work.

Fiscal 2018 Preliminary Mayor's Management Report (PMMR) Performance Measures

The Fiscal 2018 PMMR outlines the responsibilities and goals of the Office of Civil Justice within HRA. OCJ's mission is to coordinate, evaluate and improve civil legal services for low-income New Yorkers.

The Fiscal 2018 PMMR mentions OCJ's service goal of providing homelessness prevention benefits and services to eligible children and adults. The chart highlights OCJ's performance statistics for Fiscal 2015 to 2017, target data for Fiscal 2018 and Fiscal 2019 and four-month actual data for Fiscal 2017 and Fiscal 2018.

Reduce Homelessness Among Children and Adults							
Performance Indicators	Actual			Target		4-Month Actual	
	FY15	FY16	FY17	FY18	FY19	FY17	FY18
Low-income cases facing eviction and homelessness who were assisted with legal services in Housing Court	8,900	11,837	16,702	*	*	5,045	6,477

- Over the last three years, an average of 12,480 individuals received legal services in housing court.
- According to OCJ, in Fiscal 2017, of the 16,702 individuals who received legal services, 12, 526 or 75 percent received full legal representation. This number is a subset of all legal service enrollments for Fiscal 2017. Tenant legal services in OCJ serve those facing eviction in housing court, displacement and tenant harassment. The PMMR can make improvements by disaggregating the data to reflect the specific services listed above.
- OCJ continues to focus its strategy on improving access to legal representation for low-income residents facing eviction. According to the PMMR, HRA reports that the expansion of legal service programs for low-income tenants facing eviction, displacement and harassment contributed to 28.4 percent increase in Housing Court legal assistance for low-income households facing eviction and homelessness. During the first four-months of Fiscal 2018, 6,477 individuals received assistance compared to 5,045 In Fiscal 2017.
- The increased investment in civil legal services has led to an increase in tenants having legal representation when facing eviction in Housing Court. In January, the Mayor issued a press release that indicated that residential evictions by marshals had declined 27 percent since 2013. Additionally, the number of evictions in 2017 was 21,074 or down five percent increase compared to 22,089 in 2016.

City Council Initiatives

In Fiscal 2018, the City Council added \$23 million to HRA's budget for seven civil legal services initiatives, which represents an increase of \$4.6 million or 25 percent when compared to \$18.4 million in Fiscal 2017.

FY18 Council Changes	
<i>Dollars in Thousands</i>	
Council Initiatives	FY18 Adoption
Immigrant Opportunities Initiative	\$2,600
Legal Services for Low Income New Yorkers*	4,750
Legal Services for the Working Poor	3,055
Legal Services for Veterans	300
New York Immigrant Family Unity Project	10,000
Supportive Alternatives to Violent Encounters (SAVE) **	350
Unaccompanied Minor Children and Families	2,000
TOTAL	\$23,055

* In Fiscal 2017, Initiative was Consolidated with Citywide Civil Legal Services and Unemployment Insurance/Supplemental Security Income.

** In Fiscal 2017, Initiative was Consolidated with Connect Inc. – Community Empowerment Program, Immigrant Battered Women's Initiative and Legal Services for Domestic Violence Victims.

City Council-funded civil legal services initiatives managed by HRA include:

- **Immigrant Opportunities Initiative – \$2.6 million.** The Immigrant Opportunities initiative supports twenty-nine legal service providers that help immigrant adults to gain access to information and resources to strengthen their participation in the democratic process. Specifically, this initiative provides legal services for recent immigrants to assist with applications for citizenship or permanent residency, and various other immigrant related legal services
- **Legal Services for Low-Income New Yorkers – \$4.7 million.** Legal Services for Low-Income New Yorkers supports three legal service providers. The program provides full legal representation for matters that include unemployment insurance, supplemental security income, consumer/finance, education, employment, family, juvenile, health, housing, income maintenance, individual rights and miscellaneous benefits.
- **Legal Services for Veterans – \$300,000.** Legal Services for Veterans supports two legal service organizations that provide legal representation NYC veterans in the areas of family law, housing, public benefits, healthcare, homecare, financial planning and consumer protection.
- **Legal Services for the Working Poor – \$3 million.** Legal Services for the Working Poor program initiative supports eleven legal service providers. The program provides full legal representation for the working poor in matters that include assistance in preventing eviction, foreclosure, improvement of living conditions, removal of hazardous housing conditions, housing code enforcement actions, emergency grants to prevent homelessness, disability benefits, immigration assistance, workplace abuses, consumer protections from creditors and domestic violence.

- **New York Immigrant Family Unity Project – \$10 million.** The New York Immigrant Family Unity Project program supports three legal service providers. The program provides full legal representation for New Yorkers detained and facing deportation who cannot afford an attorney. Services included are master calendar, bond and individual merit hearings, appeals and social work services.
- **Supportive Alternatives to Violent Encounters (SAVE) - \$350,000.** SAVE funding supports legal service organizations that provide domestic violence victims appearing in court with a range of services that include prevention, direct legal representation, counselling and referrals.
- **Unaccompanied Minors and Families – \$2 million.** The Unaccompanied Minors and Families program funding supports five legal service providers. The program provides legal services to adults with children to ensure access to critical educational, health and mental health services.