

COMMUNITY LEGAL SERVICES
IN EAST PALO ALTO



Dear Friends, Colleagues, and Supporters,

It has been a year and a half since assuming the role of Executive Director of Community Legal Services in East Palo Alto. It is an honor to work with an outstanding agency so critical to the communities that we serve. Our paid staff, including 5 full-time and 3 part-time individuals, worked tirelessly to assist low-income clients in more than 1 500 cases this year.

This is an exciting time for our agency. Deloitte Consulting is assisting CLSEPA as a *pro bono* client, helping us create a new Strategic Plan. Thanks to a generous grant from the Atkinson Foundation, we are also conducting a Community Needs Assessment to better understand the unmet legal needs in our community – information that will inform our Strategic Plan. Finally, we will soon be unveiling a state-of-the-art website created by a volunteer team from the Taproot Foundation. With these and other exciting changes, our abilities to reach and serve the civil legal needs of low-income families and individuals will be stronger than ever.

I am proud of our accomplishments and direction. However, I recognize that the unmet legal needs in our community are growing. The recent crash in the sub-prime housing market has caused a huge and unforeseen number of foreclosures and uncovered an overabundance of predatory lending abuses. Immigrations and Customs Enforcement (ICE), a branch of the Department of Homeland Security, has conducted illegal raids of immigrant citizens across the Peninsula, wresting parents from children, husbands from wives. Affordable housing is increasingly unavailable, leaving low-income workers and families in jeopardy of homelessness.

Community Legal Services in East Palo Alto depends on our volunteers and pro bono firm partners to realize our mission in the face of new challenges. Our pro bono partners, volunteer attorneys, law students, college students, website developers, business consultants, and translators are critical to our ongoing provision of services. This newsletter is dedicated to these unnamed many -- the volunteers and donors who make our work possible.

The next few pages are intended to help reveal our purpose and update you on how we are realizing our mission. I hope you will agree.

Warm Regards,

Candice Greenberg
Executive Director



Education

CLS Reaches Out to Train Bay Area Attorneys in Housing and Immigration Law to Meet the Needs of Low-Income Individuals

From mergers and acquisitions to intellectual property to environmental law, few areas of civil law lie outside the realm of expertise for Silicon Valley law firms. Yet, two areas of high legal need for low-income individuals - housing/eviction defense and immigration - happen to be among the few that do lack experienced attorneys. In the last six months, Community Legal Services in East Palo Alto (CLSEPA) has aggressively sought to address these deficiencies. On October 11th, 2007, CLSEPA hosted an hour and a half eviction defense workshop at Cooley Godward, LLP, which drew 19 attorneys, representing seven Bay Area law firms. Three attorneys have since taken eviction cases from CLSEPA's housing program. As Victor Ramirez, CLSEPA's housing director, states, "We are tremendously gratified by the support we've received from attorneys and firms in Silicon Valley. We are eager to continue working together to address the needs of low-income tenants."

The commencement of raids in the Bay Area by Immigrations and Customs Enforcement (ICE), a branch of the Department of Homeland Security, meanwhile, has created an additional threat for low-income and immigrant families. In the first three months of 2007, ICE raids - some of which were conducted in violation of Fourth and Fifth amendment rights - resulted in the arrests of 584 individuals in the Bay Area, over half of whom were not fugitive aliens. In response, CLSEPA has teamed with the Immigrant Legal Resource Center (ILRC) in San Francisco to mentor attorneys to handle motions to suppress, a legal proceeding used to exclude illegally obtained evidence. Nearly sixty attorneys are currently trained. "The turn-out, and level of interest of attorneys in attending our trainings on motions to suppress, exceeded our expectations," notes Eric Cohen, Executive Director of ILRC. As one attendee, Brian Carver of Fenwick and West, puts it, "A primary goal is to have enough trained attorneys on hand to bring these motions to suppress, so that after a few wins, hopefully Immigration and Customs Enforcement will bring its practices into line with the constitution and its own internal guidelines. This is an excellent opportunity to defend our constitution."

CLSEPA aims to continue training attorneys to handle a variety of pro bono matters in the future.

Settlement

Eviction To Settlement: One Client's Story



Our client, Ms. C, a single mother of four, suffers from bipolar disorder and schizophrenia. Two of Ms. C's minor children are also diagnosed with severe mental disabilities.

Ms. C came to CLSEPA when her Landlord decided to terminate her tenancy. The Landlord stated that the eviction was due to the "disruptive behavior" of one of her disabled sons. Although Ms. C always paid her rent on time, the Landlord filed an eviction lawsuit for alleged non-payment of one month of rent. Through early discovery, it was discovered that the Landlord's manager would testify that he

received timely payment from Ms. C, and that he advised Landlord about the fair housing implications if Landlord was to pursue eviction proceedings against Ms. C.

Due to her severe mental disability condition, Ms. C failed to timely file an answer to the eviction. Landlord then obtained a default judgment against Ms. C. A few days before the Sheriff was to enforce the judgment and evict Ms. C and her children, she contacted CLSEPA. We asked Landlord's attorney to immediately stop the eviction proceedings, stipulate to vacate the judgment, and dismiss the eviction lawsuit based upon the improper basis of the suit (non-payment of rent).

After the Landlord refused to comply with our demand, CLSEPA successfully sought outside counsel to defend Ms. C and her family against the eviction. A local law firm, Howrey, LLP, generously responded to our request and successfully assisted Ms. C in reaching a favorable settlement with Landlord.

Using emergency funds provided by Philanthropic Ventures Foundation, CLSEPA also was able to assist Ms. C with the funds needed to enable her to obtain a stay of the judgment while submitting her petition to set aside the judgment.

Lending

Predatory Home Lending: What it is and What We Do About it

More than two millions families will lose their homes before the crisis in home lending is over.

For years, sub-prime lenders have been stalking vulnerable homeowners in financially underserved neighborhoods throughout the United States. Predatory lenders are not your average thieves – they don't rob people with a gun, they rob people with a pen. They are often smooth, sophisticated, and know how to gain people's trust on one hand and intimidate on the other.

SOME COMMON EXAMPLES OF HOW HOMEOWNERS GET RIPPED OFF IN LOANS:

A homeowner gets a call or a piece of mail offering a really cheap mortgage in order to consolidate bills, pay for remodeling, or lower mortgage payments during a rough period. The salesman says "trust me, I'll take care of everything but, we have to act fast." Look out. Borrowers should not be rushed into loans. If the deal is real, it will still be there in a day or two or ten.

Often brokers or lenders offer good terms and then change them at the last minute. It is a traditional bait and switch. Unfortunately borrowers rarely walk away when they are close to signing loan papers, and bad lenders and brokers take advantage of human nature. But, borrowers can and should



Shirley Hochhausen, speaking after a bill proposed by CLSEPA protecting seniors from reverse mortgages is signed by Governor Schwarzenegger.

walk away from a loan signing without paying anything if the terms are not as they were promised. Some borrowers even have a right to change their mind after signing papers.

Finally, homeowners must look out for loans with teaser or adjustable rates, balloon payments, or interest only payments. Most borrowers only think about the initial monthly payments and don't think

about what may happen when the payments adjust. Borrowers should think carefully about whether they can afford to pay the adjusted rate as well as the teaser rate.

WHO ARE THE PRIMARY TARGETS OF BAD LOANS ?

While all borrowers are at risk for predatory home loans; minorities, people with limited English and seniors have been the primary victims of predatory lending. Federal Reserve data under the Home Mortgage Disclosure Act show stark racial disparities in the percentage of borrowers who paid higher than typical rates for their mortgages: 54.7% (African American borrowers) and 46.1 % (Hispanic borrowers), compared to

only 17.2% of white borrowers. Community Legal Services in East Palo Alto (CLSEPA) and its co-counsel, Fenwick and West, filed a law suit alleging race discrimination, age and gender discrimination against Ameriquest Mortgage Company in 2004 (Knox v. Ameriquest). Recently, the NAACP filed a lawsuit in Los Angeles against several big lenders, alleging race discrimination as well.

Seniors are also especially vulnerable because of the availability of reverse mortgages. Reverse mortgages can be very useful in some circumstances, but they are expensive and should be carefully considered among other financial options. Anyone seeking a reverse

mortgage should consult with a HUD-certified reverse mortgage counselor. Thanks to the efforts of CLSEPA's Anti Predatory Lending Practice and State Senator Joe Simitian, California now mandates that all reverse mortgage borrowers must get independent, AARP certified, free reverse mortgage counseling.

Now, CLSEPA is partnering with local law firms and USF Law School to train attorneys and advocates to assist borrowers in understanding the terms of their loans before they sign on the dotted line.

CLSEPA is one of the only entities in San Mateo County available to assist home borrowers who are caught up in the whirlwind of bad loans and foreclosures. We hope you will support our

efforts to assist low income borrowers and their families to remain in their homes and to continue to build stable communities through fair access to home ownership. Please consider attending a training to learn more about abusive lending practices and counseling a borrower, joining our attorney referral panel for Predatory Lending, referring a homeowner in need of assistance or simply indicate your support with a monetary contribution to help defray the costs and fees associated with this practice. For more information please contact Shirley Hochhausen at S_Hochhausen@hotmail.com.

Shirley Hochhausen is a lawyer specializing in predatory lending. She teaches at USF Law School, is a member of the Fair Lending Consortium and sees clients through Community Legal Services in East Palo Alto.

Housing

East Palo Alto Mobile Home Park Residents Fighting Against Forced Subdivision

When Palo Mobile Estates Homeowner's Association faced a problem at the beginning of 2007, they turned to Community Legal Services in East Palo Alto. In February, homeowners at the 117-space mobile home park were notified that the longtime park owner intended to subdivide the mobile home complex and offer the lots for sale to the residents. Most of the residents of Palo Mobile Estates are lower- and lower-middle income; many are seniors on fixed incomes and vets who must be close to the Menlo Park and Palo Alto VA Hospitals. The homeowners could ill afford a protracted legal battle, but they knew that they had much to lose if they didn't put up a fight.

Subdividing a mobile home park is a lot like condo-izing an apartment complex, but the mobile home owners stand to lose a lot more. Tenants in an apartment converted to condos may lose their tenancies; mobile home owners stand to lose the roof over their heads, in addition to the value of biggest asset they own – their homes, and the value attendant with the right to keep their homes in the mobile home park.

Depending on when they moved to the park, most homeowners paid between \$50,000 and \$100,000 for their homes located in the park. On their own, not in the park, the value of the physical home itself is far less – perhaps \$15,000. If the homeowners are forced to move, the home can lose tremendous value. Moreover, most homeowners would not be able to relocate their homes to another park. The term “mobile home” is a misnomer. Indeed, most coaches are not truly “mobile” – it can cost thousands of dollars to move a coach, and many coaches cannot be moved. In the Bay Area, available spaces in parks are so scarce that it's rare for a resident to be able to relocate a mobile home at all.

Resolving this issue has required multiple strategies and many helping hands. CLSEPA lawyer Jeanne Merino, leveraging the resource of paid attorney and mobile home expert Will Constantine, successfully lobbied for a local ordinance to mitigate the threat of the forced subdivision.

Paralegal Victor Ramirez, together with Jeanne and Stanford Law students Brad Chernin, Amy Morgenstern and Barbara Thomas, knocked on doors with Homeowners' Association members and attended Homeowners' Association meetings to make sure all the residents were aware of the repercussions of the subdivision scheme.

When the park owner sued the City of East Palo Alto to overturn its ordinance, demanding the 14 millions dollars the park owner claimed to have lost because it was not able to immediately subdivide the park, CLSEPA turned to the local office of Skadden, Arps. The law firm represented the Homeowners' Association as real parties in interest, and won the first round in court. The park owner has vowed to press on, and the Skadden attorneys pledged to stand with the Homeowners' Association.

The outcome of the Palo Mobile Estates struggle has not yet been determined; the road to social justice is far from smooth. Sadly, none of us can guarantee a positive result, but we can guarantee to keep fighting together.

Inside CLSEPA

Life as a CLSEPA Volunteer Attorney

By Althea Uhlman Tomijima



I graduated from Santa Clara Law School in 1986 but not long after, I gave up a legal career in favor of moving to Japan for a few years and raising four children. I enjoyed my years caring for my children, but after my third child left for college I felt that there was a void in my life. I had a strong desire to use the legal training that I had worked so hard for. However, convincing others of my ability was a tall order, given my lack of recent legal experience. In fact, most of the people I knew suggested that I continue with my volunteer work for my children's schools or to get a job in the education field. Some, mostly attorneys, suggested that I take up golf instead. But I wanted to follow my heart. So in December of 2004, I offered my services as a volunteer to Community Legal Services in East Palo Alto.

Soon I was recruited to work under Mary Dutcher doing immigration law.

Immigration had always interested me, given my international experiences and my desire to use my training to provide legal help to those in our community with the greatest need. I soon learned that CLSEPA sees a large number of immigrants seeking legal help and is in constant need of volunteer help. Immediately, I was put to work helping a Salvadoran woman who had come to the United States with her husband because they had been terrorized by their government because of their activities as college students. Unfortunately, the husband had become abusive after coming to the United States and our client needed to re-file for asylum in her own right. I was hooked.

Since that time, I have been privileged to help hundreds of clients. Seeing elderly clients become citizens after having been permanent residents for a long time – and then registering to vote – gave me a special thrill. Helping recently married

young couples where one is a foreigner has reminded me of my husband and myself since we were once like them. But there is no question that I have gotten the most out of helping the abused.

CLSEPA has become regionally known as one of the few nonprofit legal services providers in the area that will help abused women and children to gain legal immigration status in the United States. To see a woman evolve from being downtrodden, abused, and mistrusting, and to empower her by helping her get the services and help she needs is a rewarding experience. These women end up becoming part of the CLSEPA family; they come back bearing gifts of food and reports of their jobs, graduations, and their children's accomplishments. Just as it did for me, the CLSEPA family, including staff, board members, donors, and volunteers, helped these clients begin their lives anew.

Community Legal Services
in East Palo Alto
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Staff & Volunteers



(from left to right)

Daniel Harris
Mary Dutcher
Andrew Valentine
Marilia Zellner
Candice Greenberg
Jon Frohnmayer
Victor Ramirez

Valicia Saucedo
Yadira González-Ortiz
Carolyn Tucher
Jeanne Merino
William Webster
Shirley Hochhausen

The Numbers

CLSEPA 2007
January 1, 2007 – December 31, 2007

Total Cases Opened:
Housing: 217
Immigration: 1249
VAP: 132
Antipredatory Lending: 60

Pro Bono Attorneys: 94
Pro Bono Attorney Hours: 8,013
Other Volunteer Hours: 7332
Law student volunteers: 134

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If you are interested in volunteering, please contact Jon Frohnmayer at Jon@clsepa.org