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THE YORKVILLE EMERGENCY ALLIANCE:  
ONE COMMUNITY'S RESPONSE TO THE  
FEDERAL BUDGET REDUCTIONS

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ABSTRACT

A case study of one community's response to the Reagan budget cutbacks reveals the strengths and weaknesses of local voluntary initiatives for funding social services and replacing federal funds. The development and growth of the Yorkville Emergency Alliance is described as a private initiative of citizens living in a wealthy area of New York City. In about one and a half years, this group of residents raised over a quarter of a million dollars to attempt to replace federal funding reductions for the social services.

If one had to characterize the last five years in the history of Social Welfare in this country in only three words, they would be "federal budget reductions." For example, in 1982, the federal budget for the next year called for a 46 percent reduction in training and employment programs, a 19 percent reduction in food stamps, 18 percent reductions in AFDC and social services block grants, a 10 percent reduction in Medicaid, and a nine percent reduction in child nutrition programs.<sup>1</sup> Reductions in basic entitlement programs plus the continued effects of the recession on the poor, made the need for food, shelter, and emergency financial assistance very visible social

problems. Both the extreme changes in the federal budget and the need to focus on the immediate needs of the poor were instigators to a new spirit of community action which was identified as developing in this country in the early 1980's.

....new coalitions and campaigns have been forming around economic issues on the national, state, and local levels .....and new organizations are springing up at the community level.<sup>2</sup>

Such social action took place in a community known as Yorkville in New York City. A group of residents from this wealthy community took collective social action as a response to federal budget cutbacks beginning in October, 1981. They formed a new organization known as the Yorkville Emergency Alliance. In only one year's time, by October, 1982, this community group had raised two hundred thousand dollars, initiated new food programs that served over 800 free meals per week to the poor, and promoted a new awareness of the problems of the poor in over 30 churches and synagogues. Members of the Alliance organized a Board of Directors and an Executive Board of over 32 influential community members. They formed seven working Committees and distributed funds to local social agencies to try and ease the effects of federal cutbacks locally.

The leaders of the movement defined Yorkville as Community District 8 which extends from East 59th street to East 96th Street and from Central Park to the East River. While Yorkville is one of the most affluent areas in New York, there were approximately four thousand people living on AFDC or SSI around the time of the budget reductions. However, this was only about two

percent of the over 200,000 families living in this community. It is an area of marked contrasts. For example, in one Census Tract from 77th to 84th Street between Fifth and Park Avenues, the median family income based on the 1980 Census was \$70,243, while only two blocks away there were over 250 people receiving AFDC, SSI or Medicaid.<sup>3</sup> There were over ten food programs serving the poor in this neighborhood in 1981. One board member of the Alliance talked about the poor who lived or came to this neighborhood:

Some people might look at what we want to do and say 'Why does that neighborhood need help?' Well we've got people looking for food in dumpsters from the Park to the River and the elderly need help. There is the notion that charity begins at home. Right here.

Part of the plan of the federal budget reductions was that local voluntary fund-raising efforts would replace federal dollars to ease the effects on the Poor. To determine the strengths and weaknesses of new local initiatives such as the Alliance, an observational study was initiated. The major purpose of the research was to track the efforts of the Alliance to determine the feasibility of such voluntary initiatives. The planners of the Alliance hired the researcher to conduct this case study as they themselves were interested in its short-term and long-term impact.

There were a number of general research questions which were investigated. How did the Alliance develop? Which tactics and policies lead to its growth and development? How might clergy from local churches and synagogues, local residents, and human

service professionals develop a network of concerned citizens, engage in social action and develop an ad hoc organizational framework? What implications do such local initiatives have for periods when substantial funding reductions are being implemented? What implications do local efforts have for the future of voluntary funding of social services more generally?

During the first year and a half of the Alliance's growth, the researcher directly observed almost every major meeting and reviewed the Alliance's written documents and letters to determine the major tactics and strategies being used, and talked formally and informally to key members of Alliance. As the study developed, it became obvious that there was a need to document how informal relationships among leaders of the Alliance were being utilized to achieve its goals. A descriptive history of the Alliance's growth will now be presented to answer the major research questions.

### The First Stage: The Alliance is Initiated

The idea which became the Yorkville Emergency Alliance was initiated in an almost casual manner on September 30, 1981. It began with a conversation between the Pastor of a well-known Church in Yorkville and the Executive Director of one of the largest social agencies in the area. Both were concerned about the effects of the federal budget reductions on the poor and the elderly in their neighborhood. Their conversation took place during a break in a meeting they were both attending. They decided to "get some people together to do something."

Within the next two months, prominent

clergy in the area, key community leaders, and social agency executives were solicited for their support to "do something" about the loss of funds. The scope and intent of what they would do was outlined by the central clergyperson who had the original idea and became the major leader of the group.

We wanted to form an interfaith, interchurch informal coalition or alliance. We wanted it to be apolitical. We wanted to raise funds and distribute them to ongoing programs in Yorkville to make up for the federal cutbacks as they were felt. We wanted it to be inter-agency. We wanted to disperse funds through existing agencies rather than run the programs ourselves. We did not want to create another bureaucracy.

Most important, we wanted to keep it simple. One, there was a problem. Two, something had to be done. Three, someone had to do it. Four, we chose to be that someone.

During this first month, the initial group had at least two meetings a week to discuss what they would do. The group received a small grant from the clergyperson's church to hire a staff person. October 26 was the first formal meeting of the group that decided to call itself the Yorkville Emergency Alliance. Within one month after the initial idea was discussed, twenty prominent people in the community had been involved in the Alliance's work. There were three clergypersons, eight members of the central Pastor's Church, six social agency executives, and three members of the local Civic Council. In the words of the Pastor:

We started with the people we knew. We started small. We went in two directions -- we met with and organized social agency heads in Yorkville and the clergy.

A formal statement of the functions of the Alliance was written during this time. Those involved hoped to prevent or ease the budgetcutbacks through:

1. Providing a network of communication and cooperation between human service agencies, churches and other community groups. Linking the needs of the agencies and the clients they serve with the resources of the churches and other community organizations.
2. Mobilizing human volunteer and financial resources to alleviate pain, provide hope and show that someone cared.
3. To work closely with other coordinating agencies and Community Boards.
4. To set up a fund from private and corporate contributions which would be used by the agencies to help individuals and groups in need.

The Second Stage: The Number of Churches is Expanded and Functions are Allocated

Regular meetings of the Alliance continued at 8:30 A.M. every Monday morning in the meeting room of the central church. An operating philosophy developed during this second stage:

1. Make a conscious effort to keep the Alliance simple.
2. Do not overanalyze the situation.
3. Make a push for funds.
4. Have funds flowing in and out quickly.
5. Do not become a bureaucracy or spend a lot of funds on administration or staff.

A major effort was made to expand the number of churches and synagogues involved during this time. On November 11, a letter was mailed to all clergy in the area to obtain the support of additional clergy. On November 17, a small meeting of clergy was organized and the original group of three was expanded to thirteen. The critical role of clergy was explained in the literature sent to the churches.

The Clergy of our Churches and Temples are key to our effort. We, more than any other group, are in touch with the largest number of people on a regular basis. We need to share information and ideas -- convene as a group -- and determine how best we can work to alleviate some of the pain and be a beacon of hope in our community.

The leadership role of clergy was critical in a number of respects. The clergy provided sanction and power to the Alliance. Clergy had access to influential people with knowledge and expertise. For example, as various functions were spelled out experts such as a lawyer, public relations and fund-



raising consultants were asked to assist the Alliance. Clergy had access to community leaders to serve on a Board of Directors. The clergy was also critical in stimulating community awareness about the budget cutbacks. Panel discussions were held in the community to stimulate awareness about the effects of the reductions. The Alliance found that the community was not knowledgeable about social service and entitlement programs in general. These programs had to be explained before the average citizen could comprehend what the effects of the cutbacks might be.

### Internal Functions of the Alliance

The key internal functions identified by members of the Alliance were legal advice, fund-raising, grant allocation, and the documentation of need. Substantial legal advice was needed before the Alliance could raise funds to accomplish its mission. The Alliance's lawyer indicated that the group would have to secure tax-exempt status by incorporating as a non-profit organization in New York State. This was an unanticipated problem if new, local initiatives were to replace federal funds with private sources. The Alliance tried to speed up this process by obtaining assistance from the President's Task Force on Private Sector Initiatives.

I called Mr. H. several times at the President's Task Force on Private Sector Initiatives. My call was returned by Mr. J., an assistant to Mr. H.

In response to my question as to what the Task Force provided to groups such as ours, he said that the sole function of the Task Force was to

collect information about what private groups are doing in local communities. He stated that he had no general mandate to facilitate, for example, the obtaining of a federal tax exemption for a charitable organization.....The Task Force may decide to give awards or to identify certain initiatives to private action or impediments toward such action.

It took one whole year for the Alliance to gain tax exempt status. For that whole year, funds had to be channeled through another organization. This was only one legal matter that required special expertise. The Alliance also had to register with the Secretary of the State of New York as a corporation intending to solicit funds; obtain a consent from every person whose name was used by the Alliance in soliciting funds; disclose in all reports that no annual report was on file in New York State; purchase liability insurance for the Directors and Officers of the Alliance; and, seek consultation from a C.P.A. to insure the Alliance conformed to accepted accounting standards. All of these activities had to be accomplished if a local initiative was to be successful.

Fund-raising was a central activity of the Alliance. The goal set for the first year was \$1.5 million. Private solicitations of wealthy individuals by those involved in the Alliance was the most successful method of fund-raising. Board members of the Alliance were asked if they believed in the Alliance to "sell it, call on your peers and use your credit."

We aim to help our community and the people in it survive. We will give 100%

of the money raised back to the community.

By the end of 1982, \$205,000 had been raised by the Alliance through personal contacts by members of the Alliance. About half of that amount came from grants from Churches and Foundations and half came from gifts from individuals. By the Summer of 1983, in just over a year and a half, almost one quarter of a million dollars had been raised.

To assist with the fund-raising effort, the leaders of the Alliance set up a Needs Committee of social agency executives and community residents to document how the federal cutbacks were affecting the area. A key finding of those working on the Needs Committee was that documentation of the loss of federal funds was a very difficult thing to do. For one thing, public and voluntary agency budgets in New York City did not suffer drastic reductions in the period from 1980 to 1983.<sup>4</sup> Upto June, 1982, the effects of the President's Block Grant Program were not felt in the Yorkville agencies. This presented an interesting dilemma to the Alliance. Media interest, publicity, and local concern about the federal cutbacks were highest at the time when local effects were not evident.

The local effects were mainly in two areas - in entitlements programs such as the Food Stamp Program and in employment and training programs. The agencies did not have comprehensive information about the effects of Food Stamp reductions. They had information on a case-by-case basis for clients they served. Yorkville did have one youth employment agency which did suffer a \$125,000 cut in October, 1981.

During this time, the community's awareness of an increase of poor people on the streets of a generally wealthy community such as Yorkville meant that homelessness, poverty, and hunger were more productive themes for fund-raising. To fight hunger in the area, the Needs Committee helped develop a plan for a Soup Kitchen to be developed in Yorkville.

One individual made a \$10,000 gift to the Alliance toward the Soup Kitchen, if the group matched it with another \$10,000. The \$20,000 grant was given to a Food Program in Yorkville that sponsored the Soup Kitchen. In the first few months, from 50 to 100 people were expected at the food program. However, within the first two weeks over 200 meals per day were being served. Members of the Alliance were especially pleased about their role in the Soup Kitchen. "Our efforts have come alive with the development and success of the Soup Kitchen." Hunger was documented with the success of the Soup Kitchen. Leaders of the Alliance recognized hunger as a fundamental, less controversial and clearcut need.

The Alliance set up a special Grants Committee to allocate funds to local agency programs. Even though local agencies did not experience major cutbacks in funds early on, many of the grants given by the Alliance still did not fully make up for the professional positions that were defunded. For example, in August, 1982, \$46,900 were given out to agencies in \$5,000 allotments. In one agency, \$5,000 was used to hire a part-time case-aide position previously held by a full-time CETA worker. In the Youth Employment Agency, a \$5,000 grant was used to fund a small part of a program formerly

funded by the Department of Education for \$122,563. In November, 1982, \$5,000 was given to one agency to replace the funding of a staff person in a drug program that was cutback by over \$40,000.

Although the Alliance wished to remain non-bureaucratic, leaders still needed to develop criteria for allocating funds to agencies. Two criteria were used to allocate funds; grants would only be made to established agencies and only if the agency could show it was requesting money to replace a federal cutback. However, during the grants process, the criteria changed somewhat. For example, what do you do if an agency did not lose federal funds but gives some financial help to those who have lost Food Stamps? By May, 1983, priority was given first to proposals that related to food, shelter, and emergency assistance. Second were grants given to replace federal cutbacks, and third, funding was also given to new and worthy programs that did not have funding reductions.

Leaders of the Alliance did show spontaneity and flexibility in their grants allocation process. For example, a grant was made to the Soup Kitchen at a time when grants were only being given to existing agency programs. Also, as a result of the Board's concern for the immediate needs of people being served by the agencies, \$12,000 was given out to eight local agencies to replenish their emergency funds outside of the grants allocation process.

### Public Events

Leaders of the Alliance used public events to rally community concern about the budget cutbacks and the needs of the poor.

The most successful public event was the Clergy Exchange Weekend held on October 16-17, 1982. Clergy and other members of the Alliance spoke at one another's churches and synagogues about the work of the Alliance. Thirty-one churches and synagogues participated. This event gained tremendous visibility for the Alliance in only two days. A request was made for funds and volunteers to assist in the Alliance's work.

In the Clergy Exchange Weekend, the power and visibility of the clergy was used to its fullest. The Alliance's message clearly overlapped with a religious message. For instance, in the text of one sermon:

.....(We) are involved in an interfaith, grassroots movement of caring called the Yorkville Emergency Alliance..... Its only reason for being is to be a catalyst, a network of communication and cooperation among existing human service agencies -- a mobilizer of people and money -- an alliance of religious and other institutions and individuals who wish to respond to human need in these difficult times.....

.....Isiah reminds us 'Share your food and open your houses to the homeless poor. Give clothes to those have nothing to wear and do not refuse to help your own relatives' .....these poor and near poor and working poor are our relatives! They live among us -- even though we may not see them.

The primary purpose of the Weekend was to gain public visibility and attract members. Cash donations were requested in only some of the churches and much less funding was received through this event than

through specific solicitations to individuals and foundations.

### Implications of the Yorkville Experience as a Private Initiative

The Yorkville Emergency Alliance is definitely one of the most heartening examples of a local private initiative to develop as a result of the funding cutbacks. The Alliance was able to raise over \$200,000 in about one year, and distributed funds to food programs and agencies in Yorkville.

There were definite stages to the Alliance's growth. Initially, a few key clergy and social agency executives were involved. They developed slogans for the new association, an operating philosophy, and an agenda for what needed to be done. Informal contacts among these community leaders was all that was needed. Then, in a second stage, the power and sanction of the clergy was utilized to widen the scope of membership toward other churches and to enlist the support and participation of people who had expertise in legal matters, fund-raising, and public relations. As the Alliance developed and raised money, expertise was needed to carry out internal and external functions.

What led to the Alliance's growth? The charismatic leadership of the Pastor of one well-known Church was critical. This person had contacts with leaders of the religious community and other community leaders. He also had personal connections with wealthy individuals who could be approached for funds and participation. His style of leadership and simple presentation of the issues ("We are that someone") was extremely useful in presenting the crisis to others. The clergy in general was critical in providing power,

expertise and legitimation to the Alliance.

Closer examination of the Alliance, however, reveals the blatant shortcomings of reliance on local, private initiatives to replace federal funds. The most serious shortcoming of the Alliance is its lack of generalizability. The Alliance's fund-raising could only have been successful in a wealthy community. Organizations such as the Alliance have not developed as a general way of curtailing the effects of cutbacks in lower income areas of New York City or throughout the country. The Alliance could not make financial commitments to agencies outside of their area, and often the funds given out to local agencies did not make up for budget cutbacks even in the early days of federal reductions. Support for the development of the Alliance was not forthcoming from the federal government at a time when additional expertise and assistance could have aided the organization's growth.

Serious question must also be raised about the long-range impact of an organization which depends primarily on voluntary, charismatic leadership. For example, much of the Alliance's growth was restricted when the central clergyman moved away from the New York City area. The Alliance's fund-raising was never as successful as it was in the first year when publicity about the cutbacks was at its highest, and members were especially enthusiastic about the new movement. At times, leaders were considering the possibility that they were developing a new mechanism for social service funding, but the reality never approached that ideal.

Was the Alliance successful in replacing federal funds with private money? This



controversial, political question was perhaps best answered by the President of the Alliance.

Are we filling the gap and performing more efficiently than programs funded by the federal government? We are trying to be non-partisan and apolitical..... We've had some success, but you can't replace CETA workers or provide low-cost housing to the poor. Maybe we can feed some people one meal for two or four days a week, but this doesn't replace what the federal government should be doing.

#### FOOTNOTES

1. The New York Times, February 14, 1982, p.13.

2. The New York Times, May 16, 1982, p.1.

3. Selected Poverty Indicators by Tract, 1980 Census, New York City Planning Department, pp. 29-30; Public Assistance and Income Support Data by Census Tract, October, 1981, Human Resources Administration.

4. Grossman, David A., "Recent Trends and Near Term Prospects for New York City's Nonprofit Sector," paper presented at Hunter College Conference on Survival Skills in the 80's, February 1, 1983.