

An Innovative Model for Supportive Housing Peacock Commons



September 2016

Executive Summary

In 2006, the CEO of Bill Wilson Center expressed her interest to the City of Santa Clara housing staff in purchasing and rehabilitating an old 28-unit apartment complex to serve homeless young adults and young parent families. Bill Wilson Center had never developed such a large housing project but we were eager to provide a missing link in our housing continuum. Six years later, after a few missteps, Peacock Commons – an innovative model for supportive housing – was completed. Four years later, we are now writing this paper to share our lessons learned to help others who may be considering developing affordable permanent housing for young adults and families. Nonprofit affordable housing developers are more experienced than homeless youth service providers in building housing but we still offer some suggestions for population mix and on-site programming. On the other hand, homeless youth service providers may be able to navigate around some of our more “onerous” lessons.

Population Served

- Transition age youth (18–24) who are low-income, homeless or at imminent risk of homelessness, have aged out of foster care, or have exited the juvenile justice system.
- Young parent families with above head-of-household.
- Extremely low-income transition age youth identified with a serious mental illness.
- Adults employed as counselors in youth residential and who qualify for low-income housing. These tenants serve as mentors to residents and receive a savings on their monthly rent in exchange for providing 15 hours per month of mentoring to youth at Peacock Commons.

Seeing a need for supportive housing for youth who may be homeless or exiting the foster care and juvenile justice systems, Bill Wilson Center purchased and rehabilitated Peacock Commons – a 28 unit apartment building that has capacity to house 40 transition age youth and 21 children, six adult mentors, and one site manager. This innovative housing program provides transition age youth with a safe, supportive setting that includes age-appropriate on-site and off-site services. Services include case management, employment counseling,

guidance concerning daily life skills, links to employment opportunities and educational service, health screening and on-site mentoring. Tenants at Peacock Commons live in a community with full access to services that meet their specific needs, while also encouraging independence and growth. Services are offered through a coordinated effort among Bill Wilson Center, Property Management staff, an on-site Service Coordinator and the tenants themselves.

Timeline

The Peacock Commons project started in 2006 and concluded in 2012 with a community open house.

Qualified tenants began to take occupancy in March 2012, and Peacock Commons was at capacity within 45 days.

Project Funding

- Total project cost - \$9,472,724
 - Property construction cost - \$8,659,231
- 11 unique funding sources:
 - Corporation for Supportive Housing
 - Santa Clara Redevelopment Agency
 - City of Santa Clara – HOME Funds
 - City of Sunnyvale – CDBG
 - Federal Appropriation – HUD EDI
 - City of San Jose – HOME Funds
 - Housing Trust Fund of Santa Clara County
 - County of Santa Clara – CDBG
 - CAFHA Loan
 - Sobrato Loan (private foundation)
 - Opportunity Fund Loan

Lessons Learned

Since this was the first time Bill Wilson Center had undertaken a project of this magnitude, there were quite a few lessons learned along the way. Here are some of the most impactful.

- At the start of the project review all housing and services funding and regulatory requirements – these may all be different and sometimes not in alignment which can cause confusion.
- Develop clear guidelines regarding admission criteria – especially if multiple funding sources are used.

- Hire a relocation agency to relocate current tenants if you are doing a building rehabilitation – you will save yourself a great deal of time and headache by hiring someone who specializes in this field.
- Hire a project director with a background in affordable housing – finding someone with this expertise enabled us to acquire additional funding through a “developer’s fee.”
- Set up as a Limited Liability Corporation (LLC), as a single member owner, from the beginning to shield parent agency from liability issues – an unforeseen tax bill from the County was the result of us not doing this at the beginning of the project.
- Hire an independent on-site property manager experienced in federal funding.
- Create wait lists by funding source as each has its own unique eligibility requirements.
- Be prepared to work with youth who have multiple needs and extremely complex barriers to self-sufficiency – having a mix of tenants in Peacock Commons is an extremely effective model, however it can cause multiple issues that need to be mitigated by the on-site Service Coordinator or Property Manager.
- Have a single entrance to the facility, rather than multiple entrances to the site – too many unidentified people coming and going can create problems for tenants.
- Provide natural supports for youth through connections to caring adults.
- Encourage youth to move on when they are ready – we have found that youth at Peacock Commons usually move on to permanent housing after staying one to two years.
- Remember, this project took six years from initial concept to tenant move-in. It is a long process, but one that provides our County’s vulnerable youth and young parent families with a place to call home.

Introduction

Seeing a need for permanent housing for youth exiting systems and homeless youth, Bill Wilson Center opened up **Peacock Commons** in Santa Clara County in 2012. This innovative housing program provides transition age youth with a safe, supportive setting including age-appropriate on-site services as well as mentors (both peer and adult counseling staff) who reside at the site. The following pages provide an overview of the development of Peacock Commons with an analysis of early outcomes. The paper concludes with “lessons learned” for guidance for homeless youth providers who may be considering developing affordable housing or permanent supportive housing.

Need for Project

Every year nearly 150 young adults emancipate, or “age-out” of foster care in Santa Clara County.¹ These homeless youth, between the ages of 18 and 24, face multiple life challenges and barriers without the adult guidance and financial support that others their age typically receive. Transition age youth (TAY) are one of the fastest growing homeless populations and require unique housing and services because they are still developing into adulthood. Young adults need support until they are able to gain life experiences and learn the skills to become financially independent.²



One of the major challenges noted by the majority of “systems” youth (defined as youth who have aged out of foster, juvenile justice or behavioral health systems) is finding safe and affordable housing. Research shows that housing stability is an

¹ Services for Foster Youth – Social Services Agency, County Santa Clara 5/21/15.

² Substance Abuse and Mental Health Administration. (2014). Homeless Populations: Youth. Retrieved from <http://homeless.samhsa.gov/Channel/Youth-31.aspx>.

essential foundation for making positive changes in one’s life.³ In addition to securing stable and affordable housing, many “systems” youth have had significant difficulty in developing valuable relationships with adults who provide support during the transition to adulthood. Many of these youth make the transition without family support. A caring adult – a mentor - who offers social support is normative for adolescent development and is a protective factor for youth across many risk conditions.⁴ Without a supportive relationship with a caring adult, young people – particularly former “systems” youth who experienced several placements or resided in congregate care – must weather the difficulties associated with transitioning to independence.

These two factors: 1) the need for stable, affordable housing for youth aging out of systems; and, 2) the value of having a consistent connection with a caring adult, became the basis of Bill Wilson Center’s new innovative supportive housing project – **Peacock Commons**. This innovative project required creative design, new sources of funding, and methods of service delivery and policy development that were different from other permanent supportive housing projects.



History of Bill Wilson Center’s Housing Continuum

For over forty years, Bill Wilson Center (BWC) has been the leader of providing services, programs and housing for youth aging out of the foster care and juvenile justice systems, as well as at-risk youth and homeless youth in Santa Clara County, California. Bill Wilson Center is a 501(c) 3 corporation with an annual budget of \$19M, and with a staff of more than 150. Bill Wilson Center is operated under the direction of CEO, Sparky Harlan, who has been leading the agency’s diverse and committed

³ National Alliance to End Homelessness, M. Mitchell, June 2, 2014.

⁴ Child Welfare Information Gateway; February 2012.

professional staff since 1983. The agency is a community-based nonprofit committed to ensuring youth make the connections they need to be safe, healthy, and self-sufficient by adulthood. The mission is to support and strengthen the community by serving youth and families through counseling, housing, education, and advocacy. Our vision is to prevent poverty by building connections for youth and families and to end youth and family homelessness by 2020.

BWC began in 1973 with one program, the **Family and Individual Counseling Center** with a vision of meeting the needs of families and individuals experiencing crises. Family reunification and/or placement in a safe, nurturing environment, has represented a significant portion of the agency's work since opening its runaway shelter in 1977. Through the years, Bill Wilson Center's programs expanded to include services to homeless youth, LGBTQ youth, and youth in the foster care, probation and mental health systems by developing programs to address their needs. In response to the growing needs of the community, BWC developed a continuum of housing options for youth and young adults to include:

1. **Drop-In Center/Respite Care** (1998/2014) for homeless street youth ages 13-24 and is the only drop in center for homeless youth in the metropolitan area of 2 million; provides 23-hour care for basic needs as well as comprehensive services including healthcare and an overnight safe place for homeless youth.
2. **Crisis Residential Center for Youth** (1977) serves homeless youth, runaways, youth involved in foster care or justice system, youth with behavioral health issues, and status offenders.
3. **Quetzal House** (1996) is a group home for teen girls who are chronic runaways from foster care.
4. **Transitional Housing Placement Program** (1999) provides supportive transitional housing services for foster care/probation youth ages 16-18.

5. **Transitional Housing Programs** (1991) are for single, pregnant, young parent families, emancipated foster and/or juvenile justice youth, and homeless youth.
6. **TAY Intermediate Housing** (2011) provides short-term housing and supportive services for homeless transition age youth experiencing mental health crisis/issues.
7. **Foster Family Agency** (1993) and **Adoption Services** (2007) serves children and youth in foster care.
8. **THP+** (2007) serves youth aging out of foster care or juvenile justice care. Placements include transition-in-place housing of host homes and scattered site apartments, and placement in college dorm rooms.
9. **THP+FC:** (2013) provides transitional housing to non-minor dependents (ages 18-21) in foster care.
10. **Rapid Rehousing for Homeless Youth** (2013) provides scattered site apartments and shared housing for homeless youth ages 18-24.

PEACOCK COMMONS

Initial Planning and Pre-Development

In 2006, the CEO of Bill Wilson Center received a call from the City of Santa Clara asking if she might want to purchase a 28-unit apartment building to serve extremely low-income youth. The City had previously funded a project that had been neglected over the years and had considerable “deferred maintenance.” Only 10 of the units were occupied and the City offered to help finance the purchase of the property for Bill Wilson Center. Although we had previously purchased and rehabilitated a triplex and houses we had never taken on such a large project of rebuilding a 28 unit apartment building. However, with partial funding guaranteed we leapt in with little experience in housing development.

Without the experience in developing such a project, we consulted with Corporation for Supportive Housing (CSH) who had small grants available in 2008 to help develop permanent supportive housing. With that grant we were able to hire a project developer/manager to help us with pre-development planning including funding applications. This consultant was recommended by CSH and was a former director of a nonprofit housing development corporation. The consultant was invaluable and we would not have been able to navigate the numerous hurdles without him. We were guided through most of the steps necessary to make this project a success early on. Other things we learned by doing – and we realized that we would need to be prepared to make changes to operations and services as we evaluated the project from pre-development to implementation.

As purchased, Peacock Commons was a 40-year-old 28-unit apartment building with major deferred maintenance. To keep the maximum number of units, the building needed to be rehabilitated instead of torn down. It would have been cheaper to build as new, but the footprint of the apartments needed to be maintained.

Located in a mixed use area, the complex is easily accessed by public transportation and is within walking distance to shopping areas.

Innovative Design and Population – Mixing Populations

As an innovation, Peacock Commons was designed with six apartments designated for low-income individuals who meet the requirement of working in residential programs for youth as counselors. In exchange for an affordable place to live and a reduction in rent, these tenants provide at least 15 hours a month as volunteer mentors to the young adult tenants. This unique mentor role not only stabilizes the total living environment in the complex, but has the added benefit of providing affordable housing to low-income counselors who have difficulty paying rents in the one of the highest rental market in the country. The on-site Service Coordinator helps track the mentors' time with the residents.

Excluding the six units for the mentors and one unit for an on-site property manager the remaining units are designed to serve low-income youth exiting “systems,” homeless youth as defined by HUD for permanent supportive housing, and the remaining units for youth meeting requirements of the Mental Health Services Act (MHSA) having a serious mental health diagnosis. Both single TAY and young parent families are eligible for the housing. To assure that all populations are encouraged to co-mingle to create a community, the project has a central community room with a large kitchen for preparing communal meals and has a courtyard with picnic tables and playground. The complex also has room for an on-site Service Coordinator, a counseling room for off-site service staff to use, a computer lab, a laundry room, and a large deck for hanging out. The building is surrounded by raised garden beds where flowers and vegetable could be grown. Solar panels on the roof provide power to heat water and provide electricity. (see site map on page 32)



Funding for Purchase of Property

As with most affordable housing and permanent supportive housing projects, the financing structure to construct and operate the Peacock Commons project is multi-layered and complex. As an example, there were 11 unique funding sources needed to fund the \$9.472 million dollar project ranging from the City of Santa Clara Redevelopment Agency’s investment of \$4,695,872, to the \$25,000 investment from the Corporation for Supportive Housing.

Approximately \$2.6 million of the total \$9,472,724 invested in the project was spent on acquiring the property. Relocating tenants cost almost \$189,000 and is a major consideration when purchasing a current building that is occupied. The creation of an operating reserve for the project is critical in maintaining the facility.

The property was initially purchased by the Santa Clara Redevelopment Agency. In 2006 BWC entered into an agreement with the Redevelopment Agency (amended in 2009 and 2010) in which BWC was to rehabilitate a 28-unit apartment complex and operate it as a housing community with 36 distinct leases serving 40 young adults and 21 children. In 2009, BWC secured a HOME Capital Loan from the City of Santa Clara for extremely low and very low-income youth aging out of foster care, low-income persons and families, and an apartment manager. BWC also requested and received funds from HUD for nine units for youth and families meeting HUD's criteria for housing disabled homeless youth in permanent supportive housing. Through the State Mental Health Services Act, Santa Clara County Behavioral Health Department provided construction and operating costs for extremely low-income young adults identified with a serious mental illness. Santa Clara County Behavioral Health contracted for seven apartments, funding each unit at \$50,000 a year.

The Deed of Trust between the Housing Authority and BWC was signed on March 30, 2010. In the next two years, rehab of the site was being completed, and tenants were able to move in March of 2012.

The mix of funding sources for the different tenant populations, was a contributing factor to the project's success. The following chart is a summary of costs and funding sources for Peacock Commons:

An Innovative Model for Supportive Housing – Peacock Commons

Peacock Commons																	
3661 Peacock Ct, Santa Clara, CA																	
28 Units - purchased April 2007																	
Summary of Costs and Funding Sources																	
Costs through 10/31/2013																	
Payor Name	Budget Amount	Site Acquisition	Relocation Costs	Pre-Rehab Costs	Rehab Costs	Furniture and Appliances	Loan Fees	Developer Fee	Peacock Operating Reserve	Replacement Reserve	CAHFA Operating Reserve	Refinance Costs	Interest, Insurance, Audit & Taxes	Pre-Open Site Maintenance	Household Items & Supplies	Total Cost of Property	Un-Spent Funds
Corporation for Supportive Housing	25,000.00			23,258.00			1,000.00							742.00		25,000.00	-
Santa Clara Redevelopment Agency	4,767,565.00	2,591,566.00	188,968.00	570,453.58	672,636.37		78,232.75	225,000.00	37,729.90	244,945.70		20,633.40	60,181.98	4,324.24		4,694,871.92	72,683.08
City of Santa Clara - Home Funds	251,044.00				251,044.00											251,044.00	-
City of Sunnyvale - CDBG	100,000.00				100,000.00											100,000.00	-
Federal Appropriation - HUD EDI	213,750.00				213,750.00											213,750.00	-
City of San Jose - Home Funds	1,917,445.00				1,847,267.25			55,000.00					15,177.75			1,917,445.00	-
Housing Trust Fund of SC County	500,000.00				479,454.64									10,083.75	10,461.61	500,000.00	-
County of Santa Clara - CDBG	200,000.00				62,416.00							137,584.00				200,000.00	-
CAHFA Loan (Refinance Sobrato and Opp Fd)	757,120.00						19,023.40		83,180.00		72,334.00	582,582.60				757,120.00	-
Sobrato Loan	370,400.00				338,382.43	27,404.82						(370,400.00)			3,612.75	-	-
Opportunity Fund Loan	370,400.00				338,675.26	27,404.83						(370,400.00)			3,319.91	0.00	-
Total Budget for Peacock Commons	9,472,724.00	2,591,566.00	188,968.00	593,711.58	4,305,825.95	54,809.65	98,256.15	280,000.00	120,909.90	244,945.70	72,334.00	-	75,359.73	15,149.99	17,394.27	8,659,230.92	72,683.08

Rehabilitation of Site

Peacock Commons required extensive rehabilitation of an existing apartment complex. Although it may have been less expensive to tear down the old structure and build new construction, leaving the frame of the old footprint allowed for the number of units to remain the same. Because parking was limited, new construction would have reduced the complex by six units. At completion, the project consisted of 28 residential units in three buildings, with one manager’s unit. Of the 28 residential units, 27 units were reconfigured to accommodate a mix of youth residents and their mentors in a variety of layouts. Excluding the manager’s unit, there are two studio units, 10 one-bedroom one-bath units, six two-bedroom one-bath units, seven two-bedroom two-bath units, and two three-bedroom two-bath units. Many of the larger units are rented to unrelated occupants at studio apartment rents, so the mix with respect to rents is

somewhat different than the actual physical configuration. By rent structure, there are 22 studio-equivalent units renting at 20% Area Median Income (AMI) rents, seven one-bedroom units at 30% AMI rents, three one-bedroom units at 50% AMI, one two-bedroom unit at 30 AMI, and five two-bedroom units at 50% AMI. Due to the varied number of bedrooms in each residential unit, there are a possible total of 36 leases. For all of these units, additional subsidies are available such that none of the occupants pay more than 30% income to rent. Following is a link to view Bill Wilson Center’s CEO, Sparky Harlan, talking about the rehabilitation of Peacock Commons:

<https://www.youtube.com/user/BillWilsonCenter>

Relocation of Apartment Tenants

The process of purchasing Peacock Commons also included the relocation of current tenants residing in the apartment complex. If a current property is purchased for rehabilitation, then HUD and CA State Funding requires payment to tenants for relocation. A total of \$189,000 was used to relocate the nine tenants. For some tenants the relocation funds were used as a down payment for the purchase of their own home. Tenants were allowed to stay in the apartment up to a year before the rehabilitation was started.



Peacock Commons had its grand opening in March 2012, six years after the initial discussions regarding the property. As anticipated, Peacock Commons achieved full occupancy 45 days after opening.

Defining the Population

Bill Wilson Center has long been recognized as a leader in providing comprehensive housing services for **transition age youth**. The TAY population has often been overlooked in many housing efforts. Peacock Commons creates and maintains

the core protective factors needed for effective interventions for transition age youth. The framework for Peacock Commons is in alignment with HUD’s Opening Doors plan, and specifically targets one of the most high risk youth populations in Santa Clara County: those with a serious emotional disturbance (SED) or severe and persistent mental illness (SPMI), and those at-risk youth just leaving the foster care/juvenile justice system. These youth are chronically disconnected and at risk of a lifelong trajectory of chronic homelessness. This homeless young adult group includes many subpopulations such as Foster Care Youth; LGBTQ Youth; Juvenile Justice Youth; and Pregnant/Parenting Youth. All four subpopulations have a history of trauma; mental health issues, substance abuse, engage in high-risk survival sex; and are most likely to experience chronic homelessness.

In the planning phase of Peacock Commons, data was taken from research completed before 2008. According to the *Report on the Survey of the Housing Needs of Emancipated Foster/Probation Youth*, prepared for the California Department of Social Services in 2002, a total of 2,843



youth statewide were emancipated from foster care and in need of housing. The Bay Area was the source for 505 of this total. For the same period, only 1,084 youth statewide participated in housing programs, indicating a substantial shortfall in supply.

According to the 2007 Santa Clara County Homeless Census and Survey, approximately 130 to 400 youths emancipated out of foster care in Santa Clara County in 2007. That number is relatively the same, staying around 150 youth in 2014-15. While there are many difficulties inherent in counting the homeless youth population, the data gathered then indicated that approximately 85% of homeless youth were ages 18-25, with nearly 60% being former or current foster care youth.

Over 50% of young persons who are homeless or at risk of homelessness in Santa

...for the purposes of designing a supportive housing program, it is important to recognize that all homeless youth – regardless of experiences within or outside of mainstream systems – share many of the same concrete and emotional needs and need similar services and supports. – *Dr. Gary Mallon, founding Director of Green Chimneys, New York City*

Clara County had been in foster care, which holds true for today as well. Up to 25% of youth in the foster care system nationwide experience homelessness within two to four years.⁵ In 2008, Bill Wilson Center’s Drop-In Center reported that of the 800 homeless youth accessing the Drop-In Center that year, 70% were ages 18-24, and 58% to 62% reported having been in foster care. Data for this same group has not changed much in fiscal year 2014-15.

Emancipation takes place regardless of the youth’s financial resources, or their preparation for independent living and self-sufficiency or whether they are emancipating from the foster care system or are homeless on the streets. Many struggle to find suitable housing, steady employment and support from caring adults during this transition. Many are

unemployed or under-employed, lacking basic living skills. These youth have increased risk of high risk behavior, incarceration, and early pregnancy. Emancipated youth are 44% less likely to graduate from high school than the general population and six times more likely to have a child before the age of 21.⁶ In 2002, the California Department of Social Services estimated that 2,843 youth, or 65%, of the youth emancipated from the California foster care system in the previous year were in need of safe and affordable housing at the time of their emancipation.⁷ The numbers increase for 2014-2015 as it is reported that close to 3,250 youth, or 65% of the youth emancipated out of the foster care system in California, were in need of safe and affordable housing.⁸

⁵ Keys to Housing: A 10-Year Plan to End Chronic Homelessness in Santa Clara County (Santa Clara County Task Force to End Chronic Homelessness in 10 Years, May 2005).

⁶ First Place for Youth, 2007.

⁷ California Department of Social Services Independent Living Program Policy Unit, Report on the Survey of the Housing Needs of Emancipated Foster/Probation Youth, June 2002, p.6.

⁸ California Fostering Connections, John Burton Foundation.

Peacock Commons is designed to be a platform for health and recovery for youth coming from the mental health system. Seven apartments (single) are funded by Mental Health Services Act (MHSA) funds and dedicated to transition age youth (18-24) coming from the Santa Clara County Behavioral Health Department. Having a safe and secure place to live is an important part of recovery, along with access to services that enable youth with mental health conditions to live as independently as possible.⁹ People with disabilities are entitled to receive services in the most integrated setting appropriate to their needs, meaning a setting that allows for the greatest amount of interaction with people who do not have disabilities. These youth live among people who do not have mental illness at Peacock Commons; therefore, are integrated into the community.

The mix of low-income homeless youth, youth exiting the foster care system, and youth with mental health challenges has proven to be a good fit. As in any integrated community, some members have more needs than others. With the on-site support, tenants can access services to assist them in their integration into the tenant community. Community events such as monthly pot lucks, workshops on employment services and financial literacy brings the majority of tenants together. Community is strengthened and tenants have more concern for safety for all.

Young parents (with infants and young children) find Peacock Commons a child-friendly living environment. There is a playground, and young families often have established play dates for their children. One goal is to prevent the children from experiencing the trauma and devastation being homeless caused their parent(s). Peacock Commons is breaking the generational cycle of homelessness.

⁹ Mental Health American, Housing, 2014.

Operating Peacock Commons

In its four years of operation, Peacock Commons has continued to build resources and services for the youth/young adults who reside there. Peacock Commons provides a unique opportunity for youth households who are homeless or who have very low incomes. Tenants live in a community with full access to services that will meet their specific need, while encouraging independence and growth. Services are offered through a coordinated effort among the owner (BWC), property management staff, on-site Service Coordinator and the tenants themselves – ensuring a healthy living environment for all tenants. Youth are provided with a full range of supportive services in a single location. An on-site Service Coordinator assists the youth in developing individual case plans to meet their goals. Services provided include case management, employment counseling, guidance concerning daily life skills, links to employment opportunities and educational services, health screening and mentoring. This integrated supportive housing environment produces the necessary atmosphere for at-risk youth in danger of becoming homeless, as well as for youth leaving the foster care system at age 18, to obtain personal independence and self-sufficiency. By providing case management with a Service Coordinator on-site, and other relevant services, residents of this development are more apt to participate in the programs and services offered. Services provided are voluntary; therefore engagement of residents into services is of utmost importance. Peacock Commons not only provides affordable housing for youth exiting systems and homeless youth, but fills a specific gap in helping these youth connect with the community through the **unique inclusion of affordable units for front-line, non-profit sector staff who are mentors to the youth.**

“I thought I was all aloneuntil I moved into Peacock Commons. Andrew became my mentor and he helped me out a lot. He spends time with me helping me with my budget and also is there when I need to talk. He took me and a couple other residents to the beach last weekend...first time I'd ever been there.”

*--Peacock Commons resident,
former foster youth*

While there are transitional housing programs in Santa Clara County supporting this population, there is no permanent supportive housing such as that provided by this

project. Furthermore, this project provides subsidies such that residents will not be required to pay more than 30% of income for rent regardless of income level.

In preparation for this project, several issues were explored and considered in developing the “philosophy” of Peacock Commons:

- Following one of Bill Wilson Center’s Guiding Principles, Peacock Commons embraces youth culture. The commitment is evident in that TAY were consulted in the design of the facilities. There is an on-site computer room with internet access as well as a community space that is inviting to youth. Benches were added throughout the complex where young people could hangout, including a large deck away from the noise and hustle of the courtyard. The paint colors for the buildings are colorful and inviting. Inside the units the kitchen and living rooms are an “open plan” so that roommates and families could coningle during diner preparation. There is a play area for residents’ children, with picnic tables for community gatherings. Diversity is welcomed and appreciated. A community advisory group meets regularly to discuss programming and issues at the “Commons.”
- Given the age of our residents, understanding of adolescent development was key in supporting the concept of “mentors” being housed at the same site. Many of our mentors have had lived experience as former foster youth, probation youth, and homeless youth. They understand the emotional trauma that the residents have experienced and can provide tremendous opportunity for those youth to build resiliency as they forge ahead.
- Infused in all of BWC’s programs, is the concept of positive youth development. This framework provides opportunities for skill-building, as well as developing competencies they need as they continue their transition into adulthood.¹⁰
- Youth are empowered to be tenants with full rights and responsibilities. The majority of youth entering Peacock Commons have little or no knowledge of

¹⁰ A New Vision: Promoting Youth Development, K.J. Pittman, Center for Youth Development and Policy Research, September, 1991.

their rights and responsibilities in housing. The first thing they receive is an orientation to their rights and responsibilities as a tenant, as well as refreshers during their stay.

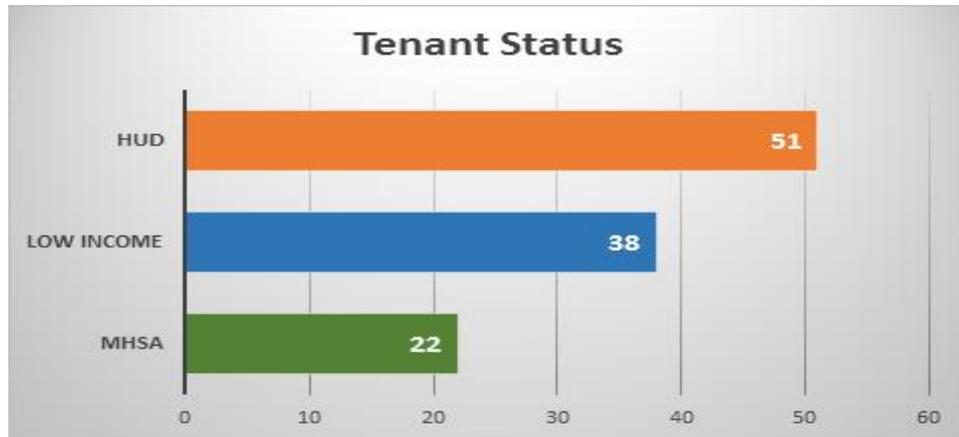
- Provide age-appropriate/relevant services, with resident input. During monthly pot-lucks/community meetings, residents have the opportunity to provide feedback, suggestions, and recommendations as well as share what they might be needing as a service. Tenant input is very valuable, and encouraged throughout their residency.
- We anticipated that the majority of youth would probably not remain in Peacock Commons for more than one or two years, due to the inherent fact that most youth at this age are in transition. This has been true, as the majority of residents have left around the second year mark to other permanent/affordable housing.

Initially Peacock Commons had a high turnover rate due to moving in 50 individuals at one time and not having tested policies and procedures in place. In the best scenario, the project would have slowly moved clients in. Being a new program, many of the young tenants tested limits to property rules. Tenants invited homeless youth and friends to “crash” at their apartments, creating havoc and disturbing neighbors. There were issues with loud parties as well as drug usage. Although pets under 25 pounds were allowed, tenants brought in pit bull puppies which were under the guideline weight; however, they grew to almost 85 pounds. After several months, with clear expectations and community meetings, Peacock Commons was more stable and tenants began adhering to property management rules. First lesson learned: you can’t regulate pets by size but have to name breeds to exclude. Since there were many small children at the location, pit bulls were excluded from the amended pet rules.

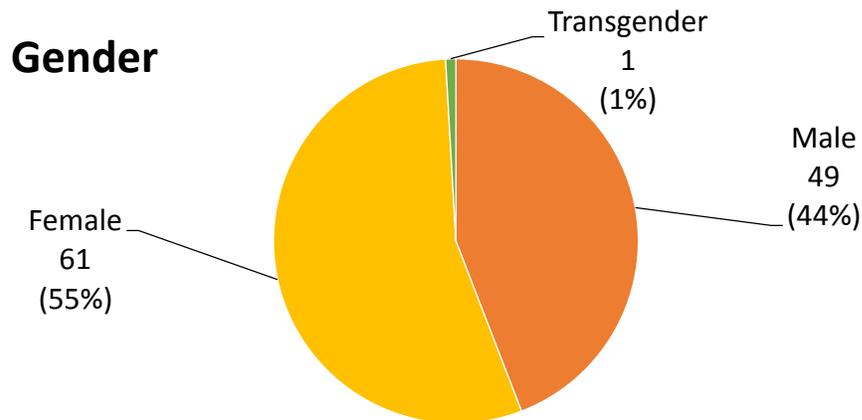
Demographics

Since the opening of Peacock Commons in 2012, there have been 111 youth tenants and 11 peer/adult staff mentors. Of those 111 youth tenants, 22 were referred

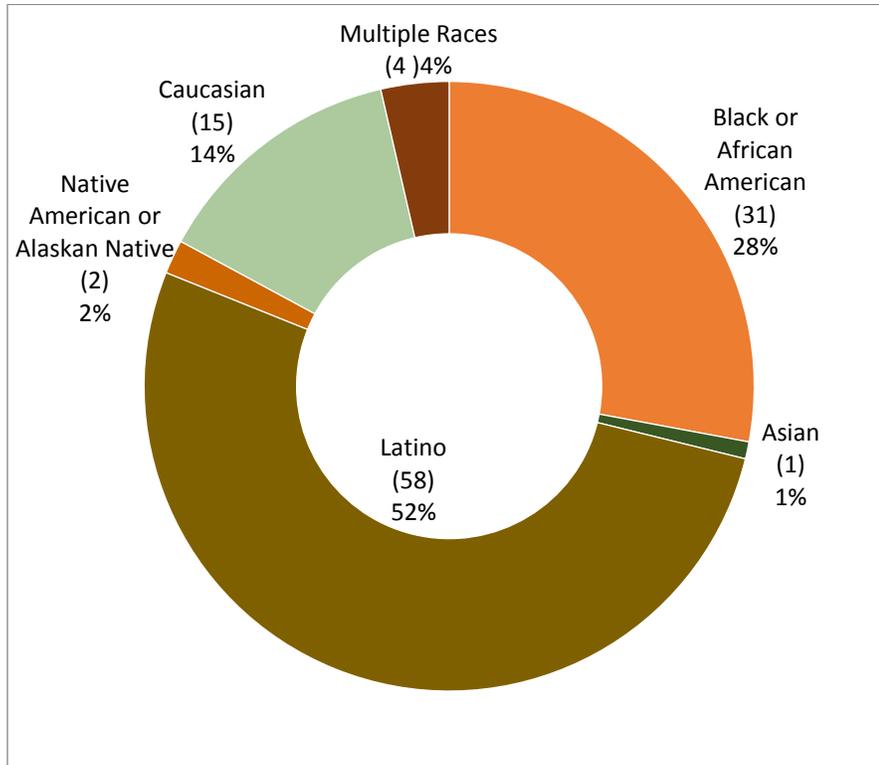
from Santa Clara County Behavioral Health (Mental Health Services Act); 51 tenants were homeless at move in (HUD funding), and 38 low income (at-risk of homelessness) transition age youth were admitted to Peacock Commons.



Forty-nine or 44% identify as male, sixty-one or 55% as female, and 1% transgender.



Out of the 111 youth tenants, 58 or 52% of the youth tenants are Latino; 31 or 28% are African American; 15 or 14% of the youth tenants are Caucasian; 2 or 2% Native American or Alaska Native; 4 or 4% Multiple Races and 1 or 1% Asian.



Services On-Site/Off-Site

Systems youth face not only the typical developmental changes and new experiences common to their age, but also the dramatic change from being under the State of California’s care, to being on their own.¹¹ The services and supports available to youth while in care – food, housing, medical care, case management – are no longer available. Homeless youth face even more dire issues as most of their survival

depended on what they could get from the streets.

“I never was shown how to wash my clothes, budget my allowance, cook a meal – everything was done for me by the group home staff. Now I am on my own and have no idea how to even begin!”

--Jake, former foster youth

Recognizing that many of the residents of Peacock Commons had little or no life skill experience, an array of on-site and off-site supports were made available. As part of the support services, an on-site Service

¹¹ Child Welfare Information Gateway, Helping Youth Transition to Adulthood, April 2013.

Coordinator assists youth in accessing needed services including life skills such as cooking, shopping, developing a budget; and for those youth that are parenting, access to parenting classes and subsidized child care. In addition to overall program coordination, the Service Coordinator provides some direct services to tenants including:

- Conducting an initial tenant orientation and ensuring that each new tenant receives an assessment to determine their interest in and need for on-site services.
- Providing general information and referrals to services for all the project's tenants.
- Coordinating on-site recreational, social and community-building activities; support groups; and educational opportunities such as computer classes, speakers, etc.
- Conducting assertive tenant engagement to encourage participation in services.

In addition, the mentors living on-site provide not only “technical” support to the residents (how to cook, how to use washer, etc.), they provide emotional support and adult/peer guidance.

Participation in services is not required; although approximately 80% of residents have requested services on an as needed basis and approximately 40% request support on an ongoing basis. Services encompass basic case management, tenant conflict mediation, helping to resolve property management issues, employment assistance, exploring college and help with applying; resolving food insecurity through local organizations that provide food; advocacy/guidance with current legal issues; referrals to other programs within Bill Wilson Center such as mental health support/substance abuse treatment and employment readiness training or outside resources.

There is a semi-annual meeting of residents, mentors, the Service Coordinator and the Property Management team to share important updates, answer questions, review any issues that may arise. Representatives from the Property Management

Company are available to meet with tenants and/or staff as needed. Residents and mentors are encouraged to attend the monthly community event which include as a potluck meals, celebrations of special events such as birthdays and holidays, and special classes. Building community is important and provides for a safety-net for the youth. Lessons learned: Provide food at every event! Food attracts residents, especially those who don't like to cook!

Mentors/Affordable Housing for Low-Income Counselors

Silicon Valley has one of the highest housing costs in the nation. Back in 2009, Santa Clara County began to support building affordable housing for low-income teachers so they could stay in the area. CEO Sparky Harlan felt that counselors who worked in residential programs with youth were paid even lower wages than teachers and equally as important to the community fabric of Silicon Valley. Looking at how the new apartment building might support both housing for homeless youth, low-income youth, and counselors, a concept was developed that incorporated low-income housing for counselors who would act as mentors for homeless youth now housed in Peacock Commons. According to a recent study, mentoring foster youth transitioning from care to independence, is related to important psychological and behavioral outcomes for the youth¹². The paper summarized that these youth benefit from having somebody positive in their life that they can talk to, which makes the world and their place more satisfying and a bit less stressful. Also, having a mentor that provides them with support such as career advice, connections, etc. helps them be more accountable for some of their behaviors.

“I wasn’t sure what it would be like mentoring a youth at Peacock Commons....once I started meeting with Alejandro, I realized how important my guidance was to him....and how he enriched my life too --
Lee, adult mentor

¹² Natural Mentoring and Psychosocial Outcomes among Older Youth Transition from Foster Care, M.R. Munson and J.C. McMillen, *Child Youth Serv. Rev.* 2009.

When youth tenants enter Peacock Commons, they are introduced to the mentors. Having a mentor is voluntary, and relationships evolve naturally from participating in the community events and activities. Mentors are available 15 hours a month or more to support youth, assist in skill building workshops, provide one-on-ones, as well as off-site events and activities with residents.

To meet fair housing requirements, the mentor units are for individuals who work as counselors for youth residential programs. The mentors have to meet income eligibility and are usually entry level residential/counseling staff. They pay rent at an affordable level, and if they choose not to mentor during their stay, their rent is increased to a higher rate. In addition to single mentors the site has married couples who are mentors. Mentors have been permitted to have parents reside with them if the entire family unit meets the income eligibility. Last year, one of the mentor's father worked with several youth in building a vegetable garden.

To assure sufficient applicants on the waitlist, outreach is made in accordance with the specifications of the Affirmative Fair Housing Marketing Plans and in accordance with the established Resident Selection Criteria (this document is available upon request). All the mentor units are consistently filled.

Property Management

Peacock Commons has two distinct components: Property Management and Program Services. Research shows that permanent supportive housing is most successful when a functional separation exists between housing matters (rent collection, physical maintenance of the property) and services and supports (case management, for example). Currently EAH, Inc. (a nonprofit housing corporation) is providing property management services for Peacock Commons. EAH developed a Property Management Plan which provides a summary of the important aspects of the approach to management by EAH, Inc. The Plan is designed to define the duties and responsibilities of the owner (BWC) and managing agent (EAH, Inc.), and to outline a

management program that will assure the physical, financial and social well-being of the project.

EAH, Inc. is responsible for the day to day operation of Peacock Commons.

These duties include the following:

- Responsible for making recommendations to BWC to help formulate the operating policies of Peacock Commons
- Responsible for proper resident selection per the established resident selection criteria, and the certification/recertification of residents
- Collection of rent

Resident Eligibility

Peacock Commons uses three “funding” sources to blend three categories of youth: those funded by HUD, those who are Extremely Low Income (ELI), and those youth funded by Mental Health Services Act (MHSA). This mixed income housing program has specific criteria for resident eligibility, which required oversight for ensuring qualifying criteria was met for each of the three groupings. MHSA youth are referred by Santa Clara County Behavioral Health. HUD and ELI youth are either self-referred, referred through HMIS Coordinated Entry, or referred by Social Services/Probation Services.

The Resident Selection Plan lists the items that will be screened for eligibility applicable to regulations and units related to this project. The Property Manager is given special training in the pertinent material. In turn, he/she is responsible for effective prescreening, maintenance of office records and subsequent communication with the residents. The Property Manager, along with the Service Coordinator, provide oversight for which category of funding a youth falls under and that the youth meets the specific criteria of that funding source.

The Property Manager determines eligibility of applicants subject to the review and assistance of the EAH, Inc. Supervisor. The Property Manager is also responsible for

acquiring necessary documentation, establishing and maintaining a file for each resident, and distributing required forms to BWC.

General eligibility is determined as follows:

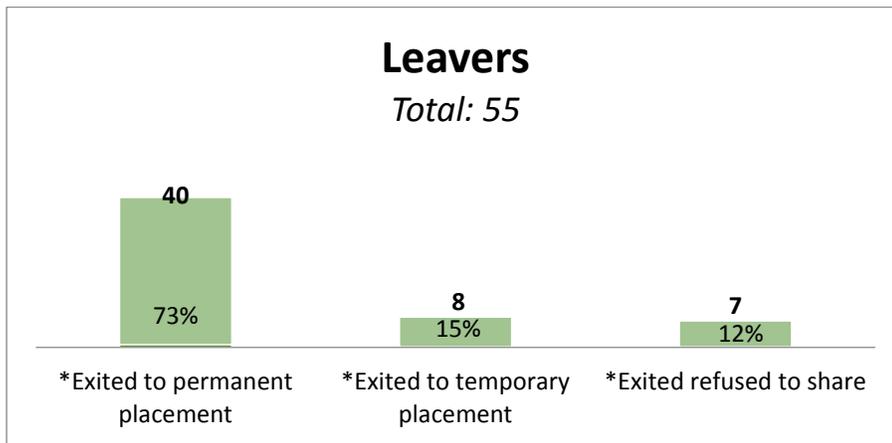
1. Initial screening conducted using an application form to determine whether applicant is eligible based on income and family composition.
2. Applicants who pass the initial screening will receive further screening as follows, to determine eligibility:
 - Applicant to be interviewed by member of Management Staff
 - Each applicant will give written permission for verification of income and references
 - The following checks will be made:
 - Verification of Disability (if applicable)
 - Verification of Income
 - Verification of Assets
 - Verification of Prior Landlord(s)
 - Verification of Preference (if applicable)
 - Criminal and Credit Background Check

Due to the fact that a number of these young adults applying for residency at Peacock Commons had traumatic histories, including law violations and/or a criminal record, it was important to recognize that entry into Peacock Commons was a “clean slate” to becoming self-sufficient for them. As a result, the final decision-maker regarding admission (initial or appeal if application rejected) was the responsibility of the agency itself. Each potential resident youth or mentor with a criminal background is reviewed on a case by case basis to determine if appropriate for the site. Because families are located at the site, all sex offenders and similar offenders are automatically excluded from consideration.

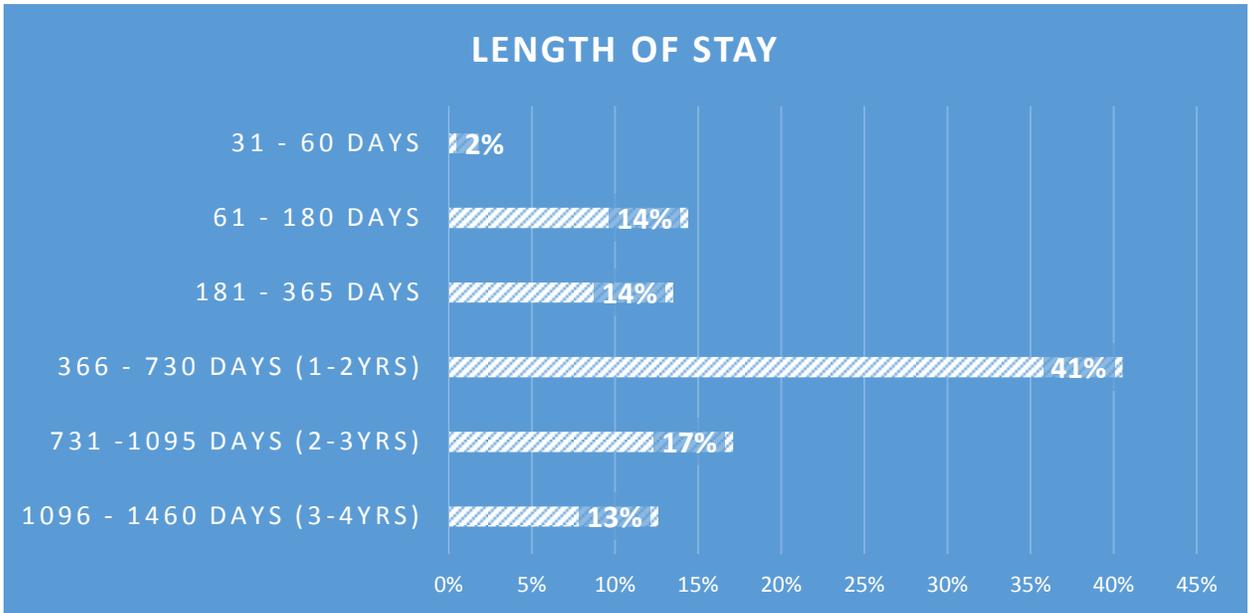
Annual recertification for affordable units begins 120 days prior to the resident’s anniversary date.

Outcomes

A critical outcome of Peacock Commons is to provide permanent stable housing to youth, housing that is not time limited in duration. Of the 55 residents who have left residency at Peacock Commons, 40 or 73% have left to other permanent housing. Eight or 15% left residency and moved into temporary housing, either waiting for more permanent housing to become available or temporarily staying with family/friends. Seven or 12% of the residents chose not to reveal their exit location.



As anticipated, the majority of youth (41%) left residency at Peacock Commons between one and two years after admission. 17% left residency between two and three years after admission, with 13% remaining between three and four years after admission.



For fiscal year 2015-16, Peacock Commons residents had the following outcomes:

Outcomes	HUD Residents	Low Income Residents	MHSA Residents
Case Income (including earned, benefits, public assistance)	1 of 11 maintained same income; 6 of 11 increased income	12 of 17 maintained same income; No one increased income	5 of 8 maintained same income; No one increased income
Exits to Permanent Housing	No exits during this fiscal year	1 of 1 exited to permanent housing	2 of 2 exited to permanent housing

Lessons Learned/Recommendations

Key lessons learned from Peacock Commons:

- ❖ *Agencies need to be prepared to work with transition age youth that have multiple needs and complex barriers to self-sufficiency.* Having a thorough intake process in place and a high level of client engagement in the development of client service plans seemed to be most successful in identifying clients’ needs. Since participation in on-site and off-site support services at Peacock Common is *voluntary*, engagement of youth is of utmost importance to motivate youth to actively participate in services. Services provided on-site should be evaluated

regularly to determine what is needed and how to keep youth engaged in the services and activities.

- ❖ *Agencies should consider having a single entrance, rather than multiple entrances, to the permanent supportive housing site.* Managing the influx of visitors – both invited and not-invited – provides for better security and reduction of negative incidences.
- ❖ *Focus on helping youth in residency build or repair relationships with their family.* What we have found is that some youth who have exited foster care crave a reconnection to their family of origin. The “reconnection” with family or other caring adults has proven to be valuable as support for the young person’s success in achieving self-sufficiency.
- ❖ *Agencies should consider providing natural supports for the youth in residency through connecting either temporarily or permanently with caring adults.* Our approach has proven successful with the addition of “mentors” (low-income, non-profit staff) who reside at Peacock Commons. They are for some youth, their first stable connection to a caring adult. Each mentor provides 15 hours (or more) a month of connecting and supporting youth with a number of activities including one-on-one counseling, socializing, help with school/employment, and assistance with life skills. Adding multi-generational families to the complex has helped with mentoring of the young adults and families.
- ❖ *Agencies should consider encouraging youth to move on to a less structured environment when they are ready.* Peacock Commons provides a “staging” for youth in preparation for moving on to other affordable housing opportunities. In our findings, the majority of youth exited Peacock Commons between one and two years after admission. This is considered a good length of time for developing more major life skills as well as accomplishing major goals such as employment, school success, and stabilizing one’s mental health. Many of the youth preferred to move to other locations closer to their work or to extended family.

- ❖ *Review housing and services funding and regulatory requirements.* Housing and services programs must continue to comply with requirements from funders, including fair housing, waiting list development, tenant and client eligibility, and reimbursement processes. These requirements can sometimes lead to apparent obstacles in implementing a multi-tenant/mentor housing site. Funding needs to be available to support the recommended level of services, and if possible connect with other major systems of care.
- ❖ *Agencies need to develop clear guidelines regarding admission criteria if multiple funding sources are used.* Ensuring that admission criteria is followed is critical. Services offered/required may also be limited dependent on the funding stream, yet all tenants should have the same access to services and programming.
- ❖ *It is recommended that a relocation agency be hired to relocate tenants, not your own agency.* This was one of the most difficult aspects of the project. Use a relocation agency to assist with this process; it saves time and staff energy and is actually more cost-effective.
- ❖ *Hire a Project Director from the beginning of the project with a background in affordable housing.* In addition to helping us navigate the extensive requirements, our Project Director told us we were eligible for a “developer’s fee” of \$280,000 which we could use for any future projects and was unrestricted dollars. This fee allowed us to purchase another property three years later.
- ❖ *Hire an independent on-site property manager experienced in federal funding from the beginning.* We manage other properties that are much smaller but for large projects consider contracting out property management.
- ❖ *It is important to realize that this type of project took six years to complete from the initial concept.* Developing affordable housing takes years. You have to be in it for the long haul.

- ❖ *Consider whether it is more cost-effective to build a new site vs rehabilitating a site. Working with an existing site can cost more including relocation costs and unforeseen repairs and expenses like asbestos removal.*
- ❖ *Consider whether you have the bandwidth to develop a site or if you should seek out an affordable housing developer to build/rehab facility for you. That is what housing developers do – build housing. Why not let the experts do it for you! Just make sure you have a contract or MOU with them guaranteeing units for your population.*
- ❖ *Create wait lists by funding source as each has its own unique eligibility requirements. It is more efficient to define which units are designated for each funding source, so that vacancies can be filled from respective wait lists.*
- ❖ *Set up as Limited Liability Corporation (LLC), as a single member owner from the beginning so as to shield the parent agency from liability issues. When we got the tax bill from the County for \$188,000 we knew we forgot something! We now have the LLC in place.*
- ❖ *Site services staff belong to the parent agency. If funded by a HUD grant, make sure they are experienced in the unique requirements of the grant.*

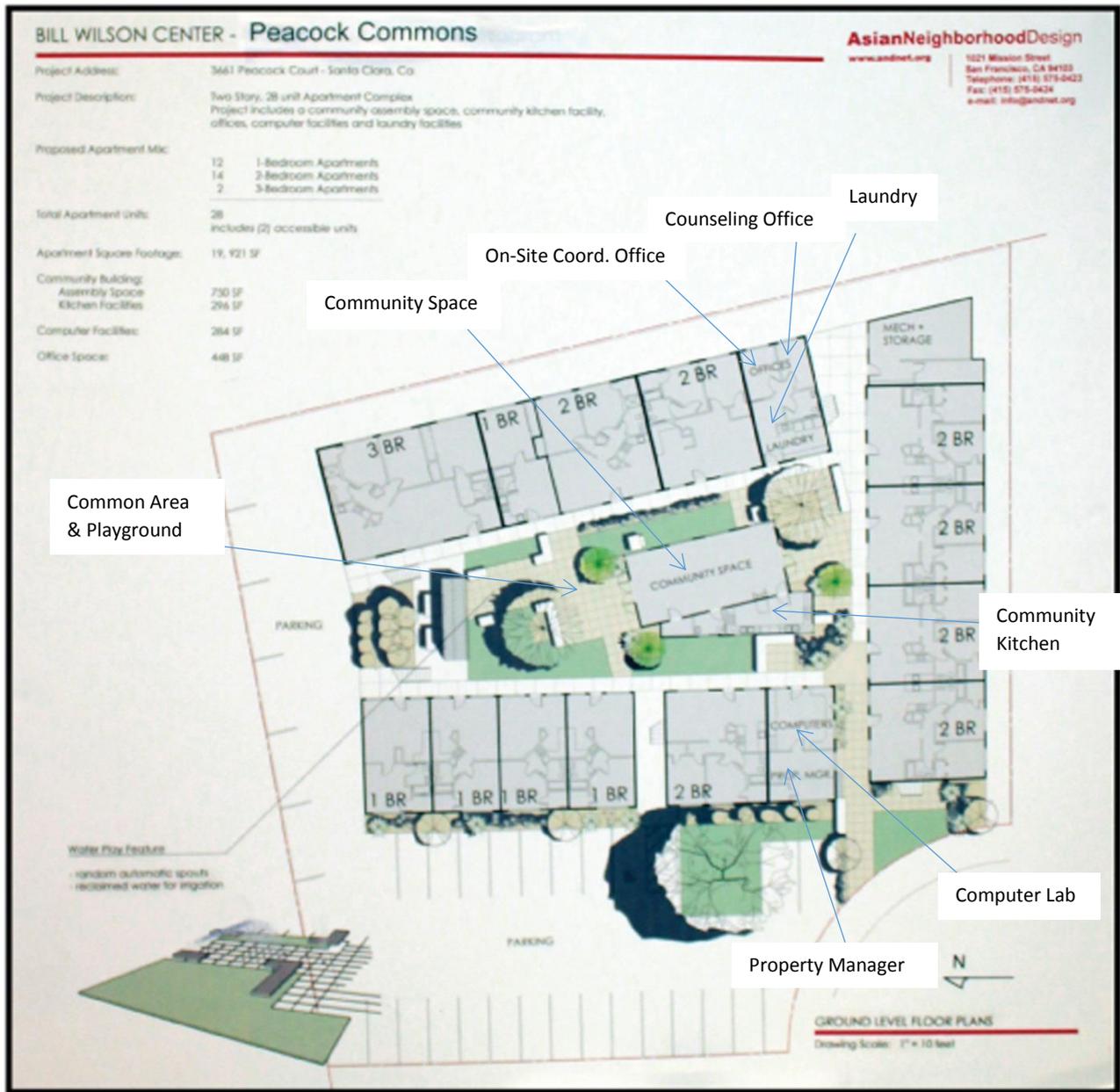
Conclusion and Contact Information

Youth, regardless of experience in foster care, juvenile justice, mental health, or life on the streets, have many of the same needs, and confront similar challenges as they transition to adulthood. Paramount for the youth is their need to feel safe and secure in housing while having supportive relationships with responsible adults.

Peacock Commons offers transition age youth stable housing with on-site support services and mentoring. This innovative model is a successful, cost-effective combination of affordable housing with services and mentoring which enable youth and young parent families to have a more stable and self-sufficient life.

It is our hope that this document assists agencies considering whether to start a similar project. Bill Wilson Center is available to provide consultation on replicating this unique housing model. For more information, contact Lorraine Flores, Senior Director of Program Development and Impact at lflores@billwilsoncenter.org.

An Innovative Model for Supportive Housing – Peacock Commons



Project Description: Two Story 28 Unit Apartment Complex
Project includes a community assembly space, community kitchen facility, offices, computer facilities and laundry facilities.

Proposed Apartment Mix: 12 1-bedroom apartments
14 2-bedroom apartments
2 3-bedroom apartments

Total: 28 (includes 2 accessible units)

Apartment Square Footage:	19,921	Computer Facilities SF:	284
Community Building SF:	1,046	Office Space SF:	448

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Following is a link to view Bill Wilson Center's CEO, Sparky Harlan, talking about the rehabilitation of Peacock Commons: <https://www.youtube.com/user/BillWilsonCenter>