

CASE STUDY

Peter Claver Community

CATHOLIC CHARITIES OF THE ARCHDIOCESE OF SAN FRANCISCO

DESCRIPTION OF THE DEVELOPMENT

The Peter Claver Community is a licensed-care single-room occupancy (SRO) development for previously homeless people diagnosed with AIDS or ARC (AIDS-Related Complex). The development has provided affordable, permanent housing and support services to residents since it opened in 1988.

Peter Claver has 32 private rooms located in one, two-story building. Residents have a small sink and a refrigerator in their rooms, along with bedroom furniture. Residents share kitchen facilities, eight bathrooms, a community room (stocked with snacks, beverages, and a microwave), and outdoor areas that include a patio off the back of the building and a rose garden on an upper-level deck.

The development is located in a renovated building that originally was a church and community center. Additional renovations were under way at the time of our site visit: The entryway was being fitted with a lift to make the building handicap accessible, the kitchen was being upgraded to an industrial-level facility, and bathrooms were being tiled for easier cleaning and maintenance. The building also houses property and site management offices and social service and nursing office space.

Peter Claver is located in the Fillmore District of San Francisco, with a shopping district a few blocks away. The immediate area around the development is mixed; the building is located one block from Victorian bed and breakfasts, yet the immediate corner is considered unsafe at night due to drug dealing.

CHARACTERISTICS OF THE TENANTS

Residents of Peter Claver are previously homeless, single adults diagnosed with AIDS or ARC. To live at Peter Claver, a person must have her or his name on the city's Centralized Housing Intake and Placement Services (CHIPS) list. At the time of the interview, the list had approximately 4,800 names on it. Staff estimated that 80 percent of residents have a history of substance abuse, and 50 percent have a mental disability. The majority of residents were white, nearly a third were African American, and 12 percent were Hispanic. The only change in residents over time is that now there are women and transgender residents and residents of color. Initially, nearly all clients were gay white men. At the time of the interview, only one resident was over the age of 65. Most residents receive Supplemental Security Income (SSI) payments of approximately \$600 a month.

CHARACTERISTICS OF THE FINANCING

Catholic Charities collaborates with Mercy Charities in financing and property development of Catholic Charities' various housing programs. Mercy Charities, a nonprofit offshoot of Catholic Charities' Housing Division and Mercy Housing of Denver, purchased properties for Catholic Charities' housing developments as Catholic Charities has a policy of not incurring new debt whenever possible. Catholic Charities' subsidiary Peter Claver Community is the general partner in a limited liability partner-

ship called 1340 Golden Gate Association, the owners of record for Peter Claver. Catholic Charities leases Peter Claver from 1340 Golden Gate Association. Mercy Services, the property management division of Mercy Housing of Denver, provides the site management and maintenance on the property through a contract with the partnership.

Peter Claver was renovated with \$1,718,000 in construction financing. The largest portion of total financing came from a donation of \$800,000. Three foundations provided grant money toward development. The Low Income Housing Fund and the McAuley Housing Fund extended loans of \$155,000 and \$100,000 respectively, both at 7 percent for one year. The City of San Francisco made a 10-year loan from Community Development Block Grant (CDBG) funds of \$400,000 at 9.17 percent.

Permanent financing totaled \$2,279,581 (see table 1), which came from the sale of tax credits, loans, grants, and a donation. Syndication proceeds from the sale of tax credits came to \$830,460 for seven years. A portion of these proceeds went toward the development of other housing developments for persons with AIDS. The city's CDBG loan was applied toward permanent financing along with a loan from a mortgage company for \$355,000 at 9.16 percent for 30 years. Another donation and the grants made up the rest of the permanent financing for Peter Claver.

CHARACTERISTICS OF SUPPORT SERVICES

The development specialist from the city's Redevelopment Agency commented that maintaining a balance between the requirements and activities of a permanent housing development with those of clinical services can be difficult, given the reality that residents have AIDS. Peter Claver offers a range of services to residents, even though it is a residential, not a treatment, program. The services are available to residents as they need them. Residents are not required, however, to participate in counseling or other programs with the exception of the money management program.

Peter Claver has two case managers on staff, both of whom are therapists. The case managers help residents develop service plans and assist them in accessing services, educational programs, or other activities residents may want. A group therapy session is offered once a week, and twice a week there is a resident support group led by staff.

Initially, a food-service program delivered meals to the facility once a day. Now the facility has a cook who provides regular meals. Residents can also pick up snacks and beverages from the community room whenever they like.

Catholic Charities has a memo of understanding with the Visiting Nurses Hospice for service delivery. Additionally, Catholic Charities provides staff as nursing assistants who are available

TABLE 1.
Project Financing

| Source | Amount | Type |
|--------------------------------------|-----------|-----------------------|
| City of San Francisco (CDBG) | \$400,000 | Conventional loan |
| Savings Association Mortgage Company | \$355,000 | Conventional mortgage |
| Tax Credits | \$830,460 | Syndication proceeds |
| Irvine Foundation | \$ 50,000 | Grant |
| Koret Foundation | \$ 20,000 | Grant |
| Macy's | \$ 18,000 | Grant |
| Private donor | \$875,000 | Donation |

24 hours a day, with two assistants on each shift. The assistants help residents who need assistance with their medications and personal care. There is also a money management program for residents. Every other week, a staff member based in the corporate office of Catholic Charities visits Peter Claver to work with residents regarding money issues. Individual plans are developed for residents to build skills in managing their income, most of which comes from general assistance (GA) and SSI checks.

The activities director initiated a volunteer program at Peter Claver, in which volunteers come to the development to offer residents massage, gardening workshops, and other activities. The director also has organized art projects and procured tickets to events for residents.

Funding for services is provided through four government contracts. The largest contract is with the U.S. Department of Housing and Urban Development's (HUD) Housing Opportunities for People With AIDS (HOPWA) program for more than \$500,000. The city's Redevelopment Agency administers the HOPWA funds. There are two contracts with the San Francisco Department of Public Health: one with mental health, and the other with the homeless assistance for the medically indigent adults program. The fourth contract is with the Ryan White CARE program, which will be rolled into HOPWA in 1998.

CHARACTERISTICS OF THE PROJECT SPONSOR

Catholic Charities of the Archdiocese of San Francisco was founded in 1907 and established as a nonprofit in 1946. The organization's mission is "to serve very poor and disenfranchised peoples of all faiths and ethnic groups" in Marin, San Francisco, and San Mateo counties. Catholic Charities' services are divided into the following categories: HIV Community Housing and Services, Children and Family Services, Aging Services, Mental Health Services, and St. Joseph's Village. The organization provides direct services, helps people mobilize resources themselves, and advocates on behalf of disadvantaged persons.

When Peter Claver received the Maxwell Award of Excellence in 1990, Catholic Charities had a budget of \$4.3 million and had produced 970 units of housing. At the time of our telephone interview, Catholic Charities had 300 full-time equivalent (FTE) staff positions and an administrative operating budget of \$12.5 million. It had produced more than 1,000 units of housing, managed 200, and owned 52 units.

Peter Claver has benefited Catholic Charities in several ways. It has served as a model for subsequent housing developments serving people with AIDS/ARC. It has also allowed the organization to realize economies of scale by sharing on-call nursing staff with its other developments. In addition, the relationship Catholic Charities established with the Redevelopment Agency through development of the Peter Claver project helped with Catholic Charities' next project. According to the development specialist at the Redevelopment Agency, staff at both agencies felt they knew each other and knew there were no hidden agendas.

HISTORY OF THE DEVELOPMENT

The impetus for developing Peter Claver came from San Francisco's Department of Public Health. The department approached Catholic Charities in early 1987 with a request to develop a housing and support services program to serve homeless people with AIDS and ARC. Peter Claver would be Catholic Charities' first project in this area of housing and service provision. The organization applied for McKinney Section 8 subsidies, which it received in October 1987. HUD set a tight development

schedule for the organization, requiring that it be able to move residents into a renovated facility by July 1988. Residents began moving into Peter Claver in August 1988.

Peter Claver was designated a licensed-care facility by the state Department of Social Services a few years after opening. Licensure brought with it a number of changes for the development. Peter Claver had to offer 24-hour nursing care and ensure that staff met credential requirements. The new required level of care has been expensive, because a high level of services must be available at all times, even when not needed by residents. Licensing also required Peter Claver to offer a food program for residents. The director said that since this program began, the sense of community among residents, who now eat together more often than in the past, has increased.

The development has had key staff changes in the last few years. The current director had been at Peter Claver three months at the time of the site visit. The clinical coordinator, who has worked with four directors in as many years, credits the director with clarifying staff and residents' roles and boundaries, and for strengthening team work at the development. An activities director was hired in early 1997.

One challenge facing the Peter Claver Community is the future availability of funding. The development was notified in December 1997 that its project-based Section 8 subsidies would be renewed for another year, after which renewal would be considered on a yearly basis. HUD no longer offers multiyear commitments of Section 8 subsidies. The director of HIV Community Housing at Catholic Charities said that if the subsidies were switched to tenant-based, it would lead to an operating deficit for Peter Claver and could jeopardize program feasibility. Peter Claver loses about 20 people a year; thus in approximately two years, the development would stand to lose all Section 8 subsidies. There is also concern over a possible reduction in HOPWA funds. Half of Peter Claver's service funds come from HOPWA. The chief operating officer of Catholic Charities said, "I don't think Catholic Charities would be in a position to fund the operation of Claver . . . without substantial public funding." Yet, cutbacks and a loss of public funds is a real threat for Peter Claver.

Catholic Charities and the city's Redevelopment Agency are considering ways to address possible future reduction in funds. A development specialist from the agency commented that Peter Claver cannot tap private money much more than it is already doing, but the development and Catholic Charities need to find a way to use less government funds without cutting back on the services it is required to offer as a licensed facility. A registered nurse from the Redevelopment Agency has been evaluating the HOPWA-funded facilities in the city to see if there is a less costly way to provide services.

Another challenge facing Peter Claver stems from a positive change. People with AIDS and ARC are living longer because of changes in treatment. Both staff and residents will need to learn what residents' changing needs are, explore how best to address those needs, and learn how to live in a small community for a longer time. From a programmatic perspective, staff and administrators are assessing a number of issues. For example, as people with AIDS and ARC live longer, the acuity of their illness may not be as severe as it has been and different support services might be needed, such as job training.

CURRENT PROJECT PERFORMANCE

Financial Indicators

Financial indicators for the Peter Claver Community look good, given the information we have available. The development is not in arrears on any of its payments and has not had to use its replace-

ment reserves during the last two years. When asked if he thought the reserves were adequate for the long-term health of the development, the property manager said he thought they were.

Management Indicators

Through Peter Claver's money management program, 30 percent of a resident's support check is automatically deducted for rent, with the remainder going to the resident. Because of this program and the Section 8 subsidies, there has been no rental loss from nonpayment and no delinquent rental payments. There was one eviction (3 percent) in the previous year because of behavior problems.

There were approximately 20 turnovers of units in 1996, for a turnover rate of 63 percent. Most of the changes in occupancy were the result of death. The turnover rate is not an adequate indicator of management success for Peter Claver Community because of the fact that residents have AIDS or ARC. A high turnover rate is expected and reflects the illness of the population more than management practices. The vacancy rate for the last fiscal year was between 8 and 10 percent, though at the time of the telephone interview there were two vacancies for a rate of 6.3 percent. Given the high rate of turnover, the vacancy rate indicates that management is able to bring in new residents quickly.

Additional management indicators are positive. Staff inspected 100 percent of the residential units during the previous year. Maintenance responds to tenants' requests for nonemergency repairs in less than a day, and staff prepare rooms for reoccupancy in two to three days.

Condition Indicators

As previously mentioned, the entrance and kitchen were undergoing extensive renovations during our site visit. With the exception of these areas, the building was very clean and appeared to be in good condition. The renovations to the entrance will bring the facility up to the Americans with Disabilities Act (ADA) standards for accessibility. Because of the renovations to the building, staff indicated that the building was in better condition than when it was first occupied. Landscaping has also improved over time as residents and volunteers have planted flowers and other plants on the upper rose deck and in the backyard. The main property-related problems of the development have been the wear of carpeting, inadequate kitchen facilities, and the lack of accessibility for individuals with disabilities.

Resident Satisfaction

Ten residents met with us to discuss living in the Peter Claver Community. Focus-group participants had been living at Peter Claver from eight months to two and a half years. Most of them were pleased with the development and liked living there.

There was a mix of responses to a question on the extent to which the development met residents' expectations. One participant said that he knew what to expect because a friend of his lived there. He expected and found the facility clean and staff respectful. Another participant expected Peter Claver would be more of a recovery-based program for substance abuse than it was. He said the facility had been portrayed that way, and he was disappointed that it has not turned out to be true. For one participant, Peter Claver offered an improvement in living conditions. "It's better than living in those hotels everybody talks about. The rooms are cleaner, they exterminate for roaches. They [staff] check on you if they don't see you in a 24-hour period."

When asked what the best aspects of living at Peter Claver were, participants highlighted the availability of assistance from staff and the support and sense of community found among residents. Staff assist residents with taking their medications and completing any required paperwork for

medical or subsidy services. These services, along with the availability of counseling and the money management program, are of great benefit to residents. “There’s lots of stuff that they do that’s very helpful that way, that makes life a lot easier to focus on your health . . . they make it very easy to maintain your health.” Participants also mentioned the recreational and art activities as aspects of the development they liked.

A number of participants spoke about the benefits of living among other people, including providing one another with emotional support. As one participant said, “You know, I enjoy being around people, and it kind of keeps you out of depression.” Additional comments included feeling a sense of security, having access to food, and the current quality of the food.

Screening potential residents is very important in a program combining SRO housing and health services. Screening facilitates selection of people who are likely to do well given the development’s goals and staffing.

When asked about the worst aspects of living in Peter Claver, participants said that it can feel too close at times. Some residents become overly involved in the lives of others in such a small community. It can also be depressing for residents who are well when other people are quite ill. A few participants offered the following thoughts: “It’s hard when you see very sick people . . . when you’re walking around full of life and healthy, and all that stuff is kind of depressing;” “There is a morbidity about the place when people die. You can make friends with somebody and a couple of weeks later they’ll be gone;” “But people aren’t dying as much as they used to.”

A few participants said there were staff members who played favorites among residents. Also, if a resident was stigmatized as a troublemaker in some way, staff tended to relate to that person in terms of the stigma, assuming the worst. Other comments by residents included feeling unsafe due to potential violence or theft from other residents or guests, and disliking the new rule that limits the number of guests a resident can invite to dinner at the facility. Participants would prefer having bathrooms inside their rooms rather than sharing bathrooms. They also said that their rooms were small.

Availability of services is important to residents. As mentioned, residents appreciate having their health and medications monitored. The attention staff provide to residents’ health and the assistance with daily activities, such as taking medications, allows residents to take better care of themselves. Participants also said that if someone is interested in going to school or attending a training program, case managers make referrals and help locate funding.

FACTORS ASSOCIATED WITH PROJECT PERFORMANCE

Factors that seem to have had the greatest impact on the performance of Peter Claver Community include funding for support services, staff tenure, screening of residents, support services, and construction. These factors stood out in the discussions with staff and residents of the facility.

Peter Claver Community has been able to secure funding for services from multiple sources. The future availability of funds is a concern, however, because of potential funding cut-

backs, the need to gain yearly approval for project-based Section 8 subsidies, and the difficulties posed by many of the funders' requirements. As previously mentioned, HOPWA funds, which constitute approximately 50 percent of Peter Claver's budget for services, may be reduced. Since the initial 10-year period of Section 8 subsidies has ended, Peter Claver will face the possibility of losing project-based subsidies on a yearly basis. Increased concerns with funding will draw time and energy from the program as staff focus more on locating other funding sources and devising plans to provide services with less money.

Each of Peter Claver's four funders requires reports to be submitted on a regular basis. Preparing and submitting these reports, along with another report for Catholic Charities, consumes much of the director's time. In addition to the burden of the reporting requirements, the director and staff must find ways to address conflicts between licensing and funders' requirements. A few examples illustrate the difficulties staff face. Licensing regulations stipulate that if a resident becomes violent, she or he must be evicted within 72 hours. HUD requirements related to permanent housing state, however, that it is not possible to evict someone without cause or due process. Licensing also states that staff check rooms without notice of entry, while HUD requires 24-hour notice before entering a resident's room. HOPWA regulations state that the program cannot mandate services for residents, yet an individual may refuse needed services because of AIDS dementia. Honoring that individual's decision and HOPWA's regulation may have a negative impact on other community members.

Staff commitment to working with people with multiple problems and staff tenure have been positive factors in the performance of Peter Claver. The clinical coordinator had been at Peter Claver for four years at the time of our visit, and the two case managers had worked there for three and four years, respectively. The building manager had been there for more than two years, and the activities director had been at Peter Claver nearly a year, though he had volunteered previously.

The director position is the only position that has experienced significant turnover. Four people have held the position in four years. One staff member believes that the reporting requirements placed on this position played a large role in past directors' decisions to leave. Other key staff have been able to provide continuity at Peter Claver, but it seems as though changing leadership has taken a toll. The new director was praised for accomplishing a number of things in a short time. According to the clinical coordinator, the director has clarified staff roles and responsibilities and the rules residents must follow. He also has worked with staff to ensure consistent enforcement of the rules. The director has worked to encourage a "therapeutic environment" at Peter Claver by treating all staff as a part of the clinical team and helping staff increase their sense of ownership in the development. This praise suggests the lack of teamwork and clear limits and rules in the past.

Staff at Catholic Charities and at Peter Claver stated that screening of residents has been a critical factor in the success of the development. Screening allows staff and the prospective residents the chance to determine if the person would do well at Peter Claver given the goals of the development and the services available. The screening process involves a two-part interview, conducted by the part-time intake staff member, and checks into the prospective resident's medical, services, and any prison records. The intake worker presents the information to the clinical team, and together they make a decision.

Another factor associated with the development's performance is the support services available to help residents work with their health concerns and other needs—from taking medications on time, to managing money and engaging in activities, to eating meals on a regular basis. The director and the clinical coordinator said the food program is second in importance only to case

management for residents. As a result of the food program, residents have been able to gain weight, which is important for their health.

Construction factors also continue to be important to the development's performance. Catholic Charities and Peter Claver Community have been able to respond to residents' needs and to licensing requirements by renovating the facility. Improved accessibility will enable nonambulatory residents to move in and out of the building independently, and the new kitchen will allow for an improved food program.

LESSONS LEARNED

Peter Claver Community continues to perform well financially as an SRO housing development for previously homeless people with AIDS/ARC. The development was able to make the transition to a licensed-care facility, a change that included increasing nursing care, developing a food program, and becoming ADA accessible. The position of director has been the only key staff position that has experienced high turnover in the past few years. The two main challenges facing the facility at present are preparing for potential subsidy and funding cuts, and working with staff and residents to learn how to live in a community for a longer period due to residents' increased longevity. Staff at Catholic Charities, Peter Claver, and the San Francisco Redevelopment Agency are thinking through these issues and beginning to plan for the changes.

People involved with Peter Claver have learned a number of lessons from their experiences that can benefit other nonprofits and funding organizations with similar goals. First, staff advise that projects like Peter Claver will take twice as long to develop as anticipated and will be very costly. The depth of services available also means that economies of scale will be less than anticipated, adding to the cost. Therefore, public funds are essential to operating a facility like Peter Claver. Staff also recommend streamlining the funding sources to have fewer outcomes to monitor and fewer reports to file.

Staff are also considering a number of questions that arise at the intersection of funding concerns and changes in the resident population—questions that new developments need to consider. Because Section 8 subsidies and other funds are being cut back and residents are living longer, are support services such as job training needed? What would be the impact of residents' employment on subsidies? Are additional licensed-care facilities needed with a required staff ratio of 1:15, or should efforts refocus on providing permanent housing through less service-rich models? Can a program model serve other populations, too, by combining seniors, families with HIV, and single persons in one development?

Another lesson learned by staff is that leadership must have clear goals and be able to communicate them to staff and residents. Goals, however, must be flexible enough to accommodate new situations as a development's context changes and new directions are needed. A sense of humor is reported to help. While an ability to change is important, staff at Catholic Charities suggested that a nonprofit should obtain a license at the beginning of a project if it anticipates becoming a licensed-care facility. Making the required changes to become licensed after a facility is in service is difficult.

Staff have learned that screening potential residents is very important in a program combining SRO housing and health services. Screening allows staff to choose people who are likely to do well given the development's goals and staffing. Staff, too, need screening. An organization needs to hire staff who will share the development's goals and work with other staff members as part of a team.

Efforts to balance the rights of individual tenants with the needs of the community and with licensing and program rules requires ongoing vigilance. This balance becomes difficult when guiding regulations conflict or a resident refuses medical treatment she or he needs.

There are two design-related lessons. Residents' rooms should be built with their own bathrooms. Both staff and residents voiced concerns about residents having to share bathroom facilities. Also, developments should allot sufficient community space so that residents have areas in which to spend time outside of their own rooms.

In conclusion, although staff at both Peter Claver and Catholic Charities are anticipating future funding challenges, their ability to be proactive will enable the development to serve its special-needs population well into the future.