State Advisory Council on Homelessness

Tiny Shelters

Recommendations for the role of tiny shelters in the homeless crisis response system

October 2017

Acknowledgements

State Advisory Council on Homelessness

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Executive Summary

Overview

The purpose of this report is to offer background information, key considerations, cost comparisons, and recommendations on the use of small footprint emergency shelters -- for the purpose of this report they are referred to as "tiny shelters".

Key Findings or Highlights

The following are key findings by the State Advisory Council on Homelessness (SACH):

- Small footprint buildings are used in a variety of ways to address homelessness throughout the state, including programs that provide emergency shelter, transitional housing, and permanent supportive housing - in both individual and congregate settings.
- In a time when there are not enough resources to provide traditional emergency shelter units for the number of unsheltered people who need them, tiny shelters may offer communities an additional way to provide people with needed protection from the dangers of sleeping outside.
- Until this report, there have been no state level recommendations or guidance for the definition or use of these types of buildings in the homeless crisis response system.
- Recommendations must be broad enough to account for differences in communities, regulations, sites, and populations across the state.
- There are tradeoffs to the lower cost and shorter timeframe for building tiny shelters, including safety, lack of internal amenities, and longevity of the units.

Recommendations

The following is a summary of the recommendations on tiny emergency shelters, more fully discussed in that section of this report. Tiny shelters:

- Are defined as temporary interim housing and should include specific characteristics relating to safety, access to amenities, and ADA compliance.
- Are an appropriate crisis response to unsheltered homelessness in a community with insufficient emergency shelter beds to meet the need, while maintaining the goal of permanent housing for all people.
- Should not be restricted to a specific sub-populations of people.
- Should not be considered to be permanent housing.
- Should participate with a community's local coordinated entry system.
- For purposes of state funding, should be considered as emergency shelter units or beds.
- Should not divert funding from state resources for permanent affordable housing units.
- Need additional study and formal evaluation on the cost, time, and program effectiveness of their use as a response to homelessness.

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Introduction

Former Governor Booth Gardener established the State Advisory Council on Homelessness (SACH) through Executive Order in 1991. In 1994, former Governor Mike Lowry updated the Executive Order, and in 2015, Governor Jay Inslee updated the Order.

The Executive Order directs the State Advisory Council on Homelessness to make policy recommendations to the Governor and the Affordable Housing Advisory Board (AHAB) on ways to enhance the state's ability to respond to the needs of people who are homeless.

The governor appoints members to the Council. Membership includes representatives from non-profits, local and federal governments, public housing authorities, businesses, philanthropic organizations, and youth and formerly homeless representatives. There is also a seat for a member of the state's Interagency Council on Homelessness (ICH).

Because ICH members represent state agencies, they have been meeting together with the SACH since 2015.

The SACH and the ICH identified that communities across the state are considering many different types of small footprint buildings as a response to homelessness, but as identified in the January 2017 State of Washington Homeless Housing Strategic Plan, there is a need for clarification on the role of these buildings in the state's definition of a high functioning homeless crisis response system. These small footprint buildings generally have less square footage than traditional housing units – sometimes as little as 80 square feet – and in some cases function as "stand alone bedrooms."

During 2017, the Council researched and discussed this topic, with the goal of producing recommendations for the Governor, ICH members, and other interested parties.

The Council narrowed the scope of this report to "tiny shelters" which are defined herein as small footprint buildings that are being used to provide immediate and temporary shelter. More detailed defining characteristics are provided in the Recommendations section.

Excluded from this report are recommendations on "tiny homes on wheels" or THOWs, which have additional considerations for use, and while offering possible limited solutions to affordable housing, are not currently being considered for emergency housing.

Also not included in the scope of this report are small footprint buildings that are increasingly popular as a housing option for households who are not homeless and choose to live in a variety of types of structures that are smaller than traditional single family homes.

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Typology of Small Housing

The label "tiny home", "tiny house", or "tiny shelter" is attached to a broad range of small footprint housing units and types, from unheated garden sheds to small accessory dwelling units that may include all the amenities of a typical single family home.

Below is a chart with some characteristics of these smaller housing types and the purposes for each of the structures they describe. For purposes of this typology, it is assumed that all units have easy access to toilets and showers, and costs of installation, shared toilets, and showers are included in the per-unit cost. Land and operations costs are not included. Costs are provided as estimated ranges, and can be vary widely based on location and market conditions.

While this Report focuses on tiny shelters, cost comparisons of other small buildings are reflected in the table below for context:

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Label	Insulation	Lighting	Heat	Electricity	Private Toilet	Private Shower	Private kitchen	Utility Hookups	Easily Portable	Compliant with Typical Building Codes	Freestanding; no Shared Walls	Per-unit cost Construction (not including land or operating costs)	Expected lifespan in years	Examples Add Additional Links
Shed									Х		Х	\$2,000- \$6,000	5	http://www.homedepot.com/p/ Handy-Home-Products- Installed-Meridian-Deluxe-8- ftx-12-ft-Wood-Storage- Shed-with-Upgrades-and- Black-Onxx-Shingles-60756- 1/301291543
Electrified Purpose-built Shed for People Experiencing Homelessness	Х	Х	Х						Х		Х	\$2,000- \$6,000	5	https://lihi.org/2017/02/13/oth ello-village-gets-heat/
Small Manufactured Home	Х	Х	Х	Х	Х	Х	Х	Х	Х		Х	\$30,000- \$80,000	20	https://www.thehomesdirect.co m/homes/palm-harbor- homes/shasta-lodge
Tiny Self- sufficient Home	Х	Х	Х	Х	Х	Х	Х	Х			Х	\$40,000- \$70,000	30	http://www.the-block- project.com/the-block-project
Accessory Dwelling Unit	Х	Х	Х	Х	Х	Х	Х	Х		Х	Х	\$70,000- \$300,000	40	http://www.oregonlive.com/po rtland/index.ssf/2017/03/mulm omah county wants to ince.h tml
SRO – Detached	Х	Х	Х	Х	Х			Х		Х	Х	\$80,000- \$120,000	40	http://quixotevillage.com/faq/
Small One- bedroom Apartment (300 sq. ft.)	х	Х	Х	Х	Х	Х	Х	Х		Х		\$100,000- \$200,000	40	http://www.fanniemae.com/res ourcev/file/research/emma/pdf/ MF_Market_Commentary_03 1517.pdf http://apps.urban.org/features/c ost-of-affordable-housing/

Table 1: Tiny Shelters and Other Small Buildings Cost Comparisons

Cost Comparison

Tiny shelters are economically attractive, particularly since funding is insufficient to meet the need for construction of new emergency shelters and permanent housing units. Tiny shelters can be inexpensive to build – many communities' service groups, faith organizations, and the public are actively engaged in raising funds and providing volunteer labor to produce tiny shelters.

In addition, tiny shelters are much quicker to construct than new emergency shelter beds. In its simplest form, volunteers can construct a tiny shelter in a matter of days. The quick turnaround time is attractive to communities who are struggling to keep up with the need for shelter beds and experiencing a crisis of unsheltered people.

However, the low cost and volunteer labor used to construct tiny shelters comes with tradeoffs. While traditional emergency shelter units funded with state and federal grant programs require minimum construction standards, tiny shelters generally do not meet these requirements.

In addition, tiny shelters are, in general, not built to last the 25-40 years that traditional emergency shelter and permanent housing units are expected to endure.

The additional cost to construct permanent shelter beds and permanent housing equates to more safety, additional comfort and amenities, and extended building longevity. Small footprint buildings generally cost less and have a lower up-front cost than regular stick-built housing, with the cost savings due to some or all of the following factors:

- 1. Fewer square feet vs. a typical studio apartment (i.e., 144 vs. 300 sq. ft.)
- 2. Missing or shared amenities include electricity, cooking facilities, toilet, or shower.
- 3. Less-than building code construction quality.
- 4. Reduced integrated safety characteristics (fewer egress windows, use of more flammable materials, etc.)
- 5. Shorter expected useable building lifespan.
- 6. Placed on donated land, often without typically required utility connections, permit fees, and impact fees.
- 7. Built with donated labor or materials.

Building a tiny shelter to meet the same standards as a typical home may cost as much as a studio apartment (about \$150,000).

At the low end, a shed built with volunteer labor and donated materials is extremely low cost. A shed purchased from a hardware store costs as little as \$2,300 with volunteer help to place it on donated land.

At the high end, a fully-code compliant 144 sq. ft. tiny house can cost \$150,000 including land purchase, site preparation, and provision of hygiene and cooking facilities. Variations in the factors listed above result in price points between \$0 and \$200,000. The initial cost may be lower for tiny homes, but when amortized over time the cost savings may be dramatically lower versus a sturdier, longer lasting code-compliant structure. Costs are also impacted by providing shelter in a manner more immediate than the longer time frame of building affordable emergency shelters. However, there is also cost involved in having homelessness in communities, dealing with the consequences of increased services for food, healthcare, law enforcement, and other services.

Current Landscape

At this time there are no comprehensive building codes that specifically address tiny shelters. This often leaves local building officials to determine if they are appropriate for local building codes. Indications are that some form of small footprint houses will be included in an update to the International Residential Code in 2018. State and local land use ordinances do not currently address zoning for tiny shelters.

Commerce surveyed homeless housing service providers statewide to scope the prevalence of small footprint housing across the state. Survey results indicated there are two such projects currently in operation and several in various stages of development.

Currently Operating

<u>Quixote Village</u> in Olympia opened in 2013 with thirty 144-square-foot cottages, each including a half bath, as well as a community building with a large shared kitchen, laundry facility, showers, and social and office space. The total cost of the Village, including the value of donated land of \$337,326 and construction of the community building, was \$3,056,000, bringing the per unit cost to about \$102,000. Units are designated as permanent supportive housing.

Low Income Housing Institute (LIHI) "Tiny House Villages" opened in several areas throughout Seattle beginning in 2015. The tiny shelters are considered emergency shelter units for individuals and families who are experiencing homelessness. LIHI states that these villages serve as a crisis response to homelessness and the lack of affordable housing, and as a replacement for traditional tent encampments. Each tiny shelter is weatherproof and lockable and costs about \$2,500. Common facilities (bath, showers, kitchen, etc.) and land and land improvements are not included in this cost.

Projects in Development for People who are Homeless

<u>Spokane County:</u> Transitions, a Spokane-based nonprofit, is preparing to break ground on a \$6.7 million housing complex to be located near its current facilities at 3128 N. Hemlock, in northwest Spokane. The total project cost includes \$154,500 for the land. There will be 24 cottages for homeless and low-income individuals and families, as well as a 1,760-square-foot community building. Transitions expects to begin construction on this project in the fall of 2017, with the goal of having units ready for occupation by September of 2018.

<u>The Inland Northwest Fuller Center for Housing:</u> a faith-based group that works to end homelessness, technically ceased operations last July, about a month after announcing plans to build small, two-story wooden cabins for homeless people on a piece of church property just off Interstate 90. Members of the nonprofit are still working with city officials to build tiny homes.

<u>Pierce and Mason Counties:</u> Tiny House Justice is replicating a Quixote Village model in Pierce and Mason counties for homeless veterans. These organizations are working with Community Frameworks, a nonprofit affordable housing developer. Construction is slated to begin in the summer of 2018.

<u>Stevens County</u>: Hope Street Project in Colville was adopted by the city council in March 2017. The project plans to build three tiny homes before the end of the year and envisions securing a building in Colville that could act as a hub for what the group calls "wraparound" services. To provide a main building where temporary housing, warmth, water, food, laundry, lockers, counseling, and education is the group's goal. Bringing all the services together is important, according to the Hope Street plan because the current social services are too spread out and disconnected.

<u>Yakima County:</u> Just Housing Yakima is planning to develop 30 tiny homes in a supervised, controlled, and gated village model. The units will be permanent supportive housing. A large community use building with a commercial kitchen, restrooms, showers, laundry facilities, and a meeting area will be built adjacent to the tiny homes. Each tiny home will have electric power, a toilet and sink, heating, and air conditioning. They will build facilities in full compliance with the International Building Code and the Washington State Energy Code and plan to begin construction in early 2018.

<u>Okanogan County:</u> Community Action Council is developing Tiny Homes on Wheels to be built by veterans for the existing veteran homeless population as well as the elder veteran population whose homes are no longer sustainable. OCCAC is working in partnership with Close to Home http://c2hh.com/, a consultancy that has donated substantial resources to an initial feasibility study. An additional goal of this project is providing marketable construction skills for the veterans involved and establishing a for-profit arm of the project that will provide longterm sustainability of units for veterans, as well as other potential populations including disaster survivors and businesses needing immediate housing solutions for employees while they search for or build their own affordable housing. One example is rural school districts who are unable to hire teachers when affordable housing is unavailable. While these tiny homes are not a singular answer to the housing crisis, they are built to code and will last as long as a stick-built home, offering young people and old people alike a means of beginning their households or providing a small but efficient space for elder living. For the homeless, Tiny Homes can bridge the construction phase for the building of permanent Supportive housing.

<u>Kitsap County:</u> County Commissioners approved an ordinance that allows for the permitting of temporary wood structures for short-term housing. Site management and case management are required for permits to be issued. A planning group is working on various aspects of putting together a pilot project consisting of a village of 12-15 tiny cottages sited around a temporary hygiene/group cooking/community gathering structure. Eight of the tiny cottages have already been constructed with donated labor and materials, including one built by a high school class

and one build by a trades training program. These cottages are 8 x 12 and include two windows and electricity. Local non-profits will provide site management and case management.

Discussion

Consideration of the topic of small footprint housing included research and robust discussion of the following questions:

- 1. When are tiny shelters the right response? What are the broad circumstances under which tiny shelters should be used? Are there certain market triggers (*e.g.* rental rates or vacancy rates)?
- 2. How should tiny shelters be defined in the context of these recommendations from the State Advisory Council on Homelessness?
- 3. What should be the minimum acceptable building standards for tiny shelters covered under these recommendations?
- 4. Should the use of tiny shelters be recommended only for certain homeless interventions (*e.g.* shelter, interim housing, and permanent supportive housing)?
- 5. Are there specific populations for which tiny shelters are appropriate?
- 6. Should state resources be used to develop tiny shelter projects? Under what circumstances? How should the use of state funds for tiny shelters be balanced with the needs for other types of housing interventions?
- 7. How do tiny shelters fit into the core elements of a high functioning homeless crisis response system (as defined in the State Homeless Housing Strategic Plan)?
- 8. How should the typically shorter life span of these buildings be weighed with the lower cost, as well as the cost of people remaining unsheltered?
- 9. How can the recommendations be broad enough to address a wide variety of situational and siting variables that are different in each community?

The Council narrowed the scope of the recommendations to focus on "tiny shelters" (so called to emphasize their use as temporary shelter), rather than small footprint buildings being used as long-term housing. These recommendations do not address small footprint buildings used for the purpose of transitional housing (time-limited) or permanent housing (not time-limited), tiny homes on wheels (THOWs) or tiny homes in the market-rate housing environment.

The Council recognizes the need for a full discussion of the use of other types of housing for other interventions and uses – such as for permanent supportive housing, or for subsidized or low-cost affordable housing.

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Guiding Principles

The guiding principles identified as foundational ideas by the Council when developing the recommendations are as follows:

- 1. State resources should be invested as efficiently as possible with the best possible outcomes for people moving out of homelessness.
- 2. Ideally, safe and affordable housing is available for every person who needs it.
- 3. In a time when many people are sleeping outside, tiny shelters may offer an emergency shelter option that meets their immediate need and protects people from the elements and extreme harm resulting from unsheltered homelessness.
- 4. Tiny shelters are not a replacement for permanent housing and should not replace or supplant permanent housing.

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Recommendations

Tiny shelters may have a place in a community's high functioning homeless crisis response system (as defined in the State of Washington Homeless Housing Strategic Plan, January 2017), if they meet the following requirements:

- 1. Tiny shelters have the following characteristics:
 - a. They are intended to be temporary interim housing, useful as shelter while other permanent housing options are being pursued.
 - b. They do not include integrated wheels ("tiny houses on wheels" or THOWs), are not permanently fixed to the ground, and are able to be moved.
 - c. They must be approved by the local building department.
 - d. They must have electricity, ventilation, and insulation, and have a safe way to be heated.
 - e. Residents of tiny shelters must have easy access to hygiene and cooking facilities, though they don't need to be internal to each unit.
 - f. They may be clustered into "villages" or be individually sited.
 - g. People with disabilities are disproportionately represented among people experiencing homelessness. Consideration should be given to ensuring that a certain proportion of tiny shelters in a village setting meet ADA compliant regulations.
- 2. Tiny shelters may be an appropriate crisis response to unsheltered homelessness in a community with insufficient emergency shelter beds to meet the need.
- 3. Tiny shelters may be used as an emergency shelter intervention for people experiencing homelessness, while maintaining the goal of permanent housing for all households.
- 4. There are no specific subpopulations of people experiencing homelessness preferred for tiny shelters. The organizations managing the tiny shelters should determine the populations served.
- 5. Tiny shelters should not be considered to be permanent housing or used to meet affordable housing targets by counties or cities.
- 6. Programs using tiny shelters as an emergency shelter intervention should participate with a community's local coordinated entry system for referrals and intakes in order to be funded with state document recording fee grant programs.
- 7. For the purposes of state homeless housing funding, tiny shelters may be considered the same as emergency shelter units or beds. State homeless funds should be an allowable funding source for case management, utilities, facilities support, and temporary hygiene facilities associated with tiny shelters.
- 8. Tiny shelters should not be funded with state resources that are dedicated to the preservation, rehabilitation, and construction of permanent affordable housing units.

9. Additional study and formal evaluation on the cost, time, and program effectiveness of using tiny shelters as a response to homelessness is recommended. Several projects using tiny shelters are being developed around the state at this time -- using these new programs as well as existing programs as a basis to develop a "Tiny Shelter Toolkit" is suggested.

Appendix A: Resources

The following are a sample of relevant resources:

Washington State Homeless Housing Plan 2017: <u>http://www.commerce.wa.gov/wp-content/uploads/2017/01/V3-hau-hlp-final-homeless-strategic-plan-2017.pdf</u>

Washington State Department of Commerce webpage: http://www.commerce.wa.gov/serving-communities/homelessness/

Washington State Advisory Council on Homelessness webpage: http://www.commerce.wa.gov/about-us/boards-and-commissions/homeless-councils/

United States Interagency Council on Homelessness webpage: <u>https://www.usich.gov/</u>

National Alliance to End Homelessness webpage: https://endhomelessness.org/

Seattle Tiny Homes Zoning/Codes:

https://lihiwa.files.wordpress.com/2016/03/zoning-and-code-language-for-tiny-houses-inseattle.pdf

http://www.wsj.com/video/tiny-homes-seattle-latest-solution-to-housing-homeless/65A495F9-2543-4F10-AC2C-246658505C33.html

Building Codes Relating to Tiny Houses:

http://www.greenbuildingadvisor.com/blogs/dept/green-building-news/tiny-houses-joinbuilding-code

http://www.prnewswire.com/news-releases/history-is-made-tiny-houses-approved-and-incorporated-into-the-international-residential-code-300374431.html

http://www.constructiondive.com/news/tiny-house-rule-nearly-set-for-the-2018-internationalresidential-code/431952/

Selected Reports and Articles:

Tiny Housing: Veteran Employment and Homelessness Solutions. Washington State Division of Veterans Affairs, September 29, 2016. <u>https://wdva.app.box.com/s/65jg0w7gxevis84bwg60xf1db4hors02</u>

Tiny Houses: A Permanent Supportive Housing Model, A White Paper, Community Frameworks, March 2015 <u>http://www.communityframeworks.org/ws-</u> main/docs/FINAL%20Tiny%20Homes%20White%20Paper%20March%202015.pdf

Quandt, Katie. Can Tiny Houses Help Fix Homelessness?, Mother Jones., February 17, 2015. <u>http://www.motherjones.com/politics/2015/02/tiny-houses-homelessness-solution/</u>

Lundahl, Erika. Tiny Houses for the Homeless: An Affordable Solution Catches On, YES! Magazine, February 20, 2014. <u>http://www.yesmagazine.org/new-economy/tiny-house-villages-for-the-homeless-an-affordable-solution-catches-on</u>

Best Practices for Emergency Shelters:

http://www.mayorsinnovation.org/images/uploads/pdf/Connecticut-Emergency-Shelter-Training-Final-For-Participants.pdf

https://www.usich.gov/resources/uploads/asset_library/emergency-shelter-keyconsiderations.pdf

https://www.usich.gov/news/using-shelter-strategically-to-end-homelessness

http://orgcode.nationbuilder.com/10 critical questions for every shelter and shelter system