

# Temporary and Alternate Housing Best Practices and Recommendation

Housing and Homeless Solutions Committee  
May 24, 2024

Christine Crossley, Director  
Office of Homeless Solutions

Cynthia Rogers-Ellickson, Interim Director  
Housing and Neighborhood Revitalization

Andreea Udrea, PhD, AICP, Assistant Director  
Planning and Urban Design

Megan Wimer, AICP, CBO, Manager  
Planning and Urban Design

City Attorneys Office



**City of Dallas**

# Presentation Overview



- Temporary and Permanent Supportive Housing Codes
- Product Types and Examples of Use
  - Industrialized Housing
  - Manufactured Housing
- Combined Cost Analysis
- Path to Housing
- Policy Considerations
- Items To Consider
- Staff Recommendation
- Next Steps





**Dwelling Units** are defined by the 2021 International Residential Code (IRC) as "a single unit providing complete independent living facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking, and sanitation"

## Permanent Housing

### Industrialized housing

1. Has a permanent foundation
2. Qualifies as SFR, duplex, or multifamily

### Tiny Homes: must:

1. Be connected to sewage, water, and electricity
2. Be installed on an engineered foundation
3. Permitted, reviewed, and inspected
4. Permitted in conjunction with all other construction trades, zoning, fire, energy, and engineering requirements
5. Undergo all other Development Services processes

## Temporary Housing

### Manufactured housing:

1. Only allowed in a manufactured housing district





# Product Types and Examples of Use





# Product Types and Examples of Use: Industrialized Housing Continued



## Product Type:

- Can vary in size and type
  - Can be stick built or modular
  - Can include bathrooms and kitchens (considered permanent housing by HUD if included)
  - Are often mobile but can have permanent foundation



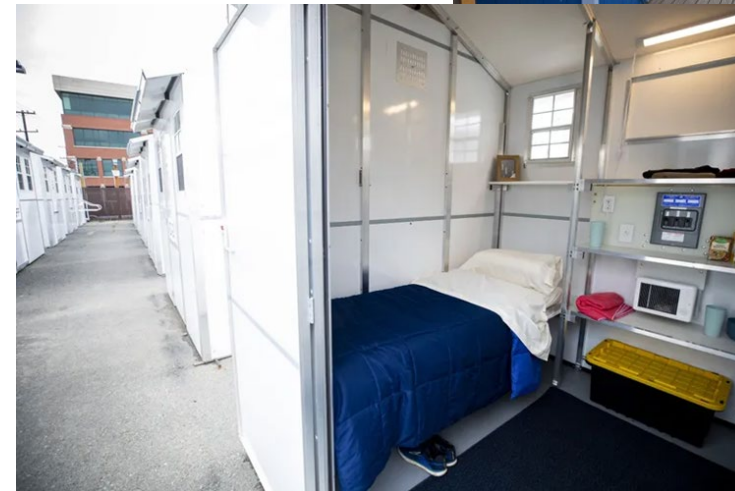
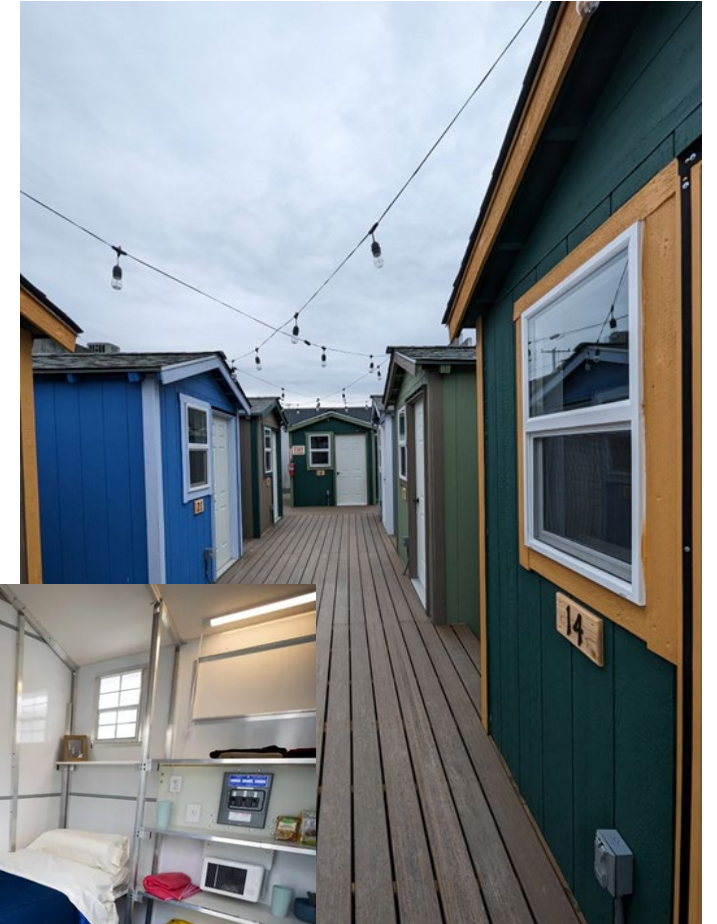


# Product Types and Examples of Use: Industrialized Housing



## Use Case: Tiny House Villages Seattle

- Stick built
- 8'x12' weatherproof, insulated structures
- Electricity, overhead light, A/C
- 15-75 units per village
- Shared kitchen, hygiene trailers (shower/toilet/laundry), storage
- On-site offices for case managers and security





# Product Types and Examples of Use: Industrialized Housing Continued



## Cost Analysis

Project	# Units	Capital	Annual Operating*	Cost to Exit**: • 1 vs. 2 people per year served • \$25,184 per client		Total year 1***
Tiny Home Village: TC Spirit Seattle, WA	24	\$350,000	\$464,000	\$604,416	\$1.2 million	\$1.4 million • \$59,100 per unit
Community First Village Austin, TX	225	\$18 million	\$4.8 million	\$5.7 million	\$11.3 million	\$28.5 million • \$126,517 per unit

\*Operating expenses include items such as: security, upkeep, food, medical services, behavioral health service, etc...

\*\*Case Management & Housing Navigation

\*\*\*Includes capital + operating+ cost to exit 1 person per year per unit



# Product Types and Examples of Use: Manufactured Housing



## Product Type: Pallet Homes S2 Sleeper

The 70 – 120 sq. ft.



### Standard Features

- 1 Residential windows with advanced Low-E insulated glass
- 2 Integrated customizable wire shelving system
- 3 120V convenience plugs
- 4 Interior LED lighting
- 5 Smoke/CO detector combo unit
- 6 Pedestal leveling system
- 7 Heater and A/C units

### Optional

- Freestanding Twin XL bed frame and mattress with bedbug-resistant cover
- Freestanding desk
- Programmable digital keypad entry



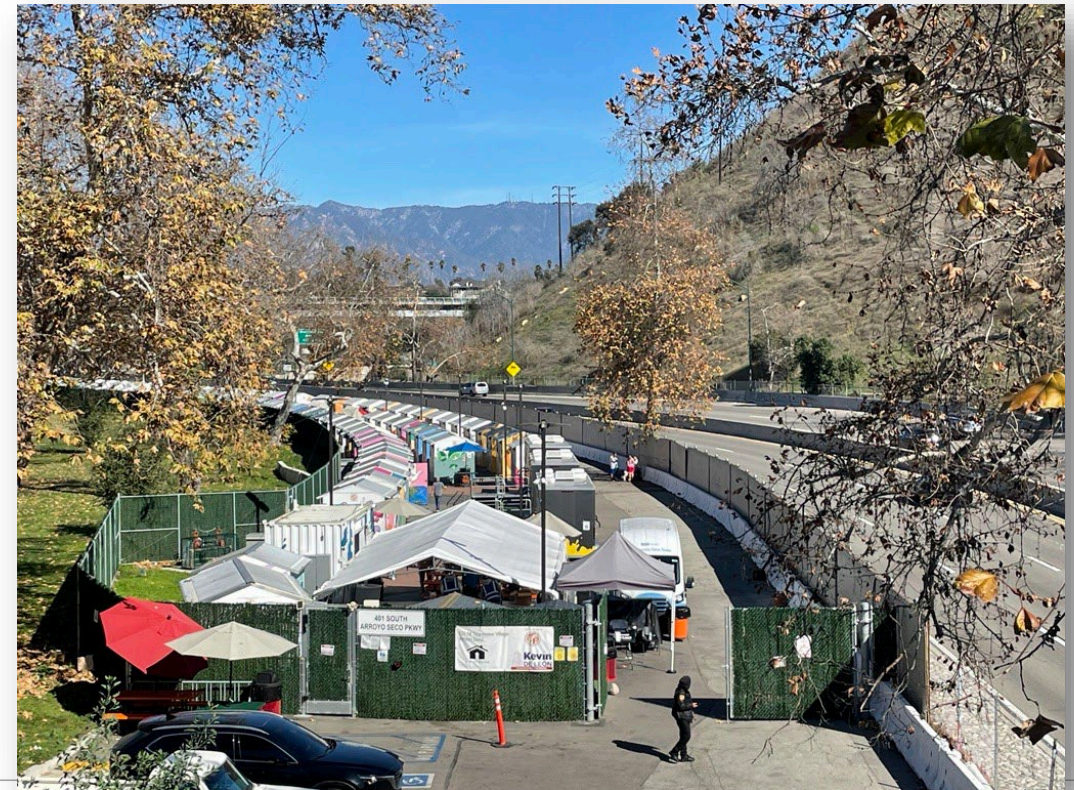


# Product Types and Examples of Use: Manufactured Housing Continued



## Use Case: Los Angeles, CA: Arroyo Seco

- Site previously been used as a 6.8-acre parking lot
- 123 units, older S1 models, 117 at 64 Sq Ft and 6 at 100 Sq Ft
- ~\$9k per unit: Initial cost for 123 units: \$1,115,000 for units, shipping, tax (site preparation not included)





# Product Types and Examples of Use: Manufactured Housing Continued



## Cost Analysis

The overall cost for Pallet Shelters is harder to estimate. The per shelter cost is roughly \$10,000 per but does not factor in the building of bathrooms, communal spaces, construction costs (electrical and sewage), installation, case management, and funding an operator to run the pallet village.

For the purpose of this comparison, we are considering 3 separate case studies:

Project	# Units	Capital	Annual Operating*	Cost to Exit**		Total year 1***
				<ul style="list-style-type: none"> <li>• 1 vs. 2 people per year served</li> <li>• \$25,184 per client</li> </ul>		
Pallet shelters Columbia, SC	50	\$800,000,	\$3 million	\$1.3 million	\$2.4 million	\$5.1 million • \$102,000/per unit
Pallet shelters, Baldwin Park, CA	25	\$530,000	\$770,000	\$629,600	\$1.3 million	\$2 million • \$77,184/per unit
Pallet shelters Denver, CO	200	\$7 million	\$9 million (estimated)	\$5 million	\$10 million	\$21 million • \$105,000/per unit

\*Operating expenses include items such as: security, upkeep, food, medical services, behavioral health service, etc...

\*\*Case Management, Housing Navigation, **12 Months Rental Assistance**

\*\*\*Includes capital + operating+ cost to exit 1 person per year per unit



# Product Types and Examples of Use: Manufactured Housing Continued



## Product Type: Shipping Containers

\$126 per unit

2 units per shipping container



# Product Types and Examples of Use: Manufactured Housing Continued



## Use Case: Atlanta, GA: The Melody

- Site previously used as a parking lot for city vehicles
- \$5 million: 20 containers
  - 40 studio apartments built with a bedroom, kitchenette, and bathroom (32 are ADA accessible)



# Product Types and Examples of Use: Manufactured Housing Continued



## Cost Analysis

- Initial Cost: \$5 million: 20 containers
  - 40 studio apartments built with a bedroom, kitchenette, and bathroom (32 are ADA accessible)
  - Able to utilize HUD vouchers because units are permanent, reducing the operating expenses
- Annual Operating Cost: Underwritten by housing vouchers attached to units
- Transitional Plan Cost: Not applicable
- Half of the studios were repurposed shipping containers donated by the Georgia Emergency Management Agency, with the other half prefabricated to match
- Community building for offices, a kitchenette, and laundry facilities



# Combined Cost Analysis



Housing Type (Average of case studies)	# Units	Capital	Annual Operating*	Cost to Exit**	Total year 1***
Industrialized: Tiny Homes	50	\$3.7 million	\$1.1 million	\$1.3 million	\$6.1 million
Manufactured: Pallet Shelter	50	\$1.5 million	\$2.3 million	\$1.3 million	\$5.1 million
Manufactured: Permanent Shipping Containers	50	\$6.3 million	\$0 (federal funding)	\$0	\$6.3 million
Permanent Units (private market)	50	\$0	\$1.3 million (federal funding)	\$0	\$1.3 million

\*Operating expenses include items such as: security, upkeep, food, medical services, behavioral health service, etc...

\*\*Case Management & Housing Navigation to exit one individual per year

\*\*\*Includes capital + operating+ cost to exit 1 person per year per unit



# Path To Housing



## Current pathway to housing (8 week cycle)

Coordinated Outreach connects with individuals in Encampments and Hotspots

- Already funded by system through outreach providers



Housing Navigation Team works with outreach to house individuals & transition to housing readiness case manager

- Already funded by system: \$25,184 per individual



Individuals Housed with appropriate subsidy & tailored case management

- Already funded by system: 12-24 months rent or Voucher subsidy

## Altered pathway to housing including temporary or alternate housing (5+ month cycle)

Street Outreach drop off individuals to temporary or alternate site, based on referral criteria

- Already funded by system through outreach providers



New organization operates temporary or alternate site & case manage individuals on site

- New Funding Needed: \$33,816 - \$101,333\* per individual



Housing Navigation Team works with site case managers to house individuals & transition to housing readiness case manager

- Already funded by system: \$25,184 per individual



Individuals Housed with appropriate subsidy & tailored case management

- Already funded by system: 12-24 months rent or Voucher subsidy



\*Lowest to highest per-unit cost, minus Housing Navigation + Case Management Cost

# Policy Considerations



What is/are the preferred use case(s)?

What should the pilot timeline be?

- 12-months

How many units should the pilot contain?

- 50 units with room to expand

How should location(s) be identified?

- Staff works with to develop criteria to determine feasible locations for potential sites in partnership with City Councilmembers

How will the pilot be funded?

- Capital Expenses: \$1M one-time FY24 GF\* for sanctioned encampment partnership and 2024 Bond funding
- Sustainable Operating Funds: \$0, Would need to be brought in by outside partners

How does this fit into existing, funded pathway(s) to housing?



\*Expires September 30, 2024



# Items to consider



Any prefabricated or manufactured structured must be approved by the State prior to use (State-licensed)

Could permanent housing structures be utilized for temporary and permanent uses?

Cost:

- Dictated by the use case and available site conditions
- Lack of sustainable annual operating funds

Use case:

- If short-term housing spaces – What is the planned life span of each site and the project in total?
- Can the units be upcycled into a longer-term use once the project ends?



# Staff Recommendation: Industrialized Housing



- **Cost Comparison:** The housing types are relatively similar in expense, ranging from \$59k - \$126k, with cost determined largely by the site preparation needs and planned scale
- **Zoning Comparison:** The zoning of each type will dictate the speed with which a project can be accomplished

## Proposed Product Type:

Industrialized Housing with a permanent foundation

## Why:

The development code allows industrialized housing as single family, duplex, or multifamily (with special conditions) in several districts, while manufactured housing is only allowed in the MH(A) district and is difficult to zone.

The product type can still have multiple use cases



# Next Steps



## Project Timeline

Incorporate City Councilmember Feedback

Develop criteria for feasible locations

Meet with City Councilmembers for use case and location feedback

Utilize a NOFA process to identify a developer and operating partner

### Cost, Development, and Operations

- Capital Expenses: \$1M one-time FY24 GF\* for sanctioned encampment partnership and 2024 Bond funding
- Sustainable Operating Funds: \$0, Would need to be brought in by outside partners
- Project Development and Management: Would need to be developed and operated by a third party, identified via the NOFA

\*Expires September 30, 2024



# Temporary and Alternate Housing Best Practices and Recommendation

Housing and Homeless Solutions Committee  
May 24, 2024

Christine Crossley, Director  
Office of Homeless Solutions

Cynthia Rogers-Ellickson, Interim Director  
Housing and Neighborhood Revitalization

Andreea Udrea, PhD, AICP, Assistant Director  
Planning and Urban Design

Megan Wimer, AICP, CBO, Manager  
Planning and Urban Design

City Attorneys Office



**City of Dallas**