

Alternative Shelter Analysis

Spring 2023

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Organization of the report

1. Introduction and purpose of the report
2. Today's predominant models: congregate shelter and unsanctioned camping
3. Publicly sanctioned, outdoor alternatives
4. Takeaways

Part 1: Introduction

Purpose of this report

- Homeless Strategic Initiatives (HSI) engaged ECONorthwest to review implementation issues associated with an emerging response to unsheltered homelessness: publicly sanctioned, outdoor shelters
- This report places the new approach into the context of the larger category of temporary shelter, summarizes available cost data from Portland and elsewhere, and offers several implementation considerations

Motivation for the creation of city-sanctioned, outdoor shelters

- The City of Portland's *Five Resolution Plan* calls for an expansion of temporary shelter and emphasizes the creation of city-sanctioned, outdoor alternative shelters
- This aspect of the Plan is motivated in part by:
 - One of the highest rates of unsheltered homelessness in the United States
 - Temporary shelter bed capacity that is considerably lower than is found in East Coast states with similar rates of literal homelessness
 - Near-term urgency to address the needs and health of our unsheltered population
 - Public perception that the scale of unsheltered homelessness has contributed to a level of disorder in some neighborhoods across the city
 - A near-term shortage of permanent housing with associated behavioral health supports
 - A requirement through the *Boise v. Martin* court ruling that an individual without shelter cannot be punished for sleeping on public property in the absence of an adequate alternative

Definition of alternative shelter

This report focuses on the implementation of alternatives to indoor, congregate shelters. These include:

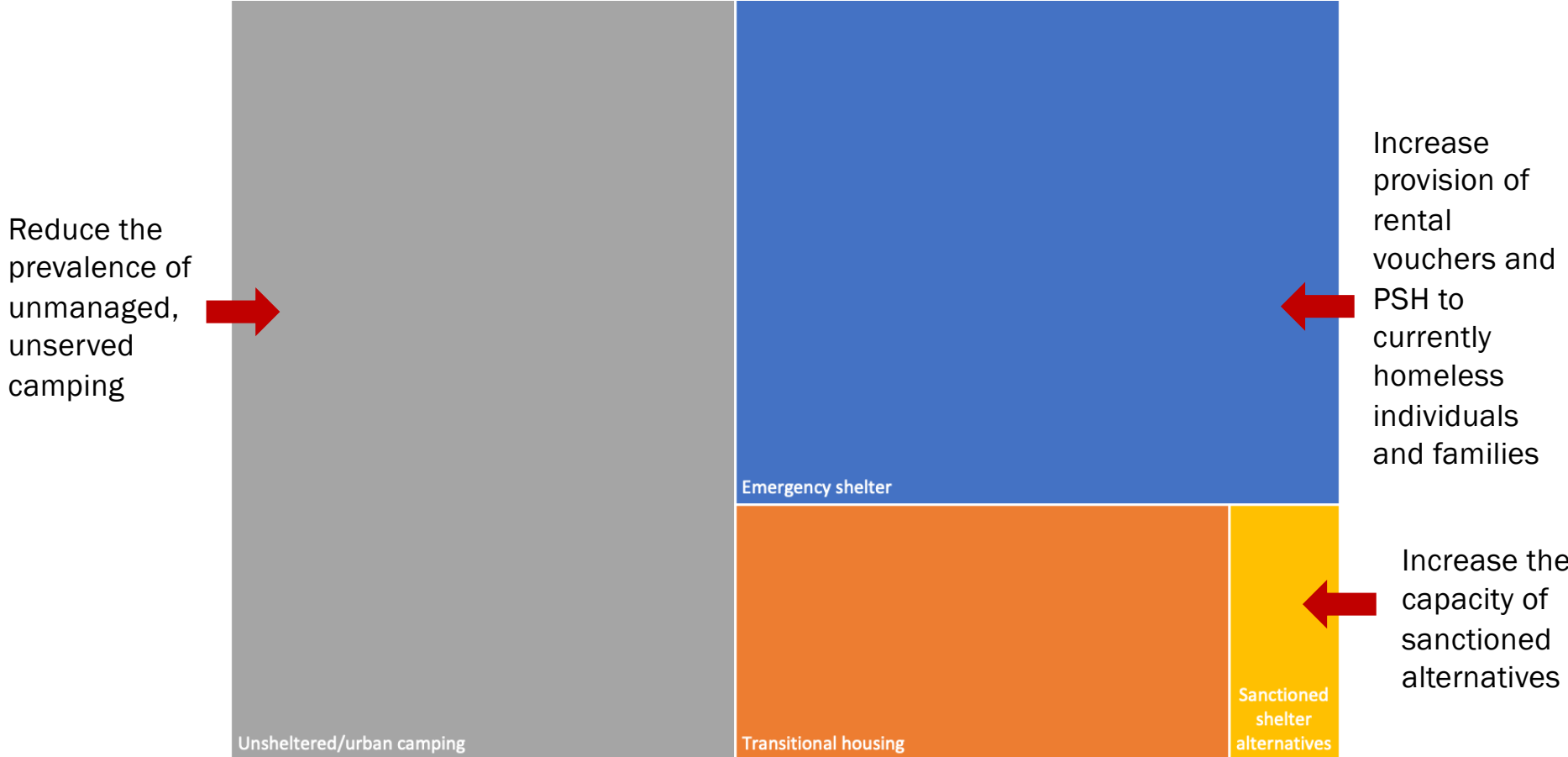
- Government-sanctioned and supervised camping sites that are mostly open air
 - Admission and service rules can vary
 - Structures inside the camping site can vary (e.g., tents, pods)
- Vehicle parking programs, supported or unsupported by services

This report does not consider:

- Navigation centers with significant capital infrastructure
- Converted motels

Near-term policy aims of the city

Approximate shelter status of Multnomah County's homeless population



Part 2: Today's predominant models— congregate shelter and unsanctioned camping

Indoor, congregate shelter

Shelters: the policy of last resort

- Shelters share some features with unemployment insurance: temporary support that facilitates a return to a stable condition
- No standard ratios or formulas exist on bed inventory. NYC has a “right to shelter” and has a bed inventory comparably sized to its total homeless population. Most West Coast cities have bed inventories that are fractions of their homeless populations. No policy consensus exists on the right approach.
- Policymakers must balance the public’s support for system expansion with experts’ warnings that an overbuilt system becomes a permanent solution for too many individuals
- Absent the development of affordable housing and associated behavioral health support, a temporary shelter solution becomes a permanent one

Temporary shelter costs, U.S. (2023 \$)

Costs of shelter vary by population served

Type of Shelter	Measure	Cost per bed/year (2023\$)
Family	Mode	22,740
	Median	29,158
	Mean	33,644
Adult	Mode	18,026
	Median	25,361
	Mean	33,075
Youth	Mode	44,208
	Median	50,539
	Mean	55,778
Total	Mode	20,561
	Median	29,517
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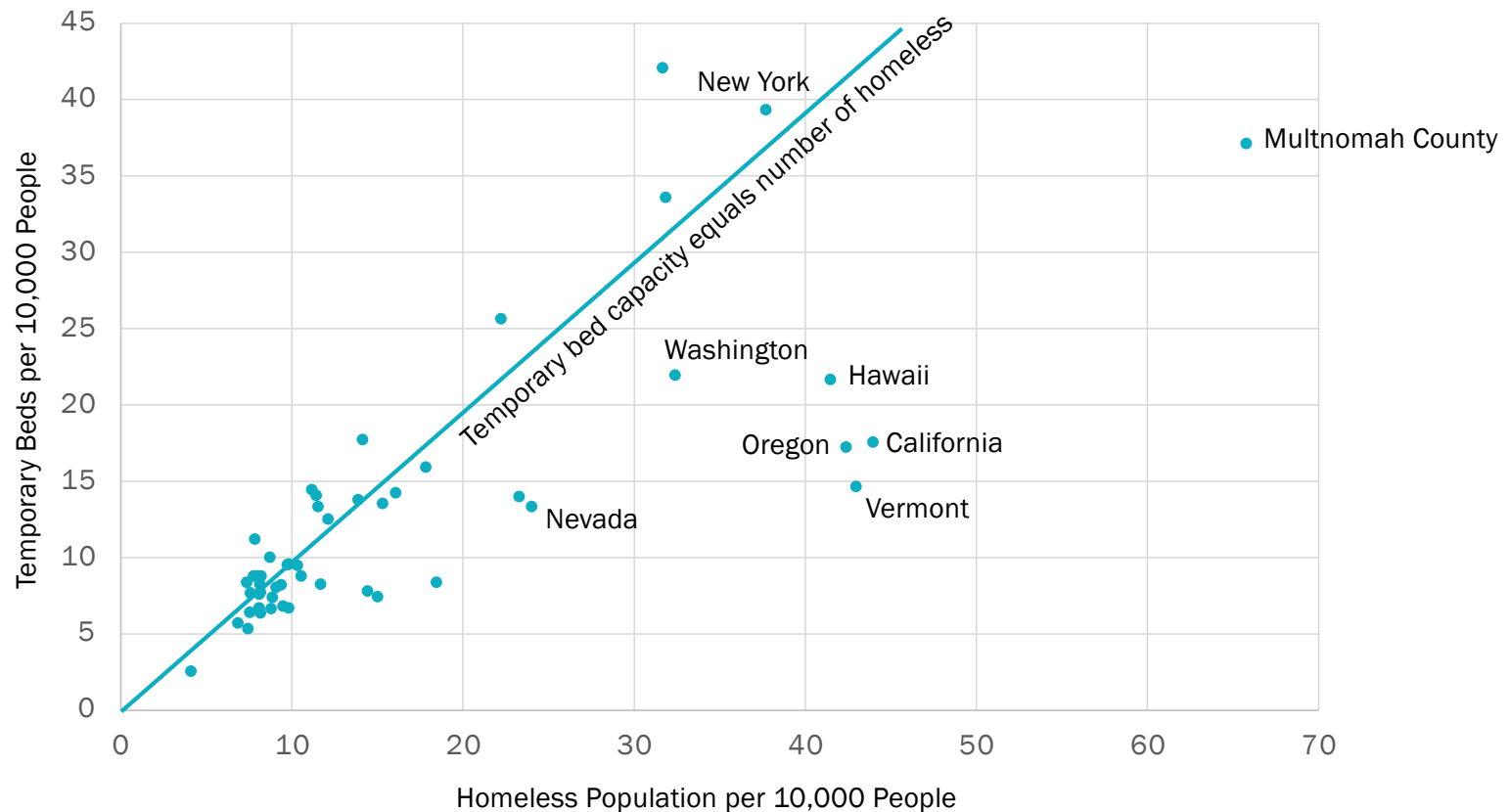
Source: Culhane and An (2021), Table 4

Sizable number of low-service shelters (e.g., bed, hygiene, and food only)

Higher service shelters add housing and counseling services and bring the average cost up

The West has a low bed inventory relative to its homeless population

Homeless PIT versus Temporary Bed Inventory, Counts per 10,000 Population, by State, 2022



Source: ECONorthwest analysis of HUD 2022 Point-In-Time Counts, HUD 2022 Housing Inventory Counts, and U.S. Census Bureau 2022 Annual Estimates of the Resident Population for the United States, Regions, States, and Puerto Rico.
Notes: Shelter beds per 10,000 people include all year-round emergency shelter beds, transitional housing units, and safe-haven beds for currently homeless individuals divided by state population. Line demonstrates a relationship of 1:1 shelter bed to individual experiencing homelessness (line is not the line of best fit to the data).

Indoor, congregate shelter does not work for everyone

Rules and conditions of congregate shelter conflict with the needs of some of the unsheltered population

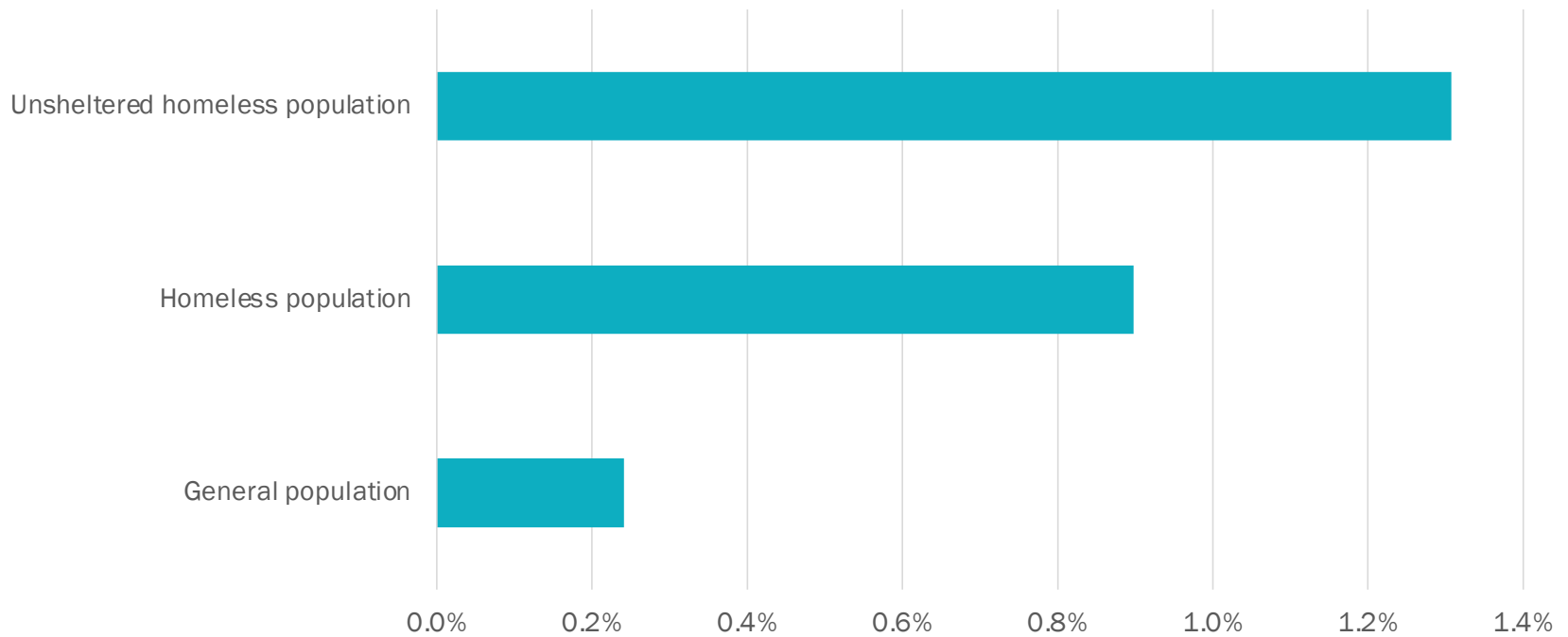
- Separation from a partner, family member, or pet
- Entry and exit times that conflict with people's schedules
- Concerns about the security of personal belongings
- Concerns about personal safety and exposure to germs and disease
- Some shelters require sobriety or entry fees

Despite these barriers, congregate shelters in Multnomah County function near full capacity and should continue to be a part of the response to unsheltered homelessness.

Unsanctioned camping

Multnomah County's unsheltered population is disproportionately large

Select Multnomah County Populations Expressed as a Share of the U.S. Population



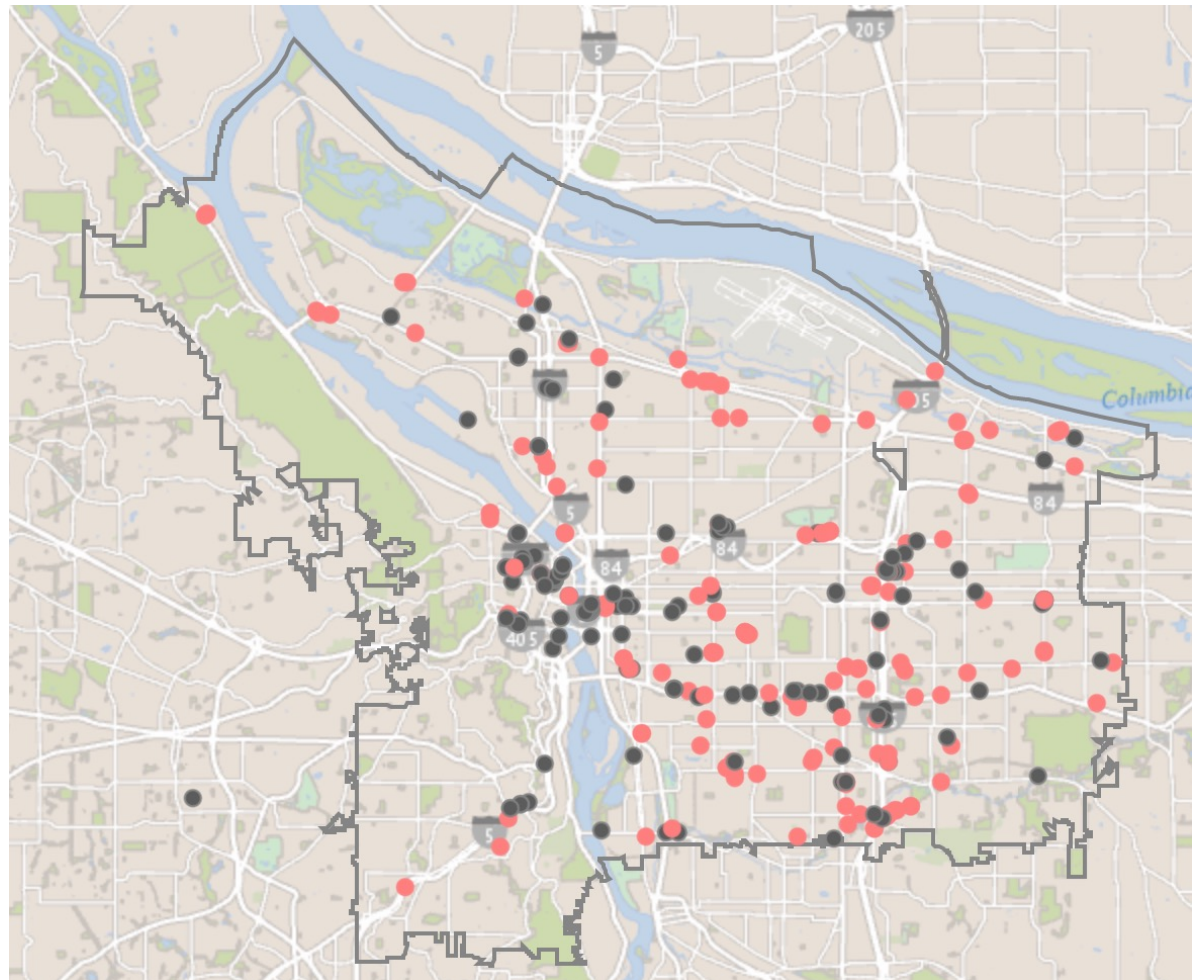
Source: ECONorthwest calculated using U.S. HUD (2022) and U.S. Census data (2021)

Unsanctioned campsites: Portland's largest "system"

- Unsanctioned camping tends to locate near services and on underutilized land
- In Portland, high concentrations of unsanctioned campsites are found near the city center and along I-205/82nd Avenue

Legend: Campsites newly reported as of May 8, 2023

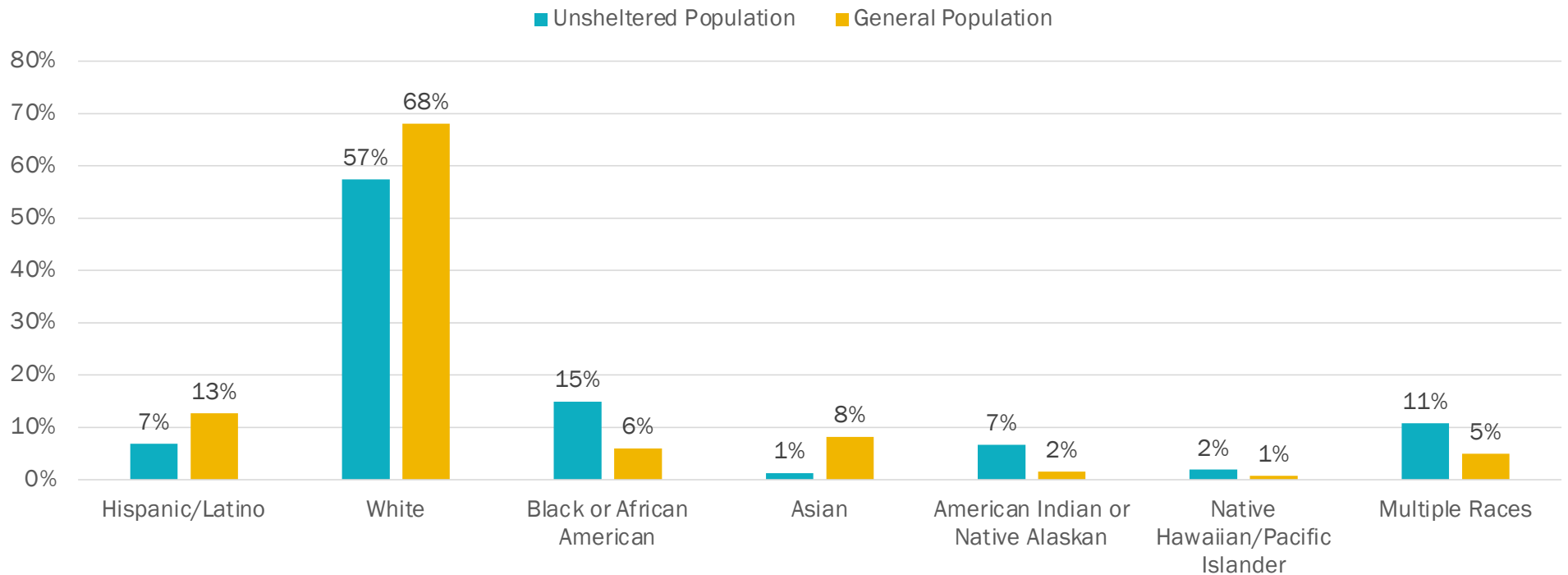
- Vehicles ●
- Campsite / Structures ●



Source: [One Point of Contact Weekly Campsite Report Map](#), City of Portland

Black, Indigenous, and Multi-race individuals are disproportionately unsheltered

Racial Makeup of Multnomah County's Unsheltered Population and General Population



Source: ECONorthwest calculated using U.S. HUD (2022) and U.S. Census (2021)

A HUD-sponsored study estimated expenditures on unsanctioned camping in four cities

	Total spending on encampment activities, FY 2019	Unsheltered homeless population, 2019¹	Cost per unsheltered homeless person, 2019
Chicago	\$ 3,572,000	1,260	\$2,835
Houston	\$ 3,393,000	1,614	\$2,102
Tacoma	\$ 3,905,000	629	\$6,208
San Jose	\$ 8,557,000	7,922	\$1,080

¹ The unsheltered homeless population for Chicago is for the city, whereas the numbers for Houston, San Jose, and Tacoma include the surrounding counties (Harris, Santa Clara, and Pierce Counties).

Source: City cost data; 2019 CoC Point-in-Time data, HUD

The nature of unsanctioned camp responses varied across the four cities

	Chicago	Houston	San Jose	Tacoma
Outreach (total)	\$ 3,082,000	\$ 1,546,000	\$ 870,000	\$ 1,056,000
Outreach and housing navigation	\$ 2,110,000	\$ 834,000	\$ 800,000	\$ 168,000
Homeless Outreach Teams	\$ 931,000	\$ 630,000	\$ 0	\$ 887,000
Substance use disorder programs	\$ 0	\$ 27,000	\$ 0	\$ 0
Medical assistance	\$ 33,000	\$ 52,000	\$ 53,000	\$ 0
Financial assistance	\$ 7,000	\$ 3,000	\$ 17,000	\$ 1,000
Encampment clearance	\$ 140,000	\$ 887,000	\$ 4,910,000	\$ 144,000
Encampment prevention	\$ 0	\$ 0	\$ 1,495,000	\$ 293,000
Shelter	\$ 297,000	\$ 0	\$ 0	\$ 2,347,000
Dedicated permanent supportive housing	\$ 0	\$ 782,000	\$ 0	\$ 0
Other	\$ 53,000	\$ 178,000	\$ 1,281,000	\$ 65,000
Total	\$ 3,572,000	\$ 3,393,000	\$ 8,557,000	\$ 3,905,000

Source: City cost data.

Notes: Outreach and navigation includes services provided during the clearance of an encampment. Police department Homeless Outreach Team costs are shown separately from other outreach services because of their magnitude. All costs of HOTs are included, not only the time officers spend at encampments. Costs of encampment clearance include cleaning and sanitation. Financial assistance generally is modest (e.g., bus tokens to get to services or housing programs). Examples of encampment prevention costs are erecting fencing and other barriers and patrolling former and potential future encampment sites.

Part 3: Publicly sanctioned, outdoor alternatives

Publicly sanctioned, outdoor alternative models

- Sanctioned campsites with varying degrees of infrastructure and support
- Tiny homes with varying degrees of infrastructure and support
- Safe parking with varying degrees of infrastructure and support

Implementation considerations

- Cost to build and operate
- Site location
- Performance measures for sanctioned alternatives
- Transition away from unsanctioned camping

Cost of alternative shelter

Capital and operational costs of selected alternative shelters in the Western U.S., 2023

Project type	Metro Area	Project name	Units / capacity	Upfront / capital	Capital per capita	Annual operations	Annual operations per capita
Sanctioned Campsite	Denver	Safe Outdoor Spaces (4 sites)	220	\$700,000	\$3,182	\$4,169,871	\$18,954
Sanctioned Campsite	Los Angeles	Pilot Safe Sleep Village	90	\$230,557	\$2,562	\$1,250,300	\$32,959
Sanctioned Campsite	San Francisco	Safe Sleep Villages 2022-2023	63	\$2,000,000	\$31,746	\$4,100,000	\$74,545
Safe Parking & Sanctioned Campsite	Sacramento	WX Safe Ground	185			\$3,048,000	\$16,476
Safe Parking & Sanctioned Campsite	Sacramento	Miller Park	110			\$3,287,452	\$29,886
Safe Parking	Sacramento	South Front St. Safe Parking	50			\$1,185,000	\$23,700
Safe Parking	Sacramento	Roseville Road RT Station	50	\$500,000	\$10,000	\$2,200,000	\$44,000
Safe Parking	Sacramento	Coflax Yard	30	\$600,000	\$20,000	\$2,200,000	\$61,125
Safe Parking	San Francisco	Bayview VTC Safe Parking	100	\$3,000,000	\$30,000	\$3,500,000	\$35,000
Safe Parking	Portland	Sunderland RV Safe Park (New)	55	\$200,000	\$3,636		
Tiny Homes	Portland	Agape Village	15	\$82,500	\$5,500	\$116,000	\$7,733
Tiny Homes	Denver	Beloved Community Village	24	\$145,000	\$6,042	\$204,000	\$8,500
Tiny Homes	Denver	Women's Welcome Village	14	\$210,000	\$15,000	\$128,800	\$9,200
Tiny Homes	Missoula	Temporary Safe Outdoor Space (TSOS)	30	\$1,480,000	\$49,333	\$408,000	\$13,600
Tiny Homes	Los Angeles	Arroyo Seco - Highland Park	224	\$7,327,376	\$32,712	\$4,496,800	\$20,075
Tiny Homes	Los Angeles	Saticoy + Whitsett West	150	\$9,007,000	\$60,047	\$2,930,950	\$20,075
Tiny Homes	Los Angeles	Eagle Rock	93	\$3,832,137	\$41,206	\$1,866,975	\$20,075
Tiny Homes	Los Angeles	Tarzana Sunflower Cabin Community	150	\$5,332,220	\$35,548	\$3,011,250	\$20,075
Tiny Homes	Portland	Menlo Park Safe Rest Village	60	\$400,750	\$6,679	\$2,430,000	\$40,500
Tiny Homes	Portland	Queer Affinity Village	35	\$500,000	\$14,286	\$3,000,000	\$41,096
Tiny Homes	Portland	BIPOC Village	38				
Tiny Homes	Portland	Multnomah Safe Rest Village	30	\$452,776	\$15,093	\$1,930,000	\$64,333
Tiny Homes	Sacramento	Emergency Bridge Housing - Grove	24			\$3,195,744	\$66,578
Tiny Homes	San Francisco	33 Gough Street Tiny Cabin Village	70	\$2,000,000	\$28,571	\$5,460,000	\$78,000
Tiny Homes	San Francisco	16th and Mission St Cabins (New)	70	\$7,000,000	\$100,000		
Tiny Homes	Austin	Esperanza Community 2022/23 (New)	200	\$7,070,035	\$35,350		

Cost summary

- Annual operating costs of sanctioned alternatives range from \$10K–\$75K per bed per year, with most between \$20K–\$50K
- Factors that add to costs include:
 - Staffing a “low barrier” policy (i.e., on-site substance use adds costs)
 - Enforcing a no-camping policy around the camp perimeter
 - Operating 24/7 rather than evening to morning
 - The limited number of providers
- Upfront capital costs appear to be similar to one year’s annual operating costs but may be understated because of donations

Operational costs of outdoor alternatives are comparable to indoor shelters, but higher costs could be justified

Type of Shelter	Measure	Cost per bed/year (2023\$)
Family	Mode	22,740
	Median	29,158
	Mean	33,644
Adult	Mode	18,026
	Median	25,361
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Youth	Mode	44,208
	Median	50,539
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Total	Mode	20,561
	Median	29,517
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Source: Culhane and An (2021), Table 4

- The average cost of conventional indoor shelter is about \$33,075 per bed per year
- Sanctioned, outdoor alternatives report similar average costs
- Above-average costs could be justified by longer operating hours, the need for perimeter security, and added monitoring costs of a “low barrier” policy

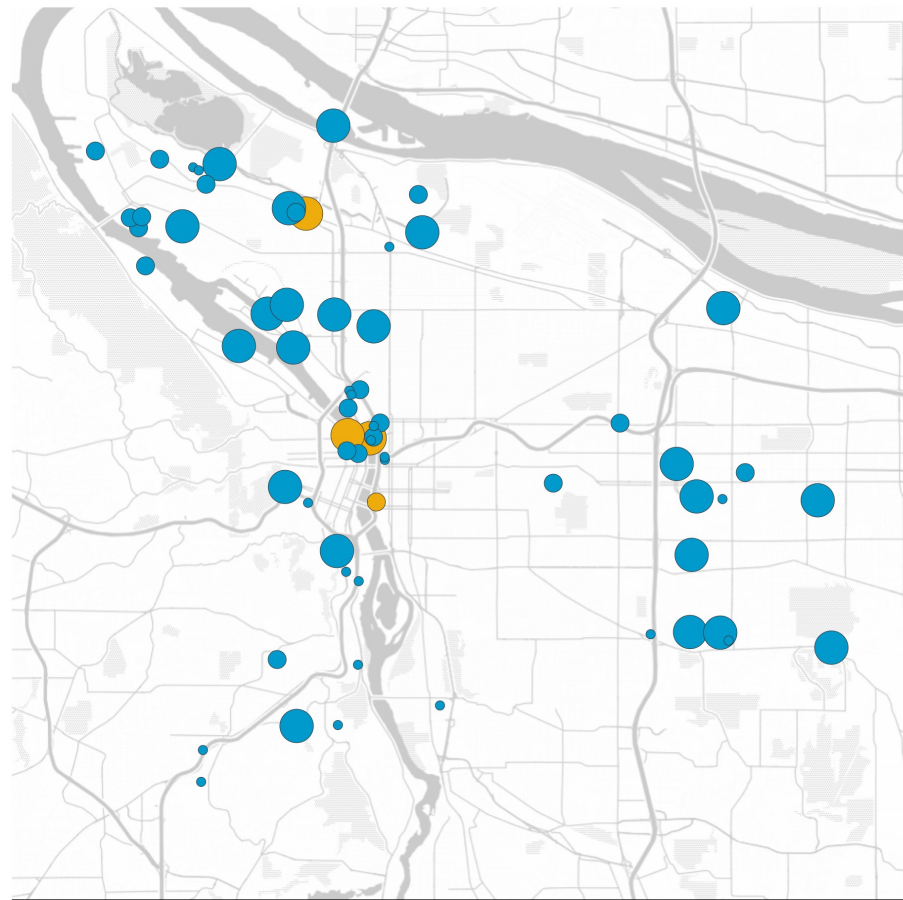
Site location

Location matters

- Unsheltered residents choose camp locations for a variety of reasons, including safety, access to services, access to transit, neighborhood familiarity, and enforcement environment
- The location of sanctioned outdoor alternatives will affect their desirability and use

Candidate sites for safe rest villages (circa 2021)

The city's 2021 candidate sites for safe rest villages were located primarily west of I-5 and east of I-205



Site type



Existing outdoor shelter

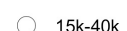


Potential shelter

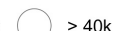
Site area (sq. ft.)



< 15k



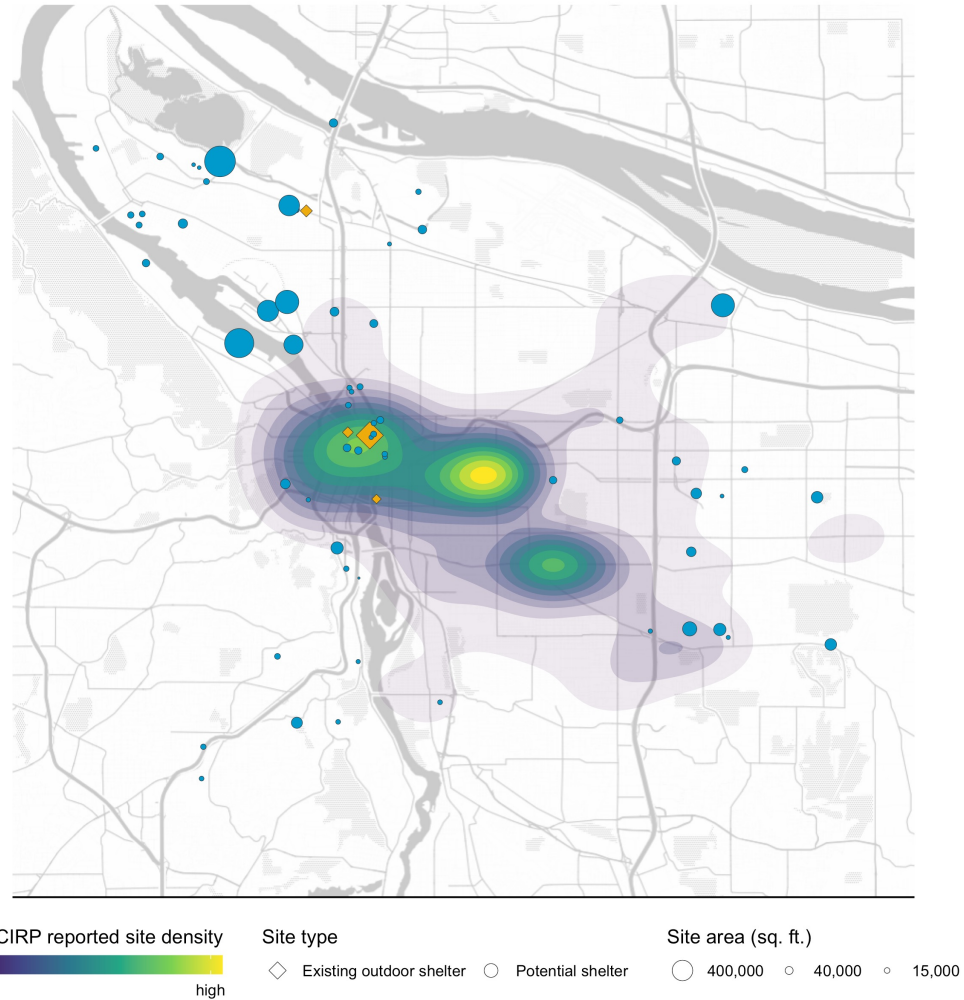
15k-40k



> 40k

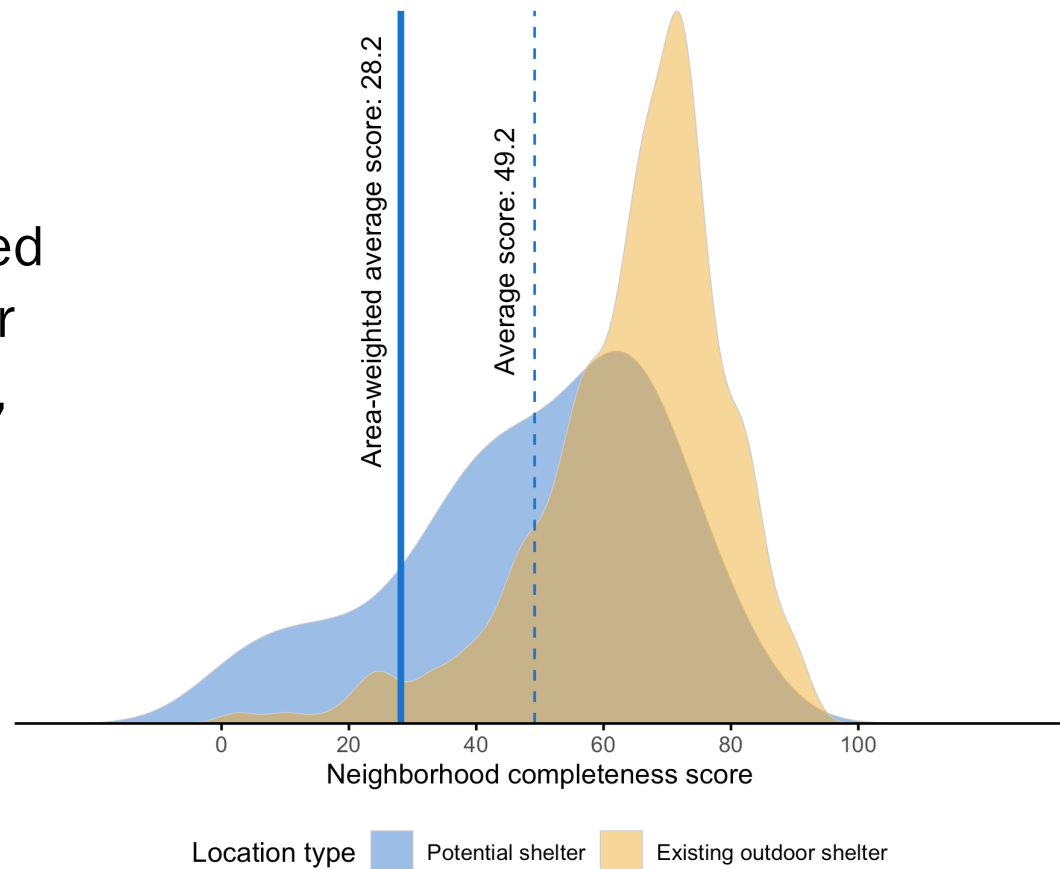
The siting dilemma circa 2021

And unsanctioned campsites were west of I-205, with a concentration in central city



Proposed SRV sites scored lower in neighborhood completeness

A 2021 analysis showed that candidate sites for safe rest villages were, typically, in less “complete” neighborhoods.



Complete neighborhoods are “places that support the health and well-being of Portlanders of all ages and abilities” through physical infrastructure and amenities and access to services. For more information: <https://www.portlandoregon.gov/cbo/64692>

Performance measures for sanctioned
alternatives

Performance measures for sanctioned alternatives

- The alternative shelters should aspire to relatively short tenures followed by placement in housing
- However, because of their low-barrier policy, people will enter with high-acuity needs relative to those in high-barrier, congregate shelters
- Consequently, average sanctioned camp tenures could exceed average congregate shelter tenures

Performance measures for sanctioned alternatives

Until more is learned about the service population, the alternative shelters should aim for:

- Low vacancy rates (as evidence of a preference, by some, over congregate shelter)
- Improved safety and stability for occupants of sanctioned alternatives relative to those in unsanctioned campsites (e.g., reduced injury, morbidity, mortality; fewer sweeps)
- Increased access to behavioral health, substance abuse treatment, and other wraparound services for campsite residents
- Increased actual and perceived safety by service providers

Takeaways

Takeaways

1. Temporary shelter is an under-deployed feature of a homelessness response system in Portland and elsewhere along the West Coast. Portland's low shelter bed inventory contributes to a disproportionately large unsheltered population.
2. Publicly sanctioned, outdoor alternatives are a complementary approach that, if well designed and implemented, could address the expressed shortcomings of the existing shelter system (e.g., high barrier, lack of privacy, inability to locate with partner and pets).

3. No evidence exists on the effect of sanctioned alternatives on the inflows into, or outflows from, homelessness.
4. Governments should not expect operational savings with sanctioned alternatives relative to traditional shelters. Longer operating hours, perimeter enforcement, and monitoring of a low-barrier policy could lead to above-average costs.

5. Taken together, eviction prevention, placements into permanent housing, and sanctioned alternatives could produce meaningful reductions in total homelessness and unsanctioned camping.
6. Critical that local governments develop and monitor performance metrics specific to the sanctioned alternatives.
7. Accelerated housing production* and accompanying behavioral health supports are the keys to generating larger reductions in the size of the city's unhoused population.

*Needs analyses developed under HB 2001 call for the creation of 220K housing units in the Portland Metro during the next 20 years.

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