

Tiny House Village Pilot Program

REPORT FROM HRC/HAB COMMITTEE ON THE UNHOUSED

October 19, 2020

Executive Summary

The HRC/HAB joint committee was tasked with researching the viability of a tiny home village pilot for unhoused people as part of an overall comprehensive strategy to support the City's current Coordinated Entry program and creating a path forward for individuals experiencing homelessness.

The following report includes a general background of this project, a brief history of tiny homes, our research into the variety and viability of tiny home villages, local stakeholder outreach, Boulder city staff identified pro's and con's to a possible program, our analysis, and suggested next steps.

After considering all the variables, the joint HRC/HAB committee believes that a pilot for a tiny home village with the following characteristics could be successful:

- Robust engagement with neighborhood at outset
- Each well-made tiny home is between 250-340 sq. ft., including a bathroom and kitchen
- Approximately 25 homes
- Land donated by developer that counts towards 15% Boulder AH requirement, provide expedited process and write-offs
- Land may be undeveloped (as part of a future project) or land may already have roads and utilities in place.
- Transitional housing for up to two years, cost free for resident
- Strong nonprofit with solid fundraising capacity and strong case management with strict application process, enforced lease terms, etc., onsite small hub, data collection, and expected outcomes
- Anticipated outcome of at least 75% residents achieving stabilized housing within two years
- Focus on particular population of unhoused individuals that currently aren't eligible or don't fare well in shelter – i.e. older adults, couples, small families, single parents, or people with pets
- Participating nonprofit applies for federal funds ONLY when regulations do not compromise local control or program goals
- Complements Housing First with smooth transition into AH
- NO direct cost to city
- Council approval/support

General Background

During Council's annual work retreat in January 2020, Council members Swetlik and Friend moved to have Council study a proposed 20/20 Comprehensive Unhoused Strategy to meet the gaps in services needed to support the Coordinated Entry Program currently used in Boulder as a path to curb homelessness.

At the June 29, 2020 joint HAB/HRC meeting, staff provided a memo to HAB and HRC. HRC/HAB unanimously decided to recommend changes/additions to Boulder's current strategy, largely in line with the 20/20 Comprehensive Unhoused Strategy which was forwarded to Council for consideration.

A committee was formed that included two members from HRC and two members from HAB to examine these recommendations with research and outreach.

At a subsequent City Council meeting, Council members approved the staff's strategy.

The Council members also provided input to the joint committee that included:

1. Council has no ability or interest in the near future to spend city money on any additional efforts.
2. At the request of HAB/HRC, Council will provide a Council liaison to the joint committee. (Later, Adam Swetlik was designated as the Council liaison).
3. City staff was not to be asked to provide any research, staff support, etc.
4. Council and staff suggested that city land use and zoning may preclude many options but land owned by faith-based groups would be exempt and potentially viable for safe parking lots or sanctioned encampments.

Analysis

A Brief History of Tiny Homes in Boulder

Boulder City Council has talked about tiny homes for several years as the topic has veered in and out of the work plan. Now may be the time to investigate a tiny home village pilot as a tool to address homelessness.

In February of 2020, HAB held a listening session about tiny homes. Extensive publicity had been provided to attract a variety of perspectives; however, all in attendance or participating via email or BE HEARD favored tiny homes as a viable tool for more affordable housing in general.

While many types of tiny homes were discussed at the Listening Session, there was a particular presentation about a tiny homes village for veterans in Longmont that is just beginning. It is based on a model that already exists in Kansas City and is called Veterans Community Project (VCP). Highlighted in the staff memo (Attachment A), it seemed particularly palatable to staff.

A Brief History of Tiny Homes Nationally

The tiny home movement is growing as more traditional homes are becoming less affordable for many, especially since the financial recession of 2007-2008.

Nationally, there are many examples of tiny homes villages for unhoused individuals. Some efforts have been successful; some have not. Some were unsuccessful initially and revised their plans, leading to better outcomes. Recently, there have been many successful tiny homes villages for unhoused individuals (as can be found in a quick Google search).

There seem to be many variables among tiny homes villages (whether or not planned or completed). There may be benefits and drawbacks to each aspect and the joint committee looked at the best choices for Boulder.

Some variables are: the size of homes and amenities, the number of units per village, transitional housing vs. permanent housing, self-management vs. case management, various partnership options, and whether or not to utilize federal support.

Examples of Tiny Home Villages

There are many varied community subcategories when describing tiny home villages, as can be gleaned from any google search. We focused on those serving unhoused populations as a path towards stable long term housing. Here are links to two examples:

[Veterans Community Project, Kansas City](#)

[Beloved Community Village](#)

Study/Veteran Community Project/Longmont – Four virtual meetings with key partners

Karen Roney, Longmont Community Services Director

Karen recognizes that Boulder County and its cities and towns have adopted a common affordable housing goal, and many are also committed to Housing First principle and strategies. There are many tools and techniques facilitating affordable housing beyond financing.

The catalyst for the Veterans Community Project (VCP) effort in Longmont started with the City becoming part of a national challenge to end veterans' homelessness. Former Longmont Councilwoman Bonnie Finley led this effort and assembled a local group of businesses, realtors, developers, veterans, providers, governments and foundations to address this issue. One of the group members, Kevin Mulshine, HMS Development, researched national efforts to end homelessness among veterans, discovered VCP in Kansas City and established a relationship with its founders. Ultimately, he donated a portion of land in one of his developments to VCP for a tiny home project in Longmont. (He also donated land to Habitat for Humanity in this same development). The developer was able to meet his affordable housing requirements (the City of Longmont has an inclusionary housing program) through this land donation, and was able to receive other benefits from this donation that are part of the inclusionary housing program (e.g. expedited review, fee waivers). While Longmont did not fully realize all potential development revenue for this project, the project does not pose any direct costs to the city.

When VCP (originally just in Kansas City) agreed to participate, the project took shape. It is a transitional housing program with case management for about 26 tiny homes and a small office. It is cost-free to the residents and they move onto more permanent housing successfully. The nonprofit, VCP, raises the funds for the building, maintenance and case-worker costs. The homes are furnished by local donations. VCP's success, to date, has been in their ability to attract corporate sponsorships.

KEY TAKEAWAY: There was a lot of local support to assist veterans struggling with homelessness. This effort attracted a broad base of community support and acceptance, including new partners who have not previously participated in affordable housing initiatives. This effort was primarily funded through private and corporate donations. They were able to establish new relationships and partnerships that can be built upon as the Longmont community continues to serve other target populations.

Bonnie Finley, Former Longmont City Council member

Bonnie recalls that the National League of Cities Conference held a seminar on how communities were responding to veterans' homelessness. Included in this seminar was information about the "Mayor's Challenge to End Veterans' Homelessness" which was a program by Michelle Obama. The City Council passed a resolution to sign onto the challenge.

Bonnie started a committee of her own with another Council member, veterans, a veteran service officer, local business leaders, city staff, and nonprofits with firsthand experience in serving homeless veterans. The committee wanted accurate information on the demographic they wished to serve.

KEY TAKEAWAYS:

- The needed elements were: a developer with land and a non-profit with good fundraising capacity.
- Bonnie's advice would be that we consider tiny home village for single parents (perhaps with no more than 2 children) or some other focused group.
- She suggested we could reach out to BAHRA or community developers like Steven Tebo with land that could be utilized.
- Loved the ideas of changing industrial zoning to mixed use in an area that was hit by COVID – utilities already exist, etc.
- Difficulty was later on – getting through planning process. Longmont may no longer be easier than Boulder.-
- Federal/state money often has too many strings attached.

Paul Melroy – Executive Director – CO of Veterans Community Project

VCP operates a highly successful model for a transitional tiny homes village for veterans with case management in Kansas City. They already have a track record of positive outcomes of moving veterans into stable housing.

From his viewpoint, the project started with the Colorado governor's desire for more a more creative approach to services for homeless veterans and Longmont took the challenge seriously.

KEY TAKEAWAYS: -

- The fact that the land needed development (rather than land that already was improved with roads and utilities) slowed down the process.
- VCP is not using any federal or state money because they want to be able to serve all veterans, not just those who have an honorable discharge.
- No VASH or Section 8, but does have criteria for applicants to improve likelihood of success. Section 8 or VASH can be available for residents when they are ready to move into permanent housing.
- Expect 75% to transition to permanent housing.
- VCP feels that case management and wrap-around services are key factors for success. Many veteran residents are grappling with PTSD.
- Developer wanted designation which allows him to get costs waived for AH requirements (which in Longmont is 12%).
- Structure of tiny homes is above standards. Well-insulated, quiet.

Kevin Mulshine – Longmont Developer donating land to VCP

When Kevin determined to donate a portion of an upcoming development to a tiny home village for veterans, he traveled all over the country to seek the best program. He found VCP in Kansas City.

Kevin is a big supporter of VCP. He noted that VCP is so competent in Kansas City that they took over the entire food distribution project for the entire homeless population (not just veterans) during the time of COVID. He loves tiny homes village both from a development position and a humanitarian position.

Note: When a developer puts together a project of this size, the developer comes up with the overall plan (that may include condos, townhomes, apartments, AH, market rate, etc.). When the project reaches a certain level, the developer sells various sections to others to build according to the plan.

The VCP project in Longmont is the first of its kind nationally - to have a portion of an overall development dedicated to a tiny home village as transitional housing for an unhoused population.

Kevin would love to see transitional tiny home villages for unhoused people all over the country.

KEY TAKEAWAYS

- VCP is the first project in the country to include transitional tiny homes w/ case management on the site of a larger housing development.
- Developers can write off the cost (whether or not it goes to a nonprofit) but the big attraction for them is expedited development and it meets the county housing requirement of 12% AH. It provides a financial benefit to developers. (Note: While Boulder's AH requirement is 15%, Longmont's is 12%. Also, Kevin's project also has a few Habitat for Humanity AH homes in the development to reach that full 12%.)
- Changing land use and zoning from industrial or other to mixed use is a great idea because infrastructure already exists. Roads, utilities, etc. are the longest consumers of time, which is of huge cost to the developer.
- Boulder's project would do well to have a specific target client – like single parents or elderly.
- Places to go to look for a developer – area realtors and places like Urban Land Institute.
- He suggested we should look up Indie-Dwell. <https://www.indiedwell.com>. They provide pre-built housing for nonprofit -uses from Pueblo. Their product can save city inspectors from having to check out every single step. (Note: Indie-Dwell revitalized Pueblo by buying an abandoned property and bringing in business and is very much in favor with the Colorado Department of Economic Development.)

Boulder City Staff June 29, 2020 Memo Pros and Cons (more info in Attachment)

City staff identified the following “pros” of tiny homes:

- Provides permanent supportive housing to transition individuals from homelessness. Some programs utilize tiny homes as bridge housing for people awaiting PSH.
- Detached design provides security and comfort
- Provides monitored area for people who cannot/will not access shelter

The joint committee respectfully adds the following “pros”:

- *Enhance environment with adequate open space for each unit which has proven to be a health advantage*
- *Compact design and solid construction aid in energy conservation*
- *Successful tiny home villages with case management/supportive services demonstrate great success in transitioning individuals into permanent housing*

City staff identified the following “cons” of tiny homes in the June 29, 2020 staff memo. Included are suggested mitigations thoughts:

- **Con/Unintended Consequence:** Inefficient use of limited land.

Suggested Mitigation: Since land is donated by the developer and fulfills the developers AH requirement and since the land provides about 25 units plus a project hub on an approximate acre that is 100% AH, it is an efficient use of land. Less efficient than, for example, apartment living in Lee Hills. Much more efficient than, for example, a single family home, which are numerous in Boulder.

- **Con/Unintended Consequence:** Less competitive for affordable housing funding.

Suggested Mitigation: The land/buildings/management/maintenance aspects are of no cost to the city and do not impact affordable housing funding, at all. Rather, the safe transitional housing with case management is a boom to affordable housing as it renders successful permanent housing much more likely with a smooth transition - without impacting AH funding.

- **Con/Unintended Consequences:** Zoning and building codes are barriers to construction.

Suggested Mitigation: Indeed, this has slowed down the process in Longmont’s tiny home village. Mitigation requires a great amount of time and effort for all parties. Well-made structures mitigate the concern to some extent but it is a process that can be challenging. Zoning and building codes are challenges, not barriers. And zoning/code changes occur regularly in Boulder.

- **Con/Unintended Consequences:** Lack of suitable land or land is not fully utilized to maximize the most affordable units per acre.

Suggested Mitigation: Twenty-five (25) units, including open space and a central hub is a reasonable amount of affordable housing on an acre site.

- **Con/Unintended Consequences:** Neighborhood concerns in siting of transitional housing.

Suggested Mitigation: The HRC/HAB joint committee suggests that this situation can be mitigated with robust engagement at the beginning of the process.

- **Con/Unintended Consequences:** Concern about substandard housing.

Suggested Mitigation: Boulder has done a great job in their high standards for AH. Similarly, this pilot project would have the highest of standards and the housing would be far from substandard.

Conclusions

Engagement. Whether or not the tiny homes village pilot is in an industrial zone that becomes mixed use or in a residential zone, there will be neighbors. The joint committee is very aware of the value of robust engagement to bring neighbors into the discussion and to educate them about the project, listen to their concerns, and utilize their valuable input in the development of the project at the very earliest stage of the process. Successful tiny home villages for transition into permanent housing achieve volunteer extensive involvement when neighborhoods are engaged, so it is a win/win/win.

Home size. Obviously, the cost of land is high in Boulder but the portion of land donated to the tiny village pilot mitigates the cost of land and is considered a boon to developers. The cost of building is raised by the nonprofit. Although cost is a consideration, the size and sturdiness of the tiny homes is an important factor. Tiny Homes that are too small or not well made are not reflective of Boulder. City staff had taken great care to provide AH that is on par with market rate housing for a host of reasons and that positive effort is expected to continue. Very small tiny homes (80 sq. ft.) do not assist the resident with basic needs in addition to shelter or with developing skills to thrive in permanent housing. For all these reasons and because successful tiny home models of this size demonstrate successful outcomes, the joint committee suggests that the size of each tiny home be approximately 250-340 sq. ft.

Number of tiny homes in pilot project. A pilot for a tiny home village needs to be large enough to evaluate appropriately, cost effective in relation to the cost of land, and assist a sufficient number of people. Tiny home villages that are too large seem to encounter more frequent problems. The joint committee finds that an ideal number of tiny homes in a pilot village in Boulder would be optimal at about 25.

Land costs. Currently, in this economic climate in Boulder, the Council has made clear that they do not foresee the likelihood of the city spending money to buy land for a tiny house pilot project. Barring Council's decision to donate a portion of land they own or acquire to a tiny home village pilot in the future, there is evidence (Longmont VCP) that a donation of a portion of land by a developer is the best path forward, as it is advantageous to the developer, the city, the partnering nonprofit, the community and the future residents.

15% Affordable Housing Goal. A tiny home village, depending on its relation to the overall development site, can either be a part of the 15% AH requirement or much more than the 15% AH requirement.

New development vs. previously developed land. Land for a tiny home village as part of a larger new development vs. land developed in reconfiguring industrial or other space to mixed use. There is a huge advantage to land that is part of an overall new development because zoning is already determined by the overall plan. The downside is that developing the infrastructure (roads, utilities, etc.) is very time-consuming. On the other hand, dedicating land (or a portion thereof) that is already in use (and converting the zoning designation) has the benefit of pre-existing roads and other infrastructure. Even with that advantage, zoning changes take time. Either effort has potential.

Cost free and transitional components. VCP tiny home villages are free to the residents. This allows (and even requires) residents to save part of their income each month for future permanent housing. This precludes Section 8 or other vouchers for this property, so the nonprofit has to raise operating funds. A strong nonprofit is needed to have fundraising capacity. It is worthwhile to have the units be cost free, because it promotes options for permanent housing.

The decision for the housing to be transitional, rather than permanent, is another solid choice. With strong case management, residents learn skills to help them in permanent housing – building their capacity in many ways, including financial. Many people, exiting from being unhoused and moving into permanent housing, can use an interim stop. Data indicates that transitional housing leads to increased outcomes for success.

Boulder's first tiny home village would work well if were cost-free to its residents and designated as transitional housing for up to two years for each individual.

Strong case management. The VCP model has a requirement of case management in the resident leases. People receive all sorts of services, including help with employment, handling finances, etc. A small center/hub is on site for case management and, perhaps, group activities. This required case management seems to be a good model for this project. The nonprofit will set goals, collect data, report on outcomes, provide follow up for program graduates, etc. The joint committee supports required case management for all residents and an on-site center for the pilot project.

Expectation of outcomes. The VCP program expects that 75% of residents will move into permanent housing within the first two years and, in Kansas City, already has a proven track record. The joint committee supports setting the bar just as high: at least 75% of residents will achieve permanent housing within two years.

General population vs. specific population. Tiny home villages can be for unhoused people in general or for a specific group of unhoused people – i.e. veterans at VCP. Because Boulder's current programs don't have the ability to provide as many shelter services to couples, small families, single parents, and people with emotional support animals, these would seem to be an important area of focus. Older adults might also be a consideration since Boulder has a high percentage of older adults.

Current local data is hard to determine as to the amount of additional housing needed for these groups, but it is estimated from word-of-mouth that a tiny village would be fully utilized for one of these groups of people.

It must also be said that everyone associated with VCP advised this committee that the focus should be on a particular group, like the ones we have mentioned, rather than the general population of unhoused individuals, because it is easier for the community to understand particular needs of these particular groups.

It must also be added that it was suggested that housing for single parents, while completely needed, is a little trickier to facilitate than other groups. (Since more specificity on this topic is not pertinent to this report, this report won't go into detail but can provide more information if it is requested.)

The joint committee believes that the first tiny home village in Boulder would do well to provide free transitional housing for up to two years for a specific group – i.e. older adults, couples, single parents, small families, or people with emotional support animals.

Benefit for Housing First. A pilot project for a tiny home village in Boulder complements Boulder's Housing First Strategy and does not hinder it, at all.

Limited use of federal funds. Regulations that are attached to federal funding can be onerous and often hamper the potential for success. For example, if VCP took federal funds, they would not be

able to provide assistance to veterans who had less than a General discharge. The HRC/HAB joint committee suggests that the partner nonprofit only agree to apply for federal funds IF the federal regulations do not hamper any planned approaches. This also ensures that the tiny homes village does not compete with city or other AH applications for federal funding.

No cost to City. City Council has indicated that they are not likely to provide city money for additional programs that address homelessness at this time. Fortunately, this model does not require any city money, as the land is donated and a nonprofit provides the structures, case management, support, and maintenance. (However, the city could donate money in its nonprofit funding cycle or donate a portion of other land that they are developing if they so desire.)

Council Approval. This project was considered only in terms that would comport with Council's input to the joint committee

There are two ways in which Council's approval would further the project:

- a. Council could take a proactive approach to this project (since it has exhibited some interest in tiny homes over the years) and spearhead a search for a developer and strong nonprofit. Again, this would not be of any direct cost to the city. This is what happened in Longmont where it has gained high praise from Governor Polis.
- b. Council could be open to the idea in general and wait to see if any such partnership between a developer and a nonprofit submits a proposal to Council.

Tiny home villages are not the total panacea for those who are unhoused. Rather, tiny homes villages can be one viable tool to complement and enhance a Housing First approach.

Next Steps

HAB and HRC are requested to accept this report for a Tiny Home Village pilot and forward it to Council as an example of a project that, without cost to the city, could be a viable approach to reaching out to some unhoused people that currently may not fit into shelter criteria. It also could provide valuable data for future considerations.

Council could approve/adopt a Tiny Home Village pilot on the 2021 work plan, taking into consideration the joint committee's research and suggestions.

Further, Council could initiate a process to actively seek an appropriate developer and nonprofit partner to bring this Tiny Homes Village project to fruition.

Attachment – The portion of the staff memo to HRC/HAB that pertains to Tiny Homes
(found in staff's Attachment C from their June 29, 2020 memo)

“Tiny Homes

Tiny homes are generally between 80 and 400 square feet in size. Many tinyouses are built on trailers and others are built on a fixed foundation. Some are connected to utilities and others are self-contained similar to a recreational vehicle. The tiny house movement is driven by a number of concerns, including environmental, affordability and “simplicity”.

Tiny home villages as a potential homeless solution are typically either intentional or ad hoc. Ad hoc tiny home villages are often built without local permitting or inspections using available materials by future residents. There are many examples of these types of tiny home villages in Denver and west coast cities and are typically located on either public land/right-of-way or private land. Intentional tiny home villages, in contrast, are built to local building codes and adhere to local zoning and are always connected to utilities. Some tiny home villages have central kitchen and eating facilities and some have a small kitchen in each tiny home and often the village has both. Both types may offer wrap around services or provide transportation options to receive services.

One tiny home model recently completed is the Veterans Community Project (VCP) in Kansas City (<https://www.veteranscommunityproject.org/>). The same organization is building a similar model in Longmont starting this year. A distinct difference in these projects is that they are small houses, built on foundations, are not movable and meet local building codes. Founded by a group of combat veterans in Kansas City, MO; VCP offers a “specialized community of tiny homes combined with wrap-around, onsite services to get homeless veterans off the street and transition them to permanent housing. Built by Veterans for Veterans, VCP Village is specifically tailored to meet the unique needs of Veterans while recreating the stable support network last offered to them before they left the service.”

Pros

- Provides permanent supportive housing to transition individuals and families from homelessness. Some programs utilize tiny homes as bridge housing for people awaiting PSH*
- Detached design provides security and comfort*
- Provides monitored area for people who cannot/will not access shelter*

Cons/Unintended Consequences

- Inefficient use of limited land*
- Less competitive for affordable housing funding*
- Zoning and building codes are barriers to construction*
- Lack of suitable land or land is not fully utilized to maximize the most affordable units per acre*
- Neighborhood concerns in the siting of transitional housing (i.e., Lee Hill, Hogan Pancost)*

- *Concern about sub-standard housing for people experiencing homelessness if tiny houses are “wooden tents” versus safe, decent housing*

Applicability to Homelessness Strategy

Tiny Homes could meet the goals of the Homelessness Strategy. However, concerns about land usage, placement, structure, and need may not align with Homelessness Strategy 3: Support an Efficient and Effective Services System Based on Best Practice and Data Driven Results.”