The Utilization of Hotels, Motels, and Single Room Occupancies for Homeless Service Delivery

Background

The COVID-19 pandemic has led to an unparalleled acceleration of efforts to house homeless individuals in California, particularly those that are medically vulnerable due to their age or underlying health conditions (FEMA, 2020). These efforts have occurred at the state, city, and county levels through plans to develop non-congregate shelters in hotels, motels, trailers, and other facility types that provide some privacy to individuals or households. The main objective is to reduce sheltering in large, open spaces where risks of COVID-19 transmission are higher.

In March 2020, Gov. Newsom announced the Project Roomkey Initiative (PRK), which worked with California's Health and Human Services Agency and local governments to make motels, hotels and other facilities available for use as temporary shelters for unhoused individuals (CDSS, 2020). The initiative prioritized individuals who required quarantine, medical treatment, or had high risk if exposed to the virus (CDSS, 2020). Because FEMA reimbursed costs related to hotel/motel occupancy agreements, acquisition of trailers, and support service costs associated with operation, local governments had new opportunities to leverage federal funding (CDSS, 2020).

Announced in June 2020, Project Homekey (PHK) emerged as a follow-up initiative to PRK. PHK involves administering $600 million in state and federal funds to purchase or rehabilitate housing, including hotels/motels, single room occupancy (SRO) buildings, and vacant apartment buildings, for conversion to interim or permanent, long-term housing for homeless individuals (States News Service, 2020).

Key Takeaways:

- Hotels, motels, and single room occupancy (SRO) buildings, are an affordable alternative to new construction in order to house people experiencing homelessness.
- Project HomeKey, a California program launched in response to the COVID-19 pandemic, has allotted $600 million in funding to convert hotels and motels into long-term housing for people experiencing homelessness.
- There are many challenges and costs associated with converting these buildings into permanent housing that are outlined in this review. More research is needed to address the complex needs of people living in these situations.
- The complex needs of marginally housed or unsheltered adults require that new SRO models provide tenants with supportive services, in addition to shelter, to promote tenant independence and autonomy, and community integration.
- Despite these challenges, rehabilitation and conversion of buildings can be a cheap, effective, and efficient alternative to new construction of housing, especially in emergency situations.

The California Department of Housing and Community Development (HCD) began awarding funds in September 2020, prioritizing low-cost projects that could be completed relatively quickly (States News Service, 2020). Despite these efforts, estimates of the total number of affordable housing units needed to address the housing shortage far exceed what progress has been made in this area, and multiple strategies will need to be combined in order to sufficiently house the homeless population in the state (California Housing Partnership, 2020).

Even with the interest and urgency for developing new forms of non-congregate facilities, empirical evidence is lacking regarding the challenges, best practices, and results stemming from using these facilities to serve the unhoused (Thomas and So, 2016). For the purposes of this report, non-congregate shelter includes hotels, motels, and SROs. Hotels and motels are establishments originally intended for transitional stays, primarily for tourists or leisure. Hotels tend to be larger and contain a lobby, while motels tend to be smaller, with rooms that have exterior doors. SROs are typically utilized for more permanent housing, though they also serve short-term needs. All three types of buildings are considered for PHK, with an emphasis on vacant motels, hotels, and SRO buildings.

This literature review aims to shed light on the trends, commonalities, and lessons learned from hotel/motel and SRO housing models, with insight from academic documents, news articles, nonprofit and government reports, and specific examples. We also examine the challenges and best practices of using motels, hotels and SROs to house the homeless.

Historical Context

Using hotels and motels to house the homeless and precariously housed dates back to the 1900s, when minimal living arrangements–such as rooming and lodging houses–were common for the poor, transient, and low-income workers in metropolitan areas (Proctor, 2012). This practice was common during the 1970s, and continued into the 1980s and 1990s (Brownrigg, 2006; Thomas and So, 2016). Reports indicate that several cities used hotels and motels for overflow from their main shelter facilities (Thomas and So, 2016).

Evidence regarding the use and impacts of these models is inconsistent, and may partially stem from terminology differences. Names differ across sources, and include “emergency assistance hotels/motels,” “hotel room shelters,” “welfare motels,” or “residential hotels” (Thomas and So, 2016; Brownrigg, 2006). In the U.K. and Canada, the facilities are sometimes called “SRO hotels” (Hwang et al., 2009). Further, according to a 1989 Government Accountability Office (GAO) report, there was no reliable statistical data on “welfare motels,” described as commercially owned motels that provided shelter to homeless individuals or families receiving public assistance, despite their prominent use by localities across the U.S. (U.S. Government Accountability Office, 1989).

Use of Hotels/Motels in the Context of the Right to Shelter

Changes in the law that imposed requirements on emergency shelter propelled the use of hotels/motels in some jurisdictions, where more permanent supportive housing solutions were not available. For example, right to shelter laws in Massachusetts, New York City, and Washington, D.C., were associated with increased reliance on

hotels/motels. Right to shelter is a policy that legally requires local or state governments to provide emergency shelter to unhoused individuals or families, even when shelters are full (Wells, 2019). Washington, D.C., and Massachusetts offer the right to shelter for families only, and D.C. grants this right only in cold weather months (Wells, 2019). NYC was the first jurisdiction in the country that recognized the state's responsibility to provide emergency shelter to single adults in 1979, and after a lawsuit in 2008, granted families deemed eligible by the city's Department of Homeless Services (DHS) the right to shelter (Wells, 2019).

Over time, the homeless service agencies in these places have tried to phase out the use of hotels and motels for several reasons. They have cited high costs, case management challenges, and preference for investing in other shelter types and permanent supportive housing options. These units often lack kitchens, which limits the amount and types of food that can be stored, and present challenges for individuals and families to transition to more permanent arrangements (Thomas and So, 2016). Nevertheless, phasing out these models has proven difficult, as demonstrated in New York City, where the use of rooms in hotels/motels is still necessary to fulfill the city's legal obligation to house individuals and families.

Single-Room Occupancies (SROs)

Single-room occupancies (SROs) present another model similar to the use of hotels/motels for shelter and housing. SROs today tend to refer to supportive housing programs funded by the Department of Housing and Urban Development (HUD); models vary widely since they can be owned or managed by public or nonprofit agencies, privately owned or operated for profit, and not all operate with up-to-date permits (Cohen, 2018; Bowen & Mitchell, 2016). SROs also diverge from traditional hotels/motels in that the multi-tenant facilities have rooms meant for housing rather than touristic stay (Proctor, 2012). U.S. federal regulations stipulate that SROs must consist of zero-bedroom dwelling units that may contain food prep, sanitary facilities, or both, and most commonly share communal facilities (HUD, 2020). In SRO buildings, individuals rent small rooms weekly, monthly, or long-term at relatively low costs, oftentimes with shared bathrooms and no private cooking facilities (Bowen & Mitchell, 2016).

This form of housing was commonly for persons with special needs, including those who face substance abuse problems, mental health or physical disabilities, and chronic homelessness, because they typically provide treatment and support services (Barbic, 2018; Proctor, 2012). Further, much of the literature has characterized the SRO model as one of the last low-cost options before street homelessness, and it is considered low-barrier because SROs do not typically perform credit checks or request deposits from people seeking housing (Proctor, 2012).

Though SROs are less prevalent than they were a few decades ago, interest in these types of housing models has resurfaced in several places, such as California, as cities and states face affordable housing crises (Greenspan, 2016). Housing advocates say that the decreasing availability of SROs is a major contributing factor to the growing homeless population in major cities like San Diego, San Francisco, and Chicago (Burrell, 2019; Garrick, 2016). As a result, developers and advocates now are attempting to re-name these models to “micro-apartments” and other such names to improve the living conditions associated with SROs and make them more

marketable, since they still carry associations with crime and dilapidated conditions (Cohen, 2018; Wyatt, 2013; Durning, 2013).

Project Homekey & Homelessness in the State and County

In January 2018, California was estimated to have 130,000 homeless people, 25% of the entire United States' homeless population (LAO, 2019). Approximately 25% of the unhoused population across the state was estimated to be chronically homeless and 69% was estimated to be unsheltered (LAO, 2019). Homelessness is prominent in L.A. County, where 90% of individuals experiencing chronic homelessness are unsheltered (LAHSA, 2020).

In California, PHK aims to support individuals and families who are homeless or at risk of homelessness by funding local public entities to acquire and rehabilitate a variety of non-congregate housing types. The public entities may apply on their own or jointly with non- or for-profit organizations for the funding. To date, proposed facility types and their target populations have been heterogeneous, with funds designated to purchase manufactured housing units, vacant hotels, vacant commercial properties, motels, and apartment buildings. Some jurisdictions were awarded grants for projects that primarily benefit unhoused seniors or students, while most focus on serving single adults and families.

Ultimately, it is estimated that PHK efforts in 2020 allowed Los Angeles' city and county governments to receive $270 million dollars to purchase 1800 units (Oreskes, 2021). Awards were made for fourteen city projects and ten county projects (HCD, 2020). Many of these projects have taken or will take place in converted motels and hotels that are purchased and rehabilitated to serve as interim or permanent housing. Despite these efforts, there is still a need to acquire affordable low-income housing units, since in early 2020, the county had an estimated shortage of approximately 509,404 units (California Housing Partnership, 2020).

Challenges and Best Practices by Program Characteristics

Living Conditions and Services

Concerns with hotel, motel, and SRO living conditions, services, and retention of the unhoused repeatedly arise in the literature, mainly due to the age and design of these long-term facilities (Durning, 2013; Proctor, 2012; Knight et al., 2020). This section highlights several challenges and best practices related to these considerations.

Challenges

Depending on building age or built environment conditions, it may be challenging to convert existing motels/hotels to permanent residences that provide the amenities needed for comfortable long-term occupancy. Knight et al.'s study (2020) points out that SROs in older buildings can have smaller rooms, non-operating sinks, limited electrical outlets, lack door locks, and face other functionality challenges (Knight et al., 2020). Concerns with crowding, lighting, inability to connect to electricity or the internet, connecting appliances,

and heating or cooling are common for residents of older SROs (Knight et al., 2020). Moreover, historically, privately run motels often faced problems with pests, graffiti, nonworking toilets, and broken windows or furniture because landlords have not invested in the upkeep of facilities, making them feel less secure and unhospitable to residents (Roderick, 1984).

Additionally, as the number of units or residents in a facility increases, managing shared bathrooms and kitchen or dining spaces becomes more difficult. Shared spaces may lead to unsanitary conditions and the need for strong coordination systems, to avoid wait times or crowds. Without private kitchens, individuals living in these facilities may mostly be unable to cook, requiring the purchase or distribution of several meals per day and provision of groceries for residents (Chatterjee, 2018). A study of the Emergency Assistance (EA) program in Massachusetts found that many families utilizing the state's voucher system for hotels/motels lived in them for many years, and were placed far from grocery stores and close to fast-food establishments, which limited their options and exacerbated poor dietary habits, especially for households without vehicles (Chatterjee, 2018).

Best Practices

For SROs to remain a viable option for temporary or permanent housing, facilities must be welcoming, safe, sanitary, and comfortable. Facilities could socially re-integrate unhoused individuals and encourage them to stay by incorporating these qualities through physical spaces and services. To the extent possible, using principles from trauma-informed design can help the built environment promote a sense of safety, well-being, and community (Enos, 2017). This can include strategic use of materials that do not require regular cleaning (which would increase the need for staff to enter into occupants' units), color schemes and decor that bring about a sense of openness or calm, systems that increase occupant and service provider access, meeting rooms, community rooms, computer and art rooms, outdoor spaces, and other communal spaces such as lounges and libraries (Enos, 2017). In micro-apartments, for example, developers use design interventions and strategies that open up a space, including compact, collapsible, or convertible furniture (Greenspan, 2016). It is recommended that emerging projects conduct assessments of the built environment (including the indoor and neighborhood environments) and of participant mobility barriers to ensure homeless residents have adequate accessibility to resources (Thomas and So, 2016).

The research also suggests that quality living conditions, including a private kitchen or bathroom, can encourage unhoused individuals to stay and participate in service provision and interventions (Knight et al., 2020). While there is limited empirical evidence, some research suggests that length of stay may improve for individuals in larger rooms with private bathrooms than for individuals occupying smaller rooms with shared bathrooms (Knight et al., 2020). Long-term stays may call for systems that manage occupants' accumulation of belongings and encourage hygienic practices in individual and communal spaces.

In some long-term SRO programs, participants also agree to room inspections that promote good cleaning habits (Tenderloin Housing Clinic, n.d.). Nonprofits operating SROs commonly offer free or low-cost on-site laundry services, food storage, private mailboxes, and other amenities that improve living conditions and help keep

spaces less crowded and more sanitary (Tenderloin Housing Clinic, n.d.). Further, some sites provide occupants with locked storage space to ensure they can protect belongings that do not fit in small living spaces. Some authors suggest that the conditions of a converted hotel/motel can be improved by encouraging activities such as tenant leadership and associations that both maintain and advocate for habitability improvements (Downtown Eastside SRO Collaborative, n.d.).)

For facilities with limited in-unit or in-building facilities and services, service providers can partner with nearby businesses (i.e., restaurants, grocery stores, laundromats, public or private transportation services), public programs (i.e., libraries, workforce centers), and nonprofit-organizations (i.e., food pantries) to help occupants access the services or goods they need. Based on their study of homeless people in Los Angeles, Wolch and Rowe (1992) explain that homeless individuals build social supports, short- and long-term coping mechanisms (i.e., ways of obtaining food and materials, assistance, access to family, and emotional support), and routines based on time and space, which may make choice or ability to provide input about placement in a particular facility or neighborhood important, depending on the persons involved. Thomas and So (2016) describe how isolation and loneliness emerge when facilities are not located in participants' communities.

Service Delivery Models

Service delivery models vary significantly by jurisdiction and by service provider, but there are some commonalities in the challenges and opportunities they may face.

Challenges

Research suggests that the homeless or marginally housed (if living in a traditional SRO, for example) may face an increased likelihood of adverse health outcomes, increased prevalence of chronic illnesses, and a greater likelihood of infectious diseases (Bowen & Mitchell, 2016). Thus, providing low-barrier shelter without comprehensive services can be problematic. The additions of case management, wraparound services, staff for on-site operations, property management staff, clinical service providers, security, and janitorial services are considered significant improvements for low-barrier shelters (Levin, 2020).

Best Practices

Some advocates argue that service delivery approaches should draw inspiration from Housing First principles, by providing immediate access to housing without pre-conditions and then services that promote individual empowerment and community integration (Padgett et al., 2012). The central principles of Housing First include a focus on an individual's self-determination, recovery, targeted supports, and social integration (Padgett et al., 2012). Comprehensive services provided at the sites thus must address the financial, independent living, social, and permanent housing barriers that unhoused individuals face (Levin, 2020). Facilities tend to provide intensive support for acquiring vital documents such as birth certificates and IDs, applying for public benefits or for financial assistance, gaining employment opportunities and training, and attaining educational services or records. Adequate and sustained case management, with appropriate case-manager-to-client ratios, can ensure

occupants receive the specific services they need and that these efforts are facilitated, coordinated, and tracked (Proctor, 2012). Developing positive occupant relationships with service providers can promote the services' effectiveness and improve their feelings of belonging and empowerment (Padgett et al., 2012).

Some research suggests that clients become more open to receiving voluntary services if they are provided on-site, rather than in the external community (Proctor, 2012). To the extent possible, access to offices or meeting spaces can ensure case managers and service staff have spaces to hold classes/workshops or trainings, complete referrals, and host community events. Since residents often need to address many health issues, providing on-site and telehealth access to a nurse or medical services, mental health support, psychiatric support, and medication support can improve stability for these individuals. Additionally, the prominence of drug and alcohol use among the unhoused warrants the need for regular substance abuse support or interventions (Proctor, 2012).

Residents living in non-congregate sites often receive housing-focused services and are supported in developing housing permanence plans. These services and activities may empower individuals and help them feel more certain about the future. For example, some programs involve the support of an independent case manager who works closely with a housing specialist and the property manager, with the end-goal of preventing eviction (Tenderloin Housing Clinic, n.d.). These providers also help individuals develop a long-term plan for finding and applying for placement in permanent housing (Tenderloin Housing Clinic, n.d.). In addition, by enrolling tenants in savings programs, service providers can help occupants save for future housing deposits or moving fees (Tenderloin Housing Clinic, n.d.).

Managing Behaviors in Low-Barrier Contexts

Low-barrier non-congregate settings require strategic use of rules and restrictions that encourage retention and use of on-site services, while improving individuals' independent living skills, self-empowerment, and stabilization in the long-term.

Challenges

Establishing behavioral rules for common areas involves the challenges of sustaining a positive living environment, safety, and security, while avoiding premature departure from facilities to the streets. The transition from street homelessness to non-congregate shelter is often difficult for individuals who have been chronically homeless. Depending on the strengths and needs of the individuals involved, transition to shelter may require site-specific rules around entry or exit (such as check-in processes and reception desk staffing), visitors, pets, smoking, substance use, and behaviors in common areas, while avoiding coercive surveillance and policing (Roy et al., 2020). Moreover, the duality of a hotel/motel serving as a business and a shelter can create conflict between staff and participants, particularly if on-site attendants are not representatives of the shelter or housing systems, or if expectations and provisions around basic amenities commonly found in hotels/motels are unclear (Thomas and So, 2016).

Rules and regulations should protect individual and community safety while encouraging increased service use and positive relationships between staff, occupants, and neighbors. Some research suggests that the negative impacts of criminalization and policing of homelessness require innovative ways to establish and protect the tenancy of residents in these settings, such as tenant committees, rather than increasing video surveillance or use of private security or local police (Thomas and So, 2016).

Because of the prominence of substance use disorders among the population, some SRO sites restrict "open-air" drug and substance use (i.e., occurring in public or common areas), the solicitation of sex and drugs, weapons, and violence, and have rules around other social disturbances. Some establishments provide occupants with a list of pre-identified activities that can lead to eviction (Knight et al., 2020). It is unclear whether prohibiting drug and substance use behind closed doors propels eviction for the unhoused (Garcia, 2017).

Moreover, facilities may require regulations around noise, outdoor activities, loitering, and behavior in the nearby community, particularly since community opposition to shelter and housing for the homeless can challenge their development and operations in some communities (Levin, 2020).

Van den Berk-Clark's 2016 study of an organization leading multiple low-barrier SRO programs demonstrates that frontline staff sometimes deal with conflicting safety, income, and maintenance goals. The organization she studied used on-site property managers to provide supervision, collect rents, screen and sanction occupants, supervise building maintenance, facilitate eviction, and keep documentation about residents (Van den Berk-Clark, 2016). Case managers at provided assertive community treatment, motivational interviewing, and met regularly with property management staff to discuss the progress of residents (Van den Berk-Clark, 2016). She states that staff can become occupied by tasks that contribute to achieving these goals and lose sight of client needs. Similarly, she concludes that frontline staff require significant resources, oversight, and performance assessment to ensure fidelity to their housing program's desired approach (Van den Berk-Clark, 2016). Unhoused individuals with more challenges can struggle to retain housing when programs involve meritocracy, favoring tenants who are already resilient, stable, or independent (Van den Berk-Clark, 2016).

Best Practices

Since these models imply a level of autonomy and independence for adults, rules and regulations must focus on individuals' rehabilitation, levels of independent living skills, and empowerment. At the sites, rules and regulations can encourage occupants to stay, take advantage of services or clinical supports, and support independent living, while discouraging behaviors that put themselves or others at risk. Enforcement of rules and regulations requires activities that help with building trust between occupants and staff, as well as flexible processes around consequences for infringements.

Residents are subject to the tenancy obligations or conditions developed by the owner/operators of the sites, which may be developed based on target population and commonly focus on ensuring public safety (City of San Jose, 2018). Some non-congregate facilities thoroughly review community guidelines with incoming tenants and use "good neighbor" policies, which include rules and agreements around noise during nighttime hours and

streamlined complaint and intervention support (City of San Jose, 2018). Furthermore, other sites also utilize structured opportunities for residents to engage in positive peer support (i.e., social activities within sites). Harris et al.'s 2019 study of formerly homeless residents in permanent supportive housing found that there can be greater rates of reported emotional support among single-site residents as compared to those of scattered sited units, perhaps due to their shared lived experiences.

Empowering occupants through community agreements or resident leadership opportunities can also be effective. In facilities with shared bathrooms or kitchens, there are often agreements around illegal drugs, alcohol, or marijuana use in common or open areas, as well as designated smoking areas. In Vancouver, British Columbia, for example, the Downtown Eastside SRO Collaborative utilized tenant-run interventions, including a Tenant Overdose Response Organizers Program, in which neighbors of private SROs were trained by a nurse to prevent overdose deaths amongst their peers through providing naloxone in emergency situations (Bardwell et al., 2019). These tenants were hired for several hours a week to work as overdose response contacts (Bardwell et al., 2019).

Because of the unique challenges that many unhoused individuals face, some facilities permit visitors but have rules for the length and frequency of their overnight stay. Some research states that while visitor policies serve to protect occupants and facilities, strict rules that discourage or penalize participants for visitors can prevent social connection and integration, since unhoused commonly individuals report facing social isolation and withdrawal (Padgett et al., 2012; Thomas and So, 2016). Social isolation can also warrant flexible pet policies that allow individuals in these settings to have a sense of normalcy and independence.

Harm Reduction Models

Research has pointed out that being marginally housed, such as living in an SRO, is associated with higher rates of HIV infection, emergency room use, recent incarceration, experiences of physical assault, drug and alcohol abuse, and shorter life expectancy (Knight et al., 2014; Hwang et al., 2009). These realities warrant harm reduction models, or policies that minimize the negative consequences of legal and illegal individual behaviors, to promote safety and treatment opportunities.

Challenges

According to the literature, living in marginal housing such as hotel/motel rooms and SROs can be linked to substance abuse and mental illness. It is unclear how a facility's composition, including the number and make-up of individuals who reside there, impacts treatment or housing outcomes. Some research suggests that a facility's composition contributes to feelings of institutionalization and fuels risk in the environment, especially if there are large concentrations of individuals with specific substance use problems or needs (Yanos et al., 2004; Knight et al., 2019; Gurdak et al., 2020). A study from Canada found that increased proximity to other substance users living in precarious housing negatively impacted homeless individuals' own rates of substance use (Knerich et al., 2019). The results from this study suggest that it is important to understand the demographics and substance use patterns of individuals living in transitional housing, and that identifying accommodations with few or no

substance users may be effective in preventing relapse for those seeking substance abuse treatment (Knerich et al., 2019). In addition to rules and regulations around substance use, some research suggests the need for increased availability of treatment by providing individual and group counseling for addiction recovery, smoking cessation, and mental illness at these facilities (Hwang et al., 2009).

Best Practices

Proctor (2012) states that SRO housing may improve the likelihood of successful outcomes for individuals due to the linkage of treatment to a single location and services that are directly targeted to individuals at the location. Successful outcomes may include the prevention of a return to homelessness and the improvement of the quality of life for individuals who receive both stable housing and treatment (Homeless Policy Research Institute, 2019). Since professional staff is available on-site to administer medicine and monitor occupant progress, SRO housing can have better outcomes than provisions of treatment or support services off-site (Proctor, 2012). Some models may place individuals in temporary arrangements (i.e., interim or short-term hotel/motel stays) to help them deal with substance abuse and mental health issues, before moving them into more permanent housing such as SRO settings (Proctor, 2012). At the permanent settings, these individuals are given continuing supports that improve the risk environment for themselves and any neighbors in recovery (Proctor, 2012). New housing sites often maintain flexibility around enforcing rules regarding the drug and sex economy, since studies suggest that evictions for breaking these rules cause people who most need the support and services to leave to shelter or housing prematurely (Van den Berk-Clark, 2016).

Service delivery in homeless programs generally provides either Treatment (TF) or Housing First (HF) (Padgett et al., 2012). HF programs in NYC provided individuals with their own apartments and access to assertive community treatment—which involved the support of a nurse-practitioner—and case management services, without requiring sobriety to retain housing (Padgett et al., 2012). TF programs involved sobriety requirements and regular drug testing, where individuals lived in settings similar to dormitories that had rules around program participation, curfews, and fees/limitations on visitors (Padgett et al., 2012). Beyond the prior evidence that HF had more positive effects than TF in the metrics of client housing stability, choice, cost-effectiveness, and dependence on alcohol and drugs, they find that case managers between the two programs had different priorities (Padgett et al., 2012). HF case managers targeted treatment needs and could be more candid with clients about their drug use since they were not preoccupied with client loss of housing, while TF case managers focused on the threat of eviction due to program sobriety requirements (Padgett et al., 2012). The authors recommend that client-facing providers receive adequate training, respect the individuality of the unhoused, demonstrate sensitivity to childhood and life traumas, focus on kindness, and meet clients "where they are" (Padgett et al., 2012). They suggest that community inclusion may need to be centralized at an individual's entry into a supportive housing program, and seen as part of treatment rather than as a goal of treatment (Padgett et al., 2012).

Operational and Capital Costs

The research also suggests that utilization of hotels/motels or SROs as permanent supportive housing can be expensive due to capital, construction, and operation costs. Still, it appears that rehabilitation rather than new construction is significantly more affordable and that these models may be cheaper than other forms of sheltering or permanent supportive housing**.**

Challenges

In California, the minimum cost per unit of acquiring hotels or motels for these models is estimated to be between $100,000 to $175,000 per room, depending on regional land prices or conversion cost differences (Levin, 2020). In 2017, the Jamboree Housing organization bought a 70-room motel in Irvine for a total or $9.2 million, or approximately $130,000 per unit (Levin, 2020). This compares to the average estimated cost of $443,990 per unit to build permanent supportive housing in California (Reid, 2020). The organization spent $221,600 to purchase and prepare each unit, which included purchasing the property, construction costs, developer compensation, furniture, construction financing, permit fees, and design and marketing.

Other authors state that conversion costs fall between $70,000 to $200,000 per unit (Roy et al., 2020). Depending on service intensity, operating costs can start at about $10,000 per unit per year and vary significantly depending on the model (Levin, 2020). For example, in Sacramento, the Hotel Berry, a 105-unit SRO for formerly homeless individuals and persons with special needs, spends this much to provide on-site support staff (Levin, 2020). The support staff is small, and includes a night clerk who provides security, a supportive services staff person who runs classes and life skills training, custodians, and a case manager (Levin, 2020).

Best Practices

In terms of operational costs, providing adequate supportive services requires necessary staffing and strong coordination between providers. Operating costs may differ significantly depending on the building and whether one or several agencies provides services to occupants. Developments can thus benefit from expediting processes such as competitive bidding and fair long-term contracts. Additionally, utilization of different service providers or contractors may require significant negotiation and alignment amongst staff, including maintaining information flows and sharing data.

Collaborations among private public and nonprofit entities can be effective at operating these types of facilities. Nonprofits often let external contractors provide services on-site, provide funds for subsidizing rents, and have flexibility in using additional government or private funding to pay for expenses such as utilities, insurance, and repairs (Proctor, 2012). However, it is important for all service providers at a site to be adequately resourced, with manageable workloads, goal alignment, and supportive supervision, especially to benefit the most challenged unhoused individuals (Van den Berk-Clark, 2016). To help with this goal, many sites prioritize the empowerment of current and former tenants, offering opportunities such as paid work on-site and other

leadership programs, which help build feelings of mastery, self-determination, community, and ensure that the perspectives of the formerly homeless are used in decision-making.

Conclusion

There is a need for more empirical research on the impacts and best practices of shelter and housing models that utilize hotels, motels, and SROs for serving people enduring homelessness. Because adults who are marginally housed or unsheltered have complex needs and challenges, new models require innovative services and approaches, creative interventions that promote tenant independence and autonomy, and social activities for community integration (Yanos et al., 2004; Gurdak et al., 2020).

Emerging models can apply lessons learned from historical examples across North America to understand how to better provide high-quality, affordable housing and services to individuals, without rigid rules and regulations that propel returns to homelessness. For evaluation and improvement purposes, new projects must consistently assess their occupant outcomes through a variety of metrics, including retention rates, the engagement with and effectiveness of services, case manager contacts and relationships, on-site observations, and the long-term personal development of individuals who occupy the facilities. In order to support assessment, individuals' successes, challenges, and the processes by which they leave new housing programs must be adequately documented and utilized for continued service improvement (Garcia, 2017).

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