

Scattered Site Development: A Blueprint

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What do we mean? Defining a flexible model

- ✓ **Property types:** single-family homes (usually targeting 4 to 5 bedrooms @ acquisition) and smaller multi-family sites (duplexes, fourplexes, etc.)
- ✓ **“Scattered sites”:** units are spread across multiple properties, neighborhoods, etc.
- ✓ **Services are “community-based”:** neither property management nor supportive services are housed at any one the sites by design, but offered across sites
- ✓ **Household types:** either single-adults in “co-living” environments or families (i.e. either one or multiple households per site)
- ✓ **“Co-living”:** individual locking rooms for each resident and at least some shared amenities (bathrooms, kitchens, etc.)



Development as reclamation – not giving up the neighborhoods to unaffordable housing

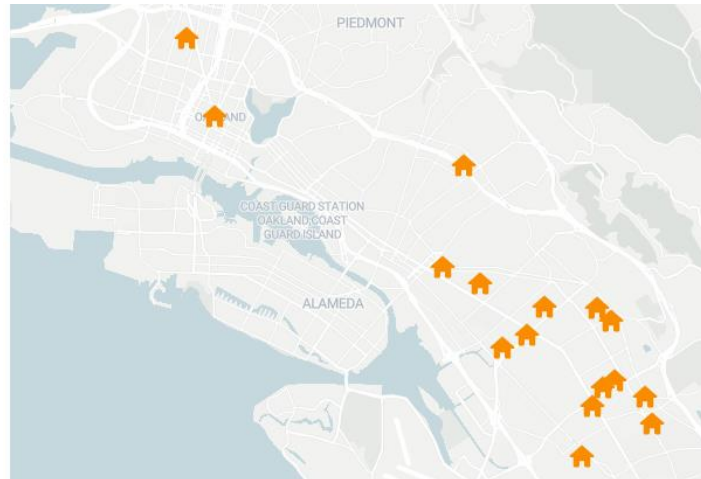
- ✓ BACS Housing Corporation owns more than 250 units of scattered-site permanent housing across Alameda, Contra Costa, and Solano counties
- ✓ Leverages existing housing stock in a region where 83% of residential real estate is single-family zoned
- ✓ Develops deeply affordable housing in neighborhoods where residents often grew up (and often have been pushed out)
- ✓ Promotes deeply affordable production/preservation in residential communities, fighting directly against the displacement that is targeting Black and Brown communities
- ✓ Develops co-living sites to ensure increased stock of deeply affordable housing other than new PSH development, serving populations across the spectrum of needs



Homekey Round 1 – Snapshot

BACS partnered with City of Oakland on an ambitious, scattered site proposal

- ✓ One of the only scattered-site applications that was supported through Homekey Round 1
 - ✓ 15 sites with an average of 5–6 units per site
- ✓ All sites were within ½ mile of essential services including grocery, health, pharmacy, etc.
- ✓ 85% of the units ready for occupancy within 60 days (100% within 90 days)
- ✓ \$8.6M award ≈ \$105k per unit (acquisition and rehab)
- ✓ Majority of the homes in are neighborhoods where the average rents have been driven up 90% in just seven years



Scattered Site Financing

Flexibility in financing based on individualized project type, market, etc.

- ✓ Flexible per unit or per home operating costs based on populations served and target incomes (e.g. 5 single adults vs. family projects with a single income per home and may require deeper subsidization)
- ✓ BACS has modeled operating costs on projected annualized shallow subsidy and operating/replacement reserve needs per home, based on a target \$550-600 per unit monthly rent
- ✓ Local operating match options are flexible (HOME-ARP, local general fund, etc.)

	Monthly	Annually
Avg. subsidy per room	\$ 300.00	\$ 3,600.00
Avg subsidy per home (assuming 5 units)	\$ 1,500.00	\$ 18,000.00
Operating/replacement reserves per home		\$ 12,000.00
Total average subsidy and reserves per home (5 units)		\$ 30,000.00



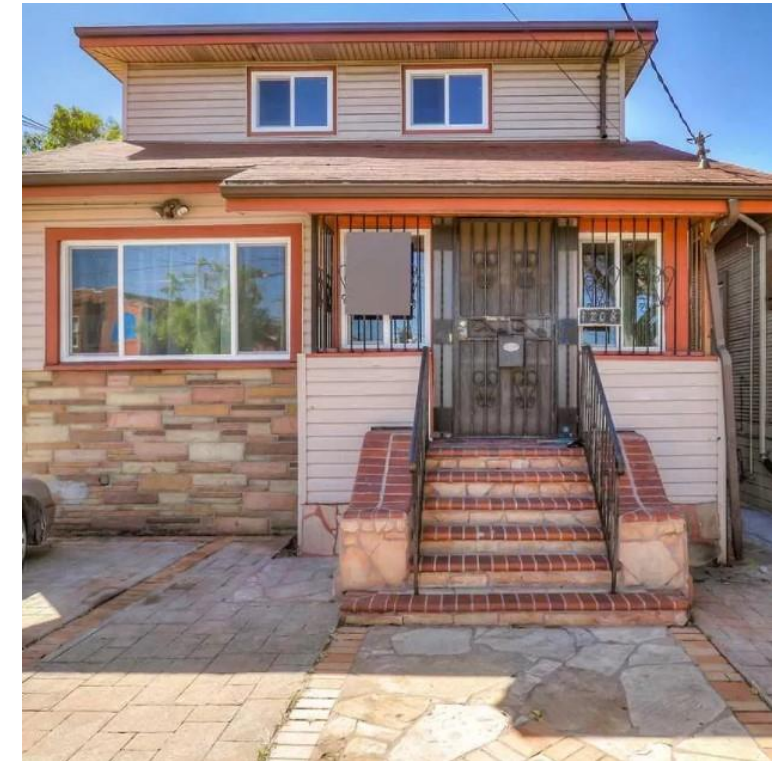
Scattered sites, but concentrated and coordinated services

- ✓ Supportive services happen *in the community* – care coordinators move between homes (caseloads are subset of homes), varying ratios and service intensity/types based on need
- ✓ Leveraging other sources for augmented services/funding based on eligibility:
 - ✓ Medi-Cal Specialty Mental Health services
 - ✓ Community Supports or ECM contracts through Managed Care Plans and CalAIM
- ✓ Evidence-based service models – Critical Time Intervention (CTI), ACT, etc.
- ✓ Property management – equally community-based and deeply integrated with care coordination teams (in the home, engaging weekly)
- ✓ Property management and maintenance trade offs:
 - Pro: More often quick, inexpensive, “in-house” repairs
 - Con: Ten roofs and sewer laterals vs. one



Making co-living models work in systems that can often work against it

- ✓ Community-based services and engagement are by nature more complex and labor intensive
- ✓ Housemate matching can be a square peg in the context of Coordinated Entry systems
 - ✓ Research shows consonant lifestyles and client choice in housemate determinations are fundamental to success
- ✓ Community distrust, past trauma, and discomfort with “shared housing” (potentially more post COVID-19)
- ✓ No ready-made subsidy models to fund it in perpetuity (not unique to this model alone), though any subsidy (including HCVs, etc.) can be used in shared contexts
- ✓ The sheer velocity and volatility of the SFH housing market in some communities can be prohibitive



Scattered sites and the ‘everything, everywhere, all at once’ development strategy

- ✓ **Nimble and necessary:** we cannot just new build or hotel convert our way out of the housing crises
- ✓ **Co-living is the norm:** in most high cost areas only the very well to do and people exiting homelessness live alone (something is wrong with this picture)
- ✓ **Imminently flexible:** unlocks potential for communities where no reasonable hotel is forthcoming
- ✓ **Democratizes development:** scalable, low barrier model supports smaller, grassroots development
- ✓ **Leveraging new legislation:** properties can become sites of future additional in-fill development – making use of SB 9, local zoning changes and ADU ordinances
- ✓ **Neighborhood-based:** opens the possibility of deeply affordable housing in every neighborhood

The Bottom Line:

For the cost of building a single unit of affordable housing, you can acquire a property to permanently house 5 people with their own lock and key – and in a fraction of the time.





Questions/Feedback