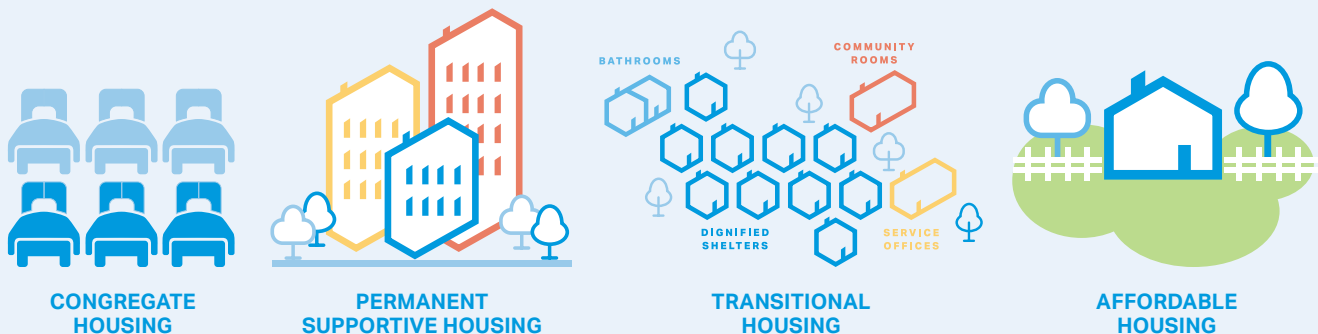


# Building Your Homelessness Strategy: Housing Types



Working with local stakeholders on a housing strategy for your city or county is crucial. But first, it's important to understand why people are experiencing homelessness.

There are a number of factors that lead to people being unsheltered. It's a [myth](#) homelessness is a choice – and important to understand how economic hardship impacts renters. Homelessness is [not a personal failure](#). According to a [recent study](#), **"Communities where people spend more than 32 percent of their income on rent can expect a more rapid increase in homelessness."**



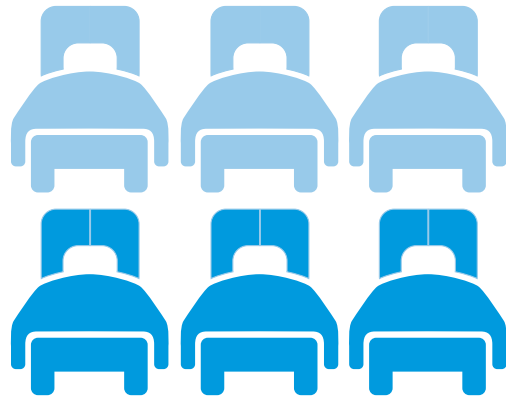
A variety of housing types serve people experiencing homelessness, each with pros and cons. Having a mix of housing within your city or county can help get people off the streets. Before allocating funds, recognize everyone should have access to dignified and safe housing.



# Housing Types

## Congregate Housing

Congregate shelter – also known as “shared shelter” – is suited to house masses of people. Congregate shelters are typically large rooms, such as gymnasiums, that have rows of cots inside. They are often used for people experiencing chronic homelessness, and people displaced by natural disasters.



This type of shelter can be particularly important during unprecedented weather, such as winter snow storms or excessive heat waves. It's a quick way to get lots of people experiencing homelessness inside to avoid hypothermia or heat strokes. But congregate shelter is temporary. When intense weather passes, people end up back on the streets.

With limited hours of operation, congregate shelters unfortunately do not work for everyone. Many people working night shifts or multiple jobs are unable to wait in line for shelter. Congregate shelters also require everyone to leave in the morning; people are required to wait in line for a cot each night. It's not uncommon for shelters to fill up before serving everyone.

Most congregate shelters exclude pets – an important part of the family and mental health. Congregate shelters have specific entry requirements. For example, some shelters are segregated by gender or age, meaning partners or families have to split up every night. Day-to-day services are provided, but are often not the core focus of the facility. This model makes it difficult for people to stabilize, leaving people to go from shelter-to-street for years.

# Housing Types

## Transitional Housing

Transitional housing is short-term, designed to bridge the gap between living on the streets and affordable housing. “Tiny homes” are a well-known example. Some tiny homes – such as wooden models – take weeks to build, while others can be set up in a matter of hours.



People experiencing homelessness stay in transitional housing communities on an individual timeframe, with the end goal of moving on to permanent housing. Depending on how the community is designed, services are on-site, or located nearby to the community.

For example, [Pallet's low-barrier model](#) is focused on rapid deployment, and connecting village residents with services. Unlike a traditional wooden tiny home, which can take weeks to build, Pallet shelters can be built fast, at scale. One 64 square foot shelter can be built in under an hour, with minimal tools. Small villages can be assembled from start-to-finish in a matter of hours.

Pallet villages work to help residents with substance use disorders, mental health issues, job resources, and more. The goal is to move people toward true stability.

## Case Studies



### Los Angeles:

1,200+ new beds for unhoused neighbors



### Grand Junction:

Building transitional housing for people and pets



### Village for Vets:

Uplifting Veterans experiencing homelessness

# Housing Types

## Supportive Housing

Supportive housing focuses on people experiencing chronic homelessness. People living in supportive housing are often facing employment or housing barriers. The housing itself varies; units may be available in single-family homes, condominiums, apartments, duplexes, and more.

Unlike transitional housing, tenants need to have a program-compliant landlord. The tenant is often on a lease without a time limit, as long as they meet program requirements.



According to the [United States Interagency Council on Homelessness](#), there are “three approaches to operating and providing supportive housing:

- **Purpose-built or single-site housing:** Apartment buildings designed to primarily serve tenants who are formerly homeless or who have service needs, with the support services typically available on site.
- **Scattered-site housing:** People who are no longer experiencing homelessness lease apartments in private market or general affordable housing apartment buildings using rental subsidies. They can receive services from staff who can visit them in their homes as well as provide services in other settings.
- **Unit set-asides:** Affordable housing owners agree to lease a designated number or set of apartments to tenants who have exited homelessness or who have service needs, and partner with supportive services providers to offer assistance to tenants.”

The goal is to have the tenant connect with services, become an active community member, and build a strong support network.

# Housing Types

## Affordable Housing

Affordable housing – also known as low-income housing – has different definitions across the U.S. In some cities, affordable housing is “rent-limitation” housing, available to people who do not make enough money to qualify for standard lease agreements



**According to the National Low Income Housing Coalition,  
“The U.S. has a shortage of 6.8 million rental homes  
affordable and available to extremely low-income renters,  
whose household incomes are at or below the poverty  
guideline or 30% of their area median income.**



Unfortunately for people experiencing homelessness, signing a lease is a difficult process. Many leases require proof of consistent income. Criteria to apply for a rental unit can range anywhere from 1-3 times the rent-to-income ratio, on top of deposits and fees.

Most rentals require rental history and landlord references. Renting requires extensive savings, access to personal documents, an active bank account. If these criteria are not met, they'll need a cosigner with significant income to sign with them. There is a huge barrier to going from living on the street, to moving into an affordable apartment.

A plentiful affordable housing stock is one of the best ways to keep low-income families housed and in their communities, nearby to services and local to jobs. Unfortunately, affordable housing can take 2+ years to build, leaving thousands of families facing rising costs of living, rent hikes, evictions, and more. Each of these factors leaves families at-risk of homelessness.



# Choosing the Right Model

What's the right fit for your area? A mix of different housing is the best way to support people with varying needs. It's important to view each housing type as a step in the journey.

It's nearly impossible for someone experiencing homelessness to go from living on the streets to living in an affordable housing unit. The barriers are too great: living paycheck to paycheck; not having access to birth certificates or other essential documents; expensive medication costs; lack of rental history; an eviction record; and many more barriers.

To keep people moving along in their journey to affordable housing, developing a strong transitional housing and affordable housing stock is essential.

Ideally, there would be enough transitional housing available to move people directly from the streets and into safe, dignified shelter. Transitional housing provides stability that congregate shelters cannot: an address to call home, with a locking door to store belongings.



To learn how to build transitional housing with Pallet, [contact our community development team.](#)

