

HOUSING THE HOMELESS

March 10, 2021

Bay Area Council Analysis Reveals \$69,000 per Tent Price Tag for Safe Sleeping Sites

San Francisco's safe sleeping sites began as a creative way to provide homeless services amid COVID-19 restrictions on congregate shelters and have been touted by supporters as a safe and fast way to bring a measure of stability and dignity to the city's estimated 5,180 unsheltered homeless residents. However, according to research by the Bay Area Council, the sites cost over \$69,000 per resident to operate—nearly twice as expensive as Navigation Centers despite relatively spartan amenities. Scaling the safe sleeping sites program to the city's entire unsheltered homeless population would cost an estimated \$360 million annually.

There are currently six safe sleeping sites across the city that have helped move 262 unsheltered people off sidewalks and into areas where they have access to bathrooms and showers, three meals a day, and 24/7 security. The sites each hold 40-50 tents and are located on vacant lots around the city, many of which are publicly owned.

These estimates are derived from budget documents of four sites: Dolores Safe Sleep, Larkin Street Youth Services, Fulton Safe Sleep, and Gough Safe Sleep. For site budgets with missing or partial information, such as the cost of meals and utilities, cost assumptions were made using complete budgets from other sites. All told, the Bay Area Council estimates that a tent in one of San Francisco's safe sleeping sites costs between \$57,000-\$84,000 in operating costs a year, driven by salaries and benefits (76%), operating expenditures (21%), and indirect costs (3%). By comparison, the median cost of a one-bedroom apartment in San Francisco is \$23,796 per year. ^[1]

Importantly, these costs reflect only annual operations and management and do not reflect land costs. The Gough Street Safe Sleeping Site, for example, is on private land leased by the city for \$1.2 million.^[2] The other sites are located on city-owned land acquired for affordable housing that's not yet under construction.^[3]

The high cost of safe sleeping sites dampens the program's ability to scale compared to other interventions. For example, Oakland's cabin community program costs an estimated \$21,000 in annual operation costs. Navigation Centers, while not conducive to the COVID pandemic due to their congregate nature, are also cheaper than safe sleeping sites with an average development cost of \$43,000 per unit and approximately \$35,000 in annual operating costs. Interim housing solutions like San Jose's Tiny Homes are relatively comparable in cost compared to safe sleeping sites at \$72,000 per unit and \$45,700 in annual operations.

^[1] <https://www.latimes.com/homeless-housing/story/2021-02-22/cheaper-rent-bay-area-tenants-moving-oakland-san-francisco>

^[2] <https://sfmayor.org/article/board-supervisors-unanimously-approves-lease-200-bed-navigation-center>

^[3] <https://socketsite.com/archives/2017/12/details-behind-the-citys-15-5m-purchase-of-beleaguered-mcdonalds.html>

Bay Area Impact: Project Homekey and the Fight Against Homelessness

Join the Bay Area Council on Thursday, March 11 for a conversation with Geoff Ross about Project Homekey and the future of homelessness in California. As the Deputy Director of California Department of Housing & Community Development, Ross is responsible for overseeing Project Homekey, which in nine short months has permanently acquired and occupied enough hotels/motels as well as other properties to house approximately 9,000 homeless Californians any given night. Homekey is the single largest expansion of homeless housing in state history. Specifically in the Bay Area, 1,562 units of emergency shelter and permanent supportive housing were added to the region's housing inventory. You can read more about Bay Area Homekey projects [here](#). Bay Area Council Homeless Committee co-chair Tomiquia Moss, Founder and CEO of AllHome, will host a moderated discussion with Geoff Ross about Project Homekey's successes, challenges, and the Governor's \$750 million budget proposal to keep and expand the program.