

A Tiny Home for Good

Maxwell MPA Capstone Project

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a tiny hōme
for good.

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Executive Summary

Our project goal was to provide A Tiny Home for Good (THG) with a cost-benefit analysis to be used as a case for support for future funding opportunities. In order to mirror the national standard for crafting a cost-benefit analysis for housing and homelessness providers, our team developed a survey for THG tenants. Our survey used a pre-and post- design in which residents were asked to estimate their usage of social services prior to entering THG and since living at THG. We were then able to monetize the cost of services used and evaluate whether THG provides a cost-savings to the social service sector. In addition to extensive research and data evaluation, our team spoke with a variety of local officials and subject matter experts to better understand the role that THG plays in our local community. Our local interviews sparked an entirely new lens for us to examine THG's impact. We traced salient themes related to the significant social benefits that the THG model provides to the CNY community.

Data Analysis

Survey Background

In order to provide a cost-benefit analysis, a survey was given to A Tiny Home for Good (THG) staff for distribution to all 22 current THG residents. Within the survey were 23 questions, 14 being directly addressed as pre-THG and post-THG. Pre-THG refers to the number of times in an average year, the person used the services we had provided (ambulance rides, ER visits, nights in hospital, number of meals per week at a food bank, etc.). Post-THG refers to the same metrics, but the time frame shifts to *since* arriving at THG. These responses were scaled to represent the average number of times per year a tenant engaged in said activity. Of the 22 possible survey responses, 17 were returned and evaluated. Additionally, a few responses were omitted due to lack of clarity, which as a result made it difficult to measure. It is important to note that because of this, there may be some level of bias in the overall estimated costs. However, we believe that the estimated costs are truly representative of the THG residents as a whole and with a 77% response rate, do not greatly alter the results.

Data Collection

The main purpose of this analysis is to determine if the findings could be used as a case for support. Using local (i.e., Onondaga County) and national data, we obtained estimates for the following categories (measured as cost per unit): ambulance ride ([\\$1,150](#); local), receive healthcare at the ER ([\\$3,700](#); national), night in hospital ([\\$11,700](#); national), overnight in jail ([\\$218](#); local) and access to food kitchens/soup pantries (per meal, [\\$1.67](#); local). Observing these quantifiable variables, Table 1.1 shows the average yearly spending Pre- and Post-THG.

As **Table 1.1** shows, there is a substantial drop in costs per person across all variables. This is largely due to the decrease in average number of times an individual accessed a particular service. Pre-THG, the average number of times a resident took an ambulance per year was 1.9; post-THG this metric dropped to 0.4. Pre-THG, the annual average number of nights spent in hospital was 10.1 while post-THG the same figure decreased to an average of 0.5 nights per year. This large decrease in medical expenditures is not only beneficial to the county, but also to the residents. By moving into a THG, the data suggests that there is an increase in the average resident's health. THG demonstrates that having safe and stable housing is associated with significant physical and mental health benefits. An additional important factor to note is the benefits to local medical services THG offers. With an average decrease of 9.6 nights spent in the hospital annually, this is also improving the operational capacities of hospitals. This not only saves the county tax dollars, but also improves the efficiency of hospitals and their staff.

While not a huge cost difference, the regularity with which THG tenants accessed food kitchens went from an average of 1.7 meals per week to 0.9 meals per week. This decline demonstrates an increase in stability for THG residents. Not only are residents having the financial means to cook their own meals, but they also have their own space to do so. From a humanistic perspective, this is creating a new level of autonomy that many residents could not have whilst living in emergency shelters and/or less stable housing environments.

Recommendations

- To minimize potential bias, re-distribute surveys using someone who has minimal or no affiliation with THG.
- Ensure all 22 survey results are returned. This will ensure more precise averages across all variables.
- Standardize survey delivery – either read questions to all residents or allow all residents to take survey independently
- Join the Housing & Homelessness Coalition and participate in HMIS.
- Partner with St. Joe’s and Upstate Medical Hospital, partners of the Housing & Homelessness Coalition to assist in medical care for residents.

Survey Findings

THG undoubtedly provides Onondaga County with both cost-savings and social benefits. The survey results also indicate an increase in quality of life for THG residents. With improved health, less dependency on food kitchens, and a decreased reliance on emergency services, THG residents are able to gain a sense of independence and security that is often strained as a result of homelessness. From a cost-benefit lens, THG has the potential to save the county a large number of tax dollars. With nearly a \$112K decrease in estimated costs per person, THG has the potential to save the county millions. Based on the financial analysis, the average annual cost of maintaining one tiny home is \$9,480.75 per resident, amounting to still an estimated savings for the county of \$102,519 per resident. If 22 residents can save the county an average of \$2.25 million, imagine the cost and social benefits as THG continues to expand and build more homes for the homeless.

Financial Analysis

To supplement the data gained throughout the survey analysis, it was essential to conduct a review of A Tiny Home for Good’s financial statements. Through an analysis of the Statement of Activity, Statement of Financial Position, and Depreciation Schedules for the years 2019 and 2020, values such as the average operating cost per resident, liquidity ratios, leverage rates, asset turnover ratios, and profitability ratios were calculated in order to comprehensively assess THG’s financial health compared to similar programs within Onondaga County.

Through a discussion with the treasurer for THG, the Capstone team learned that THG had twenty-one residents in 2020. Using this information, we calculated the average facility costs and average management costs per resident. In 2020, the average facility cost per resident was \$2,133.21. This cost encompasses the total facilities, non-capital assets, and vehicle maintenance expenses. The corresponding average management cost per resident was \$6,523.00. This cost encompasses administrative, operations, professional and contract services, utilities, wages and salaries, and insurance expenses. The combined values of the average facility costs per resident and average management costs per resident result in an average total operating expense of \$9,480.75 per resident. Each of these values accounts for the depreciation expense of 2020, according to trends evident within both the 2019 and 2020 depreciation schedule.

THG’s calculated operating expense per resident is relatively low compared to similar systems that operate within the Central New York Housing and Homeless Coalition. According to

Megan Stuart, Director of the CNY Housing and Homeless Coalition, the average annual cost per resident for a permanent supportive housing program in Onondaga County is \$11,378.00. With a lower operating cost per resident of \$9,480.75, THG provides formerly homeless individuals with a safe housing option with an average annual cost per resident that is \$1,897.25 less than similar alternatives.

In addition to evaluating organization and program-specific costs, we reviewed the financial health of the organization in order to ensure sustainability. An evaluation of the organization's liquidity, leverage, asset turnover and profitability was conducted. We found that THG is currently in a financially favorable position in each of the previously mentioned financial aspects. Additionally, if financial trends continue, we expect that the organization will be successful in the continued pursuit of its mission. A brief discussion of each aspect is provided below.

- *Liquidity*
 - The liquidity position of THG proves to be favorable. An assessment of the Current Ratio illustrates that the organization, on average, had at least \$4.99 available to pay off any debt it had during 2020.
- *Leverage*
 - The leverage position of THG proved to be favorable in 2020. An assessment of both the Debt Ratio and the Debt-to-Equity Ratio illustrates a value of 2%. This proves to be a favorable presentation of debt ratio for the organization.
- *Asset Turnover*
 - The asset turnover position of THG demonstrates a favorable ratio. An assessment of the Receivables Turnover indicates that THG collected receivables about 40 times in 2020, at a fairly consistent rate of roughly 9 days following any pledged donations.
- *Profitability*
 - THG proved to have a favorable ration concerning its profitability during 2020. The organization's Return on Assets was 21.93%. This favorable value proves to be the result of an increase of \$195,361 in Total Net Assets. This demonstrates that the organization's assets prove to be both sustainable and profitable.

Community Benefits

Land Usage

A Tiny Home for Good builds on vacant lots throughout the City of Syracuse, most often donated by the Greater Syracuse Landbank. Our national research indicates that vacant public lands represent blight to municipal governments. There is a high cost to both cities and counties in terms of time and resources for land maintenance. Our interviews with both Ann Rooney from Onondaga County and Eric Ennis from the City of Syracuse confirmed this position. Without any prompting from our team both representatives cited the incredible benefit creation, to both the community and their respective agency, that comes from THG building on vacant lands. Moreover, vacant lands represent harm to neighborhoods and communities. Our research from the [National Vacant Properties Campaign](#) indicated that vacant or abandoned properties are more vulnerable to crime and destruction. Additionally, a study by the [Temple University Center for Public Policy](#) demonstrated that properties in close proximity or vacant or abandoned lands lose exponential market value. While THG parcels are tax exempt, construction of new tiny homes is restoring the vacant properties thus reducing blight to the city and adding neighborhood value.

Neighborhood Development

In addition to revitalizing vacant plots, a Tiny Home for Good imbues previously homeless individuals with a sense of ownership over their own space. Individuals experiencing homelessness

often live transient lives, moving from shelters or the streets into apartments. This cycle keeps individuals experiencing homelessness in a transient state, bouncing from relative instability to short term stability. National research from [Design Resources for Homelessness](#) (DRH) verifies that individuals who live in the cycle of homelessness often report feeling a loss in their sense of dignity, autonomy, and self-determination. Additionally, homeless individuals and families not only lack permanent shelter, they also lack the psychological and emotional connection to places that is fundamental to our sense of identity and well-being – what has been called “placelessness.” DRH defines placelessness as “a lack of place-based identification and a lack of emotional attachments to particular places.”

THG has disrupted the cycle of homelessness and offered an alternative path to permanent supportive housing - a brand new home with a private bathroom, a personal kitchen, and a lock on the door. DRH emphasizes that *privacy* is the characteristic most often cited in the literature as being of utmost importance to residents. Privacy relates to independence, autonomy, dignity and identity, but also to safety, stress reduction, and healing. THG offers tenants the gift of safety, stability, and permanency - they are dignified in their status as permanent residents with autonomy and ownership over their space. In short, tenants become a part of the neighborhood. Upon move in, the only Tiny Home for Good program requirement is that tenants agree to be good neighbors. THG is doing the work of restoring and rebuilding neighborhoods - bringing peace and stability to both previously homeless individuals and the neighborhoods they create.

It is worth noting that both Ann Rooney from Onondaga County and Eric Ennis from the City of Syracuse cited the positive benefit of this “sense of ownership” juxtaposed to the cycle of apartment to shelter. Ann Rooney specifically mentioned the county preference in spending on a long-term solution like THG rather than the short-term quick fix of shelter-to-apartment programs.

Social Services Sector

Central New York is experiencing a housing crisis. Megan Stuart from the Housing and Homelessness Coalition confirmed that there is a lack of safe and affordable housing for homeless individuals that rely on subsidies to support their rental payments. Patty Lynch from Neighborhood Business Development shared that it takes anywhere from 30-90 days to find an apartment in the city of Syracuse. The COVID-19 pandemic has only lengthened this timeframe. Many homeless individuals exiting the shelter system move into substandard apartments concentrated in poorer parts of the city. National research from the [Urban Institute on Implementing Tiny Homes as Permanent Supportive Housing](#) indicates that high concentrations of poverty drain public services and perpetuate the harmful culture of poverty. Our conversation with Eric Ennis from the City of Syracuse only reinforced this notion. He shared crime data from the Syracuse Police Department that demonstrated multi-level, multi-unit apartment buildings like the Skyline Apartments - a location where high concentrations of previously homeless individuals are rehoused - have extraordinarily high emergency service interactions on an annual basis. Eric Ennis emphasized that THG is not only creating new single-family homes but is also working to de-densify these concentrated apartment buildings that represent a drain on public service use by dispersing homes throughout the city.

Additionally, many homeless individuals face landlord discrimination. National research from [Urban Institute on Implementing Tiny Homes as Permanent Supportive Housing](#) indicates that there has been a shift in how landlords view tenants - from networking and familiarity in determining tenancy to “professional landlords” who screen individuals on variables such as criminal history, eviction, and credit history - all indicators that make previously homeless individuals likely to be rejected. Renting individuals are selected on the basis of their potential to pay their rent on time, protect the landlord's property, and renew their lease. The absence of responsible and long-term landlords is cited as a problem in this rental paradigm.

National Recommendations

Public Relations and Social Media

Many similar organizations choose to utilize local or national celebrities to help raise awareness of their organization. One such example is George Takei and [Occupy Madison's Village](#). Mr. Takei posted a photo of the tiny home community on his Facebook page; the post garnered a lot of attention from the general public with more than 36,000 post likes and over 6,000 post shares. From this single post the [OMV](#) raised more than \$16,000 in a single week. If A Tiny Home for Good was able to replicate this success it could significantly aid in creating revenue for future builds or operational support. Beyond the initial post, social media platforms allow for 'shares' and continual generation of support from other members (i.e. 'share our post' messaging). This being said, there needs to be a healthy balance between posting too frequently (patrons will likely gloss over content) and posting too infrequently (algorithms will hide posts and people can forget the organization). A Tiny Home for Good has an opportunity to expand its marketing. While THG project posts are well received there is sometimes a great deal of time between posts. Considering the limited capacity and small nature of THG staff, social media may have to wait until THG has more staff who can focus on marketing and social media.

Lastly, many of THG's social media posts focus on program builds and updates. Peer organizations have used the [stories of their residents](#) on their social media platforms. It appears that people connect with life stories on a different level than they do work or update posts. If any of your residents are open to the idea of sharing their life story, then that should be utilized. This allows people in the community to connect a face they may know with THG projects. Posts of this nature have the potential to [increase the overall number of donations](#) THG receives.

Head Office and Further Expansion

THG has prioritized the creation of a centralized office location where residents can access staff, use laundry services, etc. While this is certainly beneficial, there may be an unrealized potential to having a [centralized head office](#). Other communities have used these offices as the [focal point](#) for all of their future projects. This allows for greater communication between staff and residents. Being able to have a central hub allows staff to travel quickly between the different tiny homes. In addition, the centralized office location could house an [onsite case worker](#). This is an opportunity for future funding requests. Peer organizations often employ a full-time case worker to aid current residents. This created a deeper connection between the case worker and client. In turn their residents' needs were met and it allowed them to create a stable environment for themselves.

Politics and Networks

Tiny Home for Good should consider the potential benefits of engaging in the political arena. National research indicates that political connections are [extremely important](#) for garnering support for tiny home projects. The best way A Tiny Home for Good can create these connections is by reaching out to candidates early in the election process. Positive political figures make viable partners for collaboration and can provide connections to networks for support. While A Tiny Home for Good already has strong partnerships, we suggest you [grow your network](#) to help with future builds or other projects.

Table 1.1

Avg. cost per person (per year)	Pre-THG	Post-THG	Difference
Ambulance	\$2,097	\$444	\$1,653
ER	\$7,835	\$1,306	\$6,529
Overnight Stay	\$106,676	\$5,162	\$101,515
Overnight in Jail	\$8,193	\$13	\$8,180
Food Kitchens	\$140	\$53	\$87
	\$124,942	\$6,978	\$117,964

Table 1.1

Appendix A

Local Interviews

Below is a list of local expert individuals that we interviewed and consulted with to construct our broader community benefit lens. We were able to trace three salient themes throughout our discussions - land usage, neighborhood development, and social services sector.

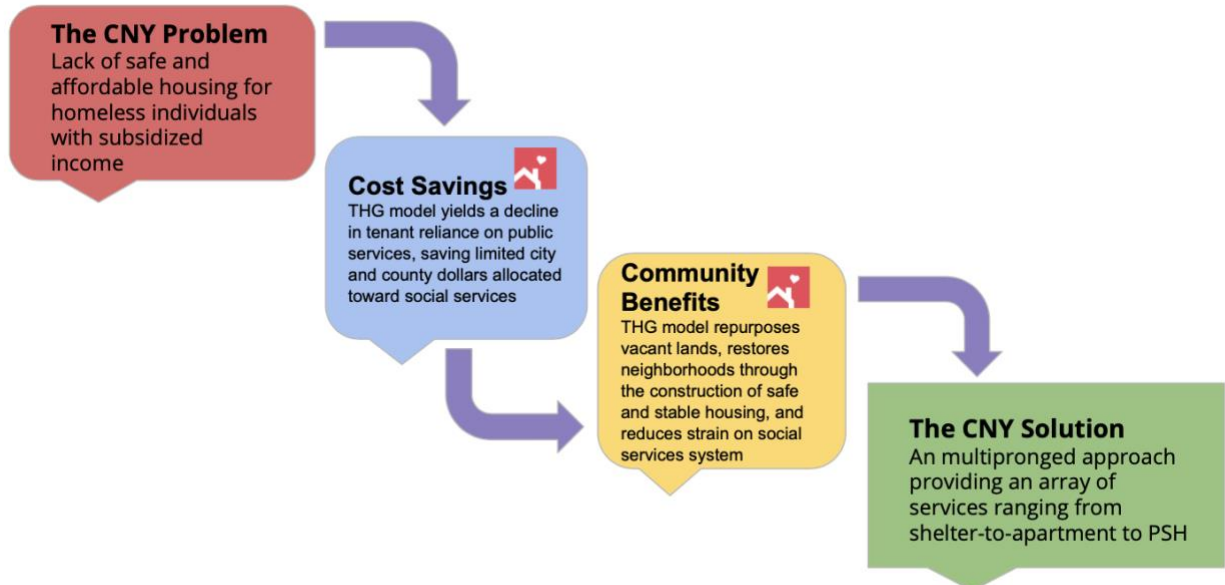
- **Ann Rooney** - *Deputy County Executive for Human Services, Onondaga County*
- **Eric Ennis** - *Director of Business Development, City of Syracuse*
- **Megan Stuart** - *Director, Housing and Homelessness Coalition of CNY*
- **Fred Hintz** - *Data & Systems Analyst, Housing and Homelessness Coalition of CNY*
- **Laurie Rolnick** - *Director of Eviction Defense Program, OnVLP*
- **Patty Lynch** - *NBD Office Manager, City of Syracuse*
- **Andrew Lunetta** - *Executive Director, A Tiny Home for Good*
- **Syracuse Police Department**
- **Samaritan Center**

Appendix B

**The following language is designed to be lifted and modified for any future grant applications and funding requests. Context language, general support language, and request-specific language are all included. We designed this section to be used in conjunction with the community benefit section and results from cost-benefit analysis.

Community Context

It is important to ground and contextualize the work of A Tiny Home for Good (THG) within the greater Central New York (CNY) housing and homelessness services. The CNY community is currently facing a housing crisis; we face a shortage of safe and affordable housing for homeless individuals. The community has collectively worked to address this problem via a multipronged solution that provides an array of services, ideally utilizing a ‘meet them where they are’ approach. THG fits within this broader context by building new safe and stable homes for previously homeless individuals. As the graphic below depicts, the THG model works to save limited public sector service dollars. There is demonstrable evidence that THG tenants have achieved relative stability since moving into their tiny home, thus dramatically reducing their reliance on costly public services. In addition to the dramatic cost saving effects of the THG model, community leaders have cited the valuable community benefits A Tiny Home for Good provides the greater CNY community. Both city and county leadership have emphasized the benefit of THG building on vacant lands, restoring neighborhoods through the creation of safe and stable housing, and reducing the strain on the social services system by de-densifying high crime, high poverty areas. Overall, it is clear that THG has a vital role to play in addressing housing and homelessness in CNY.



The Story of A Tiny Home for Good and the CNY Community

General Funding Language

Since 2015, A Tiny Home for Good (THG) has successfully housed and provided stability for 29 formerly homeless individuals while maintaining a staff of two or fewer. As a grassroots

organization, a small staff has aided a THG in staying connected to clients, building strong ties to neighbors, and bolstering organizational reputation. Now, as the organization matures and has solidified a sustainable cost saving model with demonstrable social benefits, THG recognizes a need to invest in our own organizational capacity in order to better serve CNY community and tenants. We've spent the last 6 years investing in our clients, building connections to our neighbors, and building homes. It's now time for us to invest in ourselves so that we can not only continue to deliver excellent services, but also to scale up our model and reach even more housing-vulnerable members of our community.

As an organization we have reached the threshold by which continued growth and expansion, without investment in internal infrastructure and staffing, will prohibit our ability to continue providing high quality service to clients and our community. Community investment in program related expenses (building new homes, furnishing homes) has not matched investment in organizational capacity related needs (staffing, infrastructure). This prioritization was deliberate; THG came to fruition in order to create safe, stable, and dignified housing for formerly homeless individuals. Now that we have tangible proof that our model works, we know that it's time to invest in ourselves and our growth - much in the same way we ask our clients to invest in their own stability.

REQUEST: Data Management & HMIS

THG is prioritizing building out our internal processes and data collection to be more in line with local partners and best practices. Luckily for THG, the Housing and Homelessness Coalition of Onondaga County (HHC) houses the Homelessness Management Information System (HMIS). Up until this point it has been feasible for THG staff to select incoming residents based off of pre-existing relationships and community connections via caseworker referrals. That being said, as THG expands to serve more Central New Yorkers, routinized and standardized data collection becomes increasingly important. Membership in HHC and utilization of the HMIS will allow THG access to data about current and future clients, creating the opportunity for more accurate and complete program evaluation. Moreover, membership in the Continuum of Care (as part of the HHC) gives THG an opportunity to standardize their intake process and scale the project based on the needs of the homeless community. However, integration into the HMIS system requires a heavy administrative burden. The current organizational capacity cannot absorb these tasks without funding staff focused on data collection and management.

REQUEST: Floodplains

In addition to creating new safe and stable housing for homeless individuals, THG also reduces city blight by building on vacant properties donated by the landbank. A small number of these properties are built on floodplains. There is a general free market disincentive to build on a floodplain because 1) insurance costs on the property are significantly higher 2) construction costs are higher to protect the property from flooding - for example, our homes on floodplains need to meet a minimum threshold for base flood elevation, meaning foundations need to be built higher and sturdier than our other homes. Our internal estimates indicate that it costs THG an additional \$6,000-\$8,000 to build and maintain properties on floodplains. Without THG, there would be no further development in the free market on the vast number of floodplain properties in Syracuse. Our hope is that (fill in funder name here) can support our organization by offsetting some of the additional costs for floodplain development as without our intervention, there would be no neighborhood development or blight reduction.

REQUEST: General Operating Support

Over the past six years THG has successfully built new homes for and housed over two dozen individuals. In doing so, THG has helped to create stability in the lives of tenants, build

relationships with community members, build neighborhood resilience, and ensure that formerly homeless individuals have access to safe, stable, and dignified housing. As THG enters this next phase of organizational growth and development, we realize that it is time for us to offer this same stability and attention to our own organization. We request general operating support with the understanding that we must invest in growing the organizational capacity of THG in order to scale operations and serve more Central New Yorkers. General operating support will allow THG to do everything from ensuring that we had adequate staffing to address client needs to investing in our data management and program evaluation practices. While this type of funding is not always flashy, it is the type of support that will enable THG to continue the work of restoring and rebuilding neighborhoods.