



2021

HILDA L. SOLIS
CARE FIRST
VILLAGE

A HOMELESS HOUSING SOLUTION THAT WORKS

HOW MODULAR CONSTRUCTION IS DISRUPTING POLICY TO MAKE HOUSING ACCESSIBLE

The Hilda L. Solis Care First Village, built on Vignes Street in Downtown L.A., took only five months to complete, despite construction taking place in a busy metropolitan area during the COVID-19 pandemic. The end result of that hard work is 232 full-service dwelling units across temporary and permanent modular structures, as well as a repeatable model for mitigating the homelessness crisis across the United States.

IN THIS CASE STUDY, WE EXAMINE:

- The homelessness crisis in L.A.
- Why many other efforts to house those experiencing homelessness haven't worked
- How the Hilda L. Solis Care First Village came together
- The project's impact and scalability to help other areas struggling to combat homelessness



THE PROBLEM: UNDERSTANDING L.A.'S HOMELESSNESS CRISIS

Homelessness in L.A. and across the U.S. is not a new problem, but its depth and complexity increases almost every year. According to The New York Times, the number of people experiencing homelessness in the U.S. rose for the fourth consecutive year, with around 580,000 people living in temporary shelters or on the streets at the beginning of 2020. Nationally, homelessness increased by 2.2% year over year, but officials say this figure almost certainly does not capture the true increase in homelessness the COVID-19 pandemic and other factors have caused. Job loss, displacement, and mental health struggles have fueled a rise in homelessness the U.S. has yet to fully account for and understand.

In L.A., the problem is in full view. In 2020, more than 66,000 people were experiencing homelessness — a sharp 12.7% increase from 2019 — according to the Los Angeles Homeless Services Authority.



THE CHALLENGE: WHY TRADITIONAL HOMELESS HOUSING BUILDING METHODS FAILED

Many projects have sought to solve homelessness in L.A. Among the most notable efforts has been the \$1.2 billion Proposition HHH, the goal of which is to triple supportive housing production in L.A. and build roughly 10,000 dwelling units for those experiencing homelessness in the city.

Since L.A. voters approved Proposition HHH in 2016, efforts to increase housing for those experiencing homelessness have been slow, bordering on failure. At the beginning of 2020, only 228 units had been built over four years — less than 3% of the 10,000-unit goal.

The reasons for the slow progress are numerous and complex, but one culprit can be found in traditional construction methods themselves, which present several key obstacles that can slow down housing projects like those called for under Proposition HHH.

For example, long construction timelines can wreck budgets for large-scale housing endeavors. Three years after L.A. approved Proposition HHH, the city had not seen the completion of a single building under the project meant to house those experiencing homelessness. But during those three years, the cost to construct apartment-style housing soared, increasing by more than \$100,000 per apartment.

That increase meant that it cost more to build a single apartment with traditional construction methods than it would cost to purchase a home at the median home price of \$627,690 in L.A. in 2019.

Further, as California, like many state economies, gradually emerges from the worst of the COVID-19 pandemic, a well-documented worker shortage and rising cost of building materials means the trend of inflating traditional construction costs is unlikely to stop anytime soon.

THE SOLUTION: L.A. HOMELESS HOUSING GOES MODULAR

The problems facing efforts to combat homelessness in L.A. led Controller Ron Galperin to tell USA Today that, "Los Angeles needs to figure out how to make the cost of development cheaper and the timeline quicker."

Modular construction both reduces construction costs and truncates construction timelines. That is why offsite modular construction was presented as the solution to stick to the budget and timeline of the proposed Vignes Street Project.

When Los Angeles County acquired the four-acre property at 1060 North Vignes Street in L.A. in 2018, the plan was to use the location as a staging area as the county constructed a new men's jail facility.

In late 2019, led by Chair Hilda L. Solis, the Los Angeles County Board of Supervisors voted to begin exploring short- and long-term housing options to help with the homelessness crisis. Facing the added urgency of the COVID-19 pandemic, the board voted less than a year later to approve the Vignes Street Interim Housing Project. Less than a month later, in October 2020, the county broke ground on the property, which was renamed as the Hilda L. Solis Care First Village.

The estimated cost of the 232-bed modular construction project was \$57 million, with \$51 million of that coming from The Coronavirus Aid, Relief, and Economic Security (CARES) Act. The other \$6 million came from Chair Solis' First District Interim Housing Pool funds.

Had Chair Hilda Solis not spearheaded the effort to cancel the jail construction contract, some of those who will soon call the Vignes Complex home might have ended up confined to the very jail that was initially planned for the site instead.



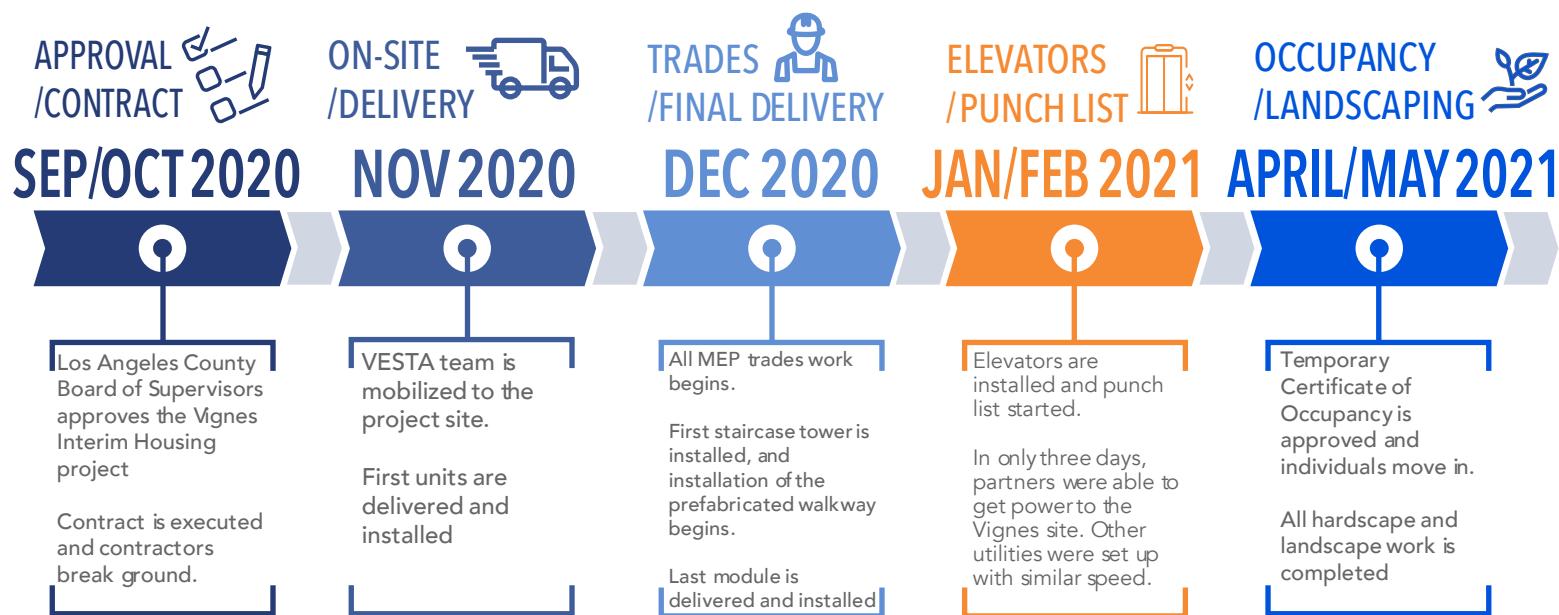
THE APPROACH: HOW THE HILDA L. SOLIS CARE FIRST VILLAGE CAME TOGETHER

Because the Hilda L. Solis Care First Village was a modular construction project, the construction took place both on and offsite. Units made from repurposed shipping containers were fabricated in factory settings offsite while on-the-ground crews laid foundations, utility lines and similar elements. This approach — and the short five-month project timeline — made a coordinated nationwide effort necessary to complete every part of the project simultaneously and 100% on time. To aid in that effort, VESTA Modular conducted a nationwide search to identify partners who could deliver each element of the project.

THE TIMELINE:

HOW THE HILDA L. SOLIS CARE FIRST VILLAGE CAME TOGETHER

In five short months, multiple partners came together to complete the Hilda L. Solis Care First Village in full, despite the COVID-19 pandemic and a number of logistical challenges. Here is a breakdown of the construction process:



Project Note:

The shipping container living units, which were to be stacked three stories high and joined together, arrived at the Vignes Street site so the first structure could be built.

Project Note:

Construction of the modular units and site preparation started simultaneously, saving time on traditional methods that would have required full site preparation to be complete before any part of the structure could be built.

In all, more than 60,000 square feet of living space was delivered to the Vignes site in under 90 days. This included 66 shipping containers modified and outfitted by Crate Modular in Carson, California, 20 mobile trailers from Guerdon in Boise, Idaho, two modular elevators from Phoenix Modular Elevator in Mount Vernon, IL, and nine wooden frame modules for the administration building from Palomar in De Soto, Texas. Callout/Fun Fact: In less than five months' time, VESTA and its partners were able to construct and install more units than Proposition HHH had completed in four years.

96
MODULAR
BUILDINGS

232
DWELLING
UNITS

\$48M
TOTAL
PROJECT

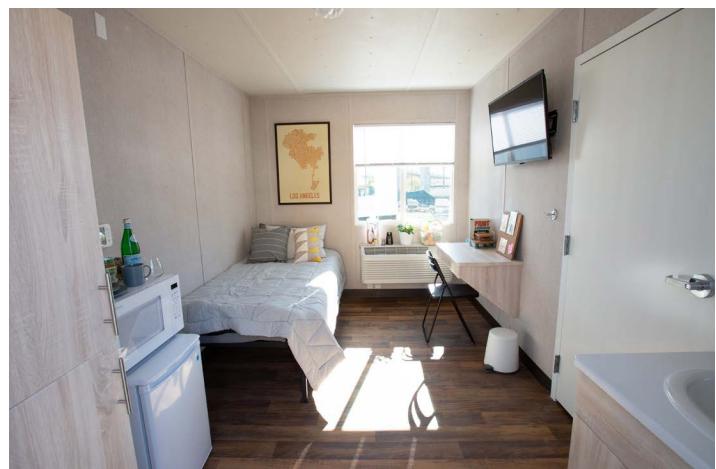
HUGE COST SAVINGS

L.A. HOMELESS HOUSING GOES MODULAR

This under budget \$48 million modular construction project yielded 232 dwelling units. To build 232 dwelling units using traditional construction methods, the cost of the project would have been much higher. At the 2019 average cost of \$531,373 to construct each unit, this 232-unit project would have cost \$123,278,536 if it had used traditional construction methods rather than modular construction.

The average cost per unit for the Hilda L. Solis Care First Village was around \$245,689 — less than half the cost of traditional construction.

PROJECT COST COMPARISON



THE IMPACT: LOOKING FORWARD AFTER VIGNES STREET

Such a successful project begs a certain question: can this be replicated? Can modular construction be used to combat homelessness in every major U.S. city?

Economic Benefits of Supportive Housing

At VESTA Modular, we believe modular construction is a scalable solution to any city's efforts to end homelessness. You only need to look at the success of the Hilda L. Solis Care First Village to understand why. And we know ending homelessness benefits not only those experiencing homelessness, but everyone else.

With housing, those experiencing homelessness suddenly have a home base from which they can gain better access to addiction services, healthcare, and make plans to get jobs and achieve more stability.

Adding to the societal benefits of supportive housing for those experiencing homelessness is the benefit to the taxpayer. For each person experiencing chronic homelessness, taxpayers pay an average of \$35,578 per year. The annual cost of supportive housing for one person is around \$12,800. The financial benefits are numerous and defined.

A study of a housing-first supportive program for those experiencing homelessness in Albuquerque, New Mexico, found similar economic benefits to providing supportive housing. Over the study period of two to three years, the program saved the city 15% in total costs for fighting homelessness.

A Wave of Change

The team at VESTA Modular also believes a wave of change is coming. With successful projects such as the Hilda L. Solis Care First Village and growing government support at the state and city level, momentum for modular construction is building.

One exciting example is happening in Illinois. There, a bill focused on removing unnecessary barriers to modular construction is expected to sail through the approval process.

In Salt Lake City, Utah, the effort to provide affordable housing was recently bolstered by the city council's vote to adopt new off-site construction standards that would allow for more modular construction projects like the Hilda L. Solis Care First Village. Salt Lake City is the first jurisdiction in the U.S. to adopt these standards, but many more are likely to come.

Thanks to the efforts of all involved partners, the Hilda L. Solis Care First Village was a resounding success. If you're interested in developing a similar solution in your city, contact us below. Our team of experts are available to discuss how modular construction can work for you.

CONTACT US

QUOTES FROM THE MEDIA

"This L.A. project shows that homeless housing can be done quickly and cheaply" - LA Times

"New Affordable Housing Projects Prove We Can Tackle Homelessness Crisis" - Knock LA

"We need to rapidly build more housing units to provide stable shelter for people experiencing homelessness. My resolve is stronger than ever to help people who need access to affordable housing. It is in line with our commitment to pursue a care first, jail last model of support for our most vulnerable residents" - Hilda Solis (via Urbanize)

THANK YOU TO EVERYONE INVOLVED IN MAKING THIS PROJECT A REALITY.



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