Five Recent Trends in Homelessness in California

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Acknowledgements

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Introduction

California's homelessness and housing crisis is complex, and the scale of the crisis has continued to grow. Data collected in early 2022 show that homelessness in California grew by six percent since 2020—an increase of almost 10,000 people.[1,2] This brief analyzes data from the Point-in-Time (PIT) Counts[3] of homelessness to paint a fuller picture of how homelessness has changed across the state in recent years, highlighting five key trends:

1. California's homelessness crisis is larger in scale than any other state and continued to worsen during the Covid-19 pandemic.

2. Stark racial and ethnic disparities in California's homelessness rates have continued to grow.

3. Unsheltered homelessness remains more common in California than in any other state, and unsheltered chronic homelessness has increased more rapidly than has homelessness overall.[4]

4. Some of the largest increases in recent years have been in places that did not previously have high levels of homelessness, including in suburban and rural areas of the state.

5. The range and scale of efforts to address homelessness have grown over time, including large expansions in shelter and housing capacity.

These trends suggest that California policymakers will need to expand and sustain support for interventions that prevent people from falling into homelessness and help people experiencing homelessness access stable, supportive housing.

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[1] T. de Sousa et al., *The 2022 Annual Homeless Assessment Report (AHAR) to Congress, Part 1: Point-in-Time Estimates of Homelessness* (U.S. Department of Housing and Urban Development, 2022), https://www.huduser.gov/portal/sites/default/files/pdf/2022-AHAR-Part-1.pdf.

[2] The brief analyzes data through the 2022 Point-in-Time Count. Some but not all localities conducted counts in 2023, and those data are not currently available across California or the nation.

[3] The PIT Count is a national project of the U.S. Department of Housing and Urban Development (HUD).

[4] Chronic homelessness is defined by homelessness lasting at least one cumulative year in the previous three years plus the presence of a disability.

Findings

1. California's homelessness crisis is larger in scale than in any other state and continued to worsen during the Covid-19 pandemic.

California has consistently had the largest population experiencing homelessness in the country since the first available PIT Count data in 2007. PIT Counts estimate the number of people experiencing homelessness on a given night, using administrative data from shelter programs and teams that canvas outside areas. These counts are conducted by local administrative entities called Continuums of Care (CoCs), which help lead local strategic planning around homelessness, administer federal homelessness funding, and coordinate housing placements.

On a single night in 2022, almost 30 percent of people experiencing homelessness in the United States were in California—more than 171,000 people out of the roughly 578,000 people counted nationwide. New York had the next largest population experiencing homelessness with about 74,000 people, followed by Florida with about 26,000 people. The total number of people experiencing homelessness also increased more since 2020 in California than in the rest of the country, growing by almost 10,000 people.

> **More than 171,000 Californians experienced homelessness on a single night in 2022, about 10,000 more than in 2020.**

Unlike rates in many other parts of the country, rates of homelessness in California have continued to increase over the last several years, and the gap between California and the rest of the country has widened (Figure 1). In 2022, the homelessness rate was higher in California than in any other state, with about 44 of every 10,000 Californians experiencing homelessness on a single night—about two-and-half times higher than the rate for the nation overall.

Figure 1. Trends in homelessness rates per 10,000 for California and the United States, 2007–2022
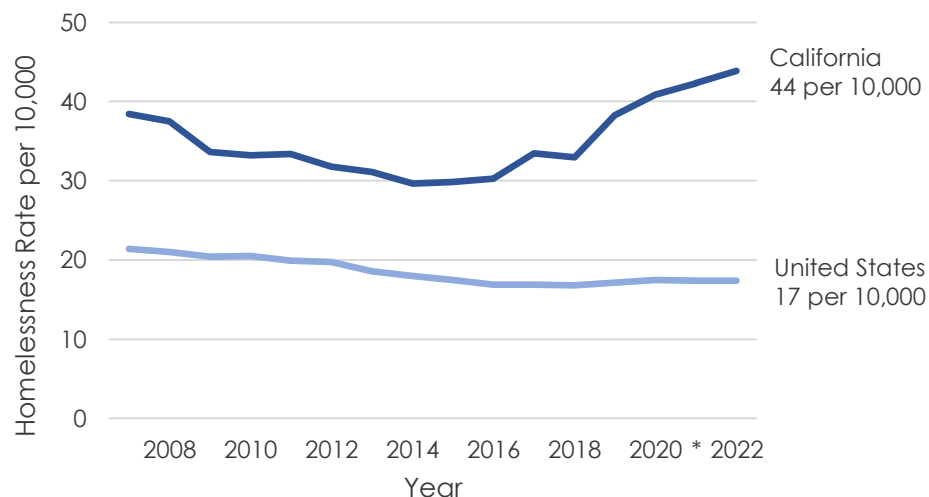
Sources: Estimated numbers of people experiencing homelessness are from the 2007 through 2022 Point-in-Time Counts of homelessness from the U.S. Department of Housing and Urban Development; population numbers are from the U.S. Census Bureau.
*The 2021 Point-in-Time Counts was disrupted by the Covid-19 pandemic. The chart fills in the 2021 numbers with the average of the 2020 and 2022 numbers.

The specific factors pushing any given person into homelessness can be varied and complex. Unemployment, physical health conditions and disabilities, mental illness, and substance use can increase the risk of homelessness. Substance use and mental health challenges also can result from, rather than cause, homelessness or can be intertwined with other hardships in a person's life that also contribute to homelessness. Homelessness is more common for people who have been involved with institutions such as the criminal justice system or foster care.[5]

However, homelessness is more common in California than in other places because these factors can more easily lead to homelessness when housing is scarce and expensive.[6] Places with higher housing costs tend to have higher rates of homelessness, and California's highest-in-the-nation homelessness rate coincides with its high housing costs compared to other states (Figure 2). In 2022, California had only 23 affordable and available rental units per 100 households with extremely low incomes (less than 30 percent of area median income).[7] In a statewide study of people experiencing homelessness in 2021–2022, paying one-third or more of monthly income for housing was a leading precursor to homelessness, as was living doubled up with family or friends among people who could not afford housing.[8]

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[5]   B. Shinn and J. Khadduri, In the Midst of Plenty: Homelessness and What to Do about It (Wiley Blackwell, 2020); M. Kushel et al., Toward a New Understanding: The California Statewide Study of People Experiencing Homelessness (UCSF Benioff Homelessness and Housing Initiative: 2023), https://homelessness.ucsf.edu/our-impact/our-studies/california-statewide-study-people-experiencing-homelessness; D. McVicar, J. Moschion, and J.C. van Ours, "From Substance Use to Homelessness or Vice Versa?," Social Science & Medicine 136–137: 89–98, https://doi.org/10.1016/j.socscimed.2015.05.005.

[6]   G. Colburn and C.P. Aldern, Homelessness Is a Housing Problem: How Structural Factors Explain US Patterns (University of California Press, 2022); W.N. Evans, D.C. Phillips, and K. Ruffini, "Policies to Reduce and Prevent Homelessness: What We Know and Gaps in the Research," Journal of Policy Analysis and Management 40, no. 3 (2022): 914–963, https://doi.org/10.1002/pam.22283; C. Glynn, T.H. Byrne, and D.P. Culhane, "Inflection Points in Community-Level Homeless Rates," The Annals of Applied Statistics 15, no. 2 (2021): 1037–153, https://doi.org/10.1214/20-AOAS1414; T.H. Byrne et al., "New Perspectives on Community-Level Determinants of Homelessness," Journal of Urban Affairs 35, no. 5 (2013): 607–625, https://doi.org/10.1111/j.1467-9906.2012.00643.x.

[7]   A. Aurand et al., The Gap: A Shortage of Affordable Homes (National Low Income Housing Coalition, 2022), https://nlihc.org/gap.

[8]   Kushel et al., Toward a New Understanding.

Figure 2. State Homelessness Rates per 10,000 by Median One-Bedroom Rents, 2022
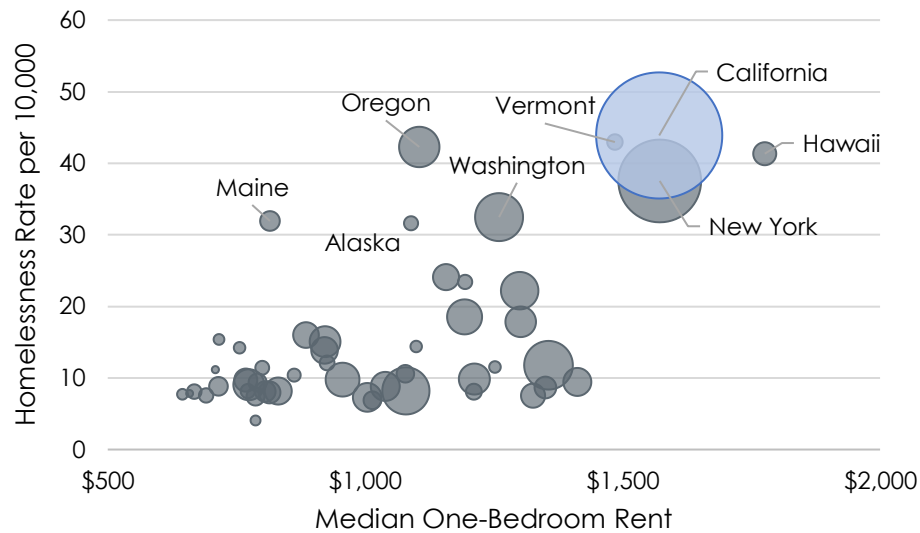
Sources: Estimated numbers of people experiencing homelessness are from the 2022 Point-in-Time Counts of homelessness, U.S. Department of Housing and Urban Development; state populations are from the U.S. Census Bureau; median rents are Apartment List's updated estimates based on the Census Bureau's American Community Survey and its own listing and transaction data.
Notes: The graph shows one bubble for each of the 50 states, and the sizes of the bubbles are proportional to the 2022 Point-in-Time Counts of homelessness.

Housing scarcity also undermines interventions to help people exit homelessness. For example, market rents exceed what tenant-based housing vouchers will support in much of California, leaving many voucher holders struggling to find a housing unit they can afford.[9] Short-term subsidies such as rapid re-housing assistance are less effective when recipients' incomes cannot cover rental costs over the long term. A recent study using the state's administrative data found that people exiting homelessness with temporary subsidies returned to homelessness within six months at higher rates than did people with longer-term subsidies.[10] High housing development costs limit growth in the

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[9]   C. Economy, R. Finnigan, and M. Espinoza, *Using Emergency Housing Vouchers to Address Homelessness* (Terner Center for Housing Innovation, 2023), https://ternercenter.berkeley.edu/research-and-policy/emergency-housing-vouchers-lessons/; J. Khadduri et al., *Using Tenant-based Housing Vouchers to Help End Homelessness in Los Angeles* (Abt Associates, 2022), https://www.abtassociates.com/insights/publications/report/using-tenant-based-housing-vouchers-to-help-end-homelessness-in-los.

[10] California Interagency Council on Homelessness, *Statewide Homelessness Assessment (July 1, 2018– June 30, 2021): Report to the Legislature* (California Interagency Council on Homelessness, 2023), https://bcsh.ca.gov/calich/documents/homelessness_assessment.pdf.

supply of supportive housing and increase the amount of public subsidies needed to build and operate it.[11] In short, California's housing crisis both increases the flow of people into homelessness and stymies the flow of people out of homelessness.

2. *Stark racial and ethnic disparities in California's homelessness rates continued to grow during the pandemic, increasing most for Black, Hispanic/Latinx, and Native Hawaiian and Pacific Islander people.*

Racial and ethnic disparities in homelessness are stark across the country, including in California. Table 1 shows that Black people in California experienced the highest rate of homelessness, about 205 people per 10,000—almost five times higher than the state's overall homelessness rate of 44 per 10,000. Native Hawaiian and Pacific Islander, Native American and Indigenous, and multiracial people also experienced disparate homelessness rates compared to the state's overall population.

Table 1. Racial and ethnic demographics of the Point-in-Time (PIT) Count of Homelessness and California's overall population, 2022

	Percentage of PIT Count	Percentage of CA Population	Homelessness Rate per 10,000
Ethnicity			
Non-Hispanic/Non-Latinx	63%	60%	46
Hispanic/Latinx	37%	40%	40
Race			
Black, African American, or African	30%	6%	205
Native Hawaiian or Other Pacific Islander	1%	1%	122
American Indian, Alaskan Native, or Indigenous	4%	2%	107
Multiracial or Other Race	7%	4%	71
White	55%	71%	34
Asian	2%	16%	6

Sources: Estimated numbers of people experiencing homelessness are from the 2022 Point-in-Time Counts of homelessness, U.S. Department of Housing and Urban Development; 2022 population estimates are from the U.S. Census Bureau.
Notes: Ethnicity and race are measured as separate categories in the PIT Counts. Hispanic/Latinx includes people of all races. Each racial group can include both Hispanic/Latinx and non-Hispanic/non-Latinx people.

Racial disparities continued to grow during the pandemic, as shown in Figure 3. The homelessness rate increased most for Native Hawaiians and Pacific Islanders, from 89 to almost 122 people per 10,000. The homelessness rate also increased disproportionately for Black, Indigenous, and Hispanic/Latinx people. Multiracial people are the only group for whom homelessness decreased, both in rate and absolute number.

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[11] C. Reid, *The Costs of Affordable Housing Production: Insights from California's 9% Low-Income Housing Tax Credit Program* (Terner Center for Housing Innovation, 2020), https://ternercenter.berkeley.edu/research-and-policy/development-costs-lihtc-9-percent-california/; C. Reid, *Permanent Supportive Housing as a Solution to Homelessness: The Critical Role of Long-Term Operating Subsidies* (Terner Center for Housing Innovation, 2023), https://ternercenter.berkeley.edu/blog/psh-homelessness-cost/.

Figure 3. Changes in homelessness rates per 10,000 population by ethnicity and race in California, 2020–2022
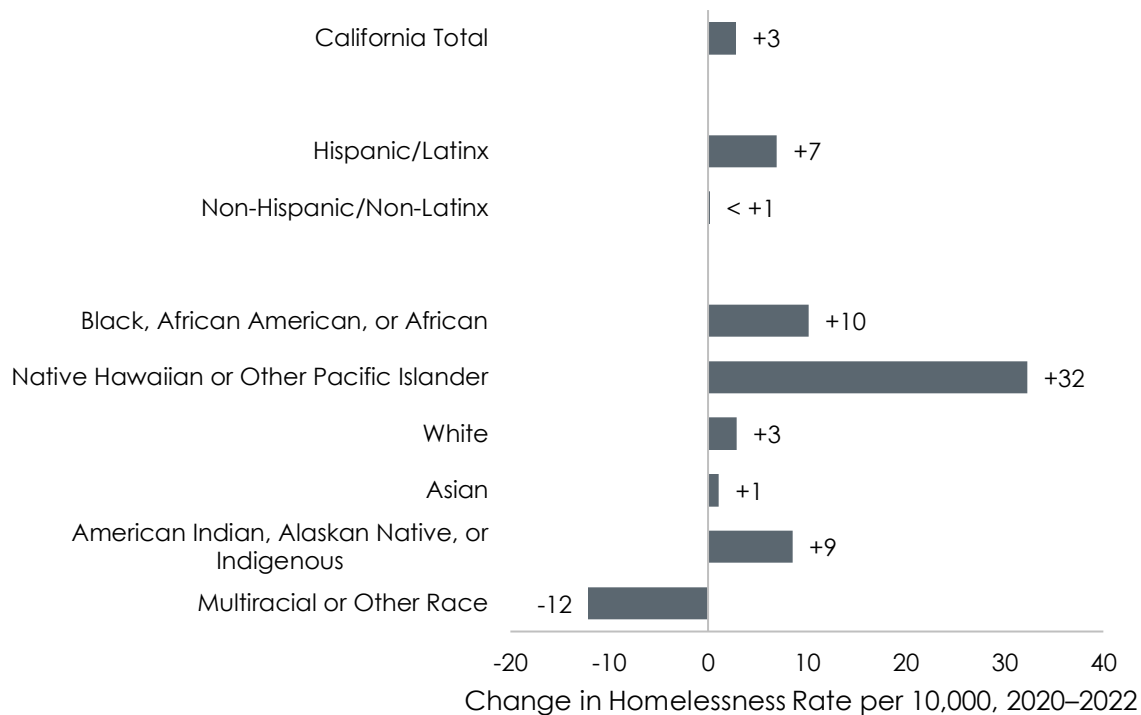

Sources: Estimated numbers of people experiencing homelessness are from the 2020 and 2022 Point-in-Time Counts of homelessness, U.S. Department of Housing and Urban Development; population estimates are from the U.S. Census Bureau.

> **Since 2020, homelessness rates have increased most among Native Hawaiian and Pacific Islander, Black, Indigenous, and Hispanic/Latinx people.**

Powerful structural processes create and maintain these racial and ethnic disparities in homelessness. Systemic racism and discrimination limit educational and labor market opportunities for People of Color and pervade all elements of the housing market. Racial inequalities in intergenerational wealth and access to credit and favorable lending terms, historical and ongoing residential segregation, direct mortgage and landlord discrimination, and disparities in evictions and home foreclosures systemically undermine homeownership and housing stability for People of Color, particularly Black people. Disproportionate involvement with the criminal justice and foster care systems also increases the risk of homelessness for Black people and other People of Color.[12]

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[12] M.Z. Fowle, "Racialized Homelessness: A Review of Historical and Contemporary Causes of Racial Disparities in Homelessness," *Housing Policy Debate* 32, no. 6 (2022): 940–967; J. Olivet et al., "Racial Inequity and Homelessness: Findings from the SPARC Study," *The ANNALS of the American Academy of Political and Social Science* 693 (2021):1, 82–100; Kushel et al., *Toward a New Understanding*.

3. Unsheltered homelessness has continued to grow, with two-thirds of Californians experiencing homelessness in tents, vehicles, or on the street in 2022. Unsheltered chronic homelessness increased more rapidly than homelessness overall.

Most people experiencing homelessness in California—two-thirds of the 2022 homelessness count—are unsheltered, meaning they are sleeping in tents, vehicles, or other places not meant for habitation. This proportion of unsheltered homelessness is higher than in any other state. Unsheltered homelessness is also undercounted, given the greater difficulty counting people living outside of visible areas, such as inside RVs or away from public areas. A statewide survey of people experiencing homelessness in 2021–2022 found that 78 percent of respondents spent most of the previous six months in unsheltered situations, and 90 percent spent at least one night unsheltered.[13]

> **More than 115,000 Californians slept in tents, vehicles, or on the street on a given night in 2022.**

California's rate of unsheltered homelessness has been consistently high over time. Figure 4 shows the number of Californians in unsheltered situations has exceeded the number of people living in sheltered situations in every PIT Count from 2007 through 2022. This high rate of unsheltered homelessness partly reflects the scarce supply of interim housing: HUD's Housing Inventory Count (HIC) data showed about 74,000 interim housing beds in 2022, whereas the total number of people in the PIT Count was more than 130 percent greater.

Figure 4. Sheltered and Unsheltered Point-in-Time Counts of Homelessness in California, 2007–2022
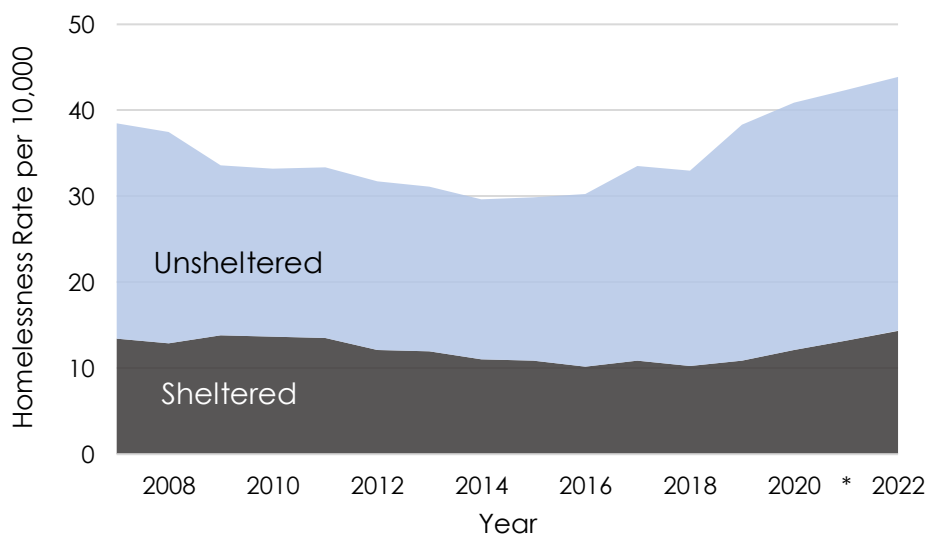
Sources: Estimated numbers of people experiencing homelessness are from the 2007–2022 Point-in-Time Counts of homelessness, U.S. Department of Housing and Urban Development.
*The 2021 Point-in-Time Count was disrupted by the Covid-19 pandemic. The chart fills in the 2021 numbers with the average of the 2020 and 2022 numbers.

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13   Kushel et al., Toward a New Understanding.

California's unsheltered homelessness is especially visible in encampments, typically defined as collections of tents, vehicles, and make-shift structures. The number of people living in encampments is not recorded in the PIT Count data reported to HUD, but local reports show that encampments make up substantial shares of unsheltered homelessness. For example, 42 percent of unsheltered people were living in tents in the Sacramento City and County CoC's 2022 count, as were 31 percent of unsheltered people in the Alameda County CoC's count.[14]

Though less visible than people living in tents, many people experience homelessness in vehicles. The 2021–2022 statewide survey showed about 27 percent of people who were typically unsheltered lived in cars, vans, RVs, or trailers.[15] Homelessness in vehicles is even more common in places such as Alameda County, where 55 percent of unsheltered people lived in vehicles in the 2022 PIT Count, or in the Los Angeles City and County CoC, where 40 percent of unsheltered people lived in vehicles.[16] Relative to the entire population experiencing homelessness, a greater share of people living in vehicles in places such as Los Angeles and Oakland are families who have recently lost their housing.[17]

As California's homelessness crisis has persisted, more and more people are experiencing a *chronic pattern of homelessness*, defined by at least one cumulative year of homelessness in the past three years alongside a disabling condition. In the 2022 PIT Count, chronic patterns of homelessness were more common among people experiencing unsheltered homelessness (39 percent) than among people in shelters (28 percent). This difference reflects both the challenges that can drive people experiencing chronic homelessness out of shelters and the stress and trauma people encounter while unsheltered that lead to chronic patterns of homelessness.[18]

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14 A. Baiocchi et al., *Homelessness in Sacramento County: Results from the 2022 Point-in-Time Count* (Center for Health Practice, Policy & Research, 2022), https://sacramentostepsforward.org/wp-content/uploads/2022/06/PIT-Report-2022.pdf; Applied Survey Research, *2022 Alameda County Homeless Count and Survey Comprehensive Report* (Applied Survey Research, 2022), https://everyonehome.org/wp-content/uploads/2022/12/2022-Alameda-County-PIT-Report_9.22.22-FINAL-3.pdf.

15 Kushel et al., Toward a New Understanding.

16 Applied Survey Research, 2022 Alameda County; LAHSA Data Management, Car, Van, RV/Camper, Tent, and Makeshift Shelter (CVRTM): Summary Tables by Service Planning Area (SPA), LA County Supervisorial Districts (SDs), and City of LA Council Districts (Los Angeles Homeless Services Authority, 2022), https://www.lahsa.org/documents?id=6533-cvrtm-summary-by-geography.

17 C. Giamarino, E. Blumenberg, and M. Brozen, "Who Lives in Vehicles and Why? Understanding Vehicular Homelessness in Los Angeles," *Housing Policy Debate* (2023), https://www.tandfonline.com/doi/full/10.1080/10511482.2022.2117990; G. Pruss et al., *The Long Road Home: Housing and Service Needs of People Who Inhabit Oversized Vehicles in Oakland's Public Parking* (UCSF Benioff Homelessness and Housing Initiative, 2022), https://homelessness.ucsf.edu/resources/long-road-home-housing-and-service-needs-people-who-inhabit-oversized-vehicles.

18 R. Finnigan, *Shelter and Safety Among People Experiencing Homelessness During the COVID-19 Pandemic* (Terner Center for Housing Innovation, 2022), https://ternercenter.berkeley.edu/wp-content/uploads/2022/05/Shelter-and-Safety-May-2022.pdf; Kushel et al., *Toward a New Understanding*; J. Olivet et al., "Staffing Challenges and Strategies for Organizations Serving Individuals Who Have Experienced Chronic Homelessness," *The Journal of Behavioral Health Services & Research* 37 (2010): 226–238.

Unsheltered chronic homelessness has increased more quickly than homelessness overall in California, and this population presents substantial healthcare and social service needs to become and remain stably sheltered or housed. Figure 5 shows that the number of unsheltered individuals (people not in households with children) with chronic patterns of homelessness increased from almost 28,000 people in 2018 to more than 44,000 people in 2022—a 59 percent increase that outpaces the 32 percent increase of overall homelessness during that period. This upward trend highlights a growing need for culturally competent and skilled outreach services that can meet the complex needs of people with chronic patterns of homelessness and help them move into shelter or housing.

The number of individuals experiencing unsheltered chronic homelessness increased 59 percent between 2018 and 2022.

Figure 5. Number of Individuals Experiencing Unsheltered Chronic Homelessness, 2009–2022
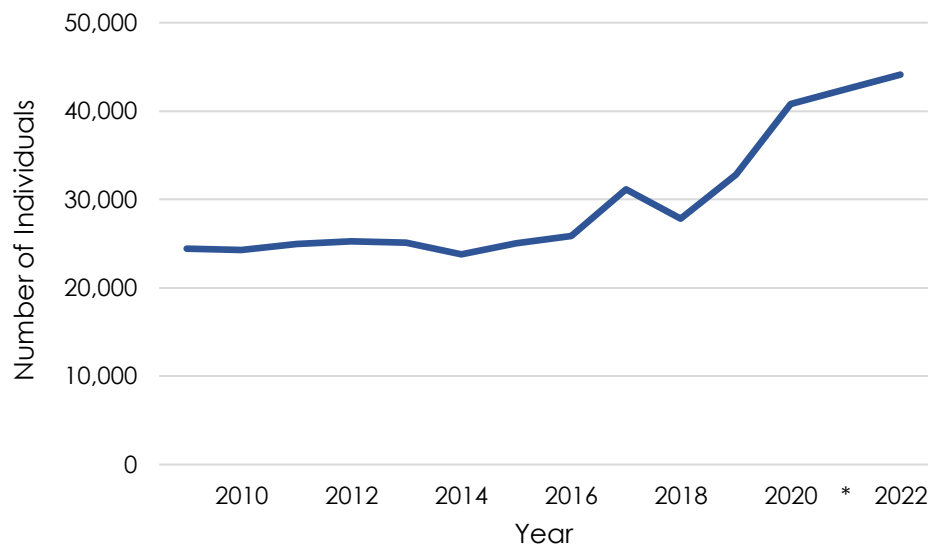
Sources: Estimated numbers of people experiencing homelessness are from the 2009–2022 Point-in-Time Counts of homelessness, U.S. department of Housing and Urban Development.
*The 2021 Point-in-Time Count was disrupted by the Covid-19 pandemic. The chart fills in the 2021 number with the average of the 2020 and 2022 numbers. The 2007 and 2008 PIT Counts do not report the number of people experiencing unsheltered chronic homelessness.

4. Some of the largest increases during the pandemic occurred in places without previously high levels of homelessness.

People experiencing homelessness in California mainly live in the state's largest cities. The 2022 PIT Count found more than 65,000 people experiencing homelessness in the Los Angeles County CoC—about 40 percent of all people experiencing homelessness in California.[19] Although the Los Angeles County CoC had by far the largest *number* of people experiencing homelessness, some CoCs in rural parts of the state have higher homelessness *rates* relative to their populations, as shown in Figure 6.

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[19]   The Los Angeles County CoC includes all cities within Los Angeles County and its unincorporated areas except for Glendale, Long Beach, and Pasadena.

About 73 of every 10,000 people in the Los Angeles County CoC were experiencing homelessness in the 2022 PIT Count. Homelessness was even more common in San Francisco at 96 of every 10,000 people, the second highest rate in the state. However, two rural CoCs were also among the places with the highest homelessness rates. Largely rural Humboldt County CoC had the highest rate in the state, with about 122 of every 10,000 people experiencing homelessness. Neighboring Mendocino County CoC had the third highest rate at 92 people of every 10,000.[20]

Figure 6. Homelessness rates per 10,000 in 2022 by Continuum of Care in California
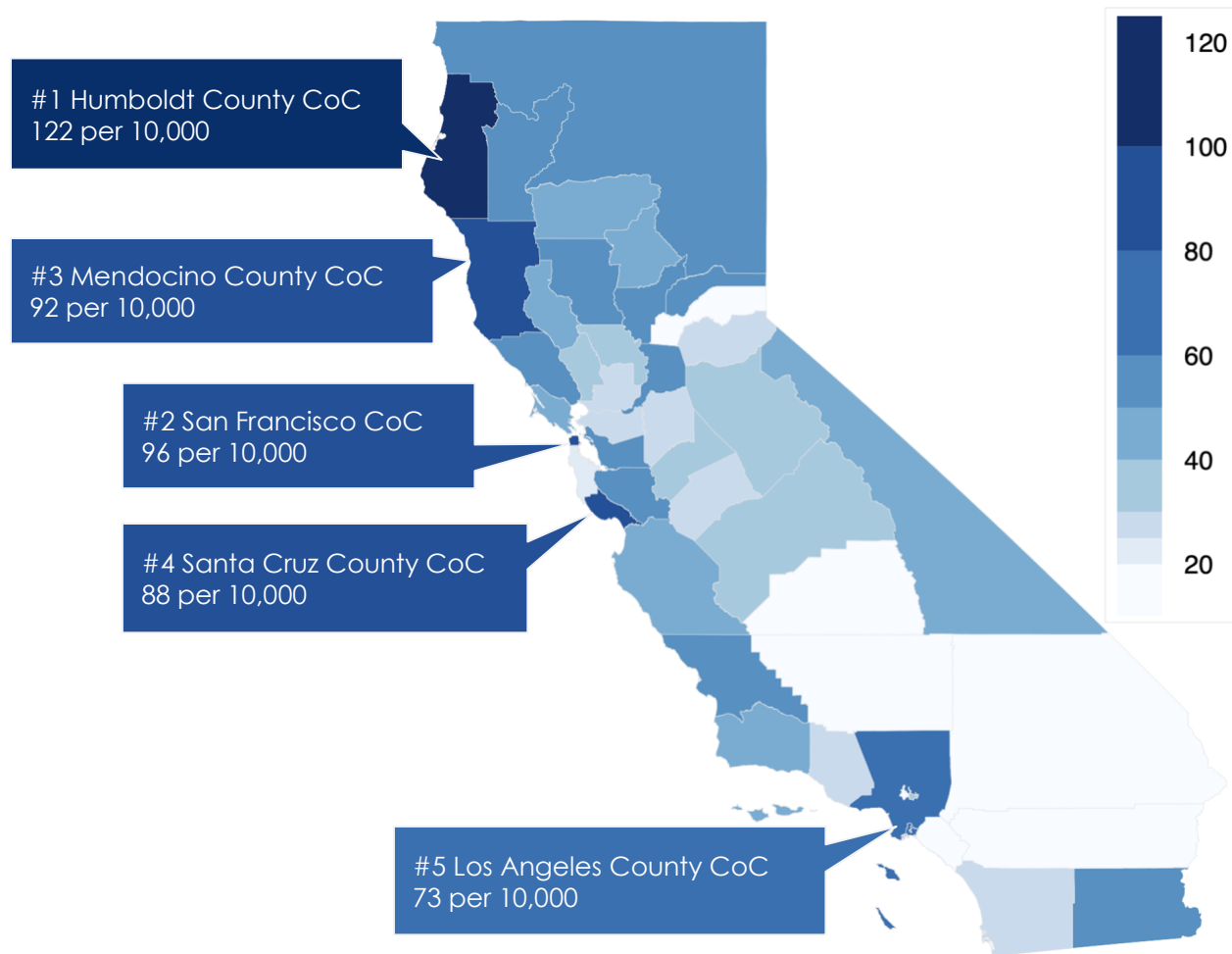
Sources: Estimated numbers of people experiencing homelessness are from the 2022 Point-in-Time Counts of homelessness, U.S. Department of Housing and Urban Development; population estimates are from the U.S. Census Bureau.
Note: Labels identify the five highest homelessness rates in the state.

[20]   PIT Count underestimates are likely greater in these rural northern counties than in other parts of the state because counts there do not always include people experiencing homelessness on Tribal lands.

Increases in homelessness rates during the pandemic were also spread across urban, suburban, and rural parts of the state, as shown in Figure 7. Some of the largest increases occurred in places that were not previously among those with the highest homelessness rates in the state. The Long Beach CoC had the largest increase in its homelessness rate, from 41 per 10,000 in 2020 (18th highest in the state) to 71 per 10,000 (sixth highest). The Sacramento City & County CoC experienced the second largest increase, from 35 per 10,000 in 2020 (26th highest in the state) to 58 per 10,000 in 2022 (11th highest). Largely rural CoCs also experienced considerable growth in their homelessness rates, including the Yuba and Sutter Counties CoC and Nevada County CoC.

> **Sacramento and Long Beach had the two largest increases in their homelessness rates since 2020.**

Figure 7. Changes in homelessness rates per 10,000 between 2020 and 2022 by Continuum of Care in California

Sources: Estimated numbers of people experiencing homelessness are from the 2020 and 2022 Point-in-Time Counts of homelessness, U.S. Department of Housing and Urban Development; population estimates are from the U.S. Census Bureau.
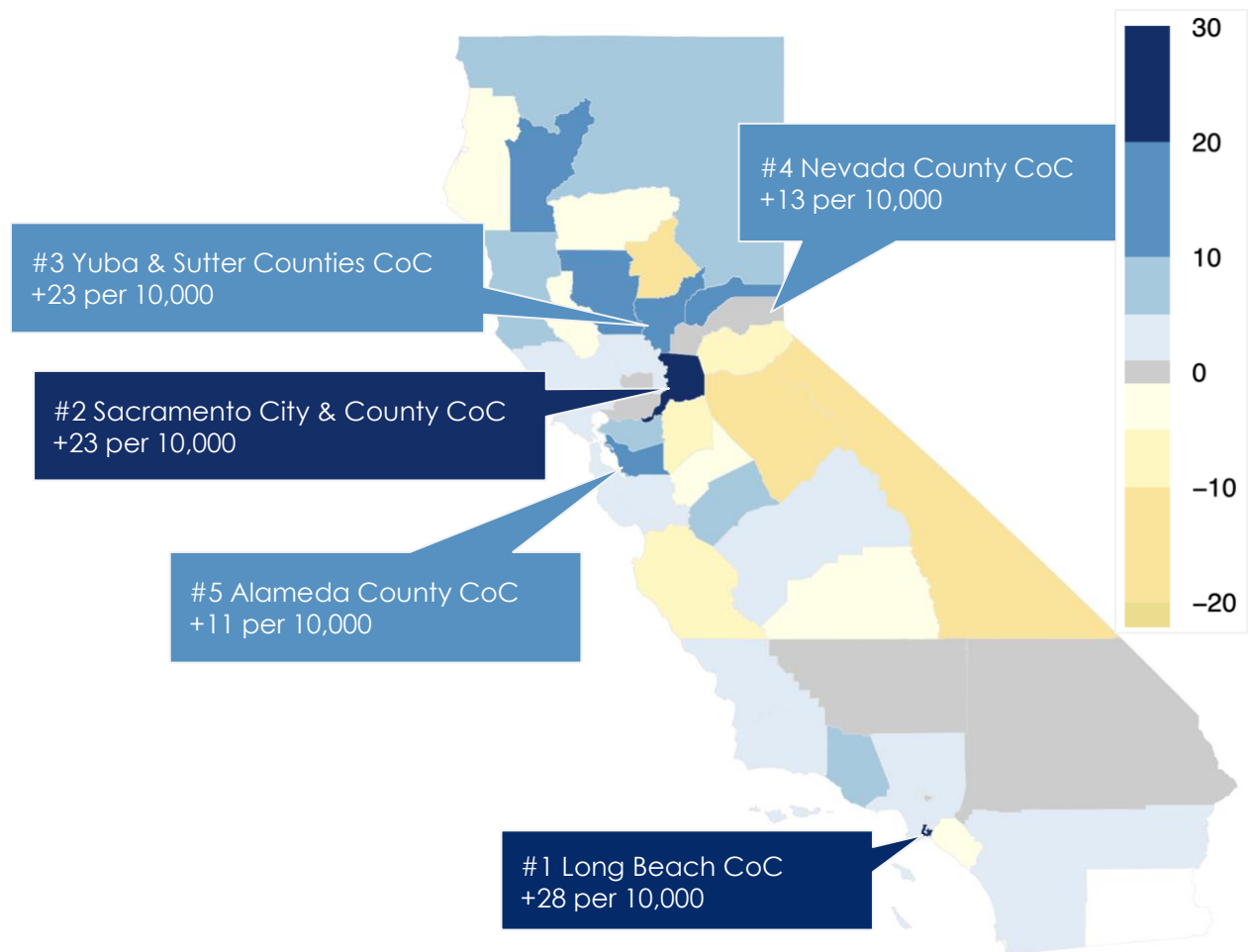Note: Labels identify the five largest increases in homelessness rates in the state.

Several factors contributed to increasing homelessness in these places. Sacramento's PIT Count report noted that average rents increased 20 percent from March 2020 to November 2021.[21] In addition to rising housing costs, the Long Beach CoC's PIT Count report highlighted how Covid-19 disrupted homelessness services and prompted jails to release people, who often entered homelessness.[22]

The geographic diversity in homelessness rates and recent changes do not necessarily align with the resources and local capacity to address homelessness. For example, although Mendocino County and San Francisco had similar homelessness rates in 2022, per capita state and federal funding to address homelessness in 2018 through 2021 was 36 percent higher in San Francisco than in Mendocino County. And despite Humboldt County having the highest homelessness rate in the state, its per capita homelessness funding was one-third lower than in Mendocino County and less than half the per capita funding in San Francisco.[23]

Funding to address homelessness matters in several ways. Most directly, funding is essential for supporting robust services, shelter, and housing programs. Through these efforts, funding also fosters collaborative local systems to address homelessness, bringing together local governments and nonprofit service, shelter, and housing providers, as well as bridging different sectors, such as housing and healthcare. These collaborative local systems are important for ensuring that people experiencing or at risk of homelessness have access to the types of support that match their needs, which often requires people to navigate multiple programs and organizations.[24]

These resources also matter cumulatively. For example, homelessness organizations have sustained networks for decades in places such as Los Angeles and San Francisco, and recent major initiatives to address chronic homelessness—including substantial new funding—further expanded the capacity of these systems.[25] Though dedicated and effective organizations are working to address homelessness across California, places in the state where homelessness has only recently grown will need sustained resources in the coming years to develop more expansive, collaborative homelessness systems.

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[21]   Baiocchi et al., Homelessness in Sacramento County.

[22]   City of Long Beach, *2022 Homeless Count and Survey* (City of Long Beach, 2022), https://longbeach.gov/globalassets/everyone-home-lb/media-library/documents/clb_2022-pit-count.

[23]   The technical appendix describes the state and federal homelessness funding. Per capita funding is calculated relative to the total county populations in the 2020 Census. Between 2018 and 2021, San Francisco had $295 per capita (about $773 million total) in state and federal homelessness funding, Mendocino County had $216 per capita (about $59 million total), and Humboldt County had $144 per capita (about $59 million total).

[24]   H.S. Jan and J.N. Valero, *Public-Nonprofit Collaboration and Policy in Homeless Services: Management, Measurement, and Impact* (Palgrave Macmillan, 2023); S. Kim and A. Sullivan, "Connecting the Composition of Collaborative Governance Structure to Community-Level Performance in Homeless Services," *Public Administration Review* (2023), https://onlinelibrary.wiley.com/doi/abs/10.1111/puar.13632.

[25]   Abt Associates, *Evaluation of Conrad Hilton Foundation's Initiative on Chronic Homelessness in Los Angeles* (Abt Associates, 2019), https://www.abtassociates.com/projects/evaluation-of-conrad-hilton-foundations-initiative-on-chronic-homelessness-in-los-angeles; S. Batko et al., *Chronic Homelessness Initiative: 2022 Progress Report* (Urban Institute, 2023), https://www.urban.org/research/publication/chronic-homelessness-initiative-2022-progress-report.

5. The range and scale of efforts to address homelessness have grown over time, including expansions in shelter and housing capacity.

Resources dedicated to addressing homelessness in California have increased in recent years. For example, state and federal funding focused on homelessness increased from about $2.7 billion statewide in 2018–2019 to about $4.4 billion in 2020–2021. The 2023–2024 state budget maintained its allocations toward homelessness despite an initially estimated $31.5 budget shortfall, and HUD has awarded new non-pandemic-related funding for addressing homelessness in addition to its ongoing funding programs.[26]

This funding supported significant expansion in the number of people reached by homelessness services, shelter, and housing programs across the state, even in the face of disruptions caused by the Covid-19 pandemic. Data reported by local homelessness programs showed the number of people served increased from about 182,000 in 2017 to about 316,000 in 2022.[27]

> **Local homelessness service, shelter, and housing programs reached about 316,000 people throughout 2022.**

These resources also supported meaningful growth in the supply of shelter and housing for people experiencing homelessness. Interim housing provides temporary shelter for people experiencing homelessness, and it often works to connect people to case managers or other supportive services. Although the number of people experiencing homelessness still greatly exceeds interim housing supply, interim housing has expanded rapidly in recent years. Figure 8 shows that between 2018 and 2022, interim housing supply increased by almost 25,000 beds, a 49 percent growth.

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[26] California's 2023–24 State Budget, Enacted on June 27, 2023, https://ebudget.ca.gov/budget/2023-24EN/#/BudgetSummary; U.S. Department of Housing and Urban Development, *HUD Announces $486 Million in Grants and $43 Million for Stability Vouchers to Address Unsheltered and Rural Homelessness* (HUD, 2023), https://www.hud.gov/press/press_releases_media_advisories/HUD_No_23_079.

[27] "Homeless Data Integration System," California Interagency Council on Homelessness (website), https://bcsh.ca.gov/calich/hdis.html.

Figure 8. Supply of interim housing beds/units and permanent supportive housing units in California, 2007–2022
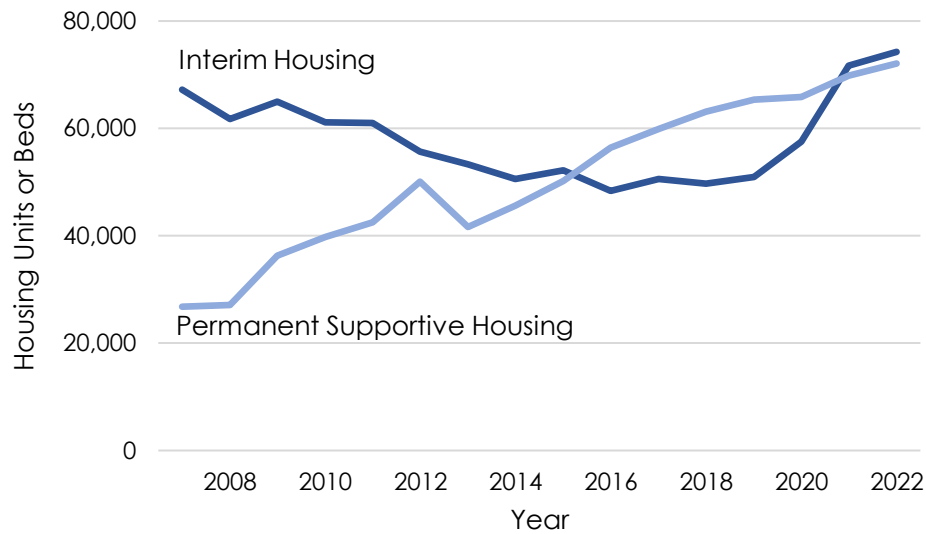
Source: Number of units/beds are from the 2007–2022 Housing Inventory Counts, U.S. Department of Housing and Urban Development.
Notes: Interim housing includes year-round, seasonal, and overflow emergency shelter; transitional housing; and a small number of "safe haven" beds for people with serious mental illness.

Interim housing models have become increasingly diverse. Typical congregate shelters—dorm-like shelters with anywhere from a few to 100+ people sleeping in the same space—often cannot meet people's needs to live with partners, pets, possessions, and privacy.[28] Much of the recent growth in interim housing has instead provided non-congregate shelter, which offers private spaces for each individual or family. For example, Project Roomkey used hotel and motel rooms to safely shelter people who contracted or were exposed to Covid-19, as well as those who were at high risk of severe illness or death. Research suggests that non-congregate shelters can provide more stability and more effective services than congregate shelters can to support residents' steps to move back into housing, such as working with case managers, applying for housing assistance, and searching for an available housing unit.[29]

Interim housing alone does not resolve homelessness, however, so efforts to expand the supply of permanent housing are crucial. Research has shown that permanent supportive housing (PSH), which pairs deeply subsidized housing with a range of health

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[28]   L. Dunton et al., Exploring Homelessness Among People Living in Encampments and Associated Cost: City Approaches to Encampments and What They Cost (U.S. Department of Housing and Urban Development, 2021), https://www.huduser.gov/portal/publications/Exploring-Homelessness-Among-People.html; J.A. Wasserman and J. Claire, At Home on the Street: People, Poverty, and a Hidden Culture of Homelessness (Lynne Rienner, 2010).

[29]   G. Colburn et al., "Hotels as Noncongregate Emergency Shelters: An Analysis of Investments in Hotels as Emergency Shelter in King County, Washington During the COVID-19 Pandemic," *Housing Policy Debate* 32, no. 6 (2022): 853–875, https://doi.org/10.1080/10511482.2022.2075027; D. Padgett, L. Bond, and C. Wusinich, "From the Streets to a Hotel: A Qualitative Study of the Experiences of Homeless Persons in the Pandemic Era," *Journal of Social Distress and Homelessness* (2022), https://doi.org/10.1080/10530789.2021.2021362.

and social services, is one of the most effective interventions to help people end chronic patterns of homelessness. People who formerly experienced chronic homelessness remained housed more often in PSH than did people in other interventions.[30] Levels of chronic homelessness also tend to decline in communities with larger increases in their local supply of PSH, compared with communities with smaller or no increases.[31]

The number of units of PSH in California has steadily increased since 2013, growing to more than 72,000 units by 2022, as shown in Figure 8. The state's homelessness programs directed $5.5 billion toward new affordable housing between state fiscal years 2018–2019 and 2020–2021, including programs such as the Low-Income Housing Tax Credit, No Place Like Home, and Homekey.[32] Many local jurisdictions have also dedicated funding to expanding the supply of PSH, often through new taxes or bond measures. For example, in 2016 the City of Los Angeles passed Proposition HHH, a $1.2 billion bond measure to support PSH. In 2017, the County of Los Angeles passed Measure H, a quarter-cent sales tax to fund PSH, among other types of homelessness services.[33] Collectively, these funds are adding thousands of supportive housing units for people experiencing homelessness and many more affordable housing units for low-income households in the coming years.

Continued expansions of interim and permanent housing are clearly needed, however. While the number of shelter beds and housing units have increased, the number of people experiencing unsheltered homelessness has also continued to grow.

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[30] M. Raven, M. Niedzwiecki, and M. Kushel, "A Randomized Trial of Permanent Supportive Housing for Chronically Homeless Persons with High Use of Publicly Funded Services," *Health Services Research* 55, suppl. 2 (2020): 797–806, https://doi.org/10.1111/1475-6773.13553.

[31] T. Byrne et al., "The Relationship between Community Investment in Permanent Supportive Housing and Chronic Homelessness," *Social Service Review* 88, no. 2 (2014): 234–263, https://doi.org/10.1086/676142.

[32] California Interagency Council on Homelessness, *Statewide Homelessness Assessment*.

[33] Abt Associates, Developing and Passing Proposition HHH and Measure H: How It Happened and Lessons Learned. Evaluation of the Conrad N. Hilton Foundation Chronic Homelessness Initiative (Abt Associates, 2018), https://www.hiltonfoundation.org/wp-content/uploads/2018/02/Proposition-HHH.-Measure-H_Final_GraphicsUpdate05.25.2018.pdf.

Ongoing Needs to Resolve California's Homelessness Crisis

Homelessness can be solved. Though the trends above highlight the scale and complexity of the state's ongoing crisis, there has been real progress in expanding services and housing, as well as research that has identified effective solutions. The state of California has committed to the Housing First approach, which recognizes that safe and stable housing is the cornerstone for resolving the issues that either precipitated or stem from people's experiences of homelessness. Rather than requiring participants to successfully complete treatment programs amid the instability of homelessness, Housing First provides stable housing as a foundation, then offers a range of supportive services that participants can choose from to meet their needs. Research has consistently shown that the Housing First approach helps people experiencing homelessness move back into housing and stay housed more effectively than do programs imposing treatment or sobriety conditions prior to housing, particularly for people with complex service needs.[34]

It can seem counterintuitive that homelessness programs are becoming more effective even while the total number of people experiencing homelessness increases. Both are true, because people are moving into and out of homelessness over time—it is not a static condition affecting the same people from year to year. For example, an estimated 207 people moved from homelessness into housing every day in Los Angeles in 2022; however, an estimated 227 people entered homelessness each day.[35] Service and housing programs are helping resolve homelessness for many people, but factors such as the shortage of affordable housing and stagnating wages are pushing people into homelessness even more rapidly. To right this imbalance, local, state, and federal policymakers must scale up the programs that work, sustain them, and address the underlying structural conditions pushing people into homelessness in the first place.

First, the recent increases in funding to support these efforts must be sustained to resolve the homelessness crisis. Much of the increases in state and federal homelessness funding came from one-time or limited funding allocations, which are challenging to plan around in the long term.[36] There must be sufficient housing available for the Housing First approach to work, and ongoing resources are needed to continue

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[34]   D. Padgett, B. Henwood, and S. Tsemberis, *Housing First: Ending Homelessness, Transforming Systems, and Changing Lives* (Oxford University Press, 2015); A.J. Baxter et al., "Effects of Housing First Approaches on Health and Well-Being of Adults Who Are Homeless or at Risk of Homelessness: Systematic Review and Meta-Analysis of Randomised Controlled Trials," *Journal of Epidemiology & Community Health* 73, no. 5 (2019): 379–387, http://dx.doi.org/10.1136/jech-2018-210981; Y. Peng et al., "Permanent Supportive Housing with Housing First to Reduce Homelessness and Promote Health Among Homeless Populations With Disability: A Community Guide Systematic Review," *Journal of Public Health Management and Practice* 26, no. 5 (2020): 404–411, https://doi.org/10.1097/PHH.0000000000001219.

[35]   A. Adarkar et al., *Homelessness in Los Angeles: A Unique Crisis Demanding New Solutions* (McKinsey and Company, 2023), https://www.mckinsey.com/industries/public-sector/our-insights/homelessness-in-los-angeles-a-unique-crisis-demanding-new-solutions#/.

[36]   S. Batko, P. Moraras, and A. Rogin, *Using COVID-19 Relief Resources to End Homelessness* (Urban Institute, 2022), https://www.urban.org/research/publication/using-covid-19-relief-resources-end-homelessness; M. Kendall, "A California City Was Making a Difference on Homelessness. Then the Money Ran Out," *CalMatters* (website), July 3, 2023, https://calmatters.org/housing/homelessness/2023/07/california-homeless-services/.

expanding the supply of interim and permanent housing.[37] Ongoing resources are similarly needed for the supportive services to help residents thrive.[38] In addition to housing and services, resolving the state's homelessness crisis requires significant workforce development. Severe staffing shortages in the homelessness services sector highlight the need for expanded ongoing funding, including remedying the large share of workers who earn less than a living wage in places such as Los Angeles.[39]

Second, continued effort to coordinate local homelessness interventions into collaborative homelessness systems can increase their effectiveness.[40] A wide range of public and private entities provide services, shelter, and housing for people experiencing homelessness: CoCs, local governments, public housing agencies, nonprofit homelessness organizations, affordable housing developers, and healthcare systems all provide essential services and resources. From the perspective of people experiencing or at risk of homelessness, however, this complex web of organizations and programs can be confusing or impenetrable. Homelessness programs often have disconnected intake processes and conflicting eligibility requirements, or are unable to quickly and effectively refer people to the resources that meet their needs.[41] Bringing the diverse entities addressing homelessness to the same table—with meaningful inclusion of service providers' expertise and perspectives of people with lived experience of homelessness—takes intentionality and persistent effort, but is also necessary for making these systems coherent for the people they are meant to serve.[42]

Third, culturally competent services are important to help people move into housing and stay housed, particularly people who have experienced chronic patterns of unsheltered homelessness. Outreach teams, often including mixtures of social workers, healthcare providers, and other homelessness program staff, work to find and build rapport with people experiencing unsheltered homelessness. Effective outreach requires significant time, effort, and skill, as well as substantial coordination to align

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[37]   Corporation for Supportive Housing, *The California Homeless Housing Needs Assessment* (Corporation for Supportive Housing and California Housing Partnership, 2022), https://calneeds.csh.org/wp-content/uploads/2023/01/CSH_The-California-Homeless-Housing-Needs-Assessment-Report_Final.pdf; N. Resnikoff, *Housing Abundance as a Condition for Ending Homelessness: Lessons from Houston, Texas* (California YIMBY Education Fund, 2023), http://cayimby.org/wp-content/uploads/2022/12/Housing-Abundance-as-a-Condition-for-Ending-Homelessness-FINAL.pdf.

[38]   Reid, *Permanent Supportive Housing*; C. Reid, R. Finnigan, and S. Manji, *California's Homekey Program: Unlocking Housing Opportunities for People Experiencing Homelessness* (Terner Center for Housing Innovation, 2022), https://ternercenter.berkeley.edu/blog/homekey-unlocking-housing-opportunities-homelessness/.

[39]   L. Abraham et al., *Living Wages in Los Angeles County's Homeless Response Sector* (RAND Corporation, 2023), https://www.sjpla.org/achieving-living-wages-in-la-countys-homeless-response-sector.

[40]   S. Kim and A. Sullivan, "Connecting the Composition of Collaborative Governance Structure to Community-Level Performance in Homeless Services," *Public Administration Review* (2023), https://onlinelibrary.wiley.com/doi/abs/10.1111/puar.13632.

[41]   Kushel et al., Toward a New Understanding.

[42]   Jan and Valero, *Public-Nonprofit Collaboration*; J. Mosley and S. Park, "Service Providers' Influence in Collaborative Governance Networks: Effectiveness in Reducing Chronic Homelessness," *Journal of Public Administration Research and Theory* 32, no. 1 (2022): 130–149, https://doi.org/10.1093/jopart/muab013.

outreach efforts with available shelter and housing.[43] These qualities remain important when providing supportive services for those who have moved back into housing, particularly during residents' initial transitions out of homelessness.[44]

Fourth, explicit attention to racial equity is essential in every aspect of efforts to prevent and end homelessness. Reducing racial disparities and serving people equitably are expressed priorities for many entities working to address homelessness. Both California's *Statewide Action Plan for Preventing and Ending Homelessness* and *The Federal Strategic Plan to Prevent and End Homelessness* aim to advance racial equity as a leading priority.[45] Many local homelessness systems throughout California have also developed racial equity working groups or action plans, which include steps to (a) incorporate People of Color with lived experience of homelessness into system leadership and service provision, (b) revise service and housing assessment tools that might not equitably prioritize people by race and ethnicity, and (c) increase language accessibility and cultural competence in homelessness services.[46]

Fifth, homelessness will not end in California without addressing its root causes. Programs providing rental assistance or more acute crisis resolution can help prevent people from being pushed into homelessness.[47] Longer-term subsidies such as Housing Choice Vouchers also effectively keep people stably housed.[48] However, these kinds of assistance struggle to reach everyone who needs them. Homelessness stems from the core structural challenges: Too many people in California experience deep and persistent economic precarity while also confronting a severe shortage of housing that they can afford.[49] Greater economic security and more affordable housing are

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[43] C. Weare, "Housing Outcomes for Homeless Individuals in Street Outreach Compared to Shelter," *Journal of Poverty* 25, no. 6 (2021): 543–561, https://doi.org/10.1080/10875549.2020.1869664; L. Dunton et al., *From Policy to Practice: Responses to Homeless Encampments in Los Angeles* (Abt Associates, 2023), https://www.abtassociates.com/insights/publications/report/from-policy-to-practice-responses-to-homeless-encampments-in-los.

[44] Reid, *Permanent Supportive Housing.*

[45] California Interagency Council on Homelessness, *Statewide Action Plan for Preventing and Ending Homelessness* (California Interagency Council on Homelessness, 2022 September), https://www.bcsh.ca.gov/calich/action_plan.html; U.S. Interagency Council on Homelessness, *All In: The Federal Strategic Plan to Prevent and End Homelessness* (U.S. Interagency Council on Homelessness, 2022 December), https://www.usich.gov/All_In_The_Federal_Strategic_Plan_to_Prevent_and_End_Homelessness.pdf.

[46] For examples, see: "Black People Experiencing Homelessness (BPEH) Implementation Steering Committee" (website), Los Angeles County Chief Executive Office, https://ceo.lacounty.gov/bpeh/; Oakland-Berkeley-Alameda County Continuum of Care, *Centering Racial Equity in Homelessness System Design: Final Report* (Oakland-Berkeley-Alameda County Continuum of Care, 2021), https://everyonehome.org/wp-content/uploads/2021/02/2021-Centering-Racial-Equity-in-Homeless-System-Design-Full-Report-FINAL.pdf; Sacramento Steps Forward, *Action Plan: Findings & Recommendations from the CoC Racial Equity Committee* (Sacramento Continuum of Care, 2021), https://sacramentostepsforward.org/wp-content/uploads/2021/08/10_SSF-Racial-Equity-Action-Plan-12-copy.pdf.

[47] M. Shinn and R. Cohen, *Homelessness Prevention: A Review of the Literature* (Center for Evidence-Based Solutions to Homelessness, 2019), https://fr.bfzcanada.ca/wp-content/uploads/Microsoft-Word-evidence-page-prevention-10.29.18rev-opt2.pdf.

[48] Shinn and Khadduri, *In the Midst of Plenty*.

[49] C. Reid, *On the Edge of Homelessness: The Vulnerability of Extremely Low-Income Households in the Bay Area* (Terner Center for Housing Innovation, 2021), https://ternercenter.berkeley.edu/research-and-

fundamental for people to exit homelessness, and for people to avoid it in the first place.

policy/edge-of-homelessness-extremely-low-income-bay-area/; Kushel et al., *Toward a New Understanding.*

Technical Appendix

Data Sources

To estimate the number of people experiencing homelessness, HUD mandates that CoCs conduct regular Point-in-Time Counts of homelessness.[50] PIT Counts of homelessness are typically conducted on a single night or over a few nights in January. Every year, CoCs report the number of people sleeping in emergency shelters and transitional housing on that night, which is called the "sheltered count." At least every other year, CoCs also count people sleeping in unsheltered locations, using teams that can include staff, volunteers, and guides with lived experience of homelessness, which is called the "unsheltered count." This brief analyzes PIT Counts conducted in 2007 through 2022.[51] All national numbers presented in this brief include the 50 states and the District of Columbia.

PIT Counts miss many people experiencing homelessness, resulting in sometimes sizable underestimates. Rather than being precise and definitive estimates, the findings reported in this brief highlight broad patterns in how people experience homelessness in California and point to needs where different kinds of interventions are wanted.

This brief also looks at data HUD publishes on homelessness services, shelter, and housing across the country. Alongside the PIT Counts, CoCs also report to HUD's Housing Inventory Count their local numbers of shelter and housing units dedicated to people experiencing homelessness. HUD also publishes summaries of administrative data on the number of people engaging with local homelessness services as reported by participating organizations.

To estimate state and federal funding allocated to addressing homelessness, the brief considers funding for 35 state-directed homelessness programs in state fiscal years 2018–2021 reported by the California Interagency Council on Homelessness, as well as HUD's CoC Grant Program and Emergency Solutions Grant program awards in federal fiscal years 2019–2021.[52] The federal and state governments are not the only funding sources for addressing homelessness—local governments, philanthropies, and private donors also contribute much of the funding for local homelessness programs.[53] However, places receiving relatively low federal and state funding might also have limited funding from other sources.

Defining and Measuring Homelessness

Homelessness is defined and measured in many different ways, leading to very different estimated levels of homelessness among data sources. The PIT Counts analyzed in this brief are snapshots of the estimated number of people experiencing "literal

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[50] Although localities might report PIT Count numbers for cities and other smaller geographies, HUD publishes PIT Count data only for states and CoCs.

[51] The 2021 PIT Count was disrupted by the Covid-19 pandemic. Charts in this report fill in the 2021 numbers with the average of the 2020 and 2022 numbers.

[52] California Interagency Council on Homelessness, *Statewide Homelessness Assessment*.

[53] D. Culhane and S. An, "Estimated Revenue of the Nonprofit Homeless Shelter Industry in the United States: Implications for a More Comprehensive Approach to Unmet Shelter Demand," *Housing Policy Debate* 32, no. 6 (2022): 823–836, https://doi.org/10.1080/10511482.2021.1905024.

homelessness," which HUD defines as people living in temporary shelters and places not meant for habitation, on a given night.[54] PIT Counts provide the most systematic information available on both the characteristics and the total number of people experiencing homelessness across the country. However, accurate counts are challenging, both because homelessness often occurs out of public sight and because the counts are large and logistically complex efforts.

Unsheltered PIT Counts typically rely on teams of volunteers to canvas public spaces, often with "guides" with lived experience of homelessness to help find and accurately recognize people who should be counted as experiencing homelessness. However, guides are not always available, and even well-trained teams can miss people who are not easily visible in vehicles, tents, or other structures. PIT Count teams cannot always cover the entire geographic area of large CoCs or reach secluded areas, such as wooded areas or along train tracks. The 2022 PIT Counts warrant additional caution. These counts coincided with the Omicron wave of the Covid-19 pandemic, which delayed counts in many places and disrupted volunteer recruitment and training.[55]

Alternative definitions of homelessness and data sources can yield very different estimates for levels of homelessness. For example, the definition of homelessness used by the U.S. Department of Education includes people who are "doubled up," referring to multiple households living in the same residence, resulting in much higher numbers. Administrative data such as California's Homeless Data Integration System (HDIS) or HUD's Longitudinal Systems Analysis (LSA) can also show much higher numbers because they record how many people are served by local homelessness programs throughout a year, rather than on a single night, including many people who cycle briefly into and out of homelessness.[56]

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[54]   HUD's definition of "literal homelessness" includes (a) a primary nighttime residence in a place not meant for human habitation, such as tents, vehicles, or the street; (b) living in a temporary shelter that is either publicly or privately operated, including hotel/motel rooms paid for by the government or nonprofit organizations; and (c) people exiting institutions such as hospitals or correctional facilities after stays of 90 days or less and who were living in one of the previously described situations prior to entering that facility (https://www.hudexchange.info/homelessness-assistance/coc-esg-virtual-binders/coc-esg-homeless-eligibility/four-categories/category-1/).

[55]   D. Smith, "Los Angeles Homeless Count Raises Doubts about Accuracy. Is It Time for a New Way?," *Los Angeles Times* (website), September 24, 2022, https://www.latimes.com/california/story/2022-09-24/doubts-raised-over-the-los-angeles-homeless-count-is-it-time-for-a-new-way; D. Smith, "Rand Survey Finds Homelessness Up 18% in L.A. Hot Spots Where the Official Count Recorded Decreases," *Los Angeles Times* (website), January 26, 2023, https://www.latimes.com/california/story/2023-01-26/rand-survey-finds-homelessness-up-18-in-l-a-hot-spots-where-the-official-count-recorded-decreases; J.M. Ward, R. Garvey, and S.B. Hunter, *Recent Trends among the Unsheltered in Three Los Angeles Neighborhoods* (Rand Corporation, 2023), https://www.rand.org/pubs/research_reports/RRA1890-2.html.

[56]   "Homeless Data Integration System," California Interagency Council on Homelessness (website), https://bcsh.ca.gov/calich/hdis.html; M. Henry et al., *The 2019–2020 Annual Homeless Assessment Report (AHAR) to Congress. Part 2: Estimates of Homelessness in the United States* (U.S. Department of Housing and Urban Development, 2022), https://www.huduser.gov/portal/sites/default/files/pdf/2020-AHAR-Part-2.pdf.