

An Overview of Homelessness for City Leaders

In keeping with NLC's ongoing effort to support leaders in local government on matters of homelessness and housing insecurity, this overview provides foundational information for use in developing or refining local solutions and for building relevant stakeholder coalitions and community consensus.

Due to data limitations, this resource employs pre-COVID-19 data and does not reflect the significant impact of the pandemic. It charts the historic trends of homelessness in cities nationwide, along with highlighting some of the systemic issues that are at the root of the homelessness crisis. Many of these trends and challenges, however, are expected to be exacerbated by the health crisis and the compounding economic impact of the virus.

Key Takeaways

Homelessness is frequently cited as a top concern by a broad cross-section of mayors and elected officials, from large and small cities.

Homelessness can affect all people. Nearly two thirds (61 percent) of people experiencing homelessness are male while 39 percent are female and 0.8 percent are transgender or gender nonconforming.

The Point-in-Time count estimates severely undercount the homeless population. It does not account for all individuals who access or are in need of emergency shelters and homeless services over the course of a single year, often undercounting or completely missing some individuals — particularly those who are “doubling up” by temporarily living with friends or immediate/extended family, and homeless youth.

Communities of color are overrepresented among the homelessness population. African Americans are significantly overrepresented among the homeless population accounting for 40 percent of people experiencing homelessness but representing only 13 percent of US population and Hispanics/Latinos make up 22 percent of the homeless population but represent 18 percent of the US population.

The determinants of homelessness are many. Determinants include structural and institutional racism, wage stagnation or lack of wages, low supply of affordable housing, physical and mental health and domestic violence.

Homelessness takes a toll on society in broad and diverse ways and is harmful for individuals and costly for communities.

WHO ARE OFTEN MISSED IN THE POINT-IN-TIME COUNT?



Homeless individuals living unsheltered, or outside the formal shelter network.



Homeless youth are particularly undercounted.



Transgender and gender non-conforming individuals, who are more likely to be unsheltered.



Individuals and families “doubling up” by temporarily living with friends or immediate or extended family are not accounted for at all.

What is homelessness?

Homelessness exists as one of the most visible demonstrations of poverty and broadening inequality in America today. Far from just a “big city issue,” homelessness is frequently cited by a broad cross-section of mayors and elected officials as being among their top concerns, with roughly 1 out of every 4 State of the City addresses in 2019 including significant mention of homelessness.¹ Nonetheless, high rates of homelessness persist in the face of federal, state and local funding, intergovernmental efforts, and renewed attention on the crisis within communities. Lacking a singular direct cause, homelessness is a manifestation of the inextricable and often self-reinforcing link between individual and structural factors that drive poverty.

While catalysts for homelessness may vary, its pervasiveness is clear:

567,715 people were homeless on a single night in January 2019 according to a nationwide count facilitated by the U.S. Department of Housing and Urban Development (HUD). This figure represents an almost 3 percent increase from 2018, but a 12 percent reduction since 2007.² However, this point-in-time estimate is widely considered to severely undercount the homeless population, and a 2017 assessment indicated that 1,416,908 people in the U.S. accessed emergency shelters and homeless services over the course of a single year.³ Both figures fall short of accurately representing the scope of the issue, with key blind spots such as the number of homeless people living outside the shelter network (“unsheltered homeless”) and people who are “doubling up” by temporarily living with friends or immediate or extended family, which in 2017 was estimated to apply to 4.4 million people.⁴

Homeless youth are also frequently left out of these counts, with 1,508,265 students identified as homeless during the 2017-18 school year alone, roughly three-quarters of whom were not reported to be staying in shelters, hotels/motels, or living unsheltered.⁵

¹ 2019 NLC State of the City Report

² Henry, M., Watt, R., Mahathay, A., Ouellette, J., & Sittler, A. (2020). 2019 annual homeless assessment report to congress. Washington, D.C.: U.S. Department of Housing and Urban Development. Retrieved from <https://files.hudexchange.info/resources/documents/2019-AHAR-Part-1.pdf>

³ Henry, M., Bishop, K., de Sousa, T., Shivji, A., & Watt, R. (2018). 2017 annual homeless assessment report to congress, part 2: Estimates of homelessness in the U.S. Washington, D.C.: U.S. Department of Housing and Urban Development. Retrieved from <https://files.hudexchange.info/resources/documents/2017-AHAR-Part-2.pdf>

⁴ State of homelessness. Retrieved from <https://endhomelessness.org/homelessness-in-america/homelessness-statistics/state-of-homelessness-report/>

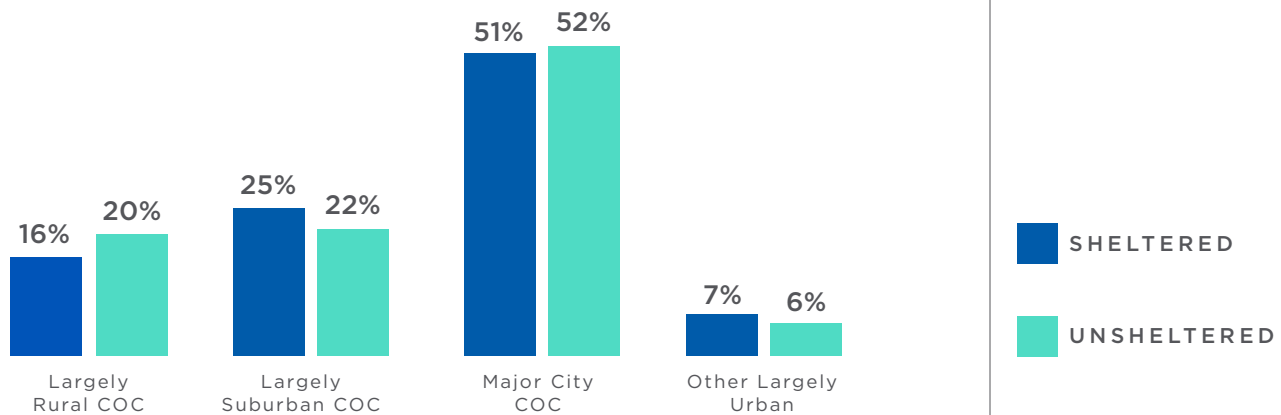
⁵ The pitfalls of HUD’s point-in-time count. (2020). Retrieved from <https://www.schoolhouseconnection.org/the-pitfalls-of-huds-point-in-time-count/>

What does the data tell us?

Point-in-time (PIT) estimates, while imperfect, shed light on notable trends in homelessness nationwide and broken down by geographic areas known as Continuum of Care (CoC). More than half of all people experiencing homelessness (52 percent) according to the 2019 PIT count were found in one of the 50 largest U.S. cities.⁶ However, this is far from just an urban issue: Roughly a quarter of all people experiencing homelessness were in a predominantly suburban area and almost one out of every five homeless people were in largely rural areas.⁷

The recent rise in the national rate of homelessness was chiefly driven by increases in California and by increases in the rate of unsheltered homelessness: More than one-third (37 percent) of homeless people accounted for in 2019 were living on the street, in abandoned buildings, or in “other places not suitable for human habitation.”⁸ This was the fifth consecutive year that the number of people living outside the shelter network or transitional housing programs increased and represents the largest one-year increase (10 percent) since 2007.⁹

PERCENT OF PEOPLE EXPERIENCING HOMELESSNESS by Sheltered Status & CoC (2019)



Source: U.S. Department of Housing and Urban Development, 2019 Annual Homeless Assessment Report to Congress (Part 1)

⁶ Henry, M., Watt, R., Mahathey, A., Ouellette, J., & Sitler, A. (2020). 2019 annual homeless assessment report to congress. Washington, D.C.: U.S. Department of Housing and Urban Development. Retrieved from <https://files.hudexchange.info/resources/documents/2019-AHAR-Part-1.pdf>

⁷ Henry, M., Watt, R., Mahathey, A., Ouellette, J., & Sitler, A. (2020). 2019 annual homeless assessment report to congress. Washington, D.C.: U.S. Department of Housing and Urban Development. Retrieved from <https://files.hudexchange.info/resources/documents/2019-AHAR-Part-1.pdf>

⁸ Henry, M., Watt, R., Mahathey, A., Ouellette, J., & Sitler, A. (2020). 2019 annual homeless assessment report to congress. Washington, D.C.: U.S. Department of Housing and Urban Development. Retrieved from <https://files.hudexchange.info/resources/documents/2019-AHAR-Part-1.pdf>

⁹ Henry, M., Watt, R., Mahathey, A., Ouellette, J., & Sitler, A. (2020). 2019 annual homeless assessment report to congress. Washington, D.C.: U.S. Department of Housing and Urban Development. Retrieved from <https://files.hudexchange.info/resources/documents/2019-AHAR-Part-1.pdf>

Almost



one out of every five homeless people were in largely rural areas

37%

of homeless people accounted for in 2019 were living on the street

PEOPLE EXPERIENCING HOMELESSNESS

61%
Male



39%
Female



0.8%
Transgender or Gender Non-Conforming



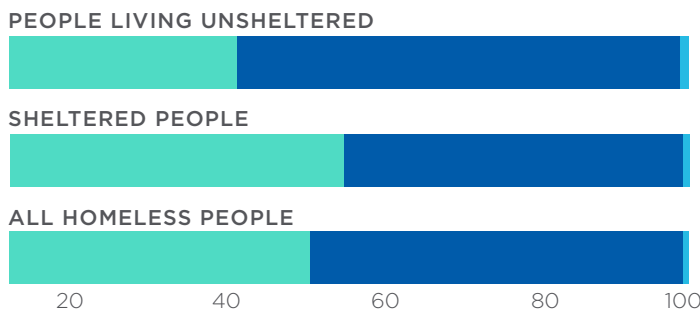
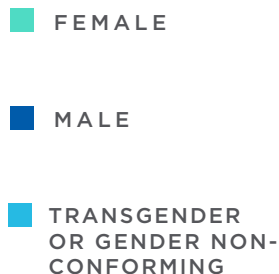
Additionally, more than 96,000 people (24 percent of all homeless people) included in the 2019 count demonstrated signs of chronic or frequently reoccurring homelessness, 63 percent of whom were living without shelter.¹⁰

Who experiences homelessness?

Homelessness can affect all people, but nearly two thirds (61 percent) of people experiencing homelessness are male, while 39 percent are female, and 0.8 percent are transgender or gender nonconforming. More than two thirds (70 percent) of the homeless population are individuals not in a family unit (representing a 6 percent increase since 2018) and these individuals are just as likely to be living unsheltered as they are to be living within the shelter network. By contrast, 91 percent of people who were homeless as part of a family with children were living in a shelter or transitional housing, and the number of family households that experience homelessness declined by five percent overall and by 32 percent between 2007 and 2019.¹¹

The veteran homeless population (37,085 people) has also continued to decline, with the number of veterans experiencing homelessness having been nearly cut in half between 2009 and 2019.¹² Similarly, intensified efforts to prevent youth homelessness have led to an almost 4 percent decline in the number of people under the age of 25 experiencing homelessness on their own (35,038 unaccompanied youth).¹³ However, almost half of

HOMELESSNESS BY GENDER IDENTITY & SHELTERED STATUS (%)



¹⁰ Henry, M., Watt, R., Mahathey, A., Ouellette, J., & Sitler, A. (2020). 2019 annual homeless assessment report to congress. Washington, D.C.: U.S. Department of Housing and Urban Development. Retrieved from <https://files.hudexchange.info/resources/documents/2019-AHAR-Part-1.pdf>

¹¹ Henry, M., Watt, R., Mahathey, A., Ouellette, J., & Sitler, A. (2020). 2019 annual homeless assessment report to congress. Washington, D.C.: U.S. Department of Housing and Urban Development. Retrieved from <https://files.hudexchange.info/resources/documents/2019-AHAR-Part-1.pdf>

¹² Henry, M., Watt, R., Mahathey, A., Ouellette, J., & Sitler, A. (2020). 2019 annual homeless assessment report to congress. Washington, D.C.: U.S. Department of Housing and Urban Development. Retrieved from <https://files.hudexchange.info/resources/documents/2019-AHAR-Part-1.pdf>

¹³ Henry, M., Watt, R., Mahathey, A., Ouellette, J., & Sitler, A. (2020). 2019 annual homeless assessment report to congress. Washington, D.C.: U.S. Department of Housing and Urban Development. Retrieved from <https://files.hudexchange.info/resources/documents/2019-AHAR-Part-1.pdf>

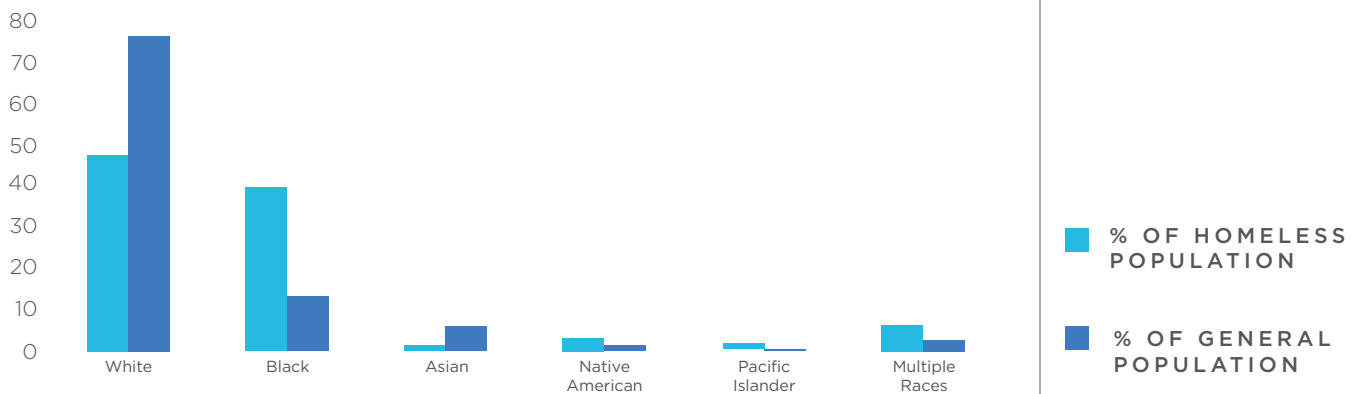
all homeless youth live unsheltered, putting them at much higher risk and making them more difficult to count in PIT estimates. Additionally, homeless youth differ significantly from the larger homeless population in that they are more likely to be female (38 percent), transgender or non-gender binary (3 percent), or African American (36 percent). While the annual PIT count does not include this data, it is estimated that up 40 percent of homeless youth identify as lesbian, gay, bisexual or transgender, and that LGBTQ youth face a significantly higher likelihood of experiencing homelessness.¹⁴

Although 48 percent of homeless people are white (relative to white people comprising 77 percent of the U.S. population), African Americans in particular are significantly overrepresented among the homeless population: Despite making up just 13 percent of the U.S. population, African Americans account for 40 percent of people experiencing homelessness. Hispanic/Latino individuals make up 22 percent of the homeless population, and 18 percent of the general population. African Americans alone face a poverty rate 2.5 times that of white Americans, while people of color make up more than half of the uninsured population.¹⁵ While people of color are disproportionately involved with the criminal justice system, people who have been formerly incarcerated are almost 10 times more likely to be homeless¹⁶ and approximately 48,000 people entering shelters each year come almost directly from prison or jail.¹⁷

Approximately
48K
people entering shelters each year come almost directly from prison or jail

Roughly
25%
of all people experiencing homelessness were in a predominantly suburban area.

RACIAL DISPARITIES OF HOMELESS



*White reflects hispanic/latino individuals.
Source: U.S. Department of Housing and Urban Development, 2019 Annual Homeless Assessment Report to Congress (Part 1)

¹⁴ Durso, L., Gates, G. (2012). Serving Our Youth: Findings from a National Survey of Services Providers Working with Lesbian, Gay, Bisexual and Transgender Youth Who Are Homeless or At Risk of Becoming Homeless. Los Angeles: The Williams Institute. Retrieved from <https://escholarship.org/uc/item/80x75033>
¹⁵ Racial inequality. (2020). Retrieved from <https://endhomelessness.org/homelessness-in-america/what-causes-homelessness/inequality/>
¹⁶ Couloute, L. (2018). Nowhere to go: Homelessness among formerly incarcerated people. Retrieved from <https://www.prisonpolicy.org/reports/housing.html>
¹⁷ Reducing criminal justice system involvement among people experiencing homelessness. (2016). U.S. Interagency Council on Homelessness. Retrieved from: https://www.usich.gov/resources/uploads/asset_library/Criminal_Justice_Involvement_08_2016.pdf

What are the determinants of homelessness?

The real wage increase for low-income workers between 1979 and 2017 was just

8.9%

71%

of low-income renter households spend more than half of their income on rent and utilities

Homelessness falls along starkly racial lines due to both structural and institutional racism. This disproportionate impact on racial minorities is indicative of significant and systemic inequities, including higher rates of poverty and incarceration among communities of color, institutionalized discriminatory housing policies, and less access to healthcare. These significant racial determinants of homelessness are often compounded by other structural factors in society that increase the risk of losing one's home or spark a period of homelessness, including poverty and access to affordable housing. Low-income households are more likely to be under or unemployed, often due to factors that also make them more at-risk to become homeless, such as limited education, inconsistent work history, involvement with the criminal justice system, unreliable transportation or childcare, and poor health.¹⁸ Wage stagnation has also played a significant role, with the wage growth rate having fallen significantly since 1979, particularly for low-wage workers. While this growth rate has been buoyed in recent years by the rollout of minimum wage increases in several states across the country, the 2017 real wage increase for low-income workers was just 8.9 percent over 38 years, an annualized growth rate of 0.2 percent.¹⁹ Additionally, homelessness is its own barrier to employment given that many people are without a permanent address and may lack access to technology and resources that can be pivotal to finding a job. Despite this, 42 percent of parents living in an emergency shelter with their families said that they had worked at some point in the last six months.²⁰

This lack of income is, in many cases, exacerbated by an affordability gap in the housing market. The U.S. is facing a shortage of seven million affordable and available rental homes²¹ and there is no state, metropolitan area, or country in which a minimum wage earner working 40 hours per week can afford a two-bedroom rental home at the area's fair market rent.²²

¹⁸ Racial inequality. (2020). Retrieved from <https://endhomelessness.org/homelessness-in-america/what-causes-homelessness/inequality/>

¹⁹ Schmitt, J., Gould, E. & Bivens, J. (2018). America's slow-motion wage crisis: Four decades of slow and unequal growth. Retrieved from <https://www.epi.org/publication/americas-slow-motion-wage-crisis-four-decades-of-slow-and-unequal-growth-2/>

²⁰ Walton, D., Dastrup, S., & Khadduri, J. (2018). *Employment of families experiencing homelessness*. Washington, D.C.: U.S. Department of Health and Human Services, Office of Planning, Research and Evaluation. Retrieved from https://www.acf.hhs.gov/sites/default/files/opre/opre_employment_brief_06_15_2018_508.pdf

²¹ *The gap: A shortage of affordable rental homes*. (2020). Washington, D.C.: The National Low Income Housing Coalition. Retrieved from https://reports.nlihc.org/sites/default/files/gap/Gap-Report_2020.pdf

²² *Out of reach*. (2019). Washington, D.C.: National Low Income Housing Coalition. Retrieved from https://reports.nlihc.org/sites/default/files/oor/OOR_2019.pdf

Americans today are increasingly rent burdened, with 71 percent of low-income renter households spending more than half of their income on rent and utilities.²³ The increasing cost of housing and lack of availability puts low-income households, particularly people of color, at greater risk of eviction or of being unable to find and maintain a stable residence: Twenty percent of all black households and 16 percent of Hispanic households are extremely low-income, while 26 and 21 percent of severely cost-burdened, extremely low-income renters are black and Hispanic respectively.²⁴ Eviction was cited as the second most common reason for families entering New York City shelters in 2016 having lost their home, with domestic violence accounting for the greatest share.²⁵ Nationally, between 22 and 57 percent of all homeless women indicate that domestic violence was the immediate cause of them becoming homeless and 80 percent of homeless mothers report having experienced domestic violence at some point.²⁶

Physical and mental health is also closely related to the phenomena of being without a home. While a physical or mental health crisis or long-term disability may contribute to the likelihood of becoming homeless due to cost or impact on employment, these conditions can also be exacerbated as a result of homelessness. Roughly one out of every 5 people who were counted as homeless in 2019 were reported to have a severe mental illness, and more than 15 percent had chronic substance abuse challenges — short of half these people were found living outside of the shelter system.²⁷ Of the broader population of homeless people, 73 percent were found to have at least one unmet health need, such as being unable to access needed medical or surgical care, medication, mental health care, glasses, or dental care.²⁸ Due to the interconnected nature of mental illness, substance use disorder and homelessness, some cities have implemented cross-system approaches to expand access to services and supports. With this approach, many of these cities are seeing success in achieving better outcomes for vulnerable populations during emergency response and crisis stabilization efforts.²⁹

47%

of severely cost-burdened, extremely low-income renters are black or Hispanic

Between

22 and 57

percent of all women experiencing homelessness indicate that domestic violence was the immediate cause of them becoming homeless



1 out of every 5 people who were counted as homeless in 2019 were reported to have a severe mental illness

²³ *The gap: A shortage of affordable rental homes.* (2020). Washington, D.C.: The National Low Income Housing Coalition. Retrieved from https://reports.nlihc.org/sites/default/files/gap/Gap-Report_2020.pdf

²⁴ *The gap: A shortage of affordable rental homes.* (2020). Washington, D.C.: The National Low Income Housing Coalition. Retrieved from https://reports.nlihc.org/sites/default/files/gap/Gap-Report_2020.pdf

²⁵ *The dynamics of family homelessness in new york city.* (2019). New York City, NY: Institute for Children, Poverty & Homelessness. Retrieved from <https://www.icphusa.org/wp-content/uploads/2019/07/Family-Dynamics-Final.pdf>

²⁶ Domestic violence and homelessness: Statistics. (2016). Retrieved from <https://www.acf.hhs.gov/fysb/resource/dv-homelessness-stats-2016>

²⁷ *HUD 2019 continuum of care homeless assistance programs homeless populations and subpopulations.* (2019). Washington, D.C.: U.S. Department of Housing and Urban Development. Retrieved from https://files.hudexchange.info/reports/published/CoC_PopSub_NatITerrDC_2019.pdf

²⁸ Baggett, T. P., O'Connell, J. J., Singer, D. E., & Rigotti, N. A. (2010). The unmet health care needs of homeless adults: A national study. *American Journal of Public Health*, 100(7), 1326-1333. Retrieved from <https://www.ncbi.nlm.nih.gov/pubmed/20466953>

²⁹ Executive summary: Spreading and scaling innovative city approaches to address mental health, substance use and homelessness. (2019). National League of Cities and Arnold Ventures. Retrieved from <https://www.nlc.org/~/media/2019-11-14-Executive-Summary-Addressing-Mental-Health-Substance-Use-and-Homelessness.pdf>

What is the impact of homelessness?

Homelessness is extraordinarily costly and takes a toll on society in more ways than one. An individual experiencing homelessness may experience significant negative health outcomes as a result of the considerable stress caused by housing instability, by exposure to the elements, and from lack of access to critical health services. Preexisting conditions such as heart disease, diabetes or mental illnesses can be exacerbated without access to treatment and overcrowding in shelters can result in increased exposure to infectious diseases. Additionally, children have been found to experience significant and long-term repercussions as a result of housing instability and homelessness, including delays to development, poor cognitive outcomes, behavioral difficulties, and increased vulnerability to mental health challenges such as depression.³⁰ Finally, homelessness has both a direct and an indirect impact on city budgets: In addition to investing in the maintenance of shelters and direct support services for people experiencing homelessness, cities often bear the cost of additional expenditures such as health care and emergency support services. One study found that in the case of homeless New Yorkers, those facing severe mental illness utilized an average of \$40,449 (in 1999 dollars) in health, corrections, and shelter system costs annually.³¹ Federally, HUD has awarded over \$2.2 billion in 2020 for Continuum of Care projects and local programs to address homelessness nationwide.³²

CONTRIBUTING AUTHORS

NATASHA LEONARD
Senior Program Specialist
CENTER FOR CITY SOLUTIONS

LAUREN LOWERY
Program Director
HOUSING & COMMUNITY DEVELOPMENT

JAMES BROOKS
Director
HOUSING & COMMUNITY DEVELOPMENT

[nlc.org/resource/addressing-mental-health-substance-use-and-homelessness](https://www.nlc.org/resource/addressing-mental-health-substance-use-and-homelessness)

³⁰ Maqbool, N., Viveiros, J., & Ault, M. (2015). *The impacts of affordable housing on health: A research summary*. Washington, D.C.: Center for Housing Policy. Retrieved from <https://www.rupco.org/wp-content/uploads/pdfs/The-Impacts-of-Affordable-Housing-on-Health-CenterforHousingPolicy-Maqbool.etal.pdf>

³¹ Culhane, D. P., Metraux, S., & Hadley, T. (2002). Public service reductions associated with placement of homeless persons with severe mental illness in supportive housing. *Housing Policy Debate*, 13(1), 107-163. Retrieved from <http://www.tandfonline.com/doi/abs/10.1080/10511482.2002.9521437>

³² FY 2019 CoC competition grants. Retrieved from <https://www.hudexchange.info/programs/coc-awards/>