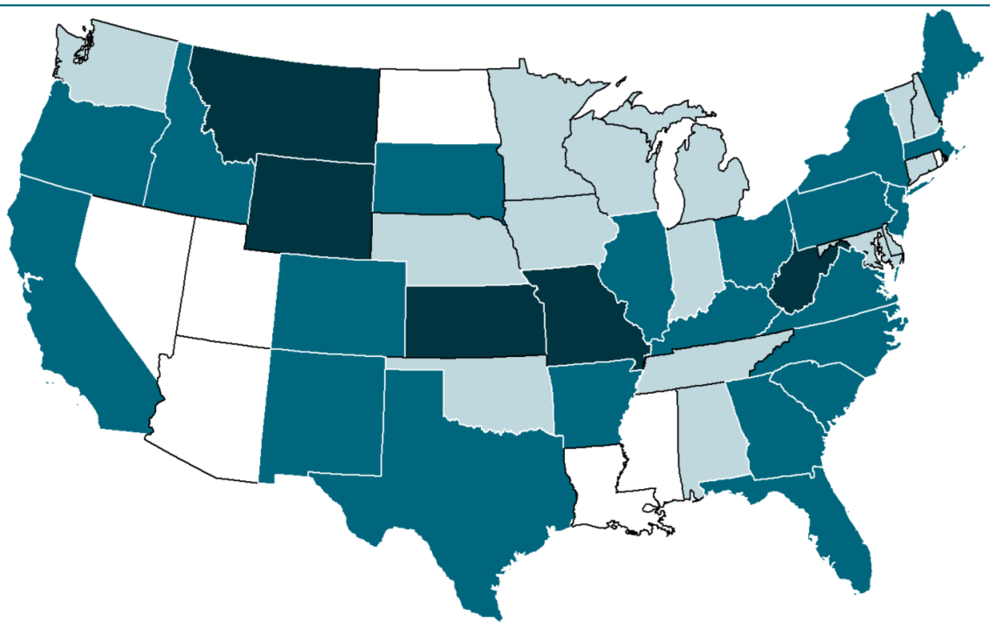

STATE OF HOMELESSNESS

in America 2012

Introduction

The State of Homelessness in America 2012 examines homelessness between 2009 and 2011, a period of economic downturn in the nation. The report shows that despite the bad economy, homelessness decreased by 1 percent during this period. The decrease was likely due to a significant investment of federal resources to prevent homelessness and quickly re-house people who did become homeless. The Homelessness Prevention and Rapid Re-Housing Program (HPRP, funded through the American Recovery and Reinvestment Act of 2009) was a $1.5 billion federal effort to prevent a recession-related increase in homelessness. It was built upon ground-breaking work at the federal level and in jurisdictions across the nation to improve the homelessness system by adopting evidence-based, cost effective interventions. In 2010, its first year of operation, it assisted nearly 700,000 at-risk and homeless people. This report provides evidence that it was successful in achieving its goal of preventing a significant increase in homelessness.

Despite the fact that the number of homeless people was essentially unchanged between 2009 and 2011, there is much reason for concern. As this report points out, economic and demographic indicators linked to homelessness continue to be troubling. Homelessness is a lagging indicator, and the effects of the poor economy on the problem are escalating and are expected to continue to do so over the next few years. The resources provided by HPRP have run out in many communities and the program will sunset entirely in the fall of 2012; despite the need and proven effectiveness these resources have not been replaced. Debt and deficit reduction at the federal level have begun to shrink assistance available to the most vulnerable. In the year since the data in this report was collected (January 2011), there have already been reports that the number of homeless people is increasing. So while holding the line on homelessness between 2009 and 2011 was a major accomplishment of federal investment and local innovation, the failure to sustain this early recipe for success threatens to undermine progress now and in the future.

Report Contents

The National Alliance to End Homelessness has published a series of reports chronicling changes in the levels of homelessness in the nation and in individual states and jurisdictions in order to chart progress toward the goal of ending homelessness. The most recent of these, *The State of Homelessness in America* series, not only examines changes in national-, state-, and local-level homelessness data, but also provides data on related economic and demographic trends.

The State of Homelessness in America 2012, the second in a series from the National Alliance to End Homelessness, examines both homelessness and economic and demographic data, using the most recently available national data from the U.S. Departments of Housing and Urban Development, Health and Human Services, Justice, Labor, and Commerce; and from the private real estate research group RealtyTrac. It consists of three chapters. Chapter One presents data on homelessness at the national and state levels using point-in-time estimates of the overall homeless population and subpopulations. Chapter Two describes economic factors that impact homelessness including housing cost and unemployment. Chapter Three describes some demographic factors that impact homelessness, including population groups that are at increased risk. In addition, Appendix One provides data on homelessness in the largest metropolitan areas.

Major Findings:

Homelessness

Using the most recently available national data on homelessness, the 2009 and 2011 point-in-time counts as reported by jurisdictions to the U.S. Department of Housing and Urban Development, the report chronicles the changes in overall homelessness and in homelessness among subpopulations between 2009 and 2011. Point-in-time count methodologies vary and are imperfect and as such the aggregated numbers do not represent a precise count of homeless people. The counts, however, when compared over time, provide a way to assess whether the homeless population has increased or decreased.

- The nation's homeless population decreased 1 percent, or by about 7,000 people; it went from 643,067 in 2009 to 636,017 in 2011. There were a decreased number of people experiencing homelessness in most of the subpopulations examined in this report: families, individuals in families, chronic, and individuals. The only increase was among those unsheltered.
- The largest decrease was among homeless veterans, whose population declined 11 percent. The number of homeless veterans went from 75,609 in 2009 to 67,495 in 2011, a reduction of about 8,000.

- The national rate of homelessness was 21 homeless people per 10,000 people in the general population. The rate for veterans was 31 homeless veterans per 10,000 veterans in the general population.
- Chronic homelessness decreased by 3 percent from 110,911 in 2009 to 107,148 in 2011. The chronically homeless population has decreased by 13 percent since 2007. The decrease is associated with an increase in the number of permanent supportive housing beds from 188,636 in 2007 to 266,968 in 2011. Permanent supportive housing ends chronic homelessness.
- A majority of homeless people counted were in emergency shelters or transitional housing programs, but nearly 4 in 10 were unsheltered, living on the streets, or in cars, abandoned buildings, or other places not intended for human habitation. The unsheltered population increased by 2 percent from 239,759 in 2009 to 243,701 in 2011, the only subpopulation to increase.
- The number of individuals in homeless families decreased by 1 percent nationally, but increased by 20 percent or more in 11 states.
- While the homeless population decreased nationally, it increased in 24 states and the District of Columbia.

Economic Factors

Homelessness is basically caused by the inability of people to pay for housing; thus it is impacted by both income and the affordability of available housing. In recognition of this, this report examines certain economic indicators that affect people who are homeless or at risk of being so. These factors are examined for the years 2009 to 2010, the latest for which data is available from the U.S. Census Bureau's American Community Survey Public Use Microdata Sample (PUMS) files, the U.S. Department of Labor, and RealtyTrac, a private real estate research group. Conditions worsened from 2009 to 2010 among three of the four economic factors examined: housing cost, unemployment, and foreclosure.

- The number of poor households that spent more than 50 percent of their incomes on rent – defined by HUD as households that are "severely housing cost burdened" – increased by 6 percent from 5.9 million in 2009 to 6.2 million in 2010. Three-quarters of all poor renter households had severe housing cost burdens.
- The number of unemployed people increased by 4 percent from 14.3 million in 2009 to 14.8 million in 2010. The unemployed population increased in 32 of the 50 states and the District of Columbia. Unemployment rose by 10 percent or more in 11 states.
- The average real income of working poor people increased by less than one percent, from about $9,300 in 2009 to about $9,400 in 2010. There was not a

single county in the nation where a family with an average annual income of $9,400 could afford fair market rent for a one-bedroom unit.

- Foreclosure activity continued to increase with nearly 50,000 more homes in foreclosure in 2010 than in 2009. Foreclosures increased from 2.83 million units in 2009 to 2.88 million units in 2010, a 2 percent increase. Nationally, 1 out of every 45 housing units was in foreclosure in 2010. In Nevada, 1 out of every 11 housing units had a foreclosure.

Demographic Factors

While homelessness affects people of all ages, races, ethnicities and geographies, there are groups of people at increased risk. This report examines four populations at increased risk of homelessness: people living in "doubled up" situations, people discharged from prison, young adults leaving foster care, and people without health insurance. Using data from the U.S. Census Bureau's American Community Survey Public Use Microdata Sample (PUMS) files, the U.S. Department of Justice, and the U.S. Department of Health and Human Services, this report chronicles changes in some of the demographic drivers of homelessness between 2009 and 2010.

- The "doubled up" population (people who live with friends, family or other nonrelatives for economic reasons) increased by 13 percent from 6 million in 2009 to 6.8 million in 2010. The doubled up population increased by more than 50 percent from 2005 to 2010.
- In addition to people living doubled up, people recently released from prison and young adults who have recently been emancipated from the foster care system (aged out) are also at increased risk of homelessness. The odds for a person in the general U.S. population of experiencing homelessness in the course of a year are 1 in 194.
    - For an individual living doubled up the odds are 1 in 12.
    - For a released prisoner they are 1 in 13.
    - For a young adult who has aged out of foster care they are 1 in 11.
- The number of people without health insurance increased by 4 percent from 47.2 million in 2009 to 48.8 million in 2010. Nationally, 1 out of every 6 people is uninsured.

Moving Forward

The State of Homelessness 2012 lays out a roadmap for ending homelessness. Prevention and rapid re-housing clearly work: this is the lesson of the Homelessness Prevention and Rapid Re-Housing Program which appears to have forestalled an increase in homelessness despite the poor economy, high unemployment, and lack of affordable housing. With 40 percent of homeless people unsheltered, the crisis response system must be improved. Permanent supportive housing works to house chronically homeless people and veterans with disabilities, and continued investment will solve these problems. Generally, low incomes and high housing costs, combined with a lack of supportive services for those who need them, make many people vulnerable to homelessness. Ultimately, as the nation moves to address the debt and deficit crises, it will be essential to ensure that the needs of the most vulnerable are prioritized in order to avoid increased homelessness, suffering, and cost.