Since the release of *Homelessness Counts: Changes in Homelessness from 2005 to 2007*, the Alliance has chronicled changes in the levels of homelessness in the nation and in individual states and communities to chart our progress toward the goal of ending homelessness. This comprehensive examination not only reveals national and state level homeless counts, but also delves into economic indicators and demographic drivers – taking an in-depth look at risk factors for homelessness. Built upon the most recent nationally available data from the federal Departments of Housing and Urban Development, Health and Human Services, Justice, and other public information sources, this report analyzes the effect the recession has had on homelessness and how it has contributed to an increased risk of homelessness for many Americans.

Major Findings

The State of Homelessness in America report consists of four major sections. Chapter 1 chronicles annual changes in overall homelessness and homelessness among families and other subpopulations. Chapter 2 demonstrates how economic risk factors, including unemployment, have increased during the recent economic recession. Chapter 3 identifies some specific populations, including doubled-up people and youth aging out of foster care, that are at increased risk of homelessness and documents trends in the sizes of those populations. Chapter 4 identifies a series of states, including California, Florida, and Nevada, that face multiple risk factors for worsening homelessness. Key findings for each of those sections are presented here.

State of Homelessness

Since the *Homelessness Counts: Changes in Homelessness from 2005 to 2007* report, the Alliance has chronicled changes in the levels of homelessness in the nation and in individual states and communities to chart our progress toward the goal of ending homelessness. Using the most recent available national data on homelessness, the 2008 and 2009 point-in-time counts, this report chronicles the changes from 2008 to 2009 in overall homelessness and in homelessness among subpopulations.

Key findings of the report on homelessness:

- The nation's homeless population increased by approximately 20,000 people from 2008 to 2009 (3 percent increase). There were also increased numbers of people experiencing homelessness in each of the subpopulations examined in this report: families, individuals, chronic, unsheltered.
- A majority – 31 of 50 states and the District of Columbia - had increases in their homeless counts. The largest increase was in Louisiana, where the homeless population doubled.
- Among subpopulations, the largest percentage increase was in the number of family households, which increased by over 3,200 households (4 percent increase). Also, the number of persons in families increased by more than 6,000 people (3 percent increase). In Mississippi, the number of people in homeless families increased by 260 percent.
- After population reductions from 2005 to 2008, the number of chronically homeless people in the country remained stagnant from 2008 to 2009, despite an 11 percent increase in the number of permanent supportive housing units.
- While most people experiencing homelessness are sheltered, nearly 4 in 10 were living on the street, in a car, or in another place not intended for human habitation. In Wisconsin, twice as many people experienced homelessness without shelter in 2009 as did in 2008.
- It is widely agreed upon that there is a vast undercount of the number of young people experiencing homelessness. Underscoring this is the fact that 35 percent of all communities reported that there were no homeless youth in their communities in 2009.

Economic Indicators

In recognition of the reality that homelessness is most often caused by job loss and other economic factors, this report explores economic indicators for homeless people and people at risk of homelessness. The economic indicators examined in this report point to worsening conditions across the nation and all states. Using data from the U.S. Census Bureau's American Community Survey, the Bureau of Labor Statistics, and RealtyTrac, this report chronicles the changes in four economic indicators from 2008 to 2009.

Key findings of the report on economic indicators:

- Conditions worsened among all four economic indicators examined in this report: housing affordability for poor people, unemployment, poor workers' income, and foreclosure status.
- From 2008 to 2009, the number of unemployed people in America increased by 60 percent from 8.9 to 14.3 million. Every state and the District of Columbia had an increase in the number of unemployed people. The number of unemployed people in Wyoming doubled.
- Nearly three-quarters of all U.S. households with incomes below the federal poverty line spend over 50 percent of monthly household income on rent. Over 80 percent of households below the federal poverty line in Florida, Nevada, and California spend more than 50 percent of income on rent. Forty states saw an increase in the number of poor households experiencing severe housing cost burden from 2008 to 2009.
- While real income among all U.S. workers decreased by 1 percent in 2009, poor workers' income decreased even more, dropping by 2 percent to $9,151. Poor workers in Alaska, the District of Columbia, Maine, and Rhode Island saw their incomes decrease by more than 10 percent.
- Foreclosure affected nearly half a million more households in 2009 than in 2008, a 21 percent increase for a total of 2.8 million foreclosed units in 2009. The number of foreclosed units more than doubled in Alabama, Hawaii, Idaho, Mississippi, and West Virginia.

Demographic Drivers

While homelessness affects people of all ages, races, ethnicities, and geographies, there are groups of people at increased risk of homelessness. The demographic indicators examined in this report focus on four populations at increased risk of homelessness: people living in doubled up situations, people discharged from prison, young adults aged out of foster care, and uninsured people. Using data from the U.S. Census Bureau's American Community Survey, the Bureau of Justice Statistics, and the Department of Health and Human Services, this report chronicles the changes from 2008 to 2009 in demographic drivers of homelessness.

Key findings of the report on demographic drivers:

- The doubled up population (people living with family or friends for economic reasons) increased by 12 percent to more than 6 million people from 2008 to 2009. In Rhode Island the number increased by 90 percent; in South Dakota the number more than doubled.
- In the course of a year, the estimated odds of experiencing homelessness for a doubled up person are 1 in 10.
- In the course of a year, the estimated odds of experiencing homelessness for a released prisoner are 1 in 11.
- In the course of a year, the estimated odds of experiencing homelessness for a young adult who ages out of foster care are 1 in 6.
- While the national number of uninsured people remained relatively constant, 33 states saw an increase in the number of uninsured people.

States with Multiple Risk Factors

One of the unique features of *The State of Homelessness in America* is the simultaneous examination of homeless counts and associated economic and demographic indicators. This affords a unique opportunity to identify states facing multiple economic and demographic risk factors for worsening homelessness.

Key findings of the report on states with multiple risk factors:

- Half of all states have multiple risk factors for increased homelessness; that is, they have rates worse than the national average on at least two of five indicators (unemployment, foreclosure, doubled up, housing cost burden, lack of health insurance).
- The presence of multiple economic and demographic risk factors is associated with higher rates of homelessness. In particular, states with high rates of cost burden among poor households exhibit higher rates of homelessness. Ten of the fourteen states with rates of homelessness greater than the national rate also have levels of cost burden greater than the national average.
- California, Florida, and Nevada – states known to have been disproportionately impacted by the recent housing crisis – have both high rates of homelessness and high levels of unemployment, foreclosure, housing cost burden, lack of insurance, *and* doubling up.

Moving Forward

These findings project a disquieting picture of what depressed wages, stagnant unemployment, unrelenting housing cost burden, and the lagging pace of the economic recovery could bring about: increases in homelessness and heightened risk of homelessness for more and more Americans.

As the new Congress and the Administration consider steps to revitalize the American economy with jobs, extension of benefits, and access to health care, it would be prudent to take note of these increased risk factors and incorporate homeless interventions into their recovery strategy.

Luckily, there are a number of strategies that can be administered effectively and efficiently.

Federal support of local efforts: To date, over 270 communities have adapted and adopted the Alliance's *Ten Year Plan to End Homelessness*. In July 2010, these communities found a federal partner; the U.S. Interagency Council on Homelessness released *Opening Doors*, a national, cooperative, interagency approach to end homelessness. Working together, communities – with the assistance of federal agencies, services, and resources - can achieve the goal of ending homelessness in America.

Examine state institutions: Discharge from state institutions – including foster care, incarceration, and health facilities – contributes to the number of people experiencing homelessness, but with the proper interventions and transition support, this is a problem that can be remedied. Prevention efforts to curb homelessness before it occurs are one critical way to reduce homelessness.

Strategic use of federal resources: This report shows that the need for homeless assistance programs is both abundant and critical - but federal resources are increasingly scarce. Ongoing federal initiatives to prevent and end homelessness must be implemented strategically to maximize their impact and efficacy.

The National Alliance to End Homelessness

As the nation's leading voice on the issue, the National Alliance to End Homelessness examines homelessness from every vantage: analyzing trends, best practices, emerging research, and effective solutions. The Alliance investigates correlating issues, including housing, health care, employment, changing demographics, and economic conditions. Of late, this has meant examining the impact of the recession on homelessness – and what the persisting economic conditions forecast for homelessness in the years to come. *The State of Homelessness in America*, the first in an annual series, investigates these issues.