

# Home Not Found: The Cost of Homelessness in Silicon Valley

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## New Study on Homelessness in Santa Clara County

*Home Not Found: The Cost of Homelessness in Silicon Valley* takes an unprecedented in-depth look at the cost of homelessness in Santa Clara County—and points to myriad possibilities that can move us towards ending homelessness *and* save the community money. **It is the largest and most comprehensive body of information that has been assembled in the United States to analyze the public costs of homelessness**, combining diverse data streams to analyze the population that experienced homelessness in Santa Clara County between 2007 and 2012. It includes demographic and medical attributes, justice system history, health and human services provided, and the cost of services. This data shows the realities of the true cost to public and safety net systems of homelessness in Silicon Valley.

*Home Not Found* was sponsored by Destination: Home and underwritten by the County of Santa Clara, and was authored by Economic Roundtable, a nonprofit, public benefit corporation conducting applied economic, social and environmental research that contributes to the sustainability of individuals and communities.

## Why a Study?

*Home Not Found* identifies the characteristics of the most vulnerable, distressed and costly homeless residents of Santa Clara County **to guide strategies for stabilizing their lives, improving their wellbeing and reducing public costs for their care**. Homelessness is marked by the absence of connections that are crucial for well-being, including connections to shelter, family, and health. These deficits are more severe and indelible among individuals experiencing persistent homelessness, for whom homelessness has become a way of life. Individuals experiencing persistent homelessness, who have recurring health and justice system crises that bring them into hospitals and jails at high public cost, are the focus of this study.

## The Cost of Homelessness to the community in Santa Clara County

**More than \$3 billion worth of services went to** homeless residents in the six years covered by this study. This cost our community \$520 million per year.

- **\$1.9 billion over six years for medical diagnoses and the associated health care services**—the largest component of homeless residents' overall public costs
- **\$786 million over six years associated with justice system involvement**—the second largest component of the overall cost of homelessness.

## The Cost Savings of Housing

**104,206 individuals** experienced homelessness in Santa Clara County over the study's six-year period. The community has a **significant opportunity to spend money more efficiently** to better serve the population *and* provide long-term solutions to the homeless population. *Home Not Found* offers critical data:

- **The top 5 percent** of the homeless population accounts for **47 percent of all public costs**. Within this population, **2,800 individuals** are categorized as "persistently homeless" and have an average public cost of \$83,000 per year. **By prioritizing housing opportunities for these**

**2,800 persistently homeless individuals, it is possible to obtain savings that greatly exceed the cost of housing.**

- As demonstrated through our work with Housing 1000 (a Housing First program), **tenth decile users cost on average \$62,473** while homeless. The **average post-housing cost is estimated at \$19,767**, resulting in **annual cost reduction of \$42,706** for those who remained housed.

## The Homeless Population of Santa Clara County

- **Many People Experience Short Term Homelessness:** Many individuals are able to find housing after only short episodes of homelessness. Out of the entire population that experienced homelessness between 2007 and 2012, **about 20 percent of the population was homeless for only one month. Another 32 percent were homeless for two to six months.** This shows that for **half of the population, homelessness is not a long-term way of life.**
- **Higher Rates of Persistent Homelessness Among Females in Santa Clara County:** Of the overall homeless population, 17 percent of females versus 14 percent of males were recorded as persistently homeless in an average month, much higher than national estimates. It is a trend that should be examined further and have programs developed for this segment of the homeless population.



## ...And Solutions Exist

Through the efforts of public and private agencies, and homeless service providers, strategies like prevention, rapid re-housing and supportive housing have been proven to work. Now armed with the data of *Home Not Found*, these strategies can be deployed with even greater efficacy:

- **Invest in Homeless Prevention:** By investing in prevention, the community can funnel resources **to keep people housed and prevent them from falling into chronic homelessness, which is costly and difficult to escape.** Prevention programs ensure that a family does not become homeless for failing to make a rent payment, that young adults do not exit foster care without a home, and that every veteran transitioning out of the military has a place to return to.
- **Expand Local Rapid Re-Housing Programs:** When our community engaged in the federal Homelessness Prevention and Rapid Re-Housing program, a national average of **93% of participating families remained housed after the program ended.** By investing in short-term shallow housing subsidies, resiliency will increase, and resources can be diverted to those who are in crisis and require a deeper investment.
- **Build Permanent Supportive Housing and Create New Housing:** Individuals who suffer the most require the deepest levels of support. For disabled and long term homeless men and women, stable housing is the foundation of recovery. **Without increasing overall public costs, the community can increase the supply of housing and create new housing opportunities to alleviate this worst kind of suffering.**