Policies to Reduce and Prevent Homelessness: What We Know and Gaps in the Research
by
William N. Evans, David C. Phillips, and Krista Ruffini


Overview:
Homelessness, which is both an outcome and a cause of poverty, is on the rise across the country, particularly in large cities like New York and Los Angeles. There are now an estimated 500,000 people experiencing homelessness on any given night, and over 1.4 million people who stay in a homeless shelter each year. The paper evaluates the policy responses that governments and non-profits use to reduce and prevent homelessness, focusing on solutions that have been evaluated using rigorous examinations of evidence, in particular randomized control trials, and quasi-experimental designs, rather than observational studies. The paper identifies gaps in the research and outlines a proposed research agenda to fill these gaps.

Key Takeaways:

- Permanent Supportive Housing (PSH) increases housing stability for veterans experiencing homelessness and people with severe mental illness. More research is needed to evaluate its causal impact on the general homeless population.
- Legal representation for tenants facing eviction can help reduce evictions and prevent people from falling into homelessness.
- Emergency financial assistance and interventions such as financial counseling can prevent families from losing their housing and falling into homelessness.
- Recent cash transfer programs in New York, London, and Vancouver, B.C., highlighted in this literature review have yielded encouraging initial results, but more research is needed.
- Housing choice vouchers help low-income families remain stably housed and avoid homelessness.
- Though rapid re-housing is cost-effective and efficient, there is limited causal evidence around its effectiveness as an intervention to reduce homelessness.
- With all of these interventions, the authors recommend more research to further determine the causal impact of each intervention on reducing and preventing homelessness, and how to best deliver the services that have proven most effective at reducing homelessness.
Measuring Homelessness
Measuring the rates of homelessness is challenging, and measurements can vary widely depending on the method used and the definition applied. The definition of homelessness varies depending on the agency. For example: the U.S. Department of Housing and Urban Development (HUD) includes literal homelessness, imminent homelessness, those fleeing domestic violence, and those under other federal statuses in their definition. Education settings define homelessness under the McKinney-Vento Act which includes students who are living in transitional settings such as motels, hotels, or campgrounds as well as “doubled up” youth living in the same household with another family. These groups included in the McKinney-Vento definition are often excluded from other definitions of homelessness.

HUD mandates that local Continuums of Care (COCs) utilize Point in Time (PIT) Counts to count sheltered people once every year and unsheltered people at least once every two years. PIT Counts don’t count “doubled-up” families or families living in motels. Because of this, PIT counts underestimate the number of people experiencing homelessness, especially children. Since the estimates derived by the PIT Count are by definition at one “point in time,” they don’t capture annual rates of homelessness, which are estimated to be almost four times higher.

National trends show homelessness has fallen since 2010. However, this is not the case for large cities such as New York and Los Angeles, which have seen dramatic increases in the number of people experiencing homelessness. High rent prices are partially to blame for this increase, but not entirely. Levels of homelessness are uneven across demographic groups. Black, Latino and Native American/Alaska Native people are more likely to experience homelessness than white people. Additionally, veterans, people with severe mental illness, chronic substance users, HIV-positive people, and people fleeing domestic violence are at higher risk of experiencing homelessness.

Evidence-Supported Strategies for reducing and preventing homelessness
The following strategies have at least some causal evidence supporting their effectiveness:

- **Prevention Strategies**: programs that aim to prevent homelessness before it occurs. These strategies may include simple financial assistance, or more comprehensive strategies such as landlord mediation, childcare, and substance abuse treatment. Examples include:
  - **Financial Assistance Hotlines**: 2-1-1 hotlines that residents can call for financial assistance if they are in danger of losing housing.
  - **Legal Representation in Eviction Court**: Programs that pair tenants facing eviction with an attorney to represent them to avoid eviction.
  - **Critical Time Intervention (CTI)**: A program that provides case management and transitional services to people discharged from inpatient treatment facilities in an effort to prevent them from falling into homelessness.

- **Housing Provision Strategies**: much recent research has focused on Housing First strategies that provide immediate housing to people experiencing homelessness, as opposed to earlier strategies that required employment or addiction treatment prior to providing housing. Examples include:
  - **Supportive Housing**: Housing First model that includes wrap-around supportive services on-site (mental health, substance use treatment, etc.). Supportive housing with no time limit is referred to as Permanent Supportive Housing (PSH).
  - **Rapid re-housing**: Housing First model providing time-limited rent assistance and services.

- **Low-income housing subsidies and rental vouchers**: Section 8, Housing Choice Vouchers (HCV) and other similar programs pay for private housing giving funds to tenants or directly to landlords.
Market Level Incentives: Rent control can set limits on the amount a landlord can charge a tenant. Zoning ordinances can restrict the number or type of units that can be built. However, there are no randomized control trials or quasi-experimental evidence on the impact of market level incentives on homelessness outcomes.

Key gaps that can be addressed in future research
- Many of the current program evaluations have limited causal evidence. Can we expand evidence on what types of programs improve housing stability?
- What outcomes beyond housing are improved by existing programs?
- What bundles of services are most effective, and for whom?
- Can researchers evaluate and exploit the structure of coordinated entry?
- Can supply-side interventions work?
- What are the general equilibrium effects of homelessness interventions?

Conclusion
Though homelessness has been on the decline in recent years, homelessness rates are rising quickly in large cities. Many interventions, particularly Housing First models, are effective in preventing homelessness, but further research is needed to determine the broader impact of these programs.

For questions about the Homelessness Policy Research Institute, please contact Elly Schoen at ebschoen@usc.edu

This policy brief was developed by: Allan Broslawsky