



ENDING HOMELESSNESS

ISSUE BRIEF

IDA POSITION

Congress should help communities around the country address the crisis of homelessness by funding the Homeless Assistance Grant program at \$4.1 billion in FY2025.

BACKGROUND

Homelessness touches Americans in all demographic groups, from children to the elderly, families, veterans and many others. By the late 2010s, studies showed that the number of homeless had gone down. But the COVID-19 pandemic has exacerbated homelessness, as the sudden economic downturn created significant job loss in 2020 and forced many people out of housing.

According to the Department of Housing and Urban Development's 2023 Annual Homelessness Assessment Report to Congress, 653,100 people experienced homelessness on a single night in January 2023, an increase from before the pandemic started. In fact, the number of individuals experiencing sheltered or unsheltered homelessness was the highest it had ever been since data reporting began in 2007.

There are a number of causes of homelessness, including a lack of affordable housing, lower incomes and unemployment, mental health issues and substance abuse, and domestic violence. According to the National Alliance to End Homelessness, a lack of housing disproportionately affects minority populations: "most minority groups, especially African Americans and Indigenous people, experience homelessness at higher rates than Whites, largely due to long-standing historical and structural racism."

FEDERAL POLICY

Although homelessness has been on the rise in recent years, communities working in partnership with the federal government have proven that we can reduce the number of unhoused Americans. Approximately 56,000 fewer people experienced homelessness on a given night in 2020 than did in 2010, and several communities have managed to end veterans' homelessness.

In 2022, the Biden administration set a goal of reducing homelessness by 25 percent by January 2025 and setting the country "on a path to end homelessness for all Americans."

The principal source of federal funding to fight homelessness is the Homeless Assistance Grants (HAG) account. This account, first established in 1987, supports a nationwide network of state, local, charitable, and faith-based homeless assistance providers who make sure that people who become homeless will be identified, kept safe, and quickly returned to housing.

The HAG program has two main components:

- The formula-based *Emergency Solutions Grant (ESG)* program supports community work helping people quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness. It supports street outreach efforts, homelessness prevention and diversion strategies, emergency shelter, and Rapid Re-Housing programs.
- The competitive *Continuum of Care (CoC)* program supports communities' efforts to achieve the goal of ending homelessness. It supports Rapid Re-Housing, the Transitional Housing and Permanent Supportive Housing programs, and the Youth Homelessness Demonstration Program.

Federal funding through HAG is essential for the success of locally managed homeless systems in communities across the country that work not simply to get people off the streets, but into permanent housing. Congress can continue to support this work and bring us closer to the goal of ending homelessness by funding Homeless Assistance Grants at \$4.1 billion in FY2025.

ABOUT IDA

IDA is the premier organization for urban place professionals who are shaping and activating dynamic city center districts. Our members are city builders and downtown champions who bring urban centers to life, bridging the gap between the public and private sectors. We represent an industry of more than 2,500 place management organizations, employing 100,000 people throughout North America and growing rapidly around the world. Founded in 1954, IDA is a resource center for ideas and innovative best practices in urban place management. For more information, visit downtown.org.

FOR MORE INFORMATION

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