



For Immediate Release

Tip Sheet

Homelessness in 2021: Five Factors to Watch

December 21, 2020, Washington, D.C. – As the nation emerges from the COVID-19 pandemic, homelessness will continue to be a national crisis. Although the number of people experiencing homelessness is still lower than it was in 2007, homelessness has been increasing since 2016, and it is likely that the consequences of the pandemic, a national recession, and deep economic disparities will drive further increases.

Despite these obstacles, there will be important opportunities in the year ahead for the mission to end homelessness. The National Alliance to End Homelessness offers the following assessment of the key factors that will affect this work.

1. **What Will We Learn from the COVID-19 Pandemic?** COVID-19 forced communities to confront new limitations and innovate through them to keep people safe. Those innovations were all driven by an obvious truth that housing is the basis for health. The question moving forward is whether federal and local leaders will translate that connection into resources and policies to end homelessness. Moreover, as we consider the enormous challenges to shelter systems during the pandemic, it is unclear whether elected officials and systems leaders will re-think their historic reliance on congregate shelter, which was proven to be unsafe and unscalable during the pandemic.
2. **Will the Federal Government Prioritize Homelessness?** The Biden Administration and Congress will have immediate opportunities to prioritize homelessness and housing in 2021. This includes the appointment of key Cabinet officials who are dedicated to evidence-based and equity-based approaches to ending homelessness, including Housing First. It includes advancing a FY 2021 Federal budget that dramatically scales up investments in the McKinney Vento Homeless Assistance Grants program, which will be crucial as states and localities deal with lost revenue and diminished budgets following the pandemic. And it includes the Biden Administration's campaign goal to expand the Housing Choice Voucher program (Section 8) so that more people can afford housing.
3. **How Will the Housing Market Respond?** The pandemic has made it obvious that many Americans simply cannot afford the cost of rent. If the rental market continues to soften – especially in higher-cost communities – more people will have access to the units they need, and the flow of people falling into homelessness can more easily be reduced. This will also enhance homelessness system efforts to place people into housing. However, if rents revert to

pre-COVID levels in the midst of widespread unemployment and recession, homelessness will not decline. Additionally, the future of commercial real estate represents a major area of uncertainty. If vacant offices, retail spaces, and hotels and motels, can be converted into affordable housing, communities will have a dramatically renewed capacity to end people's homelessness.

4. **Will the Nation Address Inequity?** Awareness of racial and economic inequity made it to the forefront of the American consciousness in 2020. It remains to be seen whether the nation will extend this awareness to housing and homelessness. This would require leaders to address historic injustices and reverse discriminatory housing policies. Meanwhile, systems leaders and providers must continue to identify and address inequitable policies and outcomes in their own work. Although racial disparities have been at the center of this discussion to date, it will be essential that these efforts extend to disparities among other populations at increased risk of homelessness, including gender minorities, people with disabilities, and returning citizens.
5. **Can We Target Emerging "Age Waves"?** Demographic data shows that homelessness is on the rise among two distinct age groups: people who are very old, and people who are relatively young. Efforts to serve these groups will depend upon the ability to define and fund targeted strategies for each. Older individuals experiencing homelessness not only face dramatically higher health vulnerabilities, but also will amass especially high health care costs associated with their homelessness. Meanwhile, younger people experiencing homelessness must be connected to housing and employment now, despite the economic recession. Without these connections, their likelihood of prolonged detachment from the workforce will directly impact their risk of homelessness over the long term.

About the National Alliance to End Homelessness

The National Alliance to End Homelessness is a nonprofit, non-partisan, organization committed to preventing and ending homelessness in the United States. As a leading voice on the issue of homelessness, the Alliance analyzes policy and develops pragmatic, cost-effective policy solutions; works collaboratively with the public, private, and nonprofit sectors to build state and local capacity; and provides data and research to policymakers and elected officials in order to inform policy debates and educate the public and opinion leaders nationwide.

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