

COVID-19

Homeless System Response: Estimating Future Homelessness

As eviction moratoria expire, evictions and homelessness are likely to increase over pre-COVID-19 levels. To help inform efforts by communities to predict the extent of these increases, this document and the accompanying Homeless Entries Spreadsheet provide guidance on data to monitor and factors to consider.

The spreadsheet includes tabs corresponding to different types of data that can be useful to track in order to help inform estimates of the potential entries into the homeless system. The spreadsheet includes a dashboard that communities can use to visualize trends over time based on data they input about their local jurisdiction(s).

Communities can use both the data described below and in the spreadsheet for planning purposes to inform their estimates of future entries into the homelessness system. However, the spreadsheet does **not** include a formal model for generating a single quantitative estimate of future entries. In part, this is because the economic crisis caused by COVID-19 is different from past economic crises, which makes it difficult to generalize from past experience. Since no validated model is currently available for precisely estimating future entries, communities should continually monitor newly available data to refine and update their estimates in light of the latest information.

COVID-19 and homelessness disproportionately affect Black, Indigenous, and people of color. Disaggregating the data below by race and ethnicity, as well as by household characteristics (if possible), will provide more insight into which groups and areas may need additional assistance to support housing stability.

The following is a brief summary of the data included in the spreadsheet. Each tab of the spreadsheet provides details on how to find and interpret the data.

- **Economic data**—Increases in the unemployment rate and the number of unemployment insurance claims are signs of increased economic distress. In the past, increases in unemployment have been associated with increases in homelessness, particularly in jurisdictions with tight housing markets. (NOTE: Because the current economic crisis is so widespread, and many of those affected have relatively higher incomes, the relationship between rising unemployment and homelessness may not be same as it was before COVID-19).
- **Evictions**—While evictions have been temporarily paused in many locations due to eviction moratoria, they will likely resume as the moratoria expire. Evictions do not always lead to homelessness, but increases in the number of eviction filings and executed evictions are likely to lead to increased homelessness. (NOTE: Caution should be exercised in interpreting an initial spike in eviction filings once an eviction moratorium expires, as some of the initial increase could be “catch up” for what previously would have been eviction filings during the several-month period of the moratorium.) While the race or ethnicity of the leaseholder is not available in an eviction filing, the location of the unit is. These locations can be mapped against American Community Survey data (a similar approach taken by the Eviction Lab) to see the racial and ethnic composition of neighborhoods with high levels of eviction filings.
- **Local policy environment**—The coverage and timing of applicable eviction moratoria, the scope of local rental assistance and other eviction prevention efforts, and other relevant policy factors (such as mass prison releases) will likely have an effect on the timing and size of increases in homelessness.
- **HMIS data and calls to 211 (United Way helpline)**—Increases in new spells of homelessness and calls to 211 related to rental assistance or

Additional Resources

[Homeless System Response: Five Things to Consider When Investing ESG in Homelessness Prevention](#)

homelessness provide evidence of the increased demand for homelessness services. In most cases, Homeless Management Information System (HMIS) data can be disaggregated by race and ethnicity as well as other household characteristics. (NOTE: It is important to understand the coverage of the HMIS data system in your community: not all relevant services are covered in all Continuums of Care. The HMIS participation rate for different services for each Continuum of Care can be found in the [Housing Inventory Count](#) data.)

In cities that have 311 systems for calls seeking access to non-emergency municipal services, the 311 data may also prove useful for tracking inquiries related to rental assistance or homelessness.

- **Housing conditions**—Analysis of pre-COVID-19 data suggest that a number of housing variables (such as high rents, low vacancy rates, housing unaffordability, and overcrowding) are associated with homelessness, even when unemployment rates are held constant.¹ (NOTE: It is unclear whether these past relationships will hold true in the current economic crisis. It is also unclear how rental markets will respond to the current economic crisis, or how patterns of household consolidation or crowding might change over the long term).
- **Household Pulse Survey**—The U.S. Census Bureau has been conducting a weekly survey that includes data on housing insecurity. This information is available at the state level and for the largest 15 metropolitan areas and can be disaggregated by race and ethnicity.
- **Health data**—While the economic impact of increases in COVID-19 cases should ultimately be reflected in other data, such as the unemployment rate and unemployment insurance, it can be helpful to track daily COVID-19 cases as a leading indicator of distress that could affect economic conditions in the near future. However, note that data quality can vary, as some states have greater testing capacity than others. Many state and local health departments are providing information on COVID-19 cases disaggregated by race and ethnicity.

Exercise caution in interpreting predictions due to the high degree of uncertainty.

It is important to try to anticipate future entries into the homelessness system in order to plan ahead for increased volume. At the same time, it is important to remember that any numerical projections will be accompanied by a significant amount of uncertainty. The following are four sources of uncertainty to bear in mind:

1. **Patterns of unemployment in response to the COVID-19 pandemic are likely to be different from patterns in prior recessions.** Unemployment among households with incomes above the median and the share of unemployed households that expect to return to their jobs are both likely to be higher currently than in past recessions. At the same time, the data from the [U.S. Census' Household Pulse Survey](#) suggest that households experiencing a loss of employment income are three times more likely to report not having paid the prior month's rent on time.² Black, Indigenous, and people of color are experiencing significantly higher rates of loss of employment income than white households during this crisis.³
2. **The nature and amount of government financial assistance is subject to change.** The [Coronavirus Aid, Relief, and Economic Security \(CARES\) Act](#) provided a significant amount of federal assistance to local and state governments. It is not yet clear if there is additional aid that will be provided in the future.

¹ Nisar, Hiram et al. 2019. [Market Predictors of Homelessness: How Housing and Community Factors Shape Homelessness Rates Within Continuums of Care](#). Prepared for HUD's Office of Policy, Development and Research by a multidisciplinary research team affiliated with 2M Research.

² Household Pulse Survey: May 28–June 2, Housing [Table 1b. Last Month's Payment Status for Renter Occupied Housing Units, by Select Characteristics](#)

³ Household Pulse Survey: May 28 - June 2, Employment [Table 1. Experienced and Expected Loss of Employment Income by Select Characteristics](#)

In addition, a growing number of localities are establishing or expanding their own rental assistance programs.

3. ***The duration and extent of the health crisis is uncertain.*** Throughout the COVID-19 pandemic, health conditions have been changing rapidly. Major rebounds or increases in COVID-19 infections could have a substantial impact on the pace and extent of economic recovery.
4. ***The nature and speed of economic recovery are uncertain.*** As states and localities lift restrictions, many workers will return to work. However, it is likely that a significant number of workers will remain unemployed for months or even years. A faster and broader economic recovery will slow the growth of homelessness while a slower recovery, with continued rates of high unemployment, will likely increase it.

This uncertainty is not a reason to avoid tracking and analyzing data to better understand current trends and anticipate future needs, but it is a reason to exercise caution in interpreting the results of predictions.

As the crisis continues, it is possible that the degree of uncertainty around these predictions will be reduced. For example, as the economy recovers, more of the previously unemployed households who expected to be rehired will in fact return to their jobs, at which point the characteristics of households who remain unemployed may start to look more like that of past recessions. Similarly, over time, the extent of government support for income and rental assistance should become clearer.