



2023 Homelessness Update

OFFICE OF HOMELESSNESS PREVENTION

Division of Housing and Community Resources
Department of Community Affairs

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Update on Homelessness in New Jersey 2023

Executive Summary

As stated in the Office of Homelessness Prevention's (OHP) Annual Report - 2022, and observed in this year's 2023 Point-In-Time Count, the total homelessness census (unsheltered and sheltered) across the state increased by 20% in 2022 and through early winter of this year.

Consequently, the Homelessness Prevention and Services Ecosystem (HPSE) responded collaboratively and in kind. The creation of additional upstream prevention programming and improving existing programming has **increased system access by 28.9% this year**, allowing more at-risk individuals to avoid homelessness.



Through DCA, the Division of Housing and Community Resources also distributed over \$1.3 billion dollars of emergency rental assistance, deployed in concert with eviction diversion assistance through its Office of Eviction Prevention, preventing and diverting over 90,000 households from entering into homelessness. **The data on prevention is conclusive: the best way to end homelessness in New Jersey is to ensure that households never reach that state of housing crisis through access to interventions as early as possible.**

Aligned with these efforts, the Diversion Pilot Program through OHP diverted over 2300 households from homelessness, at an average cost of \$650.54 per housing exit.



Unsheltered homelessness has **declined 23.4% year-over-year in the State**, indicating success in housing and reaching the most vulnerable. This observed reduction is also aligned with a multiyear expansion effort of street outreach services to the rural and suburban parts of New Jersey through the OHP's Rural and Suburban Outreach program.

An observable marker of sustained decreased unsheltered homelessness is increased **sheltered homelessness and emergency hotel utilization, which has risen 12% year-over-year through the 31st of October of this year.**



Across the State, efforts are being coordinated to accelerate housing outcomes from shelter, aligned with sustainment of the increased prevention and diversion efforts.

Overall total homelessness is down slightly (1.37%) versus last year, thanks to aligned prevention and diversion efforts and increased resources for downstream permanent housing resources.



Similarly, in deploying programs, the Department is aligning constituent access to long term housing programs, like with the recent opening of the Housing Choice Voucher waitlist aligned with the Point-In-Time Count of 2023, to maximize inflow from persons at-risk and experiencing homelessness.

This alignment has yielded excellent results, with 11,542 households selected in the lottery that had experienced homelessness in the past year, or were at-risk of homelessness within the last 3 years. **Over 6000 of the households selected in this lottery had experienced at least one night of sheltered or unsheltered homelessness in 2022.**

Comparative System Utilization - 2022 to 2023 (1/1 through 10/31)

NJ HPSE: YTD System Utilization (10.31 YoY) - All Populations (Prevention, At-Risk, Homeless)

of distinct persons by population and sub-population

■ 2022 ■ 2023

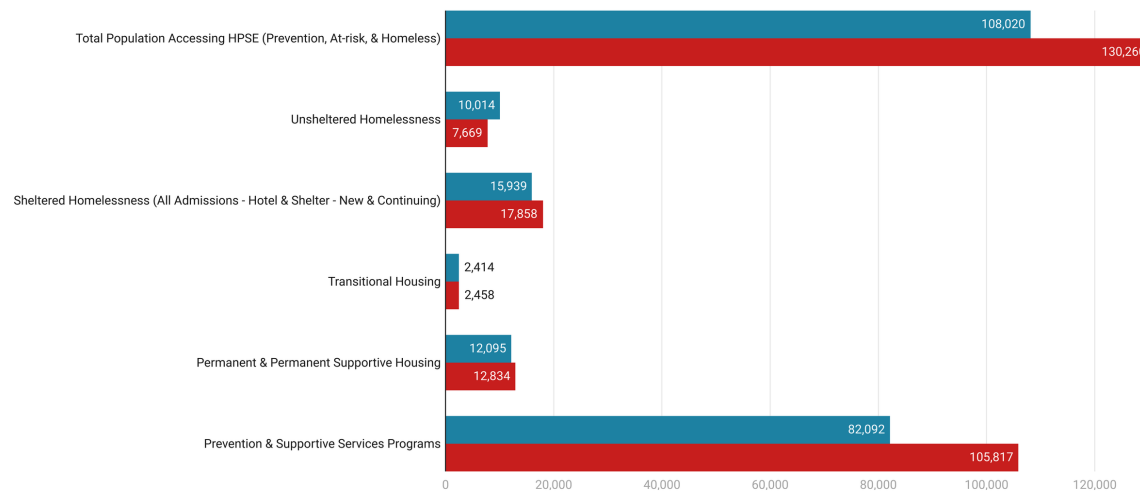


Chart: OHP/DCA • Source: NJ HMIS & DCA

Fig. 1

Population - YoY 2022-2023 Percentage Changes (through 10.31)

In 2023, an analysis of population data reveals significant shifts in various categories, particularly among those accessing Homeless and Permanent Supportive Housing services. The following data, presented in Figure 1 above, showcases the changes from 2022 to 2023 and the corresponding percentage changes through October 31st:

Total Population Accessing HPSE (At-risk & Homeless):

- In 2022, the total population accessing Homeless Prevention and Services Ecosystem (HPSE), which includes both at-risk individuals and homeless individuals, stood at 108,020.
- By October 31st, 2023, this figure had increased to 130,260, representing a notable 21% YoY growth. This significant increase suggests a growing demand for support services in addressing homelessness and at-risk populations within the community.

Prevention of Homelessness & Supportive Services Programs:

- This category experienced the highest growth at 28.96%, jumping from 90,207 to 116,328. This increased investment in preventive measures and supportive services is being realized through increased first-touch access, which is crucial in addressing the root causes of homelessness and preventing at-risk individuals from losing their housing.

Unsheltered Homelessness:

- In 2022, the number of unsheltered homeless individuals was recorded at 10,014 through Oct 31st of that year.
- However, by October 31st, 2023, this figure had decreased significantly to 7,669, indicating a remarkable 23% decrease YoY. The reduction in unsheltered homelessness suggests ongoing efforts to provide shelter and housing supports for this vulnerable population.

Sheltered Homelessness:

- In 2022, the population of individuals experiencing sheltered homelessness amounted to 15,939.
- By October 31st, 2023, this number had risen to 17,858, reflecting a 12% YoY increase. The growth in sheltered homelessness indicates an expansion of shelter services and a potential shift across the state towards more secure and permanent housing options.

Transitional Housing:

- In 2022, 2,414 individuals were in transitional housing programs.
- By October 31st, 2023, this figure had experienced a modest increase, reaching 2,458 individuals, marking a 2% YoY growth. This indicates a relatively stable transitional housing program utilization during this period.

Permanent Supportive Housing:

- In 2022, the population benefiting from Permanent Supportive Housing services was 12,095.
- By October 31st, 2023, this number had increased to 12,834, representing a 6% YoY growth. This suggests an ongoing commitment to providing long-term housing solutions with supportive services for individuals facing chronic homelessness, the largest segment of the total population receiving services within this program domain.

In conclusion, the data highlights both challenges and progress in addressing homelessness and the importance of upstream prevention work throughout the State of New Jersey. While the total population accessing HPSE services has increased substantially, there has been a significant reduction in unsheltered homelessness, indicative of positive efforts in providing shelter, housing exits, and upstream supports. The growth in sheltered homelessness and Permanent Supportive Housing underscores ongoing initiatives to secure housing for vulnerable individuals and to exit them from unsheltered conditions.

Comparative Causes of Total Homelessness - 2022 to 2023 (1/1 through 10/31)

NJ HPSE: Causes of homelessness - (All populations) - YoY Comparison

YoY comparison between precipitating cause of homelessness - sheltered and unsheltered populations - YTD - 10.31.22 to 10.31.23

Rank	Homeless Cause (All Populations)	2023	2022	YoY Change?
1st	Asked to Leave Shared Residence	25.01%	26.51%	-1.50%
2nd	Eviction	18.51%	14.10%	4.41%
3rd	Other	11.29%	12.58%	-1.29%
4th	Job Income Loss/Reduction	8.66%	8.42%	0.24%
5th	Relocation	6.27%	5.75%	0.52%
6th	Release from Prison/Jail	4.61%	4.75%	-0.14%
7th	Domestic Violence	4.13%	4.28%	-0.15%
8th	Benefits Loss/Reduction	4.09%	4.06%	0.03%
9th	Household Breakup / Death in Household	3.66%	3.62%	0.04%
10th	Drug/Alcohol Abuse	3.31%	4.29%	-0.98%
11th	Unknown	1.72%	2.39%	-0.68%
12th	Natural Disaster	1.49%	1.70%	-0.21%
13th	Rent Increase / Insufficient Income	1.31%	1.21%	0.11%
14th	Release from Hospital	1.16%	1.45%	-0.29%
15th	Illness	1.05%	1.38%	-0.33%
16th	Foreclosure - Rented Property	0.76%	0.72%	0.04%
17th	Foreclosure - Owned Property	0.75%	0.62%	0.13%
18th	Release from Psych. Facility	0.65%	0.62%	0.03%
19th	Substandard Housing	0.56%	0.52%	0.05%
20th	Mental Illness	0.52%	0.66%	-0.15%
21st	Injury	0.37%	0.37%	0.00%
22nd	Impact from COVID-19	0.12%	0.01%	0.11%
23rd	Sexual Orientation	0.02%	0.00%	0.02%

Table: OHP/DCA • Source: NJ HMIS & DCA

Fig. 2

Figure 2, above, is a ranked list of causes for homelessness, both sheltered and unsheltered, from all regions of New Jersey comparing percentages from 2023 to 2022, along with the year-over-year (YoY) change:

- The leading cause of homelessness in 2023 was being "Asked to Leave Shared Residence," accounting for 25.01%, a slight decrease from 26.51% in 2022.
- "Eviction" was the second most common cause, increasing significantly to 18.51% from 14.10% the previous year.
- "Other" causes represented 11.29%, down from 12.58%.
- "Job Income Loss/Reduction" was next at 8.66%, marginally higher than 2022's 8.42%.
- "Relocation" caused 6.27% of homelessness, slightly up from 5.75%.
- "Release from Prison/Jail" and "Domestic Violence" were relatively stable causes, with minor decreases.

Importantly, the data challenge several stereotypes about homelessness:

- **Homelessness is firstly a housing issue:** The top cause of homelessness is being "Asked to Leave Shared Residence," which signals shifting household compositions and precariousness of living arrangements. This could include a variety of complex social and familial issues.
- **Substance abuse is not the primary cause for a household's experience of homelessness:** While "Drug/Alcohol Abuse" is present, it ranks 10th, suggesting that substance abuse is not the leading cause of homelessness. In fact, it showed a decrease from the previous year.
- **Homelessness is not primarily caused due to mental illness:** "Mental Illness" is ranked 20th, which counters the stereotype that a majority of homeless people suffer from mental health issues.
- **Homelessness does not affect the employed:** "Job Income Loss/Reduction" is a significant cause, indicating that individuals can become homeless even when they are employed or have recently lost employment, highlighting the precarious nature of some employment situations.
- **Evictions are rare and only happen to those who don't pay their rent:** "Eviction" is the second-highest cause, pointing to a broader housing affordability and stability issue in New Jersey, rather than simply non-payment.
- **Homelessness is a choice:** Many of the causes listed are involuntary, such as "Release from Prison/Jail," "Domestic Violence," "Natural Disaster," or "Illness," demonstrating that homelessness is often a result of circumstances beyond an individual's control.
- **The impact of societal issues is minimal on homelessness:** "Eviction," "Benefits Loss/Reduction," and "Rent Increase/Insufficient Income" suggest systemic issues in housing and social safety nets and access to those services are significant factors and vectors into homelessness.

Conclusion

The detailed data and analysis presented throughout this 2023 homelessness update shine a light on the nuanced, complex nature of homelessness across New Jersey. It is the intent of this update to add context to the 2022 Annual Report, recently released by the OHP. A more detailed analysis and report on 2023 is forthcoming and will be published in early 2024.

While the total population accessing homeless prevention services has grown substantially year-over-year, significant reductions in unsheltered homelessness of over 23% highlight the tremendous impact that strategic, collaborative efforts in diversion, prevention, shelter, housing, and supportive services can have for our most vulnerable residents. Said plainly, our upstream prevention tactics are working--we need to expand and deepen their reach into our communities to realize further gains.

This collaboration will reach a new level this year, through the Office of Homelessness Prevention's Regional Homelessness Collaboration Initiative, beginning in Essex County and Atlantic City in January of 2024, and the Data-Driven Decision Making - Organization Change Program, up-skilling the data and real-time decision making capacities of New Jersey's Homelessness Continuums-of-Care.

Still, this progress must be viewed in the broader context of a statewide affordable housing crisis and the systemic societal factors that push individuals into homelessness. The over 12% rise in sheltered homelessness and growing utilization of emergency hotel vouchers, emergency shelters, and transitional housing programs underscores how many individuals still lack access to safe, stable, permanent housing options.

To that end, the housing production efforts of the DCA through its Office of Housing Production have produced 500 units of affordable housing in the State this year alone through the Affordable and National Housing Trust Funds, awarding nearly \$44 million dollars in support of these efforts: from Montvale Borough to the City of Camden.

Rising evictions as a cause of homelessness have prompted an expansion of specialized services for eviction prevention, with DCA's Office of Eviction Prevention (OEP) leading the charge in its recent expansion of the statewide Comprehensive Eviction Diversion and Defense program. With its community partners, OEP is critically examining gaps in tenant protections and intervention levers to decrease total system inflow from eviction.

Perhaps most importantly, there has been significant progress across New Jersey in the formalization and operationalization of the statewide advisory boards of persons with lived experience of homelessness, in partnership with Monarch Housing Associates and the State's Continuums-of-Care. In support of this effort, the Division of Housing and Community Resources at DCA has also engaged with the Governor's Office of Innovation, to improve resident access to its entire constellation of prevention, production, and community and utility assistance programs.

As we continue to aggressively and iteratively make changes to the services ecosystem, a compassionate, person-centered approach built on proven, evidence-informed and data-driven practices must remain at the core of our collective efforts. Sustaining and expanding diversion and prevention initiatives, rethinking how we use and deploy rapid re-housing and novel downstream housing programs, forging new partnerships with municipalities and housing authorities, and accelerating production of long-term supportive housing with our state and federal partners will be key, all the while dismantling stereotypes and myths around homelessness through scientific rigor and addressing root causes of poverty and housing instability in partnership with the persons and communities accessing and leveraging our programs to break generational cycles of suffering.

Together, government, non-profits, businesses, faith communities, and residents can build on the gains made to date to ensure every New Jerseyan, regardless of life circumstances, has a place to call home. But progress will require bold leadership, tireless advocacy, and recognition that housing is a basic human right.

To the work ahead,



Michael Callahan
Director
Office of Homelessness Prevention

