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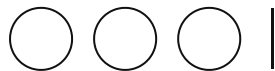
# Here's how much a new report says it would take to end California's homeless crisis



Kevin Fagan

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California can end homelessness by spending \$8.1B a year, new report says. A man carries an umbrella while walking past a line of tents covered in tarps and umbrellas as rain falls along Myrtle Street in San Francisco, Calif. on Dec. 1, 2022.

Jessica Christian / The Chronicle

A new report estimates California could end homelessness by 2035 if it spent at least \$8.1 billion every year on the problem, a daunting goal that points out the enormity of the challenge despite ramped-up efforts in recent years.

The money should be used for building affordable apartments and housing with supportive counseling services, subsidizing rents and providing emergency shelter, according to the study released Tuesday by the Corporation for Supportive Housing and the California Housing Partnership.

The report's authors say the state and federal governments will already be spending \$1.2 billion annually on addressing homelessness, so there is a gap of \$6.9 billion needed to solve the crisis — which many consider to be the most pressing in California.

The last official one-night count of homeless people in California, taken earlier this year, put the total at 171,521, or an outsize 25% of the nation's total — and a 6% increase since 2019.

“It's the No. 1 issue in the minds of lots of Californians, including many policy-makers and, of course, the thousands of people experiencing homelessness,” CSH Western Regional Managing Director Debbie Thiele told The Chronicle. “It's a crisis. But now that we actually know what it will take, we can move toward solving it.”

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She noted that the \$8.1 billion figure represents just 2.5% of the state's annual budget. And in addition to unprecedented emphasis on the statewide problem by Gov. Gavin Newsom, including the Homekey program that has created nearly 13,000 units of housing for homeless people over the past two years, on Monday the Biden administration set a goal of reducing homelessness by 25% over the next two years.

San Francisco's spending on homelessness has mushroomed to more than \$600 million a year. And last month the U.S. Interagency Council on Homelessness announced that, largely through extra attention by the Department of Veterans Affairs, the one-night national total of unhoused veterans has fallen 55% since 2010.

"There is a lot of political will right now," Thiele said. "This is solvable."

Many reports have addressed the crisis statewide and locally, including a study released last year by the Bay Area Council that concluded it would take \$11.8 billion to create enough shelter and housing to put roofs over all 35,000 unhoused people in the Bay Area — a number that swelled to 37,000 this year. And that's just using the one-night counts, which don't take into account the year-round reality that would come in much higher.

But this latest study drills in deeper with more specifics statewide than others, and the information at least determines some quantifiable targets for improvement.

The report projects that 239,963 more California households will fall into homelessness over the next 12 years. Among the suggestions it makes:

- Spend \$5.7 billion a year to build 112,527 affordable apartments.
- Spend \$1.8 billion a year to subsidize rental units.
- Spend \$488 million a year on supportive housing services for those who get housed and need counseling and other additional care.
- Spend \$488 million a year on homeless shelters and interim housing.

Dr. Margot Kushel, director of UCSF's Benioff Housing and Homelessness

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Initiative, welcomed the report's emphasis on creating housing.

Although support and shelter services are a necessary part of the equation, creating permanent housing for marginalized people is what will ultimately cure the crisis, she said.

“The main way to solve homelessness is through housing,” she said.

She pointed out that research shows California is short by 1 million affordable and available housing units alone for extremely low-income renters — those making less than 30% of area median income. “By shrinking that deficit, we will reduce homelessness,” she said. “There is no magic here. And it will take a sustained investment by federal, state and local governments to do it.”

*Kevin Fagan is a San Francisco Chronicle staff writer. Email: [kfagan@sfnchronicle.com](mailto:kfagan@sfnchronicle.com) Twitter: @KevinChron*

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Written By  
**Kevin Fagan**

Reach Kevin on

Kevin Fagan is a longtime, award-winning reporter at The San Francisco Chronicle, specializing in homelessness, enterprise news-feature writing, breaking news and crime. He has ridden with the rails with modern-day hobos, witnessed seven prison executions, written extensively about serial killers including the