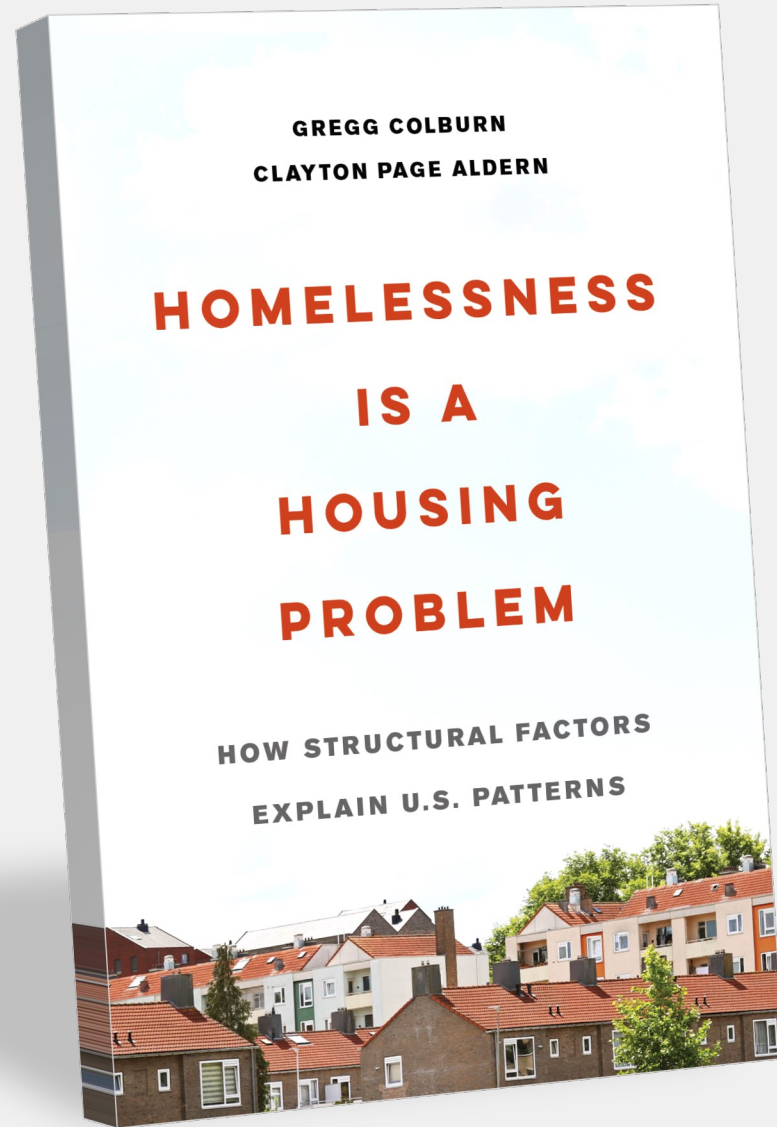


Homelessness is a **Housing** Problem

Multifamily NW
Fall 2023 Apartment Report Luncheon

Gregg Colburn | October 19, 2023
University of Washington

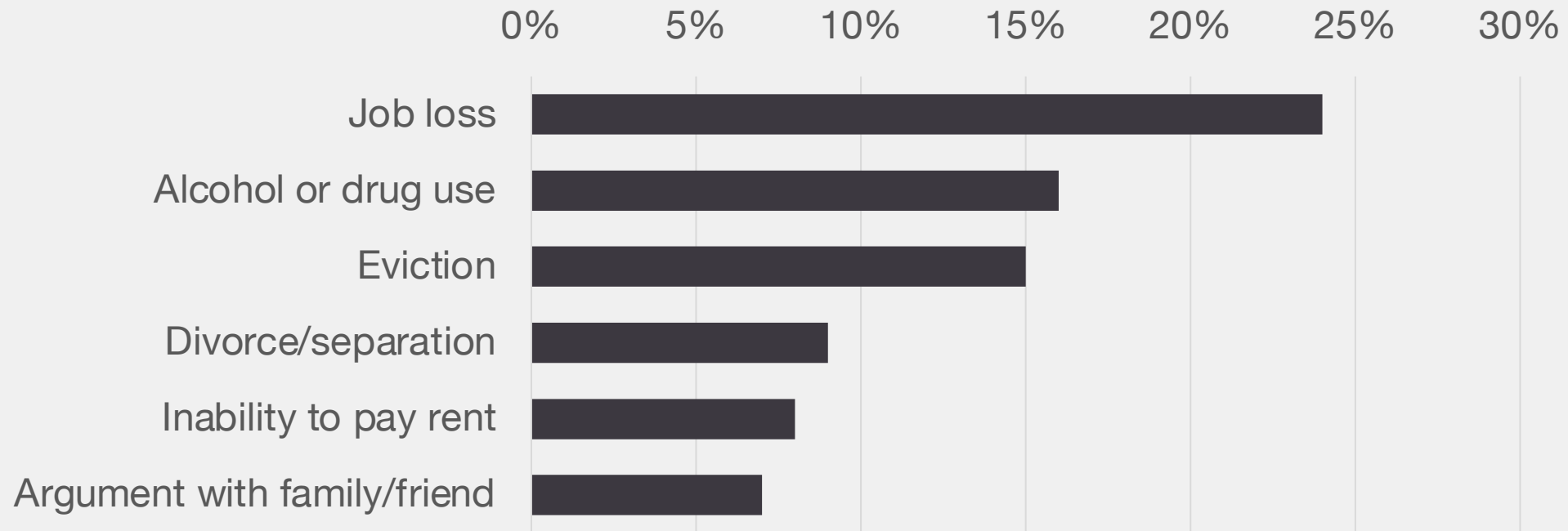




(The book)

Causes of Homelessness

According to the 2019 Point-in-Time homelessness census in Seattle/King County, survey results suggest the following events or conditions lead to homelessness:



Causes of Homelessness

Are these conventional explanations of homelessness **root causes** or **precipitating events**?

Causes of Homelessness

Ten friends decide to play a game of musical chairs and arrange ten chairs in a circle. A leader begins the game by turning on the music, and everyone begins to walk in a circle inside the chairs. The leader removes one chair, stops the music, and the ten friends scramble to find a spot to sit—leaving one person without a chair. The loser, Mike, was on crutches after spraining his ankle. Given his condition, he was unable to move quickly enough to find a chair during the scramble that ensued.

What caused Mike's chairlessness?



Causes of Homelessness

- Research demonstrates that drug use, mental illness, and poverty increase the risk of homelessness at the individual level.
- But why do these conditions produce homelessness in some geographic contexts (Boston) and not others?



Introduction

- **Why do rates of homelessness vary so widely throughout the United States?**
Why, for example, does San Francisco have between five times the per capita homelessness of Indianapolis?
- Does Los Angeles have a large homelessness problem because it has more people with these individual vulnerabilities?



Introduction

- This is a book about cities, not about people.
- Understanding who becomes homeless is an important question, but it doesn't help us understand regional variation (i.e. large racial disparities).
- Our thesis: **Tight housing markets accentuate vulnerabilities.**
- Individual vulnerabilities serve as a sorting mechanism in tight housing markets.

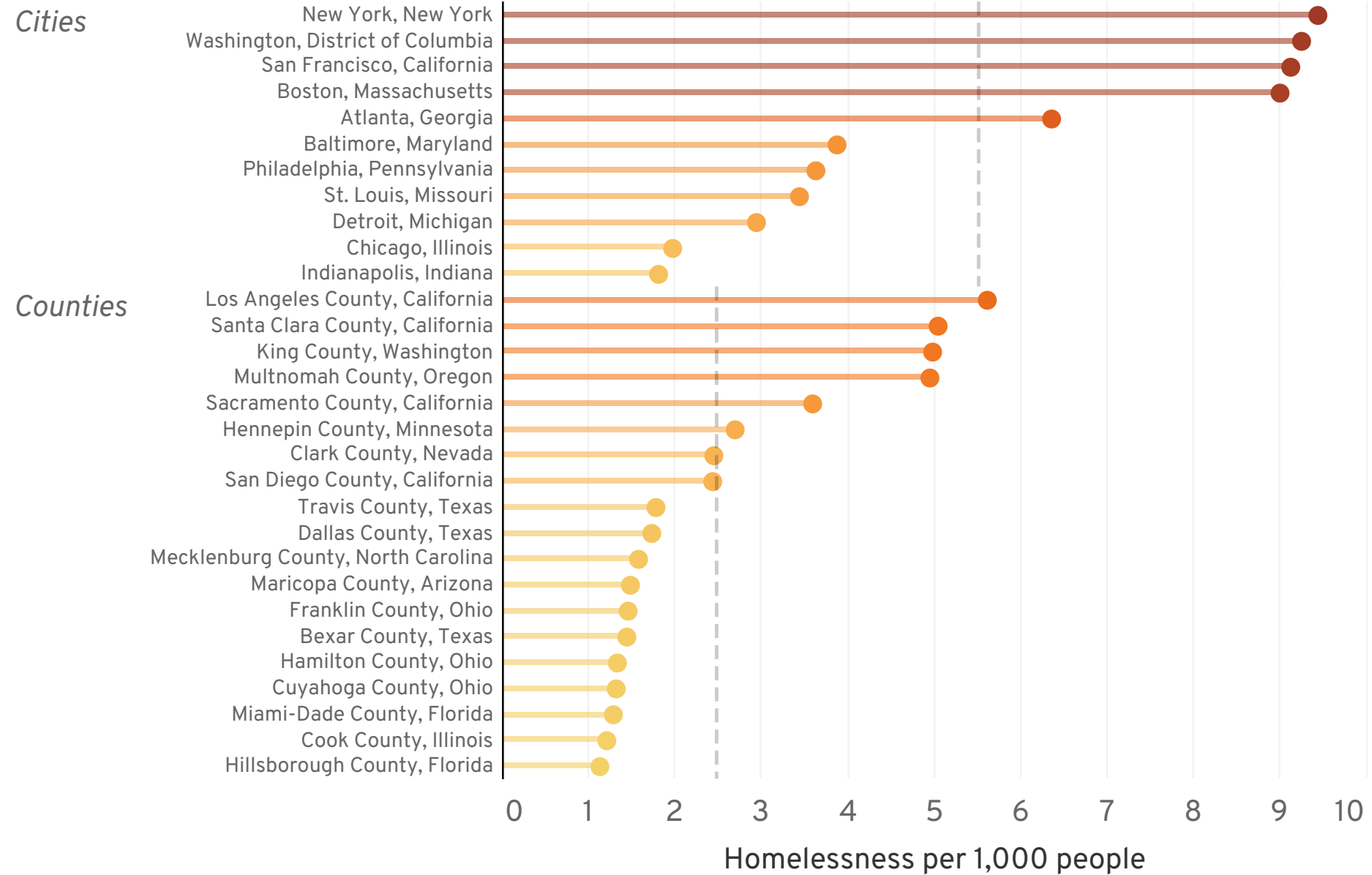


Rates of Homelessness



Per capita rates of homelessness in select U.S. regions, 2019

Dashed lines indicate city and county averages of per capita PIT counts



Potential explanations:

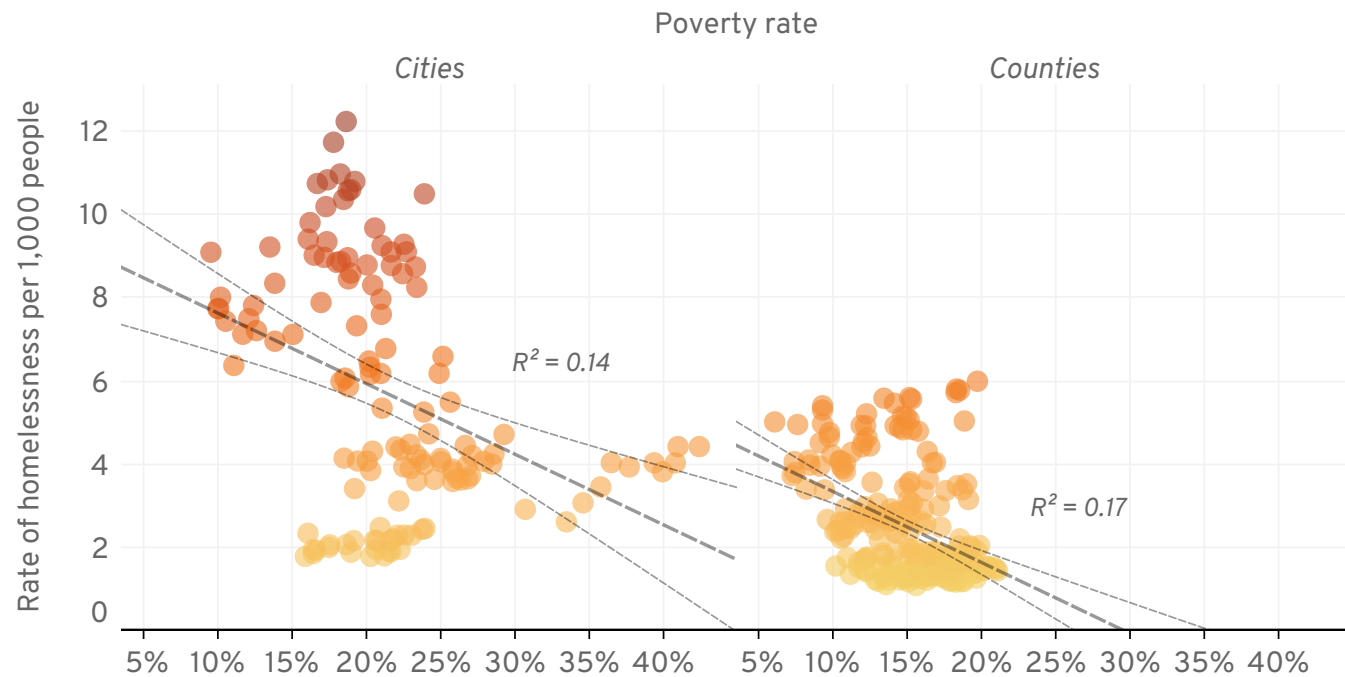
The individual



Potential explanations: **The individual**

Percent with income below poverty level versus PIT count (per capita)

Dashed lines indicate a linear regression of per capita PIT counts onto poverty rate between 2007 and 2019 for a sample of U.S. regions.

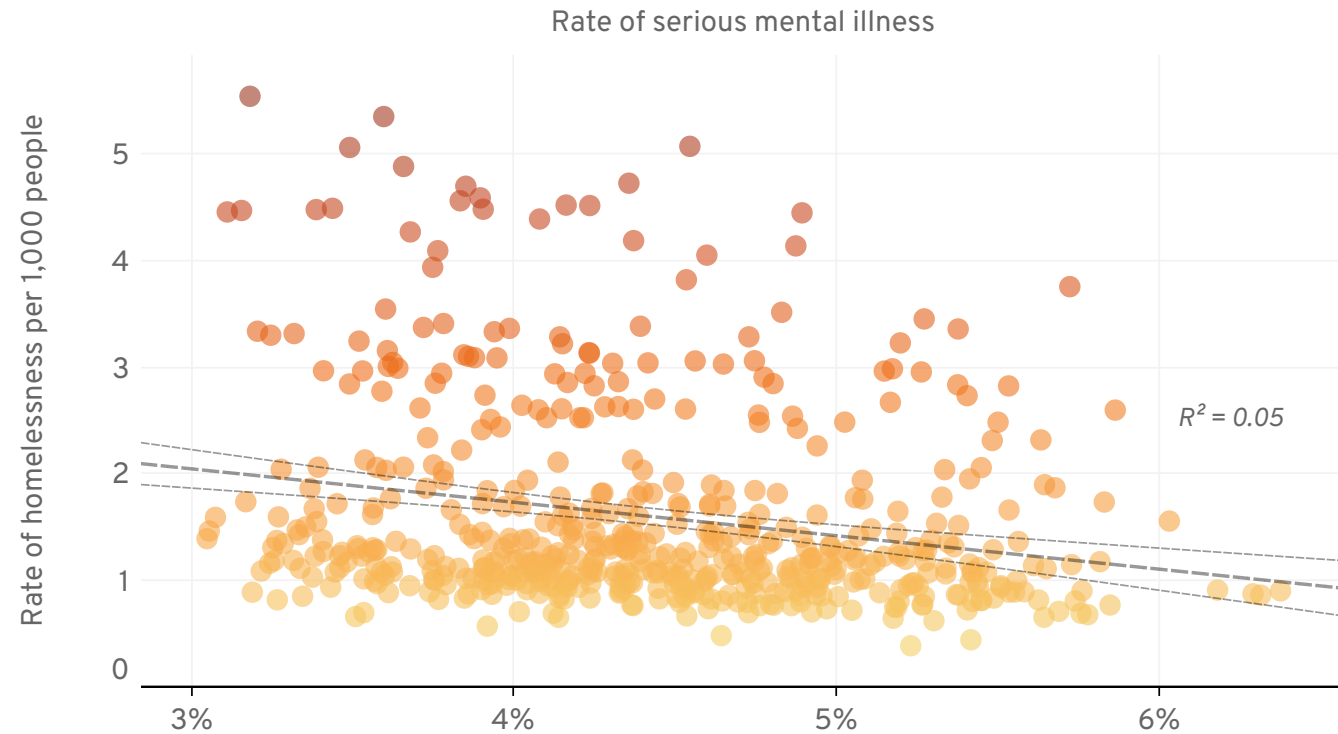


Bands indicate 95% confidence intervals for the slope of the regression line.

Potential explanations: **The individual**

Rate of serious mental illness versus PIT count (per capita)

Dashed lines indicate a linear regression of per capita PIT counts onto rates of serious mental illness in U.S. states between 2007 and 2019.

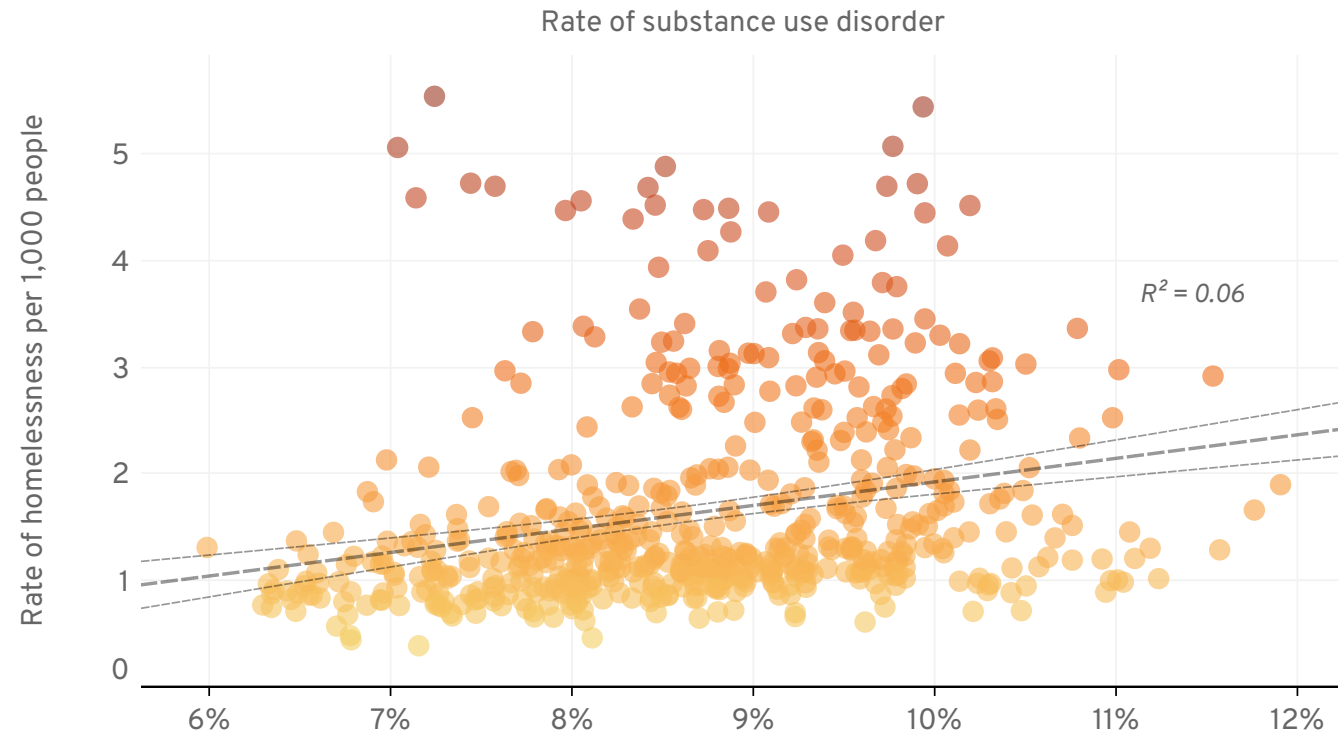


Bands indicate 95% confidence intervals for the slope of the regression line.

Potential explanations: **The individual**

Rate of substance use disorder versus PIT count (per capita)

Dashed lines indicate a linear regression of per capita PIT counts onto rates of substance use disorder in U.S. states between 2007 and 2019.

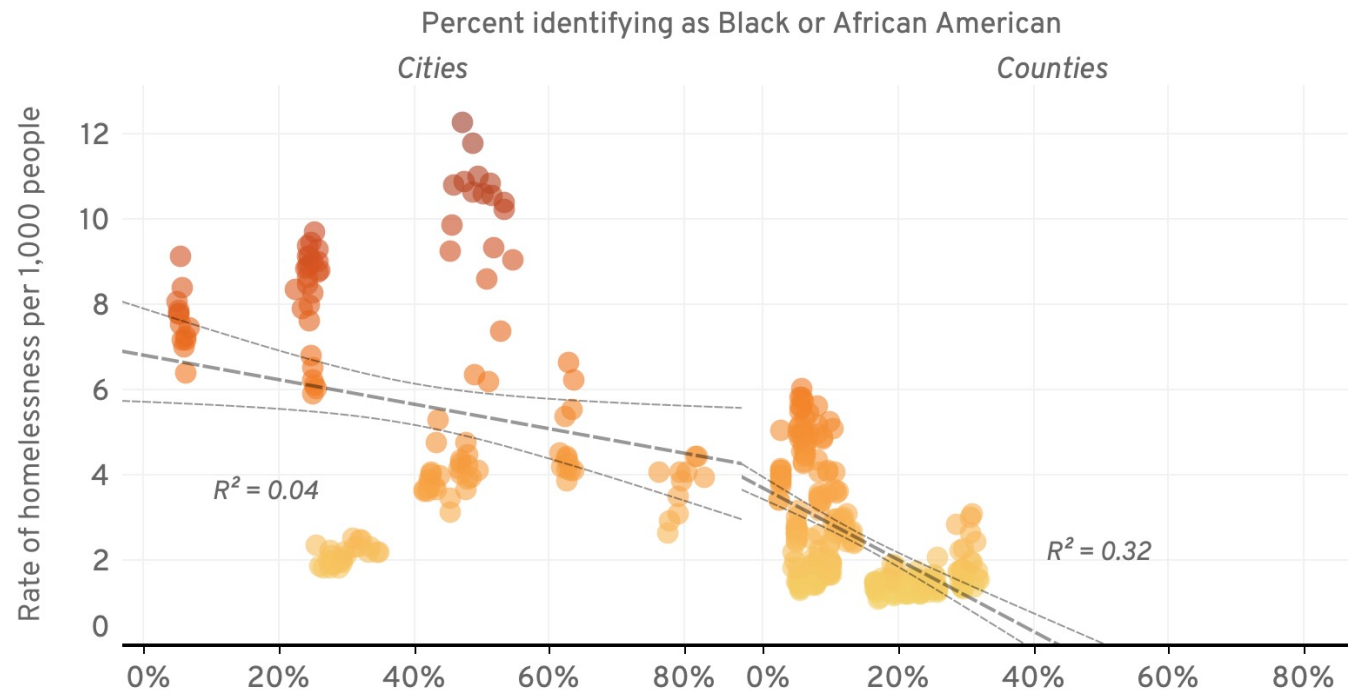


Bands indicate 95% confidence intervals for the slope of the regression line.

Potential explanations: **The individual**

Percent Black/African American versus PIT count (per capita)

Dashed lines indicate a linear regression of per capita PIT counts onto the proportion of persons identifying as Black or African American between 2007 and 2019 for a sample of U.S. regions.



Bands indicate 95% confidence intervals for the slope of the regression line.

Potential explanations:

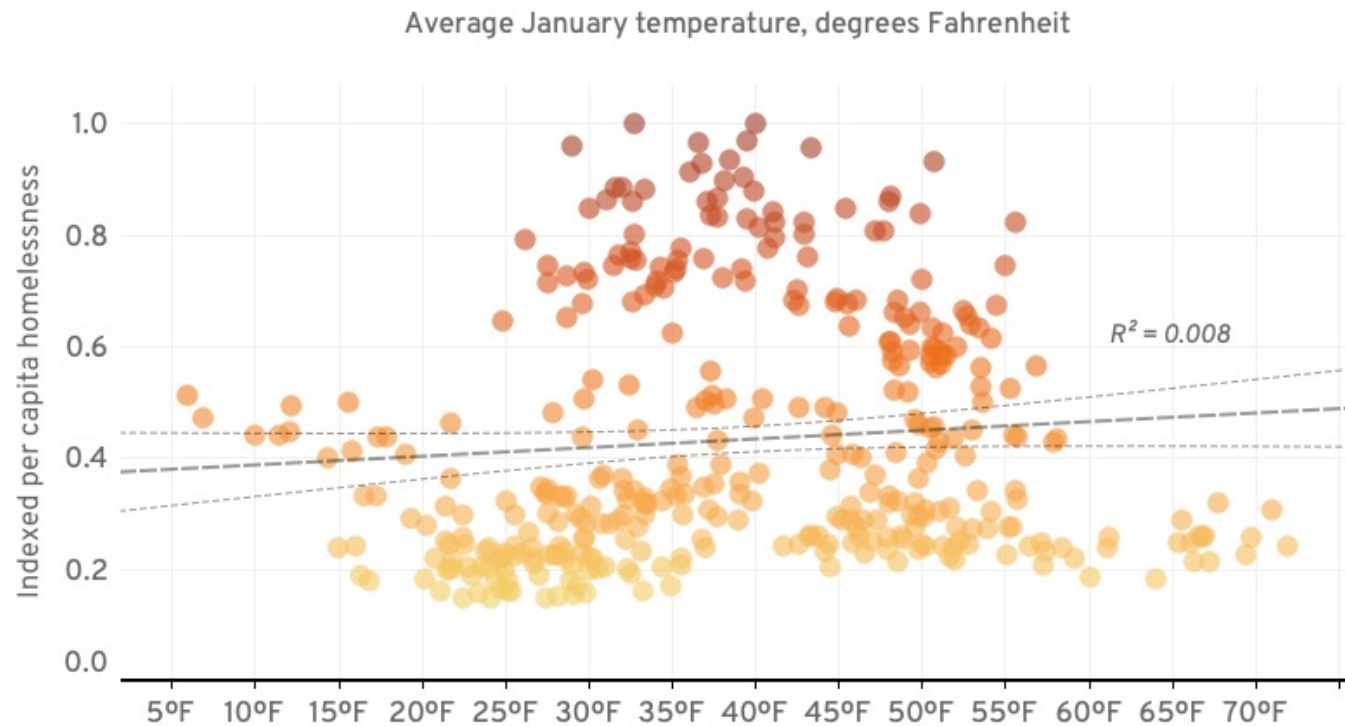
Local context



Potential explanations: Local context

January average temperature versus indexed homelessness

Dashed lines indicate a linear regression of indexed rates of homelessness onto average January temperatures between 2007 and 2019 for a sample of U.S. regions.

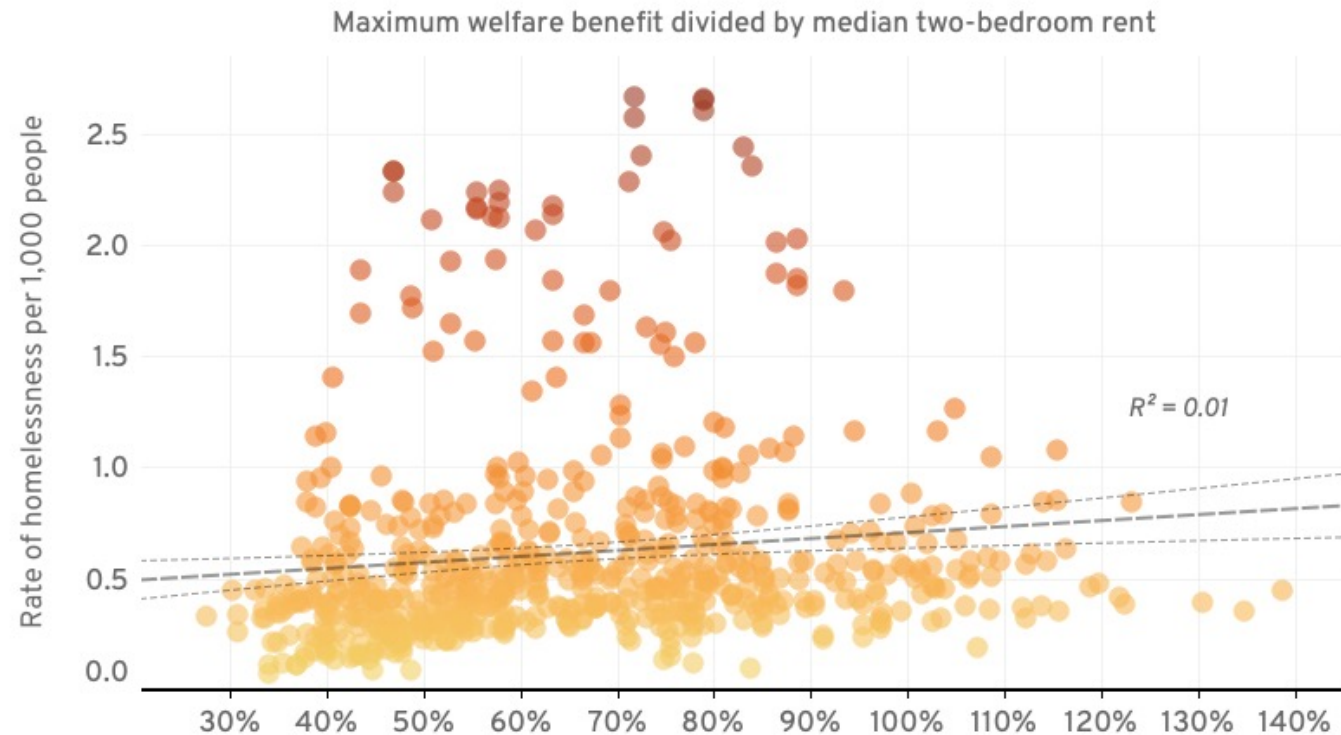


Indexed rates of homelessness refer to a normalized measure of per capita rates, whereby each region-year pair is scaled with respect to the maximum rate across all cities or counties (over all years). Bands indicate 95% confidence intervals for the slope of the regression line.

Potential explanations: Local context

Benefit/rent ratio versus family PIT count (per capita)

Dashed lines indicate a linear regression of family per capita PIT counts onto benefit/rent ratios in U.S. states between 2007 and 2019.

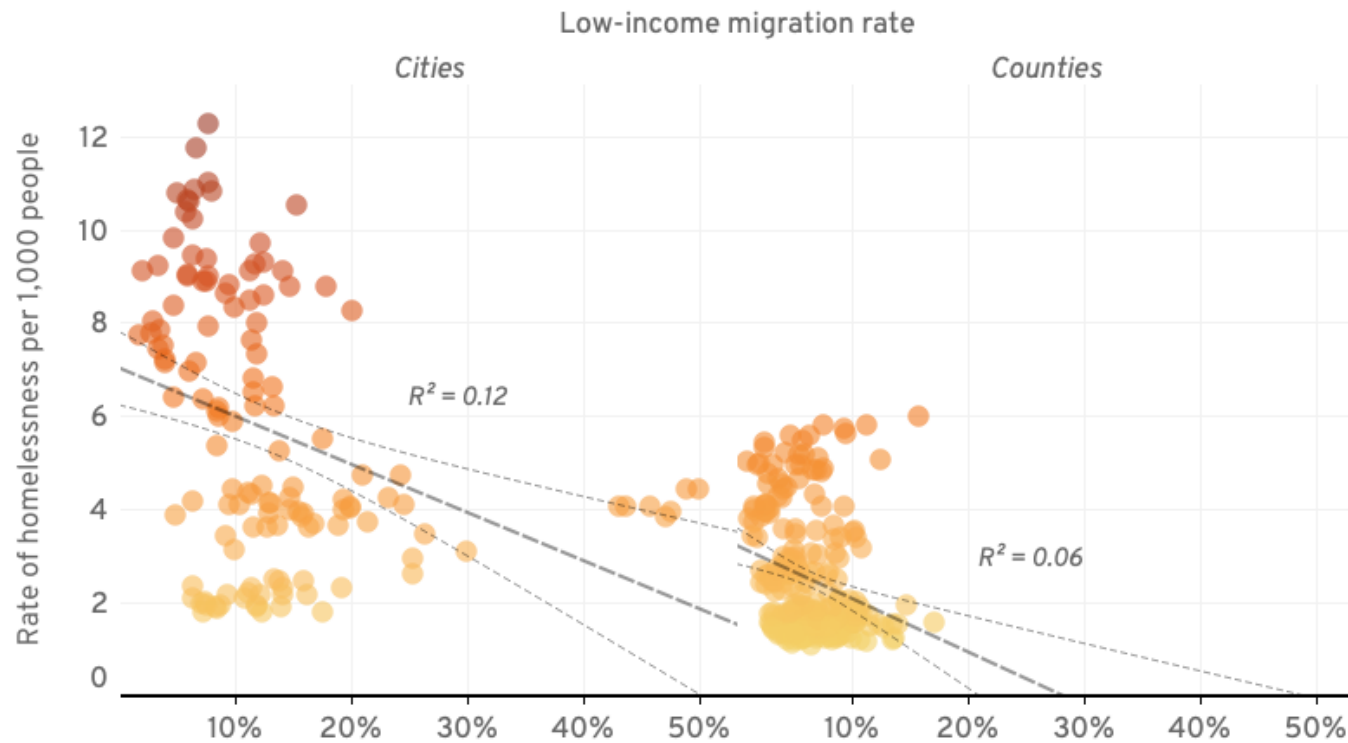


Bands indicate 95% confidence intervals for the slope of the regression line.

Potential explanations: Local context

Low-income migration rate versus PIT count (per capita)

Dashed lines indicate a linear regression of per capita PIT counts onto the low-income migration rate between 2007 and 2019 for a sample of U.S. regions.



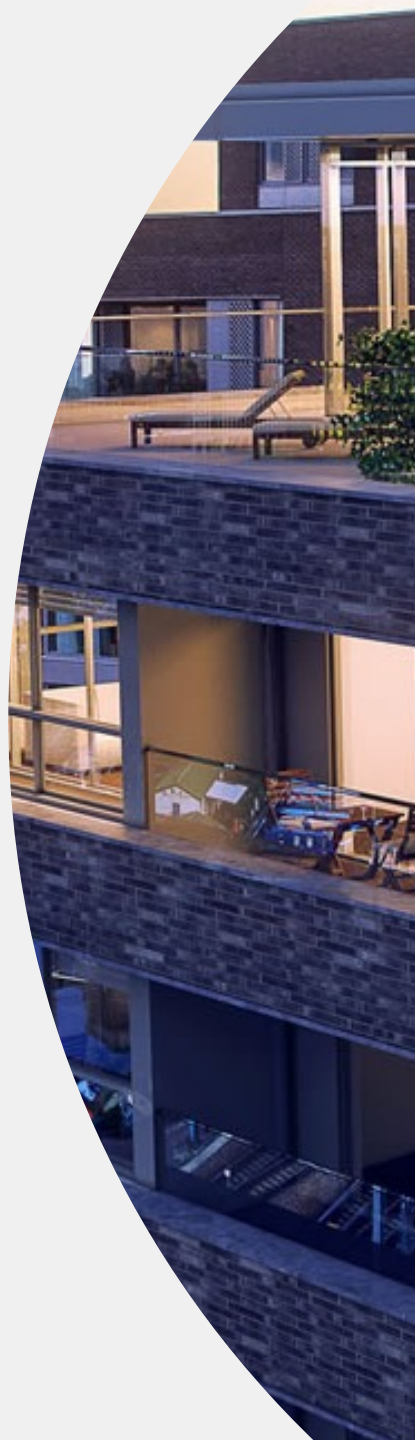
Bands indicate 95% confidence intervals for the slope of the regression line.

Potential explanations: **Local context**

- Observers frequently blame left-leaning local politicians for conditions that encourage or tolerate homelessness. Our sample cities were governed by Democrats 85% of the time (Republicans 8%, Independents 7%).
- If Democrats are to blame, why don't Chicago and Cleveland (Democratic strongholds) have a big problem with homelessness?



Potential explanations: Housing market



Potential explanations: Housing market

Median contract rent versus PIT count (per capita)

Dashed lines indicate a linear regression of per capita PIT counts onto median contract rent between 2007 and 2019 for a sample of U.S. regions.

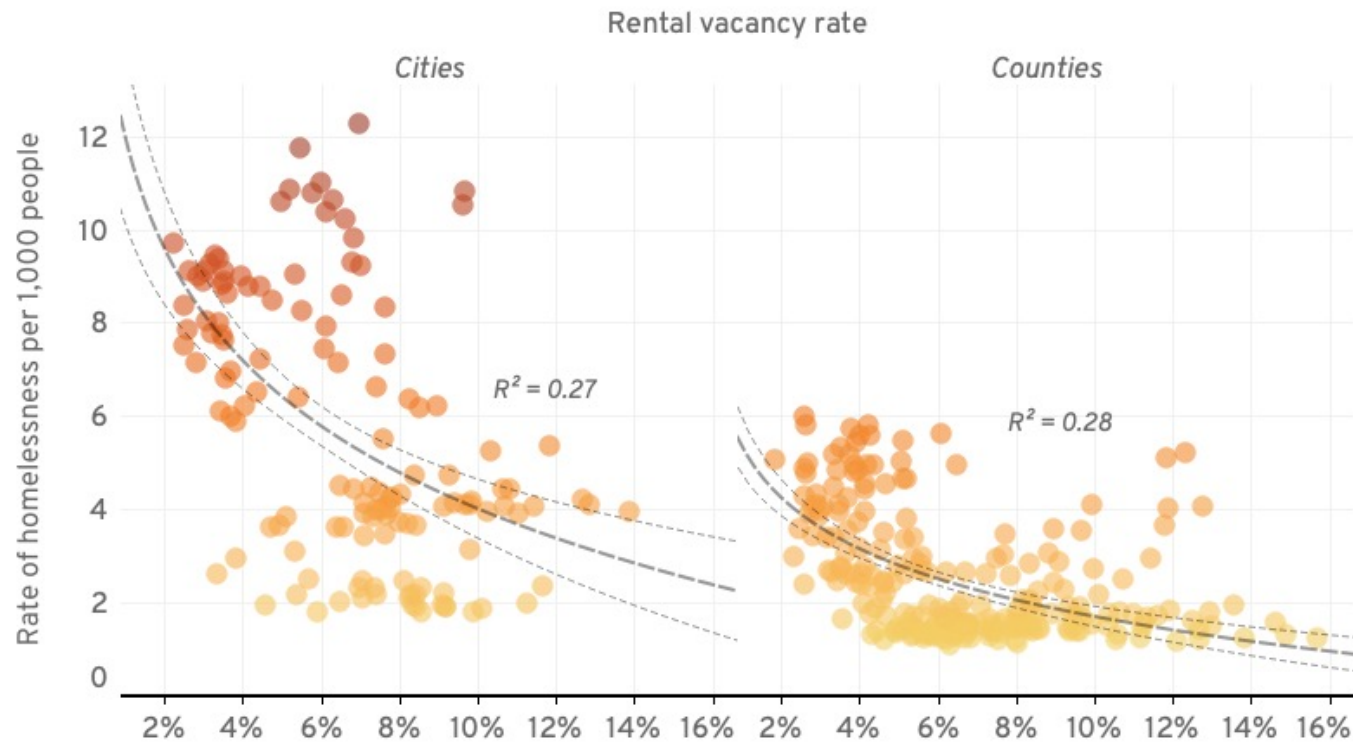


Bands indicate 95% confidence intervals for the slope of the regression line.

Potential explanations: Housing market

Rental vacancy rate versus PIT count (per capita)

Dashed lines indicate a linear regression of per capita PIT counts onto the natural log of rental vacancy rate between 2007 and 2019 for a sample of U.S. regions.



Bands indicate 95% confidence intervals for the slope of the regression line.

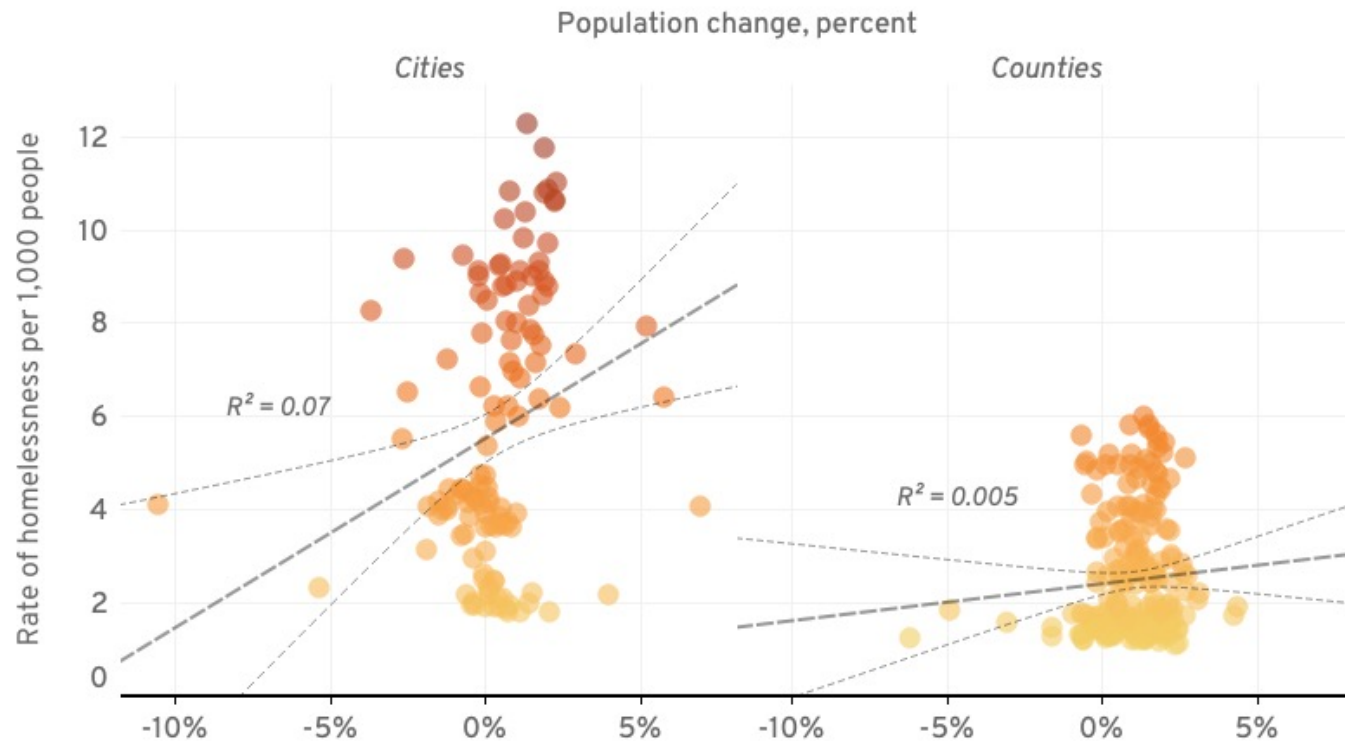
Potential explanations: **Housing market**

Does homelessness thrive in certain cities because more people are **moving** to those cities?

Potential explanations: Housing market

Change in population versus PIT count (per capita)

Dashed lines indicate a linear regression of per capita PIT counts onto population change between 2007 and 2019 for a sample of U.S. regions.



Bands indicate 95% confidence intervals for the slope of the regression line.

Typology



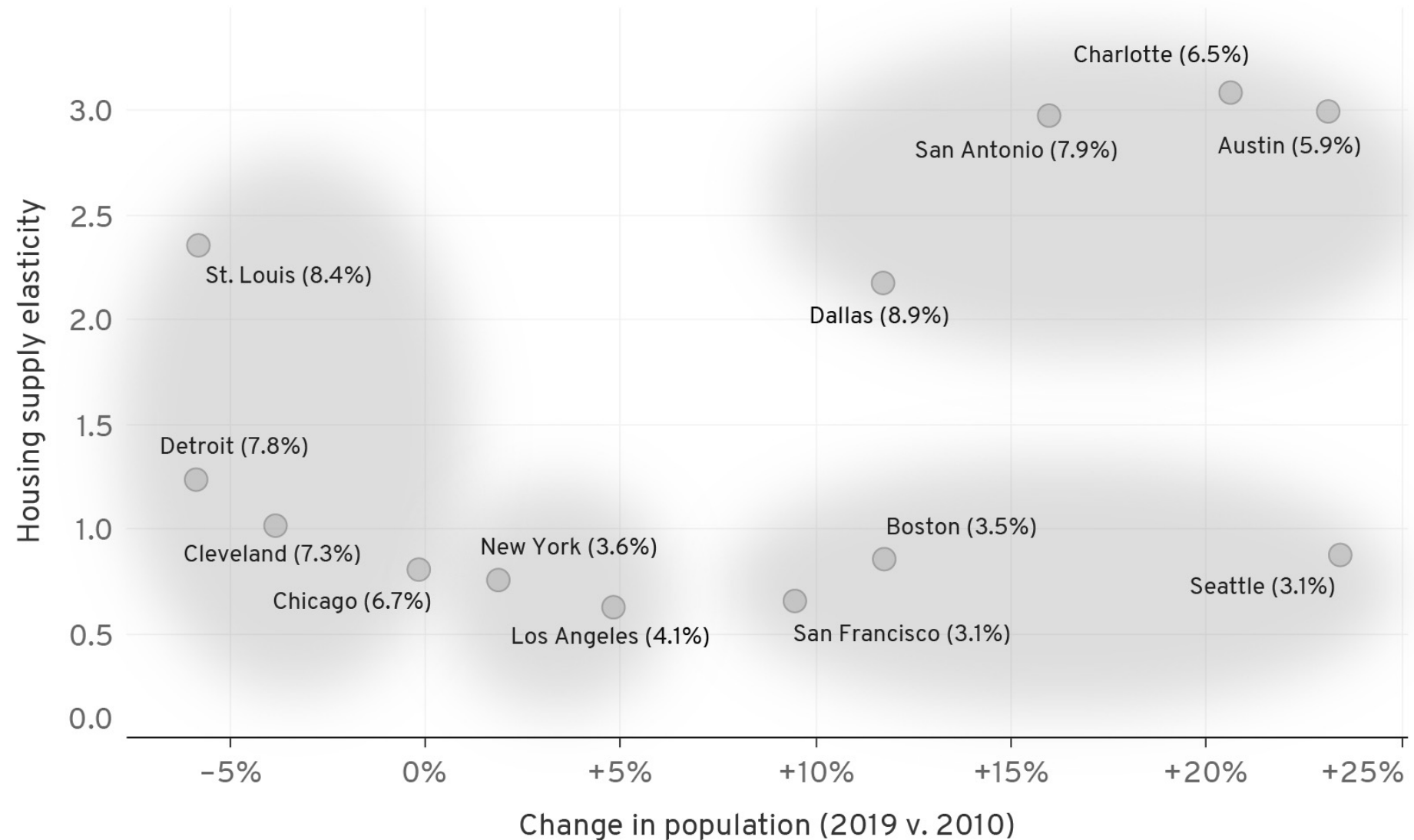
Typology

- **Housing supply elasticity** measures the change in the supply of housing to a change in price. Supply elasticity is driven by **regulations** and **topography**.
- Price elasticity of supply:
$$\frac{\% \Delta \text{ in quantity supplied}}{\% \Delta \text{ in price}}$$

Typology

Population growth versus housing supply elasticity

Dots indicate U.S. cities; parentheses indicate 2010–2019 rental vacancy rates.



Supply elasticity estimates follow Saiz (2010). Figure forthcoming in Colburn & Aldern (2022).

Conclusion



Conclusion

Regions need two types of investments:

- 1) **Operating investments** to fund housing support, maintenance, and services, and
- 2) **Capital investments** to construct housing.

And where housing is difficult to construct, changes to regulations and land use policy are needed

Three Tensions

Three tensions **complicate** this response:

- Short vs long-term
- Public versus private
- Local versus federal government

Conclusion

- Continuing to diagnose homelessness as a problem of the **individual** will undermine efforts to prevent and end it.
- The country requires a **structural understanding of** and **structural responses to** homelessness.
- Bright spot: the dramatic fall in veteran homelessness in the United States over the last decade

Thank you!

<https://homelessnesshousingproblem.com>

colburn3@uw.edu
[@ColburnGregg](#)

Gregg Colburn
Runstad Department of Real Estate
University of Washington

