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How COVID-19 Changed California's Homeless Crisis: Moving Forward After Project RoomKey and HomeKey

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How COVID-19 Changed California's Homeless Crisis: Moving Forward After Project RoomKey and HomeKey Zoe Herrera

Author's Note: Alongside data derived from various sources such as state and federal agencies, the following was supplemented by interviews with two reporters from CalMatters, a nonprofit & nonpartisan news organization that covers state politics and policies. I would like to thank reporters Marisa Kendall and Kristen Hwang for their guidance in my understanding and research of homeless policy in California.

Background

Since the beginning of the COVID-19 pandemic, the homeless population in California has increased. This seemed to be inevitable as the unemployment rate in California was constantly on the rise after the beginning of the pandemic. In February 2020, the unemployment rate in California was 4.4%; by April 2020, it was 15.7% (Figure 1).

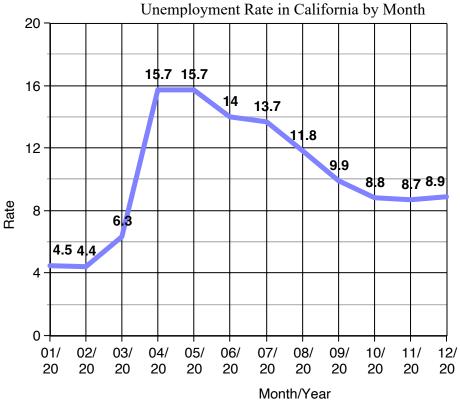


Figure 1: California Unemployment Rates, 2020¹

This correlated with the rise in homelessness. Of course, not having a job means not having income, and not having income means <u>not being able to pay for necessities like rent</u>.² This was especially an issue during the pandemic as people cannot quarantine if they do not have a place to do so. In an attempt to remedy this issue and get people into temporary shelter, California created a program called Project RoomKey. Its implementation would lead to a similar program called Project HomeKey, which seeks to provide permanent housing. Though, these pandemicera projects would also lead to addressing some of the issues impacting much of the state's homeless population with the approval of Proposition 1, a measure that provides more than just housing.

¹ Data derived from the <u>U.S. Bureau of Labor Statistics.</u>

² Based on Los Angeles Homeless Services Authority data.

Project RoomKey

Established in March 2020, project RoomKey was created to "provide non-congregate shelter options, such as hotels and motels, for people experiencing homelessness, to protect human life, and to minimize strain on health care system capacity". The program mostly accepted those who were most at-risk during the pandemic, such as people who were 65 and older or had medical conditions such as asthma, diabetes or heart conditions. This shelter came in the form of hotel rooms, motel rooms, or trailers. Depending on the location, services at PRK sites included on-site COVID-19 assessments and medical/behavioral health services, housing navigation, case management, and referrals to outside health services. Many sites also allowed household composition (meaning partners could stay together), and others allowed participants to bring their pets, things unhoused populations often cannot do at shelters.

"I really do think COVID sort of changed the way that California thinks about homeless shelter in a really interesting and potentially beneficial way."

- Marisa Kendall, Homelessness Reporter for CalMatters

PRK had its desired effect and in 2021, the unsheltered⁴ homeless population dropped (Figure 2). The program <u>served approximately 62,000 throughout California</u> and was in full force until about June 2021, when it began to wind down due to funding and a decline in COVID-19 cases.

200,000 150,000 100,000 50,000 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 ShelteredUnsheltered

Number of Sheltered/Unsheltered People in California by Year

Figure 2: California Sheltered/Unsheltered Tallies, 2010-2023⁵

Though, this was simply a temporary fix; at least 40% of people who participated in the program were still homeless after they left PRK, with only 22% gaining permanent housing. PRK's goal was not to permanently end homelessness for its participants, so it did serve its

³ Amount of programs offering various services can be found here.

⁴ According to HUD, unsheltered refers to living in places not meant for human habitation.

⁵ Chart obtained from <u>CalMatters</u>, data obtained from HUD.

intended purpose. California decided to moved forward with creating a similar program: Project HomeKey.

Project HomeKey

Inspired by PRK, Project HomeKey aims to provide more permanent housing for those experiencing homelessness. <u>It allows cities and counties to use state funds to buy hotels and other buildings</u>, turning them into housing for the unhoused, as shelters and/or into affordable housing. So far, PHK has funded <u>15,319 homes in 250 projects and is projected to serve over 167,000 households.</u>⁶

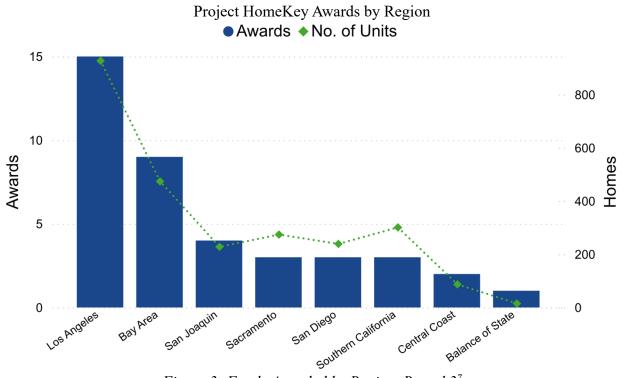


Figure 3: Funds Awarded by Region, Round 37

Areas like Los Angeles and the Bay Area have been awarded the most funds (Figure 3), as they have the largest homeless populations in the state.

While many PRK sites also offered things like medical and behavioral health services or case management (among other things), Project HomeKey's focus is not that. The program simply funds and provides housing for "individuals and families experiencing homelessness or who are at risk of homelessness and who are inherently impacted by or at increased risk for medical diseases or conditions due to the COVID-19 pandemic or other communicable diseases", which can solve the issue of shelter for vulnerable homeless populations, but not the issues that often lead to homelessness or develop while unhoused.

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⁶ Data self-reported and updated by CA Dept. of Housing and Community Development.

⁷ Data and chart obtained from CA Dept. of Housing and Community Development's HomeKey Awards Round 3.

⁸ Program background found here.

Policy Recommendations: Proposition 1 and Rent Support

Once someone experiences homelessness, they also have a high risk of experiencing mental health or substance abuse issues. According to a UCSF statewide study conducted between October 2021 and November 2022, 4 in 5 unhoused people in California reported experiencing a serious mental health condition at some point in life, and those with current mental health conditions reported limited access to treatment, while 1 in 5 reported regular substance use and wanted treatment but were not able to receive it.⁹

Financial support could prevent many people from being homeless in the first place. Out of the nearly 3,200 people who participated in the study, "70% believed that a monthtly rental subsidy of \$300-\$500 would have prevented their homelessness for a sustained period, and 82% believed receiving a one-time payment of \$5,000-\$10,000 would have prevented their homelessness" Additionally, 90% believed a Housing Choice Voucher or something similar would have done so as well.

1. Proposition 1

For those who are unhoused and dealing with mental health and substance abuse issues, Proposition 1 could be a gamechanger. The controversial measure was approved through the 2024 Primary Election, and it aims to address those who are homeless (or at risk) and suffer from behavioral health issues (mental illness and substance abuse), including veterans. Passing 50.2% to 49.8%, Proposition 1 comes with a \$6.4 billion bond to pay for treatment beds and permanent supportive housing. The state should stand by this Proposition, as it can help many homeless Californians get the treatment they need, while also providing housing.

"I think it's [Prop 1] definitely a fundamental shift in mental health policy in California."

- Kristen Hwang, Health Reporter for CalMatters

2. Rent Support

Given the previously cited UCSF study, it is clear that many people may be in need of financial support when it comes to paying for housing. During the pandemic, the state created the <u>CA</u> <u>COVID-19 Rent Relief</u> program. It served over 371,543 households, providing more than \$4.7 billion in rent and utility assistance. This relief came in the form of one-time payments to approved applicants "who have experienced a financial hardship due to COVID-19, have past due rent or utilities, and have a household income that is not more than 80% of the area median income," While I acknowledge the pandemic created a different economic climate in California, this program showed that providing financial support (especially to low-income households) during financial distress is possible.

Conclusion

The COVID-19 pandemic highlighted how the issue of homelessness is a public health issue. The state of California should continue to take the treatment of mental and physical health issues seriously *while* also providing housing for these vulnerable populations, encouraging and supporting the recovery of those same individuals. Additionally, the state should take measures to prevent people from reaching the point of homelessness in the first place, through means of rent relief or similar financial support.

⁹UCSF statewide study found here.

¹⁰ Ibid.

¹¹ Additional program data found <u>here</u>.