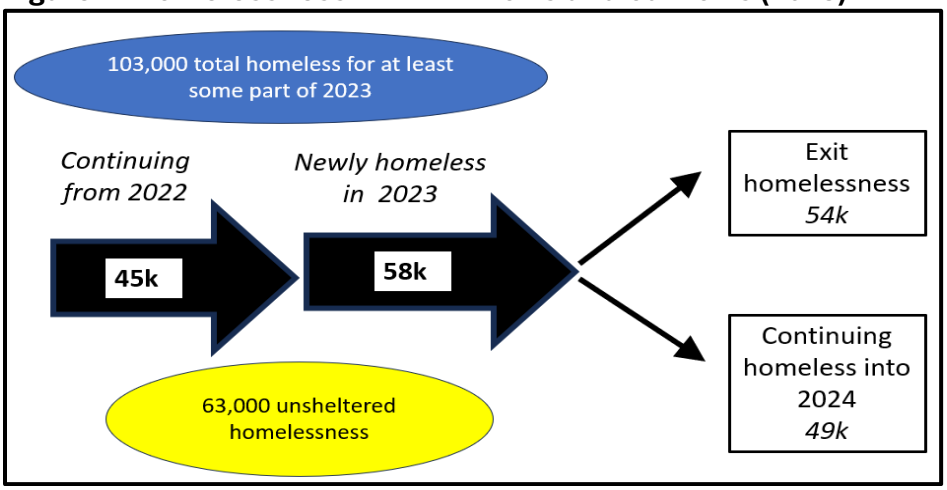
Brian Levy 10/24/2025

Technical note: Quantifying LA homelessness as a flow

To make policy, one needs to understand the problem at hand. At first sight, Los Angeles' homelessness challenge seems straightforward: end homelessness for the 70,000 or so people -roughly 50,000 of whom live on the streets - identified as homeless in recent iterations of LA's annual point-in-time (PIT) count.[1] However, as Figure 1 below illustrates for 2023, the PIT count captures only a moment in an ongoing and much larger process: in that year 103,000 people accessed LA County's homeless services. Between 2020 and 2024, close to 300,000 people (3% of LA County's population of 10 million) accessed the county's homeless services at least once.

Figure 1: Homelessness in LA – inflows and outflows (2023)



Source: Leadership Table

Figure 1 can usefully be interpreted as an illustration for the LA region of some innovative recent efforts to apply systems analysis to the challenge of addressing homelessness. (Fowler et. al 2019; Nourazari et al 2021) As will become evident in this note (and as is explored in depth in a companion policy note), adopting a systems perspective – and thus considering homelessness as a "flow" points to some policy insights and dilemmas that go beyond those from a more conventional "stock" analysis.

Considered as a flow, homelessness is daunting in its complexity. Multiple drivers lead to homelessness; there are multiple pathways through homelessness; and multiple ways to exit. This technical note explores interactions among two dimensions: the duration of homelessness spells, and the vulnerabilities associated with homelessness. The aim is to lay out an internally-consistent unifying framework that both is anchored in the existing empirical literature on homelessness in LA, and directs attention to some priority strategic dilemmas ("are we doing the right things?") confronting the region as it endeavors to address its homelessness crisis in an environment of increasing fiscal stringency. The

[1] For the most recent four years, the PIT count was 69,144 (2022); 75,518 (2023); 75,332 (2024); and 72,308 (2025). LAHSA (2025).

estimates are orders of magnitude, generated by triangulating (details are in the text that follows) among multiple data sources and academic studies to achieve internally consistent results.

1: How homelessness evolves

Multiple sources provide information on the duration of homelessness for some surveyed population. However they vary in how they characterize the time periods, in the sub-samples for which they provide information - and in the locations where they sample.
As per Table 1, one way to cut through this complexity is to delineate how the contours of LA homelessness evolve over the course of five years for a stylized (but, as spelled out over the course of this note, empirically-anchored) newly-homeless cohort. (Annex Table A1 contrasts the estimates of homeless duration used in this paper with those reported in some other sources.) The patterns of exit shown in Table 1 are calculated on the basis of the following parameters:[2]

- Roughly 40 percent of Los Angeles' newly homeless exit within the first six months; [3]
- a further 15 percent exit in the subsequent six months;
- For all subsequent years, exit by 30% of all who remain homeless as of the end of the previous year.

As Table 1 shows, over the course of three years 78% of the initial cohort exits homelessness, and 22% remain homeless. (After 5 years, almost 90% of the initial cohort have exited.)

Table 1: Evolution of an initial homeless cohort of 100 (%)

Category	At entry	After 12 months	After 24 months	After 36 months	After 5 years
Exiting homelessness (%)					
Exit homelessness	0	55	69	78	89
Remaining homeless	100	45	31	22	11
TOTAL	100	100	100	100	100

Source: Calculated, based on sources and assumptions identified in body of paper.

[2] These baseline exit rates are constructed – but only a narrow range is plausible. The reason is that, as explored further throughout this note, its empirical estimates are anchored in two verified external sources of data - the PIT count, and the county flow data for 2021-2024. Exit rates other than the baselines used to calculate Table 1 are plausible - but only within a narrow range. If, for example, the first-six-month exit rate were reduced from 40% to 35%, then both the7–12 month and later-year rates would need to rise to maintain overall consistency – to, say, 17% for the former and 33% per year for the latter.

[3] HUD (2016) estimates that nationwide about 40% of people who become homeless exit within six months. Further, as discussed in Section 3, confidence in the (at least 'ballpark') accuracy of these seemingly high exit rates (especially in the early period) is reinforced insofar as they are key to reconciling PIT counts and the higher Figure 1 estimates of the flow of homelessness derived from measures of use of homeless services provided by LA county.

At first sight, the rapid decline evident in Table 1 could be interpreted as implying that over time LA's homeless crisis will resolve itself. But such an interpretation would be a mistake. Table 1 does not reckon with the scale of LA's homelessness crisis. As per Figure 1, about 58,000 people became newly homeless in 2023. An exit rate of 89% over the subsequent five years would nonetheless leave close to 6,000 of the entering cohort homeless in 2028. Even more starkly, as per Section 3 of this note and Annex Table A2, the number of people who are homeless at any point in time is the accumulated year-on-year total of those remaining homeless after initially becoming homeless at any time over the previous decade or so.[4]

Two further discomfiting policy implications lurk beneath the surface of Table 1. First, the rates of exit in the table are based on LA's prevailing policies – namely an already large-scale (and fiscally costly) program of interventions that aim to shorten the duration of homelessness. In the immediate future (details available here) LA is likely to confront both accelerated entry into homelessness and increasing budget stringency, and thus less support for exiting homelessness (and slower exit rates than those in Table 1); the gains that are (implicitly) 'baked-in' to Table 1 risk being reversed. Second, for reasons elaborated in the next section, as time on the street lengthens, exit becomes increasingly difficult and the costs of its facilitation increasingly high. In consequence, if the current efforts to reduce homelessness go into reverse, there is a risk of a cumulative downward spiral.

2: Homelessness and vulnerability over time

Is homelessness a housing problem (as per the title of an instant-classic 2022 book by Gregg Colburn and Clayton Aldern) - with variations across metropolitan areas a consequence of variations in the workings of their housing markets - or is a problem rooted in the distinctive vulnerabilities of the people who become homeless? While 'both' is the correct answer, the focus of this note is on interactions between homelessness and vulnerability.

This section focuses on five sets of vulnerabilities - mental health (MH) and substance abuse (SA), plus (to a lesser extent) physical vulnerabilities, and vulnerabilities associated with prior experience of prior foster care or incarceration. Here are the empirical estimates used in the analysis that follows as to the prevalence of each at entry. (Annex Table A3 contrasts the estimates used here with those of other sources.):

- Mental health (MH) challenges are estimated to be present prior to entry for roughly 30 percent of the newly homeless population.[5]

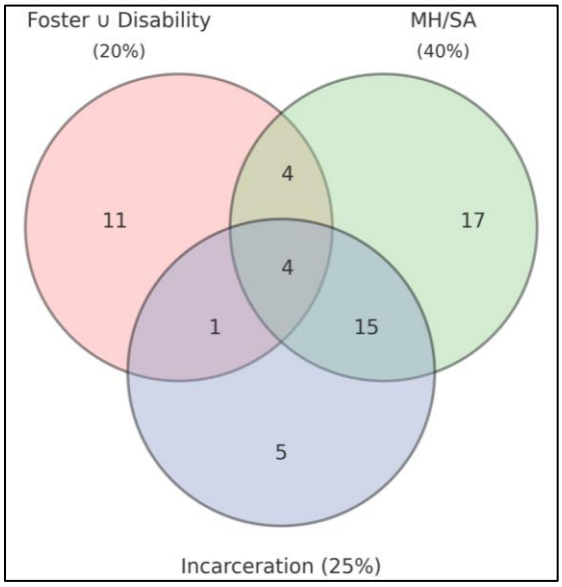
[4] Note that, while there is a long tail, as Annex Table 1 signals, the number who remain homeless subsequent to the onset of homelessness becomes vanishingly small as the years elapse.

[5] As discussed later in the text, the findings in UCSF (2023, 2025) provide the basis for the 30% estimate.

- Substance abuse (SA) challenges were present for roughly 20% of the newly homeless population.
  (Note: taking account that MH and SA commonly co-occur, roughly 40% are presumed to have prior incidence of one or both.)
- Physical disability was present for roughly 13% of people who become newly homeless.[6]
- Foster care – roughly 10% of people who become homeless had been in foster care at some earlier time in their life.[7]
- Incarceration – roughly 25% of people who become homeless had previously been incarcerated. (The large majority of them also had pre-homeless mental health or substance abuse challenges).[8]

As Figure 2 below depicts, there are large overlaps among the five vulnerabilities. Incorporating these overlaps so as to ensure that each person is counted only once yields the following: 57% of an entering homeless cohort have at least one of the five vulnerabilities; 43% have none.[9]

Figure 2: Overlapping vulnerabilities at entry into homelessness



Note that while the impact of economic vulnerability is not analyzed directly, its role is implicit in the relatively large share of 'none of the above'. (Note also that non-economic vulnerabilities not included in the table could straightforwardly be incorporated into the

[6] The estimate of the prevalence of physical disability is derived from LAHSA's 2023 administrative tabulations of new entries.
[7] Foster care history is drawn from survey samples based on LAHSA's 2020 Homeless Count demographic survey of the newly homeless.
[8] Prior incarceration estimates rely on LAHSA's Homeless Count survey and are consistent with findings from the UCSF/Benioff 2025 Los Angeles study.
[9] The overlaps included in the Venn diagram have been constructed to be consistent with available information; other configurations are also logically possible, but all would be broadly similar to Figure 2.

analysis without altering the overall patterns and conclusions.[10]) Note further the striking ethnic and age distributions of LA's homeless population. 38% of LA County's homeless (but only 9% of the LA County population) are African-American. 44% of California's homeless population are age 50 or older (the percentage is somewhat higher for LA County). 41% of these had been working poor, and became homeless for the first time after the age of 50 as the result of job loss, housing loss or family crisis after decades in labor market.)

Beyond their association with becoming homelessness, vulnerabilities also matter for homelessness policy because the relationship is not static – the incidence of vulnerabilities among the continuing-homeless cohort changes with the passage of time. Why? Because mental health and substance abuse are both causes and consequences of homelessness. As per Table 2, a 100-person cohort analysis provides a useful way to quantify how the incidence of vulnerabilities changes with the passage of time. (*Note that, by contrast with Table 1 which focused on rates of exit, the Table 2 estimates are for a 100-person cohort that remains homeless throughout the three year period.)*

Table 2: Evolution of vulnerabilities among a 100-person cohort that remains homeless for at least three years (%)

Category	At entry	After 12 months	After 24 months	After 36 months
Complex MH/SA	12	25	35	41
Other MH/SA	28	33	33	34
Other vulnerabilities only (no MH/SA)	17	11	9	8
None of the above	43	31	23	17
TOTAL	100	100	100	100

Source: Calculated, based on sources and assumptions identified in body of paper.
Note: MH/SA = Mental health/substance abuse

The magnitude of the two-way interactions and the disaggregation among two 'levels' of MH/SA incorporated into Table 2 build on UCSF,'s (2023, 2025) California-wide survey. As per the UCSF studies:

- For MH, UCSF provides both a restrictive and an expansive definition:
    - *Restrictive MH* is characterized by one or both of current hallucinations or psychiatric hospitalization in the six months prior to the survey. According to UCSF (2025), about 10 percent of their sample were experiencing restrictive

[10] Along with ethnicity and age, also often analyzed are the disproportionately large LGBTQ and veteran incidence among the homeless population, and also the distinctive challenges confronted by women, and families with children.

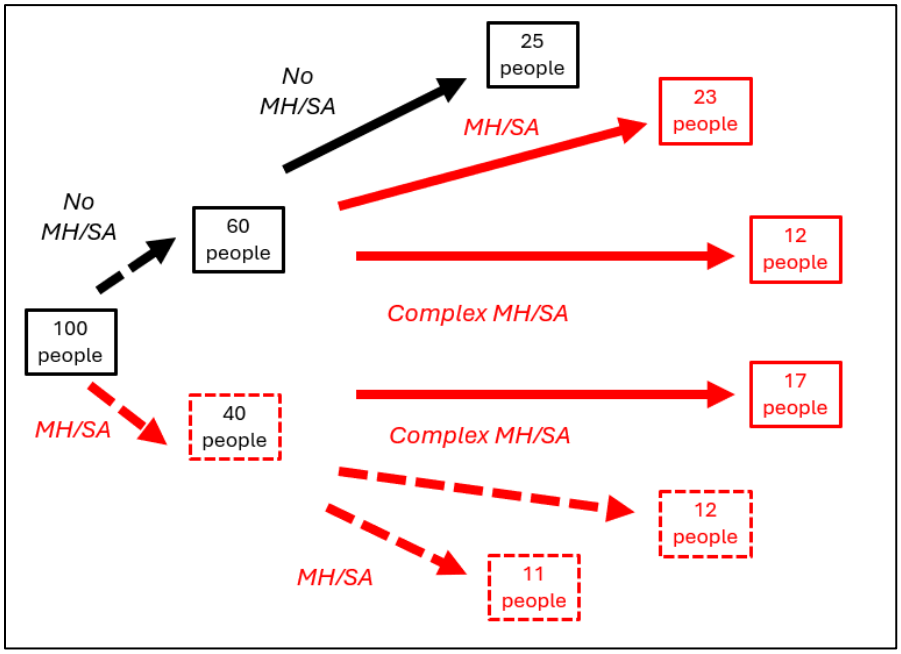
MH symptoms as of entry into homelessness; an additional 10 percent developed these symptoms subsequent to becoming homeless.
    - *Expansive MH* is a broader category, which includes severe anxiety and serious depression. As per UCSF (2023), 51% of those surveyed reported severe anxiety, and 48% reported serious depression. (These figures were not further disaggregated by time of onset.)
- *Substance abuse* was defined as the use, three or more times per week, of methamphetamine, cocaine, heroin, fentanyl, or misuse of prescription opioids during the six months prior to the survey. As of the time of the UCSF (2023) about 35% of the survey reported regular illicit drug use, with about 20% of the total sample reporting that some illicit drug use (though not necessarily of the same intensity) began prior to becoming homeless.
- *Complex behavioral challenges ('complex MH/SA* in Table 1) is introduced in UCSF (2025) as a composite variable that includes one or both of restrictive MH and high-intensity SA.

The MH/SA trends laid out in Table 2 are calculated on the basis of the following parameters (which were set by triangulating the UCSF (2023, 2025) data and analysis with estimates from other studies to generate measures more closely aligned with LA County's specific realities; see Annex Table A3 for a comparison across a variety of studies of estimates of the prevalence of a variety of vulnerabilities):

- 12% of entrants into homelessness are presumed to already have 'complex' MH/SA symptoms – and a further 28% have 'other' MH/SA symptoms.
- During the first twelve months after entry, 30 percent of those who remained homeless with no prior MH/SA are presumed to develop new MH/SA conditions.
- Over the following two years, the MH/SA incidence is estimated to increase at a rate of roughly 25 percent per year among those still without MH/SAb.
- Over time, an increasingly large percentage of MH/SA symptoms fall into the 'complex' category. The Table 1 estimates presume that among those who remain homeless, each year an additional 10% newly meet the definition of complex MH/SA – roughly 6% progress from prior MH/SA conditions, and 4% develop complex MH/SA from scratch.

Figure 3 summarizes the information laid out above as a flow diagram.

Figure 3: Mental health and substance abuse among a (representative) 100 person homeless cohort – change over the course of three years.



As Figure 3 shows, MH/SA challenges compound as a result of homelessness. As per Table 2, 40 of the (representative) 100-person cohort depicted in the figure had previously struggled with MH/SA issues; for 17 of the 40, symptoms become more complex over the course of three homeless years. Even starker are the trends among the 60 people who entered homelessness with no MH/SA challenges: After three years of homelessness, 35 of the 60 have MH/SA symptoms, including 12 who wrestle with complex MH/SA challenges.

3: Quantifying homelessness – from flow to stock

The previous two sections have quantified homelessness as a flow – a process of entry and exit, with a changing incidence of vulnerabilities over time among those who remain homeless. But policy discussions of homelessness generally take as their point of departure the level and trends in the annual PIT counts – and the PIT count measures homelessness as a "stock".[11] So for the empirical analysis to serve as a useful platform for policy analysis, it is necessary to connect the micro-level ("flow") insights with aggregate ("stock") measures of the magnitude of LA's homelessness challenge.[12] Table 3 provides the requisite bridge. As will become evident below – and as the accompanying policy note

[11] The federally mandated Point-in-Time (PIT) count is an annual, region-wide census of people experiencing homelessness, conducted on a single night each January. The Los Angeles Homeless Services Authority (LAHSA) oversees the PIT count for the Los Angeles Continuum of Care, which spans all of Los Angeles County except the cities of Glendale, Pasadena, and Long Beach (each of which conducts its own count).
[12] For useful applications of systems analysis to the challenge of linking stock and flow analyses of homelessness, see Fowler et. al (2019) and Noazari et al (2021).

explores more systematically – interpreting homelessness as a "flow" surfaces some far-reaching strategic dilemmas that are less evident in the conventional "stock" framing.

Table 3: The contours of LA homelessness – disaggregating the 2024 PIT count by vulnerability and duration

Duration of Homelessness	Complex MH/SA	Other MH/SA	Other vulnerabilities only	None of the above	Total
Under 6 months	1,872	4,368	2,652	6,708	15,600
6–12 months	2,600	3,400	1,144	3,256	10,400
12–24 months	5,950	5,610	1,530	3,910	17,000
More than 24 months	13,125	10,884	2,561	3,441	32,012
Total	23,547	24,262	7,887	19,316	**75,312**

Source: Calculated: application to PIT count data of the estimates (and underlying assumption) embedded in Table 1

The rows of Table 3 disaggregate the 2024 PIT count (75.3k) into four distinct time-duration categories included in Table 1; the columns allocate the data across four classes of vulnerability. The row estimates are generated by applying the Table 1 exit rates to the Annex Table A1 measures of the number of newly homeless for each of the prior ten years.[13] The composition of vulnerabilities within each time band is estimated using the Table 2 parameters. To bridge the Table 3 estimates and the policy issues for which they are intended as a platform, it is useful to organize discussion around three (overlapping, but conceptually distinct) homelessness clusters: short-duration, chronic, and vulnerable.

- *Cluster #1: short duration homelessness* - those who enter and exit homelessness within 6-12 months.

As per Table 3, if the cut-off is set at six months, 15.6k people included in the PIT count fall into this cluster; if it is set at one year the number rises to 26k. However, as a moment's reflection will reveal, an estimate of short-duration homelessness based on the PIT count radically underestimates the size of this cluster – most of whom enter into, and then exit from homelessness between PIT counts. The flow measure in Figure 1 – the number of people who newly accessed homeless services (58k in 2023) – provides a more accurate (though not PIT-count-aligned) estimate.[14]

[13] For simplicity, the 2024 PIT is treated as a 1/1/2024 snapshot: 2023 entrants map to '<12 months,' 2022 entrants to '12–24 months,' and 2021 or earlier to '>24 months.' As per the parameters introduced earlier, the estimates apply exit rates of 40% (0–6m), +15% of original by 12months, and 30% of remaining each year thereafter.

[14] Note that the difference between the 58k 'flow' measure and the 26k one year 'stock' accounts for all (and a little more) of the gap between the 2/2024 PIT measure of the stock of homeless (75.3k) and the Figure 1 measure of the 2023 flow (103k). Note also that, using the County services 'flow' data, in 2024 63k people entered homelessness for the first time.

What facilitates rapid exit from homelessness? How important are time-limited rental and other subsidies in facilitating exit? By how much would budget stringency reduce such support? For reasons explored further below, the consequences of scaling back support for rapid exit could be disastrous for LA homelessness more broadly. Might the way in which LA homelessness has been measured resulted in (inadvertent) inattention to this vital, short-term aspect of the challenge?

- *Cluster #2: the "vulnerable homeless"* – those who have not yet spiraled downwards into chronic homelessness, but whose life circumstances (ie the five vulnerabilities explored in Section 2) are too fragile to facilitate rapid exit.

Again, the number included in this cluster varies according to how it is defined. The definition might range from the very narrow (11k, including only those who have been homeless for 12-24 months with no complex MH/SA symptoms) to the very broad (36k - if it includes also both the 8k without complex MH/SA symptoms who have been homeless for 6-12 months and the 17k who have been homeless for more than 24 months, and remained without complex MH/SA symptoms).

Regardless of the specific definition used, a focus on the 'vulnerable' category surfaces a key policy question: What can be done to minimize the number of people who, having had the misfortune to become homeless, journey all the way down the slippery slide to disaster? As the companion policy note explores, answering this question is crucial from both a human and a fiscal perspective. Is it getting the attention it deserves?

- *Cluster #3: chronic homelessness* - those whose MH/SA circumstances have come to a point where they cannot live independently without sustained support.

Again, definitions can vary: Depending on how 'chronic' is defined, the number of 'chronically' homeless in Table 3 could range from 13.1k (both 'complex' MH/SA and homeless for more than two years) to upwards of 42k (one or both of complex MH/SA and 2+ years homeless. Using a more convoluted definition,[15] LAHSA classified 42% of the 2024 PIT count (31.6 people) as 'chronically homeless.

Stepping back from the details, how might the three-cluster framework help address some urgent, looming policy challenges confronting LA's efforts to address homelessness. An immediate task is to look for efficiency gains - how well are resources being used to deliver on programs already underway? But when the required cuts are large, attention also need to be given to effectiveness – are we doing the right things? As the companion policy note explores in depth, it is in addressing the latter question that the three-cluster framework can be helpful.

[15] The LAHSA definition of 'chronic' combines a a duration threshold (≥12 months or 4 episodes/3 years) with a disability requirement.

Annex Table A1: Point of time distribution of homeless duration in Los Angeles County — Comparative sources (% of total homeless)

Duration	PRESENT PAPER[16]	UCSF CASPEH (2023)	RAND LA LEADS (2024)[17]	LAHSA (PIT 2024, proxy)[18]
< 12 months	35%	~45%	20–27%	~58%*
12–24 months	23%	~15%	14–17%	
> 24 months	42%	~40%	50–66%	~42%* (chronic)

Annex Table A2: Homelessness – stocks and flows

Year	PIT Count	Estimated Newly Homeless	Still Homeless in January 2024
2014	34,682	26,000	472
2015	41,174	30,900	801
2016	46,874	35,200	1,304
2017	55,048	41,300	2,186
2018	52,765	39,600	2,994
2019	58,936	50,000	5,402
2020	66,436	49,715	7,673
2021	69,144	49,715	10,956
2022	69,144	53,755	16,936
2023	75,518	57,855	26,035
2024	75,312	-	—

Source: LAHSA annual PIT counts; Leadership Table newly homeless 2021-2024

Notes: (i): The PIT count is undertaken in February each year; for simplicity the numbers are assumed to be as of January 1st of relevant year. (ii): The Leadership Table has released "newly homeless" ("first time access of services") estimates for 2021-2024. For earlier years, consistent with the relationship between these data and the year's PIT counts, the "newly homeless" is estimated by multiplying the relevant year's PIT count by 0.75. Minor adjustments ("guesstimates" were also made to bridge gaps in 2021-22 data collection due to Covid-related disruptions.

[16] As per the Table 3 disaggregation of the PIT count.

[17] The unusually high proportion of the Rand (2024) sample that was homeless for longer than 24 months is an artifact of their research approach (which sought depth rather than County-wide representation; Skid Row (heavily populated by very long-term homeless) was one of three locales surveyed.

[18] LAHSA does not publish PIT data disaggregated by duration of homelessness. Its "chronic homelessness" measure (~42% of 2024 PIT) combines a duration threshold (≥12 months or 4 episodes/3 years) with a disability requirement. See also footnote 8.

Annex Table A3 — Vulnerability categories, modeled vs external sources (% of PIT population)

Vulnerability category	PRESENT PAPER	UCSF CASPEH[19] (adapted)	RAND LA LEADS (2024)	LAHSA (PIT 2024, proxy)
Complex MH/SA	31%	~20–25%	~30–40%	~25–30%
Other MH/SA	32%	~35–40%	~40–50%	~30–35%
Other vulnerabilities only	11%	~10%	~5–10%	~10–12%
None of the above	26%	~25–30%	~0–5%	~25–30%

[19] CASPEH/UCSF does not present its survey percentages as mutually exclusive categories. The approximations used here recast their data in a way that enables some comparison with this paper's modeled estimates.

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