PUBLIC SECTOR SPENDING ON PROGRAMS AND EMERGENCY SERVICES FOR HOMELESS VETERANS IN SAN DIEGO COUNTY
“A grateful nation would work to ensure that the men and women who risked their lives serving their country are not left stranded when they fall on hard times back home. . . . we should act to make sure veterans can put a roof over their head.”

—United States Senator Robert Menendez
KEY FINDINGS

• On any given night, between 1,700 and 2,000 veterans in San Diego sleep either in temporary shelters or in unsheltered conditions.

• Over any 12-month period, approximately 3,700 veterans in San Diego experience at least one night of homelessness.

• Between October 2009 and October 2010, federal agencies spent more than $54 million on programs and services directed at homeless veterans.

• The majority of this spending (76 percent) went toward reactive programs: emergency healthcare, law enforcement, and incarceration.

• Only 24 percent of spending on homeless veterans went toward proactive services to help homeless vets or vets at significant risk of becoming homeless obtain more secure housing situations or to get jobs.

• The economic conditions facing younger veterans are especially difficult, likely increasing the risk that some will experience prolonged periods of homelessness.
No individual who has taken up arms to serve his or her country should go unsheltered. President Obama recognized this imperative when, early in his administration, he set a five-year goal to end homelessness among veterans. On announcing this unprecedented commitment, he said that “until we reach a day when not a single veteran sleeps on our nation’s streets, our work remains unfinished.”6

In addition to the moral dimensions of this problem, homelessness among veterans imposes significant costs upon the nation. Homeless individuals, both veterans and non-veterans, are much more likely to use the most costly kind of medical care: emergency services.7 Individuals experiencing housing insecurity for a significant period of time have a much more difficult time subsequently finding and retaining employment. Homeless individuals are more likely to experience mental health problems and receive less treatment, contributing to higher levels of incarceration and substance abuse. Emergency and temporary housing are economically inefficient ways of providing shelter to individuals and can create negative externalities in the neighborhoods where they are located.8

INTRODUCTION

San Diego County has one of the largest communities of veterans in the United States. 250,000 residents in the region have served in the military and more than one-third of these have served since the first Gulf War. Only three other counties—Los Angeles; Maricopa, AZ; and Cook, IL—are home to more veterans. Among large urban areas with more than 1 million residents, San Diego has the highest percentage of adults who have served in the armed forces.2

Most veterans integrate quickly back into civilian life after separating from the military. They have higher incomes than similarly aged members of the non-veteran population, and they experience a lower unemployment rate than non-veterans.2 Though some face challenges related to their combat experiences, most veterans overcome these obstacles and successfully transition to civilian life.

Unfortunately, some do not. The U.S. homeless population includes a disproportionate number of veterans at the national, state, and local levels.2 The National Alliance to End Homelessness estimates that on any given night, 195,000 veterans are homeless nationwide. In any 12-month period, an estimated 336,000 veterans will experience at least one night without a permanent and stable residence.5 Given the amount of national focus and the level of investment, the National Alliance pointedly referred to the continued problem of veteran homelessness as one of the nation’s most significant failures of public policy.
likely increases the risk that discharging veterans will face greater economic uncertainty and, in some cases, increased housing insecurity. We examine the broader trends that make the issue of veteran homelessness particularly timely.

• First, there is only a cursory understanding of the problem’s scope. To improve this understanding, our report uses two methodologies to estimate the number of San Diego veterans who experience homelessness on any particular night and the number who experience at least one night of homelessness over a 12-month period.

• Second, most homelessness spending goes toward reactive activities, especially health care and law enforcement. This report identifies the myriad programs that attempt to combat homelessness among veterans and aggregates spending for federal fiscal year 2009. We group these programs into two categories—reactive and proactive—and detail the amount of money invested in them in 2009–10 using a variety of federal databases. We believe that shifting funds from reactive to proactive programs would more cost effectively help veterans to end the cycle of homelessness.

• Third, younger veterans are separating from the military in perhaps the most difficult economic climate of the last 70 years. National data suggest that, in contrast to older veterans, post-9/11 vets are more likely to be unemployed than their civilian counterparts and are participating in the workforce at lower rates. In addition, nation-wide recent a high percentage of veterans are finding work in economic sectors such as with the federal government and manufacturing. These are sectors which are underdeveloped in San Diego, potentially indicating a structural disconnect between the kinds of jobs being created in San Diego and the interests and experiences of recent-veterans. While a challenging employment outlook does not automatically translate into higher levels of homelessness, it

This report hopes to inform policymakers about this issue by examining three interrelated aspects of the problem of veteran homelessness in San Diego County.
SECTION I: ESTIMATING THE NUMBER OF HOMELESS VETERANS

Estimates of the number of homeless veterans in San Diego vary significantly. Veterans Village of San Diego estimates that over the course of a year, it alone serves more than 2,000 veterans. The VA estimates that there are 1,650 homeless veterans in San Diego County, a 20 percent drop over the last two years.

The usual methods for deriving demographic data, such as the various programs undertaken by the U.S. Census Bureau or telephonic survey research, are ill suited to a population that, by definition, does not live in a permanent residence and does not have regular phone service. It is even more difficult to determine whether an individual who is experiencing homelessness has previously served in the military. The literature suggests that either of two approaches best estimate the number of homeless veterans in San Diego County.

1. POINT-IN-TIME ESTIMATES FROM THE SAN DIEGO REGIONAL TASK FORCE ON HOMELESSNESS

In 2003, the U.S. Department of Housing and Urban Development (HUD) began requiring local consortia of homeless service providers to conduct biannual point-in-time (PIT) counts of the homeless. The principal rationale for this requirement was HUD’s concern that previous estimates were not accurate. This inaccuracy was of particular concern because the federal government was attempting to target resources at the regions where homelessness was the most pronounced.

In San Diego, the lead entity conducting the PIT count is the San Diego Regional Task Force on Homelessness (Regional Task Force). Starting in 2006, the Regional Task Force has annually counted individuals living in shelters and supportive housing as well as individuals living outside of shelters fit for human habitation. To accomplish this count, it recruits several hundred volunteers to count the unsheltered population and uses increasingly comprehensive databases to produce an unduplicated count of the individuals residing in shelters and supportive housing.


12. Although the Regional Task Force has recently released data collected in January 2011, we chose to use data from 2009, the latest year for which we have spending information from a number of federal programs designed to assist the homeless.

It is possible to estimate how many veterans access shelters during the year. The Regional Task Force reported that 10,050 individuals were either in transitional or emergency shelters in San Diego County between October 1, 2008, and September 30, 2009. Using the reported percentage of veterans in this population and accounting for individuals who accessed more than one kind of supportive housing over these 12 months, we estimate that 2,000 veterans experienced homelessness during 2009 and accessed shelters in San Diego. Table 1 details the distribution of this population.

In the latest figures released, the PIT count found more than 9,000 homeless individuals throughout the county. These homeless were equally split between living on the streets and residing in temporary or emergency housing. The PIT count also surveyed a subsample of both the sheltered and unsheltered populations to determine their veteran status.

Using these figures, we estimate that 900 veterans in San Diego County were sleeping in unsheltered situations during calendar year 2009. An additional 800 veterans were residing in emergency or transitional housing during any night of 2009.

b) 12-Month Estimate for San Diego’s Homeless Veteran Population

Most individuals experience only short-term homelessness and only face severe housing insecurity, at most, over the course of their life. Given this fact, it is likely that an annual or even biannual PIT survey will miss many individuals if they do not come in contact with social service providers during the time between counts.

14. The PIT has indicated a 13 percent increase in the number of homeless in San Diego County from 2008 to 2010. The region’s population over the same period grew just 2.2 percent. RTFH, Regional Homeless Profile 2010, 23.

15. As part of the PIT counts, the Regional Task Force has collected demographic data through direct surveys of the unsheltered population and through information on the sheltered population derived from records maintained by service providers. For example, during the 2009 PIT, the Regional Task Force identified 4,014 individuals as unsheltered homeless on the night of the count. Of these, 22.9 percent indicated they had prior military service. Also during the 2009 period, 965 individuals were in emergency shelters, and 22.2 percent of these indicated they had previously served in the armed forces. Of the 2,900 individuals living in transitional housing, 19.7 percent reported veteran status. Accounting for some minimal duplication, we estimate that in 2009, an additional 800 veterans were residing in emergency or transitional housing on any night.
Estimating how many veterans that are homelessness and residing outside formal shelters during a 12-month period is more difficult. A starting point for deriving this estimate is the Regional Task Force’s PIT survey and the demographic data on the 367 individuals who consented to be surveyed. Of the unsheltered population surveyed, 61.3 percent reported experiencing homelessness for more than one year, while 18 percent had been homeless for 6–12 months.18 8.2 percent had been homeless for 1–6 months, and 4 percent had been homeless for less than one month.

Assuming that this survey is representative of the unsheltered population throughout the year, we estimate that approximately 7,500 individuals experience at least one night living unsheltered during a year. Given the survey’s finding that 22.9 percent of the unsheltered population has veteran status, the numbers suggest that approximately 1,700 veterans spend at least one night a year sleeping in places the government would classify as unfit for human habitation. Combined, the data suggest a 12-month estimate of 3,700 veterans in San Diego County experience at least one night of homelessness during the year, with approximately 2,000 in shelters and 1,700 living on the street.

2. HOMELESSNESS ESTIMATES FROM NATIONAL SOURCES

Another approach is to use national data on veteran homelessness. Assuming that San Diego veterans experience homelessness at the same rate as those throughout the rest of the nation, we can take this incidence data and apply it to the county’s veteran population as measured by the U.S. Census Bureau’s American Community Survey.

As reported in the National Alliance to End Homelessness’s report Vital Mission: Ending Homelessness Among Veterans, the Department of Veterans Affairs estimated that in 2005 nationwide, 0.8 percent of veterans experienced homelessness at any one time and 1.43 percent experienced homelessness over a year.19 In 2009, there were an estimated 253,000 veterans living in San Diego County.20 This method thus yields an estimate of approximately 2,025 homeless veterans at any one time and 3,617 experiencing homelessness over a 12-month period. This approach does not distinguish between the unsheltered and sheltered homeless populations.

Table 2 shows that these two different methods yield similar results, suggesting that during any one night in 2009, between 1,700 and 2,000 veterans in San Diego were homeless and that, over a year, more than 1 percent of those who served our country will experience at least one night without a bed to call their own.

<table>
<thead>
<tr>
<th>METHODOLOGY AND SOURCE</th>
<th>PIT</th>
<th>ANNUAL</th>
</tr>
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<tbody>
<tr>
<td>PIT/SD Regional Task Force</td>
<td>1,700</td>
<td>3,700</td>
</tr>
<tr>
<td>Vital Mission/CHALENG</td>
<td>2,025</td>
<td>3,617</td>
</tr>
</tbody>
</table>

Table 2: REGIONAL VS. NATIONAL METHODS OF COUNTING HOMELESS VETERANS IN SAN DIEGO

17. A subset (approximately 15 percent) of persons is represented in more than one reporting category.
18. RTFH, Regional Homeless Profile 2010, 36.
20. U.S. Census Bureau, American Community Survey.
21. CHALENG stands for Community Homelessness Assessment, Local Education and Networking Group.
SECTION II: ESTIMATING PUBLIC-SECTOR SPENDING ON PROGRAMS FOR HOMELESS VETERANS

It is difficult to determine the total cost of programs focused on either the entire homeless problem or those specifically targeted at helping veterans. Many programs administered by several different federal departments and agencies touch on homelessness and housing insecurity.

For example, the United States Interagency Council on Homelessness lists more than 70 different federal programs that help to prevent and end homelessness. In some cases, it is difficult to segregate the expenditures that principally help veterans, and in several instances, data are not reported at the county level.22

In compiling this estimate, we relied on several sources. We began with the United States Interagency on Homelessness and their compilation of the various programs targeting homelessness. We also consulted the National Alliance to End Homelessness’s July 2008 report, The Homelessness Budget.23 We augmented this list with several other programs we identified during our literature review as serving the homeless veteran population. The result was the list of programs shown in table 3.

We then cross-referenced this list with data from the Consolidated Federal Funds Report by the U.S. Census and with local information.24 The Consolidated Federal Funds Report details federal expenditures at the county and congressional district levels. In a few cases, as noted below, we either failed to find disaggregated figures in the Federal Funds database or could not find the expenditure listed. In these cases, we looked to other federal budget documents to ascertain spending. While in most cases this approach yielded precise figures for San Diego County, in some instances we had to create estimates using national or statewide figures, assuming that expenditures in San Diego County reflected the proportion of homeless veterans that reside in our county. Finally, we searched state and local databases and budget documents to identify those non-federal programs that served homeless populations and that were not simply “passing through” already-identified federal expenditures. Appendix A provides specific details about these programs.

We next categorized these programs as those that were proactive and those that were reactive. We define proactive programs as those that help veterans move from homelessness to more sheltered situations through counseling, supportive housing, or other services. It was important that the program had a stated goal (and at least the opportunity to be evaluated and measured) as to its ability to help move the recipient to more stable housing. Conversely, we defined reactive programs as those focused on either providing services to homeless individuals or addressing the social impact of homelessness but that do not have, as a principal goal, moving a person to more secure housing. These two categories could be thought of as ends of a spectrum, with some programs we call “reactive” having secondary elements (for instance, counseling referrals as part of detoxification programs) to help move people toward more secure settings, but we do believe that our categorization is fair and reasonable given the available data on program goals.
By far the biggest spending category is medical care. Using data from the Veterans Administration, we estimate that total spending on medical care for homeless veterans in FY 2009 was more than $36 million.

Far less, $9 million, was spent on the six major housing programs we identified. The third-largest spending category involves our estimates for spending by local law enforcement in its contacts with homeless veterans ($2.5 million), spending on detoxification programs ($425,000), and spending on emergency room transport and care ($854,000).

In aggregate, the region spent more than $14,900 for each of the 3,650 veterans we estimate experienced a day or more of homelessness in 2009, with less than one-quarter of these funds spent on what, broadly defined, could be considered proactive efforts.

**PROACTIVE VS. REACTIVE SPENDING ON HOMELESS VETERANS SAN DIEGO COUNTY FY 2009**

- **$13,164,252**  
  24%  
  **PROACTIVE PROGRAMS**  
  (Temporary Housing, Job Training, Etc.)

- **$41,271,722**  
  76%  
  **REACTIVE TRIAGE**  
  (Healthcare, Incarceration, Detoxification)
There are limitations and exclusions in our analysis. We did not include philanthropic spending on homeless services, nor did we include several locally administered urban renewal programs, such as the Community Development Block Grant program. In San Diego, some urban renewal programs provide services to individuals experiencing homelessness and/or individuals seeking more secure housing situations.\(^{25}\)

Perhaps most notably, our analysis does not include the tens of millions of dollars invested in affordable housing, as we know of no source of information on the annual investments of affordable housing programs in San Diego County specifically targeted at homeless veterans or at vets at high risk of becoming homeless.

Finally, some costs are unavoidable and would be incurred even if the region were to succeed in completely ending homelessness among veterans. Most notably, veterans presently homeless would still be eligible to receive health-care services, although that medical care would likely be more preventive in nature and finally less expensive.\(^{26}\)

**OBSERVATIONS**

In compiling this data we were struck by the lack of a central clearing house for expenditure data and a lack of information on the way that programs interact and overlap. If the federal government is serious about ending veteran homelessness, it is important to gain a comprehensive understanding of total investments in this effort as a first step in determining which programs are most effective and where there might be gaps in the services provided.

We also were struck by the high cost of medical care provided to homeless veterans. This seems to be an area where concerted effort could be made to break down silos and develop more cost effective and proactive strategies.

Third, San Diego needs to undertake a better analysis of the costs that the chronically homeless impose on law enforcement, detoxification, and emergency room services. As detailed in appendix A, without primary data for the San Diego region, we had to rely on a recent study examining General Assistance recipients in Los Angeles County. While we believe these figures should generally be the same for San Diego, a full analysis of local costs and services would be an important step toward ascertaining the cost effectiveness of a “housing first” kind of program targeting chronically homeless veterans.

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25. In addition to these five, there are two other categories of costs that we did not include in this analysis because of a lack of San Diego data. First, there are productivity losses, as individuals experiencing housing insecurity are less able to hold jobs. Second, homelessness can impose negative externalities upon the owners of properties near where the homeless concentrate.

26. In one study of 9,100 homeless veterans, for example, researchers estimated that the cost of medical care was 13.3 percent higher than for similar veterans who had stable housing situations. Such studies suggest that investments in proactive efforts can lead to cost savings and free up scarce resources for long-term solutions. Robert Rosencheck and Catherine Seibyl, “Homelessness: Health Service Use and Related Costs,” *Medical Care* 36, no. 8 (August 1998).
SECTION III: THE FUTURE CHALLENGE OF COMBATING VETERAN HOMELESSNESS IN SAN DIEGO COUNTY

Demographic trends suggest that overall, we are likely to find fewer veterans in the region in future years. By 2030, the number of veterans living in the county is expected to be one-half of what it was in 2000. This change is largely the result of the number of San Diego veterans who fought in World War II, the Korean War, and the Vietnam War who are growing older and experiencing higher rates of mortality.

However, while the overall number of veterans in San Diego will decline, the number of homeless veterans will not necessarily decrease. Much of the research to understand homelessness among veterans suggests that socioeconomic factors are just as important as the stress of combat or the difficulty of reintegrating into civilian life. Since the advent of the all-volunteer armed forces in the 1970s, America’s servicemen and women have disproportionately come from lower-middle-class families, and much of the literature on homelessness among veterans points to socioeconomic background as critical in helping to explain why veterans experience higher rates of homelessness than the general population.

It’s also the case that in the coming decade, the percentage of San Diego veterans who served after 9/11 will increase. Though the Veterans Administration does not provide forecasts at the county level, at the state level it forecasts that by 2015, more than 100,000 veterans who have served after September 11, 2001, will have been discharged and living in California. Assuming that this cohort of veterans settles in San Diego at the same rate as the state’s existing veteran population (16 percent), between 2010 and 2020, the number of post-9/11 veterans living in San Diego will increase by about 16,000.
There are unique challenges associated with integrating post 9/11 veterans back into the civilian economy. Among the two million Americans serving in the armed forces since 9/11, 800,000 have been deployed at least twice. A recent study by RAND suggests that in the first year back from deployment, most post 9/11 veterans, especially reservists, experience a decrease in earnings compared to Americans of a similar age and educational background who are not veterans. Of particular note in the RAND study is the number of individuals (5 percent) experiencing an earnings loss of greater than $10K and the particular strains this loss puts on reservists who are self-employed and deployed for longer than nine months.

There is also an indication that soldiers and sailors returning from the post-9/11 conflicts will experience elevated rates of post traumatic stress disorder (PTSD). While the research is still developing, there is at least some indication that PTSD sufferers are at increased risk of becoming homeless.

Finally, post-9/11 veterans could not be separating from the military at a more challenging economic time. Most national forecasts believe that job growth at least through 2014 will be anemic. Industries like construction and manufacturing, which traditionally have been a key source of opportunities for veterans, have borne the brunt of the recent downturn. The federal government, which up until now has employed nearly one out of every seven post-9/11 veterans, faces severe fiscal constraints and is likely to contract, not expand, its employment opportunities.

Table 4: POST-9/11 VETERANS SEPARATING TO CALIFORNIA, 2010–2020

<table>
<thead>
<tr>
<th>YEAR</th>
<th>NUMBER OF POST-9/11 VETERANS SEPARATING TO CALIFORNIA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>22,000</td>
</tr>
<tr>
<td>2011</td>
<td>18,500</td>
</tr>
<tr>
<td>2012</td>
<td>14,700</td>
</tr>
<tr>
<td>2013</td>
<td>10,000</td>
</tr>
<tr>
<td>2014</td>
<td>7,200</td>
</tr>
<tr>
<td>2015</td>
<td>6,100</td>
</tr>
<tr>
<td>2016</td>
<td>5,300</td>
</tr>
<tr>
<td>2017</td>
<td>4,700</td>
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<tr>
<td>2018</td>
<td>4,300</td>
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<td>2019</td>
<td>3,900</td>
</tr>
<tr>
<td>2020</td>
<td>3,600</td>
</tr>
<tr>
<td>TOTAL</td>
<td>100,300</td>
</tr>
</tbody>
</table>

32. For the links between PTSD and homelessness, see, for example, Tammy Morell-Bellai, Paula Goering, and Katherine Boydell, “Becoming and Remaining Homeless: A Qualitative Investigation,” Issues in Mental Health Nursing 21, no. 6, (2000).
There is some evidence that these challenges are beginning to affect unemployment figures. In March 2011, the Bureau of Labor Statistics reported that for male veterans who served in either Iraq or Afghanistan between the ages of 18 and 24, unemployment was 20.9 percent. In contrast, for non-veterans of the same age, unemployment was 19.7 percent. Among the next age cohort, differences are even more pronounced. 13 percent of male veterans of the second Gulf War and the war in Afghanistan between the ages of 25 and 34 were unemployed. For similarly aged non-veterans, the unemployment rate was 10.7 percent. In addition, veterans in this group are participating in the workforce at a somewhat lower rate, 86.3 percent compared to the non-veteran rate of 89.9 percent.

Finally, post-9/11 veterans are integrating into the civilian labor force in ways that will pose a challenge for San Diego. The second column in the table below shows the percentage of workers employed in San Diego in particular sectors. The third column shows national figures for where post-9/11 veterans have found employment.

As noted in Table 5, nationwide more than one out of every seven veterans returning from Iraq and Afghanistan found employment in federal agencies. Yet, with the exception of the uniformed military in San Diego, federal employment is a relatively small sector in San Diego County, comprising only 3.7 percent of countywide employment. Another place where there seems to be a mismatch is between the relatively large size of the region’s leisure and hospitality sector (12.9 percent of employment) and the representation of Gulf War II veterans in that area (only 1 in 20). Nationwide, 1 in 10 post-9/11 vets found work in manufacturing, yet, as of March 2011, only 7.4 percent of San Diegans worked in this sector. Finally, 12 percent of jobs in San Diego is in the educational and health services area, a sector in which only 8% of post-9/11 veterans have found employment.

<table>
<thead>
<tr>
<th>SECTOR</th>
<th>PERCENTAGE OF SAN DIEGO’S EMPLOYED WORKFORCE (MAY 2011)</th>
<th>EMPLOYMENT BY INDUSTRY FOR POST-9/11 VETERANS (MARCH 2011)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Government (Civilian)</td>
<td>3.7</td>
<td>16.3</td>
</tr>
<tr>
<td>State Government</td>
<td>3.6</td>
<td>5.3</td>
</tr>
<tr>
<td>Local Government</td>
<td>11.1</td>
<td>8.7</td>
</tr>
<tr>
<td>Farm</td>
<td>0.8</td>
<td>0.4</td>
</tr>
<tr>
<td>Construction</td>
<td>4.3</td>
<td>5.2</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>7.4</td>
<td>10.5</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>3.2</td>
<td>1.4</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>10.4</td>
<td>6.8</td>
</tr>
<tr>
<td>Transportation, Warehousing &amp; Utilities</td>
<td>2.3</td>
<td>6.6</td>
</tr>
<tr>
<td>Information</td>
<td>2.2</td>
<td>2.1</td>
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<tr>
<td>Financial Activities</td>
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<td>Professional &amp; Business Services</td>
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<tr>
<td>Educational &amp; Health Services</td>
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<tr>
<td>Leisure &amp; Hospitality</td>
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</tr>
<tr>
<td>Other Services</td>
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<td>2.7</td>
</tr>
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</table>

Table 5: EMPLOYMENT SECTORS FOR VETERANS VS. GENERAL POPULATION
SECTION IV: RECOMMENDATIONS

Conditions of housing insecurity reflect a broad range of individual circumstances. In some instances, they reflect severe economic distress—something all-too-common in the current economic slowdown. In others, economic distress is combined with mental-health conditions that both contribute to and are exacerbated by housing insecurity.

As experts in the field have long acknowledged, no one size fits all when it comes to helping more Americans, regardless of their veteran status, to achieve greater housing stability. That said, we believe that our review of spending on homeless veterans in San Diego suggests the following.

First, it is vital for the public and private sectors to make additional investments to help young veterans in San Diego to enter the workforce during a time of economic distress. Unlike older groups of veterans, members of the armed forces discharged this decade have experienced higher, not lower, unemployment rates and have participated in the workforce at lower rates than their non-veteran cohorts. Additionally, the disconnect between the industries where younger veterans are finding employment and the industries growing in San Diego is disconcerting and suggests the need to redouble efforts to ensure that discharging service members understand job prospects and projections in the region and how best they can use benefits such as educational grants and training to position themselves to succeed in the San Diego economy. Such efforts are especially important given the disproportionate number of enlisted service personnel drawn from families on the lower end of the socioeconomic spectrum. Long delays between discharge and employment are likely to create long-term problems. Thus, we suggest redoubling and refocusing energy in regard to job training, education, and job placement assistance.

Second, the Federal government spends disproportionately on reactive rather than proactive efforts. As noted earlier, three out of every four dollars go toward reactive interventions to provide medical care or to deal with the negative social impacts of homelessness. Only 25 percent of the resources we identified go toward proactive efforts to provide shelter to homeless veterans. We need a serious community dialogue about how the funds spent on law enforcement, incarceration, and medical care can be deployed effectively. Rather than treating the immediate symptoms of the problem, programs should move individuals toward stable employment and housing. At a minimum, those agencies providing reactive care need to better understand how to provide a continuum of services so that homeless veterans are helped to transition to more stable situations. Operating a revolving door serves neither homeless vets nor taxpayers.

Third, San Diego policymakers and homeless service providers need to better understand the cost of providing services to the relatively small group of individuals that has been homeless for more than a year. The lack of good data on service use by this population forced us to make some heroic extrapolations from the available data. Such an accounting is important because it would provide the first foundational pieces for a broader regional dialogue about whether there
are more effective and cost-efficient policies to serve homeless veterans who have been unsheltered for longer than a year. Better data would be a first step toward such a dialogue.

Fourth, as the mix of veterans changes in the current decade, social service agencies need to be prepared to provide services in ways that meet the needs of post-9/11 veterans. As noted earlier, veterans discharging today face particularly difficult economic circumstances. Many will have served multiple deployments, which likely has a negative effect on the strength and depth of their ties to the local community (and by extension, ties to would-be employers). Increased incidences of traumatic brain injury and PTSD will mean increased challenges for social service and medical providers. It is likely that social service agencies will need more specialized training and expertise in dealing with homeless veterans than they did in the past.
APPENDIX A: FEDERAL PROGRAMS TARGETING VETERAN HOMELESSNESS

It is difficult to determine the total cost of programs focused on either the entire homeless problem or those specifically targeted at helping veterans. Many programs administered by several different federal departments and agencies touch on homelessness and housing insecurity.

PROACTIVE PROGRAMS

Federal Housing Programs Specifically for Homeless Veterans

VETERANS ADMINISTRATION HOMELESS PROVIDERS GRANT AND PER DIEM PROGRAM

This program assists public and nonprofit private entities in establishing new programs and service centers. These establishments furnish supportive services and supportive housing for homeless veterans through grants. Grant proceeds may be used to acquire, renovate, or alter facilities, and to provide per diem payments, or in-kind assistance in lieu of per diem payments, to eligible entities. Eligible entities must have established programs after November 10, 1992, and must provide supportive services and supportive housing for homeless veterans.

Agency: Department of Veterans Affairs
FY 2009 Expenditures in San Diego County: $4,919,445

VETERANS AFFAIRS SUPPORTIVE HOUSING PROGRAM (HUD-VASH)

The HUD-VASH program combines Housing Choice Voucher (HCV) rental assistance for homeless veterans with case management and clinical services provided by the Department of Veterans Affairs (VA). VA provides these services for participating veterans at VA medical centers and community-based outreach clinics.

Agency: Department of Veterans Affairs and Department of Housing and Urban Development
FY 2009 Expenditures in San Diego County: $733,653

HOMELESS VETERANS REINTEGRATION PROJECT

This program awards grants to public and nonprofit entities that help homeless veterans find meaningful employment and that develop effective service-delivery systems to address the complex problems facing homeless veterans.

Agency: Department of Labor
FY 2009 Expenditures in San Diego County: $2,300,000

DOMICILIARY CARE FOR HOMELESS VETERANS

The Domiciliary Care program is the VA’s oldest health-care program. Established through legislation passed in the late 1860s, the program’s original purpose was to provide a home for the disabled volunteer soldiers of the Civil War. The Domiciliary has evolved from a “Soldiers’ Home” to an active clinical rehabilitation and treatment program for male and female veterans. Domiciliary programs are now integrated with the Mental Health Residential Rehabilitation and Treatment Programs.

Agency: Department of Veterans Affairs
FY 2009 Expenditures in San Diego County: n/a

(In FY 2010 the Veterans Administration San Diego Healthcare System Annual Report announced a $34 million appropriation to build and staff a 40-bed unit for 5 years)

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34. Ibid.
35. Ibid.
36. In FY 2010, the Veterans Administration San Diego Healthcare System Annual Report announced a $34 million appropriation to build and staff a 40-bed unit for five years.
General Housing Programs for the Homeless  

**EMERGENCY FOOD AND SHELTER PROGRAM**  
The program helps meet the needs of hungry and homeless people throughout the United States and its territories by allocating funds for the provision of food and shelter. The program is governed by a national Board, Chaired by FEMA. This program is not for the exclusive use of homeless or at-risk populations.  

Agency: Department of Homeland Security  
FY 2009 Expenditures in San Diego County Allocated to Veterans:  
$207,986  

**EMERGENCY SHELTER GRANT PROGRAM**  
The Emergency Shelter Grant Program aims to improve the quality of emergency shelters and transitional housing for the homeless, make additional shelters available, meet the costs of operating shelters, provide essential social services to homeless individuals, and prevent homelessness.  

Agency: Department of Housing and Urban Development  
FY 2009 Expenditures in San Diego County Allocated to Veterans:  
$2,445,861  

**SHELTER PLUS CARE**  
The Shelter Plus Care Program provides rental assistance, in connection with supportive services funded from other sources, to homeless persons with disabilities (primarily persons who are seriously mentally ill; who have chronic problems with alcohol, drugs, or both; or who have acquired immunodeficiency syndrome and related diseases) and their families.  

Agency: Department of Housing and Urban Development  
FY 2009 Expenditures in San Diego County Allocated to Veterans:  
$381,492  

**HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM (RECOVERY ACT)**  
The Homelessness Prevention and Rapid Re-Housing Program's objectives are to provide prevention assistance to households that would otherwise become homeless (many due to the economic crisis) and to provide assistance to rapidly re-house persons who are homeless as defined by Section 103 of the McKinney-Vento Homeless Assistance Act.  

Agency: Department of Housing and Urban Development  
FY 2009 Expenditures in San Diego County Allocated to Veterans:  
$2,175,815  

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37. These figures assume that 20 percent of total San Diego expenditures benefit homeless veterans. As noted above, San Diego’s point-in-time counts have consistently found that between 20 and 30 percent of various subpopulations of homeless individuals have prior military service. We thus allocate 20 percent of these costs to homeless veterans.  
40. Ibid.  
41. Ibid.  
42. Ibid.
It is difficult to determine the total cost of programs focused on either the entire homeless problem or those specifically targeted at helping veterans. Many programs administered by several different federal departments and agencies touch on homelessness and housing insecurity.

**PEN DIX**

**FEDERAL PROGRAMS TARGETING VETERAN HOMELESSNESS**

- **Specific Homeless Veterans Federal Medical Care Programs**
- **DIRECT MEDICAL COSTS FOR HOMELESS VETS**
  
  The FY 2010 budget submittal by the Department of Veterans Affairs stated that the department projected that VA medical care for veterans experiencing homelessness in FY 2009 would total $2.39 billion. The VA’s estimate of 131,000 homeless veterans nationwide and our own estimate of 1,900 for San Diego suggest that 1.5 percent of the nation’s homeless veterans reside in our county. Conservatively assuming that medical costs are similar in San Diego compared to the rest of the nation, we estimate that countywide direct medical costs for San Diego homeless veterans are approximately $35.8 million.

  Agency: Department of Veterans Affairs
  FY 2010 Expenditures in San Diego County (estimated): $45.4 million

- **HOMELESS VETERANS HEALTH CARE (OUTREACH)**
  
  The core mission of HVHC is to perform outreach, provided by VA social workers and other mental-health clinicians, to identify homeless veterans who are eligible for VA services and to assist these veterans in accessing appropriate healthcare and benefits. HVHC also functions as a mechanism to contract with providers for community-based residential treatment for homeless veterans.

  Agency: Department of Veterans Affairs
  FY 2009 Expenditures in San Diego County (estimated): $846,672

  General Homeless Veterans Medical Care Programs

- **HEALTH CARE FOR THE HOMELESS**
  
  This multi-disciplinary comprehensive program provides primary health care; substance abuse treatment; emergency care with referrals to hospitals for inpatient care services; and outreach services to assist difficult-to-reach homeless persons in establishing eligibility for entitlement programs and housing. The figures below assume that veterans experiencing homelessness are not diverted away from this program by the VA’s services.

  Agency: Department of Health and Human Services
  FY 2009 Expenditures in San Diego County (estimated): $846,000

45. This figure allocates 20 percent of San Diego expenditures to homeless veterans. San Diego point-in-time surveys have consistently found that 20–30 percent of various subpopulations of homeless individuals have prior military service. When costs are not disaggregated between those incurred by veterans and non-veterans, 20 percent of the costs are assumed to serve homeless veterans.

EMERGENCY MEDICAL AND LAW ENFORCEMENT COSTS GENERATED BY UNSHELTERED HOMELESS VETERANS

In addition to housing and medical costs, certain segments of the homeless population consume significant amounts of law enforcement and behavioral mental health services. A growing literature has shown that these costs are highly concentrated among a small group of homeless individuals and that movement of these individuals to transitory housing can yield dramatic savings.

The research on San Diego in respect to these costs is limited. As an alternative, we turned to a recent study by the Los Angeles-based Economic Roundtable. In Where We Sleep, researchers examined more than 10,000 county residents receiving General Assistance from Los Angeles County. After obtaining release forms from a subset of recipients, researchers were able to obtain very detailed information about service utilization from a myriad of health and social service agencies in the region. The researchers further stratified their sample according to a number of demographic factors, including age, gender, incidence of substance abuse, mental health disability, and veteran status.

From surveys of providers and government agencies, the study found that monthly law enforcement and incarceration costs for the unsheltered population being studied averaged $378 per person. These individuals also cost, on average, $59 a month for emergency medical transport, $70 for emergency room services, $351 for inpatient hospital services, and $64 for detoxification services.

<table>
<thead>
<tr>
<th>Service</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incarceration, including mental and medical care</td>
<td>$2,500,000</td>
</tr>
<tr>
<td>Emergency room and transport</td>
<td>$854,050</td>
</tr>
<tr>
<td>Detoxification</td>
<td>$425,000</td>
</tr>
</tbody>
</table>

One should be careful in assuming that it would be possible to save, dollar-for-dollar, expenditures in the more reactive programs by increasing expenditures in more proactive efforts. Some veterans in transitional or permanent supportive housing, for example, will still become ill and require medical services. Some, unfortunately, even with the best support network, will still encounter law enforcement or require detoxification services.

That caveat noted, there are clear indications that for certain segments of the homeless population, especially those categorized as chronically homeless, supportive housing can be a very cost-effective alternative to reactive programs. One goal of this policy report is to spark conversations in the community about better ways of investing scarce public dollars, both as a matter of fiscal responsibility and as an effort to better serve those who have served the nation.

48. General Assistance is a county-administered program in California that provides a small stipend to individuals for basic subsistence when they do not qualify for any other program or support.

49. Economic Roundtable, Where We Sleep: Costs When Homeless and Housed in Los Angeles (Los Angeles: Economic Roundtable, 2009), appendix 2, table A2, http://www.bringlahome.org/docs/Where_We_Sleep.pdf. This includes $120 for general jail services, $109 for medical services in jail, and $149 for mental health services provided in LA County jails.