PROGRESS ON IMPLEMENTING NINETEEN PRINCIPLES FOR ADDRESSING ENCAMPMENTS





Progress on Implementing Nineteen Principles for Addressing Encampments

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INTRODUCTION

The following report was written in compliance with ordinance O2023-1011. The Annual Homelessness Report is intended to educate and inform members of the Chicago City Council and the public on the City's housing and homeless systems and provide the most recent available data and outcomes to show the progress those systems are making, based on Mayor Brandon Johnson's commitment to the unhoused community. This report is structured to follow the US Interagency Council on Homelessness (USICH)'s Principles for Addressing Encampments as a framework, which is required by ordinance.

The report below outlines the current state of homelessness in Chicago based on year-end data from 2024 and the 2025 Point-in-Time Count (PIT) that took place on January 23, 2025. It also details the activities that the Department of Family and Support Services (DFSS), the Department of Housing (DOH) and other City departments and sister agencies conduct to engage with people living at encampments and other places not suitable for habitation, with the goal of moving people into permanent housing.

EXECUTIVE SUMMARY

Mayor Brandon Johnson has made homelessness a cornerstone of his administration's goal to realize a better, safer, stronger future for the City of Chicago. In April 2024, Sendy Soto started her term as Chicago's first Chief Homelessness Officer, a newly established role responsible for addressing the complexities of homelessness and housing insecurity in Chicago, fostering greater policy and operational coordination across City departments and sister agencies, and providing strong leadership to prevent and end homelessness.

The City of Chicago, largely through the Department of Family and Support Services and the Department of Housing, continued in 2024 to lead the implementation of a spectrum of services and supports for people experiencing homelessness and housing instability.

Relative to most of the past two decades, homelessness in Chicago is at a high point. The City's annual Pointin-Time Count of people experiencing homelessness estimated 7,452 people experiencing homelessness in shelters or unsheltered locations on January 23, 2025. This is a 60% decrease from the 2024 PIT Count of 18,836 people experiencing homelessness, but higher than any other PIT Count since Chicago began conducting in 2005. The decrease reflects Chicago's successful efforts to provide housing and outmigration pathways for New Arrivals in 2024, along with our partners at the State of Illinois. Additionally, there was a much smaller number of New Arrivals arriving to Chicago from the southern border of the U.S in late 2024 and 2025 in need of shelter. The 2025 PIT Count decrease also reflects the successful housing outcomes for residents in Chicago's existing homelessness response system through the Unsheltered Housing Initiative (UHI) and Rapid Re-Housing Program, initiatives that provided a surge of housing during this period.

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Homelessness in Chicago is an issue of equity. The overwhelming majority of people experiencing homelessness in Chicago are extremely low-income, **meaning they earn less than 30% of area median income (AMI)**¹. Additionally, homelessness in Chicago is defined by significant racial disparities. Based on the 2025 PIT Count for the total population, people who identified as Black/ African American or Hispanic/Latino/a/e experience homelessness at much higher rates than other racial/ethnic groups: the 2025 Count found that 53% of Chicagoans experiencing homelessness identified as Black or African American and another 35% identified as Hispanic/Latino/a/e, but less than 30% of all residents in Chicago identify as Black or African American or Hispanic/Latino, respectively.

The ultimate goal of the City is to reduce and prevent homelessness over time through investment in affordable housing. At the same time, the City strives to ensure that our response to people experiencing homelessness today is equitable, rapid, and human-centered.

What is Area Median Income (AMI)?

Area Median Income is the annual household income earned by the median household in a region. It is the universal standard used by local governments to calculate maximum affordable housing costs for households of different sizes and income levels.

The City of Chicago addresses homelessness utilizing a three-pronged approach:

- 1. preventing homelessness from occurring,
- 2. responding to immediate needs with a crisis response system, and
- 3. supporting people experiencing homelessness to move into long-term housing options.

Each element of this continuum is necessary and plays a critical role in the overall strategy of solving homelessness.

In 2024, DFSS and DOH continued to implement and expand critical initiatives to support people experiencing homelessness and housing instability, including:

- The Chicago Continuum of Care scaled the Unsheltered Homelessness Initiative launched in 2023, funded by a 3-year, \$60 million grant from the United States Department of Housing and Urban Development (HUD). As of December 30, 2024, 222 households experiencing unsheltered homelessness had moved into housing and 111 additional households were in progress to housing.
- In Spring 2024, the One System Initiative (OSI) planning process began with the City, State, and community members—including homeless services providers and people with lived experience. OSI was the process to integrate systems supporting people experiencing homelessness, regardless of time living in Chicago. Workgroups developed a set of One System Initiative recommendations² to inform 2025 implementation. Through OSI, temporary emergency shelters for New Arrivals and the city's existing shelter system merged to maximize access, equity, and efficiency for all. The merging of the homeless response system to serve all those experiencing homelessness in the same programs brought 3,800 new long-term shelter beds into the system and a new physical access point for single adults to connect with shelter and resources.

¹ See the appendix for a reference table of Chicago Area Median Income levels

² https://www.bhjustice.org/wp-content/uploads/2024/09/OSI-Recommendations-FINAL-2024.pdf

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- Through DOH programs to develop more Permanent Supportive Housing (PSH), the City funded 87 new PSH units in 2024 at site-based and scattered site developments and anticipates bringing on more than 400 new PSH units over the next 1-3 years, which will serve those who are considered extremely low income as well as provide essential supportive services to residents.
- Through DFSS, the City continued its expanded investment in Rapid Re-Housing, which provides rental assistance and supportive services for households experiencing homelessness for up to 24 months. The overall investment of over \$28 million in FY24 supported almost 1,000 individuals and families in housing at any given time and newly housed 515 households through Accelerated Moving Events.

However, we also face new and continuing challenges:

- The City and non-profit partners face uncertainty in funding and policy changes from HUD under the current federal administration.
- Chicago is seeing a loss of affordable rental units in the housing market, which may lead to more new households experiencing housing instability and homelessness. Recent data shows Chicago experiencing the largest gap in affordable and available housing in a decade, reaching over 126,000 units according to data from the National Low Income Housing Coalition. Gaps in affordability and increasing rental cost burden on low-income Chicagoans also limit pathways for households to exit homelessness³.
- The resources and process required to develop new affordable housing units takes time. Affordable multifamily housing development can take 36 months from project selection for funding to lease-up readiness. In addition, the development of units for extremely low-income households or those requiring supportive services necessitates additional rental subsidy and service provision funding.
- Success of homeless services initiatives rely on the strength of our service provider partners. In recent years, non-profit leaders for homeless shelters, street outreach teams, and housing providers have raised concerns about staffing and ability to afford living wages for the critical staff working directly with households experiencing homelessness.
- Lastly, successes across the City's homelessness work in recent years have been supported with timelimited federal resources, currently American Rescue Plan (ARP) funding.

To achieve significant progress, we must continue to invest in all aspects of our homelessness prevention and crisis response system. This means committing resources to support individuals facing homelessness from all walks of life, as well as people living in unstable housing situations such as doubled-up households. Further, these investments must be equitable, aiming to rectify the effects of decades of community disinvestment.

³ NLIHC Tabulations of 2022 1-YEAR American Community Survey PUMS DATA from U.S. Census Bureau

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STATE OF HOMELESSNESS

The Chicago Continuum of Care—of which the City is an active member—uses multiple data sources to understand the state of homelessness in Chicago. There are several ways to understand the scale of homelessness in Chicago because there are several definitions of homelessness, and homelessness is not static – households enter and exit from homelessness every day.

What is the Continuum of Care?

The Chicago Continuum of Care (CoC) is a membership-based organization whose mission is to prevent and end homelessness in our city. With a structure and composition that is mandated by the U.S Department of Housing and Urban Development (HUD), the CoC strategizes and plans a coordinated, comprehensive approach to providing housing and services for people experiencing homelessness. The CoC Board is responsible for approval and implementation of all CoC policies and procedures and the strategic implementation plan. The City is represented on the CoC Board by DFSS, DOH, the Chicago Housing Authority, and the Mayor's Office.

Highlights and key takeaways from these sources are outlined below and additional detail can be found in the linked reports.

Key Trends

Resettlement of migrants from the southwest border and reduction in in-flow: Since August 2022, over 51,000 New Arrivals have arrived in Chicago after being bused and flown from the Southwest border. The peak of New Arrivals being served in Chicago's homeless response system was in the winter of 2023-2024, around the time of the 2024 PIT Count. Federal policies at the border in mid-2024 through early 2025 impacted and significantly curbed the flow of New Arrivals arriving in Chicago. The City and State of Illinois, particularly, the Illinois Department of Human Service and the Office to Prevent and End Homelessness successfully led efforts to support New Arrivals getting housed as the City's New Arrivals mission ended—providing temporary rental assistance, helping households find housing and through diversion/outmigration tactics.

Expanded capacity to serve people experiencing homelessness in shelter with the One System Initiative (OSI): With the One System Initiative launching in Chicago in January 2025, the merging of the homeless response system to serve all those experiencing homelessness in the same programs brought 3,800 new long-term shelter beds into the system. Five shelter programs operate these new beds, which have supported both New Arrivals and non-New Arrivals in accessing shelter. The Shelter Placement and Resource Center (SPARC) also opened through the OSI, providing a physical access point for singles awaiting shelter with the capacity to serve 200 people on a given day/night.

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Challenging economic and housing conditions post-pandemic: Since the pandemic, housing prices have continued to rise due to high demand and a limited supply of housing. Nationally, the Census Bureau found that nearly half of renter households were cost-burdened⁴ in 2023, due to rising housing costs.⁵ In the City of Chicago, housing prices have increased about 42% on average since early 2020. About 87% of Chicago renters who make \$34,999 or less annually were either severely cost burdened or cost burdened based on 2023 income data⁷. These economic indicators have impacted the rate of people newly experiencing homelessness in Chicago. Based on Homeless Management Information System (HMIS) data, on an average day in 2024, for every 6 people housed through CoC resources, 40 are new to experiencing homelessness. This housing to newly homelessness gap was smaller in 2023–when it was measured that for every 4 people housed, 33 were new to experiencing homelessness—pointing to the growing need locally in the past year⁸. In 2023 and 2024, New Arrival designated programs did not enter their program/ client data into HMIS, thus New Arrivals are not represented in these newly housed to newly homeless ratios.

⁴ Note on definitions: *Cost-burdened households* are households that spend more than 30% of their income on housing costs. *Severely cost-burdened households* are those that spend over 50% of their income on housing costs.

⁵ United States Census Burean, "Nearly half of Renter Households are Cost-Burdened, Proportions Differ by Race", September 12, 2024, Press Release Number: CB24-150. Accessed April 2025, <u>Nearly Half of Renter Households</u> <u>Are Cost-Burdened</u>

Institute for Housing Studies, DePaul University. "Cook County House Price Index: Second Quarter 2024",

⁶November 8, 2024. Accessed April 2025, <u>https://www.housingstudies.org/releases/cook-county-house-price-index-second-quarter-2024/.</u>

⁷ Institute for Housing Studies, DePaul University. "Cook County House Price Index: Second Quarter 2024", November 8, 2024. Accessed April 2025, <u>https://www.housingstudies.org/releases/cook-county-house-price-index-second-quarter-2024/</u>.

⁸ All Chicago Making Homelessness History, "Chicago Continuum of Care System Goals 2023 and 2024 Annual Reports," Metric 1.1a: New to Homelessness and Metric 1.2: CoC Housed.

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Estimates of Homelessness in Chicago

The City and other partners in Chicago employ several methods for estimating the number of people or households, who are experiencing homelessness. Chicago uses several metrics to understand homelessness since there are multiple definitions of homelessness and homelessness is not static—there are households entering and exiting homelessness on a daily basis. A glossary with various definitions of homelessness can be found in the appendix of this report. You can find a detailed description of each method below.

One metric of how many people experience homelessness in Chicago is the Point-in-Time (PIT) Count, an annual one-night count mandated by the U.S. Department of Housing and Urban Development (HUD) that occurs in jurisdictions across the country during the last 10 days of January. Based on the 2025 PIT Count, which took place on January 23, 2025:

- There were a **total of 7,452 people** estimated to be experiencing homelessness in Chicago, with 6,136 people in sheltered locations and 1,316 individuals in unsheltered locations.
- This year, among the **sheltered population**, about 32% (1,943) of those experiencing homelessness in the 2025 PIT Count were children under the age of 18, almost all of which were in households with an adult(s) in shelters.
- For the **unsheltered population**, the average age of people experiencing homelessness was older than the sheltered population with about half of the unsheltered population being within the age range of 45-64.
- Chicago **continues to see wide racial disparities** in who experiences homelessness: among the total population, 53% (3,967) of people experiencing homelessness are Black/African American and another 35% identified as Hispanic/Latino/a/e, compared to slightly less than 30% of Chicago's overall population who identify as either Black/ African American or Hispanic/Latino/a/e, respectively.

Additional detail from the PIT Count can be found at: City of Chicago: Point in Time (PIT) Count

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Figure 1: Total Estimate of People Counted – Point in Time Count



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The Chicago Continuum of Care (CoC) also produces a quarterly **CoC System Goals Report** which reports on progress against the homeless services system's shared goals to prevent and end homelessness, using data from Chicago's Homeless Management Information System (HMIS). Compared to the PIT Count, HMIS data helps us understand how many people and households have recently accessed homeless services in Chicago, such as drop-in centers, shelters, and homeless-dedicated housing. Based on HMIS data, 12,168 people were on the Active List (i.e. experiencing homelessness that is documented in HMIS) on an average day in 2024.⁹ Prior to 2025, HMIS data did not capture people served in New Arrivals shelters that were operational in 2024. Thus, the HMIS data referenced in this report does not provide a comprehensive count of all those experiencing homelessness in the city.

The CoC also completes a **Longitudinal Systems Analysis (LSA)** report annually for HUD to report on the number of households who experienced homelessness for at least one day of the year, based on engagement with homeless services. This report also provides an overview of the total number of households and people served in the homeless system annually, which was 16,690 households or 22,635 individuals from October 1, 2023 to September 30, 2024. According to the latest LSA, 12,807 households experienced homelessness for at least one day during that same period of time¹⁰.

Additional data sources help us understand the scale of homelessness, including households in Chicago experiencing "doubled-up homelessness," or living with others temporarily out of economic necessity. These households are not intended to be captured by the PIT count or the CoC System Goals report, both of which use HUD's definition of literal homelessness that excludes the doubled-up population.

The Chicago Coalition for the Homeless 2024 report estimates that 76,375 households in Chicago experienced literal homelessness or stayed with others temporarily over the course of 2022, based on 2022 American Community Survey and HMIS data¹¹.

Chicago Public Schools estimates that 18,238 students experienced homelessness during the 2023-2024 school year, based on current and past CPS enrollment in the Students in Temporary Living Situations (STLS) program which provides services such as transportation, school uniforms, school supplies, fee waivers, and referrals to community resources for students experiencing housing instability¹². This estimate includes students experiencing both literal and/or doubled-up homelessness since students are eligible if they are living in shelters, unsheltered locations, motels or hotels, or are doubled-up with others.

The table below provides a summary of the various methods and results of different estimates of homelessness, including a brief description and the reporting period associated with each estimate.

⁹ All Chicago Making Homelessness History, "Chicago Continuum of Care System Goals 2024 Report", Metric 1.1: Active List.

¹⁰ Chicago Continuum of Care IL-510, "Longitudinal Systems Analysis (LSA)", Data from 10/01/2023-09/30/2024. Accessed April 2025.

¹¹ Chicago Coalition to End Homelessness, "2024 Estimate of People Experiencing Homelessness in Chicago, IL", Reporting Data 2025-2022. Accessed April 2025, <u>Homeless-Estimate-2024.pdf</u>.

¹² University of Chicago Inclusive Economy Lab, Urban Labs, "Landscape Scan Draft", April 17, 2025. CPS STLS School Year 2023-24 Data.

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Name	Description	Number	Reporting Period
Annual Point in Time Count	One night estimate of all sheltered and unsheltered individuals experiencing homelessness; mandated by HUD and captures those who are experiencing literal homelessness based on HUD's definition.	7,452	Night of Jan. 23, 2025
LSA Annual Count	Number of households who experienced homelessness at least one day in a sheltered project who were served in the homeless response system from fall of 2023 to fall of 2024.	12,807	Fall 2023 through fall 2024
Annual Chicago Coalition for the Homeless Count	An estimate of all households experiencing any kind of homelessness over the course of 2022. Includes those who are sheltered, unsheltered, and those temporarily staying with others.	76,375	2022
CPS Students in Temporary Living Situations Count	Count of students enrolled in the Students in Temporary Living Situations program. Includes students experiencing sheltered and unsheltered homelessness, as well as those who are living doubled-up.	18,238	2024
HMIS Daily Active List Average	Estimates how many people are on the "Active List" meaning they have an enrollment record in HMIS as experiencing homelessness in the past 90 days. This number is the daily average for all of 2024.	12,168	Daily average 2024

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STATE OF AFFORDABLE HOUSING

Chicago is committed to ending homelessness by focusing on the ultimate solution to homelessness: the creation of sufficient affordable housing for all Chicagoans. What is considered "affordable" varies by household, so the City operates under the HUD definition of affordability – that no one should have to pay more than 30% of their income to live in safe, healthy housing. Area Median Income (AMI) is the universal standard used by local governments to calculate maximum affordable housing costs for households of different sizes and income levels. You can see examples of AMI based on household size, in Figure 3 below.



Figure 3: Examples Area Median Incomes by Family Size as of April 2025

According to recent data analyzed by the National Low Income Housing Coalition, there is a deficit of over 126,000 affordable and available rental units for people making less than 30% AMI in the Chicago metro area, and an additional deficit of over 115,000 affordable and available rental units for people earning under 50% AMI in the Chicago metro area. This means that per 100 renter households, there are only 32 affordable and available rental units for under 30% AMI households. For households earning under 50% AMI, there are only 58 affordable and available rental units¹³.

Housing costs also continue to rise. According to analysis WBEZ conducted of census data, Chicago's median household income grew by 9% from 2000 to 2023, adjusting for inflation. At the same timeframe, the median cost of rent and utilities increased by 28%, or roughly three times the growth of household income¹⁴ This informs another key metric for tracking challenges in housing affordability: **cost-burden**, defined as a household spending more than 30% of their income on housing costs, and **severe cost-burden**, defined as a household spending more than 50% of household income on housing costs. Based on data analyzed by the Institute for Housing Studies

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and CMAP, Figure 4 below shows the clear distinction of how renters and owners across income levels in Chicago experience cost-burden or severe cost-burden¹⁵. The data makes clear that extremely low income households disproportionately bear housing cost-burden, which can cause many to experience housing instability and face the risk of homelessness.

Figure 4 Cost Burden and Severe Cost Burden by Income Level for Chicago Households, 2023



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¹³ National Low Income Housing Coalition, "The Gap: A Shortage of Affordable Homes for the City of Chicago", May 15, 2025,

²⁰²² ACS PUMS.

¹⁴ https://www.wbez.org/interactive/chicago-rents-climbing-fast-housing-crisis/

¹⁵ https://www.housingstudies.org/releases/housing-affordability-northeastern-illinois-region/

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It is important to note that income levels and housing cost burden vary significantly between Chicago owners and renters. The median income for an owner household in Chicago in 2023 is just over \$75,000, while the median renter household income was over \$20,000 lower, at \$53,500.

In particular, extremely low-income households who are renters bear substantial cost burden. Almost 90% of all <30% AMI renting households are cost burdened, and over **75% of those households were severely rent cost-burdened.** Additionally, almost 85% of 31-50% AMI renter households are cost-burdened, with approximately 30% being severely rent cost-burdened. Overall, **more than 173,000 renter households in Chicago are low-income and rent cost-burdened**, representing over 30% of all Chicago renters¹⁶. These households, and the disproportionate number experiencing severe rental cost-burden, point to a clear need for the creation of more deeply affordable housing options. Ongoing lack of affordable housing and severe cost-burden both contribute to ongoing and recurring homelessness for Chicagoans facing these challenges.

Additionally, rent cost-burden is not experienced equitably across the city geographically¹⁷. When comparing rent cost-burden by neighborhood from 2019-2023, data reveal that South and West side communities bear a disproportionate amount of rent cost-burden compared to most North side community areas, despite housing in these communities being generally less expensive than on the North side. This finding aligns with geographic data related to income inequity and historic racial inequity. By race/ethnicity, over 51% of Non-Hispanic Black, Native American, and Pacific Islander households respectively were rent cost-burdened, approximately 46% of both Hispanic/Latino/a/e households and those of two or more races were rent cost-burdened.

Lastly, Figure 5 illustrates the shift in the share of households that were rent cost-burdened. The share of rent cost-burdened households decreased slightly in 2023 following the COVID-19 pandemic. However, current trends are likely to increase cost-burden on low-income renters with inflation and other economic changes since 2023.



Figure 5: Share of Renter Households that were Cost-burdened

¹⁶ <u>https://cmap.illinois.gov/wp-content/uploads/Chicago-Housing-Profile.pdf</u>

¹⁷ <u>https://chicagohealthatlas.org/indicators/RBU?tab=map</u> for additional visualizations.

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The current gaps in available affordable housing, increases to ongoing rental costs, and continual burden for low-income households, especially renters, toward paying substantial portions of income toward housing costs all contribute to a significant portion of Chicago residents facing housing affordability challenges, and therefore, housing insecurity. These data, along with what we know from various data sources counting residents at risk of or experiencing homelessness, point to the need for further investment in a broad and equitable array of homelessness prevention, crisis response, and housing resources.

TOPLINE STRATEGY ON UNSHELTERED HOMELESSNESS

The City of Chicago, as part of the Chicago Continuum of Care, seeks to make homelessness rare, brief, and non-recurring, a benchmark set by U.S. Interagency Council on Homelessness. People experience homelessness due to a variety of causes, and that calls for a range of options to respond to those causes. While **the ultimate solution to homelessness is affordable and abundant housing**, each piece of this continuum is necessary and plays a critical role in the overall strategy of solving homelessness. The City of Chicago, through DFSS and DOH, responds to homelessness with a three-pronged approach:



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Within the broader strategy of addressing homelessness, the City pursues a coordinated outreach strategy to address unsheltered homelessness that includes:

Comprehensive and coordinated outreach:

The City of Chicago Department of Family and Support Services (DFSS) has its own Homeless Outreach and Prevention team, funds 13 street outreach programs operated by community partners, and coordinates with 7 Federally-funded and 5 State-funded street outreach programs to engage and serve individuals experiencing homelessness and living near railroad tracks, bridges, the Chicago River, viaducts and alleys, Chicago Parks and CTA train stations. Outreach teams identify and engage people living in unsheltered locations using trauma-informed practices. They provide resources and support to meet immediate, basic needs of residents as well as support their path to housing.

What is unsheltered homelessness?

Someone is experiencing unsheltered homelessness if their primary nighttime residence is a place not meant for human habitation, such as a car, park, train, bus stop, or abandoned building.

• **Connection to shelter and housing:** Outreach teams connect unsheltered residents to the Coordinated Entry System (CES), Chicago's centralized system for homeless-dedicated housing resources, and help them navigate other housing options. Unsheltered residents can be individually matched to a housing provider through the CES or matched through an Accelerated Moving Event that provides a surge of housing resources to a group of people. Outreach teams also offer connection to shelter, including to low-barrier shelter beds that remove common barriers for unsheltered residents.

• **Protecting legal rights, health, and safety:** The Department of Streets and Sanitation, in coordination with DFSS, conducts monthly cleanings at over 30 encampment locations, following the City's Policy and Procedures Governing Off-Street Cleaning.

Further details on the specific strategies that DFSS and DOH utilize within this three-pronged approach are presented below, through the 19 Strategies to Address Encampments, which were developed by the US Interagency Council on Homelessness (USICH) and updated in 2024.

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PROGRESS ON IMPLEMENTING THE NINETEEN STRATEGIES TO ADDRESS ENCAMPMENTS

The Mission of USICH is "to coordinate the federal response to homelessness and to create a national partnership at every level of government and with the private sector to reduce and end homelessness in the nation while maximizing the effectiveness of the federal government in contributing to the end of homelessness." As part of this work, USICH published updated guidance in 2024 for States and municipalities on how to develop and implement humane and effective responses to encampments. The strategies are organized into six categories: Equity, Crisis Response, Collaboration, Housing and Support, Data and Evidence, and Prevention.

EQUITY

Engage Encampment Residents in Efforts to Develop Solutions

Input from people with lived experience of homelessness, including current and former encampment residents, is incorporated into the community decision making process through the Chicago **Continuum of Care (CoC)**. The City actively participates in the CoC, with representation from DFSS, DOH, Chicago Housing Authority, and Mayor's Office on the CoC Board.

The CoC prioritizes the involvement of people with lived experience of homelessness in leadership roles and decision-making. The CoC has two lived experience groups:

•Lived Experience Commission (LEC): a coalition of individuals who are receiving or have received services from Chicago's homeless system, people who were formerly homeless, or people at risk of becoming homeless.

•Youth Action Board (YAB): youth leaders from Chicago who have previously experienced homelessness. YAB members use what they learned from their life experiences and come up with solutions to end youth homelessness in Chicago. They inform agencies, policy makers, and legislators on ways to work with youth experiencing homelessness and provide them with guidance on how to do it better. Currently 4 of 5 Youth Action Board members have experience of unsheltered homelessness.

The Chicago CoC was awarded new resources under the HUD CoC Supplemental to Address Unsheltered and Rural Homelessness (Special NOFO). These resources serve as a basis for the Unsheltered Homelessness Initiative (UHI) and include new outreach and housing supports. Individuals with lived experience have been key planners in the development of the Unsheltered Homelessness Initiative Assessment used to access these resources.

Address Unique Needs of People with Chronic and Acute Health Conditions

DFSS recognizes that housing is healthcare and seeks to lead with housing-focused outreach approach engaging encampment residents around goals related to shelter and housing. In 2024, DFSS continued to work with the Chicago Department of Public Health (CDPH) to increase public health resources within the encampment setting. This collaboration is intended to help lower the barriers of access to healthcare and bring services directly to encampments. CDPH deploys several different community-based organizations daily at least seven (7) encampments across the city that have been identified as needing additional substance use and mental

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health supports. These teams that provide overdose counseling, fentanyl testing kits, needle exchanges, wound care, mental health services, and connections to substance abuse treatment. The DFSS Homeless Outreach and Prevention (HOP) Team is deployed weekly with CDPH's Crisis Assistance Response and Engagement (CARE) and Opiod Response (ORT) Teams. The CARE Team focuses on ensuring individuals experiencing a mental health crisis or behavioral health challenges are assisted by teams of behavioral health professionals. The ORT engages individuals who actively use substances, who are in recovery from opioid use disorder or who are contemplating recovery by providing coaching and harm reduction services. The DFSS HOP Team provides a warm handoff to the CARE Team and ORT by connecting them to individuals at an encampment and providing space for all parties to engage about the needs of the client.

DFSS also provides coordination oversight during extreme weather events, ensuring outreach teams and drop-in centers are aware of warming and cooling center resources and ensuring outreach teams are providing wellbeing checks to vulnerable encampment residents. DFSS continues to work directly with CDPH and partners at the CoC to provide technical assistance and develop further training on topics like vulnerability assessments to support frontline staff during critical weather events.

COLLABORATION

Establish a Cross-Agency, Multi-Sector Response

Under the leadership of Chicago's Chief Homelessness Officer, Sendy Soto, the City's departments and sister agencies meet regularly as the **Chicago Homeless Interagency Collaborative (CHI Collab)**. In line with this collaborative approach, City departments partnered closely on several initiatives in 2024, including:

• DFSS and the Department of Streets and Sanitation (DSS) partnered on 598 cleanings at encampment sites in 2024, following the City's Policy and Procedures Governing Off-Street Cleaning¹⁸.

• DFSS and the Chicago Transit Authority (CTA) meet monthly with CTA-funded outreach teams engaging people experiencing homelessness on the 24/7 Red and Blue Lines to discuss progress and implement solutions on the ground. Qualified, trained workers build trust with potential clients and offer supports such as food, referrals to services (mental health, detox supports), and provide transportation to shelter and coordinated entry assessments so that people receiving services can get connected to housing.

•Health care providers funded by the CDPH, called Lead Coordinating Organizations (LCOs), provide on-site services at DFSS-funded homeless shelters at least once per week, providing support with primary care and infection control.

On behalf of Mayor Brandon Johnson, the Mayor's Office of Homelessness, led by Chief Homelessness Officer Sendy Soto, is spearheading development of **Chicago's Five-Year Plan on Homelessness**. This work brings together a 30-person Strategic Advisory Committee, a diverse team of Chicago-area consultants, a Public Sector Roundtable comprised of City, County, State, and Federal leaders, and a partnership with CHI Collab—all working in concert to develop a comprehensive, coordinated approach to preventing and ending homelessness in Chicago.

¹⁸ <u>https://www.chicago.gov/city/en/depts/fss/supp_info/city-policy-and-procedures-governing-off-street--cleaning-pursua0.html</u>

Progress on Implementing Nineteen Principles for Addressing Encampments

Empower Outreach Teams and Health Providers to Lead the Effort

The City of Chicago leads with a non-enforcement approach, having DFSS's HOP team and funded delegate outreach agencies engage residents with services to meet their immediate needs, offers of shelter, and connections to housing resources. Leading with a trauma-informed, person-centered lens is key to the city's efforts to resolve Chicagoans experiences of unsheltered homelessness.

The DFSS team convenes outreach partners to address system-level outreach plans for coverage as well as to conduct city-wide outreach surge events to assess and engage known hotspots and identify new hotspots. The city is divided into six distinct regions (Northeast, Northwest, West Side, Central Business District, South Side and Far Southside) with outreach teams responsible for scanning the region for new people experiencing homelessness as well as going to known unsheltered locations. DFSS co-coordinates seven Unsheltered Homelessness Initiative outreach teams with the CoC. This increased capacity means that each Geographic Region now receives additional support to ensure all encampment residents can be connected to the homeless response system. Additionally, through the UHI, as of December 30, 2024, 604 people in unsheltered locations have been engaged and enrolled in street outreach projects in 2024. **Monthly coordination meetings** of outreach leadership across the city, regardless of funding, are led by DFSS and the HOP team staff to provide system wide updates and discuss sector best practices and ensure consistency. Additionally, DFSS holds four monthly Geographic Coordination meetings that bring together all outreach providers serving each of the six regions of the City. These meetings are attended by front line staff and focus on addressing hot spot encampments, conducting available housing resources.

DFSS began funding an overnight outreach team in 2018 to create 24-hour outreach coverage. These teams build rapport with homeless individuals to engage them in services. DFSS's delegate agencies, along with city-staffed outreach teams, are the primary entities conducting street outreach in the community. Additional CoC-funded outreach teams, some state-funded entities and the Jesse Brown Veteran Affairs Medical Center outreach teams also conduct street outreach and work closely with DFSS to ensure city-wide coverage.

Prioritize Closure Based on Health and Safety Factors

As a matter of practice, the City does not close encampments unless there is a safety issue, a policy change, or a project by another City, State or private partner that requires relocation and closure. DFSS has worked with Chicago Park District and the Illinois Department of Transportation on encampment closures that were required due to policy change and/or construction.

To assess the health and safety of people living in encampments and the surrounding neighborhood, the City takes into account reported incidents on site, pedestrian right of way and accessibility needs, permitted park activities, and scheduled construction that includes heavy machinery. In cases of encampment closure, DFSS recommends advance notice and outreach to residents, connections to housing through an Accelerated Moving Event and bridge housing for those who do not move before the closure occurred. Through work with the Chi Collab and the Interagency Task Force to address Homelessness, DFSS recommends formalizing a City-wide process that includes providing adequate notification, outreach and connections to housing for residents impacted.

Progress on Implementing Nineteen Principles for Addressing Encampments

Engage Neighboring Residents and Businesses

Staff from DFSS, CPD, DSS, and the Mayor's Office regularly meet with community members, neighborhood groups and Aldermanic staff to listen to feedback, concerns and answer questions about how best to support unhoused neighbors.

While DFSS and service provider partners will never share specifics about individual encampment residents, DFSS will provide number of encampment engagements, housing events for the site and general success stories regarding housing and shelter placement. DFSS seeks to educate the broader community about homelessness and how to be good neighbors to people living in encampments. Outreach workers regularly discuss with encampment residents ways they can be good neighbors and avoid unwelcome attention without adding to the stigma often associated with encampments.

Additionally, the City partners with shelter operators for community engagement regarding any new shelter or transitional housing facilities. For the 5 projects going through DOH's Non-Congregate Shelter Acquisition program, community engagement has taken place in advance of zoning special use hearings. In each case, shelter operators in partnership with DOH and DFSS met with Alderpeople, held community meetings, and shared the benefits for both communities and people experiencing homelessness of moving shelter operations into non-congregate settings.

DATA AND EVIDENCE

Collect and Share Qualitative and Quantitative Data

The City works closely with the CoC to engage with data systems and processes helping to serve people experiencing homelessness – this includes delegate agencies utilizing the Homeless Management Information System (HMIS), collaboration with the HMIS lead agency, All Chicago, and participation on CoC data committees. The City also leads the data collection and analysis of the annual Point in Time Count and supports the Housing Inventory Count and prioritization updates made within the CES. DFSS and DOH both coordinate regularly to ensure alignment between housing development work, housing resources, and wrap-around supportive services.

DFSS is committed to using data to drive better performance and outcomes of its delegate agencies. To achieve this, DFSS uses a strategy called Active Contract Management (ACM) which consists of meetings with delegate agencies surrounding their performance and outcomes data and trends to try to identify program implementation challenges and make improvements. This collaborative model helps DFSS delegate agencies build the muscle of becoming more data and outcomes-oriented, while fostering a supportive environment across providers to solve problems with one another and DFSS. This ACM model has been successfully implemented across multiple DFSS program models, including Shelter, Centralized Shelter Intake, and Street Outreach, over the past few years.

Throughout 2023 and 2024, ACM has been utilized to support Street Outreach providers that provide services and support to clients who reside on the Chicago Transit Authority (CTA) to find innovative strategies and ways to increase the number of people moving off the CTA and into more stable or permanent housing destinations. In 2024, about 136 total shelter placements were made and 95 successful placements in other stable or permanent housing destinations for clients served across the 24/7 Red and Blue Lines.

Progress on Implementing Nineteen Principles for Addressing Encampments

Track Shelter and Housing Availability

When seeking shelter or housing assistance, individuals are often asked to identify what barriers they currently face and what supports may assist them in acquiring and maintaining shelter or housing. When seeking assistance to prevent homelessness, individuals may report to the Homeless Prevention Call Center or 211 what their housing needs are and what sort of interventions they may need to retain their current housing. In the field, individuals may have similar conversations with an outreach worker or when working with the Centralized Shelter Intake (CSI) delegate to identify a proper shelter placement for them. Upon accessing shelter, individuals meet with a case manager to develop an individualized service plan. This service plan helps the individual and case manager identify and record what barriers the individual has to securing housing and what interventions may be necessary to overcome those barriers.

Just as the City collects information on residents' needs for shelter and housing supports, the City also collects and tracks data regarding the existing availability of shelter and housing. As a City that operates under centralized systems for both shelter (CSI) and housing (Coordinated Entry) placement, information regarding what shelter or housing is available at any given time is compiled, monitored and accessed through centralized databases.

For shelter, this information lives with the CSI delegate. Each day shelter programs report to the CSI delegate on their available and occupied beds. They do this once per shift and then keep the CSI delegate informed if that information changes between reports. Currently, the City is working to switch this daily reporting process to an online platform for reporting. This new platform will eliminate the time-consuming calls made by the CSI delegates to shelters every shift, will strengthen data collection and accuracy, and will allow for more real-time oversight of shelter availability and occupancy. It will also help create a cleaner, centralized, historic record of bed occupancy and availability for all sites that report this information to DFSS daily.

Beyond the daily reporting of available and occupied beds, the annual Housing Inventory Count (HIC) provides insight into the City's supply of shelter and housing supports and their occupancy rates. Providers for the City's housing programs utilize the HIC and HMIS to understand what units may be available and to match clients to available opportunities. As DOH continues to support affordable housing development, including the creation of more permanent supportive housing, coordinating efforts ensure the housing developed meets the needs of residents experiencing homelessness and that referral and lease-up processes ensure low-barrier and efficient connections to permanent housing.

Progress on Implementing Nineteen Principles for Addressing Encampments

In 2023 the CoC partnered with the Harvard Kennedy School's Government Performance Lab (GPL) to address Permanent Supportive Housing unit utilization challenges with a pilot designed to increase client and unit match success rates and improve matching timeliness. Starting in July 2023, the project team conducted research with providers, housing assessors, and navigators to understand the issue and inform strategy for a proactive engagement pilot. This pilot implemented client pre-screening for housing navigators, giving clients an opportunity to express needs and preferences for housing. The pilot also relies on anticipated unit vacancies to decrease the amount of time units are empty, and helps navigators better understand challenges around hard-to-fill units. Overall, the Proactive Engagement Pilot proved to be a strong model for improvements in PSH utilization, and in the coming year, will look to be scaled as applicable to improve housing outcomes.

Track Status of People Housed and Yet to Be Housed

As part of the City's coordinated outreach strategy, DFSS and the CoC lead Agency, All Chicago, work to build "byname-lists" of all distinct encampments across the city. Encampment make up is dynamic so the lists are made

Addressing utilization challenges in Permanent Supportive Housing

In 2023 the CoC partnered with the Harvard Kennedy School's Government Performance Lab (GPL) to address Permanent Supportive Housing unit utilization challenges. The GPL team initiated a proactive engagement pilot planning in December 2023, with the pilot program running from February 2024 – February 2025. The intervention engaged 310 clients, which constituted 22% of CESwide housing events. Of clients engaged, 71% of PSH referrals led to a stable housing placement, an 87% increase in housing placement success rate. Additionally, on average, clients engaged took 42 days, on average, from referral to move into housing. This represents a 30% improvement in time to housing.

on a bi-weekly to monthly basis during regional case conferencing sessions. Outreach teams review clients' CES assessment status and track progress to securing vital documentation like IDs, Birth Certificates and Social Security cards often necessary to applying for housing. These coordination spaces allow teams to stay aware of changes within encampments, potential safety issues or receive assistance in locating clients who have not been out of contact.

When Housing resources such as AMEs are identified, DFSS co-leads weekly housing initiative meetings tracking all encampment resident's progress leading up to and after connections to housing. DFSS and All Chicago both support front line outreach and housing staff in coordinating care of encampment residents during the housing search process and help find solutions around any potential barriers facing a resident's transition from an encampment location into housing. DFSS additionally facilitates connections with shelter providers if an encampment resident decides to seek emergency shelter.

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CRISIS RESPONSE

Address Basic Needs and Provide Health Care

On the journey helping unsheltered residents move into housing and shelter, homeless street outreach teams meet immediate needs by providing healthy food, access to water, hygiene supplies and appropriate clothing for the weather. Addressing these immediate needs supports residents in multiple ways—it lessens the impact of the crisis of homelessness, meets encampment residents where they are, and helps to build trust with their outreach worker and the broader homeless response system.

As part of a broader outreach strategy, DFSS coordinates teams that meet residents "where they are" by addressing healthcare holistically within in an encampment setting, including behavioral health, substance use, wound care and general physical health needs. DFSS and CDPH's continual partnerships are key to supporting these efforts.

DFSS funds outreach teams that work to make direct linkages to healthcare for people experiencing homelessness to further support unsheltered residents' own health goals and outcomes. Many outreach teams partner with Chicago medical schools' Street Medicine Chapters to further bolster health care resources and leverage additional medical teams to ensure they can rapidly respond to health issues found in encampments.

Outreach teams have different strategies for ensuring connections to healthcare including the hiring of nurse practitioner positions on staff, partnering with street medicine teams and developing MOUs with healthcare providers in the community. All outreach teams are educated on the importance of opioid-reversal medication and are in communication with City partners about any observations of increased trends of substance use or factors that may increase the spread of infectious diseases. DFSS also funds 11 daytime drop-in centers (five youth-dedicated and six adult) operated by delegate agencies that offer residents experiencing homelessness basic need services such as meals, showers, laundry, and quiet safe spaces. These centers are staffed to engage residents living in public spaces and help them identify more stable indoor housing.

Conduct Comprehensive, Coordinated, and Ongoing Housing-Focused Outreach

As noted above, DFSS co-leads all homeless street outreach coordination efforts across the city. This includes ensuring that there is coverage for all community areas and neighborhoods across the city, ensuring teams in the field have up to date information on any elevated safety concerns, and facilitating spaces where teams can case conference particularly vulnerable clients. This comprehensive coordination is in service of the north star goal of achieving safe and permanent housing destinations for all Chicagoans experiencing unsheltered homelessness.

Outreach staff work with encampment residents to get them connected to homeless-dedicated housing through Chicago's Coordinated Entry System (CES), a key component of the Chicago CoC. Households complete a standardized assessment in-person or through the Coordinated Entry call center and are matched with appropriate housing and service opportunities¹⁹.

¹⁹ Additional information can be found here: <u>https://allchicago.org/coordinated-entry-system/</u>

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All DFSS funded outreach teams are active members within the Chicago CoC and are required to provide connections to CoC housing. Additionally, outreach workers focus on developing personalized plans for encampment residents by asking what housing and services they are looking for. Through these conversations outreach workers can identify additional housing pathways such as CHA waitlists, statewide referral units, transitional housing and sober living environments that are appropriate to their personal long-term goals. While support around mental health and substance use is critical and often part of the key goals that residents themselves identify as wanting to focus on, outreach teams seek to ensure that access to housing and shelter supports are as low barrier as possible. Support with housing is never contingent with sobriety or mental health treatments.

Provide Storage

Storage is a key need for encampment residents. Uncertainty or lack of storage space in shelter for resident belongings is a common reason that unsheltered residents decline shelter. The City is working to address this need through investments in the Shelter Infrastructure Initiative led by DFSS and Non-Congregate Shelter Acquisition Program led by DOH. Both programs leverage capital funds to support the transitioning of new and existing shelter facilities to more non-congregate set ups, allowing for clients to securely keep belongings in their own rooms or in established on-site storage areas.

HOUSING AND SUPPORT

Ensure Access to Housing and Services

In 2024, 866 Chicagoans experiencing unsheltered homelessness who were engaged by street outreach projects were connected to a more stable or permanent housing destination (this could include Emergency Shelter, Transitional or Permanent Housing) according to 2024 CoC System Goals data²⁰. The City's continued outreach coordination will focus on the north star goal of increasing the percent of unsheltered individuals who exit to stable and permanent housing destinations.

Additionally, the City has continued to invest in Rapid Re-Housing (RRH) as an effective way to quickly get more people into permanent housing, including an additional \$5 million dollar investment through American Rescue Plan Act funds (ARPA) in 2024. These funds will help house a total of 167 additional new households and sustain them in housing through 2025. RRH investments are used to quickly house sheltered and unsheltered households through in-person Accelerated Moving Events (AMEs) where clients can get enrolled in the program and move through the process to obtain housing more quickly. This model was introduced in the pandemic with the initial expansion investments in RRH through CARES Act funding and has been a successful way to get harder to reach or more vulnerable individuals and households experiencing unsheltered homelessness connected to permanent housing. In 2024, about 163 unsheltered households have been housed through 9 AMEs targeting people experiencing unsheltered homelessness.

²⁰ All Chicago Making Homelessness History, "Chicago Continuum of Care System Goals 2024 Annual Report", Metric 5.1: Street Outreach and Exits to Sheltered Destinations, Exited from Street Outreach.

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Ensure Interim Strategies Promote Dignity, Respect, and Pathways to Permanent Housing

Chicago's encampment strategy addresses basics needs by supplying large encampments with **porta-potties** to limit the spread of disease and ensure a sanitary environment. DFSS and CDPH continue to direct public health resources to encampments such as wound care, street medicine teams and mental health crisis supports.

DFSS also coordinates with DSS on a **monthly schedule for encampment cleanings**, currently covering 25 encampment locations. Cleanings focus on addressing unsanitary conditions for encampment residents and the public that can result from accumulation of discarded items or waste. The City follows policies and procedures for off-street cleanings that seek to balance the rights of encampment residents while maintaining the public way. In 2024, DFSS and DSS collaborated on 598 cleanings. DSS posts notice of upcoming cleanings 7 days in advance. During regular outreach, DFSS outreach staff remind encampment residents of upcoming cleanings and mark collapsed or abandoned tents with stickers, providing notice that they may be discarded if they are not claimed or removed from the public way.

One of the important pathways to move people experiencing unsheltered homelessness towards more stable housing is through access to shelter beds. DFSS is the primary funder of shelter beds in Chicago and coordinates citywide shelter referral and placements. Overall, DFSS and State funding supports approximately 7,400 shelter beds, which includes an additional 3,800 longer-term beds added to the system through the OSI. The City of Chicago funded a **low-barrier shelter**, the Pilsen Navigation Center, in 2018, which provides 40 beds for encampment residents. Low-barrier shelter practices include allowing couples to stay in shelter together, pets to remain with their owners, and residents to keep their belongings. The Pilsen Navigation Center served 137 unique residents in 2024.

At the end of 2024, the Shelter Placement and Resource Center (SPARC) opened, becoming the first 24/7 physical intake location dedicated to connecting single adults (18+) without children with shelter placements and providing interim basic services to those onsite. Access to the SPARC is low-barrier and the space provides individuals with a safe, stable location to seek and await shelter placement. SPARC services include assistance in placing shelter requests, access to food, showers, and overflow shelter. Individuals also receive diversion assessments and services, if appropriate. The SPARC can accommodate up to 200 individuals awaiting shelter placement at a time.

Another key strategy for promoting dignity, respect, and pathways to permanent housing is through **physical improvements to the City's shelter system to establish more non-congregate shelter beds** based on learnings from the COVID-19 pandemic and in line with national best practice. The City funded non-congregate shelter beds in hotels during the pandemic with federal COVID-relief funding. According to research conducted by the University of Chicago Medicine and Lawndale Christian Health Center at these hotels during the pandemic, the non-congregate housing significantly reduced COVID-19 incidence and improved self-reported mental health symptoms and certain health measures such as blood pressure. More than half of program participants moved on to longer-term housing after the intervention. Building on these learnings, DFSS and DOH are making major investments in the City's shelter system to provide more accessible and non-congregate settings and sustain or increase bed capacity within the shelter system. Improvements are intended to encourage more unsheltered residents to accept shelter by providing individuals with their own space and addressing other limitations of current shelter options, including storage space and accessibility.

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Through the **Shelter Infrastructure initiative**, DFSS is investing \$40 million to help shelter programs repair and renovate existing shelter facilities, including de-congregating some facilities. To date, DFSS has qualified 10 shelter programs to apply for capital funding. Simultaneously, through the **Non-Congregate Shelter Acquisition program**, DOH is investing \$30 million of Chicago Recovery Plan funding along with over \$25M in additionally leveraged local, State, and Federal funds to assist shelter programs to acquire and renovate new non-congregate shelter facilities. In 2022, DOH put forth an RFP and selected five grantee finalists providing shelter across the City to receive capital funding to acquire new non-congregate buildings. To date, all projects have advanced in the program. Two shelter acquisitions took place in 2024, with one project rehab completed and operational, and the second with construction upcoming. Two other projects have received zoning special use and are expected to complete acquisition and begin construction in 2025. The fifth project is advancing through the site selection, zoning, and building permitting processes.

On the following page is a map with the designated locations for the DFSS and DOH shelter sites. Sites included in the map are new locations for DOH-funded acquisition projects and qualified shelters for renovation funding from DFSS as of 2024.

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Figure 6: Locations of DFSS Shelter Infrastructure Initiative Projects and DOH Non-congregate Shelter Acquisition Sites



Progress on Implementing Nineteen Principles for Addressing Encampments

Develop Pathways to Permanent Housing and Support

With federal COVID-relief funding and increased City funding, Chicago expanded investments in Rapid Re-Housing, a program which provides short to medium term rental assistance and supportive services to help households stabilize in housing and piloted several practices to more rapidly connect people experiencing homelessness to housing. One of these practices is the AME, one or two-day events where participants select an available rental unit, meet with their case manager, and arrange for furniture selection. Outreach teams coordinate with housing providers to host monthly AMEs specifically for unsheltered residents to rapidly connect individuals to housing. In 2024, the Rapid Re-Housing Program housed about 163 new households from unsheltered locations across the city. The Chicago Office of the Inspector General conducted an audit of the program and found that it, "provides stable housing for many encampment residents," and "can serve as a potential model for other jurisdictions working with their own encampment populations²¹."

The City's expanded investments in Rapid Re-Housing in 2025 will support 360 new households in moving into housing and support 1,000 households in housing at a given time. Unsheltered AMEs will continue to be prioritized, occurring every few months to ensure equitable access to these resources across the city.

As part of the CoC's Unsheltered Homelessness Initiative (UHI), the CoC funded 14 projects from 10 agencies and expects to add an additional 800 units of permanent housing to the CES. These units began to come online in 2023, and continued throughout 2024. These units are targeted at Chicagoans who are specifically experiencing unsheltered homelessness. Anticipating the higher level of service needed for this population, there will be additional support to help residents stabilize after transitioning into housing.

Finally, the City remains committed to preserving and developing housing units that are affordable, subsidized, permanent, and supportive. Without an increase in such units, the pathways out of homelessness remain too narrow and insufficient to meet the city's growing needs. Through the ongoing efforts of DOH, as outlined elsewhere in this report, the City is prioritizing the development, preservation, and subsidy of permanent supportive housing (PSH) and rapid rehousing (RRH).

In the 2023 Qualified Allocation Plan (QAP), the mechanism by which the department allocates Low Income Housing Tax Credits and funding for affordable multifamily housing developments, DOH focused on expanding PSH within new affordable housing developments. Through a newly established PSH Tract, developments committing over 20% of their units to serve PSH are classified as Purpose-Built PSH and eligible for PSH-specific funding sources. Additionally, all affordable housing developments selected through the 2023 QAP are now required to dedicate 5% of units to be set-aside to support PSH. This focus on supportive housing development is expected to continue in the 2025 QAP.

²¹ https://igchicago.org/wp-content/uploads/2023/08/Audit-of-DFSS-Outreach-to-Encampments-of-People-Experiencing-Homelessness.pdf.

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To support this initiative, DOH established two pathways to underwrite or subsidize the 5% set-aside units. In partnership with the Continuum of Care (CoC), DOH ensures that the set-aside units are reserved for individuals experiencing homelessness through one of two possible paths:

•Path 1: Allows the 5% set-aside units to serve as Moving On units for tenants currently living in PSH but no longer requiring supportive services. This approach not only supports those transitioning to greater independence but also frees up PSH units, creating additional housing opportunities for individuals experiencing homelessness.

•Path 2: Utilizes CoC subsidies to provide both rental assistance and supportive services for PSH residents. This dual-pathway approach demonstrates DOH's commitment to addressing homelessness while creating sustainable housing solutions. Since establishing the set-aside program as optional in 2021 and subsequently mandatory in 2023, six developments to date have gone through the process to establish set-aside units, and the first successful tenant move-in took place at the end of 2024. DOH is optimistic and looks forward to building on this success as the Department continues to implement and refine the program.

Ensure Encampments are Closed Humanely

When encampments are slated for closure, DFSS serves as the lead coordinating agency for day-of operations and is the first on site to engage the residents at the start of the encampment resolution. This is in accordance with the City's policy to lead with a person-centered services approach before enforcement mechanisms are put into place. DFSS recommends providing a minimum of 4-6 weeks' notice before a closure and DFSS HOP and delegate outreach workers will be onsite throughout the notice period offering shelter, making connections to available permanent housing, and discussing relocation plans with the residents.

Depending on the location of the encampment, DSS or Chicago Parks Department are the lead entity responsible for removing of left behind tents and other items. DFSS HOP staff are onsite to offer shelter and emergency services for any resident that is interested in those resources. CPD are on site to ensure the safety of city staff and to ensure that the site remains clear prior to any heavy machinery being used on site.

PREVENTION

Expand Affordable Housing

The primary way that City supports extremely low-income Chicagoans is through developing and preserving deeply affordable housing units with operating or rental subsidies. While the CHA manages the City's public housing stock and voucher program, DOH is the City's lead agency for affordable housing programs. One of DOH's primary roles is **the creation and preservation of affordable multifamily housing**. DOH tracks and reports on this data in two distinct ways: developments receiving City Council approval are tracked in DOH's public quarterly reports, and developments reaching closing to receive funding and begin construction are tracked in DOH's pipeline. The table below shows the progress toward multifamily development, and the specific creation of multifamily affordable housing units since the prior Homelessness Report.

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TABLE 1: NUMBER OF MULTIFAMILY UNITS IN DEVELOPMENT

	UNITS IN DEVELOPMENTS APPROVED BY COUNCIL	UNITS IN DEVELOPMENTS WHICH HAVE COMPLETED UNDERWRITING AND BEGAN CONSTRUCTION
Total units in subsidized multifamily developments, 2023	834	1,726
Affordable units in subsidized multifamily developments, 2023	724	1,366
Total units in subsidized multifamily developments, 2024	1,310	778
Affordable units in subsidized multifamily developments, 2024	1,151	698

Through DOH's development of subsidized multifamily rental housing, the City has sought to prioritize developments that establish affordability in high-cost opportunity neighborhoods, maintain affordability in transitioning neighborhoods, and prioritize mixed-use housing and revitalizing strategies to redeveloping neighborhoods. This varied strategy moves affordable housing toward DOH's vision, which is the equitable distribution of resources across all 77 communities so that every Chicagoan can choose and remain in quality housing that is affordable, safe, and healthy.

The establishment of new PSH units has been a growing priority for the City. In 2024, 87 of the new affordable housing units developed were PSH units. DOH released the latest round of funding in 2024 through its 2023 QAP, supporting affordable multifamily developments. In the 2023 QAP, DOH created a new tract to focus specifically on funding PSH developments and required - for the first time – that 5% of units in all other DOH developments be set aside for PSH. Through these two mechanisms and one-time PSH development funds from the Chicago Recovery Plan and HOME-ARP allocation, DOH has established over 100 PSH units and anticipates establishing more than 400 new PSH units over the upcoming 1 - 3 years.

DOH is also seeking to increase equitable access to PSH by including expanded priority populations for PSH units to include people experiencing doubled up homelessness, residents returning from jail or prison, and survivors of gender-based violence and human trafficking. The PSH-specific funding and prioritization will allow for further investment in the creation of deeply affordable, subsidized, and supportive housing for residents at risk of, experiencing, or exiting homelessness.

The City's Affordable Requirements Ordinance (ARO) supports the development of affordable housing within newly constructed market-rate buildings. In 2024, a total of 367 affordable rental units were built across 19 buildings, all of which were leased in accordance with an Affirmative Fair Housing Marketing Plan. DOH completed 248 more ARO units than in 2023, marking a significant increase in construction activity.

Progress on Implementing Nineteen Principles for Addressing Encampments

The City supports extremely low-income Chicagoans through developing deeply affordable housing units with operating or rental subsidies. For DOH affordable housing developments, there are several key partnerships that support this work:

•The Chicago Low Income Housing Trust Fund (CLIHTF) contracts with nonprofit and for-profit property managers to establish non-time-limited, unit-based subsidies that hold the rent paid by an extremely low-income household to 30% of their income. As of Q4 2024, 2,790 households were supported by CLIHTF. Of those, 1,441 subsidies were supporting households between 15% and 30% AMI and 1,349 subsidies were supporting households between 15% and 30% AMI and 1,349 subsidies were supporting households earning less than 15% AMI. CLIHTF provides housing opportunities through its Special Initiative programs, which focus on meeting the needs of various demographic groups. In addition to the Homeless Dedicated Initiative that exists to provide people experiencing homelessness with permanent housing, CLIHTF has special initiatives for people living with HIV/AIDS, veterans, formerly homeless families, and people experiencing unsheltered homelessness. CLIHTF Special Initiatives subsidies are accounted for in the homelessness Housing Inventory Count (HIC), and the remainder of units provide subsidy in DOH developments and other housing opportunities.

•Since 2023, DOH requires affordable housing developments to set aside 5% of units created for PSH or deeply affordable units. Those units will be filled and, in some cases, subsidized in **partnership with the CoC** for people experiencing homelessness or those ready to move on from PSH into non-supportive deeply affordable units. Since the start of the set-aside program, 19 set-aside units have been designated in multifamily affordable housing developments that have closed through the end of 2024.

• DOH also partners with other rental subsidy and services partners. **One key partner is the Chicago Housing Authority**. DOH has partnered with CHA to help finance the creation of 3,084 CHA units in 54 developments under their Plan for Transformation. The CHA currently supports 52,414 households through its Public Housing and Tenant-based Voucher programs. Together, **these efforts represent only about one-third of the housing needed for this very low-income demographic.**

The City also prioritizes the preservation of naturally occurring affordable housing. Through **DOH's SRO Preservation program**, notification is required to those who currently live in an SRO property which is being listed for sale and provides information to affordable housing development organizations to provide an opportunity to consider a preservation investment. The SRO Preservation Fund Program, with Community Investment Corporation, preserves existing SROs through reducing debt and operating costs for owners and maintaining lowcost, affordable housing options for the City's at-risk residents. The program was established in 2022 through Chicago Recovery Plan funding and was extended this year using the Housing and Economic Development Bond. From its creation through the end of 2024, the program has assisted in preservation of **over 375 SRO units**. The program continues to serve as a key preservation tool for naturally occurring affordable housing, which serves as an important housing resource for people at risk of or experiencing homelessness, including residents returning from jail or prison.

Progress on Implementing Nineteen Principles for Addressing Encampments

Along with other key federal and local funding streams leveraged for multifamily affordable housing development, one critical tool the City will use to address needs related to homelessness over the next five years is the \$1.25B Housing and Economic Development Bond. A total of \$625 million is dedicated to housing needs, with \$360-\$390 million included to build and preserve affordable rental housing. Of that, \$230-\$250 million will be used to build and preserve affordable rental housing. Of that, \$230-\$250 million will be used to build and preserve affordable rental homes, \$115-\$135 million will be used for a Green Social Housing revolving fund, and multifamily retrofits will receive \$10-\$15 million. For homelessness-specific activities, \$20-\$30 million is dedicated for SRO preservation. All the funding will help to address the need for more affordable housing in Chicago.

At its core, affordable housing, including public housing, is as much a tool to prevent homelessness as it is a solution to addressing homelessness. Further City investments in creating and preserving deeply affordable and supportive housing options that meet the varied needs of Chicagoans is a key strategy in connecting the full circle of resources needed to end homelessness. The City's commitment to preserving naturally occurring affordable housing (NOAH) is demonstrated in a variety of ways, including through the anti-deconversion ordinance passed in 2021, as well as the anti-demolition surcharge in Pilsen and areas surrounding The 606 (Bloomingdale Trail), which has contributed to as much as an 81% decrease in the number of demolitions of residential buildings.

Interrupt Pipelines into Homelessness

A key tool the city utilizes to interrupt pipelines into homelessness is through the Flexible Housing Pool Program (FHP). The FHP is a multi-sector approach to serving clients with chronic conditions by substituting their undirected use of crisis services with supportive housing. The FHP seeks to reduce costs to crisis systems and improve health outcomes for the people it serves. Since 2018 over \$50 million dollars have been contributed to the pool to provide rental assistance and support services to over 1,400 families and individuals. Eligible households were identified by a data match that looked at emergency shelter (HMIS), jail (Cook County Jail), and emergency room registrations (CountyCare and Illinois Department of Public Health). Identifying the highest utilizers of these services over a two-year period to target for participation in this program. Of those enrolled between 2018-2021 the program saw the following outcomes.

- 30% lower mortality rate
- 19% reduction in emergency room visits
- 22% reduction in jail registrations
- 19% reduction in inpatient treatment

Additionally, a greater reduction was seen amongst individuals who reported having a substance disorder. Reductions of 36%, 26%, and 36% were observed in their jail registrations, emergency department visits, and inpatient days, respectively.

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With 90% of enrolled households maintaining housing stability at 12 months, the program has demonstrated the effectiveness stable housing and support services has on decreasing household's reliance on emergency services – not only providing public health benefit but also providing a cumulative cost saving of \$1.4 million in crisis systems among adults (additional research is being done to look at the impact on youth). Earlier this year, the Chicago Police and Fire Department agreed to participate in this study which will expand the scope to look at the impact the FHP has had on Chicago's first responders (from 2018-2024). We're optimistic that the data will show similar public health and cost savings trends in terms of 911 calls for ambulance and police²².

Build and Strengthen Safety Nets

The first element to ending homelessness in Chicago is preventing residents from entering homelessness. To that end, the City, through both DFSS and DOH, funds programs to keep Chicagoans safely and stably housed.

The Right-to-Counsel (RTC) program has been extended through December 31, 2025, with several modifications. RTC services for Q4 2025 will be supported by Community Development Block Grant (CDBG) funding. However, Beyond Legal Aid's contract will conclude at end of Q2 2024 and will not be renewed, while the Law for Better Housing (LCBH) has been officially extended to continue providing court-based assistance as part of the program.

Since its inception in August 2022, the RTC program has served 2,845 households facing eviction cases, as of December 2024. Remarkably, 90% of cases involved have come from rent cost-burdened households, and for cases with a completed/known outcome, evictions were avoided in 85% of cases. The program exemplifies the City's commitment to stabilizing housing for vulnerable tenants facing eviction. Administered by DOH through partnerships with LCBH (court-based assistance) and Beyond Legal Aid (Community-based support), the RTC program is a City-wide pilot offering free legal assistance to low-income tenants facing eviction.

This initiative demonstrates how one-time funding from the Emergency Rental Assistance Program (ERAP) and the RTC pilot program has helped Chicagoans maintain housing stability. While ERAP funding has ceased, and RTC funding remains limited, identifying sustainable funding sources is critical to continuing this work. Without additional funding, these programs will wind down, leaving renters exposed to increased hardships as economic challenges persist.

Through innovative efforts and strategic partnerships, the RTC program has shown the importance of rental assistance and legal support in tackling homelessness. The City remains steadfast in its dedication to helping tenants achieve housing stability despite economic barriers.

The **Rental Assistance Program (RAP)** at DFSS is also an important part of the homelessness prevention strategy. In coordination with DFSS's six Community Service Centers, the program has provided over \$16 million in direct rental assistance to 2,990 Chicagoans since 2019. While the annual funding was expected to decrease to pre-COVID levels this year, DOH was able to transfer \$2 million in Federal ERAP funds to this program. Along with the annual ESG and Corporate investment, the RAP program is expected to serve over 200 households in 2025.

²² For a more in-depth analysis of the data shared here review the Report published in January 2023 by Cook County Health <u>https://nhchc.</u> <u>org/wp-content/uploads/2023/06/FHP-Early-Impact-Evaluation-Report-FINAL.pdf</u>

Progress on Implementing Nineteen Principles for Addressing Encampments

APPENDIX

Resources for those Experiencing or At Risk of Homelessness

If you are someone experiencing housing insecurity or know someone who needs help, please call 2-1-1. The hotline is an information and referral resource that can help connect you to resources for food, housing, utility payment assistance, health care, transportation, childcare, employment, mental health, disaster information and more. Please note that 2-1-1 is not intended to assist with emergency services.

If you are at risk of experiencing homelessness, you can call 3-1-1 to be connected with homelessness prevention resources. The hotline will direct you to appropriate City services, as available.

GLOSSARY OF TERMS

Affordable housing rental costs: are less than 30% of the occupant's gross monthly income, including utilities, as defined by HUD.

Area Median Income (AMI) is the annual household income earned by the median household in a region, adjusted by household size.

PERCENTAGE OF AREA MEDIAN INCOME, AS OF APRIL 2024							
Household Size	15%	30%	40%	50%	60%	80%	100%
1	\$12,600	\$25,200	\$33,600	\$42,000	\$50,400	\$67,150	\$84,000
2	\$14,400	\$28,800	\$38,400	\$48,000	\$57,600	\$76,750	\$96,000
3	\$16,200	\$32,400	\$43,200	\$54,000	\$64,800	\$86,350	\$108,000
4	\$ 17,985	\$35,950	\$47,960	\$59,950	\$71,940	\$95,900	\$119,000
5	\$19,425	\$38,850	\$51,800	\$64,750	\$77,700	\$103,600	\$129,500
6	\$20,865	\$43,150	\$55,640	\$69,550	\$83,460	\$111,250	\$139,100
7	\$22,305	\$48,650	\$59,480	\$74,350	\$89,220	\$118,950	\$148,700
8	\$23,745	\$54,150	\$63,320	\$79,150	\$94,980	\$126,600	\$158,300

Chronically Homeless: those who are literally homeless, have a qualifying disability, and have been continuously homeless for 12+ months or for 12 months within 3 years and 4 incidences of homelessness.

Continuum of Care: a membership-based organization, whose mission is to prevent and end homelessness in its assigned region by planning a coordinated, comprehensive approach to providing housing and services for people experiencing homelessness. The structure and composition is mandated by HUD.

Coordinated Entry System: connects people who are experiencing homelessness to housing opportunities in Chicago. It uses a standardized housing assessment to understand the needs of households and follows a prioritization plan to refer youth, individuals, and families to housing.

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Doubled-up: are unhoused people who are temporarily living with others, such as friends or family. Those who are doubled up are not included in HUD's literal definition for experiencing homelessness, thus are not included in the Point-In-Time (PIT) Count estimates.

Drop-in Centers: offer residents experiencing homelessness basic need services such as meals, showers, laundry and quiet safe spaces during the daytime. These centers are staffed to engage residents living in public spaces and help them identify more stable indoor housing.

Literal Homelessness: The definition mandated by HUD and is used for the Point-In-Time Count. If a person or family is experiencing literal homelessness, they lack a fixed, regular, and adequate nighttime residence and are staying in either a place not meant for human habitation (e.g., street encampment, a car or park) or a shelter, Safe Haven or transitional housing program.

Multifamily affordable housing: developed through varied funding streams that finance projects based on household AMI eligibility, usually ranging from extremely low income up to market rate ranges.

New Arrivals: Includes the over 51,000 individuals and families sent to Chicago through bus and air transportation who originally entered through the Mexico/US border on or after August 1, 2022 with the intent to stay permanently, and who do not possess any permanent or interim U.S. legal status (which does not include being in parole status, such as legal permanent residency, a student or work visa, etc.). The majority of people seeking asylum are from South America, Asia, Eastern Europe, the Caribbean, and the African continent.

Newcomers: Those who were born in a different country who recently arrived in the United States between in 1/23/24 through 1/23/25. This is a new definition created in January 2025 and used locally in Chicago.

Non-congregate shelter: shelter that provides residents with a private or semi-private rooms for sleeping, adequate space and security for residents and their personal belongings, in-unit or communal bathrooms and sanitary facilities, in-unit or communal cooking and dining spaces, accessibility to residents with disabilities, and access to communal space, including living and recreational spaces.

Permanent Supportive Housing: non-time limited affordable housing with supportive services, often dedicated to households experiencing chronic homelessness, in either project-based or scattered site units. Typically for individuals earning <=30% AMI (Area Median Income). Most often requires chronic homelessness to access, but requirements vary by subsidy source. DOH, for example, includes returning residents in eligibility with or without disability.

Rapid Rehousing: short-term rental assistance for up to 24 months with case management, supportive services and without preconditions (such as employment, income, absence of criminal record or sobriety). Typical Chicago clients stay 11 months on average.

Rent Cost-Burdened: a household that spends more than 30 percent of its income on housing.

Severely Rent Cost-Burdened: a household paying more than half of their income towards rent.

Sheltered Homelessness: refers to those sleeping in emergency shelters, Safe Havens or transitional housing.

Shelters: a supervised facility that provides temporary accommodations for the unhoused; measured in number of beds. Reminder: people staying in shelters are still considered homeless.

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Transitional Housing: site-based, supportive accommodation for up to 24 months that is meant to bridge the gap from homelessness to permanent housing by offering structure, supervision, support (for addictions and mental health, for instance), life skills, and in some cases, education and training. Typically targets specific populations like youth or families.

Unsheltered Homelessness: refers to those sleeping in places not meant for human habitation such as in street locations, parks, abandoned buildings or cars.



