

Some U.S. Cities Solved Homelessness. The Rest Should Just Copy Them.

"The fool learns from his own experience. The wise man learns from the experience of others."



BILL GURLEY

JUN 23, 2026



69



6

Sh

One of P3's core beliefs is that the path to better public policy runs through honest comparison. Justice Louis Brandeis captured the underlying logic in his 1932 dissent in *New State Ice Co. v. Liebmann*: "It is one of the happy incidents of the federal system that a single courageous State may, if its citizens choose, serve as a laboratory; and try novel social and economic experiments without risk to the rest of the country." P3 takes Brandeis seriously. American federalism — and the variation across cities, counties, and states it enables — is not just a political structure. It is a natural experiment running in real time, generating evidence on what works and what doesn't. The problem is that most of that evidence sits uncollected, never surfacing to the policymakers who need it. Identifying best practices, naming the jurisdictions that got it right, and holding up that comparison against the ones that didn't — that is precisely what exists to do.

To that end, I used AI to take a quick pass at homelessness policy across ten U.S. cities. One thing that is critical to understand about homelessness in the United States — certain cities are having huge success, while many high profile cities are making little to no progress. That means we can study best practice. Copy, paste, repeat. With a simple AI-leveraged analysis, you can see that some cities are way ahead, and importantly, they share common traits. Others are way behind — spending heavily, perhaps with good intentions — and they share a different set of common traits. The report below lays out both. If you work in a city, or care about one, and want to see homelessness improve, the answer isn't complicated: start copying the cities that have already had massive impact.

Thanks for reading Bill's Substack! Subscribe for free to receive new posts and support my work.

[Subscribe](#)

Solving Homelessness in America

What the best cities do — and what the worst cities don't. A comparative analysis of policy practice, and measurable outcomes across ten U.S. jurisdictions.

Analytical briefing · June 2026

Prepared for decision-makers evaluating what to adopt, what to scale, and what to avoid. Scope: five jurisdictions widely recognized as success stories in reducing homelessness, and five that combined high spending with flat or worsening results. The report identifies the shared “spine” of effective practice, the highest-leverage policies, and the anti-patterns to avoid.

Executive Summary

Homelessness is often discussed as a problem that money cannot solve. The evidence assembled here points to a more precise conclusion: it is a problem that money *alone* cannot solve, but that the right operating system can. The five jurisdictions profiled as successes and the five profiled as failures frequently share the same guiding philosophy — Housing First — and several spend comparable or larger sums. What separates them is not ideology or budget. It is machinery: how they track people, how they govern, how they source housing, and whether funding is tied to results.

Three findings stand out. **First**, the successful cities all run the same core “spine”: a real-time, person-specific (“by-name”) list of everyone experiencing homelessness; a

single coordinated front door; recurring case conferencing; a single accountable lead agency; and public performance tracking. Houston, the largest success, cut homelessness by roughly 60 percent. The smaller cities — Rockford, Abilene, and Bakersfield — reached “functional zero” for whole populations using this method. **Second**, the unsuccessful cities are not anti-data and not philosophically opposed to these tools; they simply never operationalized them. They tracked spending as a proxy for progress, governed by committee, built new housing at \$500,000–\$800,000 per unit and did not tie continued funding to outcomes. **Third**, the sobriety debate that dominates public discussion is largely a distraction: neither group requires sobriety to enter housing. The difference is whether treatment and services actually reach the housed person.

The practical implication is that the proven core is copyable today and should not be re-litigated. The frontier — landlord risk-sharing, funding design, and scaling “functional zero” to the largest cities — is where the leading jurisdictions should collaborate. The remainder of this report sets out the rankings, the policies behind them, a detailed look at the seven highest-leverage practices, and a clear catalogue of what to avoid.

The one-sentence takeaway

The cities that solved this did not win on whether they required sobriety or on how much they spent; they won on whether a single accountable owner used real-time data to place people quickly into existing housing and then made sure services actually reached them — and tied the next dollar to whether it worked.

Methodology & Caveats

This report synthesizes public data and reporting through mid-2026. Rankings reflect a blended judgment rather than a single metric, and readers should weigh the

following limitations:

- **Point-in-Time (PIT) counts are imperfect.** The primary national measure is a one-night, federally mandated count that is widely acknowledged to undercount and whose methodology varies by jurisdiction and year. It is a snapshot, not a census.
- **Spending is hard to attribute.** Much homelessness money flows through county, regional, or state bodies rather than a single city, and several of the jurisdictions analyzed could not themselves reliably track it. Dollar figures should be read as orders of magnitude.
- **Outcomes are confounded by housing markets.** The lowest-performing jurisdictions also carry the nation's highest housing costs, which independently worsens results regardless of policy quality. Part of the gap is harder terrain, not only worse choices.
- **“Best practice” means each jurisdiction’s own stated, documented signature practices** — drawn from continuum-of-care manuals, the Built for Zero case-study record, municipal program documentation, and independent audits.
- **Blank cells in the comparison tables mean “not documented as a defining practice,”** not proof that a city never does it. Most jurisdictions run some version of nearly every basic activity; the tables track what each treats as a signature, accountable policy.

Where the underlying debate is genuinely contested — most notably Housing First versus treatment-first — the report presents the strongest evidence on each side rather than adjudicating it as settled.

Section 1 — The Top Five: Success Stories, Ranked

The five jurisdictions below were selected for sustained, multi-year reductions and credible, third-party-verified results — not for a single good year. They span a deliberate range of sizes, from a major metro to mid-sized communities, to show that the method, not the scale, drives the outcome.

1. Houston, Texas

The consensus flagship and the strongest large-city result in the country. Through a coordinated regional system, “The Way Home,” Houston reduced overall homelessness by roughly 60–63 percent over the past decade and now reports the lowest homelessness rate among major U.S. metros. It is the proof point that the method scales to a city of millions.

2. Rockford, Illinois

The first Built for Zero community in the country to reach “functional zero” — for veterans in 2015 and for chronic homelessness in 2017 — and it has sustained that status since. Rockford’s “first and durable” record earns it the top spot among the smaller success stories.

3. Abilene, Texas

Possibly the most complete small-city result. Abilene reached functional zero across an unusually wide set of populations — veterans, chronic, families, and, in 2024, youth — a near-clean sweep that very few communities of any size have matched.

4. Bakersfield / Kern County, California

Notable precisely because it sits in the state most associated with failure, under the same statewide Housing First mandate as San Francisco. Bakersfield drove its chronically homeless population from more than 200 down to a handful, reaching certified functional zero for chronic homelessness — and rebuilt the gains after a

pandemic-era spike. It is the single clearest demonstration that the failure of other California cities is about execution, not geography or law.

5. Dallas, Texas

A large metro with three consecutive years of decline. Through the “All Neighbors Coalition” and its R.E.A.L. Time Rehousing engine, Dallas housed more than 10,000 people after a 2021 system redesign and posted a roughly 19 percent reduction since 2021. Denver, which cut veteran homelessness about 30 percent since 2020, is the honorable mention; its overall picture is more mixed, which keeps it off the list.

Snapshot — headline results

Jurisdiction	Size	Signature result
Houston, TX	Major metro	~60% overall reduction; lowest big-metro rate
Rockford, IL	~150k	First to functional zero; sustained since 2017
Abilene, TX	Mid-size	Functional zero: veterans, chronic, families, youth
Bakersfield, CA	~350k	Functional zero for chronic; rebuilt post-COVID
Dallas, TX	Major metro	10,000+ housed; ~19% reduction since 2021

Section 2 — The Bottom Five: High Spend, Poor Returns, Ranked

These five jurisdictions combined large and rising expenditure with flat or worsening counts and, in most cases, independent audits documenting that they could not trace where the money went or whether it worked. They are ranked by the severity of the spend-without-results pattern.

1. Los Angeles (City & County / LAHSA)

The clearest case of spending without verifiable results. An audit commissioned by federal judge found the city could not trace roughly \$2.3–2.4 billion in homelessness

spending, citing a lack of uniform data standards and real-time oversight. Years of record investment coincided with a persistent street crisis severe enough to draw direct court intervention.

2. San Francisco

Among the highest per-capita spenders in the nation, with a department budget well above \$800 million, yet unsheltered homelessness was largely unchanged between 2012 and 2024. A statewide audit flagged that a large share of people leaving funded placements in counties including San Francisco exited to “unknown” destinations - making success impossible to verify.

3. San Jose / Santa Clara County, California

The jurisdiction whose encampment crisis prompted the statewide audit that exposed California’s broader failure. The auditor described a “data desert” with no consistent outcome tracking, even as the state authorized billions across multiple funding rounds.

4. King County / Seattle, Washington

Seattle tripled homelessness spending over eight years while the regional population kept rising; its count climbed to more than 16,000 in 2024, a 23 percent increase from 2022. A 2026 forensic audit of the regional authority found a roughly \$44.7 million negative cash position and millions unaccounted for, prompting elected officials to draft resolutions to dissolve the agency.

5. Portland / Multnomah County, Oregon

Spending across the Portland metro counties spiked some 70 percent to over \$531 million in a single fiscal year, yet homelessness in Multnomah County kept growing even as two neighboring counties saw declines — an unusually clean illustration of money failing to translate into results.

A fairness note that recurs throughout

All five carry the nation's highest housing costs, which worsen outcomes regardless of policy quality. But the audits document something beyond difficult conditions: repeated inability to track where money went or whether it worked. That is what distinguishes these jurisdictions from cities simply facing a hard market.

Section 3 — Top-Five Policies & Programs

Houston and Dallas run large-coalition Continuum-of-Care models; Rockford, Abilene, and Bakersfield are Built for Zero communities. The two traditions converge on the same core — which is itself the signal that the core is what works. Below are each jurisdiction's documented signature practices, followed by a master comparison table.

Houston — “The Way Home”

- **Housing First** across every program: permanent housing first, then case management, health care, substance-use counseling, and income coaching.
- **One regional continuum across three counties** with 100+ partners under a single lead agency, explicitly to eliminate duplication.
- **Coordinated Access System** — a single front door with a standardized assessment and written standards.
- **Vulnerability-based prioritization**: the data system auto-sorts the waitlist so that the most vulnerable are referred first.
- **Permanent supportive housing reserved for the chronically homeless**, with standardized intake across all providers.
- **Centralized funding**: the lead agency pools and distributes dollars from all sources, public and private.

- **A dedicated landlord-engagement team** to secure private units.
- **Systemwide buy-in over agency discretion**, and equity goals written into the community plan.

Rockford, Illinois

- **Housing First** paired with a **Single Point of Entry** covering a two-county area.
- **Real-time by-name list** and **biweekly collaborative case conferencing**, going name-by-name.
- **Multi-agency “command center” / collective-impact teams**, one per population.
- **Cross-system integration** with health care, fire/EMS, code enforcement, and education.
- **A 24-hour crisis hotline** and a dedicated street-outreach squad.
- **Mayoral ownership** and a public performance-review culture (“Rockstat”).
- **Population-by-population sequencing** with housing navigators who recruit landlords and tour units with clients.

Abilene, Texas

- **Housing First** tightly paired with coordinated data systems.
- **By-name, person-specific data** as the operating foundation.
- **One integrated team across all partners** — a single shared system with a single shared goal.
- **Permanent supportive housing** and **landlord partnerships**.
- **Public dashboards, outcome tracking, and public reporting**.
- **Population-by-population sequencing**, reaching functional zero across veteran chronic, families, and youth.

Bakersfield / Kern County, California

- A quality by-name list as the explicit turning point.
- A unified regional command center around a single shared aim.
- Regular case conferencing and a formal data-reliability threshold.
- An HMIS alert system that flags anyone not contacted in 60 days so outreach c re-engage them.
- A monthly “Race to Zero” metrics report shared across all partners.
- Master leasing: the housing authority leases from hesitant landlords, sublets to clients, and absorbs liability — a distinctive risk-transfer tool.
- A flexible funding pool and housing navigator maintaining a constantly replenished unit pipeline.
- Continuous “test-a-change” improvement cycles.

Dallas — “All Neighbors Coalition” / Housing Forward

- Rapid rehousing at scale via R.E.A.L. Time Rehousing (10,000+ housed since 2021).
- A regional two-county coalition of 140+ organizations under one lead agency.
- Coordinated, data-driven access across the network.
- A public-private Funders Collaborative pooling private and one-time public dollars.
- Flexible funds to remove barriers in real time.
- Dedicated landlord engagement with guaranteed, scheduled payments.
- A tenant rent contribution (about 30% of income) for accountability and sustainability.
- “Street to Home” encampment resolution with behavioral health and rehousing offered on site.

- **Racial-equity focus** with disaggregated data, and explicit, time-bound public milestones.

Master comparison table — top five

A check mark (✓) indicates a documented, signature practice for that jurisdiction.

Policy / practice	Houston	Rockford	Abilene	Bakersfield	Dallas
Housing First	✓	✓	✓	✓	✓
Real-time by-name list	✓	✓	✓	✓	✓
Coordinated entry / single front door	✓	✓	✓	✓	✓
Recurring case conferencing		✓	✓	✓	✓
Command center / collective-impact teams	✓	✓	✓	✓	✓
Regional multi-county coordination, one lead	✓	✓		✓	✓
Vulnerability-based prioritization	✓	✓		✓	
PSH dedicated/targeted to chronic	✓	✓	✓	✓	✓
Rapid rehousing	✓	✓			✓
Dedicated landlord-engagement team	✓	✓	✓	✓	✓
Master leasing / landlord risk backstop				✓	
Flexible “barrier-busting” funds		✓		✓	✓
Public-private funders collaborative	✓			✓	✓
Wraparound services after housing	✓	✓	✓	✓	✓
HMIS + quality-data standards	✓	✓	✓	✓	✓
Public performance dashboard / metrics	✓	✓	✓	✓	✓
Street-outreach teams	✓	✓		✓	✓
24-hour crisis hotline		✓			
Cross-system integration (health, EMS, code)	✓	✓	✓	✓	✓
Population-by-population sequencing		✓	✓	✓	
Mayoral / political ownership	✓	✓			✓
Encampment resolution + on-site services		✓			✓
Racial-equity / disaggregated outcomes	✓		✓		✓
Tenant rent contribution (~30% income)					✓
Continuous-improvement / test-change cycles		✓	✓	✓	

Reading the grid: the top block (Housing First through wraparound services and public dashboards) is effectively universal — this is the copyable “spine.” The lower rows are the differentiators where leading cities innovate.

Section 4 — Deep Dive: The Seven Policies That Matter Most

Stripping away the city-specific labels, seven practices do most of the work. The first four form the operating system; the next three determine speed, cost, and accountability. A jurisdiction that adopts these seven, in roughly this order, has copied the substance of every success in this report.

1. A real-time, by-name list (the operating system)

What it is. A continuously updated dataset of every individual experiencing homelessness in a community — by name or unique ID, with their history and need — refreshed at least monthly and ideally in real time. It is the single most important practice in this report.

How it works. Data is consolidated from the federally required HMIS database and from partners outside it, de-duplicated to a unique ID per person, and kept current through constant outreach. The list is then used to prioritize placements, match services, and detect early-warning signals such as rising inflow or a slowdown in placements.

Why it matters. You cannot solve a problem you cannot see in real time. The conventional alternative — an annual point-in-time count — is a rear-view mirror. A by-name list is the steering wheel: it turns an abstract population into a finite, workable list of named people for whom someone is accountable. Notably, the one population the failing cities have improved — veterans — is the one for which they were required to keep a by-name list.

Who does it best. Bakersfield is the purest example (“our journey began once we hit the quality by-name list”), with Rockford and Abilene close behind; Houston achieved the equivalent through its prioritized coordinated-access waitlist.

2. Coordinated entry — a single front door

What it is. One standardized intake and assessment process for the whole community replacing a patchwork in which each agency decides on its own whom to serve.

How it works. A person is assessed once, with a common tool, and routed to the right intervention based on need and vulnerability rather than on which door they happen to walk through. It is also a federal Continuum-of-Care requirement, so the difference is in the quality of execution, not whether it nominally exists.

Why it matters. Without it, the most vulnerable people are invisible to the system, bounce between programs, and resources are allocated by chance. Coordinated entry is what makes the by-name list comprehensive rather than partial.

Who does it best. Houston's Coordinated Access System and Rockford's two-county Single Point of Entry are the model implementations.

3. Case conferencing — the “brain” of the system

What it is. A recurring, structured, problem-solving meeting where cross-agency teams work the by-name list one person at a time to remove the specific barrier keeping each individual from housing.

How it works. Weekly or biweekly, the relevant agencies — housing, health, outreach, the VA, mental-health providers — gather around the live list and ask, for each name on the list: where are they, who has had contact, and what will it take to house them this week. Decisions are collective, with shared accountability.

Why it matters. Every Built for Zero community that reached functional zero since 2019 also had to strengthen its case conferencing. It is where a static list becomes action, and where systemic bottlenecks surface in time to fix them.

Who does it best. Rockford and Bakersfield treat it as the central ritual of their systems; it is the practice most conspicuously missing from the failing cities' systemwide operations.

4. A single accountable lead and command center (governance)

What it is. One entity that owns the outcome — coordinating dozens or hundreds of agencies around a shared, measurable goal — operating like a disaster command center rather than a committee.

How it works. The lead agency runs the data, convenes case conferencing, and is answerable for the number going up or down. Crucially it coordinates rather than necessarily operating everything; the point is a clear, named owner.

Why it matters. This is the sharpest governance divide in the report. The successful cities concentrate accountability in one place; the failing cities diffuse it across city/county splits and multi-jurisdictional boards, so when results stall, no one is responsible. Diffuse governance is not a neutral structural choice — it predicts failure.

Who does it best. Houston's Coalition for the Homeless and Dallas's Housing Forward are the large-scale models; the Built for Zero "command center" is the same idea at smaller scale.

5. Housing First — done right

What it is. Immediate, low-barrier access to permanent housing with no preconditions of sobriety or treatment, paired with voluntary but assertively delivered support services after move-in.

How it works. People move into housing first; case management, health care, mental health and substance-use treatment, and income support follow. Done well, the system

guarantees those services actually reach the named individual and tracks whether they stay stable.

Why it matters. The strongest evidence favors this model: a 2025 study of nearly 300,000 mentally ill veterans found Housing First cut three-year mortality by 4.6 percentage points and was cost-saving, while treatment-first showed no long-term health effect; randomized trials and SAMHSA reviews show improved tenure and reduced emergency-room use. The critical nuance: “Housing First” done *badly* — housing or shelter plus services that exist only on paper — produces the street disorder critics rightly point to. The fix is follow-through, not a sobriety gate at the door.

Who does it best. Houston explicitly sequences services after housing; Dallas brings behavioral health to encampments on site — both show Housing First is active, not passive.

6. Rapid rehousing into existing units + landlord engineering

What it is. Moving people quickly into existing private-market apartments using time-limited subsidies and dedicated landlord recruitment — rather than waiting years to build new buildings.

How it works. A landlord-engagement team recruits private owners and de-risks participation through guaranteed payments, master leases that transfer liability, and flexible funds that cover deposits and clear barriers in real time. Tenants often contribute a share of income.

Why it matters. This is the central cost-and-speed divide. The successful cities house people in weeks using stock that already exists; the failing cities anchor on new construction at \$500,000–\$800,000 per unit and multi-year timelines. For the price of one newly built unit, rapid rehousing can stabilize several households.

Who does it best. Dallas's R.E.A.L. Time Rehousing and Bakersfield's master-leasing model are the standout mechanisms; Houston runs a standing landlord team.

7. Funding tied to outcomes (accountability with teeth)

What it is. Making continued funding — for agencies, contractors, and programs — conditional on demonstrated results, measured by the by-name data, not on activity dollars spent.

How it works. Contracts carry performance metrics; programs report whether people remained housed at six and twelve months; the next round of money follows what worked. Public dashboards make the results visible.

Why it matters. This is what converts data from decoration into governance. The failing cities funded round after round without requiring outcome reporting, so the dashboards never changed behavior. Tying the dollar to the result is the difference between tracking as compliance and tracking as control.

Who does it best. The Texas coalitions and Built for Zero communities embed this through performance-based contracting and public metrics; it is the practice the bottom five are now being forced to adopt retroactively, under audit.

Adoption sequence

Build them roughly in order: stand up quality data and coordinated entry first; add case conferencing and a single accountable owner; commit to Housing First with real service follow-through; build the rapid-rehousing and landlord machinery for speed and cost; and tie funding to outcomes so the whole system self-corrects. The leaders all built these in a similar progression.

Section 5 — Bottom-Five Policies

The failing jurisdictions are not defined by an absence of policy — they are heavily policed and heavily funded. They are defined by a shared set of structural choices that invert the top-five spine. The common threads:

Policies common across the bottom five

1. **Spending tracked as the measure of success, not outcomes.** Audits repeatedly found these jurisdictions could not trace funds or assess results; California funded multiple rounds without requiring outcome reporting tied to continued investment.
2. **Diffuse governance with no single accountable operator.** Authority is split across city, county, and regional bodies, or vested in a regional authority that was created to consolidate but then failed.
3. **A build-and-acquire supply model at extreme per-unit cost.** New construction or hotel conversion as the primary lever, at \$500,000–\$800,000+ per unit, with multi-year delays.
4. **Dedicated homelessness taxes and bonds as the funding centerpiece** — large sums raised without tight unit-cost or outcome controls.
5. **Large standalone bureaucracies over outsourced nonprofit networks**, often with weak or absent performance-based contracting.
6. **A long posture of minimal encampment engagement**, only recently and partially reversing.

Policies present here but absent in the top five

- **New construction as the main supply strategy** — the top five lean on rapid rehousing into existing units instead.
- **A dedicated tax/bond as the funding architecture** — the top five mostly pool existing federal and flexible private dollars.

- **A large operating authority that runs the system** — the top five use a lean coordinating lead over a coalition.

Policies they insist on that run counter to the top five

- **Outcome accountability treated as optional**, the direct inverse of the data-driven funding-linked top-five spine.
- **Build-first rather than house-fast** — slower and far costlier per person.
- **A rigid statewide Housing First mandate with no flexibility** (in California), which can block recovery-housing options even as the same cities now seek to integrate them. Note this is *not* a Housing-First-versus-not divide: the top five also use Housing First, and Bakersfield succeeds under the identical mandate.
- **Governance by multi-jurisdictional committee** rather than a single accountable owner.
- **Reluctance to pair housing with active outreach and encampment resolution**, which Houston and Dallas show are compatible with Housing First, not opposed to it.

Comparison table — bottom five

A check mark (✓) = documented as a defining feature. A half mark (◐) = partial, recent, or emerging. Blank = not documented as a defining feature.

Policy / practice	Los Angeles	San Francisco	San Jose	King Co. / Seattle	Portland
Housing First (often state-mandated)	✓	✓	✓	✓	✓
Dedicated homeless tax/bond as core funding	✓	✓	✓	✓	✓
New construction/acquisition as primary supply	✓	✓	✓	✓	✓
Documented very high per-unit cost (\$500k+)	✓	✓	✓		
Large standalone operating authority/dept	✓	✓	✓	✓	✓
Diffuse governance / no single accountable lead	✓	✓	✓	✓	✓
Real-time operational by-name list (beyond vets)					
Outcome reporting tied to continued funding					
Performance-based contracting					
Documented failure to track spending/outcomes	✓	✓	✓	✓	
Public dashboard / PIT count	✓	✓	✓	✓	✓
Minimal encampment engagement (historically)	◐	◐	◐	✓	✓
Documented heavy reliance on emergency/crisis care		✓			
Recent reactive reform / new accountability push	✓	✓	◐	✓	◐

The pattern is consistent: strong on funding mechanisms, construction, and standalone bureaucracy; weak or absent on operational data, single-owner governance, and funding tied to outcomes — the precise inverse of the top-five grid.

Section 6 — What NOT To Do: Reverse Lesson from the Bottom Five

Read against the top five, the failures resolve into a short list of anti-patterns. Each stated as a rule to avoid, with the evidence behind it and the contrasting practice that works.

1. Don't treat spending as the scoreboard.

The most expensive error in the bottom five was mistaking outputs — dollars spent, beds funded, programs launched — for outcomes. California spent roughly \$24 billion over five years while the overseeing council did not consistently track whether anything worked; Los Angeles could not trace billions. When activity is the metric, the system optimizes for activity, not for people housed. The corrective is to define success as people who remain housed at six and twelve months, and to report it publicly.

2. Don't diffuse accountability across committees and jurisdictions.

Splitting responsibility between a city, a county, and a regional authority — or vesting it in a 13-member board — guarantees that when results stall, no one owns the failure. King County's regional authority, created to consolidate the response, instead produced a forensic audit and calls for its own dissolution; Los Angeles's city/county split drew a federal judge's intervention. The corrective is a single named owner accountable for the number, coordinating the rest.

3. Don't make new construction your primary supply lever.

Anchoring on building or buying buildings is the slowest and costliest path to a rock-bottom price. Los Angeles's bond-funded supportive housing climbed toward \$600,000–\$837,000 per unit — more than a market-rate condo — with multi-year delays driven by land costs, labor mandates, fees, and design requirements. The corrective is to lead with rapid rehousing into existing private units and reserve new construction for the chronic cases that truly need purpose-built supportive housing.

4. Don't rely on retrospective compliance data instead of real-time operational data.

The bottom five run the federally required annual counts and publish dashboards, but they used data as a rear-view mirror and an after-the-fact audit tool rather than as a

live operating system. An annual snapshot cannot drive weekly decisions. The corrective is a real-time by-name list that feeds case conferencing — the same data, used to steer rather than to report.

5. Don't fund services without guaranteeing they reach people.

These jurisdictions funded treatment and services generously, but without the accountable follow-through that connects a named person to care, the money leaked into crisis response. In San Francisco, emergency and urgent care consumed the majority of tracked homelessness costs — people cycling through emergency rooms rather than being connected to ongoing treatment. The corrective is assertive, tracked service delivery tied to each person on the list.

6. Don't confuse rigidity or passivity with policy.

Two opposite failures share this root. Rigidity: a statewide mandate strict enough to block recovery-housing options for people who want them, even as evidence supported offering a range. Passivity: declining to pair housing with assertive outreach and encampment resolution, leaving the sickest people untreated on the street. The top five reject both — voluntary, no-precondition entry combined with relentless, tracked follow-through and active outreach. “Low barrier to enter” and “high accountability follow through” are not in tension; treating them as if they were is the deeper mistake.

The mirror-image summary

Every anti-pattern above is simply a top-five practice turned inside out. Spend without outcomes vs. funding tied to results; committees vs. a single owner; build slowly vs. rehouse fast; report data vs. operate on it; fund services vs. connect the rigidity/passivity vs. voluntary entry with assertive follow-through. The failing cities do not need a new philosophy. They need the machinery the successful cities already proved.

Conclusion

The most important conclusion is also the most encouraging: this is a solved problem in the places willing to run the system that solves it. Houston did it at the scale of a major metropolis; Rockford, Abilene, and Bakersfield did it completely for whole populations; Dallas is doing it in real time. None of them relied on a secret unavailable to anyone else. They relied on real-time data, a single accountable owner, fast placement into existing housing, services that actually reach people, and funding that follows results.

The failing cities are not short on compassion, money, or even data infrastructure. They are short on the discipline to operate as one accountable system and to let outcomes — not spending — govern the next dollar. That is a fixable deficit, and several are now, under pressure, beginning to fix it. The clearest path forward for the rest of the country is to stop re-litigating the philosophy and start copying the machinery: the spine in Section 4 is proven and portable, and the anti-patterns in Section 6 are avoidable. The leading jurisdictions, for their part, should turn their attention to the genuine frontier — sharing landlord-risk and funding innovations, and cracking the one problem none has fully solved: scaling functional zero to the very largest cities.

Sources

This briefing synthesizes the following categories of public sources, consulted through mid-2026. Figures are paraphrased and rounded; readers should consult the originals for exact data.

- **Built for Zero / Community Solutions** — methodology, functional-zero definitions and “verified reductions,” and case studies for Rockford, Abilene,

Bakersfield/Kern County, Denver, and Detroit.

- **The Way Home / Coalition for the Homeless of Houston** — coordinated access system documentation and program descriptions; Smart Cities Dive and HUD User coverage of the Houston model.
- **Housing Forward / All Neighbors Coalition (Dallas)** and City of Dallas Office of Homeless Solutions — R.E.A.L. Time Rehousing results, landlord engagement, and milestone announcements.
- **Los Angeles City Controller** (Proposition HHH audits), the **Alvarez & Marsal** audit commissioned by U.S. District Judge David O. Carter, and **RAND** analysis of HHH labor regulations.
- **California State Auditor** reports on statewide homelessness spending and outcome tracking; **CalMatters**, **CBS News**, and **LAist** coverage.
- **King County Regional Homelessness Authority** forensic audit (Clark Nuber P. Seattle City Council statements, and **Seattle Times / The Center Square** report).
- **ECONorthwest** and Multnomah County reporting on Portland-area spending; **OPB**, **ProPublica**, and **KUOW** coverage.
- **San Francisco** Department of Homelessness and Supportive Housing and Office of the Controller; **Stanford SIEPR** brief; **GrowSF** analysis.
- **Evidence base on Housing First**: Costantini (2025) VA mortality study; SAMHSA and Mental Health America reviews; peer-reviewed randomized-trial literature. **Counter-perspectives**: Heritage Foundation and Independent Institute commentary on treatment-first and high-barrier models.
- **HUD** Annual Homeless Assessment Report and Point-in-Time count data; **Urban Institute** analysis of the value of ending veteran and chronic homelessness; **New York City** and **Bloomberg Harvard City Leadership Initiative** case studies.

Prepared as an analytical synthesis of public reporting and official audits. Not legal, financial, or investment advice. Where the underlying policy debate is contested, competing evidence

been presented rather than adjudicated.

Thanks for reading Bill's Substack! Subscribe for free to receive new posts and support my work.

Subscribe



69 Likes · 6 Restacks

© 2026 Bill Gurley · [Privacy](#) · [Terms](#) · [Collection notice](#)
[Substack](#) is the home for great culture