



Homelessness Costs

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“Spending tripled,” shows the graph, but the “population grew 26 percent.”

Charlie Smirkley (@charliesmirkley) provided the graph, deriving the numbers from official state reports, just out.

New York City, writes Mr. Smirkley, “spends more per homeless person than the median NYC household earns.” And that “\$81,705 per person in FY2025,” he explains, “is a *floor*.” Excluded? Supportive housing (about a half a billion per year), mental health response teams; the costs of police department dealings with homeless encampments.

Shocking? Yes and no. We *expect* increasing costs in government “charity,” in part because governments centralize and standardize methods, discouraging

innovation and adaptation. It’s not a market. Government bureaucrats and operatives try to coordinate increasing staffs (along with market costs in housing, etc.) while necessarily dealing with clients as *objects of pity* and *bother* rather than, as in markets (where people exchange valuable goods), *subjects* whose responses immediately affect the “business” at hand.

This year, the city projects to spend about \$97,000 per person.

Some of the [articles](#) on the subject are better than others, naturally enough, and at least one had [great graphs](#), too. But this sentence in Meagan O’Rourke’s *Reason* contribution caught my eye: “The most alarming part of the comptroller’s report is that the state cannot assess whether tax dollars are being spent effectively.”

It’s a typical problem governments have — which points to a problem not with the homeless but with *government*.

And of course this is not just a Big Apple thing: while spending per homeless individual since 2019 is up 187 percent in New York, spending’s up 190 percent in San Francisco, 430 percent up in Portland, and 480 percent up in L.A.

Homelessness is expensive.

This is Common Sense. I’m Paul Jacob.