

Inside the very expensive merry-go-round of rape, death and drugs in Gavin Newsoms California's homeless shelters



shocking investigation has revealed the true scale of California's 'homeless industrial complex,' a gravy train of funders, officials, shelter owners and charities that perpetuates the crisis as it gobbles up more tax dollars. The homeless themselves are the real victims. They languish in moldy shelters, where stabbings, sex crimes, harassment, and child abuse too often hurt their already-struggling occupants.

Critics of **California's** shelter system dub it the 'homeless industrial complex,' but **Sergio Perez**, who was until recently a **Los Angeles** city accountability chief, has another name for it.

He calls it a 'very expensive merry-go-round'.

A shocking new study by CalMatters reveals the true scale of California's shelter system, which is bigger than was widely understood. Since 2018, the news site found, at least \$1 billion of tax dollars has flowed to projects for the **homeless**.

But these epic handouts solve nothing. The number of emergency beds has more than doubled from 27,000 to 61,000 in that time. Yet there are still **three times as many homeless people** as there are shelter beds across the Golden State.

Researchers lifted the lid on a mismanaged, graft-ridden enterprise - a gravy train of funders, officials, shelter owners and charities that perpetuates the homelessness crisis as it gobbles up more public money.

The homeless themselves are the real victims. They languish in moldy shelters, where stabbings, sex crimes, harassment, and child abuse too often hurt their already-struggling occupants.

Dennis Culhane, an expert on homelessness, says an over-reliance on shelters and other Band-Aids are California's 'big failure', as so few users end up with a **permanent roof over their heads** and a shot at rebuilding their lives.

'The shelters are not a solution,' Culhane, a University of **Pennsylvania** social scientist, told **CalMatters**.



+16

[View gallery](#)

Homeless people unpack to bed down for the night at a HOPE of the Valley shelter in Sylmar



+16

[View gallery](#)

Rhonda Almquist found herself among the ranks of California's homeless after the death of her husband saw her life unravel into fentanyl addiction



'Beauty advisor' teacher arrested for 'having sex with student'



Experts unveil eerie theories about Gene Hackman and his wife's deaths



Boyfriend arrested after mom-of-two found stuffed in refrigerator

'We have every reason to believe that if we scaled up income support and provided rental assistance, we would probably see the homeless numbers cut in half.'

Del Seymour, a Vietnam War veteran who founded Code Tenderloin, a self-help charity, says liberal policies in San Francisco have only worsened his city's scourge of homelessness and addiction.

'We've got to quit trying to be Mother Teresa,' the 77-year-old told DailyMail.com.

'Because of its passions for equity, acceptance and sanctuary, the city became a magnet for people suffering from addiction.'

The dad-of-two says progressive policies in California's cultural hub have spurred a 'three-fold increase in addiction and homelessness' that's made it the 'zombie apocalypse' seen on its streets today.

Locals rail about the open-air drug market on Sixth Street, where addicts and prostitutes are seen slipping needles into their necks, ankles, or anywhere with a vein.

'We deal with one person one day, but then it's three more people coming in the next,' said Seymour.



Sergio Perez bemoans the 'very expensive merry-go-round' for California's unhoused

'We can't solve the problems as fast as they're coming in.'

California's unhoused end up stuck in shelters, or the street, for years.

Fewer than one in four residents who pass through the system each year move into permanent homes, well below targets set by public agencies.

Brian Samaniego, a homeless drug addict, has lived at a shelter in Salinas run by SHARE Center for the past year.

He's filled out 22 apartment applications for three case managers, but still cannot see light at the end of the tunnel.



+16

[View gallery](#)

The problem of flagrant drug use on the streets of downtown San Francisco looks like it's getting worse



+16

[View gallery](#)

A woman naps inside the homeless shelter at Pier 80 in San Francisco, one of California's worst-affected cities



+16

[View gallery](#)

Homeless drug addicts make life intolerable for some of San Francisco's 809,000 long-suffering residents



+16

[View gallery](#)

A homeless encampment in Oakland, California



Object 1

'They sold me a fairy tale, that it was going to be real quick when I got here,' the 53-year-old told CalMatters.

'It's not people that are failing the programs, it's the programs that are failing the people.'

Catherine Moore beat the odds by making it into a subsidized apartment of her own after spending a decade on the streets, in jail, temporary digs, and then a city-funded shelter in Anaheim.

The 54-year-old describes an arduous struggle to escape the system, where she's battled her addiction to meth and endured everything from sexual harassment to cockroaches and bloody bathrooms.

'The shelter is a volunteer jail,' Moore told CalMatters.

'The only difference is there are more standards, and you have more rights as a person in jail. That's horrible, isn't it?'

Nonprofit groups such as SHARE Center run most of California's tax-funded shelters.

Organizers say they're constantly grappling with a high turnover among low-paid staff, slow government payments, unrealistic budgets, addiction and mental health crises and a lack of affordable housing.

Researchers uncovered shocking examples of graft throughout the shelter system.

In Salinas, staff at one brand-new shelter grabbed the best donations for themselves and helped friends and family jump the line for housing, internal emails revealed.

Oakland's Bay Area Community Services saw revenue explode by 1,000 percent in a decade to \$98million in 2023, even as staff there faced allegations of fraud and inappropriate relationships with clients.



+16

[View gallery](#)

A Salvation Army homeless shelter in Los Angeles, part of what critics have dubbed the state's 'homeless industrial complex'



+16

[View gallery](#)

California governor Gavin Newsom helps cleanup a homeless encampment along a freeway in San Diego



+16

[View gallery](#)

A person is arrested in San Francisco as cops boost efforts to clean up the city

M
u
t
e

S
k
i
p

P
l
a
y

P
r
e
v
i
o
u
s

0
:
0
0
:
0
0
:
0
%

D21
F
u
l
l
S
i
z
e
T
i
m
e

N
e
e
d
T
e
x
t

u
r
r
e
n
t
T
i
m
e

plence and

urity guard at
oted murder

he got drunk
g to court

r reporting

'You are one of the worst type of predators,' another victim told Evans after his conviction.

She called him a 'snake' who devoured 'what little bit of existence that I was holding onto'.

Reports also revealed stabbings at shelters in the Bay Area, child abuse in Fresno, and black mold in Oakland.

Amid such shocking conditions, the annual death rate in shelters tripled between 2018 and the middle of last year.

More than 2,000 people died, official sources show, nearly twice as many fatalities as California's jails saw over the same period.

California's homelessness crisis is the worst in the US, with roughly one-third of the country's population of unhoused people - a fact **attributed to the eye-watering cost of housing in the state.**

A 2023 count found that more than 180,000 people in were homeless in California, **including 123,000 people who were living** outside on the streets in tents, trailers, cars and makeshift shelters.



+16

[View gallery](#)

A user downtown in the stupefied, drug-addled position known as the 'fentanyl fold,' an all-too-common sight in San Francisco



+16

[View gallery](#)

A so-called 'triage center' recently launched to fast-track San Francisco's troubled addicts into rehab



+16

[View gallery](#)

'We have been too permissive... we need them cleaned up,' says California Governor Gavin Newsom



+16

[View gallery](#)

Inside A Bridge Home interim housing for the homeless in the Watts neighborhood of Los Angeles

The crisis is self-evident on the streets of San Francisco, Los Angeles, and other big cities, where encampments spring up across sidewalks, housing wretches **fester**ing in **addiction and mental health problems**.

California Governor Gavin Newsom this week unveiled \$920million in extra funding for homelessness, while warning cities and counties that they could lose out on future payouts if they don't start **making a dent on the crisis**.

Officials have begun **cracking down on homelessness with tougher anti-camping policies** following the US Supreme Court's ruling last year that cities can criminalize unhoused people for sleeping outside - even when there are no shelter spaces available. 'We want to see results. We have to address unsheltered homelessness, encampments and tents,' Newsom told reporters.

'We have been too permissive... we need them cleaned up. We're providing unprecedented support, now we need to see unprecedented results.'

