Ports in the Storm: The State of Emergency Shelters in New Jersey

2025

NEW JERSEY COALITION TO END HOMELESSNESS

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About NJCEH

The New Jersey Coalition to End Homelessness (NJCEH) is a statewide, pro-active social-impact organization with one overarching goal: eradicating homelessness in New Jersey. Toward that end, the Coalition advocates for effective government action, educates homeless service providers in best practices and organizes New Jersey communities for emergency and permanent solutions to homelessness. NJCEH is leading the charge for systemic change and innovative, “boots on the ground” solutions to ensure that homelessness in New Jersey is rare, brief, and non-recurring.

History

NJCEH was founded in 2011 by attorney Jeffrey Wild, following his landmark legal work securing housing for residents of a homeless encampment in Lakewood, NJ. His efforts helped establish the Coalition as a voice for the rights and dignity of all New Jerseyans experiencing homelessness. Since 2022, under the leadership of Executive Director Connie Mercer, an award-winning and nationally recognized thought leader and activist in the homeless service sector, NJCEH has broadened its reach and strengthened partnerships to drive sustainable, statewide change.

What We Do

NJCEH works to end homelessness through advocacy, leadership development, and collaboration across New Jersey’s homelessness response system. Our work includes:

- *Policy and Advocacy:* Advancing critical, common-sense legislation, sustainable shelter funding, and systemic reforms that expand access to housing and strengthen the homelessness service network.
- *Garden State Leaders:* Empowering and training people who have experienced homelessness to lead the charge for change through leadership, civic engagement and public awareness.
- *NJ Shelter Providers Consortium:* Supporting and connecting emergency shelters statewide to share best practices, strengthen services, and improve outcomes.
- *AmeriCorps and Onsite Mental Health Initiatives:* Building capacity through strategic national service placements and piloting integrated mental health supports within shelters, where people experiencing homelessness can access this vital service most easily.
- *Education, Training and Data:* Providing targeted professional development in all areas of shelter operations, technology assistance, and data-driven insights that help shape more effective programs and policies.

Through these initiatives, NJCEH is the catalyst that brings together providers, policymakers, and community members to ensure every New Jerseyan has a chance at a safe and stable place to call home.

Executive Summary

In June 2025, the New Jersey Coalition to End Homelessness conducted a statewide survey of year-round, fixed-site emergency shelters. We gathered data from 56 shelters, capturing a representative sample of the state's emergency shelter providers. Of these, 41 are part of larger organizations dedicated to serving New Jersey's most vulnerable residents. The findings provide a clear and sobering picture of the shelter system: who it serves, how it operates, and the systemic pressures that threaten its sustainability.

Shelters are the frontline of New Jersey's homelessness response. They provide not only safe beds, but case management, meals, transportation, medical and behavioral health supports, and housing navigation for thousands of residents each year. Shelter capacity tends to rise where need is greatest: counties with higher numbers of people experiencing homelessness also tend to have more shelters. Essex County, for example, has the largest Point-in-Time Count and 15 shelters reporting service there.

New Jersey's shelters are smaller and more diverse than often imagined. Most operate with fewer than 100 beds, with an average capacity of just 57. Sleeping arrangements vary widely: more than a third of shelters provide only single rooms, while another third offer mixed models combining private and congregate spaces to balance supervision, safety, and available capacity. Licensing structures reinforce this diversity, reflecting a system designed to serve different populations and local needs. Together, these patterns show that New Jersey's shelters form a flexible, adaptive network rather than a uniform system.

Service gaps, especially in behavioral health and recovery, pose serious challenges. The majority of shelters serve people struggling with mental health conditions, addiction, or domestic violence, and more than half serve children experiencing homelessness. Yet providers consistently report insufficient mental health and recovery supports, both within shelters and across their communities. Closing this gap will require stronger integration of behavioral health services and expansion of Medicaid partnerships to ensure shelters can meet the needs of those they serve.

Financial and workforce pressures threaten the system's stability. Many shelters depend heavily on unstable private donations, and over 40% are operating with deficits. Personnel costs account for two-thirds of expenditures, yet wages remain low: at least two-thirds of frontline staff earn below a living wage in New Jersey, and one-third earn under $18 per hour. Providers report that staff recruitment, retention, and training are among their greatest challenges — even as demand for services grows.

Despite these pressures, shelters remain indispensable community institutions. Providers work closely with state and local partners, but nearly all identify the lack of affordable housing as the single greatest barrier to long-term solutions. The findings point to two urgent priorities: expanding behavioral health and recovery services, and stabilizing the workforce through fair pay and sustained investment.

The New Jersey Coalition to End Homelessness is committed to ensuring that the needs, challenges, and contributions of shelter providers remain central to the state's efforts to end homelessness. By releasing this and future annual reports, we aim to elevate providers' voices, spotlight the realities they face, and push for the solutions our state urgently needs.

Together, we can end homelessness in New Jersey. We can. We must. *We will.*

Introduction

Housing insecurity in New Jersey has reached crisis levels. Roughly half of renters and nearly a third of mortgaged homeowners in New Jersey are cost-burdened, spending more than 30% of their income on housing.[1] Since the pandemic, homelessness has surged by nearly 72% over the past 4 years.[2] In 2025, the annual Point-in-Time Count recorded 13,748 individuals experiencing homelessness, the vast majority of whom – 85% – were sheltered.[3] 158,217 individuals were active in the Homeless Management Information System (HMIS) in 2024, the most recent complete year information available.[4] To put that in perspective, the number of New Jersey residents who are homeless or at risk of homelessness is larger than the entire population of Paterson, the state's third-largest city.

These numbers reflect not only the scale of the crisis but the essential role shelters play in protecting residents. Yet the system is under immense strain. According to HUD, New Jersey had only 6,778 emergency shelter beds in 2024 – barely half of what's needed.[5]

Providers are being asked to do more with less: managing rising demand while facing unstable funding streams that make long-term planning nearly impossible. Many shelters can no longer afford to stay open. Rapid increases in labor, insurance, and utility costs have put immense financial pressure on providers. Shelters are struggling to make payroll following the state's minimum wage increase and broader wage inflation. Insurance costs have skyrocketed since the pandemic. Meanwhile, funding from traditional sources, including federal government programs, religious institutions, and in-kind donations, continues to decline.

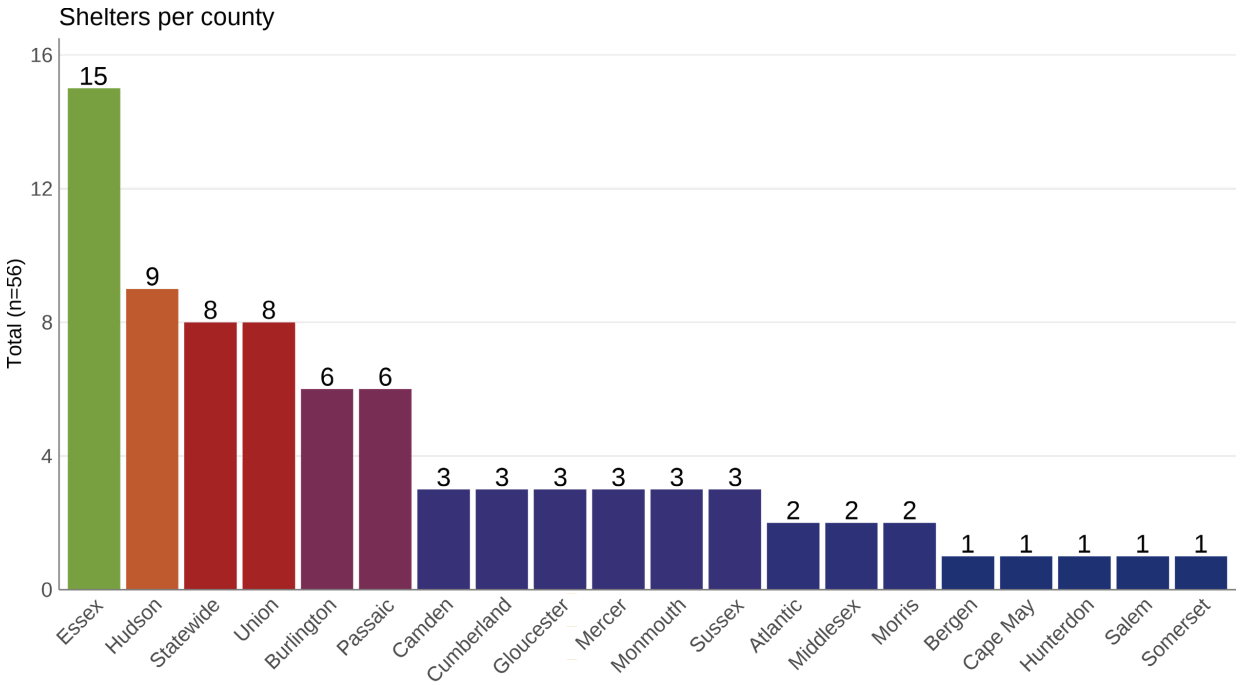
Without sustainable investment, shelters cannot reliably provide the services their clients need, nor can they maintain the staffing and facilities required to keep people safe. The stakes are especially high in the current federal landscape, where funding shifts and policy changes threaten to further destabilize shelters – and, by extension, the lives of thousands of New Jersey residents who rely on them. Meanwhile, New Jersey faces a housing shortage of at least 205,063 affordable units for extremely low-income renters alone, with even greater need among low- and middle-income residents.[6] This moment demands both urgency and foresight: we must not only preserve the shelter system but strengthen it as an essential part of our state's social safety net. Shelters and affordable housing must be pursued together. It is unjust to leave residents on the street awaiting the promise of housing.

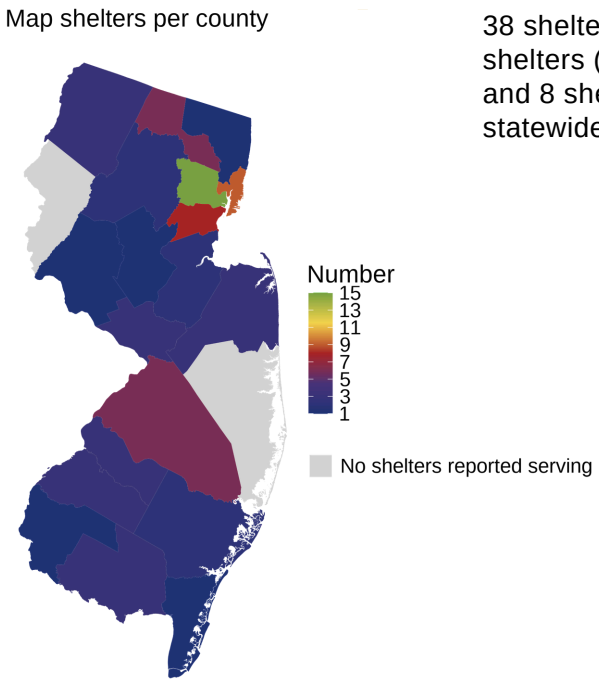
This report is therefore more than a compilation of data – it is a call to action. Shelters are not simply places of temporary refuge; they are community institutions that provide stability, dignity, and pathways toward permanent housing. Strengthening this system requires equitable, stable funding, thoughtful policy reforms, and recognition of the dedicated workers whose efforts make shelter operations possible.

Emergency Shelter Characteristics

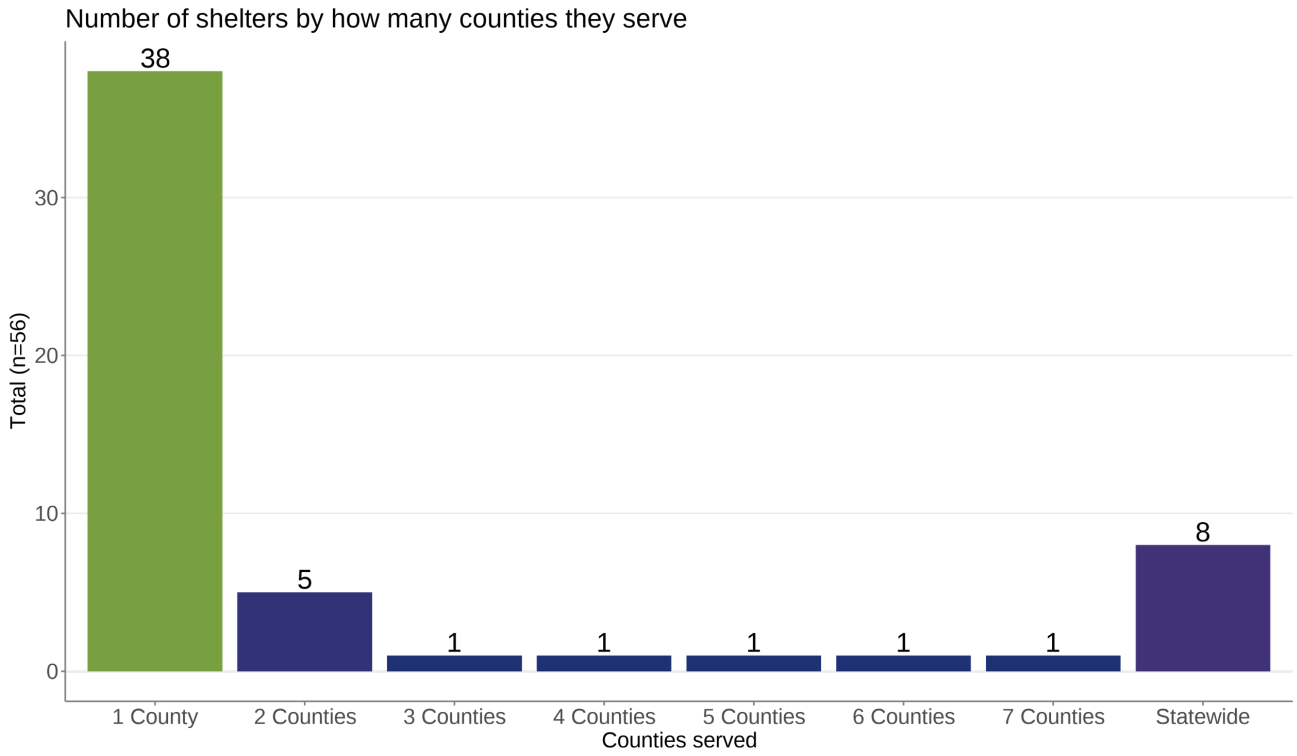
New Jersey's shelters form a flexible network of community-based programs designed to meet local needs. They are distributed across the state, concentrated where homelessness is most acute. Despite public perceptions of large, warehouse-style facilities, most are small — with a median capacity of only 45 beds. Sleeping arrangements vary widely: total bed capacity in single rooms is nearly equal to that in congregate spaces, and more than half of capacity falls into mixed arrangements.

These patterns reflect deliberate efforts to balance privacy, safety, and supervision while maximizing limited space. Licensing structures and facility designs also vary, allowing shelters to serve specific populations such as families, adults, or survivors of violence. Together, these findings highlight a system that is adaptable, person-centered, and rooted in community realities.

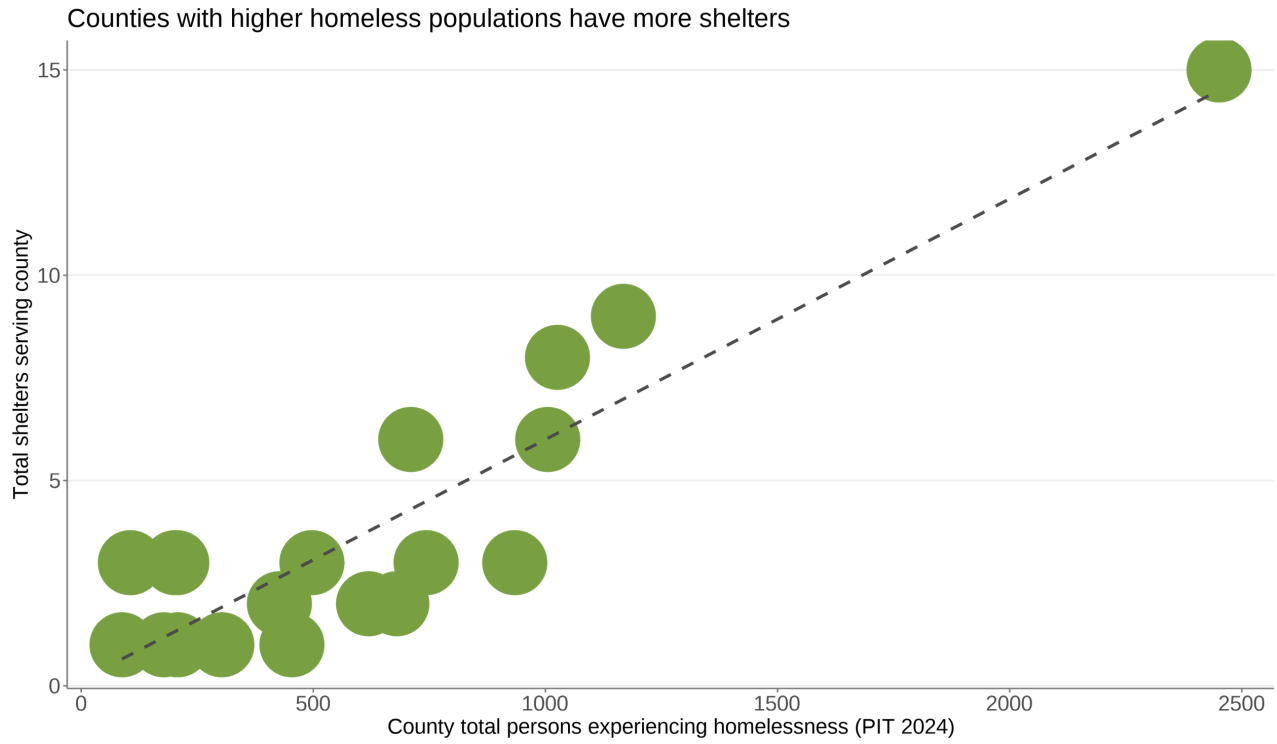




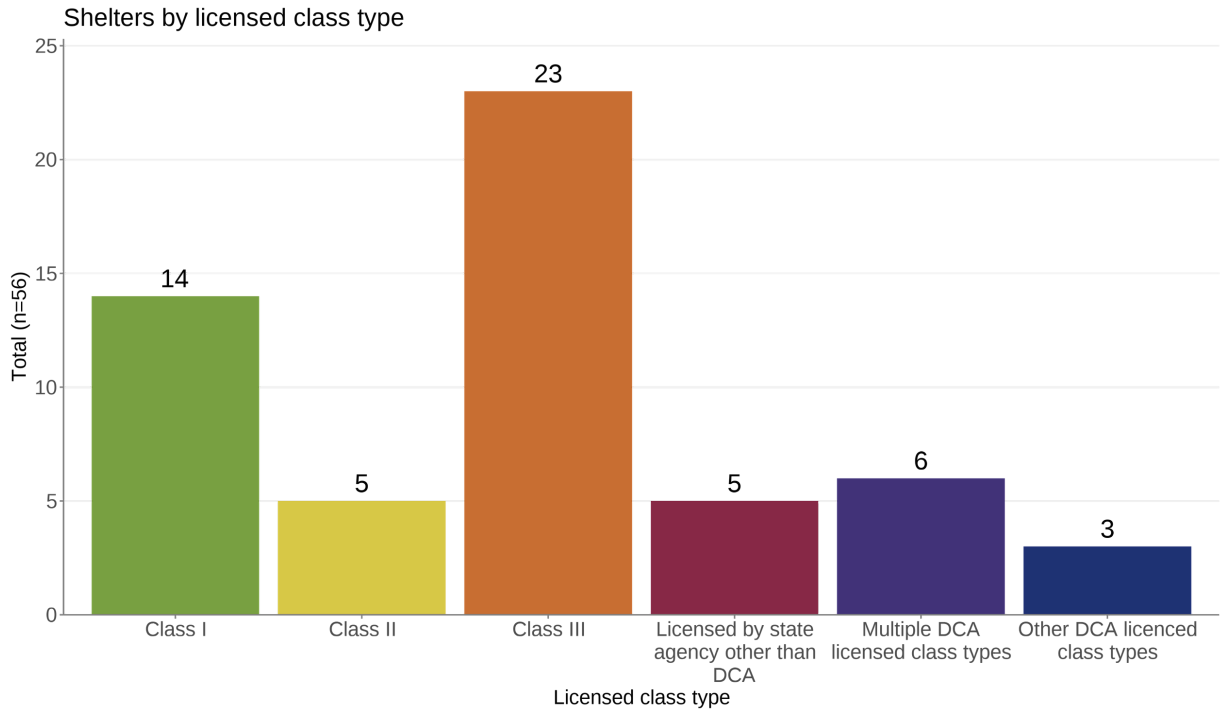
38 shelters (68%) serve only one county, 10 shelters (18%) serve more than one county, and 8 shelters (14%) report operating statewide.



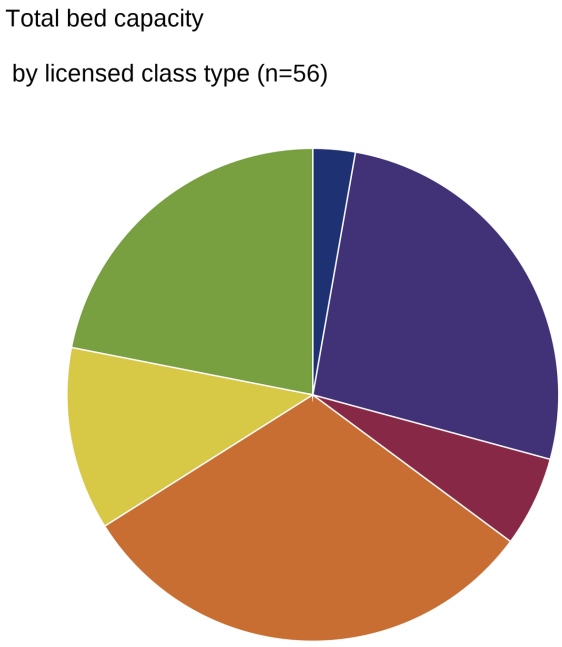
Shelter providers are the frontline of the homelessness response. Counties with higher numbers of people experiencing homelessness also tend to have more shelters operating within them. This pattern shows that providers respond directly to demand: when the PIT count is higher, the shelter network expands to meet local needs.



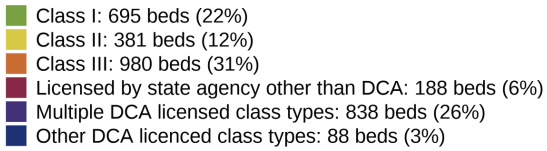
14 (25%) shelters are licensed as Class I by DCA, 5 (9%) as Class II, 23 shelters (41%) as Class III, 6 (10%) have multiple DCA licensed class types, 5 (9%) are licensed by a state agency other than DCA, and 3 (5%) have a different license from DCA but operate what constitutes a stand-alone shelter facility.



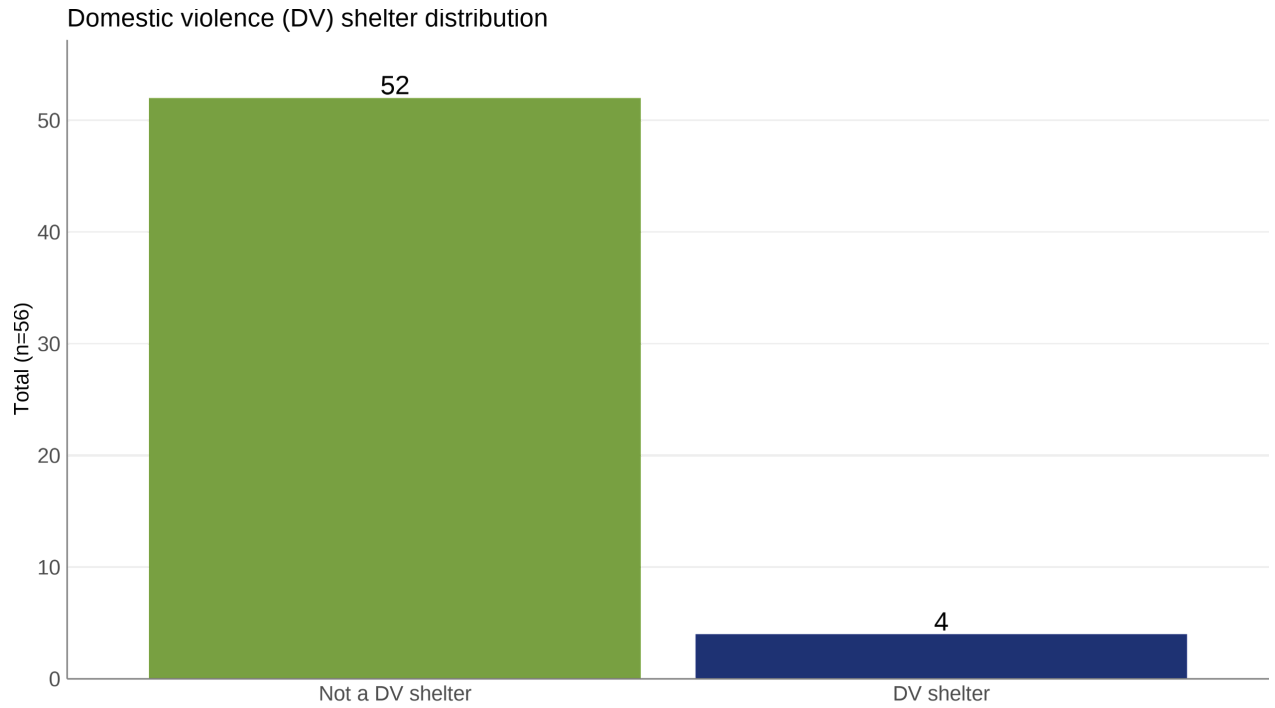
Generally speaking, hours of operation and whether a shelter serves children determines licensed class type. Class I shelters serve adult individuals and operate on a 24-hour, continuous basis – providing round-the-clock shelter for adults experiencing homelessness. Class II shelters also serve adult individuals, but offer overnight shelter only, rather than full-day services. Class III shelters serve persons experiencing homelessness with children, meaning they cater to families or minors accompanied by adults – and meet specific construction and licensing standards appropriate for facilities serving children. Additionally, space requirements differ by class: Class I and Class III shelters must provide at least 80 sq ft per occupant, while Class II shelters require 60 sq ft per occupant.



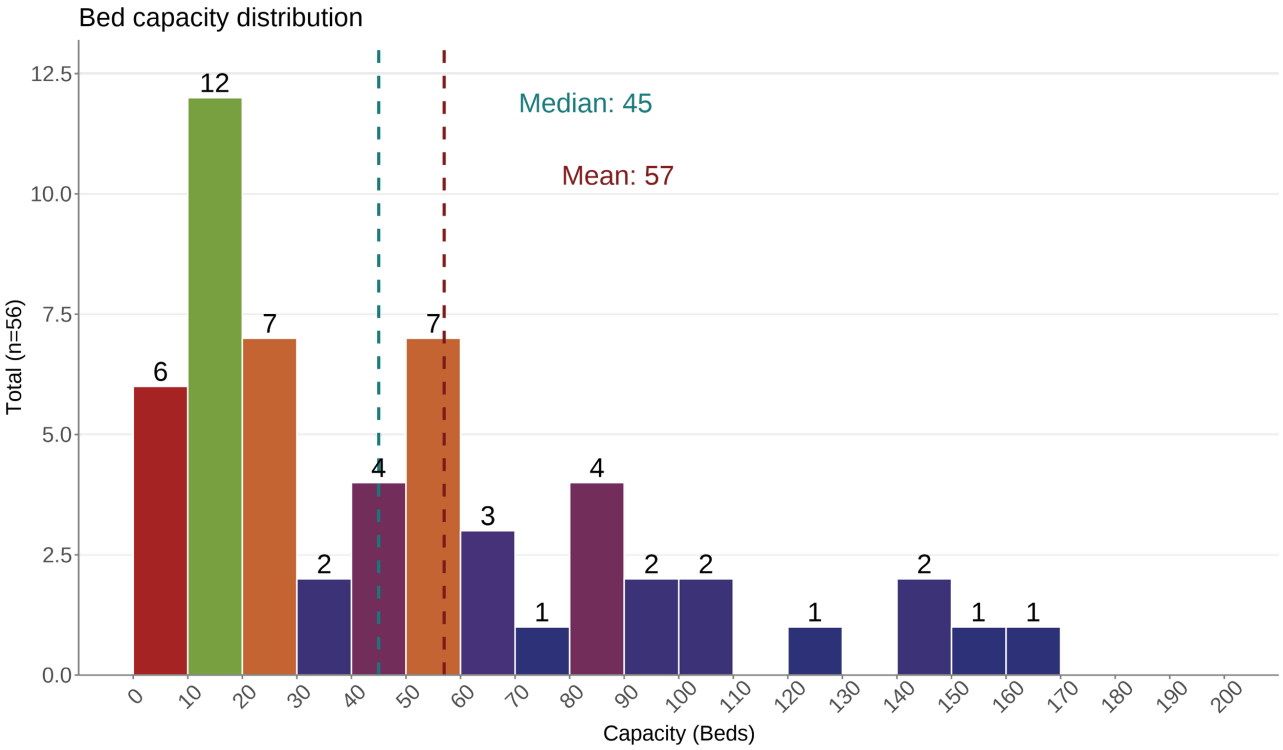
Among total shelter bed capacity, Class I shelters make up 695 beds (22% of total), Class II 381 beds (12%), Class III 980 beds (31%), shelters with multiple licensed class types 838 beds (26%), shelters licensed by a state agency other than DCA 188 beds (6%), and 88 beds (3%) fall under other DCA licensed class types.



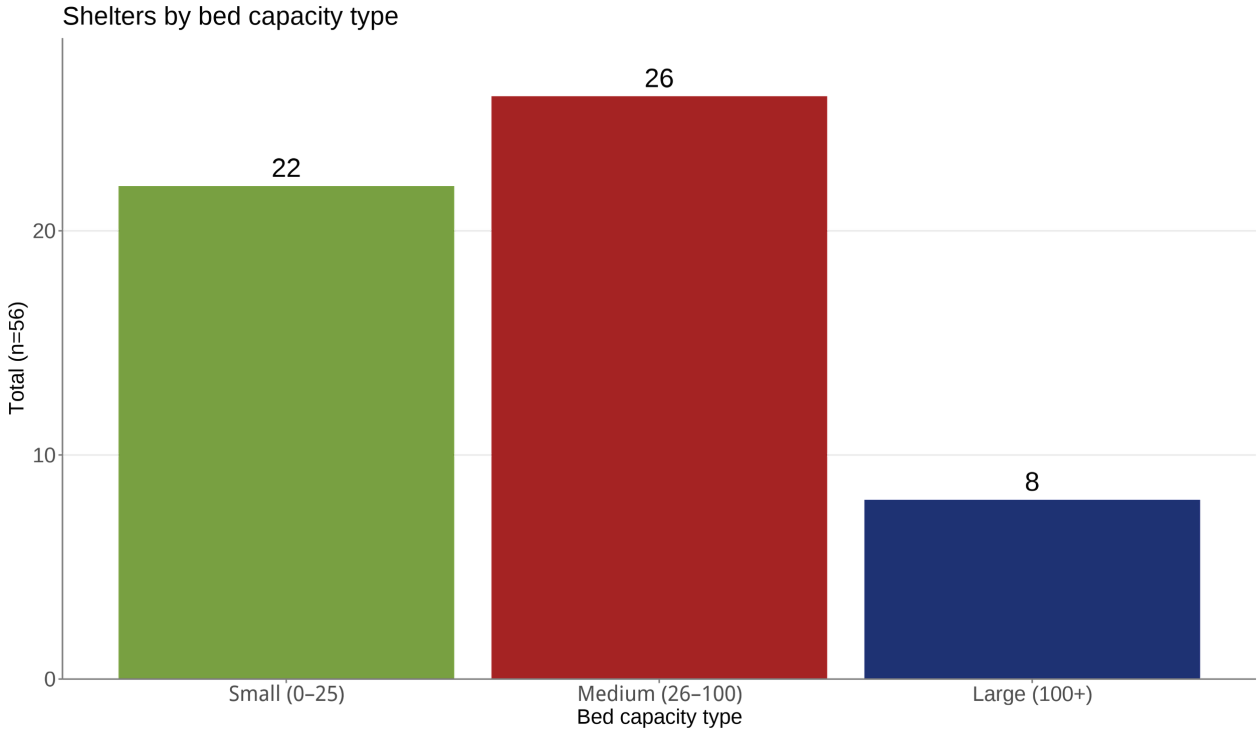
4 (7%) shelters identify as primarily Domestic Violence shelters.



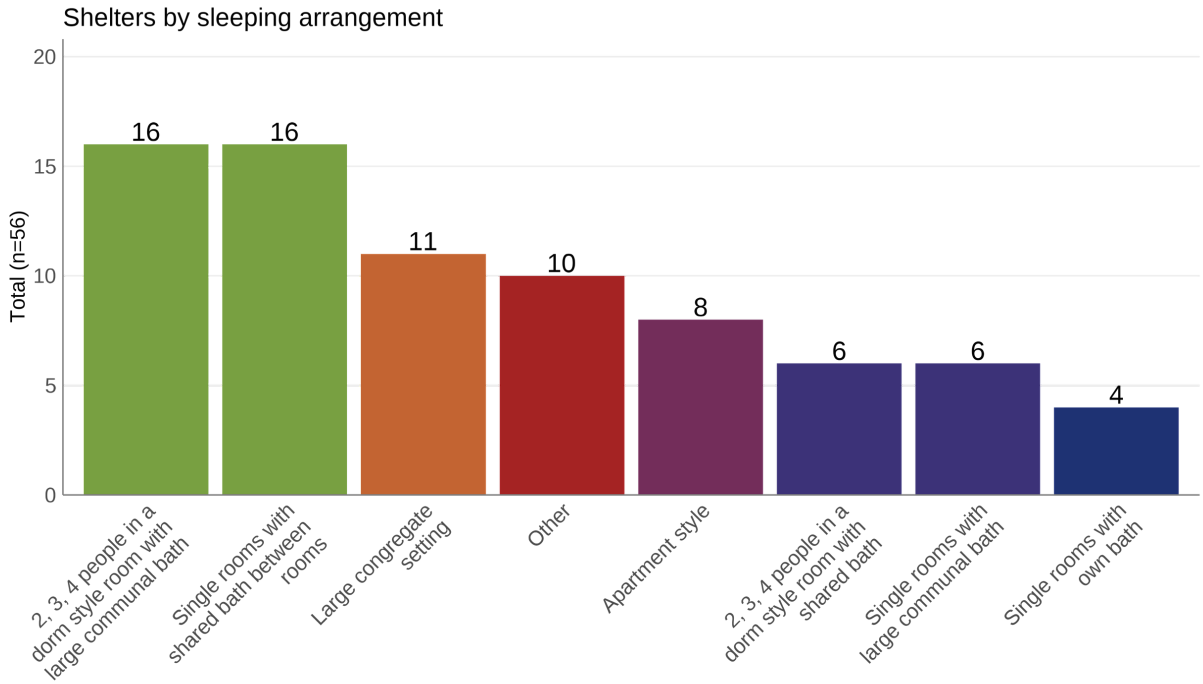
The average shelter capacity is 57 beds. A significant share – 12 shelters (21%) – have bed capacity between 10-20 beds.



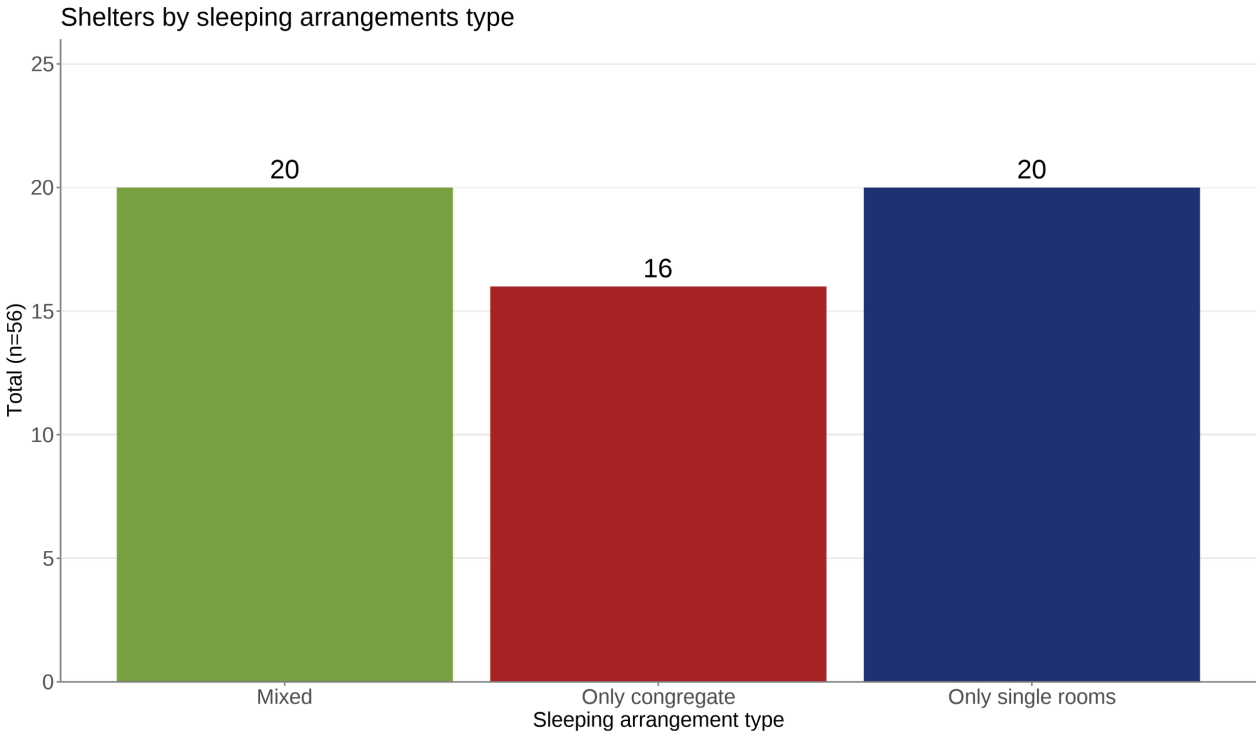
22 shelters (39%) have between 1-25 beds. 26 shelters (46%) have between 26-100 beds. Only 8 shelters (14%) have 100+ beds. Our findings indicate that shelter occupancy is high, but accurately measuring it is challenging due to seasonal fluctuations, temporary bed closures for maintenance or pest control, and the presence of Code Blue sheltering, which can all distort occupancy figures. In addition, many shelters serve families with children, meaning a single unit may house multiple individuals, further complicating how occupancy is reported.



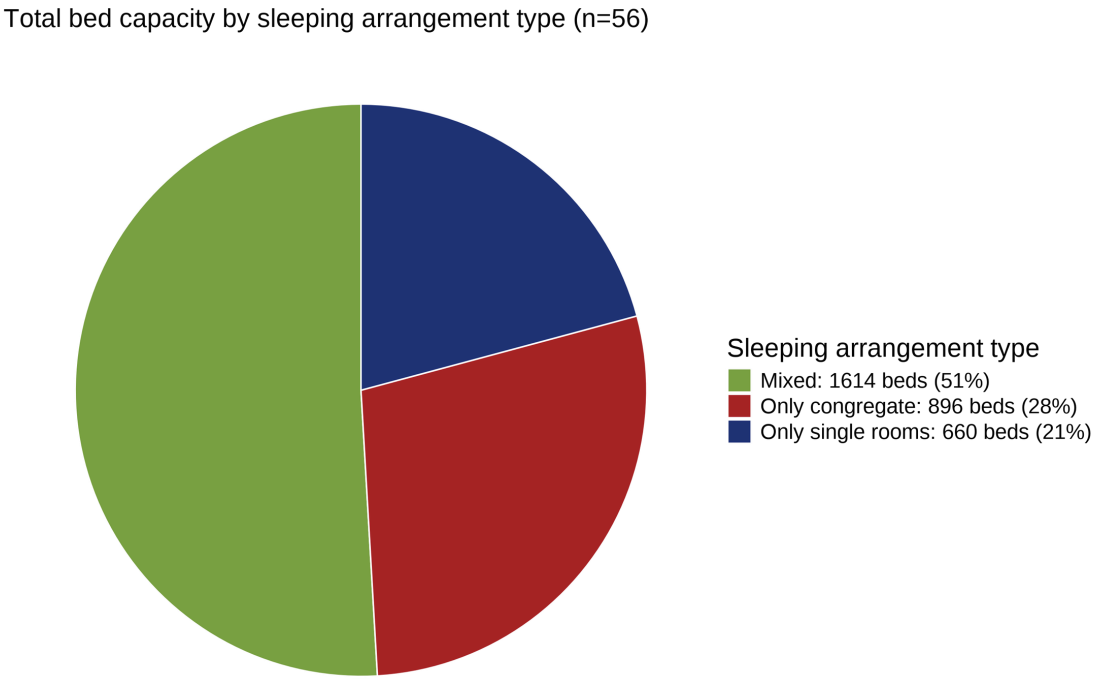
The most common reported sleeping arrangements is a tie between 2, 3, 4 people sharing a room with a large communal bath and a single room with a shared bath between rooms (for each, 28% of shelters offer this arrangement).



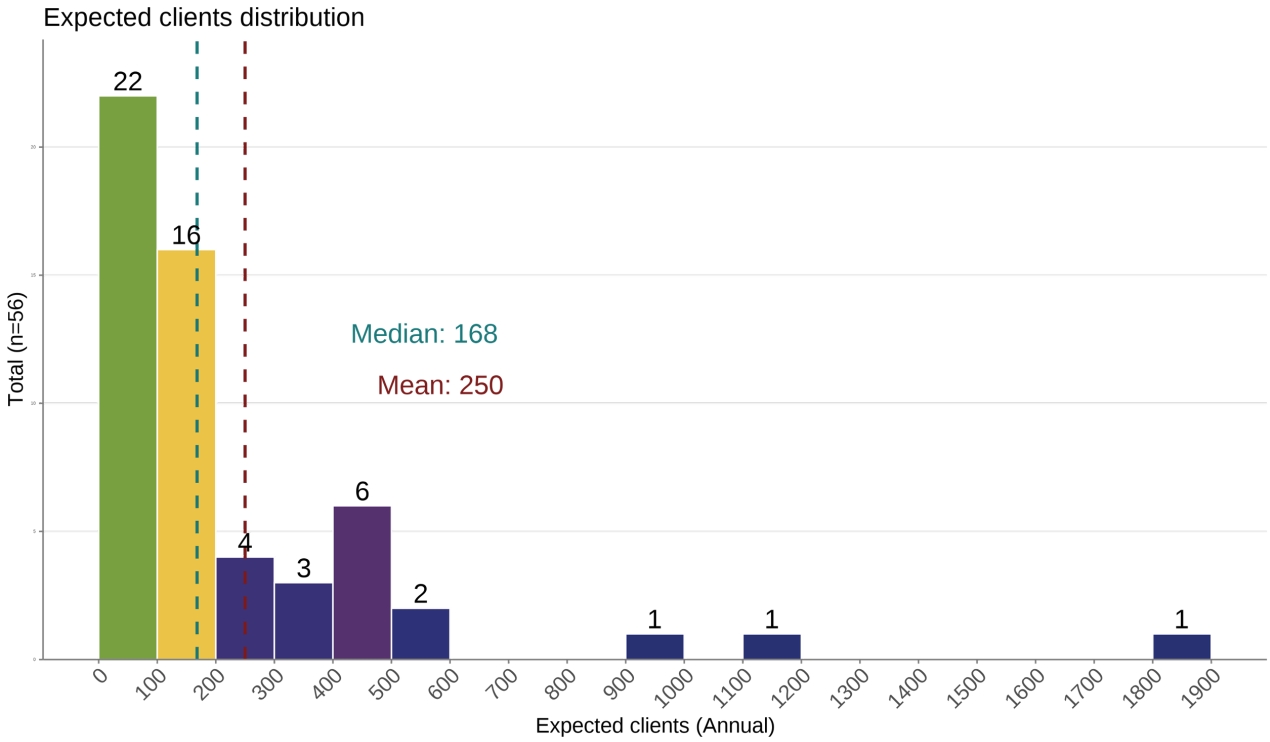
20 shelters (36% of shelters) offer only single rooms, 16 (29%) offer only congregate sleeping arrangements, and 20 (36%) offer a mix of congregate and single rooms.



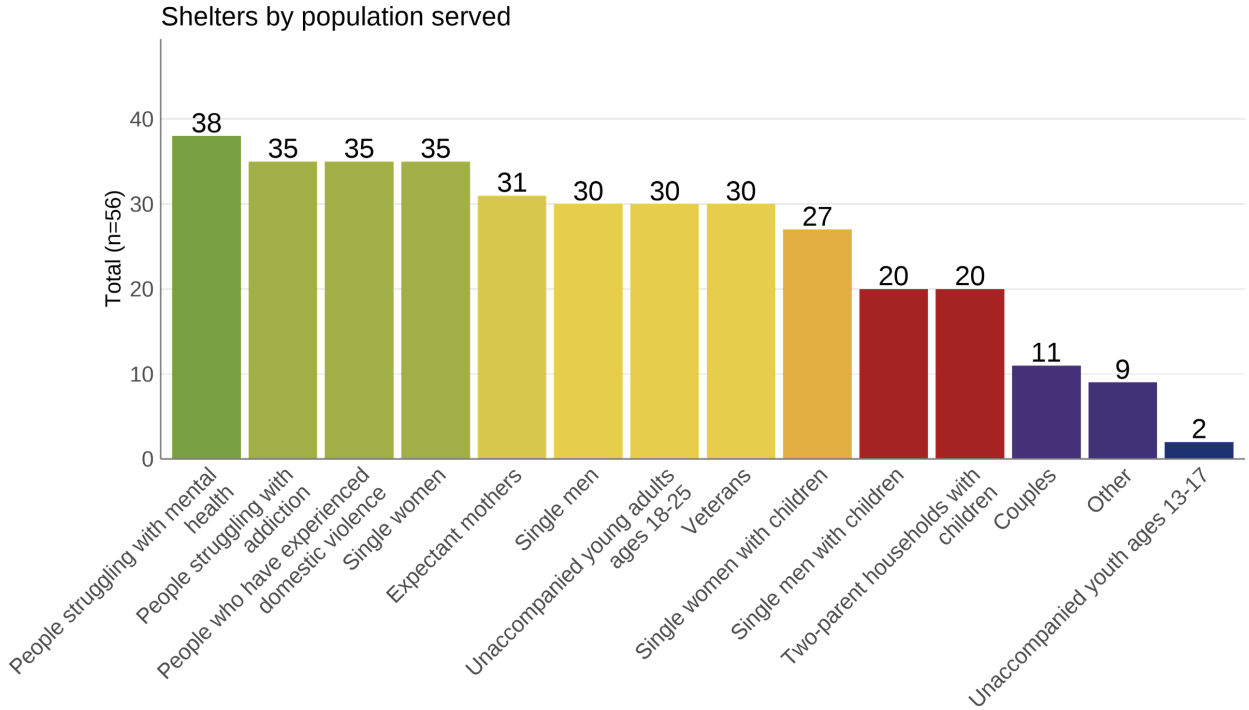
Among total shelter bed capacity, mixed sleeping arrangements make up 1614 beds (51% of total), only congregate 896 beds (28%), and only single rooms 680 beds (21%).



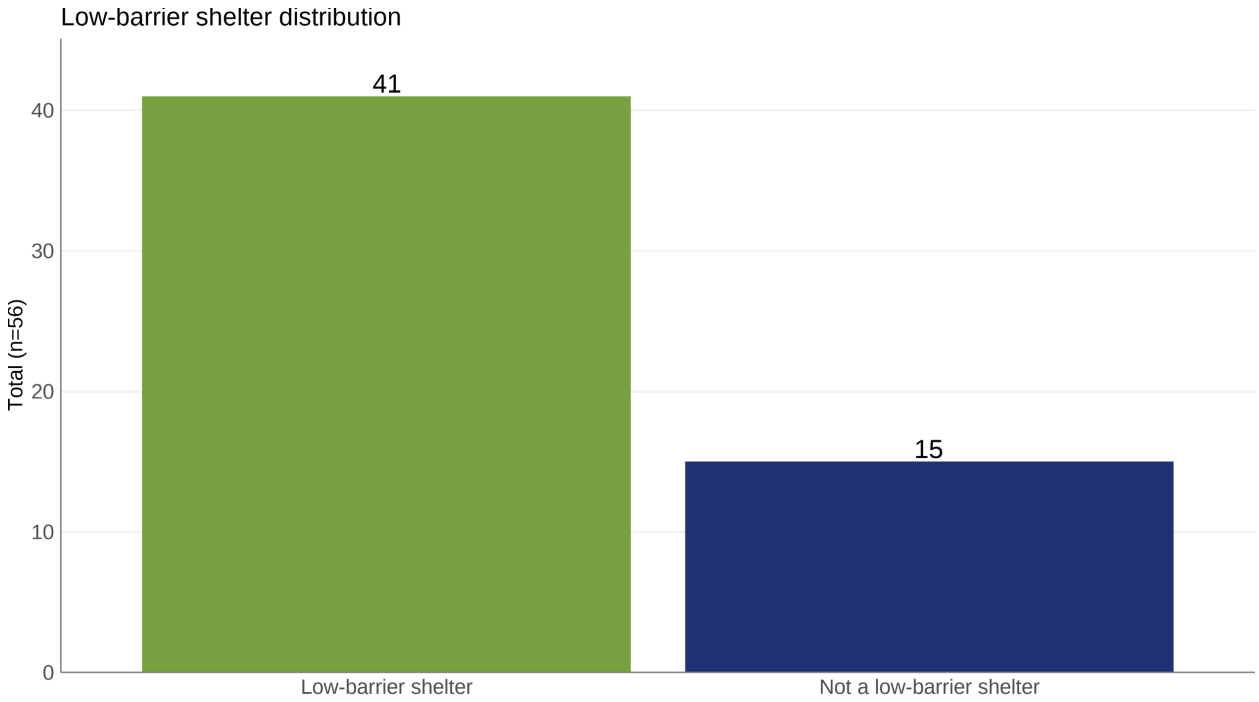
The average number of clients that shelters expect to serve in the upcoming fiscal year is 250, with 38 shelters (68%) expecting to serve less than 200 clients.



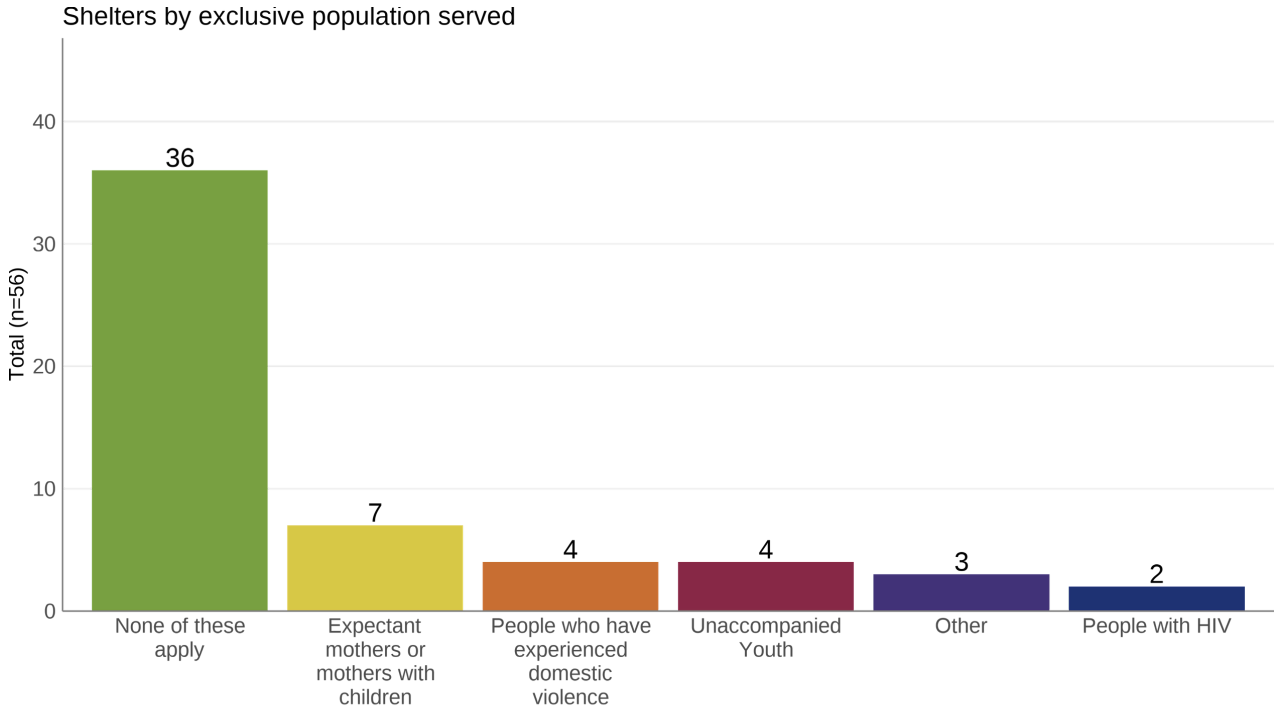
Shelters serve the state's most vulnerable populations. 68% (38) of shelters report serving people struggling with mental health issues, 63% (35) report serving people struggling with addiction, 63% (35) report serving people who have experienced domestic violence. A little over half of shelters (28) serve children experiencing homelessness.



41 shelters (73%) identify as low-barrier shelters.



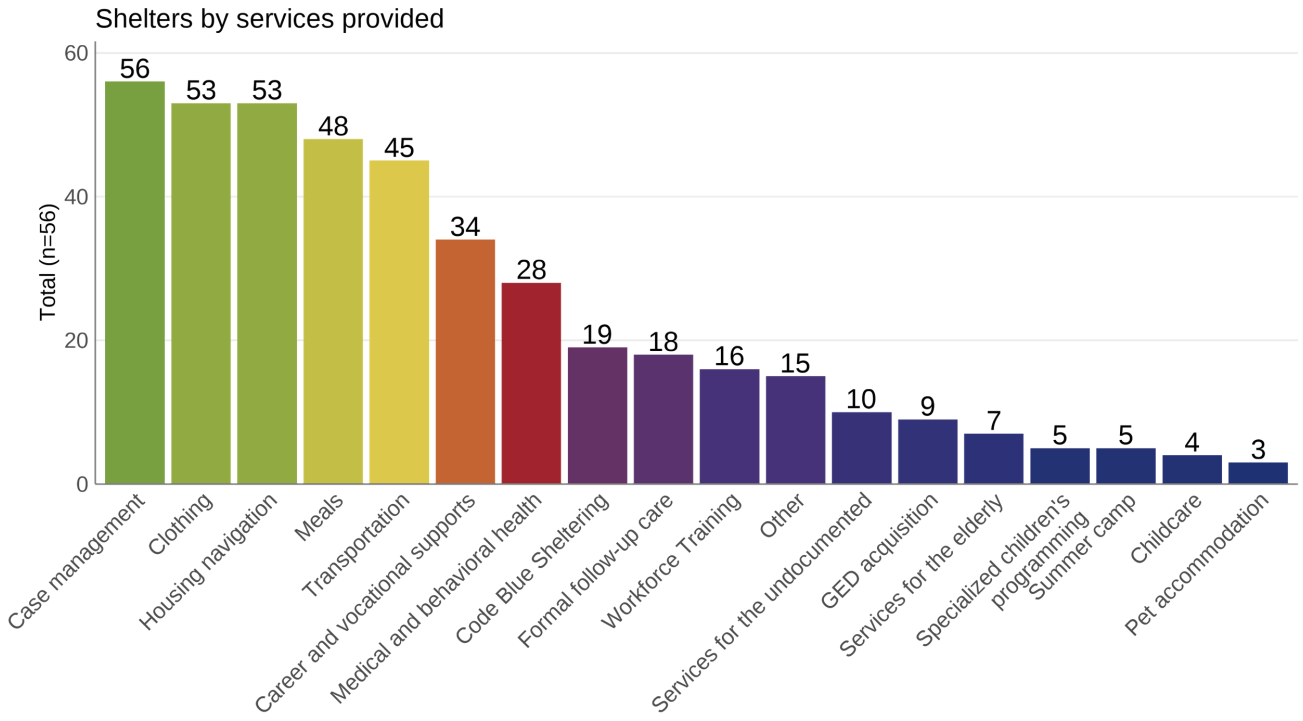
Most shelters (36 shelters or 64%) do not serve any populations exclusively. 7 shelters (12.5%) serve only expectant mothers or mothers with children, 4 (7%) serve only people who have experienced domestic violence, 4 (7%) serve only unaccompanied youth, 2 (3.5%) serve only people with HIV, and 3 (5%) serve other groups exclusively.



Emergency Shelter Services

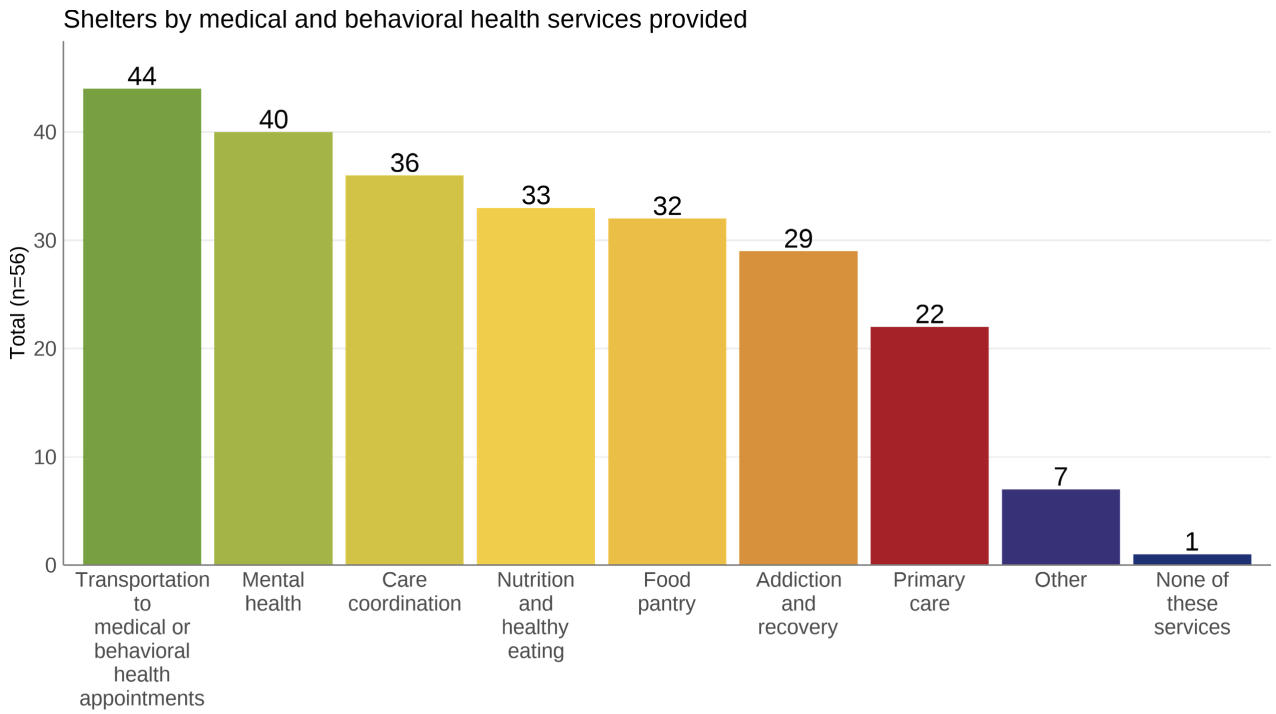
Shelters provide a lifeline far beyond emergency beds. They offer meals, case management, transportation, medical care, housing navigation, and increasingly, behavioral health supports. Many are also integrating Medicaid billing — a promising development that could unlock resources for behavioral health and case management services.

However, significant service gaps persist. Nearly 70% of shelters serve individuals with mental health challenges and over 60% serve people struggling with addiction, yet providers report that available mental health and recovery services are insufficient. Closing this mismatch between need and capacity is essential. The Coalition's ongoing work to expand Medicaid billing among providers represents a key step toward that goal.

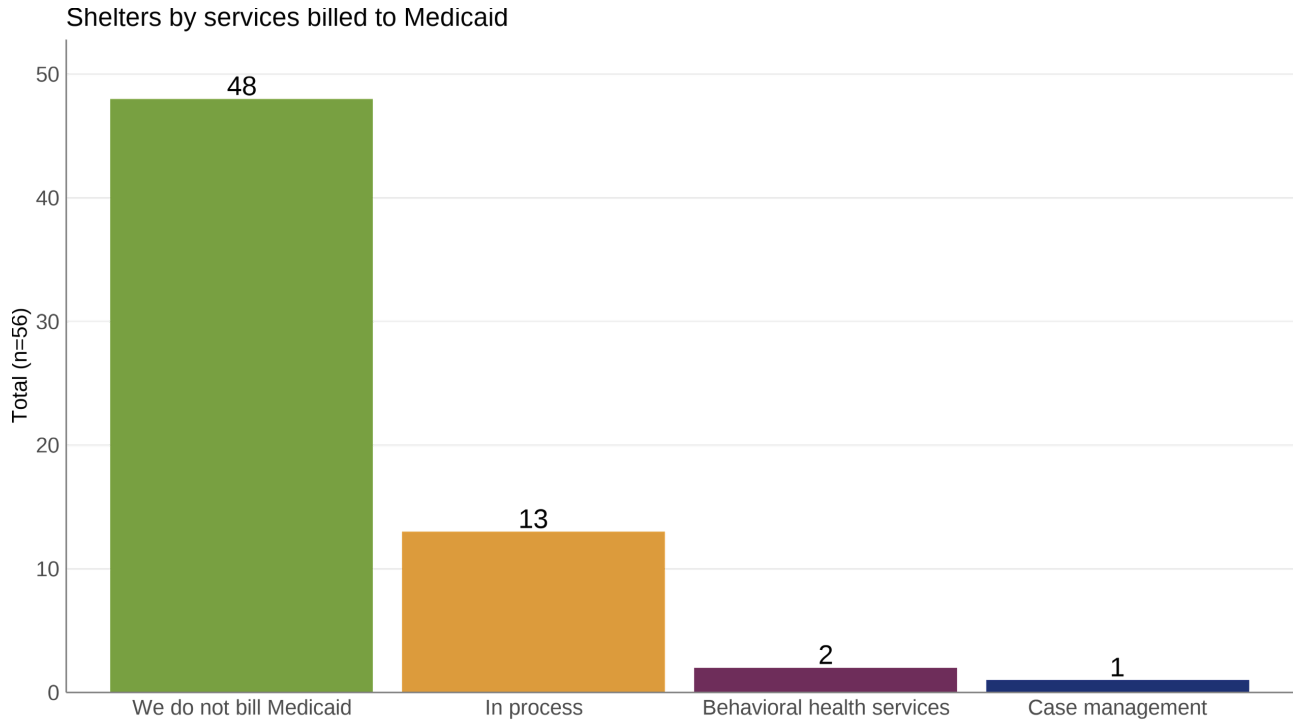


Shelters offer case management (100% of shelters provide), clothing (95%), housing navigation (95%), meals (86%), transportation (80%), career supports (61%), and medical or behavioral health services (50%), among others.

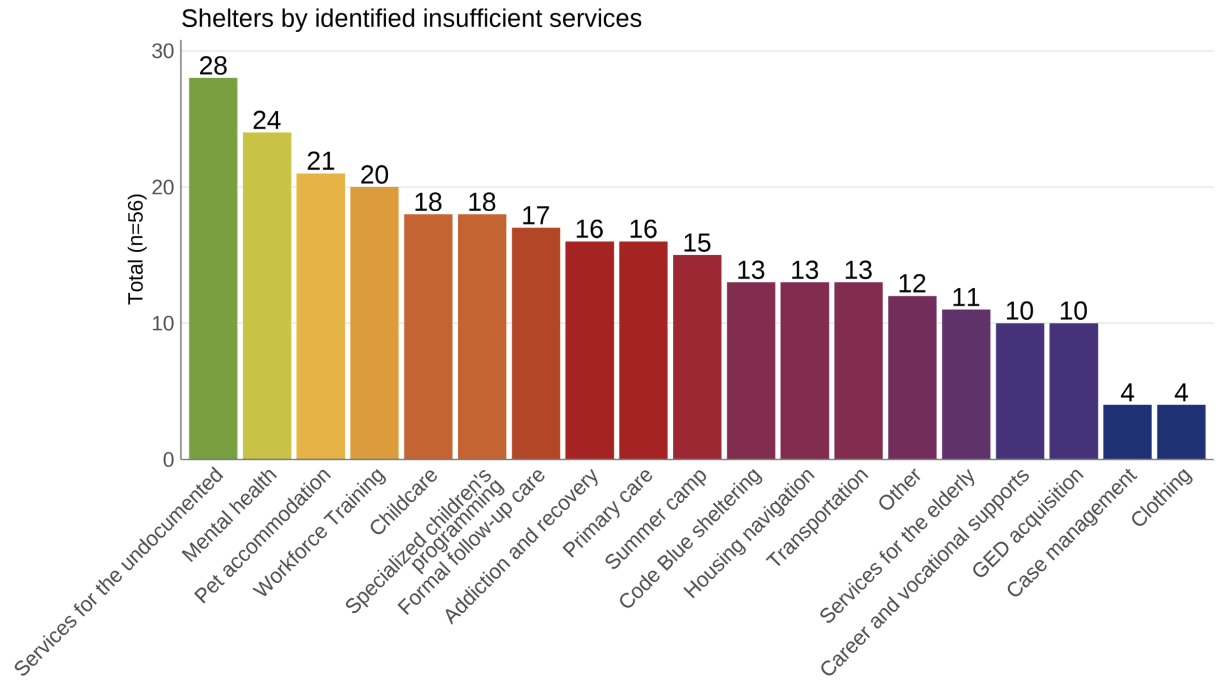
In addition, emergency shelters offer a broad range of supports for clients' medical and behavioral health, including transportation to medical and behavioral health appointments (79% of shelters provide), mental health resources (71%), care coordination (64%), nutrition and healthy eating (59%), access to a food pantry (57%), and addiction and recovery services (52%), among others.



Most shelters (48 or 86% of shelters) do not currently bill Medicaid. However, 13 (23%) shelters report being in the process of setting up Medicaid billing. NJCEH has partnered with shelter providers to expand the use of Medicaid for case management and behavioral health services. Currently, 2 (3.5%) shelters bill for behavioral health services. 1 (1.8%) shelter bills for case management.

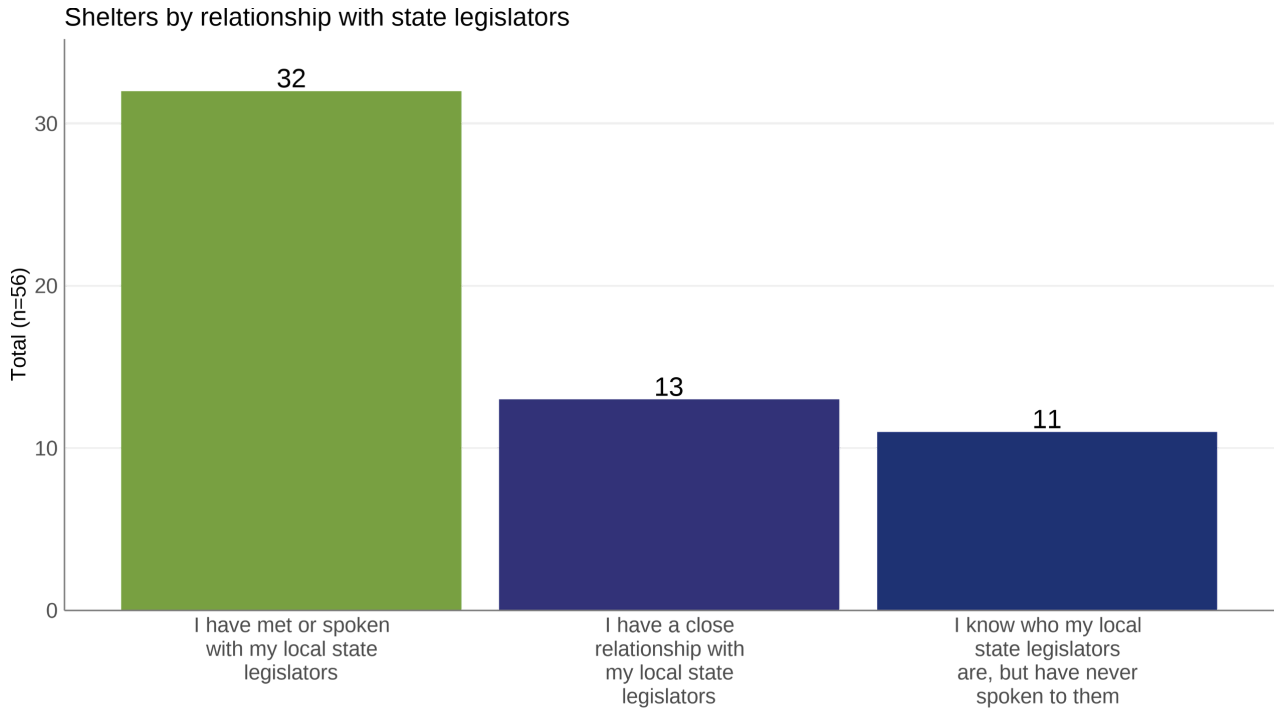


Half of shelters (28 or 50% of shelters) report that services for undocumented individuals are insufficient – making this the most frequently cited unmet service need. Other identified insufficient services run the gamut, from lack of pet accommodation (38% of shelters identified as insufficient) all the way to lack of support for GED acquisition (18%). Notably, at the same time as large proportions of shelters report serving people struggling with mental health and/or addiction, 43% (24) and 29% (16) of shelters report that mental health services and addiction/recovery services, respectively, are insufficiently available – either within their shelter or in their community.

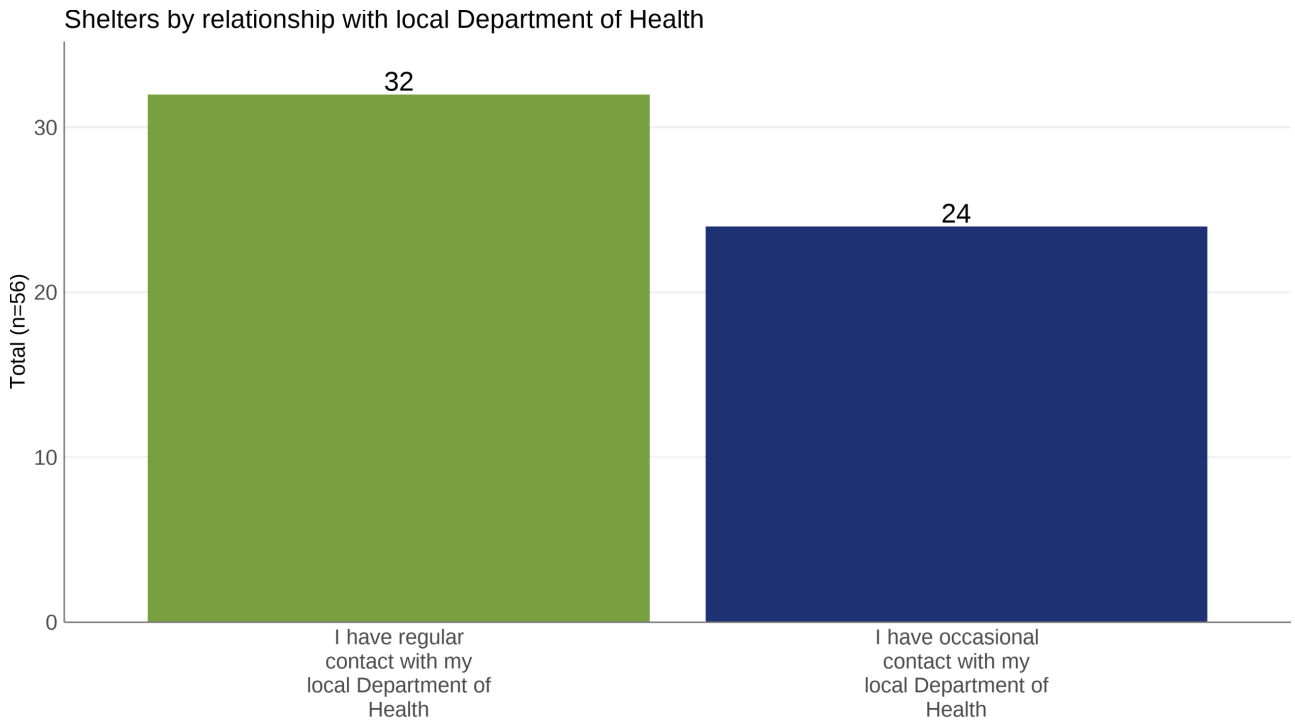


Most shelters work closely with local partners to improve service delivery.

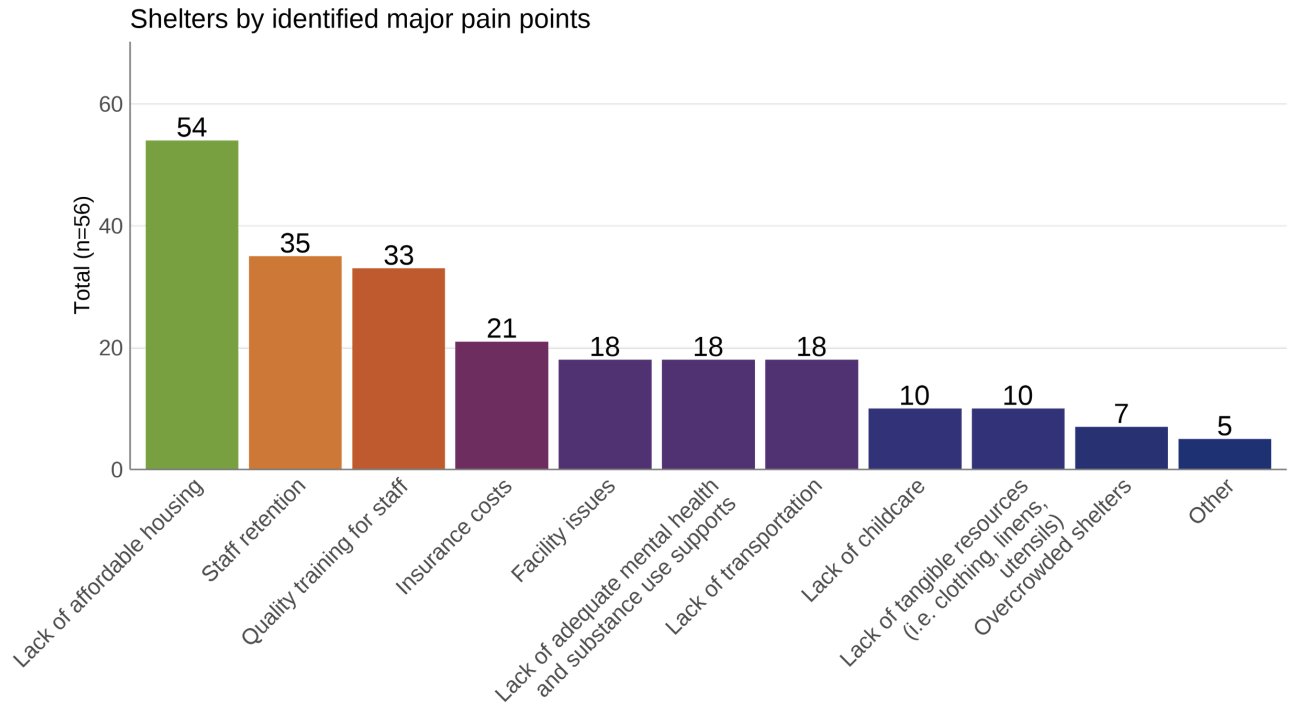
32 shelters (57%) report having contact with their local state legislators. 13 (23%) report having a close relationship with their local state legislators. Only 11 (20%) report not having any contact.



32 shelters (57%) report having regular contact with their local Department of Health. 24 (43%) report having occasional contact. No shelters report having no contact.



96% of shelters list lack of affordable housing as a major pain point. The second and third biggest struggles are staff retention and quality training for staff, with 63% of shelters and 59% selecting these as major pain points, respectively.

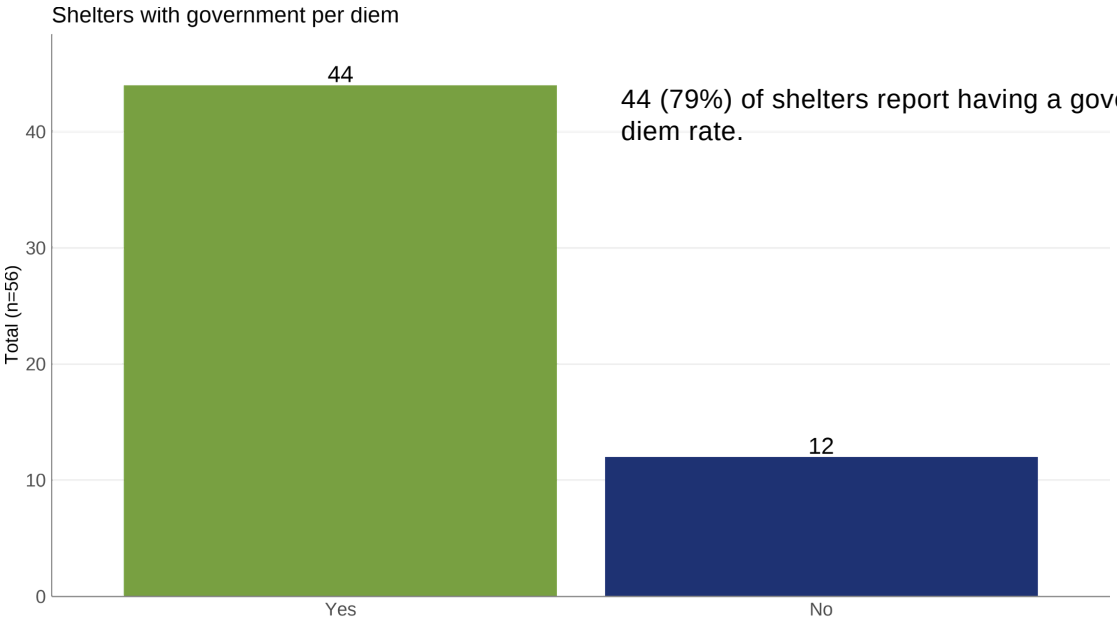


Emergency Shelter Staffing and Finances

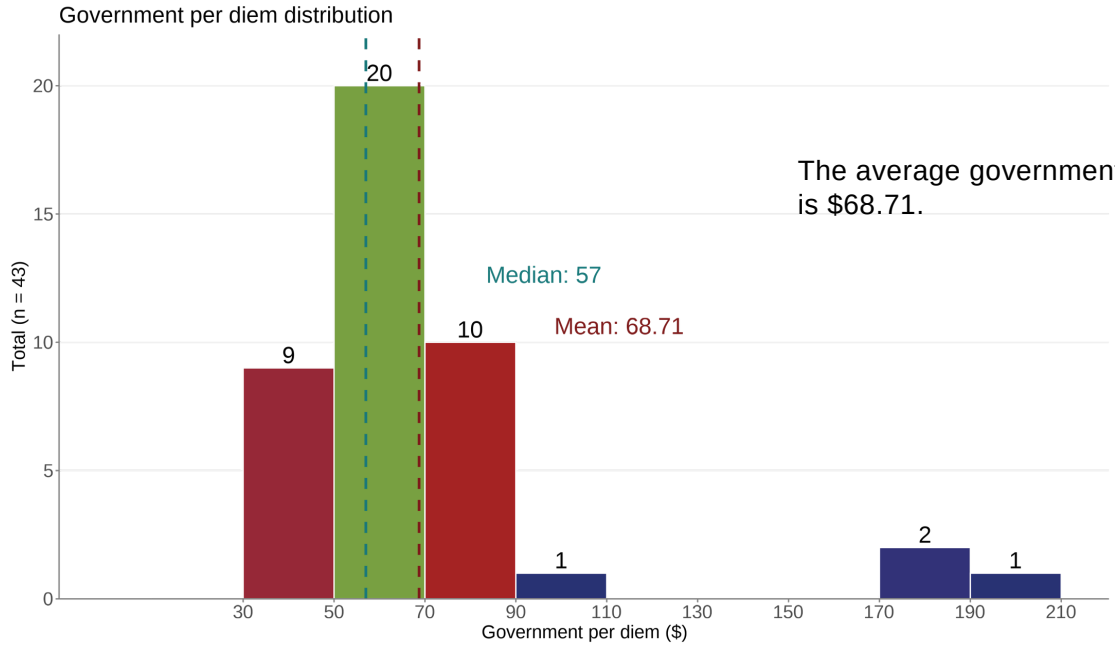
The data reveal a shelter workforce stretched to its limits. Most shelters employ 10 or fewer full-time staff and rely heavily on volunteers. Personnel costs account for roughly two-thirds of budgets, yet wages remain unsustainably low. Two-thirds of staff earn below a living wage, and one in three earn under $18 per hour. These conditions make staff recruitment, retention, and training major ongoing challenges.

Financially, shelters are fragile. More than 40% operate at a deficit and depend on unstable sources such as private donations. Few receive sufficient public funding for seasonal Code Blue services despite high demand. This instability undermines not only individual shelters but the resilience of the statewide safety net.

Strengthening this workforce and funding base is critical. Shelters cannot sustain their essential role without fair compensation, predictable funding, and opportunities for professional development. Investment in staff is investment in the system's long-term stability.

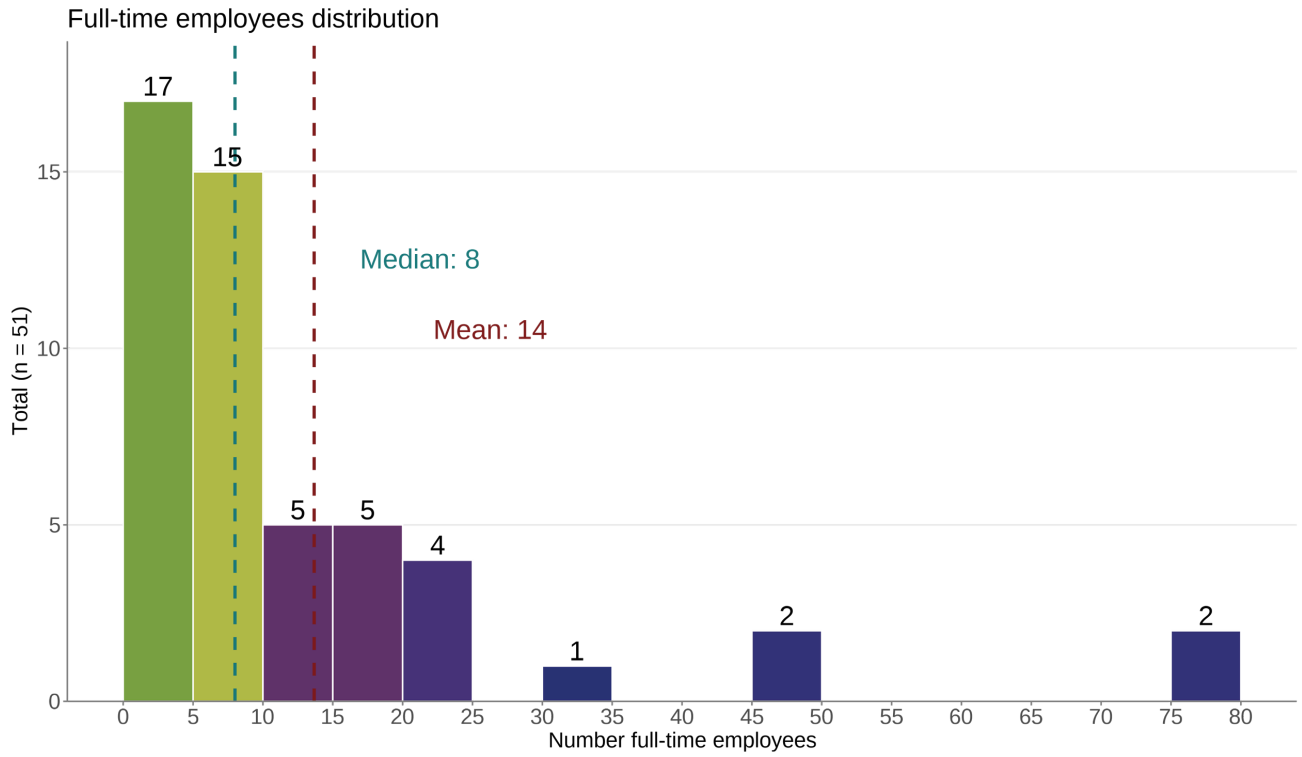


44 (79%) of shelters report having a government per diem rate.

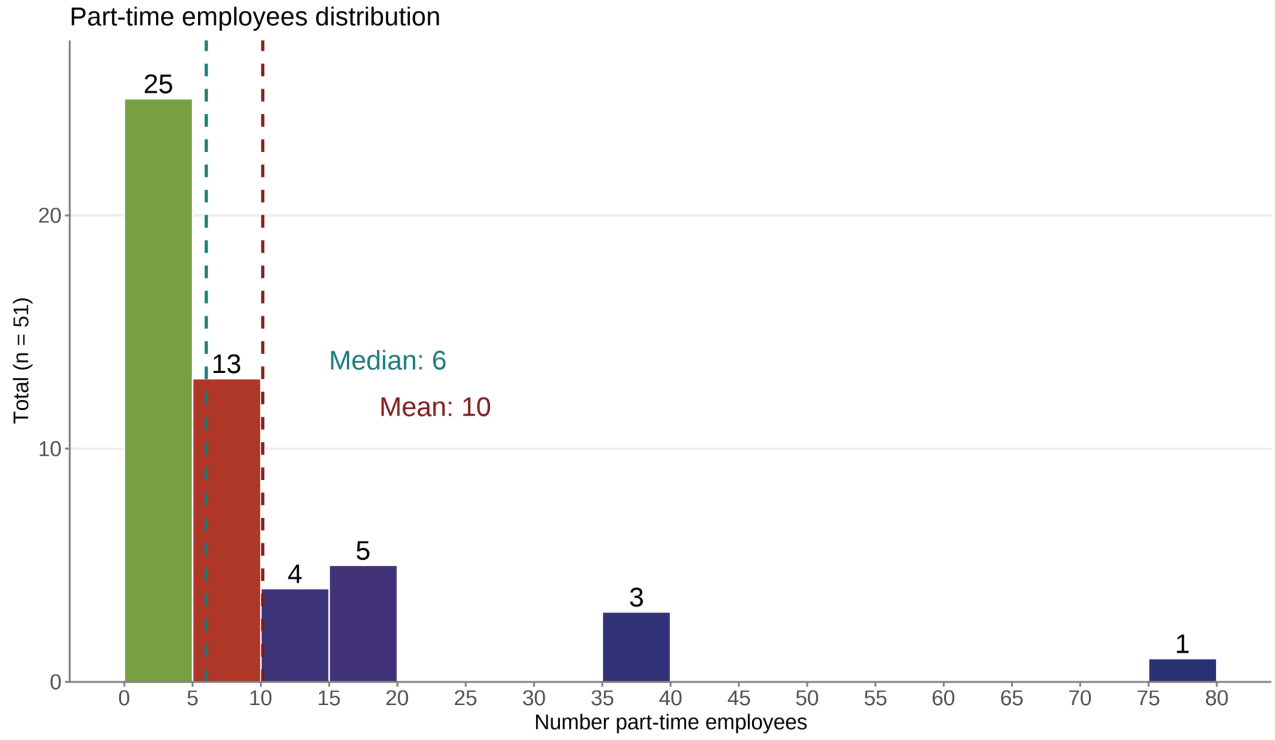


The average government per diem rate is $68.71.

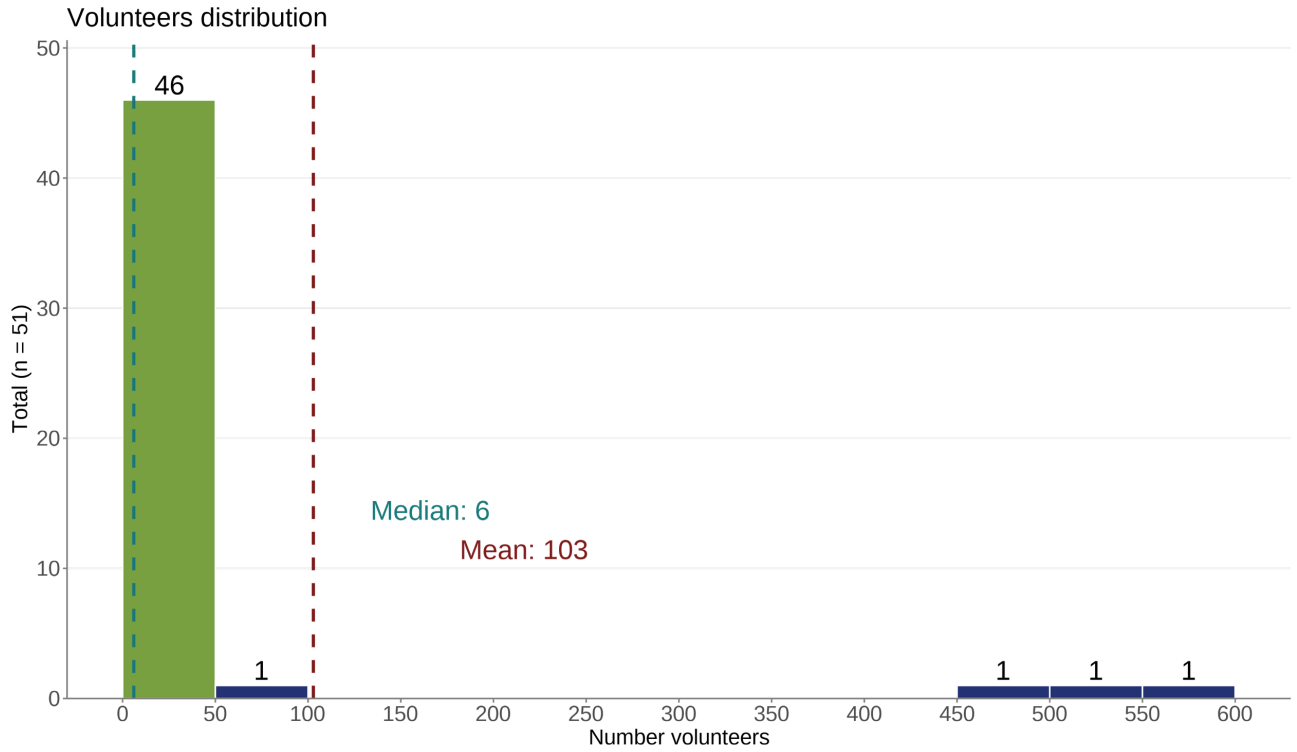
The average number of full time employees at each shelter is 14, but 57% of shelters employ 10 or fewer full time employees.



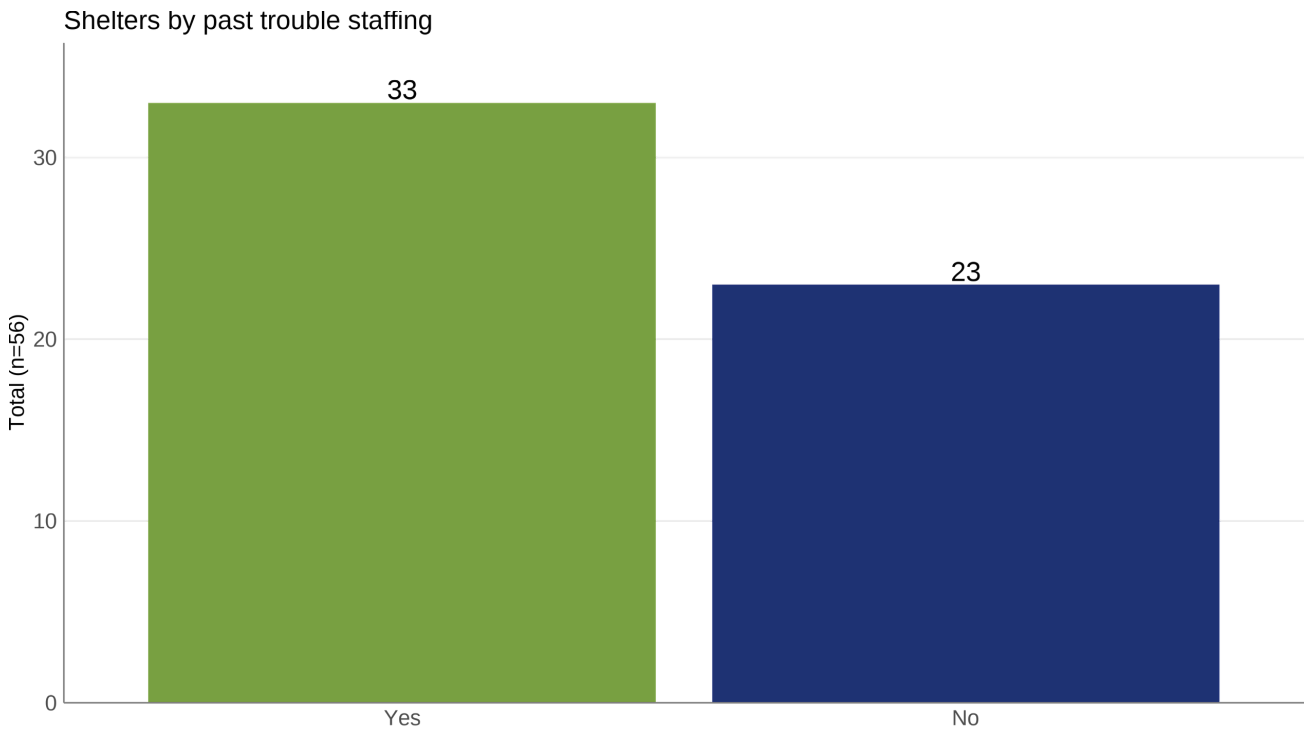
The average number of part time employees is 10; 68% of shelters employ 10 or fewer part time employees.



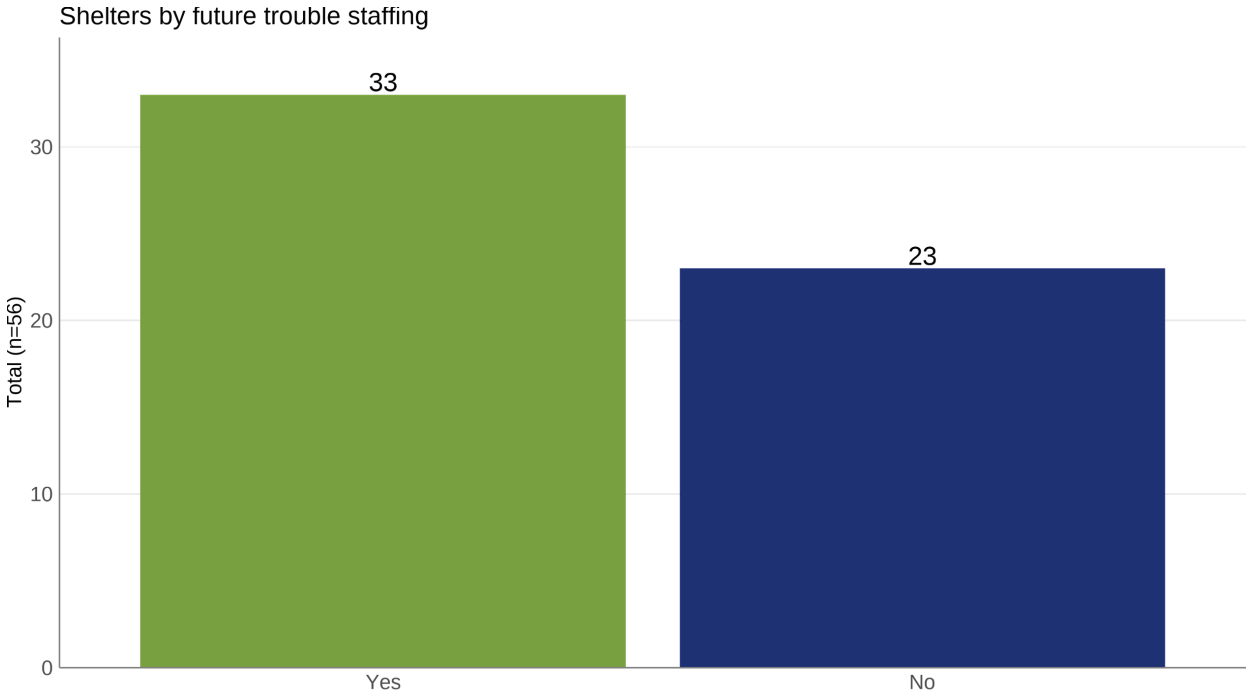
The average number of volunteers that work for each shelter is 103, but 82% of shelters have 50 or less volunteers each year.



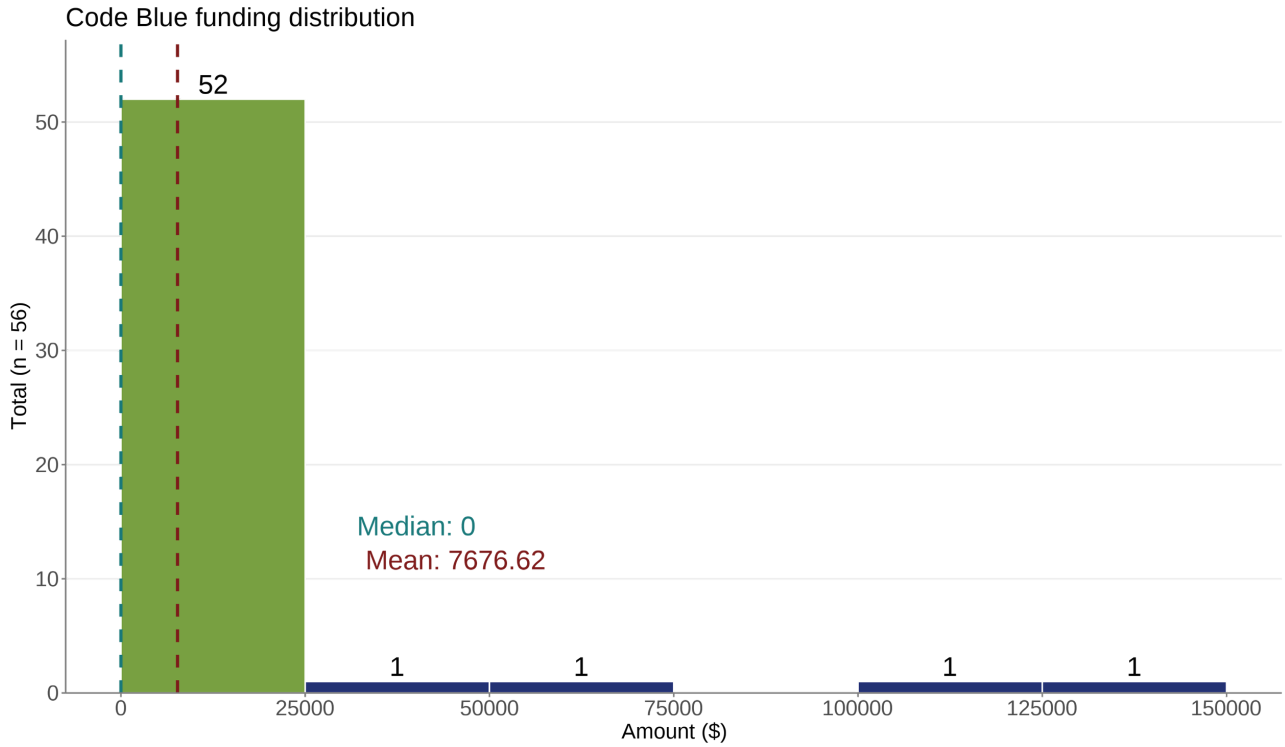
33 (59%) of shelters report having trouble staffing their shelter in the past fiscal year.



33 (59%) of shelters anticipate having trouble staffing their shelter in the coming fiscal year. Taken together with findings showing staff retention and quality training for staff are major pain points for significant proportion of shelter providers, and many respondents specifically asked the Coalition for more support with staff training and retention, these data suggest staffing remains a critical challenge.

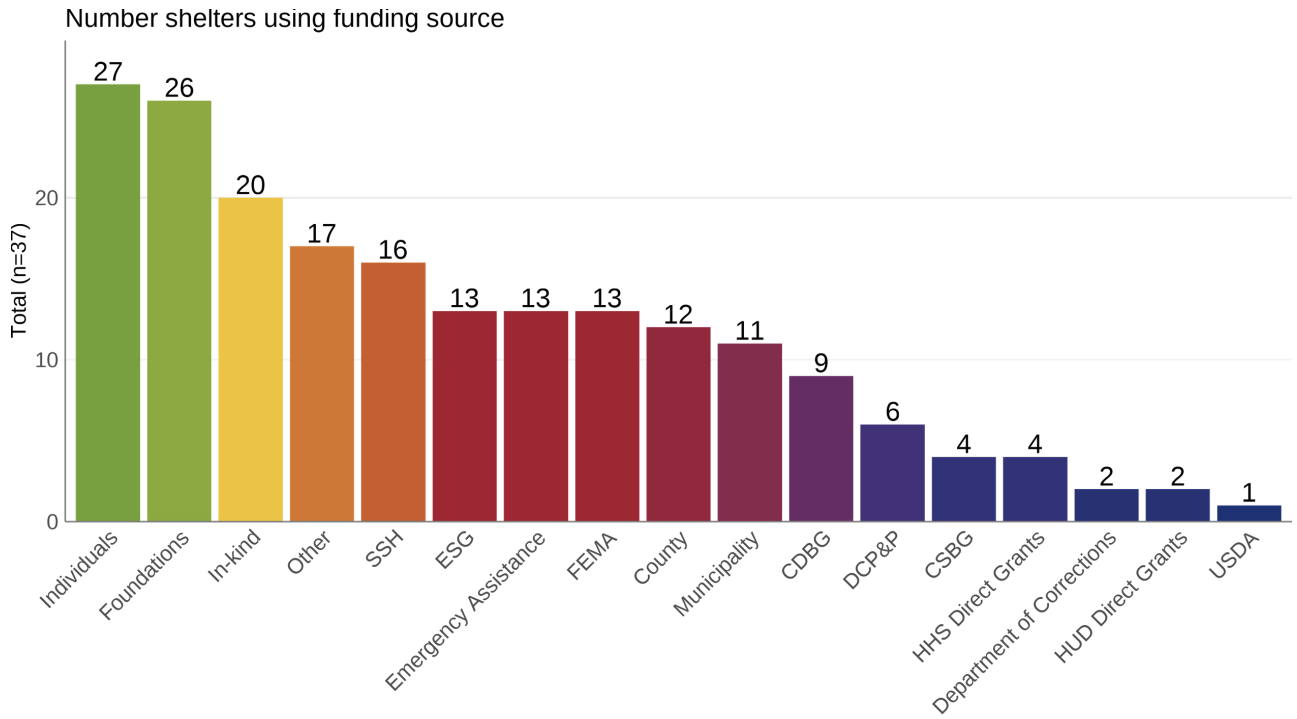


The average amount of funding the shelters received for Code Blue Services was $7,676.62.

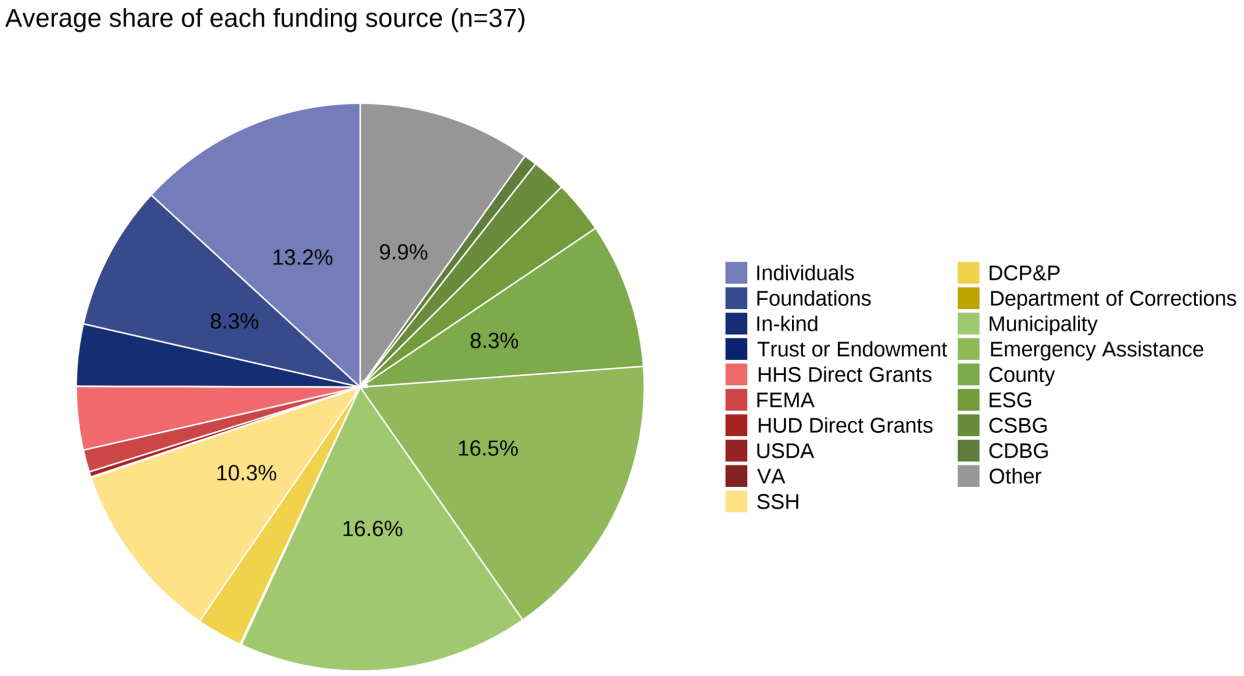


As part of the survey, we requested financial data from all shelter providers. Robust data was submitted by 37 of the 56 emergency shelters in our sample. The following figures and findings are based on this subsample.

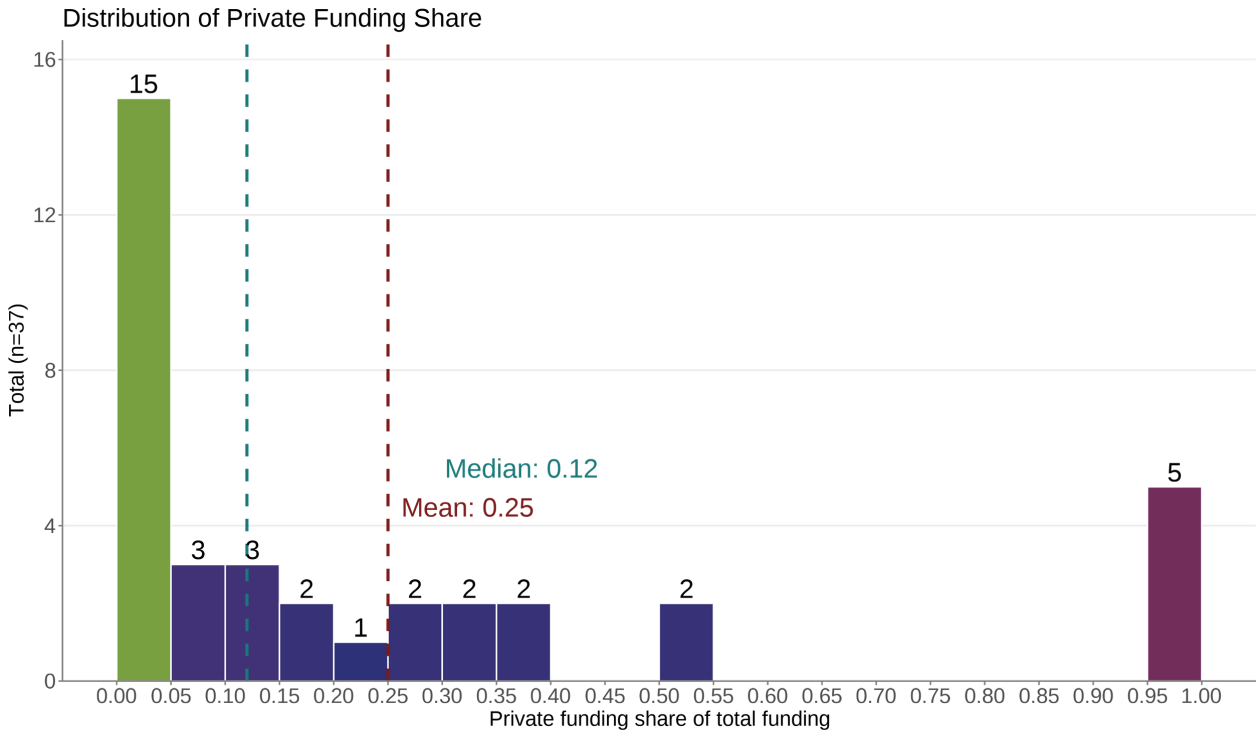
The top three most common funding sources are donations from individuals (73% of shelters report using), donations from foundations (70% report using), and in-kind donations (54% report using).



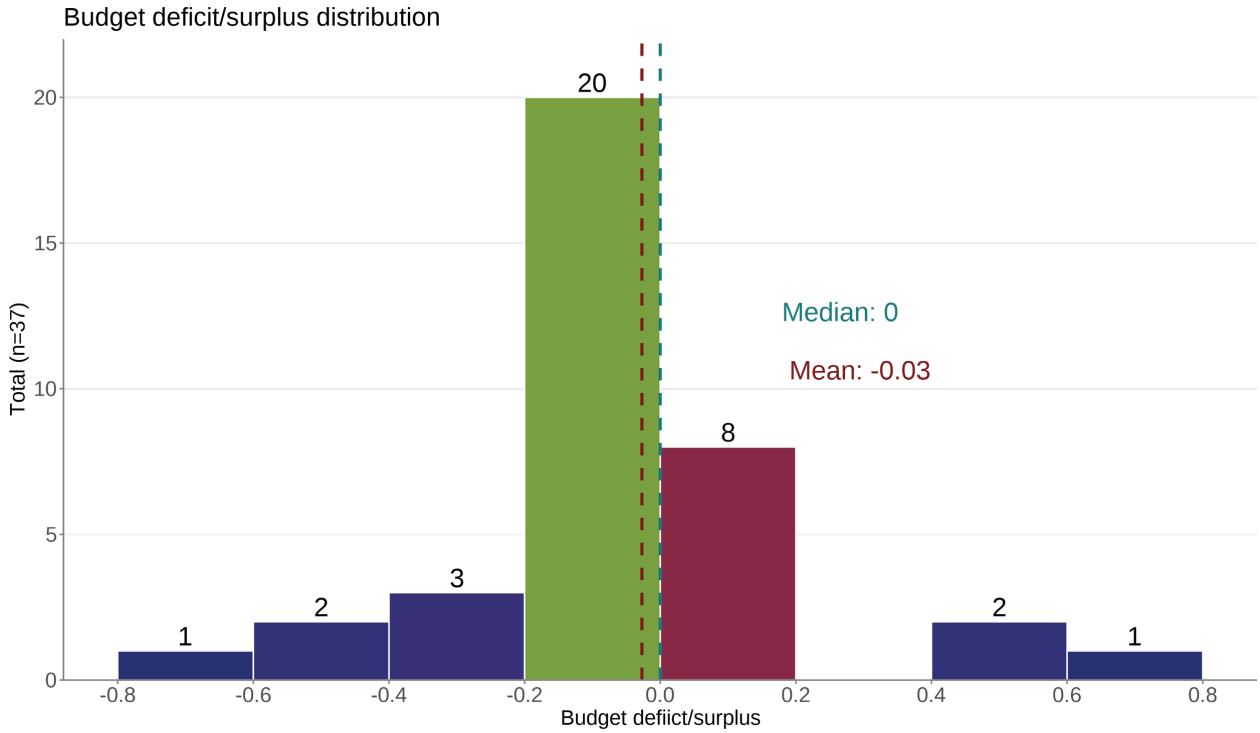
On average, the funding sources that make up the top three highest shares of revenue are municipality funding (16.6% of total revenue), emergency assisstance (16.5%), and donations from individuals (13.3%).



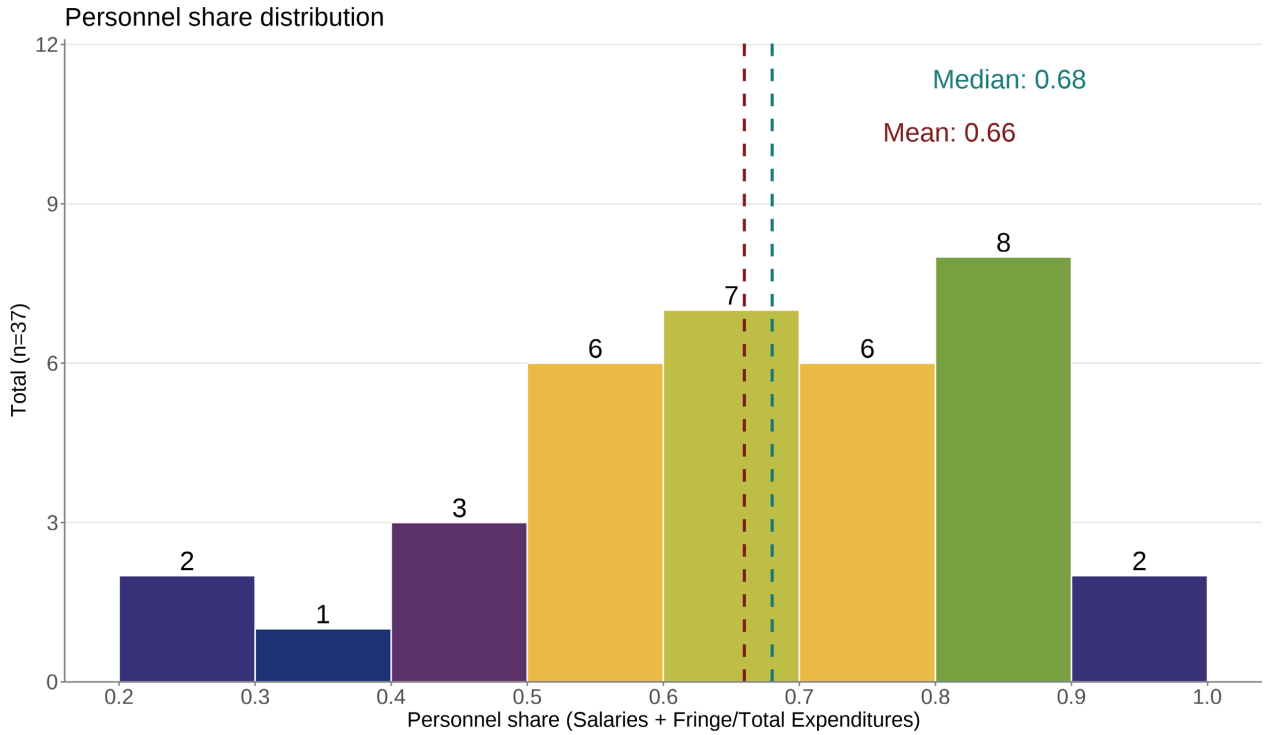
Looking more closely, donations from foundations, individuals, in-kind contributions, and trusts together make up, on average, about a quarter of total shelter revenue. Given the already fragile financial position of many shelters, as shown in the next figure, this level of reliance on private donations is concerning, since these sources can fluctuate from year to year. At the same time, there's a lot of variation across shelters in how much they depend on this type of funding.



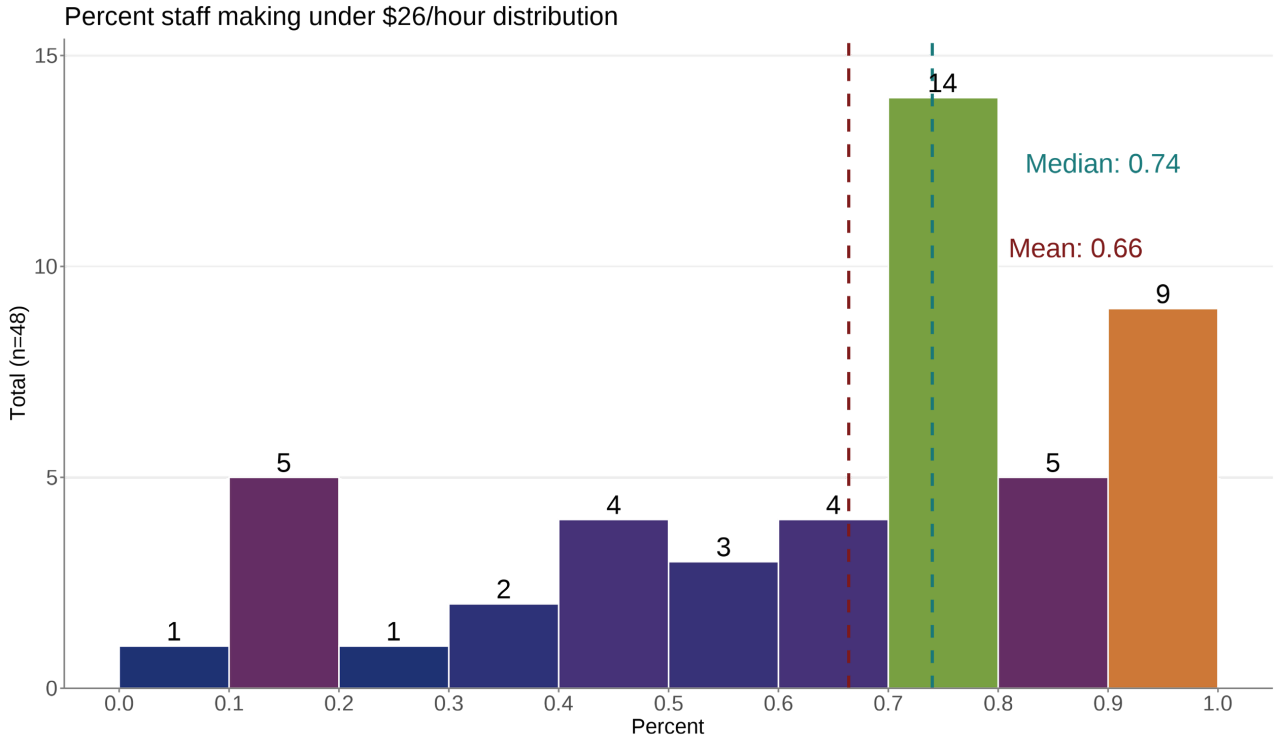
15 (41%) shelters are operating with a budget deficit. The average deficit/surplus is -3%. However, many shelters receive supplemental funding from parent organizations to cover shortfalls. The data underlying Figure 36 reflects only shelter-specific expenditures and revenue, not broader organizational support.



The average personal expense share is 66%, with 16 (43%) shelters reporting greater than a 70% share. Personnel share is calculated by adding up expenditures on salaries and fringe and dividing by total expenditures.

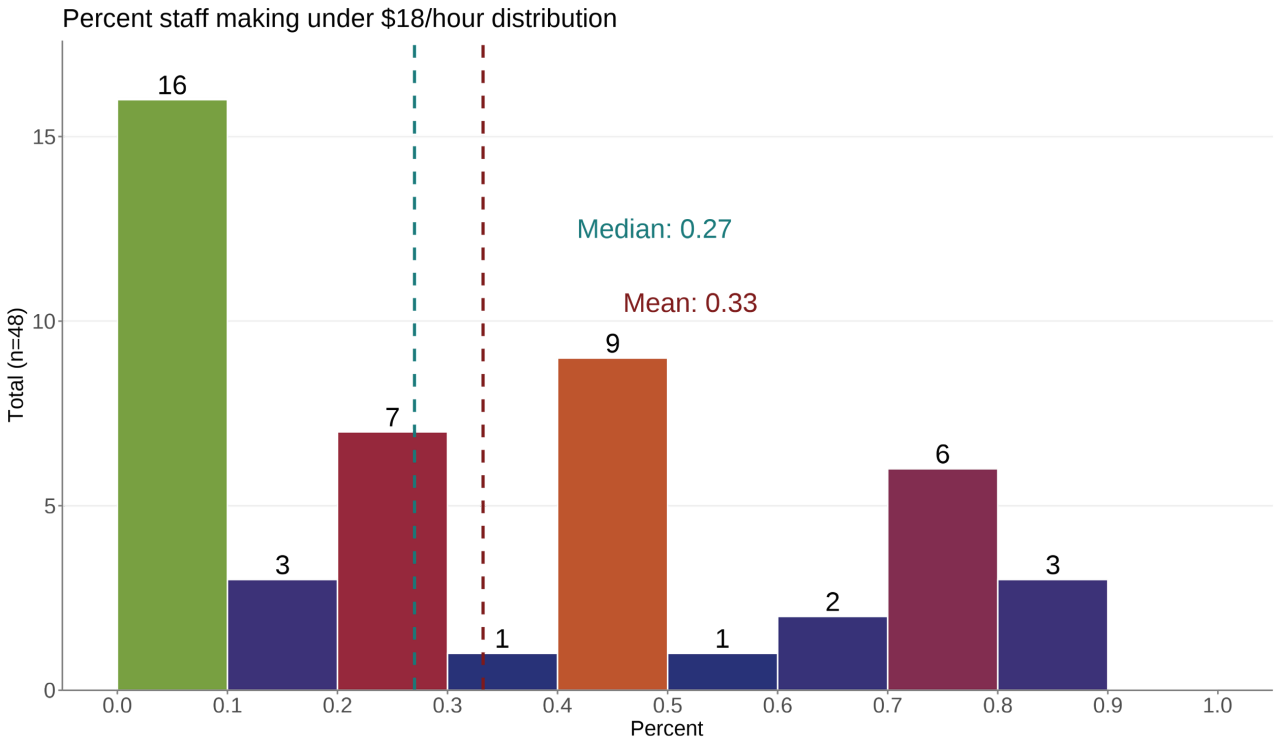


As part of a recent grant opportunity, we implemented this survey and were also able to collect wage data for a subset of shelter staff. Among the 48 shelters that provided reliable data on total staffing levels, we analyzed the prevalence of low wages within the shelter workforce. The figures below represent a conservative estimate of the proportion of staff earning below a living wage across the state.



At least 66% of total staff in shelters make under $26 an hour, on average. This is a conservative estimate, as wage data is available only for a portion of staff, though total staffing numbers are known. The percentage is calculated by summing all frontline staff (part- and full-time) earning under $26 an hour and dividing by the total number of shelter staff. According to the MIT Living Wage Calculator, the living wage in a household with 2 adults working full-time to support one child is $26.55 an hour in New Jersey.[7]

On average, at least 1 in 3 staff in a shelter make under $18 an hour. The percentage is calculated by summing all frontline staff (part- and full-time) earning under $18 an hour and dividing by the total number of shelter staff.



Staff at shelters provide case management, prepare meals, maintain clean facilities, offer transportation, and deliver daily care to some of New Jersey's most vulnerable residents. Their work is critical, yet often performed under challenging conditions and without adequate compensation.

Conclusion

New Jersey's emergency shelters are indispensable community institutions — providing safety, stability, and pathways to housing for thousands each year. They are small but mighty: flexible, adaptive, and deeply rooted in their communities. Yet they face growing strain from service gaps, financial fragility, and workforce challenges.

Addressing these pressures requires a comprehensive response. Expanding behavioral health and recovery services, building sustainable funding models, and investing in shelter staff must be top priorities. Without these steps, the system risks collapse under the weight of rising demand.

New Jersey cannot afford to lose this vital infrastructure. Strengthening shelters means safeguarding the dignity and stability of residents statewide. Together, through partnership and sustained investment, we can ensure that every person in New Jersey has access to safety, support, and the opportunity to rebuild.

About the Author

Svyatoslav Karnasevych joined the New Jersey Coalition to End Homelessness as a Social Impact Fellow through Princeton University's gradFUTURES Program. He earned a Master in Public Affairs from the Princeton School of Public and International Affairs, where he concentrated in economics and public policy. Before graduate school, he worked as a Research Analyst at the Federal Reserve Bank of Philadelphia, focusing on housing, demographics, and location amenities. He graduated summa cum laude from the University of Pennsylvania with a degree in Political Science and Economics. His interests center on urban policy, particularly housing affordability, transit access, and community development.

Svyatoslav thanks the Coalition's members and staff for their partnership and support in this work, and extends special appreciation to Lauren Borowick for her invaluable guidance throughout the development of this report.

Endnotes

1. Will Irving, “New Jersey Ranks First in Income, but Housing Costs Take a Hefty Share,” New Jersey State Policy Lab, October 2023.
2. “PIT Dashboard 2025,” Monarch Housing, 2025.
3. “PIT Dashboard 2025,” Monarch Housing, 2025.
4. “HMIS Data Dashboard,” New Jersey Housing & Mortgage Finance Agency, New Jersey Department of Community Affairs.
5. HUD, Housing Inventory Count, Continuum of Care Homeless Assistance Programs, State of New Jersey 2024, December 2024.
6. “Housing Needs by State: New Jersey,” National Low Income Housing Coalition.
7. “Living Wage: New Jersey,” MIT Living Wage Project.