

Entrepreneurship Without An Address: Policy Proposal

According to the U.S. Department of Housing and Urban Development's 2024 Annual Homeless Assessment Report, during a single night in 2024, New York City had 158,019 homeless people, making it the city with the most homeless people in America (U.S. Department of Housing and Urban Development, 2024). Since the founding of the United States, starting small businesses has been an integral part of the American Dream. However, homeless individuals in New York City face legal, financial, and bureaucratic barriers that prevent them from pursuing economic stability in this way. Current policies include administrative hurdles that unfairly disadvantage people without permanent addresses, including limited access to necessary licensing, financing, and tax registration. These barriers are currently keeping thousands of capable entrepreneurs from contributing to the local economy and improving their lives.

A 2019 study published in the Journal of Community Psychology found that individuals experiencing homelessness often engage in "survival entrepreneurship," utilizing self-employment strategies to navigate daily life (Journal of Community Psychology, 2019). This suggests a natural inclination toward entrepreneurial activities as a means of self-sufficiency.

New York State requires all business registrations to include a physical, stable address that can reliably receive legal and governmental correspondence. According to the New York Department of State, entities such as LLCs and corporations must provide a principal office address and designate a location for service of process—that is, a verifiable, physical place where legal documents can be delivered (Meyer & Spencer Law, 2019¹). This address cannot be a P.O. Box and must be maintained consistently to meet regulatory and compliance standards (Legal Zoom, 2024).

Homeless shelters, however, are not designed to function as permanent, legal addresses for business use. They are temporary accommodations and typically lack the infrastructure to handle business-related mail or serve as a registered location for receiving service of process. Furthermore, most shelters do not permit the use of their address for legal or administrative purposes due to privacy concerns, the transience of residents, and mail handling limitations. For instance, a report by the National Law Center on Homelessness & Poverty notes that many shelters will not receive mail for their residents (NHLC, 2004). This poses a significant barrier for homeless individuals needing to receive official documents.

Research from the Institute for Justice (2022) shows that occupational licensing laws across the U.S. create unfair barriers for low-income entrepreneurs, often requiring high fees and extensive

¹ All N.Y. Dept. of State Corporations and Business Entities Applications form require the applicant's address: https://dos.ny.gov/search/business-types?f%5B0%5D=filter_term%3A1396

training (Institute for Justice, 2022). For someone experiencing homelessness, meeting these costly and time-consuming requirements can be especially difficult.

In addition, the National Law Center on Homelessness and Poverty has documented that homeless individuals often do not have access to basic financial services, including bank accounts, because they lack ID or a permanent address (NHLC, 2004). Without these basic financial tools, starting a formal business becomes nearly impossible. Moreover, registering a business in New York State explicitly requires valid identification (NY Gov, 2025). Yet, homeless individuals face well-documented barriers to obtaining ID due to costs, lack of documentation, and the inability to prove residency (NHLC, 2004). As a result, identity verification for business registration is effectively inaccessible for many homeless people.

Several places have created programs to reduce barriers for low-income entrepreneurs. In 2019, California passed SB 601, which lets state agencies waive business license fees for low-income individuals, including those affected by emergencies (California Legislature, 2019).

In addition, Washington D.C.'s District's Department of Human Services provides a "Social Service Proof of Residency Form," which certifies an individual as a homeless resident and authorizes the Department of Motor Vehicles (DMV) to use a provider's address or a contact address as the individual's address of record on identification credentials (DC DHS, 2019). New York City can learn from these examples to develop its own inclusive entrepreneurship policies.

To address these barriers, I propose these policy changes:

1. **Address Flexibility Program:** Change business licensing applications to accept shelter addresses, P.O. boxes, or addresses of business incubator spaces. Washington D.C's DSLBD's Aspire to Entrepreneurship program has successfully reduced business entry barriers for housing-insecure individuals, including returning citizens (DC DSLBD, 2016).
2. **Tiered Fee Structure:** Create a sliding scale or fee waiver program for business permits and licenses based on income, with complete waivers for homeless applicants. San Francisco implemented over \$115 million in grants and loans for underserved small businesses during the pandemic, leading to measurable improvements in access (San Francisco Office of the Mayor, 2022).
3. **Alternative ID Pathways:** Develop a simpler verification process allowing shelter providers and community organizations to help with identity verification for business registration, similar to California's statewide program enabling service providers to verify homelessness for free ID access (Housing California).
4. **Mentorship programs:** Enhance and expand existing NYC support systems for small business owners by building on initiatives such as the city's programs for minority- and women-owned businesses. Extending these resources to include underprivileged or unhoused individuals could create meaningful impact. A targeted mentorship program could connect unhoused entrepreneurs with corporate professionals, providing guidance and opportunities to pitch their ideas to potential investors.

Research strongly supports the community benefits of such initiatives. According to the U.S. Small Business Administration, small businesses generate about 44% of U.S. economic activity (SBA, 2022). Microenterprise programs targeting underserved populations are a proven strategy for promoting economic self-sufficiency and community development, as supported by Aspen Institute research highlights their role in reducing reliance on public assistance and expanding economic opportunity (Aspen Institute, 2006).

The economic impact of COVID-19 makes this initiative particularly urgent. Data from the New York City Department of Homeless Services shows that the average daily shelter population increased by 89% between FY22 and FY24, with economic instability identified as a driving factor (NYC DHS, 2024). Research from the University of Pennsylvania estimates that each chronically homeless individual can cost public systems over \$40,000 annually due to emergency services, healthcare, and shelter use (University of Pennsylvania, 2008). The U.S. Department of Housing and Urban Development notes that removing employment barriers for people experiencing homelessness can reduce public assistance dependence and generate long-term economic benefits (HUD, 2022).

Implementation will require coordination between the Department of Small Business Services, the NYC Mayor's Office of Economic Opportunity, and community organizations. Similar collaborations in Denver and Oklahoma City have enabled 22–53% of homeless participants to launch and sustain microbusinesses, with Denver's initiatives resulting in over 200 new jobs and Oklahoma City's media-based programs helping more than half of participants transition to stable housing within a year. (University of Denver, 2024; Curbside Chronicle Impact Report, 2023).

I urge you to introduce and support these evidence-based reforms to make entrepreneurship a viable pathway out of homelessness in New York City.

Thanks for your time and consideration. I look forward to your response and the chance to discuss this proposal further.

Sincerely,
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