

# ARIZONA



DEPARTMENT OF ECONOMIC SECURITY

*Your Partner For A Stronger Arizona*

# 2021 Homeless Services Lottery Fund Report

Governor  
Douglas A. Ducey

Director  
Michael Wisehart

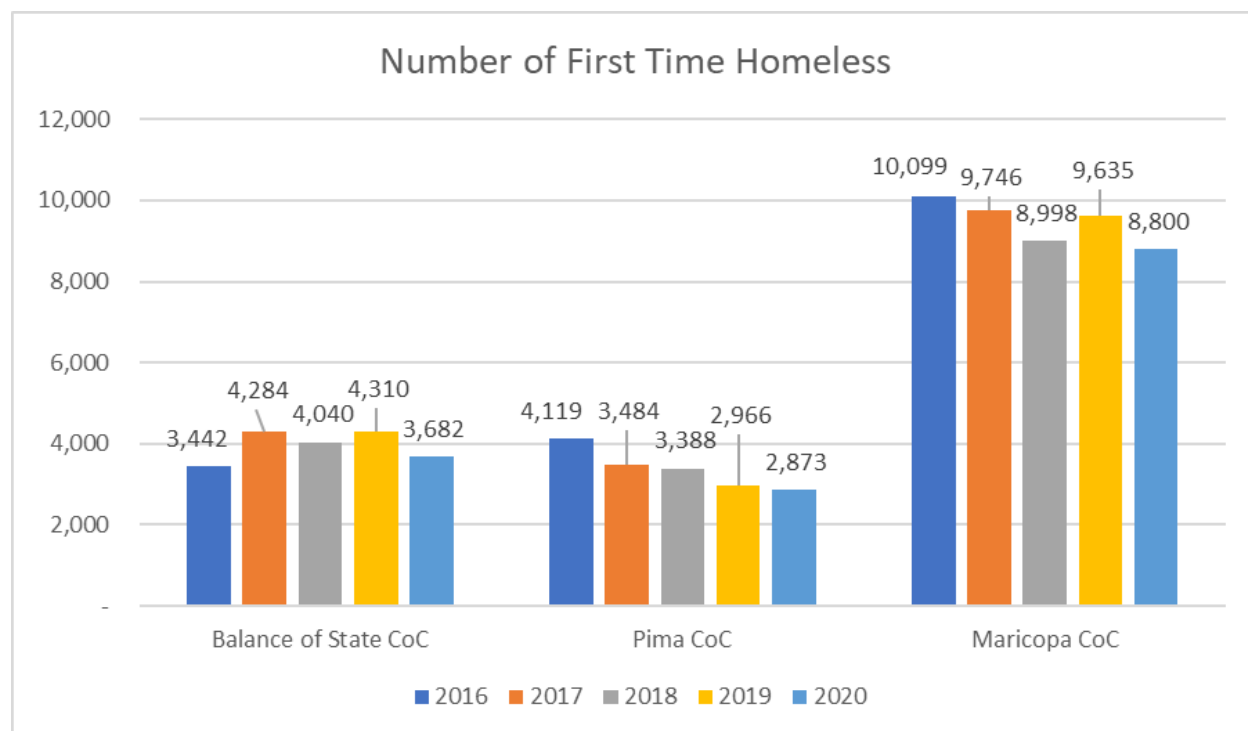
**This report has been prepared pursuant to  
Arizona Revised Statutes (A.R.S.) § 5-572 (E).**

*Of the monies remaining in the State Lottery Fund each fiscal year after appropriations and deposits authorized in subsections A through F of this section, one million dollars or the remaining balance in the fund, whichever is less, is appropriated to the Department of Economic Security for grants to nonprofit organizations, including faith based organizations, for homeless emergency and transitional shelters, and related support services. The Department of Economic Security shall submit a report on the amounts, recipients, purposes, and results of each grant to the Governor, the Speaker of the House of Representatives, and the President of the Senate on or before December 31 of each year for the prior fiscal year, and shall provide a copy of this report to the Secretary of State and the Director of the Arizona State Library, Archives and Public Records.*

The Arizona Department of Economic Security (ADES) allocates limited lottery fund dollars to community nonprofit homeless service providers in Maricopa and Pima Counties to administer homeless services. Historically, as well as in 2021, the Homeless Lottery Funds Report has focused on combined data from both counties.

Each year with these funds, hundreds of households experiencing homelessness are assisted in returning to productive, self-sufficient lives. Nonprofit service providers may offer one or more of the following essential services: safe shelter; meals; substance abuse treatment; job training and preparation; temporary and permanent job placement; case management; and assistance to return to permanent housing as rapidly as possible.

Arizona Revised Statutes (A.R.S.) § 5-572 (E) appropriates \$1,000,000 for homeless services, which is used in combination with other state and federal funds to try and meet the growing demands. During these trying pandemic times, Arizona Continuums of Care System Performance Reports indicate many households are experiencing homelessness for the first time.



It is well documented that the sooner households can return to stable housing, the less need there is for long-term and high-cost intervention for emergency health and public safety, ultimately resulting in safer and healthier communities. (<https://nhchc.org/wp-content/uploads/2019/08/homelessness-and-health.pdf>)

Estimates of the number of homeless people in Arizona vary. One of the tools utilized to estimate the number of homeless individuals in Arizona is the Point in Time (PIT) count. The PIT count is a snapshot of a community’s homeless population within a specified PIT, generally within a twenty-four-hour period. However, the PIT count is not intended to

provide an absolute number of individuals experiencing homelessness in the community.

The PIT count in both Maricopa and Pima Counties is conducted for one day each year, in the last week of January. The graph on page four displays the combined changes in the unsheltered and sheltered PIT count numbers for Maricopa and Pima over a five-year period. Note that no unsheltered PIT was conducted in 2021 due to the COVID-19 Pandemic. The sheltered count has decreased over the three-year period, however the combined unsheltered count in Maricopa and Pima Counties has increased by 46 percent. There are currently not enough shelter beds for individuals or families.

The Family Housing Hub, which is the Coordinated Entry point for families experiencing homelessness, maintains a Wait List for families. A Wait List is not maintained for individuals. The Coronavirus Aid, Relief and Economic Security Act and the American Rescue Plan Act funds were meant to prevent, prepare, and respond to COVID-19. However, it has been a challenge to house all those in need as a result of the pandemic and following Centers for Disease Control and Prevention guidelines for social distancing. These funds have been utilized to shelter households in motel/hotel rooms in order to address the growing need for shelter capacity.

## Allocation of Funds

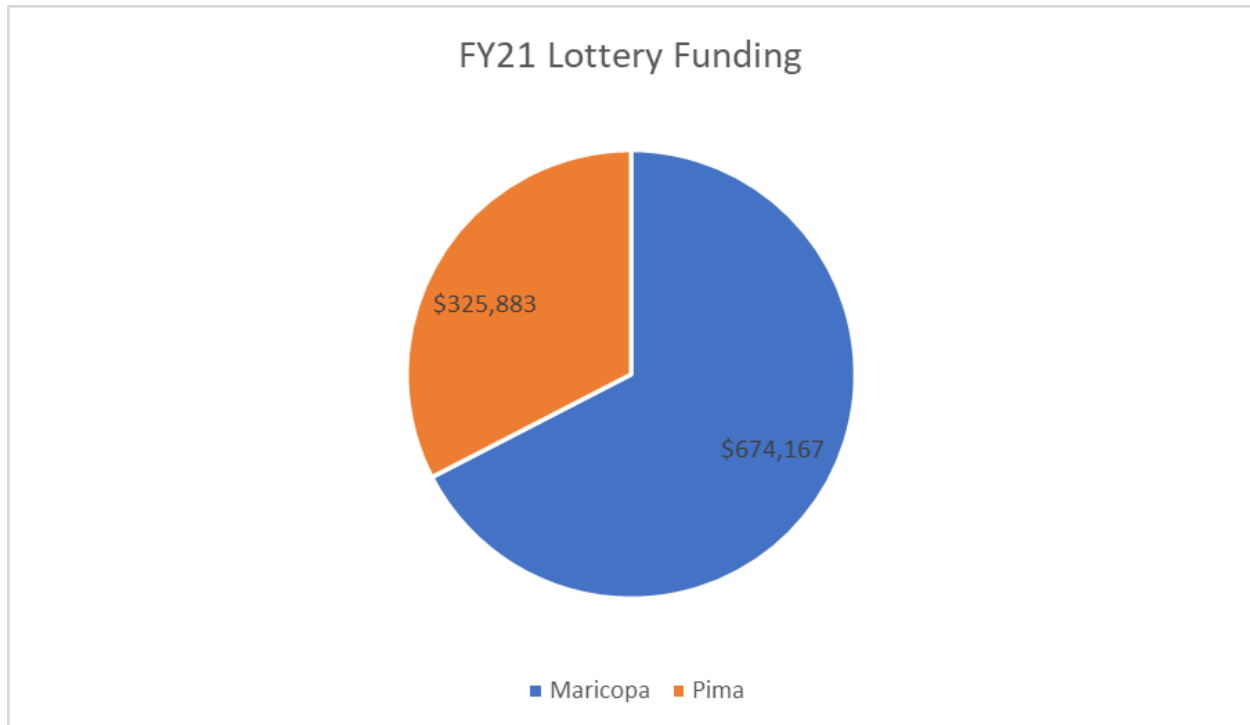
The State Fiscal Year (SFY) 2021 State Lottery funds were utilized as part of the Homeless Coordination Office SFY 2021 contracts (July 1, 2020 – June 30, 2021) with homeless providers in Maricopa and Pima Counties.

The State Lottery funds were allocated using a combination of Census data and the reported number of persons experiencing homelessness in Maricopa and Pima Counties. This methodology was applied to existing contracts and resulted in an allocation of roughly 67 percent or \$674,167 to three contractors serving Maricopa County, and an allocation of approximately 33 percent or \$325,833 to two contractors serving Pima County. The following Arizona Allocation graph illustrates the percentage of Arizona Lottery funds allocated to each provider. State Lottery funding supported a significant expansion of the Rapid Rehousing (RRH) Program for the metropolitan areas of Maricopa and Pima Counties.

SFY21 Lottery Funding						
Agency	County	Activity & Amount Funded			Total Funding & Percentage	
A New Leaf	Maricopa	ES*	RRH***	HP**	\$ 180,000	18.0%
		\$ 80,000	\$ 95,000	\$ 5,000		
Catholic Community Services	Pima	-	\$ 60,000	-	\$ 60,000	6.0%
Central Az	Maricopa	\$ 175,000	\$ 113,973	-	\$ 288,973	28.9%

Shelter Services (CASS)						
Primavera Foundation	Pima	\$ 180,833	\$ 85,000	-	\$ 265,833	26.6%
UMOM	Maricopa	-	\$ 205,194	-	\$ 205,194	20.5%
<b>TOTAL &amp; PERCENTAGE</b>		\$ 435,833	\$ 559,167	\$ 5,000	\$ 1,000,000	

\*ES = Emergency Shelter  
 \*\*HP= Homeless Prevention  
 \*\*\*RRH = Rapid Rehousing



## Rapid Rehousing and Emergency Shelter

The Rapid Rehousing (RRH) Program rapidly moves individuals and families experiencing homelessness to permanent housing with wrap-around services. These services include case management, job search assistance, and childcare, while helping to identify community resources to meet their individual needs. Results in Arizona, as well as nationally, have demonstrated that housing is the foundational intervention that promotes an individual or family to transition from homelessness to self-sufficiency. Without housing, all other intervention programs are significantly less effective.

“Best Practices” within the state and throughout the nation have shown that permanent housing supports the most rapid return to self-sufficiency and independence at the most affordable cost to the community.

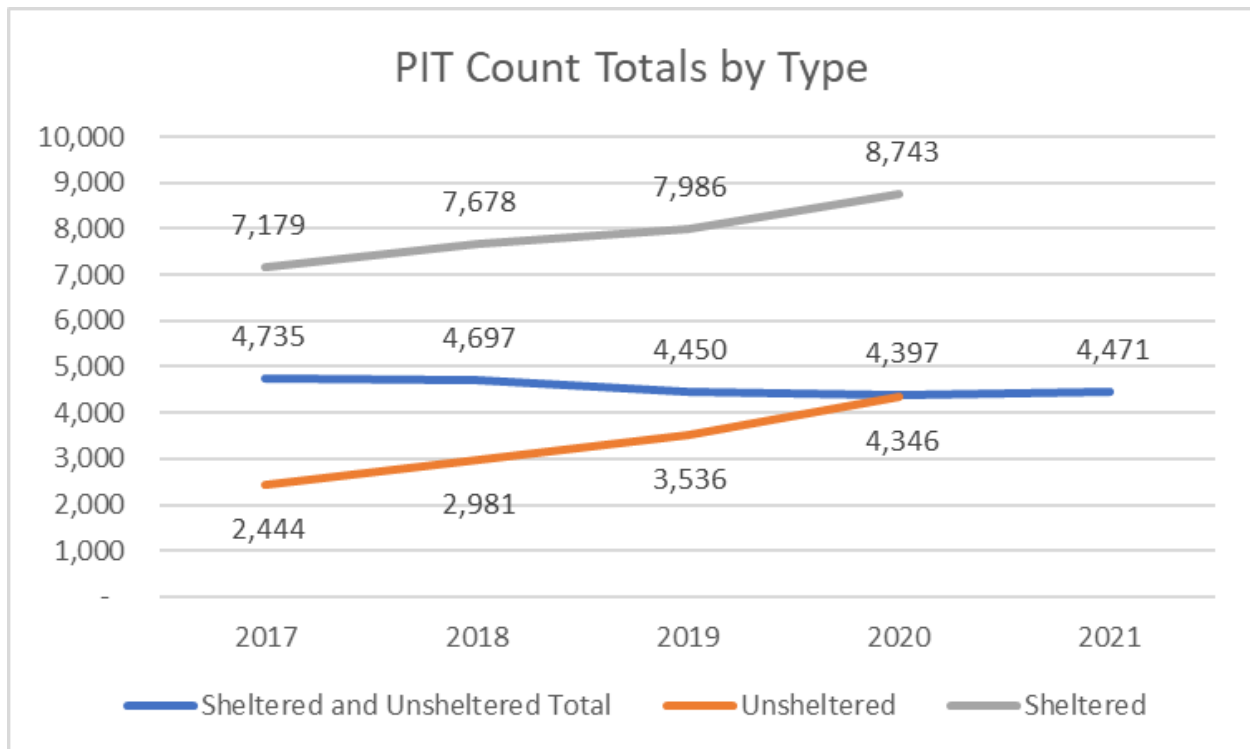
Emergency Shelters (ES) also play a vital role for those experiencing homelessness by

providing immediate, short-term shelter to persons who are without shelter or a permanent residence. ES may be provided for a period of up to 120 days. The basic services for ES include immediate short-term shelter, case planning and supportive interventions. When ES and RRH are combined, they can provide enhanced supportive services that may include shelter, move-in assistance, transportation, childcare, and a seamless transition to permanent housing.

## Conclusion

The SFY 2021 State Lottery funds were allocated based upon Census data and the reported number of persons experiencing homelessness in Maricopa and Pima Counties. They were combined with other state and federal funding received by ADES to help enhance services to those in a homeless situation.

This year’s Homeless Lottery Funds Report focuses on combined Maricopa and Pima Counties’ PIT data. Although PIT data is valuable, it is only one measure of homelessness, and it should be treated as an estimate. Furthermore, the PIT data is not intended to provide an absolute number of individuals experiencing homelessness in the community. However, the PIT count can give communities estimates or indicators regarding the severity of their homeless crisis.



The estimated number of people experiencing homelessness in Maricopa and Pima Counties has steadily increased in the last five years. While sheltered data reflects a slight decrease, unsheltered “street” homelessness appears to be increasing.

The total number of individuals counted in Maricopa and Pima Counties during the SFY 2021 PIT count estimated 4,471 were in shelters while no unsheltered Point-in-Time was conducted due to the COVID-19 Pandemic.

The services of ES, RRH and Homeless Prevention will continue to be critical in serving households whether they be single adults, families and/or other homeless subpopulations in temporary crisis. ADES will continue to address homelessness in our state by working with our partners to exercise best practices, increase affordable housing, continue our collaboration with state, federal, and local partners, and utilize multiple sources of homeless data to make informed decisions to end homelessness for all Arizonans.

Prepared by the State Homeless Coordination Office  
Arizona Department of Economic Security

1789 West Jefferson Street  
P.O. Box 6123, Mail Drop 6271  
Phoenix, Arizona 85007

This report and past reports can be accessed at:

<https://www.azdes.gov/appreports.aspx?category=147&menu=28>

