



DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona

Janice K. Brewer
Governor

Clarence H. Carter
Director

DEC 18 2014

The Honorable Janice K. Brewer
Governor of Arizona
1700 West Washington
Phoenix, Arizona 85007

Dear Governor Brewer:

Pursuant to A.R.S. § 5-572 (E), the Department of Economic Security submits the 2014 Homeless Lottery Funds Report.

The report reflects the distribution of 2012 Homeless Lottery funds expended in state fiscal year 2014. Included is information regarding the allocation methodology, specific allocation amounts, recipient organizations, purposes and results as well as the type of services provided.

If you have any questions, please contact me at (602) 542-5757.

Sincerely,

Clarence H. Carter
Director

Enclosure

cc: Secretary of State Ken Bennett
President Andy Biggs, Arizona State Senate
Speaker Andy Tobin, Arizona State House of Representatives
Joan Clark, Director, Arizona State Library, Archives and Public Records

ARIZONA



DEPARTMENT OF ECONOMIC SECURITY

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2014 Homeless Lottery Funds Report

Governor
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This report has been prepared pursuant to 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.

Background

State resources made available to support the operations of homeless services consist of limited dollars provided to nonprofit organizations through the Homeless Coordination Office within the Arizona Department of Economic Security (DES), Division of Aging and Adult Services.

With these funds, each year thousands of homeless men, women, and children are returned to productive, self-sufficient lives as tax paying citizens. Nonprofit service providers assist by making available safe shelter, meals, drug and alcohol dependency treatment, job training and preparation, temporary and permanent job placement, case management and assistance to return to permanent housing as rapidly as possible.

Because present funding levels are insufficient for meeting the growing demands, A.R.S. § 5-572 (E) appropriates up to \$1,000,000 for homeless services. It is well documented that effective homeless services result in reduced, long term expenditures for emergency health and public safety costs, resulting in safer communities.

Estimates of the number of homeless people in Arizona vary. Based on actual shelter and street counts throughout the state that are conducted in the last week of January each year, the number of unsheltered individuals statewide on that one night has been reduced from 3,131 last year to 2,500 this year, which shows a 20 percent decrease.

- Single adults accounted for 78 percent of the adult homeless population in Arizona during SFY 2014. Single adults who are homeless are much older than homeless adults with families. Fifty-one percent of single adults experiencing homelessness are 45 years old or older and nearly seven percent were over 62 years old. Fifty-six percent of the single adult population is living with a physical or mental disability and often with both. Like the chronically homeless who make up a large portion of their ranks, single adults are frequent users of emergency rooms and hospital services.
- Approximately 4,300 adults and children in families were counted in shelters and on the streets on one night in January 2014 during the Annual Arizona Point in Time count. Twenty-three percent of the adults in families were between the ages of 18 and 24 years old and the mean age range of homeless adults who are heads of households is between 25 and 34. In Maricopa County, 40 percent of homeless children are under the age of five.
- “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. For that reason, this year, Lottery funds supported a significant expansion of the Rapid Re-housing program into the metropolitan areas of Maricopa and Pima Counties. Introduction of the Rapid Re-housing and Homeless Prevention programs that rapidly move individuals experiencing homelessness to permanent housing made the largest impact this year with over 5,000 individuals experiencing homelessness moved from homelessness to permanent housing.

Allocation of Funds

The 2013 Lottery funds were utilized as part of the Coordinated Homeless Program for state fiscal year (SFY) 2014 contracts (July 1, 2013 – June 30, 2014). Appendix A is a detailed spreadsheet of the allocations by contract provider, county, and service.

Allocation of SFY 2014 Lottery funds was made using a combination of Census data and reported number of persons experiencing homelessness to determine allocations for each of the three regions. This methodology was applied to existing contracts and resulted in an allocation of \$716,542.00 to three contractors serving Maricopa County and an allocation of \$283,458.00 to one contractor serving Pima County. Lottery funding supported a significant expansion of the Rapid Re-housing program into the metropolitan areas of Maricopa and Pima Counties.

Purposes and Results

The majority of the funding (82 percent) was dedicated to the introduction of Rapid Re-housing in the metropolitan areas of Maricopa and Pima Counties. The Rapid Re-housing and Homeless Prevention program rapidly moves individuals experiencing homelessness to permanent housing with wrap around services including case management, job search assistance and child care while helping them locate community resources to meet their needs. This program made the most significant impact this year with over 1,592 individuals and family members experiencing homelessness moved to and stabilized in permanent housing. Results in Arizona, as well as nationally have demonstrated that housing is the foundational intervention that moves an individual or family from homelessness to self-sufficiency. Without housing programs, all other intervention programs are less effective.

Additional funding (18 percent) was used to purchase additional bed nights of Emergency Shelter to serve 9,702 individuals and families. Contractors of Homeless Emergency Shelter provide immediate, short-term shelter to persons who are without shelter or a fixed place of residence. Emergency shelter may be provided for a period of up to 120 days. This service is intended to protect the physical, emotional and mental wellbeing of eligible individuals and families. The basic service includes immediate short-term shelter, case planning and supportive intervention and by combining Emergency Shelter with Rapid Re-housing programs, provides enhanced (supportive) services that may include move-in assistance, transportation, childcare, and a seamless transition to permanent housing.

Conclusion

It is estimated that nearly 40 percent of Arizonans currently experiencing homelessness are doing so for the first time. Many families who have been able to maintain self-sufficiency in the past are no longer able to do so. While the economy in Arizona is showing signs of improvement, it is unlikely that homelessness in the state will decrease significantly in the near future. The services of Emergency Shelter and Rapid Transition to Permanent Housing will continue to be critical to individuals and families in temporary crisis.

Prepared by the Homeless Coordination Office
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This report and past reports can be accessed at

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

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**Appendix A
Arizona Department of Economic Security 2014 Homeless Lottery Funds Allocation**

Allocation by Service								
CONTRACTOR	COUNTY	2014	HMIS	Emergency Shelter	Rapid Transition to Housing	Outreach	Total	%
MARICOPA								
CENTRAL AZ SHELTER SVS.	MARICOPA	\$352,757.00		\$88,801.00	\$263,956.00		\$352,757.00	35.28%
A NEW LEAF	MARICOPA	\$123,508.00		\$43,689.00	\$79,819.00		\$123,508.00	12.35%
UMOM New Day Centers	MARICOPA	\$240,277.00			\$240,277.00		\$240,277.00	24.03%
TOTAL MARICOPA COUNTY				\$132,490.00	\$584,052.00	\$0.00	\$716,542.00	71.65%
PIMA								
PRIMAVERA FOUNDATION, INC.	PIMA	\$283,458.00		\$50,000.00	\$233,458.00		\$283,458.00	28.35%
TOTAL PIMA COUNTY				\$50,000.00	\$233,458.00	\$0.00	\$283,458.00	28.35%
GRAND TOTAL - ALL COUNTIES (a)				\$182,490.00	\$817,510.00	\$0.00	\$1,000,000.00	100.00%
% (rounded)			0%	18%	82%	0%		

(a) Rural Counties were totally funded through unused HUD funding which was rolled over from the Emergency Solutions Grant, TANF and state planned SSBG. This strategy allowed the state to focus Lottery funds on rolling out the new Rapid Re housing and Emergency Solutions program in the Metropolitan Counties of Maricopa and Pima where they were able to make a significant impact.