



DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona

Douglas A. Ducey
Governor

Timothy Jeffries
Director

DEC 15 2015

The Honorable Doug Ducey
Governor of Arizona
1700 West Washington
Phoenix, Arizona 85007

Dear Governor Ducey:

Pursuant to A.R.S. § 5-572 (E), the Department of Economic Security submits the 2015 Homeless Lottery Funds Report.

The report reflects the distribution of Homeless Lottery funds expended in State Fiscal Year 2015. 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 Lynn Larson, DES Assistant Director, Division of Aging and Adult Services, at (602) 542-6461 or me at (602) 542-5757.

Sincerely,

Timothy Jeffries
Director

Enclosure

cc: Secretary of State Michele Reagan
President Andy Biggs, Arizona State Senate
Speaker David M. Gowan Sr., Arizona State House of Representatives
Joan Clark, Director, Arizona State Library, Archives and Public Records

ARIZONA



DEPARTMENT OF ECONOMIC SECURITY

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2015 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.

Current 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 during the last week of January each year. The number of unsheltered individuals Statewide on that one night increased by 18 percent from 2,500 counted in 2014 to 2,957 counted in 2015.

- Approximately 3,348 adults and children living in families were counted in homeless shelters and on the streets during the 2015 Annual Arizona Point In Time (PIT) Count. Families account for approximately 34 percent of the total homeless population.
- Single adults accounted for 65 percent of the adult homeless population in Arizona during 2015 PIT survey. The single homeless population consists of 71 percent men and 29 percent women. Like the chronically homeless who make up a large portion of their ranks, single adults are frequent users of emergency rooms and hospital services.
- “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. Lottery Funds supported the Rapid Re-housing Program in the metropolitan areas of Maricopa and Pima Counties. Rapid Re-housing and Homeless Prevention Programs that rapidly move individuals experiencing homelessness to permanent housing impacted 1,811 individuals who moved from homelessness to permanent housing. Homeless Prevention Funding averted homelessness for 93 individuals in the Balance of State.

Allocation of Funds

The 2015 Lottery Funds were utilized as part of the Coordinated Homeless Program for State Fiscal Year (SFY) 2015 contracts (July 1, 2014 – June 30, 2015). Appendix A is a detailed spreadsheet of the allocations by contract provider, county, and service.

Allocation of SFY 2015 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 to three contractors serving Maricopa County and an allocation of \$283,458 to one contractor serving Pima County.

Purposes and Results

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 1,904 individuals and family members experiencing homelessness that were 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.

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

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.

Appendix A

Arizona Department of Economic Security 2015 Homeless Lottery Funds Allocation

| Allocation by service | | | | | | | | |
|-------------------------------------|----------|------------|------|-------------------|-----------------------------|----------|--------------|--------|
| Contractor | County | 2015 | 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 | 123,245.95 | | 43,689.00 | 79,819.00 | | 123,508.00 | 12.35% |
| UMOM New Day Center | Maricopa | 240,277.00 | | | 240,277.00 | | 240,277.00 | 24.03% |
| Total Maricopa County | | | | 132,490.00 | 584,052.00 | 0 | 716,542.00 | 71.65% |
| Pima | | | | | | | | |
| Primavera Foundation | Pima | 283,458.00 | | 50,000.00 | 233,458.00 | 0 | 283,458.00 | 28.35% |
| Total Pima County | | | | 50,000.00 | 233,458.00 | 0 | 283,458.00 | 28.35% |
| Grand Total-All Counties (a) | | | | 182,490.00 | 817,510.00 | 0 | 1,000,000.00 | 100% |
| | | | 0% | 18% | 82% | 0% | | |

Rural Counties were funded through unused HUD Funding that was rolled over from the Emergency Solutions Grant, TANF and State-planned SSBG funding. This strategy allowed the State to focus Lottery funding in Maricopa and Pima Counties that have the highest rates of homelessness.

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>

State Homeless Coordination Office
(602) 542-9949



DEPARTMENT OF ECONOMIC SECURITY

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