



## POLICY MEMO

DATE: March 17, 2026

TO: CCSD Employees, Contractors

FROM: CCSD Policy Unit

SUBJECT: Use of 2025-2026 General Appropriations Act, Coordinated Homeless Services line item funding

NOTE: Supercedes guidance dated 11/19/2025

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The 2025-2026 General Appropriations Act, Senate Bill 1735, allocated \$19,022,600 for coordinated homeless services (SB1735, page 38, line 43). Per the Act, "Of the amount appropriated ... the department of economic security shall allocate ... 1. At least \$4,000,000 for eviction prevention services and assistance to provide a portion of monthly housing and utility expenses or legal aid and resources for Arizonans facing eviction. 2. At least \$4,000,000 for homeless response and operations to rehouse homeless youth and families" (SB1735, page 40, line 41). These funds are referred to throughout this memorandum as the following:

Funds under allocation (1), "...for eviction prevention services and assistance ... for Arizonans facing eviction":

- "State eviction prevention funding" (SEPF)
- "Housing Support Services - Eviction Prevention" (HSS) funding

Funds under allocation (2), "...for homeless response and operations to rehouse homeless youth and families":

- "State homeless response and operations" (SHRO) funding

These funds are separated into the above categories to meet the needs of Arizonans facing these housing stability crises, in accordance with the Act, and provide services to different populations served by a variety of CCSD community partners. This Policy Memorandum provides direction to CCSD employees and contractors regarding the use of these funds based upon the category of funds provided, to ensure compliance and effective use in accordance with the Act. Questions regarding this guidance shall be directed to your DES Program Representative.

### **State Eviction Prevention Funding (SEPF)**

CCSD contractors allocated SEPF shall utilize these funds in accordance with the Act, applicable contract(s), this guidance, the DES Short-Term Crisis Services (STCS) Policy, and any other applicable law. The STCS Policy applies to SEPF funds only when guidance is not addressed in this memorandum; this memorandum provides controlling guidance in any covered areas (e.g., on eligibility criteria).

Clients are eligible to receive SEPF when they meet the following eligibility criteria:

- The household is experiencing an immediate housing crisis. An “immediate housing crisis” is defined as current or expected eviction, current or expected homelessness, or an interruption of heating or cooling within 30 days from the application date.
- Gross household income does not exceed:
  - 150% FPL, or
  - 165% FPL if the household includes someone who is 60 years of age or older, or has a disability.

NOTE: STCS-specific eligibility criteria beyond the above (such as requiring a child be in the household) **do not** apply.

Allowable documentation to verify an immediate housing crisis is not limited to the requirements in STCS Policy. Contractors shall exercise discretion to accept any combination of documentation that, when viewed together, evidence an immediate housing crisis, except that self-attestations shall not be accepted. Accepted documentation shall be kept in the client’s case file to substantiate eligibility determinations. Examples of allowable documentation (or combinations thereof) include, but are not limited to:

- Utility shutoff notice
- Eviction or foreclosure notice
- Unexpected medical bill
- Employment termination letter
- Unemployment Insurance verification letter
- Bank statement showing insufficient funds to meet housing or utility obligations
- Mortgage default notice
- Utility delinquency notice
- Written communication from a landlord indicating imminent or active eviction proceedings when a 5-day notice or eviction notice was not otherwise provided

Adult Protective Services (APS) and Department of Child Safety (DCS) referrals shall be prioritized for SEPF services to meet the unique and urgent needs of these populations. These individuals are also considered categorically eligible for certain eligibility criteria:

- APS and DCS referrals will be found to categorically meet immediate housing crisis criteria. Documentation verifying an immediate housing crisis is not required in these cases.
- APS referrals will be found to categorically meet gross household income requirements. Documentation verifying income is not required in these cases.

APS and DCS referrals shall be documented in the client’s case file, with substantiating documentation to verify the referral. Telephonic validation with an APS or DCS caseworker, documented in the case file, meets this requirement.

SEPF benefits are a one-time benefit, not to exceed \$5,200. Benefits provided to any household shall not exceed the following specified limits:

- Utility assistance ..... \$1,500
- Emergency/temporary shelter..... 21 days or \$2,100
- Eviction and foreclosure prevention..... \$5,200
- Move-in assistance..... \$5,200
- Work related assistance..... \$500
- **Maximum household benefit**..... \$5,200

NOTE: STCS-specific benefits limits **do not** apply, and any STCS benefits received **do not** count towards the above SEPF benefits/limits (i.e., a client may qualify for both the maximum STCS and SEPF benefit).

Clients may not receive SEPF benefits for any expense already paid by another assistance program, including STCS. However, contractors may braid funding from different sources to cover unmet client needs.

Contractors shall report the following SEPF data to DES on a monthly basis:

- Applications received
- Unduplicated households served
- Average benefit amount
- Financial billing information for all expenditures

Administrative and service delivery funding is capped at 10%.

### **Housing Support Services - Eviction Prevention (HSS) Funding**

CCSD contractors allocated HSS funding shall utilize these funds in accordance with the Act, applicable contract(s), this guidance, and any other applicable law.

Clients are eligible to receive HSS funds when they meet the following eligibility criteria:

- The household is experiencing a temporary, unforeseen emergency crisis that puts them at risk of eviction or homelessness that they are unable to overcome with their own income or resources;
- Other financial assistance is not available to cover qualifying expenses;
- It is expected that the household can maintain housing after assistance; and
- Gross household income does not exceed 80% (eighty percent) of Area Median Income (AMI).

Qualifying expenses for HSS benefits include:

- Rent, mortgage, and/or utility arrears
- Future rent, mortgage, and/or utility expenses
- Utility deposits
- Move-in assistance, including fees, deposits, and storage costs;
- Legal fees/expenses;
- Personal vehicle repairs and costs, including insurance;
- ID costs/expenses;
- Relocation expenses;
- Clothing;
- Employment-related expenses, including starting job costs, uniforms, and supplies;
- Air conditioning replacement/repair costs;
- Legal assistance;
- Landlord engagement/mediation.

Documentation verifying eligibility for services shall be kept in the client's case file to substantiate eligibility for services.

HSS benefits are a one-time benefit, not to exceed \$3,000 per household. Payments shall be made directly to the landlord, utility company, or other billing agency on behalf of the client.

Contractors shall report the following HSS data to DES on a monthly basis:

- Applications received
- Unduplicated households served
- Average benefit amount
- Financial billing information for all expenditures

Administrative and service delivery funding is capped at 10%.

### **State Homeless Response and Operations (SHRO) Funding**

CCSD contractors allocated SHRO funding shall utilize these funds in accordance with the Act, applicable contract(s), the DES Statewide Homeless Coordination Office ESG Procedure Manual, contract, and any other applicable law.

### **References**

[2025-2026 General appropriations act, SB1735](#)

[2025 Federal Poverty Guidelines](#)

[2025 Area Median Income Guidelines](#)

[DES Short Term Crisis Services Policy](#)

[DES Statewide Homeless Coordination Office ESG Procedure Manual](#)