

THE HOMELESS PREVENTION ACTIVITIES PROGRAM



A REPORT TO THE COLORADO STATE LEGISLATURE

Prepared by:

THE COLORADO TRUST

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INTRODUCTION

The Homeless Prevention Activities Program (HPAP) was enacted during the 1989 session of the Colorado General Assembly in response to the growing number of households that lacked the resources necessary to provide for their own adequate shelter. The purpose of this legislation was to provide financial assistance and other services to families and individuals that were at risk of losing their homes if some sort of assistance was not available to them. Funding for the program is made available through a State Income Tax Check-Off which allows Colorado taxpayers to make a voluntary contribution on their state tax return.

This report provides a comprehensive overview of the HPAP including program history and background, a detailed summary of the services provided from October 1, 2005 to September 30, 2006 and a financial review. The Homeless Prevention Activities Program operates under legislation outlined in CRS § 26-7.8-101 - 106. For more information about the HPAP, refer to <http://www.cdhs.state.co.us/hpap/>.

BACKGROUND

Legislation for the Homeless Prevention Activities Program was created in response to the growing number of people in Colorado who lacked the resources and community ties necessary to provide for their own stable housing and were likely to become homeless without community assistance. The purpose of this legislation is to provide short-term aid to those households who are **at risk** of losing their homes while providing case management services that address the barriers the household faces in retaining housing. Under the legislation, the program's administering agency awards funds through a competitive process to private non-profit or local governments throughout the state to provide services to eligible clients.

The Colorado Department of Social Services was identified as the administering agency in the original legislation and administered the program during its first two years of operation. The key elements of program design and implementation that still govern the program today were developed during this initial period and include the following:

- The program is to target families and individuals who were at risk of becoming homeless due to circumstances beyond their control and who were unable to remain in their own homes without some level of temporary assistance.
- At least 75% of the funds available were to be used for vendor payments on behalf of clients for rent, mortgage or utility payments.
- The funds collected through the Tax Check-off program were distributed on a statewide basis through the use of an allocation formula based on the number of individuals receiving Food Stamps within a county and the number of unemployed persons within a county.
- Local agencies were selected to provide services through a competitive process based on the recommendations of an independent selection committee.

Since the original legislation was passed in 1989, it has been amended twice; first in 1991 and again in 1992. These amendments dealt with the transfer of the program administration from the Colorado Department of Social Services to the Colorado Trust. After the first year of program operation, many of the legislation's original backers believed the state system from program delivery was too time consuming and cumbersome for a program of this nature. In response to requests to streamline the administrative procedures for the HPAP, the Colorado General Assembly revised the legislation and transferred the program administration to the Colorado Trust in the 1991 session.

During the 1994 session of the Colorado General Assembly, the legislation approving the HPAP Tax Check-off was reviewed and reauthorized. In addition, on July 13, 1994 the Joint Legislative Sunrise and Sunset Review Committee approved the continuation of the Homeless Prevention Activities Program Advisory Committee, the body responsible for decision making for the program.

The Colorado Trust has been the fiscal agent for the HPAP under the direction of the Advisory Committee, which is appointed by the Colorado Department of Human Services, since July 1, 1991. A list of the Advisory Committee can be found in Appendix A. The Colorado trust has been able to streamline the administrative procedures of the HPAP while maintaining accountability at all program levels.

SERVICE PROVISION

Request for Proposal Process

The legislation requires that a competitive process be used for the distribution of HPAP funds. A request for proposal process was developed and the RFP is made available to any non-profit agency or local government in Colorado. Organizations are notified via facsimile and email about the RFP and its requirements for submission. The RFP is also posted on the website of the Colorado Department of Human Services Supportive Housing and Homeless Programs. It is available in mid June and usually due in late July.

In order to assure the equitable distribution of funds across the state, the Advisory Committee developed an allocation formula that divided the state into five regions. Each of the five regions is allocated a percentage of the funds available based upon the predetermined allocation formula referred to in the previous section. Applications within each region compete for funds only with others in that same region.

In the 2005-2006 program year applications were received from twenty-five different organizations and under the direction of the Advisory Committee, twenty-three agencies were awarded contracts. However, one organization did not return their contract; therefore, the \$3,964 that was awarded to them will be wrapped into the funding allocation for the 2006-2007 program year. A list of the funded agencies for the program year October 1, 2005 through September 30, 2006 can be found in Appendix B.

The services provided by the funded organizations included:

- The provision of immediate financial assistance, in the form of vendor payments to landlords, mortgage companies and utility companies, on behalf of families and individuals at risk of becoming homeless.
- The provision of case management services through the development and implementation of a stabilization plan designed to address the barriers the household faced in retaining housing.
- The provision of support services aimed at stabilizing families and individuals to avoid future incidences of homelessness, such as employment and budget counseling, landlord and utility company mediation and referrals to various other services as appropriate.

Service Summary

The agencies providing services under the Homeless Prevention Activities Program were required to complete program performance reports at six months and at the end of the program year. These reports identified the number of households served by each organization as well as the demographic characteristics of those households. The reports were compiled on a statewide basis in order to provide a profile of the households served by the HPAP. The following information describes the households served and also the types of services and assistance provided.

A total of **573** households received financial assistance through the Homeless Prevention Activities Program between October 1, 2005 and September 30, 2006.

Of those households:

- **61%** were families with children
- **65%** had annual incomes of less than \$12,000
- **50%** were ethnic minorities
- **51%** heads of households were employed (either full or part-time)
- **92%** rented their homes

Of the households served, **all** were recipients of some form of intensive case management services. As a result of the case management services 36 households were placed in new living situations and 28 heads of households were placed in new employment situations. However, only about 60% of agencies collected data regarding new housing and employment.

In addition, the financial assistance a household received averaged \$289 over a 1.1 month period. Most households continued to receive case management services for up to six months. Payments made on behalf of clients ranged from \$102 to \$753 while the number of months a household received financial assistance ranged between one and two months.

While at least 75% of the funds available are required to be used for vendor payments on behalf of clients for rent, mortgage or utility payments, 91% was actually used for these purposes. Therefore, only 9% of the Check-off funds allocated to statewide agencies were used to cover administration costs.

Regional Information

The following table illustrates the percentage of funds allocated to each geographical region and the number of households served in each region. Please refer to the map in appendix C for a specific identification of the counties in each region.

REGION	FUNDS ALLOCATED	HOUSEHOLDS SERVED	AVERAGE FUNDS PER HOUSEHOLD
A The Northeastern portion of the state	\$14,600	49	\$246
B Denver Metro Area	\$99,228	253	\$305
C Colorado Springs and surrounding counties	\$28,830	137	\$211
D Southeastern and South central Colorado	\$22,968	73	\$306
E The Western Slope	\$17,861	61	\$244
TOTAL	\$183,487*	573	\$289

*This amount reflects a \$3,964 reduction from Region A to account for the agency that did not return their contract or receive funding.

FINANCIAL SUMMARY

The funds available for distribution during the 2005 - 2006 program year totaled \$187,451. Although the actual contributions received as of August 1, 2005 from the 2004 tax returns were \$190,130, carry over funds from the previous year along with interest earned increased the amount available for distribution by \$1,321. The following chart illustrates the fiscal activity of the HPAP during the program year. In addition to the direct service grants awarded, the Advisory Committee allotted \$4,000 to conduct a marketing campaign aimed at increasing the level of contributions to the Homeless Prevention Activities Program Tax Check-off fund.

Carry-over from the previous program year (including interest income)	\$1,321
2004 State Income Tax Return Contributions as of August 1, 2005	\$190,130
Total Available for Distribution	\$191,451
Amount withheld for Marketing Activities	\$4,000
Funds awarded to agencies for 2005 - 2006 program year	\$187,451

As the fiscal agent for the Homeless Prevention Activities Program, The Colorado Trust **has not** requested reimbursement for any expenses incurred for program administration to date. According to the legislation the Colorado Trust is authorized to spend up to five percent of all voluntary contributions or fifteen thousand dollars, whichever is greater, to administer the HPAP.

During the 2005 - 2006 program year the cost to the Colorado Trust for program administration was \$11,500. The following chart itemizes those expenditures:

BUDGET CATEGORY	ADMINISTRATION COST DONATED BY THE COLORADO TRUST
Personnel: Project Coordinator	\$7,000
Travel	\$500
Operating expenses: Office supplies, phone, computer, postage, supervision, copying	\$4,000
TOTAL	\$11,500

SUMMARY

The Homeless Prevention Activities Program was developed in response to the growing number of families and individuals who were at risk of losing their homes because they were unable to pay their rent, mortgage or utilities.

From October 1, 2005 through September 30, 2006 573 households from across the state of Colorado received direct financial assistance from the HPAP. These households were primarily families or single parents with children with annual incomes less than \$19,200.

During the 1994 session of the Colorado General Assembly, the legislature continued to support the Homeless Prevention Activities Program by reviewing and reauthorizing the legislation governing the program. Additionally, the Joint Legislative Sunrise and Sunset Committee approved the continuation of the Homeless Prevention Activities Program Advisory Committee.

Without the HPAP, the over 11,850 families and individuals who have received assistance since the program's inception would not have received the hope and assistance they needed to move forward with their lives. Through voluntary contributions on the Colorado State Income State Tax Returns, these households were able to maintain their housing situations and stabilize their lives. If these funds and the intensive case management services were not available to these program recipients, they could have easily become homeless.



APPENDIX A

HOMELESS PREVENTION ACTIVITIES PROGRAM
ADVISORY COMMITTEE 2005 -2006

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APPENDIX B

2005 – 2006 FUNDED AGENCIES

REGION	AGENCY	AWARD AMOUNT
A	Neighbor to Neighbor	\$10,200
A	Caring Ministries of Ft. Morgan	\$4,400
B	Catholic Charities	\$40,000
B	Senior Support Services	\$10,200
B	Emergency Family Assistance Association	\$8,400
B	Arapahoe House	\$4,000
B	Jeffco Action Center	\$5,500
B	Jefferson Center for Mental Health	\$5,000
B	Adams County Housing Authority	\$10,000
B	The City & County of Broomfield	\$4,581
B	Interfaith Community Services	\$5,000
B	OUR Center	\$6,547
C	Ecumenical Social Ministries	\$13,000
C	Pikes Peak Community Action Agency	\$13,000
C	Loaves & Fishes Ministries of Fremont County	\$2,830
D	Catholic Charities of the Diocese Of Pueblo	\$10,000
D	La Puente Home	\$10,000
D	Housing Authority of the City of Lamar	\$2,968
E	Grand Valley Catholic Outreach	\$8,000
E	Mountain Family Center	\$2,461
E	Catholic Charities – Glenwood Springs	\$1,400
E	Housing Solutions for the Southwest	\$6,000