

FY2025 Continuum of Care Notice of Funding Opportunity (NOFO) Summary

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Background

The U.S. Department of Housing and Urban Development (HUD) has released a Notice of Funding Opportunity (NOFO), signifying the beginning of a funding competition among approximately 450 Continuums of Care (CoCs), the community stakeholder groups that guide local responses to homelessness. The 2025 CoC NOFO was released on November 13, 2025, opening the competition making available **approximately \$3.9 billion nationally** to serve people experiencing homelessness. The information in the NOFO sets forth the competition rules and processes for 2025. HUD expects to make approximately 7,000 awards under this NOFO.

This summary includes the highlights of the FY 2025 CoC NOFO. New or revised policies relating to the FY 2025 CoC Program Competition are indicated as *NEW* and *REVISED*, respectively. Additional information about project application requirements and standards will be available locally.

Details about anything in this summary can be found in the <u>NOFO</u>.

Noteworthy Changes

- Tier 1 is smaller this year, equal to 30% of the CoC's Annual Renewal Demand (ARD). Tier 1 was 90% in 2024 and 93% of ARD in 2023.
- No more than 30 percent (30%) of a CoC's ARD will fund Permanent Housing projects, including Permanent Supportive Housing, Rapid Rehousing, and Joint Transitional Housing-Rapid Rehousing (TH-RRH) projects.
- New project applications for transitional housing and supportive services only will be allowed. New Joint TH-RRH project applications will not be allowed.
- Threshold factors for new and renewal projects have been revised.
- The CoC application scoring criteria are out of a maximum of 130 points (down from 200 points in prior years), shifting the weighting of rating factors.
- Tier 2 project scoring replaces the 10 points previously scored for Housing First to instead award points for supportive service participation requirements.
- HUD policy priorities have been updated, with a focus on treatment, mandatory services, and public safety.
- Expiring Special NOFO (Unsheltered and Rural Homelessness Supplemental NOFO) projects will be ranked in the CoC Renewal Projects Priority Listing.
- Projects originally awarded under the Rural Set Aside through the Special NOFO may submit applications that include costs otherwise ineligible.



- YHDP projects will be competitively renewed or replaced. YHDP projects may be reallocated by CoCs to create new YHDP grants.
- CoC Bonus amounts are higher, equal to 20% of the Final Pro Rata Need (FPRN), up from 12% in 2024 and 7% in 2023.
- DV Bonus amounts are lower, equal to 10% of the Preliminary Pro Rata Need (PPRN) (down from 15% in 2024), or \$50,000, whichever is greater.
- In the case that funding remains available after HUD follows the selection and appeals processes, HUD reserves the right to issue a supplemental NOFO.

Important HUD-Required Dates

Nov. 13, 2025	FY 2025 CoC Program NOFO is released.
On or before Dec. 15, 2025 (30 days prior to submission deadline)	All project applications must be submitted to the CoC.
On or before Dec. 30, 2025 (15 days prior to submission deadline)	The CoC must notify , in writing outside of <i>e-snaps</i> , all project applicants who submitted their project applications to the CoC by the CoC-established deadline whether their project application(s) will be accepted and ranked on the CoC Priority Listing, rejected , or reduced by the CoC.
Prior to the application deadline	CoC must post on their website (or a partner's website) all parts of the CoC Consolidated Application , including the CoC Application attachments and the Priority Listing, and notify community members and key stakeholders that the CoC Consolidated Application is available.
Jan. 14, 2026 8:00 PM EDT 5:00 PM PDT	Submission Deadline for 2025 Consolidated Application. HUD strongly suggests that Collaborative Applicants print a copy of the Submission Summary form from the CoC Application and the FY 2025 CoC Priority Listing before closing their internet browser after the CoC Consolidated Application has been submitted by HUD. This is the Collaborative Applicant's receipt of submission and proof of compliance with the application deadline.



May 1, 2026	Anticipated award date and estimated performance period start date.
Dec. 31, 2027	Estimated performance period end date.

2025 HUD CoC NOFO Goals & Objectives

REVISED This year HUD has set the following goals and objectives to provide context for applicants to understand the merit criteria outlines in Section V.B on the NOFO, which supports HUD's goals of ending homelessness. HUD states these goals are consistent with national policy objectives. CoCs will be evaluated based on the extent to which they further HUD's policy priorities. The policy priorities listed this year differ significantly from previous NOFOs.

1. Ending the Crisis of Homelessness on Our Streets

HUD encourages CoCs to direct resources towards outreach, intervention, and assistance that helps people "regain self-sufficiency" and address unsheltered homelessness. Consistent with Executive Order 14321 "Ending Crime and Disorder on America's Streets," HUD directs CoCs to work with law enforcement, first responders, and their state and local governments to reduce encampments, public camping, and public drug use to "address barriers to maintaining housing and increasing self-sufficiency."

2. Prioritize Treatment and Recovery

HUD encourages CoCs to prioritize projects that provide the treatment and services people need to "recover and regain self-sufficiency," including on-site behavioral health treatment, robust wraparound supportive services, and participation requirements. The NOFO provides funding for Transitional Housing and Supportive Services Only projects with the goal of "improving health and long-term economic independence." HUD encourages CoCs to utilize the full array of mainstream programs and local and private resources to provide housing and healthcare needed to maintain safe and stable housing.

3. Advance Public Safety

HUD encourages CoCs to "cooperate with law enforcement to advance public safety" for communities impacted by homelessness. The NOFO states that "no one should sleep outside" and encourages CoCs to minimize the associated trauma "especially for women and youth that are the victims of sexual assault and trafficking." HUD states



that first responders are critical to engage people in treatment and services. The NOFO cites that in *Grants Pass v. Johnson,* "the Supreme Court of the United States upheld the authority of local governments to prohibit public camping."

4. Promote Self-Sufficiency

The NOFO states that "self-sufficiency" is one of the primary purposes of the CoC Program. HUD directs CoCs to prioritize projects that help lead to "long-term economic independence for individuals and families to exit homelessness and prevent future returns to homelessness" through partnerships with workforce development centers, employers, childcare, and other service providers to increase employment income.

5. Improving Outcomes

HUD directs CoCs to prioritize projects that "promote self-sufficiency, increase employment income over government assistance, and promote treatment and recovery."

6. Minimizing Trauma

The NOFO states that one of the purposes of the CoC program is to "minimize the trauma associated with homelessness." HUD directs CoCs to encourage providers to provide trauma informed care and ensure participant safety in programs, especially for youth and survivors of domestic violence, dating violence, sexual assault, and stalking. The NOFO notes that "women experiencing homelessness or domestic violence should have access to safe, single-sex spaces and other considerations of personal privacy (24 CFR 578.93(b)."

Application Structure

The CoC Consolidated Application is made up of three parts:

- 1. The **CoC Application** provides information about the CoC planning body, governance structure, overall performance, and the strategic planning process. This part of the application is scored and will determine the order in which CoCs are funded.
- 2. **Project Applications** are completed in e-snaps by agencies applying for projects.
- 3. The **CoC Priority Listing** ranks all project applications in order of priority.



Review and Rank Changes and Reminders

- *NEW* No more than 30 percent (30%) of a CoC's Annual Renewal Demand will fund Permanent Housing projects, including Permanent Supportive Housing (PSH), Rapid Rehousing (RRH), and Joint Transitional Housing-Rapid Rehousing (Joint TH-RRH) projects.
- *REVISED* Tier 1 is smaller this year, equal to 30% of the CoC's Annual Renewal Demand (ARD). Tier 1 was 90% in 2024 and 93% of ARD in 2023.
- *REVISED* CoC Bonus amounts for new projects are higher, equal to 20% of the Final Pro Rata Need (FPRN), up from 12% in 2024 and 7% in 2023.
- *REVISED* DV Bonus amount for new projects is lower, equal to 10% of the Preliminary Pro Rata Need (PPRN) (down from 15% in 2024) or \$50,000, whichever is greater.
- *NEW* YHDP projects will be competitively renewed or replaced. YHDP projects may be reallocated by CoCs to create new YHDP grants. If significant changes to a renewing YHDP project are needed, the YHDP project may replace its current project with a new YHDP Replacement project, which may wholly or in part include otherwise ineligible activities (see NOFO Sec. IV.D.1.h).
- CoCs should consider the policy priorities established in this NOFO in conjunction with local priorities to determine the ranking of new and renewal project application requests.
- **Performance-Based Decisions:** Requests for new CoC project applications, except for new projects created through reallocation, are not allowed unless the CoC evaluates and competitively ranks projects based on how they improve the CoC's system performance as outlined in section V.B.1.a(1) of the NOFO. HUD will prioritize funding for CoCs that have demonstrated the capacity to reallocate funding from lower to higher-performing projects.
- **Scoring and Project Selection:** CoCs will earn points in the CoC application for including the following projects on their Priority Listing:
 - *NEW* Projects with substance use treatment on-site: substance use treatment available on-site for at least 30% of projects submitted on the Priority Listing (agreements/Letters of Commitment required);
 - *NEW* Projects investing adequately in supportive services by showing either:
 - Proposed CoC funding, leveraging, match, and other formal partnerships, the CoC is providing supportive services with a value of 50% of the CoC's Annual Renewal Demand; or



- 30% of proposed CoC funding on the Priority Listing is used for supportive services relative to their Annual Renewal Demand.
- *NEW* Projects that require program participants to take part in supportive services (e.g., case management, employment training, substance use disorder treatment) in line with 24 CFR 578.75(h) (agreements required to be attached): for 10 of 10 points, include 100% of projects on the Priority Listing with participation requirements; for 5 of 10 points, include 50% of projects with participation requirements.
- *NEW* Projects in Opportunity Zones: projects that include at least 50% of their activities in an Opportunity Zone.
- *NEW* Projects that Verify Immigration Status: The NOFO offers points if applicants on the Priority listing demonstrate that "all CoC projects that are non-profit charitable organizations voluntarily, thoroughly, and demonstrably facilitate immigration status verification before distribution of benefits to all recipients using SAVE directly or in coordination with a governmental entity."
- New TH, RRH, or PSH projects that leverage healthcare and housing resources: similar to prior NOFOs, requires letter of commitment.
- **YHDP and DV Reallocations:** Project funds previously designated for DV or YHDP programs can only be reallocated to serve the same population.
- DV Renewal projects that have an SSO-CE component cannot be reallocated. Reallocated DV Renewal funding cannot be used to expand a CoC Renewal grant.
- Applications for CoC Planning, and if applicable, UFA Costs projects are not competitively ranked and therefore must be excluded from CoC ranking. These non-competitive applications are also excluded from the Tier 1 and Tier 2 selection process and are not part of ARD.
- *NEW* DV Bonus and YHDP projects will be selected using the Tier 1 and Tier 2 selection process.
- *REVISED* DV Projects ranking: HUD will make Tier 1 and Tier 2 project selections. It will then review DV Bonus projects already selected for funding through the Tier 1 and Tier 2 process and determine whether \$52,000,000 has already been awarded to DV Bonus projects. If at least \$52,000,000 has already been selected for conditional award, no further action is needed. If \$52,000,000 has not been selected for conditional award, HUD will continue down the list and fund additional DV Bonus projects by project-level score until at least \$52,000,000 has been selected.
- Maximum Application Amount: the maximum amount a CoC may apply for is the sum of the CoC's ARD, eligible CoC Bonus amounts, eligible DV Bonus



amounts, eligible CoC planning amounts, and if applicable, eligible UFA costs amounts.

Tier 1

- *REVISED* Tier 1 is equal to 30% of the CoC's Annual Renewal Demand
- Any competitively ranked project may be placed in Tier 1 according to the CoC's local rating and ranking process and based on local needs and priorities.
- Tier 1 projects will be conditionally selected for funding provided the project applications pass both eligibility and threshold review, and if applicable, project renewal threshold.

Tier 2

- Tier 2 is the difference between Tier 1 and the sum of each CoC's ARD, CoC Bonus, and DV Bonus.
- Project applications placed in Tier 2 will be assessed for project eligibility and project quality threshold requirements, and if applicable, project renewal threshold requirements. HUD will determine funding using the CoC Application score as well as the CoC project ranking.
- Projects in Tier 2 are less likely to be funded, and every Tier 2 project will be scored using a 100-point scale based on three factors:
 - CoC Score. Up to 50 points will be awarded in direct proportion to the score received on the CoC Application.
 - o **CoC Project Ranking.** Up to 40 points will be assigned directly related to the CoC's ranking of the project application(s).
 - *NEW* Service Participation. Up to 10 points for projects that have or will incorporate supportive service participation requirements in their program design, based on individual need and evidenced in an occupancy agreement or equivalent document.

Important CoC Strategy Reminders

 HUD will not award funds to a new project unless the project was created through reallocation or bonus funds and the CoC has demonstrated to HUD's satisfaction that projects are evaluated and ranked based on the degree to which they improve the CoC's system performance as outlined in sections III.B.6 and V.B.1.a.(1) of the NOFO.



- HUD will prioritize funding for CoCs that have demonstrated the capacity to reallocate funding from lower to higher-performing projects.
- *REVISED* CoCs may reallocate funding from any eligible renewal grant, including grants that have not previously renewed under the CoC Program, so long as the project has an executed grant agreement with an expiration date in Calendar Year 2026.

New Projects

- CoCs may apply for new projects created through DV Bonus, CoC Bonus, CoC Reallocation, DV Reallocation, YHDP Replacement including YHDP Reallocation, or a combination of reallocation and CoC Bonus.
- To receive funding for a new CoC project, except those created through reallocation, HUD must determine the CoC has demonstrated that projects are evaluated and ranked based on the degree to which they improve the CoC's system performance [See more information on System Performance in section I.B.1.a.(1) of the NOFO].
 - o Because new project applications may be created through the reallocation or CoC Bonus processes, if HUD determines that a project applicant or a CoC incorrectly classified one or more new projects as reallocation or CoC Bonus, HUD may reclassify the project(s) as either reallocation or CoC Bonus if the CoC exceeded either its reallocation or CoC Bonus amount.
 - If a project applicant uses both reallocation and CoC Bonus amounts to create a single new project but did not have enough available from either source, HUD will reduce the project to the amount available, if any.
- HUD will review all new project applications to determine if they meet project eligibility and quality threshold requirements. See pp. 51-65 of the NOFO for details, including threshold rating factors by project type.
 - *NEW* To meet project eligibility thresholds, applicants must certify affirmatively to the following:
 - (1) "the project applicant will not engage in racial preferences or other forms of illegal discrimination," and
 - (2) "the project applicant will not operate drug injection sites or 'safe consumption sites,' knowingly distribute drug paraphernalia on or off of property under their control, permit the use or distribution of illicit drugs on property under their control, or



conduct any of these activities under the pretext of 'harm reduction.'"

Allowable Grant Terms

- The initial grant term for new project applications may be one year, two years, three years, four years, five years, or 15 years, but there are limitations depending on the grant type. Please see pp. 48-49 of the NOFO for details.
- HUD will allow new projects to request one year of funding with a longer initial
 grant term not to exceed 18 months. HUD has determined that most new
 projects requesting one year of funding normally take approximately three to
 six months to begin fully operating the new project (e.g., hiring staff,
 developing partnerships with landowners if leasing or renting). Therefore, a
 new project requesting one year of funding may request a grant term of 12-18
 months that will allow for the additional start-up process.
- The first year of funding for YHDP Replacement projects will be based on the 1-year renewal amount of the current YHDP project being replaced. The YHDP Replacement project's operating start date will be the day after the end of the previous grant term for the project being replaced.

Eligible Types of New Projects Created Through CoC Bonus or Reallocation

- CoCs may apply for the following types of new CoC projects through reallocation or the CoC Bonus process:
 - o PH-PSH projects
 - o PH-RRH projects
 - *NEW* Transitional Housing (TH) projects
 - Dedicated HMIS projects
 - *NEW* Supportive Services Only (SSO) projects
 - o SSO-CE projects to develop or operate a Coordinated Entry system
- *REVISED* Joint Transitional Housing and Rapid Rehousing is not an eligible new project type in this year's NOFO.
- **Permanent Supportive Housing** projects for persons experiencing chronic homelessness at the time they initially enroll in the project persons eligible to be served by DedicatedPLUS projects as described on page 19 of the NOFO (in which case all units funded by the project must be used to serve program participants who meet the qualifications for DedicatedPLUS).



- **Rapid Rehousing** projects for people who qualify as homeless under paragraphs (1), (2), or (4) of 24 CFR 578.3 (and paragraph (3) if the CoC is approved to serve this population).
- *NEW* Transitional Housing projects for people who qualify as homeless under paragraphs (1), (2), or (4) of 24 CFR 578.3 (and paragraph (3) if the CoC is approved to serve this population).
- **Dedicated HMIS** projects for the costs at 24 CFR 578.37(a)(4) that can only be carried out by the HMIS Lead, which is the recipient or subrecipient of an HMIS grant and is listed on the HMIS Lead form in the CoC Applicant Profile in esnaps. Additionally, if the CoC has organizations within its geographic area that are victim service providers, the HMIS Lead, or subrecipient, may request HMIS funds for a comparable database. Victim service providers may also request HMIS funds in their project application budgets to enter data into a comparable database.
- *NEW* Supportive Services Only (SSO) projects consistent with 24 CFR 578.37 and 578.53, including projects with the outreach service activity described in 24 CFR 578.53(e)(13) to individuals and families primarily residing in places not meant for human habitation.
- **Supportive Services Only Coordinated Entry (SSO-CE):** to develop or operate a centralized or coordinated assessment system.

Prior to completing a new project application created using CoC Bonus funds or through the reallocation process, project applicants should consult with the CoC to determine which of these options is available to be locally selected as part of the CoC.

Eligible Types of New Projects Created Through Domestic Violence (DV) Bonus

- Through this NOFO, approximately \$52,000,000 is available nationally for DV Bonus projects, which are dedicated to survivors of domestic violence, dating violence, sexual assault, and stalking who qualify under paragraph (4) of the definition of homeless at 24 CFR 578.3 and as described in sections IV.D.1.e and IV.D.1.f of the NOFO.
- In the initial DV Bonus selection process, HUD will select approximately \$52,000,000 in new DV Bonus eligible projects. As HUD selects projects through Tiers 1 and 2, HUD will apply additional DV Bonus funds to selected projects and will continue doing so until the combined amount selected is at least \$52,000,000.



- New Projects Created Through DV Bonus or DV Reallocation processes: A CoC may apply the following types of projects:
 - Rapid Rehousing that includes victim-centered practices and is dedicated to serving survivors of domestic violence, dating violence, sexual assault, or stalking that are defined as homeless (24 CFR 578.3).
 - o **Transitional Housing** that includes victim-centered practices and is dedicated to serving survivors of domestic violence, dating violence, sexual assault, or stalking that are defined as homeless (24 CFR 578.3).
- *REVISED* Joint Transitional Housing and Rapid Rehousing is not an eligible new project type in this year's NOFO.
- Supportive Services Only projects for Coordinated Entry to implement policies, procedures, and practices that equip the CoC's coordinated entry to better meet the needs of people experiencing homelessness who are survivors of domestic violence, dating violence, sexual assault, or stalking (e.g., to implement policies and procedures that are trauma-informed and client-centered or to better coordinate referrals between the CoC's coordinated entry and the victim service providers coordinated entry system where they are different).
- Project Quality Threshold for DV Bonus. To be eligible to receive a new DV Bonus project, a CoC must demonstrate it ranks projects based on how they improve system performance as outlined in Section V.B.1.a.(1) of the NOFO. Additionally, to be eligible to receive a DV Bonus project for the PH-RRH component, all projects funded through the DV Bonus must demonstrate inclusion of victim-centered practices and a plan to include survivors with lived experience. To be eligible for SSO-CE, project applications created with DV Bonus and DV Reallocation funding must also demonstrate its plan to involve survivors with lived experience in policy and program development throughout the project's operation.
- **Number of Applications.** A CoC may apply for any number of PH-RRH and TH projects provided that each application is for at least \$50,000. A CoC can only submit one new project application for an SSO-CE project.
- Expansion Projects. A CoC may apply to expand an existing renewal project, including one that was previously funded with DV Bonus funding. DV Bonus funding may be used to expand an existing renewal project that is not dedicated to serving survivors of domestic violence, dating violence, and/or stalking so long as the DV Bonus funds for expansion are solely for additional units, beds, or services dedicated to persons eligible to be served with DV Bonus funding. HUD will only select a new DV Bonus project that expands an existing renewal project if HUD selects the renewal project in Tier 1 or 2. For



- DV Bonus applications that propose expansion but do not meet requirements for an expansion project or the renewal portion is not selected in Tier 1 or 2, HUD will consider the DV Bonus application as a standalone DV Bonus application and use the DV Bonus selection process outlined in I.B.2.b.(8).
- *REVISED* Ranking. CoCs are required to rank all DV Bonus projects on the New Project Listing of the CoC Priority Listing with a unique rank number and the corresponding renewal project application must be on the Renewal Project Listing with a unique rank number. HUD will make Tier 1 and Tier 2 project selections. It will then review DV Bonus projects already selected for funding through the Tier 1 and Tier 2 process and determine whether \$52,000,000 has already been awarded to DV Bonus projects. If at least \$52,000,000 has already been selected for conditional award, no further action is needed. If \$52,000,000 has not been selected for conditional award, HUD will continue down the list and fund additional DV Bonus projects by project-level score until at least \$52,000,000 has been selected.
- *REVISED* Scoring. There is no separate scoring process or competition for DV Bonus or Reallocation projects.

Renewal Projects

- Renewal projects must meet the minimum project eligibility, capacity, timeliness, and performance standards identified in this NOFO or they will be rejected from consideration for funding. HUD reserves the right to reduce or reject a project application submitted during the CoC Program Competition that does not meet these standards. See details in the NOFO at pp. 64-65.
- *NEW* Although **new** Joint TH-RRH component project applications will not be allowed, HUD will allow **renewal** project applications for Joint TH-RRH component projects.
- *NEW* Grants originally awarded finding under the Special NOFO to Address Unsheltered and Rural Homelessness, that are expiring in Calendar year 2026 are eligible to renew with 2025 program funds.
- **FY 2025 Renewals:** Awards HUD made under the CoC Program (including projects originally funded under the Special NOFO) and YHDP are eligible for renewal with FY 2025 CoC Program funds if they are currently operating and have an expiration date in CY 2026 (the period from January 1, 2026, through December 31, 2026).
- **DV Renewal Projects:** are eligible renewal projects that were previously funded, in whole or in part, with DV Bonus funding or were at some point expanded using DV Bonus funding to continue serving individuals and families



who are fleeing or attempting to flee domestic violence, dating violence, sexual assault, or stalking and who qualify under paragraphs (1) or (4) of the definition of homelessness at 24 CFR 578.3 or section 103(b) of the McKinney-Vento Homeless Assistance Act.

- Cost of living adjustment for conditionally selected grants: HUD is authorized to make reasonable cost of living adjustments to renewal application line items of HMIS and supportive services.
- **Grant Term.** All CoC Program renewal project applications are limited to a one-year grant term and one year of funding. The grant term may be extended consistent with 2 CFR 200.308 and 2 CFR 200.309.
- Project Quality Threshold. HUD will review renewal projects to determine if project applicants and subrecipients meet the project quality threshold requirements detailed on page 65 of the NOFO. If HUD determines these standards are not met, HUD will reject the project application.
 - *NEW* To meet project eligibility thresholds, applicants must certify affirmatively to the following:
 - (1) "the project applicant will not engage in racial preferences or other forms of illegal discrimination," and
 - (2) "the project applicant will not operate drug injection sites or 'safe consumption sites,' knowingly distribute drug paraphernalia on or off of property under their control, permit the use or distribution of illicit drugs on property under their control, or conduct any of these activities under the pretext of 'harm reduction."
 - *NEW* HUD reserves the right to verify past performance and evaluate the eligibility of a project application submitted during the CoC Program Competition for the following reasons:
 - "Evidence that the project has previously or currently conducts activities that subsidize or facilitate racial preferences or other forms of illegal discrimination or conduct activities that rely on or otherwise use a definition of sex other than as binary in humans."
 - "Evidence that the project operates drug injection sites or 'safe consumption sites,' knowingly distributes drug paraphernalia on or off property under their control, permits the use or distribution of illicit drugs on the property under their control, or conducts any of these activities under the pretext of 'harm reduction.'"

• Eligible Program Participants

o PH-PSH projects must serve one of the following:



- Persons eligible to be served by DedicatedPLUS projects as described in Section III.G.9 of the NOFO where all units funded by this project must be used to serve program participants who meet the qualifications for DedicatedPLUS;
- Persons who qualify as homeless under paragraphs (1), (2), or (4) of 24 CFR 578.3 or Section 103(b) of the McKinney Vento Homeless Assistance Act; or
- For renewal projects, the same population of individuals and families indicated in the expiring grant agreement (e.g., PSH projects originally awarded under the Special NOFO Competition projects through the Unsheltered Set Aside must serve individuals and families who qualify under paragraph (1) or (4) of the definition of homeless).
- PH-RRH, Joint TH and PH-RRH component, TH, and SSO projects must serve persons who qualify as homeless under paragraphs (1), (2), or (4) of 24 CFR 578.3 or Section 103(b) of the McKinney Vento Homeless Assistance Act. Additionally, these projects may serve persons who qualify as homeless under paragraph (3) of 24 CFR 578.3 if the CoC is approved to serve persons in paragraph (3).
- o Renewal projects originally awarded under a previous year's **DV Bonus** must continue to serve survivors of domestic violence, dating violence, sexual assault, and stalking who qualify under paragraph (4) of 24 CFR 578.3. Additionally, these projects may serve persons who qualify as homeless under paragraph (3) of 24 CFR 578.3 if the CoC is approved to serve persons in paragraph (3).

Transition Projects

- Applicants may transition their eligible renewal project(s) (including a Special NOFO project or DV Renewal project) from one CoC Program component to another (e.g., Transitional Housing to Rapid Rehousing, Rapid Rehousing to Permanent Supportive Housing) over a one-year grant cycle.
- To create a transition grant, the CoC must wholly eliminate one or more projects and use those funds to create a single, new transition grant.
- The applicant must have the consent of the CoC, as indicated by:
 - The project application identifying the project as a transition project, and
 - The CoC ranking the new transition grant project on the New Project Listing in the FY 2025 CoC Priority Listing.



- Transition grant applications awarded FY 2025 funds must fully transition to the new component by the end of the 1-year grant term and may only apply for renewal in the next CoC Program Competition under the component to which it transitioned.
- YHDP and DV Renewal projects are not eligible to use the transition grant process. YHDP Renewal grants must instead submit a YHDP Replacement project to change component types.
- See pages 44-45 of the NOFO for additional information on transition grants.

Consolidation Projects

- Applicants may consolidate up to 10 eligible renewal projects (including renewing YHDP projects and renewal Special CoC NOFO Competition projects) into one project during the application process.
- This means that a CoC Program recipient does not have to wait for a grant agreement amendment to be executed to consolidate two or more grants before it can apply for a single consolidated project in the CoC Program Competition.
- The projects being combined during a grant consolidation will continue uninterrupted.
- To be eligible for consolidation, projects must have the same recipient and be for the same component. Additionally, YHDP projects cannot consolidate with non-YHDP projects. Transition grants cannot be consolidated with any other project.
- *NEW* Projects originally funded under the Special CoC NOFO through the Rural Set Aside cannot consolidate with any other type of project except another project originally funded through the Rural Set Aside.
- Where two or more eligible projects are being consolidated, the total Annual Renewal Amount (ARA) must be equal to or less than the sum of the original ARA of the renewal projects before consolidation.
- See pages 42-44 of the NOFO for additional information on consolidations.

Expansion Projects

HUD will allow CoC Renewal, DV Renewal, or YHDP Renewal project applicants
to apply for a new expansion project under the DV Bonus, reallocation, and
CoC Bonus processes to expand existing projects by adding units, persons
served, and services provided to existing program participants, or to add
additional activities to HMIS and SSO-CE projects.



- The new expansion project applications must meet the project eligibility and project quality thresholds in sections V.A.4.a and V.A.4.b. of this NOFO and must be for the same component as the project being expanded. Additionally, the renewal project being expanded must have an expiration date in CY 2026.
- To apply for an expansion grant with CoC Bonus, DV Bonus, DV Reallocation, or CoC Reallocation funding, project applicants must submit separate new and renewal project applications and both projects must be ranked by the CoC with unique rank numbers.
- For the new expansion project to be selected for a conditional award the renewal project application must also be selected for a conditional award.
- In the case of YHDP Replacement applications to expand existing YHDP Renewal projects, applicants must submit a YHDP Replacement and a YHDP Reallocation application separately and each project must be included in the CoC's Priority Listing.
- For more information on Expansion projects, see pp. 40-42 of the NOFO.

Youth Homelessness Demonstration Program (YHDP)

- There is approximately \$228,000,000 available for competitive renewal and replacement of expiring YHDP Grants.
- *NEW* HUD will competitively award YHDP projects, including renewal and replacement YHDP projects.
- **Replacement.** The Consolidated Appropriations Act, 2024 permits the renewal or replacement of YHDP projects under the CoC Program; therefore, a renewing YHDP project may choose to replace its current program project with a new project which may include activities ineligible under the CoC Program, or portions of its current program design, to conduct activities that are ineligible with CoC Program funds provided the replacement project demonstrates it will directly serve youth aged 24 and under experiencing homelessness. Please see pp. 38-39 of the NOFO for more details on the replacement application process, eligible replacement project types, and eligible special YHDP activities.
- **Match.** YHDP renewal or replacement projects will not be required to meet the 25% match requirement if the applicant is able to demonstrate it has taken reasonable steps to maximize resources available for youth experiencing homelessness.
- **Grant Term.** YHDP Renewal, and YHDP Replacement project applications are limited to a 1-year grant term with 1 year of funding. HUD may extend the grant term consistent with 2 CFR 200.308 and 2 CFR 200.309. The first year of



funding for YHDP Replacement projects will be based on the 1-year renewal amount of the current YHDP project being replaced. The YHDP Replacement project's operating start date will be the day after the end of the previous grant term for the project being replaced.

- **Special YHDP Activities:** YHDP renewal and replacement projects may submit applications that include special YHDP activities that are otherwise ineligible under the CoC Program. See p. 27 of the NOFO for special YHDP activities.
- Consolidation, Expansion, and Reallocation. While YHDP projects can use the replacement process to consolidate projects as outlined in Section IV.D.1.i. and IV.D.1.k of the NOFO, these projects cannot consolidate with non-YHDP projects. YHDP Renewal projects may also apply to expand its current project through the YHDP Replacement process. Unified Funding Agencies (UFAs) are prohibited from moving funds out of or into YHDP-funded projects and mix funding from any other non-YHDP funded project. UFAs may replace eligible YHDP renewal projects.
- YHDP Renewal grants are not eligible to use the transition grant process. YHDP Renewal grants must submit a YHDP Replacement application to change component types.
- **Eligible Participants.** YHDP renewal projects must serve youth, aged 24 or younger, including unaccompanied, pregnant, and parenting youth, who:
 - Qualify as homeless under paragraph (1), (2), and (4) of 24 CFR 578.3 or Section 103(b) of the McKinney Vento Homeless Assistance Act;
 - Have an unsafe primary night-time residence and no safe alternative to that residence; or
 - Qualify as homeless under paragraph (3) of 24 CFR 578.3 if the CoC is approved to serve persons in paragraph (3).

YHDP renewal eligible project types:

- o Permanent Housing, including PH-PSH and PH-RRH projects
- Joint TH/PH-RRH Component
- TH or Crisis Residential Transitional Housing
- SSO, including, but not limited to, housing search and placement services, case management, drop-in centers, legal services, or street outreach
- SSO-CE
- o SSO Host Home and Kinship Care
- HUD will only fund new YHDP Reallocation projects through the YHDP Replacement process as described below:
 - o TH or Crisis Residential Transitional Housing



- SSO, including, but not limited to, housing search and placement services, case management, or street outreach
- o SSO-CE
- o SSO Host Home and Kinship Care
- o HMIS

Important Points for All Project Applicants

- **SAM Registration Requirement.** Applicants must be registered with https://www.sam.gov/SAM before submitting their application. Applicants must maintain current information in SAM on immediate and highest-level owner and subsidiaries, as well as on all predecessors that have been awarded a federal contract or grant within the last three years, if applicable. Information in SAM must be current for all times during which the applicant has an active Federal award or an application or plan under consideration by HUD.
- **UEI Number Requirement.** Applicants must provide a valid UEI number, registered and active at https://www.sam.gov/SAM in the application.
- Code of Conduct. All project applicants must ensure their organization has a Code of Conduct that complies with the requirements of 2 CFR part 200 and is on file with HUD. Be sure to review the Code of Conduct for HUD Grant Programs page on HUD's website to ensure your organization is listed (which means you have submitted an approved Code of Conduct). If you do not see your organization on the list, be sure to attach a current and complete Code of Conduct to your Project Applicant Profile in e-snaps.
- **2026 FMR Will Apply.** Because the application submission deadline falls in FY 2026, HUD will use FY 2026 Fair Market Rent (FMRs) for funding amounts.

Community-Level Changes and Reminders

- *REVISED* The following are a selection of the CoC application rating factors that have been removed from this year's NOFO:
 - Affirmatively Furthering Fair Housing
 - Addressing the Needs of Lesbian, Gay, Bisexual, Transgender, and Queer (LGBTQ+) Individuals
 - Involving Individuals with Lived Experience of Homelessness in Service Delivery and Decision Making and Provide Professional Development and Employment Opportunities
 - o Increasing Affordable Housing Supply
 - o Racial Disparities



- Promoting Racial Equity in the Local CoC Process
- o Participative Planning and Implementation
- *REVISED* Objective Criteria and System Performance. CoCs may receive up to 1 point for demonstrating they used objective criteria to review, rate, and rank project applications and that these factors account for at least 50% of the total available points. CoCs may receive points for demonstrating that at least 25% of the total points available account for returns to homelessness performance measure (up to 1 point), employment income performance measure (up to 1 point), and supportive service participation requirements (up to 3 points).
- *REVISED* System Performance. Scoring of system performance has changed significantly, most notably by introducing overall benchmarks in addition to positive trends over time. See pp 69-75 of the NOFO for more information.
- *NEW* CoC Coordination and Engagement. Notable changes in this section include points for:
 - A governance board that includes at least 1 person with a former experience of homelessness, at least 3 elected public officials, at least 1 representative of the business community, and at least 2 representatives of law enforcement (up to 4 points, see p 76 of the NOFO)
 - Availability of treatment and recovery services (up to 16 points, see pp 77-80 of the NOFO)
 - Participation requirements for supportive services (up to 10 points, see p 80 of the NOFO)
 - o Reducing encampments (up to 10 points, see p 81 of the NOFO)
 - Coordination with Federal, State, Local, Private, and other organizations (up to 2 points, see p 81 of the NOFO)
 - o Discharge planning (up to 2 points, see p 81 of the NOFO)
 - Coordination with veteran organizations (up to 6 points, see pp 82-83 of the NOFO)
 - Positive exits from street outreach and street outreach partnerships with first responders and law enforcement (up to 6 points, see p 83 of the NOFO)
- *REVISED* Leveraging Housing and Healthcare Resources. CoCs may receive up to 4 points on the CoC Application if the FY 2025 CoC Priority Listing includes new TH, PSH, or RRH project applications created through reallocation or CoC Bonus that utilizes housing and healthcare resources not funded through the CoC or ESG Programs. See section V.B.1.c. of the NOFO for additional details.

Homebase

- *REVISED* CoC Mergers. To encourage CoC mergers and mitigate the potential adverse scoring implications that may occur when a high-performing CoC merges with one or more lower-performing CoC(s), HUD will award up to 15 bonus points (reduced from 25 points in2024) to CoCs that merged after the FY 2024 CoC Program Registration deadline.
- **Projects on Reservations and Trust Land.** Applicants that propose to locate a project on a reservation or trust land must include a tribal resolution from the tribe authorizing the applicant to do so or a letter from an official or principal of the Indian Tribe or Tribally Designated Housing Entity (TDHE) who is authorized to act on behalf of the Indian Tribe or TDHE indicating approval. Tribes do not need this to site a project on their own reservation or trust land. A tribal resolution is the formal way the tribal government expresses its legislative will in accordance with its organic documents. In the absence of such organic documents, a written expression adopted pursuant to tribal practices will be acceptable.
- Homelessness and Human Trafficking. HUD has clarified that persons who are fleeing or attempting to flee human trafficking may qualify as homeless under paragraph (4) of the homeless definition at 24 CFR 578.3; and, therefore, the individuals may be eligible for certain forms of homeless assistance under the CoC Program, subject to other restrictions that may apply. HUD considers human trafficking, including sex trafficking, to be "other dangerous or life-threatening conditions that relate to violence against the individual or family member" under paragraph (4) of the definition of homeless at 24 CFR 578.3. However, HUD clarified that a DV Bonus project may not exclusively serve people fleeing or attempting to flee human trafficking.

Resources

- 2025 CoC NOFO Competition Page
- 2025 CoC NOFO
- CoC Program Interim Rule (24 CFR part 578)
- Application Pages
 - o Access e-snaps Application System
 - o <u>e-snaps Information</u>
 - o Code of Conduct for HUD Grant Programs
 - o System for Award Management (SAM)
- HUD Websites
 - o General site
 - o General site



- o Training and Resources
- o Subscribe to HUD Listserv
- o Ask A Question (AAQ) Portal
- National Alliance to End Homelessness (NAEH) NOFO Resources
 - o FY2025 CoC Program Competition Application Information
 - o Overall Side By Side Comparison of FY24 and FY25 CoC Program Competition NOFOs
 - o Side-By-Side Comparison of CoC Scoring FY2024/25 vs. FY2025