
INFORMAL STAFF REPORT TO MAYOR AND CITY COUNCIL

SUBJECT:

Federal homelessness funding changes

EXECUTIVE SUMMARY:

The US Department of Housing and Urban Development (HUD) announced on November 13, 2025, rapid, major changes to how homeless funding is allocated, shifting away from permanent housing programs. Multiple agencies in Denton County received collectively \$3.4 million in funding for permanent housing programs in 2024 and anticipated guaranteed funding for two years. With the recent announcement of the new approach, agencies are required to submit a threshold application by Dec. 3 and a full application by Dec. 10. The largest anticipated local impact is the limitation of funding dedicated to permanent housing programs to no more than 30%, and historically 90% of funds have been awarded.

With a very short turnaround for applications under the new criteria the Housing and Homelessness Leadership Team (HHLT) has called a special meeting for Tuesday, Dec. 2, at 4:00 p.m.

BACKGROUND:

On November 13, 2025, the U.S. Department of Housing and Urban Development (HUD) announced a Notice of Funding Opportunity (NOFO) for its Continuum of Care (CoC) program. The CoC program is the primary federal funding program for homeless services in the United States. Recipients awarded in 2024 were expected to have funding guaranteed for two years, however HUD is requiring all agencies to reapply to align with the administration's new approach towards homelessness. Denton County is most likely to be impacted by the change in focus from permanent housing (PH) programs, including Permanent Supportive Housing (PSH) and Rapid Rehousing (RRH) programs, to transitional housing (TH) programs. Denton County received almost \$3.4 million in CoC funding for PH programs in 2024.

On December 1, 2025, the lead agency of Denton's CoC, Texas Homeless Network (THN), released its Request for Proposals (RFP) for its local CoC application process and provided deadlines for agencies to submit their applications for CoC funding.

The Denton Community Shelter and Our Daily Bread do not receive CoC funding and will not be directly impacted by any funding changes.

DISCUSSION:

The largest anticipated local impact is the limitation of funding dedicated to permanent housing programs (RRH and PSH) to no more than 30% of all CoC funding, historically incentivized and prioritized for 90% of funds awarded. CoC funding application scoring areas previously focused on equity, voluntary participation in services, and anti-criminalization. The new funding application includes a 'Merit Review' that removes many prior criteria, adds scoring for required service participation and local laws on drug use/camping, and ties 70% of funding to the overall CoC's application score (previously only 10%). The National Alliance to End Homelessness

developed a side-by-side comparison of the anticipated FY24/25 CoC NOFO with the new FY25 NOFO (Attachment 1).

Four housing agencies administer PH services in Denton County that are likely at risk, as outlined in Table 1. According to the Housing Inventory Count (HIC) these programs provide the capacity to house 268 individuals experiencing chronic and/or literal homelessness, at the greatest risk, with the support of the CoC program. The number of individuals currently housed varies from the HIC count.

Nonprofit Organization	Program Type	Annual CoC Funding	Housing Inventory Count Capacity
Denton County MHMR	Permanent Supportive Housing	\$1,407,284	68 chronically homeless individuals living with a disability
Giving Grace	Permanent Supportive Housing	\$546,052	35 chronically homeless adults and children
Giving Grace	Rapid Rehousing	\$463,617	53 adults and children
Friends of the Family (DCFOF)	Rapid Rehousing	\$414,330	29 adults with children; limited to survivors of domestic violence
Christian Community Action	Rapid Rehousing	\$543,797	83 adults and children
Denton County Total		\$3,375,080	268 individuals

Table 1: Denton County CoC Program Funding Recipients and HIC Count Data

On Nov 18, City Council approved a substantial amendment to the City's Action Plan that allocated \$639,000 of unprogrammed HOME Investment Partnership (HOME) Program funds for Tenant Based Rental Assistance (TBRA) and Supportive Services. While the additional TBRA funding may be able to address some of the need resulting from local RRH programs not being renewed, for a short period of time, a significant gap is expected to remain.

Denton County agencies will submit CoC funding applications to THN, the lead agency for the Texas Balance of State (BoS) CoC. THN has until Jan. 14, 2026, to submit applications for funding to the federal government. On Monday, Nov. 24, THN released a notification that the Texas BoS CoC application will open Dec. 1, and close Dec. 10. On Monday, Dec. 1, THN conducted a webinar for agencies and provided an update that our CoC would need to reduce PSH and RRH

programs by nearly \$11 million across the state (Attachment 3). Denton County MHMR and Denton County Friends of the Family would be allowed to reapply as PH renewal grants. Giving Grace and Christian Community Action were directed to transition their PH programs to TH programs to be eligible for continued funding. The situation is rapidly evolving; as of Monday night, not all organizations are sure if they will seek continued funding.

The City intends to apply for Continuum of Care (CoC) funding under the Supportive Services Only – Street Outreach activity. Staff are proposing funding for an enhanced street outreach program, including diversion strategies, to expand capacity for addressing encampments and targeted areas within the City.

The deadline for submitting threshold applications to the Texas Homeless Network (THN) is December 3 at 9:00 p.m. Due to the short timeline, there will not be an opportunity to seek Council direction prior to submission. However, Council will have the opportunity to review and discuss the application at a future meeting. At that time, staff can receive direction to withdraw the application if desired, prior to the City being obligated to perform under the grant.

The Denton County Housing and Homelessness Leadership Team (HHLT), at the request of the City and United Way staff, has called for a special session for HHLT to receive an update from backbone support and the homeless coalition (The Path Home) and to provide direction for its working groups on a coordinated response. The City's appointed representatives on HHLT are Mayor Hudspeth, Jesse Kent (Director of Community Services), and Deputy Chief Paul Willenbrock.

EXHIBITS

Attachment 1 - Overall Side By Side Comparison of FY24 and FY 25 CoC Program Competition NOFOs

Attachment 2 – Texas Balance of State 2024 CoC Funding Awards

Attachment 3 – Texas Balance of State Dec. 1 Webinar Slides

STAFF CONTACT:

Jesse Kent
Director of Community Services
jesse.kent@cityofdenton.com

REQUESTOR: Staff initiated

STAFF TIME TO COMPLETE REPORT: Three hours

PARTICIPATING DEPARTMENTS: Community Services



Overall Side By Side Comparison of FY24 and FY 25 CoC Program Competition NOFOs

FY 2024 and FY 2025 Continuum of Care Competition and Renewal or Replacement of Youth Homeless Demonstration Program Grants	FY 2025 Continuum of Care Competition and youth Homelessness Demonstration Program Grants
Youth Homelessness Demonstration Program (YHDP) projects renewing under the CoC Program awarded noncompetitively	Youth Homelessness Demonstration Program (YHDP) projects renewing under the CoC Program awarded competitively
Transitional housing and projects that deliver supportive services only permitted as renewal grants only	Permitted and encouraged to apply for Transitional housing and projects that deliver supportive services only as new projects (reallocated from existing renewal project funding)
In accordance with the statute, incentives are provided for permanent housing projects only	In order to invest in more transitional housing and supportive services only projects, HUD is limiting the amount of permanent housing (PH and RRH) to 30 percent of eligible award amount
CoCs rank projects into two tiers and HUD selects projects based on how they rank individual projects and whether they are in tier 1 or 2. Depending on CoC score, a CoC could lose some or all of projects ranked in Tier 2. Tier 1 = 90% of funds “held harmless” and not dependent on CoC overall score. Tier 2 = 10% of funds dependent on CoC overall score. Ensures vast majority of renewal funding is protected to avoid disruption even if CoC does not receive a high score. Depending on score, a CoC could lose	CoCs rank projects into two tiers and HUD selects projects based on how they rank individual projects and whether they are in tier 1 or 2. Depending on CoC score, a CoC could lose some or all of projects ranked in Tier 2. Tier 1 = 30% of funds “held harmless” and not dependent on CoC overall score. Tier 2 = 70% of funds dependent on CoC overall score.

FY 2024 and FY 2025 Continuum of Care Competition and Renewal or Replacement of Youth Homeless Demonstration Program Grants	FY 2025 Continuum of Care Competition and youth Homelessness Demonstration Program Grants
Project eligibility threshold -pass/fail standard that assesses the extent in which a project is eligible, meets financial and management capacity, submits all required standard certifications, will serve only eligible populations, and will agree to participate in HMIS (unless DV)	Project eligibility threshold -pass/fail standard that assesses the extent in which a project is eligible, meets financial and management capacity, submits all required standard certifications, will serve only eligible populations, and will agree to participate in HMIS (unless DV) and certifies affirmatively that the project applicant will not engage in racial preferences or other forms of illegal discrimination and will not engage in any activities under the pretext of “harm reduction.”
Project quality threshold- HUD reviews all new projects to assess the extent in which it meets additional capacity standards and must receive a minimum number of points for rating criteria for relevant project type.	Project quality threshold- HUD reviews all new projects to assess the extent in which it meets additional capacity standards and must receive a minimum number of points for rating criteria for relevant project type. In addition, HUD has added new language that allows HUD to verify past performance and reject a project if there is evidence that it has previously or currently engaged or engages in racial preferences or other forms of illegal discrimination, engaged or engages in in activities that “violate the sex binary in humans,” and, engaged or engages in any activities under the pretext of “harm reduction. How this will be assessed is unclear.
Project Rating Criteria for eligible new project types consistent with years prior- focus on assisting participants obtain and remain in housing, connecting with mainstream benefits, supportive service participation is voluntary.	Project rating criteria across project types include key differences. Examples Include: New TH and PH (PSH and RRH) will be scored on the extent in which service participation is required (with onsite services preferred). For TH projects, applicants will be scored on the extent to which they will provide 40 hours of customized services for each program participant. New grants for street outreach are scored on the extent in they cooperate with law enforcement to enforce local laws such as public camping and public drug use laws.

FY 2024 and FY 2025 Continuum of Care Competition and Renewal or Replacement of Youth Homeless Demonstration Program Grants	FY 2025 Continuum of Care Competition and youth Homelessness Demonstration Program Grants
Project renewal threshold requires renewal project applications to meet the minimum project eligibility, capacity, timeliness, and performance standards identified in this NOFO or be rejected from consideration.	Project renewal threshold requires renewal project applications to meet the minimum project eligibility, capacity, timeliness, and performance standards identified in this NOFO or be rejected from consideration. Added two additional reasons for HUD to reject a renewal project from the competition: evidence that the project has previously or currently engages or engaged in racial preferences or other forms of illegal discrimination, engages or engaged in activities that violate the “sex binary in humans”, or engages or engaged in activities under the pretext of “harm reduction.”
CoC Application Scoring awards points to CoCs across 7 rating areas with no significant differences from year prior. Focus on systemwide performance, the use of inclusive processes, racial equity and addressing disparities, the promotion of client choice and voluntary services, and strategies that prevent the criminalization of homelessness.	Now referred to as a Merit Review which is comprised of 3 rating areas with many significant differences. In addition to removing many of the previous criteria upon which CoCs were scored, several new criteria were added that will disadvantage the majority—if not all—CoCs and current recipients of funding because of how far they swing from past expectations. These include rating factors tied to the extent in which existing projects require service participation and the existence of state or local laws that cover the CoCs entire geographic area that prohibit illicit drug use and camping. Historically, HUD has given CoCs at least one year of notice of shifting priorities that allow time to adopt and implement. Given that scoring will now determine 70% of award decisions, this could result in many CoCs losing a large proportion of their existing funding.
NOFO did not include any preference points associated with administration initiatives.	Includes initiative preference points: 1. If more than 50% of proposed activities happen within an Opportunity Zone 2. If all non-profit applicants/recipients of funding voluntarily, thoroughly, and demonstrably facilitate verification of immigration status using SAVE directly or in coordination with state/local government

FY 2024 and FY 2025 Continuum of Care Competition and Renewal or Replacement of Youth Homeless Demonstration Program Grants	FY 2025 Continuum of Care Competition and youth Homelessness Demonstration Program Grants
HUD may use a risk-based approach in reviewing projects and may consider factors tied to administrative requirements and performance requirements. Examples of factors considered for past performance include accounting for use of funds, timely submission of reports, meeting performance targets in grant agreement, producing positive outcomes and results. HUD may reduce overall score based on past performance and could take additional remedies if there is an adverse finding.	Now referred to as a “risk review” with two distinct changes of significance. There is a new criterion: “History of subsidizing or facilitating activities that conflict with the purposes of this NOFO.” Further, rather than incorporating this as part of the scoring component, it is now a separate component in the selection process. This would essentially allow HUD to target any organization that it deems to be not aligned with the administration— regardless of outcomes or performance at responding to homelessness— and place any projects, new and renewal, that they request at risk of not being funded.
In selecting projects for funding, there are certain project types that would be selected noncompetitively before looking at ranked projects in tiers. These include CoC Planning (or UFA Costs projects, if applicable), YHDP renewal/replacement projects, and DV Bonus projects.	In selecting projects for funding, only CoC Planning (or UFA Costs projects, if applicable), will be selected before looking at ranked projects in tiers. This means all other project types—including YHDP and DV Bonus projects--will be competitively awarded.
Projects ranked in Tier 1 are awarded first based on passing project eligibility, quality, and threshold review. CoC score is only a factor if amount of funding available under the NOFO is reduced. Equals 90% of all CoC funding.	Projects ranked in Tier 1 are awarded first based on passing project eligibility, quality, and threshold review. CoC score is only a factor if amount of funding available under the NOFO is reduced. Equals 30% of all CoC funding.
Projects ranked in Tier 2 are awarded based on a project score that takes into account the CoC score, the project ranking, and commitment to housing first.	Projects ranked in Tier 2 are awarded based on a project score that takes into account the CoC score, the project ranking, and commitment to service participation requirements.

FY 2024 and FY 2025 Continuum of Care Competition and Renewal or Replacement of Youth Homeless Demonstration Program Grants	FY 2025 Continuum of Care Competition and youth Homelessness Demonstration Program Grants
NOFO outlines all administrative, national, and departmental policy requirements and terms that all projects must comply with. These include requirements associated with a broad range of statutes and regulations including fair housing, the ADA, and Section 504, some departmental-specific policy, and specific Executive Orders such as those focused on racial equity and equity for LGBTQ+ populations. This is important to note because projects and CoCs will be penalized in FY2025 for participation in certain activities which they were required to comply with.	NOFO outlines all administrative, national, and departmental policy requirements and terms that all projects must comply with. These include requirements associated with a broad range of statutes and regulations including fair housing, the ADA, and Section 504, some departmental-specific policy, and specific Executive Orders. Removes requirements associated with past HUD policy and prior Executive Orders. The NOFO also adds new conditions which prohibit awardees from engaging in activities that: facilitate racial preferences or other forms of illegal discrimination—including the use of ‘proxies for race’-or activities that violate the “sex binary in humans”; fund promote or encourage the use of illicit drugs or are done under the pretext of harm reduction.
Solo Applicants are applicants that apply as an organization outside of the CoC process <i>after</i> they have attempted to participate but were not permitted to do so.	Solo Applicants are applicants that apply as an organization outside of the CoC process <i>after</i> they have attempted to participate but were not permitted to do so. There may be different deadlines for solo applicants.



HUD's 2024 Continuum of Care Program Funding Awards*

CoC Number: TX-607

CoC Name: Texas Balance of State CoC

Total Award: \$21,620,316

Awards by Component:

	# of New Projects ¹	New Project Award Total	# of Renewal Projects	Renewal Proj. Award Total	# of Exp. Projects ¹	Exp. Project Award Total ¹	# of YHDP Projects	YHDP Award Total	Planning / UFA Award Total	Total # of Proj.	Total Award	% of CoC Award
Permanent Housing												
PH - Permanent Supportive Housing	2	\$1,024,248	8	\$5,645,588	0	\$0	0	\$0	n/a	10	\$6,669,836	31%
PH - Rapid Re-housing	3	\$1,680,819	16	\$7,555,179	0	\$0	0	\$0	n/a	19	\$9,235,998	43%
Joint TH - Rapid Re-housing	2	\$1,220,307	3	\$1,869,619	0	\$0	0	\$0	n/a	5	\$3,089,926	14%
Supportive Services Only	0	\$0	2	\$425,986	0	\$0	0	\$0	n/a	2	\$425,986	2%
HMIS	0	\$0	1	\$698,570	0	\$0	0	\$0	n/a	1	\$698,570	3%
CoC Planning Grant	0	\$0	0	\$0	0	\$0	0	\$0	\$1,500,000	1	\$1,500,000	7%
GRAND TOTAL	7	\$3,925,374	30	\$16,194,942	0	\$0	0	\$0	\$1,500,000	38	\$21,620,316	
% of Total Award		18.1%		74.9%		0%		0%	6.9%			

Project level award summary:

Permanent Housing

PH - Permanent Supportive Housing

Recipient Name	Project Name	Project Type	Awarded Amount
Lubbock Open Door	Lubbock Open Door PSH Combined	Renewal project	\$1,651,955.00
Denton County MHMR	Connections PSH FY24	Renewal project	\$1,407,284.00
Mid-Coast Family Services	Next Step Combined	Renewal project	\$988,569.00
The Gulf Coast Center	GCC Permanent Housing	Renewal project	\$676,695.00
Grace Like Rain, Inc.	GG Replacement PSH FY2024	New project	\$546,052.00
Abilene Regional MHMR Center dba Betty Hardwick Center	Permanent Supportive Housing Plus	New project	\$478,196.00
Abilene Regional MHMR Center dba Betty Hardwick	Permanent Supportive Housing	Renewal project	\$281,704.00

*Specific project-level award information for Continuums of Care can be found at <https://www.hudexchange.info/grantees/allocations-awards/>

¹Expansion Projects include the combined total for renewal projects being expanded and their expansion amounts, and are excluded from the separate renewal project awarded totals.



HUD's 2024 Continuum of Care Program Funding Awards*

PH - Permanent Supportive Housing

Recipient Name	Project Name	Project Type	Awarded Amount
Center			
Neighborhood Development Corp	Homeless to Homes Program	Renewal project	\$249,062.00
The Salvation Army - Temple, TX	The Salvation Army-Temple CoC Permanent Supportive Housing Program	Renewal project	\$197,146.00
The Salvation Army, a Georgia Corporation	Transforming Lives FY2024	Renewal project	\$193,173.00

PH - Rapid Re-housing

Recipient Name	Project Name	Project Type	Awarded Amount
Families In Crisis, Inc.	FIC_RRH_DV2_FY24	Renewal project	\$1,331,125.00
Families In Crisis, Inc.	FIC_RRH_DV1_FY24	Renewal project	\$1,135,950.00
Catholic Charities of the Archdiocese Galveston-Houston	RRH Galveston FY 2024	New project	\$957,946.00
West Central Texas Regional Foundation	New Housing Vision	Renewal project	\$862,655.00
Christian Community Action	Rapid Rehousing and Rescue Services FY24	Renewal project	\$543,797.00
Grace Like Rain, Inc.	GG Rapid Rehousing FY2024	Renewal project	\$463,617.00
Denton County Friends of the Family, Inc.	Rapid Rehousing and Supportive Services for Domestic Violence Survivors	Renewal project	\$414,330.00
Odessa Links	Project Hope FY2024	Renewal project	\$397,341.00
Good Neighbor Settlement House	Restoring Futures through Rapid Rehousing	New project	\$394,360.00
The Salvation Army, a Georgia Corporation	Project Bridge Rapid Rehousing FY2024	Renewal project	\$374,004.00
Abilene Regional MHMR Center dba Betty Hardwick Center	Rapid Rehousing	Renewal project	\$328,581.00
Salvation Army, The	TSA Grayson, Fannin, and Cooke Counties Rapid Rehousing CoC Project	New project	\$328,513.00
City of Texarkana	Texarkana Homeless Coalition: Doorways Home	Renewal project	\$320,279.00
Housing Authority of the City of Laredo	Laredo Housing Authority RRH FY 2024-2025	Renewal project	\$261,512.00
Resource and Crisis Center of Galveston County, Inc.	RCCGC DV-RRH Project 2024	Renewal project	\$244,910.00
Sabine Valley Center	Fredonia Homeless and Disabled Women and Children Rapid Rehousing	Renewal project	\$228,718.00
The Salvation Army - Temple, TX	The Salvation Army-Temple CoC Rapid Rehousing Program	Renewal project	\$223,849.00
Housing Authority of San Angelo	COSA Rapid Rehousing	Renewal project	\$216,144.00
Safer Path Family Violence Shelter, Inc.	Rural Rapid Rehousing for Domestic Violence Survivors in Atascosa County	Renewal project	\$208,367.00

Joint TH - Rapid Re-housing

*Specific project-level award information for Continuums of Care can be found at <https://www.hudexchange.info/grantees/allocations-awards/>

'Expansion Projects include the combined total for renewal projects being expanded and their expansion amounts, and are excluded from the separate renewal project awarded totals.



HUD's 2024 Continuum of Care Program Funding Awards*

Recipient Name	Project Name	Project Type	Awarded Amount
Lubbock Open Door	Survivor Housing TH-RRH	Renewal project	\$1,258,303.00
The Heights Ellis County Family Resources, Inc.	HIVE: Housing-Integrated Victim Empowerment	New project	\$701,388.00
SAMARITAN WOMEN AT THE WELL	GRACE TRANSITIONAL AND RAPID RE-HOUSING	New project	\$518,919.00
Mid-Coast Family Services	Pathways	Renewal project	\$317,743.00
Friendship of Women, Inc.	Pathways to Safe Housing	Renewal project	\$293,573.00

Supportive Services Only

Recipient Name	Project Name	Project Type	Awarded Amount
Homeless Network of Texas (dba Texas Homeless Network)	TX BoS CoC SSO-CE FY24	Renewal project	\$295,300.00
United Way of Denton County	FY2024 CoC SSO-CE	Renewal project	\$130,686.00

HMIS

Recipient Name	Project Name	Project Type	Awarded Amount
Homeless Network of Texas (dba Texas Homeless Network)	TX BoS CoC HMIS Project FY2024 Renewal	Renewal project	\$698,570.00

CoC Planning Grant

Recipient Name	Project Name	Project Type	Awarded Amount
Homeless Network of Texas (dba Texas Homeless Network)	TX-607 CoC Planning Project FY2024	Planning project	\$1,500,000.00

*Specific project-level award information for Continuums of Care can be found at <https://www.hudexchange.info/grantees/allocations-awards/>

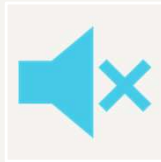
'Expansion Projects include the combined total for renewal projects being expanded and their expansion amounts, and are excluded from the separate renewal project awarded totals.

FY2025 COC COMPETITION OVERVIEW

For the TX BoS CoC
Presented by Jessica Sones
FRAMEWORK STRATEGIES



WEBINAR LOGISTICS



Please mute when not talking to cut down on background noise



Feel free to type in questions or unmute to ask questions during the question breaks



We'll have time for discussion & Q&A at the end

WEBINAR AGENDA

- Intro to Continuum of Care + THN
- High-Level CoC NOFO Overview
- Key Changes in the FY24 CoC NOFO
- HUD Policy Priorities
- Funding and Tiering Information
- Scoring of the CoC-Level Application
- New Projects
- Renewal Projects
- Resources
- Q&A

What is a CoC?

A CoC, as defined by the U.S. Department of Housing and Urban Development (HUD) in the CoC Program Interim Rule at 24 CFR Part 578.3, is the group organized to carry out the responsibilities required under the CoC Program for a defined geographic area.



A community-based planning network for homelessness assistance.



The geographic area covered by the community-based planning network.



A program operated by the U.S. Dept. of Housing & Urban Development (HUD).

THN and the TX BoS CoC

- THN is the Collaborative Applicant for the Texas Balance of State Continuum of Care (TX BoS CoC)
- THN is also the HMIS Lead Agency for the TX BoS CoC
- TX BoS CoC covers 214 of Texas' 254 counties (85% of Texas' landmass)
- Facilitates the application process for CoC Program Funding in that geographic

HIGH-LEVEL COC NOFO OVERVIEW

TERMS

- Continuum of Care or CoC
 - This can refer to the Continuum of Care Program, administered by HUD
 - This can also refer to the local Continuum of Care
- Notice of Funding Opportunity – NOFO
- Renewal Projects – projects that currently receive CoC Program funds that can be renewed
- New Projects – projects that are not currently receiving CoC Program funds and would be “new” to the community
- Reallocation – process by which funds are moved from existing projects to new projects
- Annual Renewal Demand – the amount of funds for a CoC to renew all existing projects

Who Can Apply?

Eligible Applicants include:

- State governments
- County governments
- City or township governments
- Special district governments
- Native American tribal governments (Federally recognized)
- Public housing authorities/Indian housing authorities
- Native American tribal organizations (other than Federally recognized tribal governments))
- Nonprofits having a 501(c)(3) status with the IRS, other than institutions of higher education
- Faith-based organizations may apply on the same basis as any other organization. HUD does not engage in any unlawful and improper conduct, policies, or practices that target faith-based organizations.

CoC Program and the NOFO

CoC Program Goals

- Move people from homelessness to housing with supportive services.
- Promote community commitment to ending homelessness.
- Improve access to mainstream programs.
- Support self-sufficiency.
- Provide funding to quickly rehouse and reduce trauma.

CoC Program NOFO

- HUD's primary competitive grant program to fund local homeless response systems.
- Goal is to maintain strong existing programs; may include bonus funding for new projects.
- Collaborative Applicant THN submits a single consolidated application on behalf of TX-607 (TX BoS CoC).
- Only way to apply for HUD CoC funding.

HIGH-LEVEL OVERVIEW

- Local CoCs apply to HUD for CoC Program funding through the CoC Notice of Funding Opportunity (NOFO) Competition.
- CoC Program funds are competitive. Each CoC is eligible to apply for a maximum amount of money, but only a portion of these funds is “safe”.
- As part of the CoC NOFO Competition, CoCs submit renewal project applications (existing grantees that wish to renew their funding) and new project applications.

HIGH-LEVEL OVERVIEW

- Prior to submitting the community's application to HUD for funding through the CoC Program NOFO, the CoC facilitates a local funding competition. This local competition includes:
 - Evaluating the performance of renewal projects (existing CoC grantees) to determine which renewal projects will be submitted to HUD for funding, and how they will be ranked.
 - Soliciting and selecting new projects. When HUD releases the NOFO, they indicate how much new funding each CoC is eligible to apply for.

HIGH-LEVEL OVERVIEW

- HUD uses a 2-Tier system when awarding funding.
 - Tier 1 = “Safe” funds
 - Tier 2 = Competitive funds
 - All CoCs nationally compete for their projects in Tier 2.
- Once the local CoC evaluates and selects the renewal project applications and new project applications to be submitted to HUD, CoCs are required to rank all projects.
 - Example: If the CoC is submitting 50 projects to HUD, projects are ranked 1 to 50.
 - Projects are ranked/prioritized by the CoC based on locally established funding priorities and policies.
 - Once the CoC completes its ranking, some projects will fall into Tier 2.

PARTS OF THE CoC CONSOLIDATED APPLICATION SUBMISSION

CoC-level Application

- Completed by the Collaborative Applicant (THN).
- Questions relate to how the operates, governance structure, overall performance, policies, and strategies.
- This part of the application is scored and will determine the amount of funding each CoC receives.

Project Applications

- Completed by renewal project applicants and new project applicants.
- These are the applications that describe what each project is requesting funding to do.
- Renewal project applicants and new project applicants must apply through their local CoC Competition and be accepted by the CoC. If accepted, they then apply through e-snaps (HUD's application system).

Priority Listing

- Completed by the Collaborative Applicant (THN).
- This list includes all project applications.
- The CoC must rank all projects except the Planning project. This is also where the CoC tells HUD if it is planning to reallocate funds (take funds from an existing grant and put toward new projects).

HIGHLIGHTS & KEY CHANGES IN THE FY25 CoC NOFO

- **FY25 Application: All materials due to HUD on January 14th, 2025**
- **Internal deadlines:** Refer to the RFP for a more detailed timeline

Issuance of RFP	12/1/2025	9:00:00 AM
Threshold Review and Full Application Open in Apply	12/1/2025	9:00:00 AM
Threshold Review Stage Closes in Apply	12/3/2025	8:59:59 PM
Full Applications (Preliminary & e-snaps) due	12/10/2025	4:59:59 PM

- **Anticipated award date is May 1, 2026**
 - This means that FY25 projects with start dates before 5/1/26 will not know whether they are funded until after their grant start date.

**IMPORTANT
DEADLINES/DATES**

SUMMARY OF KEY CHANGES

- **Changes to Tier 1 & Tier 2:**
 - **Tier 1 is set at 30% Annual Renewal Demand (ARD)** (90% in FY24)
 - Formula to determine Tier 2 funding prioritizes Service Participation requirements (prior years Housing First prioritized)
- **Permanent Housing Cap:** No more than 30% of a CoC's ARD can be used for Permanent Housing projects, including Permanent Supportive Housing (PSH), RRH (Rapid Rehousing) and Joint Transitional Housing (TH) and RRH projects.
- **New Projects:**
 - HUD is allowing and encouraging CoCs to create new TH and Supportive Service Only (SSO) – including Street Outreach - projects
 - DV Bonus can be used to create new TH projects.
 - TH-RRH renewals allowed but no new TH-RRH projects allowed
 - Significant changes to project quality threshold criteria for new projects
- **Major changes to the majority of the CoC Application rating factors**
 - Emphasis on treatment/recovery, service participation requirements, engagement with law enforcement, participant self-sufficiency

REALLOCATION AND TRANSITION GRANTS

- CoCs can **reallocate funding** from any eligible grant, including grants that have not been previously renewed under the CoC Program, as long as the grant is expiring in CY2026.
- To create a **Transition Grant** through the reallocation process, the CoC must wholly eliminate one or more projects and use those funds to create the single, new transition grant.
 - Renewal Grants expiring in CY 2026 may submit a FY 2025 transition grant application to request a component type change. The transition grant's operating start date will be the day after the end of the previous grant term for the expiring component.
 - Transition grant applications awarded FY 2025 funds must fully transition to the new component by the end of the 1-year grant term.
- **DV Reallocation** may be used for previously funded DV Bonus projects to create new SSO-Coordinated Entry, Rapid Re-housing (PH-RRH), and Transitional Housing (TH) projects that are DV-dedicated. Projects previously funded under the DV Bonus cannot use the transition process.

HUD GOALS & OBJECTIVES

FY2024 CoC NOFO

- 1) Ending homelessness for all persons
- 2) Using a Housing First Approach
- 3) Reducing Unsheltered Homelessness
- 4) Improving System Performance
- 5) Partnering with Housing, Health and Service Agencies
- 6) Racial Equity
- 7) Improving Assistance to LGBTQ+ Individuals
- 8) Persons with Lived Experience/Expertise
- 9) Building an Effective Workforce Increasing Affordable Housing Supply

FY2025 CoC NOFO

- 1) Ending the Crisis of Homelessness on Our Streets
- 2) Prioritizing Treatment and Recovery
- 3) Advancing Public Safety
- 4) Promoting Self-Sufficiency
- 5) Improving Outcomes
- 6) Minimizing Trauma

FUNDING & TIERING INFORMATION

FUNDING & TIERING OF PROJECTS

- **Tier 1** = 30 percent Annual Renewal Demand (ARD)
 - ARD = Total of all renewal projects
 - DV Bonus projects are competitive
- **Tier 2** = The difference between Tier 1 and the sum of each CoC's ARD, CoC Bonus, and DV Bonus.
- **CoC Bonus** = 20% of Final Pro Rate Need (FPRN), which is the higher of ARD and Preliminary Pro Rata Need (PPRN)
- In addition, HUD is awarding an additional \$52M in bonus projects specifically for survivors of domestic violence.
 - **DV Bonus** = 10% of PPRN

FUNDING CHANGES MEAN HARD CHOICES

CoCs will need to make two difficult sets of decisions due to the changes HUD has implemented:

1. Determine which PH projects will be included in the 30% of ARD that can be submitted for PH.
2. Determine which projects will be included in Tier 1, thereby prioritizing them for funding.

What does this mean for the TX BoS CoC?

The CoC may apply for up to \$37,045,004.

This includes the ARD + CoC Bonus + DV Bonus + CoC Planning grant.

\$5,136,017.40 is considered safe in Tier 1.

The CoC Planning grant is non-competitive.

CoC Number and Name	PPRN	Estimated ARD	Tier 1	CoC Bonus	DV Bonus	CoC Planning
TX-607	\$66,674,731	\$17,210,058	\$5,163,017	\$13,334,946	\$5,000,000	\$1,500,000

What does this mean for the TX BoS CoC?

	# PROJECTS	AMOUNT	% FUNDS
Permanent Housing (PH)			*Of ARD amount
PSH	9	\$5,017,881	29.16%
RRH	19	\$9,235,998	53.67%
TH/RRH	4	\$1,831,623	10.64%
TOTAL	32	\$16,085,502	93%

- 30% of ARD is **\$5,136,017.40**
- In order to comply with HUD's limitations, the CoC will have to reduce PH by **\$10,949,485.**

SCORING OF THE COC-LEVEL APPLICATION

SCORING OF COC-LEVEL APPLICATION

Comparison of Scoring Categories, 2022-2025	FY2022	FY2023	FY2024	FY2025	Change 2024 to 2025
Project Ranking, Review, and Capacity	30	27	28	9	-19
System Performance	59	60	60	40	-20
CoC Coordination and Engagement	83	85	84	81	-3
Homeless Management Information System	9	9	9	0*	-9
Point-in-Time Count	5	5	5	0*	-5
Coordination with Housing and Healthcare	14	14	14	0*	-14
TOTAL	200	200	200	130	-70

*While Homeless Management Information System, Point-in-Time Count, and Coordination with Housing and Healthcare are not a stand-alone Rating Factor Categories this year, questions related to each of these remain and are incorporated into other categories. Notably, HUD will award up to 4 points for Housing/Healthcare Leveraging, as in past years (this is part of the CoC Coordination and Engagement points above).

POLICY INITIATIVE PREFERENCE POINTS

NOFO provides a maximum of 4 policy initiative preference points, which are added to the CoC's overall application score, for the following:

- Opportunity Zones:
 - CoCs may receive up to 4 points if proposed activities are within an Opportunity Zone.
 - Must use at least 50% of the award in Opportunity Zones to receive preference points.
- Verification of Immigration Status:
 - CoCs may receive up to 4 points if they can 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.

GENERAL COC PROJECT INFORMATION

GENERAL PROJECT ELIGIBILITY THRESHOLDS

FY25 COC NOFO, FRAMEWORK STRATEGIES

The Project Eligibility Threshold requirements listed below apply to all projects being submitted. HUD will use a pass/fail standard and if a project fails, it will be rejected for funding consideration.

Project Eligibility Thresholds (p. 53 of the NOFO) for all projects include:

- 1) Project applicants and potential subrecipients must meet the eligibility requirements of the CoC Program per the McKinney-Vento Act and CoC Interim Rule and provide evidence of eligibility required in the application (e.g., nonprofit documentation).
- 2) Project applicants and subrecipients must demonstrate financial/management capacity and experience to carry out the project and the capacity to administer federal funds.
- 3) Project applicants must submit the required certifications specified in the NOFO.
- 4) The population to be served must meet program eligibility requirements as described in the McKinney-Vento Act, the CoC Interim Rule, and in the NOFO.
- 5) Project applicants (except for Planning funds) must agree to participate in a local HMIS system. Victim service provider must use a comparable database that meets the needs of the local HMIS.
- 6) Project applicants must certify affirmatively to the following:
 - The project applicant will not engage in racial preferences or other forms of illegal discrimination.
 - 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.”

COORDINATED ENTRY AND HMIS REQUIREMENTS

- Coordinated Entry Participation – FY25 CoC NOFO states: “24 CFR 578.23(c)(9) and (11) requires all CoC program recipients and subrecipients to use the centralized or coordinated assessment system established by CoCs.”
 - Exception for victim service providers: “Section 578.23(c)(9) of the CoC Program Rule exempts victim service providers from using the CoC’s coordinated entry process if victim service providers use a coordinated entry process that otherwise meets HUD's requirements.”
- HMIS Participation – Participation in HMIS, or a comparable database if a victim service provider, is a project eligibility threshold requirement.

NEW PROJECTS

NEW PROJECTS

- **Eligible under CoC Bonus:**

- Transitional Housing (TH)
- Supportive Services Only (SSO) Standalone
- SSO Street Outreach

- **Eligible under DV Bonus**

- Transitional Housing (TH)

Specific allowances:

- Transition Grants

All new projects will be reviewed by HUD to determine if they meet project quality threshold requirements

FUNDING & MATCH

New project applicants can apply for funds for the following categories of eligible costs, also known as Budget Line Items (BLIs):

- Rental Assistance
- Leasing
- Operating
- Supportive Services
- HMIS
- VAWA Costs
- Rural Costs (if applicable)
- Administrative Costs
- ***Acquisition, New Construction, and Rehabilitation are allowable but not renewable. As such, most CoCs do not allow for projects to submit for these funds given the limited funding available.*

FUNDING & MATCH

- There are various restrictions that apply to the eligible costs/BLIs.
 - 24 CFR Part 578 Subpart D; <https://www.ecfr.gov/current/title-24/subtitle-B/chapter-V/subchapter-C/part-578/subpart-D>
 - CoC Binder: <https://www.hudexchange.info/homelessness-assistance/coc-esg-virtual-binders/>
 - The CoC's New Project RFP/Solicitation will include more information on what is allowed.
- **Match:** All CoC projects have a **25% match requirement** (minus the leasing budget line item), including new projects.
 - 24 CFR 578.73: <https://www.ecfr.gov/current/title-24/subtitle-B/chapter-V/subchapter-C/part-578#578.73>
 - CoC Binder: <https://www.hudexchange.info/homelessness-assistance/coc-esg-virtual-binders/coc-match/coc-match-overview/>

- CoC funding requires a **25% match** – either cash or in-kind. The only exception is that leasing costs do not require a match.
 - When submitting a new project application to HUD, you must identify your sources of match (organization providing match), type of match (cash or in-kind), and amount. It is best to have a commitment letter for the application.
 - If selected by HUD for a new project, match documentation will be due to HUD before you can enter into your grant agreement. This is when you will develop a more formal MOU or MOA.

MATCH

- **Cash Match** – when the CoC recipient or subrecipient spends actual funds on **eligible CoC Program costs**.
- Cash Match examples
 - Grants from private, local, state, and federal resources (if not statutorily prohibited by source)
 - Cash resources
 - Recipient or subrecipient staff working on grant eligible activities who aren't paid from the CoC Program grant but are paid from other agency resources

<https://www.hudexchange.info/homelessness-assistance/coc-esg-virtual-binders/coc-match/coc-match-overview/>

MATCH

- In-Kind Match –The value of any real **property, equipment, goods, or services** contributed to a CoC Program grant *that would have been an eligible CoC Program activity if the recipient or subrecipient paid for them directly with CoC Program funds.*
- Example: A commitment from a local partner organization to provide supportive services to participants in your program. If the supportive service being provided would have been eligible as a CoC supportive service, generally it would be eligible as in-kind match.
- If an activity is not an eligible cost of CoC Program funds, then it is also not an eligible expense of match funds.

<https://www.hudexchange.info/homelessness-assistance/coc-esg-virtual-binders/coc-match/coc-match-overview/>

MATCH

HOUSING RELATED ELIGIBLE COSTS

Allowed Budget Line Items (BLIs) related to housing costs:

- Operating
 - Funds to operate a site owned or leased by your agency
 - Only specific costs are eligible
- Leasing (of a single site or scattered-site housing units)
 - Under a Leasing model, the provider enters into the lease with the landlord and has a sublease or rental agreement with the program participant.
 - The provider pays 100% of the rent (up to Fair Market Rent) and the program participant pays 30% of household income to the provider.
 - When calculating 25% match requirement, leasing dollars are excluded from match requirement (i.e, total grant minus leasing * 25% = match requirement).
- Rental Assistance
 - Three types of Rental Assistance: Tenant Based (TBRA), Sponsor Based (SBRA), or Project Based (PBRA)
 - Under Rental Assistance model, the program participant enters into the lease with the landlord (TBRA, PBRA) or sublets from a sponsor agency (SBRA) and pays 30% of their income to the landlord/sponsor with the provider paying the balance of rent owed.
 - Rental Assistance CANNOT be combined with Operating
 - More info: <https://www.hudexchange.info/homelessness-assistance/coc-esg-virtual-binders/coc-eligible-activities/coc-eligible-activities-overview/>

HOUSING RELATED ELIGIBLE COSTS

How do you know whether to request Operating, Leasing, or Rental Assistance for a project?

- RRH – Only Tenant-Based Rental Assistance is allowed
- Does your organization own the building that the project will be operated out of? OPERATING
- Does your organization plan to enter into a lease directly with the landlord, then sublease to a participant? LEASING
- Does your organization plan to have the participant enter directly into a lease with the landlord? RENTAL ASSISTANCE

SUPPORTIVE SERVICES IN THE CoC INTERIM RULE

The CoC Interim Rule lists Supportive Services eligible activities/costs as follows:

- annual assessment of service needs,
- assistance with moving costs,
- case management,
- childcare,
- education services,
- employment assistance and job training,
- food,
- housing search and counseling services,
- legal services,
- life skills training,
- mental health services,
- outpatient health services,
- outreach services,
- substance abuse treatment services,
- transportation,
- utility deposits, and
- costs related to direct provision of services

24 CFR 578.53: <https://www.ecfr.gov/current/title-24/section-578.53>

VAWA COSTS BLI (NEW AS OF 2023)

- In FY2023, HUD introduced the VAWA Costs Budget Line Item (BLI). Eligible activities include:
 - costs related to facilitating and coordinating activities to ensure compliance with the CoC's emergency transfer plan, such as assistance with moving costs, travel costs, security deposits, utilities, housing fees, case management, housing navigation, and technology to make an available unit safe
 - costs for ensuring compliance with VAWA confidentiality requirements
- Please note that in your renewal application all renewal projects will automatically have the VAWA funding checkbox selected for them, and this box cannot be unchecked.
 - This allows for funds to be moved into the new VAWA BLI upon request to your field office. Since the costs associated with emergency transfers cannot be fully predicted and planned in advance, this will allow grantees to work with their field office to move money into this BLI at a later time if the need arises.
- In general, HUD is allowing renewal projects to shift up to 10% from one BLI to another BLI. This would include shifting funds to the VAWA Costs BLI from another BLI.
 - **Applicants wishing to shift funds to this BLI should consult with their CoC prior to doing so.**

RURAL COSTS BLI (NEW AS OF 2023)

- In FY2023, HUD introduced the Rural Costs Budget Line Item (BLI). Eligible activities include:
 - Short-term emergency lodging, including in motels or shelters, directly or through vouchers
 - Repairs to units in which homeless individuals and families will be housed; or are currently not fit for human habitation
 - Staff training, professional development, skill development, and staff retention activities
- Applicants must serve rural geographies. The list of rural areas can be found here: <https://www.hud.gov/sites/dfiles/CPD/documents/CoC/FY25-CoC-Rural-Area-Geocode-Report.pdf>
- Renewal projects may shift up to 10% to the Rural Costs BLI from another BLI.
 - Applicants wishing to shift funds to this BLI should consult with their CoC prior to doing so.

NEW PROJECTS: PROJECT TYPES

TRANSITIONAL HOUSING (TH)

- The TH program component is described by the CoC Program Interim Rule as follows: “TH facilitates the movement of homeless individuals and families to PH within 24 months of entering TH. Grant funds may be used for acquisition, rehabilitation, new construction, leasing, rental assistance, operating costs, and supportive services.”
- There is no restriction stated in the FY25 NOFO regarding the allowed BLIs for TH projects. Unlike with TH/PH-RRH projects, there is no restriction on the use of rental assistance for TH.
- The FY25 NOFO does not state TH projects must be site-based.
- FY25 CoC NOFO: New **TH projects** may serve persons who qualify as homeless under paragraphs (1), (2), or (4) of 24 CFR 578.3.

TRANSITIONAL HOUSING

- “Recipients and subrecipients may require the program participants to take part in supportive services that are not disability-related services provided through the project as a condition of continued participation in the program.
- Examples of disability-related services include, but are not limited to, mental health services, outpatient health services, and provision of medication, which are provided to a person with a disability to address a condition caused by the disability.
- Notwithstanding this provision, if the purpose of the project is to provide substance abuse treatment services, recipients and subrecipients may require program participants to take part in such services as a condition of continued participation in the program.”

[https://www.ecfr.gov/current/title-24/subtitle-B/chapter-V/subchapter-C/part-578/subpart-F#p-578.75\(h\)](https://www.ecfr.gov/current/title-24/subtitle-B/chapter-V/subchapter-C/part-578/subpart-F#p-578.75(h))

TRANSITIONAL HOUSING

- TH projects can cover housing costs and accompanying supportive services for program participants for up to 24 months.
- Participants in a TH project must have a signed lease, sublease, or occupancy agreement with the following requirements:
 - An initial term of at least one month
 - Automatically renewable upon expiration, except by prior notice by either party
 - A maximum term of 24 months
- Per HUD: TH participants may remain in the project past 24 months if appropriate permanent housing has not been identified or if more time is needed for the household to achieve independence. However, HUD may discontinue TH funding if more than half of the households have exceeded 24 months.
 - Specific maximum length of stay will be set by the CoC Written Standards.

TH: PASSING HUD THRESHOLD REVIEW

HUD project quality threshold for Transitional Housing projects - must receive at least **7 out of 10 points to pass threshold**.

- 2 points - Demonstrate that the project will provide and/or partner with other organizations to provide eligible supportive services that are necessary to assist program participants to obtain and maintain housing.
- 1 point - The applicant has prior experience operating transitional housing or other projects that have successfully helped homeless individuals and families exit homelessness within 24 months.
- 1 point - The applicant has previously operated or currently operates transitional housing or another homelessness project, or has a plan in place to ensure, that at least 50 percent of participants exit to permanent housing within 24 months and at least 50 percent of participants exit with employment income as reflected in HMIS or another data system used by the applicant.
- 1 point - The project will be supplemented with resources from other public or private sources, that may include mainstream health, social, and employment programs such as Medicare, Medicaid, SSI, and SNAP.
- 2 points - Demonstrate that the proposed project will require program participants to take part in supportive services (e.g. case management, employment training, substance use treatment, etc) in line with 24 CFR 578.75(h) by attaching a supportive service agreement (contract, occupancy agreement, lease, or equivalent).
- 2 points - Demonstrate that the proposed project will provide 40 hours per week of customized services for each participant (e.g. case management, employment training, substance use treatment, etc.). The 40 hours per week may be reduced proportionately for participants who are employed. The 40 hours per week does not apply to participants over age 62 or who have a physical disability/impairment or a developmental disability (24 CFR 582.5) not including substance use disorder.
- 1 point - Demonstrate the average cost per household served for the project is reasonable, consistent with 2 CFR 200.404.

SUPPORTIVE SERVICES ONLY STANDALONE (SSO)

- SSO program component is described by the CoC Program Interim Rule as follows: “Supportive Service Only (SSO). Funds may be used for acquisition, rehabilitation, relocation costs, or leasing of a facility from which supportive services will be provided, and supportive services in order to provide supportive services to unsheltered and sheltered homeless persons for whom the recipient or subrecipient is not providing housing or housing assistance. SSO includes street outreach.”
 - Prior HUD documentation indicates “SSO projects may provide supportive services to households living in emergency shelters. This includes emergency shelters operated by an organization that is also a recipient of CoC Program SSO funds.” *Framework has submitted a question to HUD about this.*
- Supportive services may be offered in a structure or structures at one central site, or in multiple buildings at scattered sites where services are delivered. Projects may be operated independent of a building (e.g., street outreach) and in a variety of community-based settings, including in homeless programs operated by other agencies.

SUPPORTIVE SERVICES ONLY STANDALONE (SSO)

- New **SSO projects** may serve persons who qualify as homeless under paragraphs (1), (2), or (4) of 24 CFR 578.3.
- Must consult the CoC's Written Standards about serving Category 2/those at risk of homelessness.
- Additionally, SSO projects are designated as serving those experiencing unsheltered and sheltered homelessness so it is unclear if Category 2 can be served in SSO.
<https://files.hudexchange.info/resources/documents/coc-program-sso-housing-component-decision-tool.pdf>:
"Households at risk of homelessness who do not meet the definition of homelessness may not be served by CoC Program-funded SSO projects."

The CoC Interim Rule lists Supportive Services eligible activities/costs as follows:

- annual assessment of service needs,
- assistance with moving costs,
- case management,
- childcare,
- education services,
- employment assistance and job training,
- food,
- housing search and counseling services,
- legal services,
- life skills training,
- mental health services,
- outpatient health services,
- outreach services,
- substance abuse treatment services,
- transportation,
- utility deposits, and
- costs related to direct provision of services.

**SUPPORTIVE
SERVICES
ONLY
STANDALONE
(SSO)**

SSO STANDALONE: PASSING HUD THRESHOLD REVIEW

HUD project quality threshold for Supportive Service Only (SSO) Standalone projects - must receive at least **4 out of 5 points to pass threshold**.

- 1 point - The Supportive Services project is necessary to assist people in exiting homelessness and increasing self-sufficiency and the Recipient will conduct an annual assessment of the service needs of the program participants.
- 2 points - The proposed project has a strategy for providing supportive services to eligible program participants including those with histories of unsheltered homelessness and those who do not traditionally engage with supportive services.
- 1 point - The project will be supplemented with resources from other public or private sources, that may include mainstream health, social, and employment programs such as Medicare, Medicaid, SSI, and SNAP.
- 1 point - The services provided are cost-effective consistent with 2 CFR 200.404.

- For SSO Street Outreach projects, the NOFO references the outreach services activities stated in the CoC Interim Rule as the allowed activities:
- “(13) Outreach services. The costs of activities to engage persons for the purpose of providing immediate support and intervention, as well as identifying potential program participants, are eligible.
- (i) Eligible costs include the outreach worker's transportation costs and a cell phone to be used by the individual performing the outreach.
- (ii) Component activities and services consist of: initial assessment; crisis counseling; addressing urgent physical needs, such as providing meals, blankets, clothes, or toiletries; actively connecting and providing people with information and referrals to homeless and mainstream programs; and publicizing the availability of the housing and/or services provided within the geographic area covered by the Continuum of Care.”

SUPPORTIVE SERVICES ONLY STREET OUTREACH (SSO-SO)

SSO STREET OUTREACH: PASSING HUD THRESHOLD REVIEW

HUD project quality threshold for Supportive Service Only (SSO) Street Outreach projects - must receive at least **5 out of 6 points to pass threshold**.

- 1 point - The project will be supplemented with resources from other public or private sources, that may include mainstream health, social, and employment programs such as Medicare, Medicaid, SSI, and SNAP.
- 2 points - The proposed project has a strategy for providing supportive services to eligible program participants including those with histories of unsheltered homelessness and those who do not traditionally engage with supportive services.
- 1 point - Demonstrate that the applicant has a history of partnering with first responders and law enforcement to engage people living in places not meant for human habitation to access emergency shelter, treatment programs, reunification with family, transitional housing or independent living. The applicant must cooperate, assist, and not interfere or impede with law enforcement to enforce local laws such as public camping and public drug use laws.
- 1 point - The applicant has experience providing outreach services consistent with the activity description at 24 CFR 578.53(e)(13) and has demonstrated effectiveness at helping people successfully exit from places not meant for human habitation to emergency shelter, treatment programs, transitional housing or permanent housing programs.
- 1 point - The services provided are cost-effective consistent with 2 CFR 200.404.1 point

(RENEWAL REALLOCATES
TO CREATE NEW WITH
ONE YEAR TO
TRANSITION)

TRANSITION GRANTS

TRANSITION GRANTS

- A grant to fund a **new project to transition an eligible renewal project** being eliminated through **reallocation** from one program component to another **over a 1-year period**.
- CoC Renewals can reallocate the existing eligible renewal component to one of the **eligible new project components**: TH, SSO, or SSO for Street Outreach,
- Must be the **same recipient** for the eligible renewal grant(s) being eliminated. Total budget amount remains the same.
- DV Renewal projects are not eligible to use the transition process.

TRANSITION GRANTS

- Will have **one year to fully transition** from the original component to the new component and this will take place during the transition grants normal operating year
- To create a Transition Grant, the CoC must **wholly eliminate** one or more projects and use those funds to create the single, new transition grant.
- Transition grants in this Competition are **eligible for renewal** in subsequent fiscal years for eligible activities of the new program component.
- To be eligible to receive a transition grant, the renewal project applicant must have the consent of its Continuum of Care and meet the standards.

DV BONUS

DV BONUS: OVERVIEW

- \$52 million available. CoC may apply for up to 10 percent of its Preliminary Pro Rata Need (PPRN), or a minimum of \$50,000 to create DV Bonus projects
- DV Bonus projects will be selected using the same Tier1 and Tier 2 as all other projects
- A CoC may apply for the following type of projects:
 - **Transitional Housing (TH) projects** dedicated to serving survivors of domestic violence, dating violence, sexual assault or stalking

DV BONUS: Additional Information

- New standalone project
- DV Bonus funding may not be combined with other new project funding, including DV Reallocation, reallocation, or CoC Bonus in the new project.
- 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.
- Projects must enter data into their HMIS-comparable database. The project budget may include HMIS funding to cover the cost of the HMIS-comparable database.

ADDITIONAL NEW PROJECT INFORMATION

What Does the CoC Program Application Look Like?

1. **The CoC Application**

- a. THN submits on behalf of the TX BoS CoC
- b. Many questions about how the CoC works, and what the CoC is doing
- c. THN posts online prior to submission for stakeholder review

2. **The Priority Listing (Ranking)**

- a. THN submits on behalf of the CoC
- b. Approved by the CoC Board
- c. THN posts online before submission

3. **Individual Project Applications**

- a. Materials submitted by project applicants in e-snaps (HUD's grant management platform)
- b. Materials submitted by project applicants in the TX BoS CoC grant management platform

NEW PROJECTS - TIMELINES

Please refer to the RFP for further details.

Activity	FY25 Date	Time
Issuance of RFP - New Project Applications	12/1/2025	9:00:00 AM
Applicant Webinar	12/1/2025	11:00 AM
Threshold Review and Full Application Open in Apply	12/1/2025	9:00:00 AM
Threshold Review Stage Closes in Apply	12/3/2025	8:59:59 PM
Threshold Review Is Complete	12/4/2025	4:59:59 PM
Full Applications (Preliminary & esnaps) due	12/10/2025	4:59:59 PM

NEW PROJECTS – APPLICATION OVERVIEW

Threshold Verification (SurveyMonkey Apply):

- Basic questions about the applicant and proposed project to determine initial eligibility and minimum threshold requirements as outlined in RFP
- Requires manual review by THN within 24 hours of submissions
- If approved, Applicants proceed to Full Application
- Due to the accelerated NOFO timeline and anticipated high volume of applicants, **all New Project Applicants will be permitted one opportunity to meet the Threshold Verification requirements. Applicants who do not meet the minimum requirements in their initial submission will not be provided an opportunity to revise their submission or resubmit**

Full Application (if applicant passes Threshold Verification)

- Short and opened-ended questions in SMA: Project Details, Agency Capacity, Budget, Component-Specific Questions, Match & Monitoring, Leverage
- Required uploads: esnaps Applicant Profile & Project Application, HUD Form 2991, Supportive Service Participation Agreements (TH only), Leveraged Commitments (as applicable)

NEW PROJECTS: GUIDES

- **If you are selected for a new project by your CoC, use HUD's Navigational Guides and Detailed Instructions when completing your e-snaps application.**
https://www.hud.gov/program_offices/comm_planning/coc/competition
 - HUD has yet to post the updated Navigational Guides. They will be posted to the same webpage when available.
- Applicants should carefully review the instructional guides in order to answer questions appropriately.

Healthcare and Housing Leveraging

Coordination with Housing and Healthcare

- As part of the national CoC NOFO Competition, CoCs submit an application that is scored by HUD. One of the areas HUD evaluates CoCs on during the annual competition is housing and healthcare leveraging.

Coordination with Housing and Healthcare

- Because HUD is looking for CoCs to submit project applications that leverage housing and healthcare resources, THN ask new project applicants to try to identify housing or healthcare leverages for their new project applications.

Leveraging Healthcare Resources

CoCs must demonstrate to HUD that they have applied for a new Transitional Housing project that includes a **written commitment from a health care organization** for one of the following:

In the case of a **substance use treatment or recovery provider**, it will provide access to treatment or recovery **services for all project participants who qualify** for those services.

OR

The value of assistance being provided by the health care organization is at least an amount that is **equivalent to 25% of the funding being requested for the entire project.**

Leveraging Healthcare Resources

Sources of healthcare resources include:

- Direct contributions from a public or private health insurance provider to the project (e.g., Medicaid).
- Provision of health care services by a private or public organization tailored to the program participants of the project.
- Healthcare resources could include health, mental health, dental, or substance use services.

Eligibility:

- Eligibility for the project must comply with HUD program and fair housing requirements.
- Eligibility for services cannot be restricted by the eligibility requirements of the health care service provider (must be available to all participants).

Leveraging Healthcare Resources

Some considerations:

- Be aware that the CoC will need a formal written commitment of the healthcare leverage, so be prepared to follow up with the healthcare leveraging partner organization regarding the written commitment.
 - The CoC can provide a template agreement as a starting point.
- You/your healthcare leveraging partner will need to provide a justification for the leverage amount.
- In-kind resources must be valued at the local rates consistent with the amount paid for services not supported by grant funds.
- Be prepared to provide some specifics regarding the types of healthcare services to be offered/provided.
- Projects that are selected by HUD for funding will likely start in mid- to late-2026 and the leveraged healthcare resources would be expected to be available at project start.

Leveraging Housing Resources

CoCs must demonstrate to HUD that they have applied for a new Transitional Housing Project project that utilizes housing subsidies or subsidized housing units not funded through the CoC or ESG Programs. New project applicants must document the use of leveraged housing resources with letters of commitment or formal contracts/documents.

In the case of **TH**, must leverage housing resources for at least **25% of the units** included in the project

Leveraging Housing Resources

These housing resources may come from:

- Private organizations,
- State/local government,
- Public Housing Agencies, including use of a set aside or limited preference,
- Faith-Based organizations, and/or
- Federal programs other than the CoC or ESG Programs.

Examples of leveraging housing resources may include:

- An allocation of Section 8/ Housing Choice Vouchers from your local Public Housing Authority in place of or to supplement the use of CoC Rental Assistance funds.
- An allocation of units at a Low-Income Housing Tax Credit (LIHTC) building that provides subsidized housing.

Leveraging Housing Resources

Some considerations:

- Be aware that the CoC will need a formal written commitment of the housing leverage so be prepared to follow up with the housing leveraging partner organization regarding the written commitment.
 - The CoC can provide a template agreement as a starting point.
- Be prepared to identify a general start date at which the housing resource would become available. Projects that are selected by HUD for funding will likely start in mid- to late-2026 and the leveraged housing resources would be expected to be available at project start.
 - Explain to your housing partner that you will need to wait to hear from HUD as to whether this project gets awarded funds, but they would need to be prepared to make the committed housing resources available, if selected, once your agency goes under contract with HUD.
- Prepare to provide some specifics regarding the source of the housing resource (e.g., HCV, LIHTC, HOME, local housing trust fund, etc.).

RENEWAL PROJECTS

RENEWAL PROJECTS - TIMELINES

Please refer to the RFP for further details.

Activity	FY25 Date	Time
Issuance of RFP - Renewal Project Instructions	12/1/2025	9:00:00 AM
Applicant Webinar	12/1/2025	11:00 AM
Threshold Review and Full Application Open in Apply	12/1/2025	9:00:00 AM
Threshold Review Stage Closes in Apply	12/3/2025	8:59:59 PM
Threshold Review Is Complete	12/4/2025	4:59:59 PM
Full Applications (Preliminary & esnaps) due	12/10/2025	4:59:59 PM

RENEWAL PROJECTS – APPLICATION OVERVIEW

New in FY25, Renewal Projects that are eligible to renew will complete a simplified process as outlined in the Renewal Project Instructions.

- Only applicants who receive direct instruction to complete the Renewal Project Instructions process will be permitted to do so.

Threshold Verification (SurveyMonkey Apply):

- Basic questions about the applicant and renewal project details to verify eligibility of applicant and renewal project
- Requires manual review by THN within 24 hours of submissions

Full Application

- Respond to limited narratives in SMA, and:
- Upload the completed esnaps Applicant Profile and Project Application, HUD Form 2991

RENEWAL APPLICATIONS: GUIDES

- **USE THE GUIDES AND DETAILED INSTRUCTIONS.** These documents will provide you with the information you need.
- You should be able to access them here when they are posted:
https://www.hud.gov/program_offices/comm_planning/coc/competition
- **Tip:** Just focus on the few pages assigned to your project type!
- Other renewals will be able to **import** information from last year's application.

NEXT STEPS

NEXT STEPS

- Materials will be released as quickly as possible. Carefully read emails from the CoC. Emails may come from txboscoc@thn.org
 - If you are not currently receiving emails directly from the CoC but would like to, please join here: <https://www.thn.org/texas-balance-state-continuum-care/continuum-care-program/#comp-updates>
- Review the RFP released by THN and HUD's NOFO
- Review supplemental resources on [THN's CoC Competition Page \(linked\)](#)
- Start your Threshold Verification in THN's Local Competition system "Apply"
 - Ensure you have a log in to access the portal
- Ensure you have a log in for HUD's application system, "esnaps" and update the esnaps Applicant Profile
- Collect your HUD 2991, Certification of Consistency from your Consolidated Planning Jurisdiction
 - See RFP for details

RESOURCES

Renewal & New Project
Applications

EXTERNAL RESOURCES

- The CoC will post materials related to the FY25 CoC NOFO/ Application here: <https://www.thn.org/texas-balance-state-continuum-care/continuum-care-program/>
- HUD is posting materials to their website here: <https://www.hud.gov/hud-partners/community-coc>
 - Note that for the HUD website, the FY2025 CoC NOFO materials are accessed by clicking on the “[FY 2025 Continuum of Care Competition](#)” link which will open up the full list of materials related to this funding competition.
- NAEH has summary materials available here: <https://endhomelessness.org/resources/toolkits-and-training-materials/the-system-series>

RESOURCES FOR E-SNAPS

Visit HUD's e-snaps 101 Toolkit page:

<https://www.hudexchange.info/resource/6170/esnaps-101-toolkit/>

- Glossary & icons explanations
- Checklist for getting started
- Creating an e-snaps user profile
- Requesting access to e-snaps
- Giving access to e-snaps to staff

Visit HUD's e-snaps 201 Toolkit page:

<https://www.hudexchange.info/resource/6171/esnaps-201-toolkit/>

- Updating the Applicant Profile
- Accessing project applications
 - Video
 - Written Guide
- Common e-snaps issues

HUD will provide “**Detailed Instructions**” and “**Navigational Guides**” – be sure to review those documents:

- Renewal and New Project Detailed Instructions and Navigational Guides **are/will be posted here:**
https://www.hud.gov/program_offices/comm_planning/coc/competition
- Main e-snaps CoC application page: <https://www.hudexchange.info/programs/e-snaps/>

E-SNAPS SUBMISSION TIPS

- All applicants must complete the **Applicant Profile**. This is a crucial step that cannot be skipped. If you are interested in applying for funds and do not have an Applicant Profile set up or updated in e-snaps, work on this now.
- When done, **check the Submissions Summary page** – if there are any red **Xs**, go back and fix those.
- Visit this page for the Project Applicant Profile Navigational Guide and instructions for filling out **HUD Form 2880**:
<https://files.hudexchange.info/resources/documents/Updating-the-Applicant-Profile.pdf>
- **Code of Conduct**: All applicants must have an updated Code of Conduct. Check your profile to see if it is attached. Can also check the HUD list of approved Codes of Conduct. https://www.hud.gov/program_offices/spm/gmomgmt/grantsinfo/conductgrants

E-SNAPS SUBMISSION TIPS

- If there are multiple parts in one question, number/letter each response section. Adequately answer all parts and stick just to what the question asks for.
- Renewal projects: check your narrative descriptions to make sure they are accurate and up to date, particularly if you have recently expanded or consolidated the renewal project.
- Each application section is standalone, so if you are building on something already mentioned, be sure to reference that specific question number.
- If a narrative question requests “actions” or “strategies”, you must identify specific examples.
- If you don’t know what a question means, check the Detailed Instructions. HUD often provides more specifics in the Detailed Instructions.

WHO TO CONTACT

- For questions related to the TX BoS CoC Competition Process:
 - txboscoc@thn.org
- For questions about a specific HUD Notice of Funding Opportunity (NOFO)
 - CoCNOFO@hud.gov



QUESTIONS?