AMARILLO
CONTINUUM OF CARE ™

Technical Assistance (TA) Handbook for Applicants

FY 2026 Continuum of Care NOFO Competition
Updated June 15, 2026

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Context for the CoC Competition

The Continuum of Care (CoC) Program (24 CFR Part 578) is designed to promote a community-wide commitment to the goal of ending homelessness; to provide funding for efforts by nonprofit providers, States, Indian Tribes or tribally designated housing entities, and local governments to quickly re-house homeless individuals, families, persons fleeing domestic violence, dating violence, sexual assault, and stalking, and youth while minimizing the trauma and dislocation caused by homelessness; to promote access to and effective utilization of mainstream programs and programs funded with State or local resources; and to optimize self-sufficiency among homeless individuals and families.

The goal of the Youth Homelessness Demonstration Program (YHDP) is to support the development and implementation of a coordinated community approach to preventing and ending youth homelessness. The population to be served by the YHDP is homeless youth ages 24 and younger, including unaccompanied and pregnant or parenting youth. *NOTE: The Amarillo CoC does not have any YHDP projects, so the Amarillo CoC is not eligible for this YHDP renewal opportunity.*

The U.S. Department of Housing and Urban Development (HUD) releases a Notice of Funding Opportunity (NOFO), signifying the beginning of a funding competition among nearly 400 CoCs, the community stakeholder groups that guide local responses to homelessness. The 2026 CoC NOFO was released on June 1, 2026, opening the competition and making available **approximately $4 billion nationally** to serve people experiencing homelessness. The information in the NOFO sets forth the competition rules, requirements, and processes for submitting applications for FY 2026 funding (including FY 2026 reallocation project applications).

The application and selection process for the FY 2026 funds awarded through this NOFO (the FY 2026 CoC Program – including projects originally awarded under the Special NOFO to Address Unsheltered and Rural Homelessness – and YHDP funds) will be substantially different than prior competitions. Through the FY 2026 NOFO, HUD has introduced new policy and funding priorities, set national floors for new Transitional Housing, Supportive Services Only, and Permanent Housing (PH) projects dedicated to serving families with children. Additionally, HUD has updated threshold, merit, and risk criteria to more competitively select projects based on outcomes, including accountability factors such as reductions in overall homelessness, increases in employment income relative to government assistance, promotion of treatment and recovery, and advances in public safety. For additional information regarding these changes, please refer to the **Noteworthy Changes** section ahead.

For FY 2026, the CoC Competition Consolidated Application, which each CoC submits to HUD, will consist of three parts:

- The **CoC Application,**[1] which describes the CoC planning body, governance structure, overall performance, and the strategic planning process;
- The **CoC Priority Listing,**[2] which ranks the project applications for HUD and identifies any rejected applications, showing the CoC's priorities for funding; and
- A number of **Project Applications,**[3] each of which reflects one project seeking funding.

Before the application is submitted to HUD for FY 2026, the CoC is required to hold a local competition to determine which project applications will be included in the Consolidated Application, along with their relative priority. The results of the local competition dictate which projects the CoC will prioritize.

Project applicants must participate in the local review and ranking process and have their project selected for submission with the CoC Consolidated Application in the national competition to be eligible for funding. Project applicants must follow local procedures, submit local documents, and prepare for the HUD submission of the project application. HUD requires the use of a web-based application and grants management system called *e-snaps*.

Summary: 2026 NOFO Competition Overview and Funding Available

On June 1, 2026, the U.S. Department of Housing and Urban Development (HUD) released a Notice of Funding Opportunity (NOFO) for the Fiscal Year (FY) 2026 Continuum of Care (CoC) Program competition.

This year, there is funding available in four categories:

- **Annual Renewal Demand (ARD) Funding:** This amount represents what would cover the CoC's existing housing and services, HMIS, and Coordinated Entry projects. It includes renewing YHDP and DV Bonus projects, if applicable. ARD also includes expiring Special NOFO (Unsheltered and Rural Homelessness Supplemental NOFO) projects for those communities that received funding through that NOFO. See pages 22-24 of the NOFO.

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[1] Includes the following: (a) CoC review, score, and ranking procedures; (b) CoC Public Notice, (c) CoC Review and Ranking Process, (d) Notification to Project Applicants, (e) Public Notification of Ranked Project Applications, (f) Projects to Serve Persons Defined as Homeless Under paragraph 3 of 24 CFR 578.3 [a child or youth, who does not qualify as "homeless" under this section, but qualifies as "homeless" under section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2), and the parent(s) or guardian(s) of that child or youth if living with her or him], (g) the FY26 HDX Competition Report. See pages 98-99 of the NOFO.

[2] Includes the (a) Project Allocation form, (b) CoC and YHDP Project Listings, (c) CoC Planning and UFA Costs Project Application Listings, Form HUD-2991 Certification of Consistency with the Con Plan, (e) Tribal Resolution, if applicable. See pages 99-100 of the NOFO.

[3] Project Application(s), for each project, include: (a) charts, narrative responses, and attachments, (b) Documentation of Applicant and subrecipient Eligibility, (c) HUD required forms. See page 99 of the NOFO.

The CoC has the option to **continue to support** those programs, **or to reallocate** those resources, in whole or in part, to Permanent Supportive Housing, Rapid Rehousing, Transitional Housing, Supportive Services Only projects (including projects with the outreach service activity to individuals and families primarily residing in places not meant for human habitation), HMIS, or Supportive Services Only projects for Coordinated Entry.

- **CoC Bonus Funds:** This funding also supports Supportive Services Only, Transitional Housing, Permanent Supportive Housing, Rapid Rehousing, HMIS, or Supportive Services Only projects for Coordinated Entry. See pages 11-14 of the NOFO.
- **Domestic Violence Bonus (DV Bonus) Funds:** This funding supports Rapid Rehousing, Transitional Housing, or Supportive Services Only projects for Coordinated Entry. See pages 12-13 of the NOFO.
- **CoC Planning Funds**: This funding supports CoC planning activities, and only the CoC's named collaborative applicant may apply for it. **The planning grant will not be ranked in the competition and is not competitive with housing or service projects.** As such, this Handbook does not include information about applying for planning grants. See page 11 of the NOFO.

To know exactly how much Annual Renewal Demand Funding or CoC Bonus Funding is available in your community, see your community's application materials.

In 2026, funds are NOT available for:

- Emergency shelter
- Homelessness prevention projects
- New Joint Component Transitional Housing and Rapid Rehousing projects

Ranking and Tiers Explained

As in past years, the funding that CoCs can apply for is divided into tiers, **with projects prioritized in Tier 1 more likely to be funded than projects of lower priority that are placed in Tier 2.**

CoCs are required to either accept and rank, or reject, all projects submitted by project applicants in e-snaps, except CoC planning projects. CoCs are encouraged to consider the policy priorities established in the NOFO in conjunction with local priorities to determine the ranking of projects. All projects must pass HUD's eligibility and threshold requirements to be funded, no matter their priority.

Projects should be placed in priority order. The following project applications can be placed in Tier 1 or Tier 2 for competitive renewal:

- CoC Renewal Projects (including DV Renewal and Special NOFO Renewal projects);
- CoC New Projects (including CoC Bonus and CoC Reallocation Projects);
- DV Bonus Projects; and
- DV Reallocation Projects

Tier 1

In 2026, the amount of funding available for Tier 1 is equal to 60% of the combined Annual Renewal Amounts for all projects eligible for renewal. HUD will conditionally select projects from the highest scoring CoC to the lowest scoring CoC, provided the project applications pass both eligibility and threshold review. See page 89-90 of the NOFO.

Tier 2

In 2026, Tier 2 is the difference between Tier 1 and the sum of the CoC's ARD, CoC Bonus, and DV Bonus funds (but does not include CoC Planning projects or UFA Costs projects). Funding will be determined by the point value of each project application based on a 100-point scale. All Tier 2 projects will be funded in point order. See pages 90-91 of the NOFO.

Tier 2 points are awarded as follows:

- **CoC Score**: Up to 50 of 100 points in direct proportion to the score received on the CoC Application.
- **CoC Project Ranking**: Up to 40 of 100 points for the CoC's ranking of the project application(s). Higher ranked projects get more points.[4]
- ***NEW in 2026* Service Participation.** Up to 10 of 100 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.

Straddling Tiers

For any projects that straddle the two tiers, the Tier 1 portion will be conditionally funded up to the amount of funding that falls within Tier 1. Tier 2 portion will be funded in accordance with Tier 2 processes. HUD may award project funds for just the Tier 1 portion, provided the project is still feasible with the reduced funding (i.e., is able to continue serving homeless program participants effectively). See page 91 of the NOFO.

Reclassification

Because new project applications may be created through the reallocation or bonus processes, if HUD determines that a project applicant or a CoC incorrectly classified one or more new projects as reallocation or bonus, HUD may reclassify the project(s) as either reallocation or bonus if the CoC exceeded either its reallocation or bonus amount. See pages 13-14 of the NOFO.

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[4] To consider the CoC's ranking of projects, point values will be assigned directly related to the CoC's ranking of project applications. The calculation of point values will be 40 times the quantity (1-x), where x is the ratio of the cumulative funding requests for all projects or portions of projects ranked higher by the CoC in Tier 2 plus one half of the funding of the project of interest to the total amount of funding available in Tier 2. For example, if a CoC is eligible to apply for projects totaling $500,000 in Tier 2 and applies for 5 projects ranked in Tier 2 of $100,000 each: the highest ranked project would receive 36 points, and then the subsequently ranked projects would receive 28, 20, 12, and 4 points.

CoC Planning, and UFA Costs Projects

Applications for CoC Planning and UFA Costs projects will be unranked and not be included in the Tier 1 or Tier 2 calculations. It is not part of the ARD. CoCs may only submit one application for CoC planning and for UFA costs, and each must be submitted by the Collaborative Applicant that is listed on the CoC Applicant Profile in e-snaps. HUD will conditionally select all CoC planning projects that pass eligibility and threshold review. Collaborative Applicants are not required to submit applications for FY 2026 CoC Planning and UFA Costs projects.

Before Applying for a CoC Grant

This Handbook gives an overview of the CoC requirements and this funding opportunity. To ensure a comprehensive understanding and compliance with all CoC requirements, all applicants should read and be familiar with:

- FY 2026 CoC NOFO
- CoC Program Interim Rule

Noteworthy Changes in the 2026 NOFO That May Impact Grant Recipients

- **Tier 1 is** equal to **60%** of the CoC's Annual Renewal Demand (ARD). Tier 1 was 95% of ARD in 2022, 93% in 2023, and 90% in 2024.
- **CoC Bonus includes minimum and maximum amounts based on the type of CoC** (split, merged, new Tribal, unchanged). See pages 11-12 of the NOFO.
- **New TH and SSO project set aside** up to $1,300,000. New Joint TH-RRH project applications will not be permitted.
- **New TH project applicants are incentivized to provide at least 20 hours per week of engagement in services, activities, or employment for all participants, except those over age 62 or who meet the definition of "individual with handicaps" in 24 CFR 8.3** (this definition excludes persons who have substance use disorders and/or contagious diseases or infections that inhibit one's ability to perform work). See pages 63-64 of the NOFO.
- **Dedicated PH for families with children** with a national floor of $430,000,000.

- **PH-PSH projects must serve persons who qualify as homeless under paragraphs (1), (2), and (4) of [24 CFR 578.3] where the head of household also has a qualifying disability** as defined in section 401(10) of the McKinney-Vento Homeless Assistance Act[5].
- **DV Bonus & Reallocation *and* YHDP Replacement & Reallocation projects will be selected using Tier 1 and Tier 2** selection processes.
- **YHDP projects will be competitively renewed or replaced**. YHDP projects may be reallocated by CoCs to create new YHDP grants.
- All **renewal projects** will be re-evaluated each year based on objective and merit-based criteria.
- **Threshold factors** for new and renewal projects have been revised.
- All **renewal projects** will be re-evaluated each year based on objective and merit-based criteria. See page 22 of the NOFO.
- **Renewal project threshold reviews** will include the applicant's performance in assisting participants to achieve and maintain self-sufficiency and independent living (this does not apply to dedicated HMIS applications). See pages 61-62 of the NOFO.
- Tier 2 project scoring replaces the 10 points previously scored for Housing First to instead award points for **supportive service participation requirements.**
- **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 otherwise ineligible costs.
- **Project applicants must affirmatively certify that the project will not engage in illegal racial discrimination or operate drug injection or "safe consumption" sites**. See page 60 of the NOFO.
- **Remedies for noncompliance** include the termination of awards "if an award no longer effectuates the program goals or agency priorities." See page 110 of the NOFO.
- **Selection process includes** updated threshold, merit, and risk reviews as well as considerations such as "the likelihood that the project will result in the benefits expected", a broad range of recipients "beyond recurrent recipients", and geographic dispersion. See pages 87-88 of the NOFO.
- **Increased discretion** to fund applications in whole or in part, impose special conditions, fund applications lower than the amount requested, not fund any applications under this NOFO, withdrawal of awards if terms and conditions are not finalized or timely, releasing another NOFO if the applications received do not merit the obligation of funds. See pages 87-88 of the NOFO.
- In the case that funding remains available after HUD follows the selection and appeals processes, HUD reserves the right to issue a supplemental NOFO.

[5] The NOFO and CoC Interim Rule reference an old section of the McKinney-Vento statue. The definition of homeless individual with a disability is now in section 401(10) of the updated statute.

HUD's Homeless Policy and Program Priorities

All projects should consider HUD's policy and program priorities, which have been updated, with a focus on improving outcomes, creating competition to improve innovation and accountability, restoring balance to the CoC, prioritizing treatment and recovery, promoting economic self-sufficiency, advancing public safety, minimizing trauma for vulnerable populations, and expanding access based on merit. CoCs and Project Applications will be evaluated based on the extent to which they further HUD's policy priorities. The policy priorities set forth in this year's NOFO are found in the Notice of Funding Opportunity (NOFO).

New Project: Designing Your Project

There are two things to keep in mind when preparing your application:

1. Ensuring your application is competitive for funding in your CoC's local competition,
2. Ensuring the project you are applying for is eligible for HUD funding and compliant with HUD requirements and the priorities and guidelines established in the FY2026 NOFO. See Eligible Applicants on page 11-12 of the NOFO.

Eligible New Projects Funding Options

New projects submitted under the Amarillo CoC local competition may apply for four funding streams:

- CoC Bonus funding,
- Domestic Violence (DV) Bonus funding,
- CoC Reallocation funding,
- DV Reallocation funding, or
- A combination of reallocation and CoC Bonus funding.

Requirements, eligibility, amounts, and processes differ among the types of funding, so potential applicants should consider each carefully.

Eligible Applicants

- Non-profit organizations
- States
- Local governments
- Instrumentalities of State and local governments
- Public housing agencies
- Tribes and Tribal Entities

HUD will NOT evaluate applications from ineligible applicants (including for-profit entities and individuals).

HUD will also review each eligible applicant's capacity to do the work (threshold, merit, and risk reviews). Applicants failing to meet the criteria established in the NOFO will be deemed ineligible for funding. See pages 59-87 of the NOFO.

In 2026, project applicants must certify affirmatively to the following:

- "The project applicant will not engage in illegal racial discrimination. This is consistent with the requirements of 2 CFR 200.300(a)."
- "The project applicant will not operate drug injection sites or 'safe consumption sites' in violation of 21 U.S.C. 856(a)(1), knowingly permit the use or distribution of illicit drugs on property under their control in violation of 21 U.S.C. 856(a)(2), or knowingly distribute drug paraphernalia in violation of 21 U.S.C. 863. This is consistent with the objectives outlined in Section III.B above and is consistent with the requirements of 2 CFR 200.300(a).
  This certification is not a requirement that program participants must be sober to receive assistance, participate in treatment to receive assistance, or be evicted or exited from assistance for a first-time violation of a drug-related program policy or lease requirement."

Options for New Project Funding

Applicants may submit applications for new projects created through DV Bonus, CoC Bonus, CoC Reallocation, DV Reallocation,[6] YHDP Replacement including YHDP Reallocation, or a combination of reallocation and CoC Bonus. Projects can also expand their projects using these sources. This NOFO prioritizes new Transitional Housing and Supportive Services Only projects.

New Projects Created by Reallocation, CoC Bonus, or a Combination

Amarillo CoC will accept the following new application types:

1. New Transitional Housing (TH) project to serve homeless individuals and families.
2. New Supportive Services Only (SSO) standalone project to serve homeless individuals and families.
3. New Supportive Services Only (SSO-CE) project to develop or operate a centralized or coordinated entry system.

[6] DV Renewal projects that have a SSO-CE component cannot be reallocated. See page 13 of the NOFO.

New Projects Created by DV Bonus

Applicants may apply for **Domestic Violence Bonus** funding for projects dedicated to survivors of domestic violence, dating violence, or stalking who qualify under paragraph (4) of the definition of homeless at 24 CFR 578.3,[7] for the following project types:

1. Transitional Housing (TH) project[8].
2. Supportive Services Only Projects for Coordinated Entry (SSO-CE) to implement policies, procedures, and practices that equip the CoC's coordinated entry to better meet the needs of survivors of domestic violence, dating violence, sexual assault, or stalking (e.g., to implement policies and procedures that are trauma-informed, 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).

For additional information on applying for and the scoring and ranking for DV Bonus and DV Reallocation Projects, please see Appendix A.

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[7] Note: section 605 of VAWA 2022 amended section 103(b) of the McKinney-Vento Homeless Assistance Act to require HUD to consider as homeless: any individual or family who— (1) is experiencing trauma or a lack of safety related to, or fleeing or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous, traumatic, or life-threatening conditions related to the violence against the individual or a family member in the individual's or family's current housing situation, including where the health and safety of children are jeopardized; (2) has no other safe residence; and (3) lacks the resources to obtain other safe permanent housing.

[8] A model in which a family agrees to permit a youth to reside with them. Recognizing that the addition of another person in the home may increase costs to the family, HUD will entertain applications that propose to house youth with families and to subsidize the additional costs attributable to housing the youth. The residence is in a community-based setting. The family could be related to the youth, and the length of stay may be time-limited or without time limits. YHDP funds may be used to subsidize the increased costs to the family that are attributable to

New Projects Created by Expansion of a Renewal Project

A renewal project applicant may submit a new project application to **expand its current CoC-funded operations** by adding units, beds, persons served, services provided to existing program participants, or to add additional activities to HMIS and SSO-Coordinated Entry projects.

For additional information on applying for an Expansion Project, please see Appendix B.

Amarillo CoC Options for New Project Types

Transitional Housing

- Time limited (up to 24 months)
- Project based or scattered site
- Homeless Definition Category 1, 2 or 4 (and paragraph (3) if the CoC is approved to serve this population)
- All eligible cost categories

Supportive Services Only

- No time limits
- No financial housing assistance
- Homeless Definition Category 1, 2 or 4
- Acquisition/rehabilitation/leasing of space to provide services, HMIS, Supportive Services, Admin

Transitional Housing (Bonus, Reallocation, DV Reallocation, or DV Bonus)

- ***Transitional Housing (TH)*** **component** projects provide temporary housing with supportive services to individuals and families experiencing homelessness with the goal of interim stability and support to successfully move to and maintain permanent housing. TH projects can cover housing costs and accompanying supportive services for program participants for up to 24 months. In this NOFO, TH is an eligible activity to assist survivors of domestic violence, dating violence, sexual assault, or stalking.

- Project must select program participants consistent with the CoC's Coordinated Entry process and must serve certain populations:
    - Projects applying for Bonus or Reallocation funding must serve persons who qualify as homeless under paragraphs (1), (2), or (4) of 24 CFR 578.3.
        - Projects may serve persons who qualify as homeless under paragraph (3) of 24 CFR 578.3 if the CoC is approved to serve this population.
    - Projects applying for DV Bonus or DV Reallocation funding must serve survivors of domestic violence, dating violence, sexual assault, or stalking who are defined as homeless at 24 CFR 578.3.
        - Note: section 605 of VAWA 2022 amended section 103(b) of the McKinney-Vento Homeless Assistance Act to require HUD to consider as homeless: any individual or family who— (1) is experiencing trauma or a lack of safety related to, or fleeing or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous, traumatic, or life-threatening conditions related to the violence against the individual or a family member in the individual's or family's current housing situation, including where the health and safety of children are jeopardized; (2) has no other safe residence; and (3) lacks the resources to obtain other safe permanent housing.

- 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
- To facilitate the movement of program participants into permanent housing, transitional housing projects should provide a wide range of supportive services to participants while they reside in the program that meets the needs of their program participants. Recipients can require program participants to take part in supportive services that are not disability-related services as a condition of participation in the program. For example, if the purpose of the project is to assist participants with substance abuse issues, projects may require participants to take part in substance abuse treatment services.

- In this NOFO, applicants will be required to describe how they will assess the service needs of program participants and provide individualized services during their time in TH that will result in *at least 20 hours per week of engagement in services, activities, or employment for all program participants except those over age 62 or who meet the definition of an individual with handicap in 24 CFR 8.3* (definition does not include substance use disorders and infectious diseases). See page 63 of the NOFO.
- Projects can provide services to former residents of TH projects for up to six months after exiting TH to assist in the household's transition to independent living (24 CFR 578.75(h)).
- While eligible costs may be impacted by your local competition rules, the NOFO allows for grant funds to be used for (see Eligible Costs/Activities Overview):
    - Acquisition
    - Rehabilitation
    - New Construction
    - Leasing
    - Operations
    - Rental Assistance
    - Supportive Services
    - HMIS
    - Indirect Costs
    - Administration
    - VAWA Costs Budget Line Item [as defined in section IV.B.4. of the NOFO]
    - Rural Costs Budget Line Item for projects in rural areas [as defined in section IV.B.5 of the NOFO; see also section IV.B.3. of the NOFO]
- Housing may be single site or scattered sites and can be integrated with affordable or market-rate units.
- **For more information on models of transitional housing, strong practices in transitional housing, and considerations for transitional housing projects, please see Appendix C.**
- HUD will review all new project applications to determine if they meet **project quality threshold requirements**, **see Appendix D**, indicating that the type of housing will meet the needs of program participants, that supportive services be offered to program participants to ensure successful retention in or help to obtain housing, that participants are assisted to obtain employment income and mainstream benefits, that supportive services are mandatory, and that the project is cost-effective.

Supportive Services Only (Bonus or Reallocation)

- Supportive Services Only (SSO) projects allow recipients to provide supportive services—such as conducting outreach to sheltered and unsheltered homeless persons and families and providing referrals to other housing or other necessary services to assist people in exiting homelessness.

The recipient may only assist program participants for whom the recipient or subrecipient of the funds is not providing housing or housing assistance.

- *For SSO Street Outreach*, the NOFO states that the applicant must demonstrate their history (or plan for) partnering with law enforcement and first responders and cooperate with the enforcement of laws such as public camping or public drug use and assist (or be willing to assist) first responders with their efforts to engage homeless individuals.
- Whether or not a program is functioning as an SSO project or a housing project can cause some confusion. Please see the CoC Program SSO/Housing Component Decision Tool for more information.
- An SSO project may include:
  - Acquisition, Rehabilitation, or Leasing of a space to provide services (§ 578.37(a)(3)),
  - Project Administration (§ 578.59), and
  - Supportive Services (§ 578.53). Eligible supportive services are:
    - Annual Assessment of Services (§ 578.53(e)(1))
    - Moving costs (§ 578.53(e)(2))
    - Case management (§ 578.53(e)(3))
    - Childcare (§ 578.53(e)(4))
    - Education services (§ 578.53(e)(5))
    - Employment assistance and job training (§ 578.53(e)(6))
    - Food (§ 578.53(e)(7))
    - Housing search and counseling services (§ 578.53(e)(8))
    - Legal services (§ 578.53(e)(9))
    - Life skills training (§ 578.53(e)(10))
    - Mental health services (§ 578.53(e)(11))
    - Outpatient health services (§ 578.53(e)(12))
    - Outreach services (§ 578.53(e)(13))
    - Substance abuse treatment services (§ 578.53(e)(14))
    - Transportation (§ 578.53(e)(15))
    - Utility deposits (§ 578.53(e)(16))
- **An SSO program may not have a Leasing or Rental Assistance line item to provide transitional housing or permanent housing as part of the project.**
- For more information on **partnerships** in street outreach, **strong practices** in street outreach, please see **Appendix E.**
- **HUD will review all new project applications to determine if they meet project quality threshold requirements; see Appendix D.**

DV Reallocation Projects

Information regarding DV Bonus and DV Reallocation projects is available in Appendix A.

- Projects previously funded using Domestic Violence Bonus funds may only be reallocated to new projects that will be 100 percent dedicated to serving individuals and families of persons experiencing trauma or a lack of safety related to fleeing or attempting to flee domestic violence, dating violence, sexual assault, or stalking who qualify under paragraphs (1) or (4) of the definition of homeless at 24 CFR 578.3 or section 103(b) of the McKinney-Vento Homeless Assistance Act with the following exception:
  - PH-RRH, Joint TH/PH-RRH, SSO projects may serve persons who are fleeing or attempting to flee domestic violence, dating violence, sexual assault, and stalking who qualify as homeless under paragraph (3) of 24 CFR 578.3 if the CoC is approved to serve persons in paragraph (3).
  - These new projects (including new expansion projects) created with reallocation DV Renewal funding, in their entirety, must meet all the same requirements of a DV Bonus project and the sum of all DV Reallocation applications must be for the same amount of funding made available from the DV Renewal funding being reallocated.
- In 2026, CoCs are required to rank all DV Bonus projects with a unique rank number, either on the New or Renewal Project Listings of the CoC Priority Listing. DV projects in Tier 1 will be selected by HUD first, if they pass eligible thresholds, as part of HUD's full review of Tier 1. All other DV Bonus projects not awarded in Tier 1 will be considered next for funding.
- Note that for FY 2026, DV Bonus projects will be selected using the Tier 1 and Tier 2 selection process. See page 90 of the NOFO.

New Project Design Requirements

Funding Levels & Limits

Each year's Notice of Funding Opportunity (NOFO) states how the funding amount is to be calculated. This year, these rules apply:

- New project applications must request the full [Fair Market Rents (FMR)] amount per unit.
- HUD will adjust leasing, operating, and rental assistance budget line items based on changes to the FMR. HUD will also adjust amounts for the supportive services and HMIS Costs budget lines for renewing projects. All adjustments will be made prior to award announcement.
- If the recipient has a subrecipient (and is not a UFA), it is required to share at least 50 percent of project administrative funds with its subrecipient(s).

Timeliness

- After HUD makes selections, HUD may subsequently request additional project information which may include documentation to show the project is financially feasible; documentation of firm commitments for match; documentation showing site control; information necessary for HUD to perform an environmental review; a copy of the organization's Code of Conduct; and other such documentation. HUD will require the submission of additional project information no later than 30 days after the date of the letter.
- To expend funds within statutorily required deadlines, applicants funded for new sponsor-based and project-based rental assistance must execute the grant agreement and begin providing rental assistance within 2 years. However, HUD strongly encourages all rental assistance to begin within 12 months of award. Applicants unable to begin within 12 months should consult with the local HUD CPD Field Office.

Initial Funding Term

- New projects (except for projects requesting capital costs) may request funding for a 1-year grant term (but in some cases, they can also apply for a 2-, 3-, 4-, 5-, or 15-year grant). However, the following exceptions apply (see page 25 of the NOFO):

HUD will allow new projects to request 1 year of funding with a longer initial grant term not to exceed 18 months. HUD has determined that most new projects requesting 1 year of funding normally take approximately 3 to 6 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 1 year of funding may request a grant term of 12 months to 18 months that will allow for the additional start- up process.

- Any new project that requests tenant-based rental assistance may request a 1-, 2-, 3-, 4-, or 5-year grant term.
- Any new project that requests leasing costs (either leasing only or leasing plus other costs) may request up to a 3-year grant term.
- Any new project that requests operating costs, supportive services only, HMIS, and project administrative costs may request 1-year, 2-year, 3-year, 4-year, or 5-year grant terms with funding for the same number of years.
    - Any new project that requests project-based rental assistance or sponsor-based rental assistance, or operating costs, may request up to a 15-year grant term; however, the project applicant may only request up to 5 years of funds. Funding for the remainder of the term is subject to availability. Applicants must apply for additional funds through a renewal project application in the competition held in the calendar year prior to the anniversary of the first expenditure of grant funds, or if HUD has extended the grant term, the date the extension expires. HUD does not guarantee CoC Program funds past the initial 5-year grant term, if conditionally awarded.
- Any new expansion project that is submitted to expand an eligible renewal CoC Program-funded project may only request a 1-year grant term, regardless of the project type.
- New CoC Planning and UFA Costs Projects are limited to 1-year grant terms and 1-year of funding. CoC Planning and UFA Costs grants are not renewable.
    - The maximum amount of one year funding to spend on administrative costs associated with the CoC planning activities listed at 24 CFR 578.39 is 5 percent of Final Pro Rata Need (FPRN), up to a maximum of $1,500,000, or $50,000, whichever is greater.
    - The maximum amount for one year of funding to spend on administrative costs associated with UFA costs described in 42 U.S.C. 11383(a)(11) is up to 3 percent of FPRN or $1,250,000 per fiscal year; whichever is less.
- Any new project that is requesting consideration under the DV Bonus may only request a 1-year grant term, regardless of project type (but may request a longer initial grant term up to 18 months in alignment with page 23).
- Any new project HUD conditionally selects that requests new construction, acquisition, or rehabilitation must request a minimum of a 3-year grant term and may request up to a 5-year grant term.
    - Any new project requesting capital costs are not eligible for 1-year funding request.
    - See page 25 of the NOFO for additional guidance if your construction, acquisition, or rehabilitation application also included a request for operating, supportive services, or HMIS funds.

- A new project requesting, for example, $300,000 would receive the full amount for a one-year grant, $150,000 each year for a two-year grant, and $100,000 each year for a three-year grant, and so on.

Match Requirement

- CoC project recipients must match all grant funds, except for leasing funds, with no less than 25% of funds or in-kind contributions from other sources. See page 26 of the NOFO.
    - See match requirements, **match ideas (Appendix F) and model match letter (Appendix G).**
- Project applicants that intend to use program income as match must provide an estimate of how much program income will be used as match.

New Project Threshold Requirements

For new projects, the review process considers applicant and subrecipient eligibility and capacity, project eligibility, and project quality as part of the threshold review. Additionally, to receive funding for a new project, except those created through reallocation, the CoC must demonstrate that projects are evaluated and ranked based on the degree to which they improve the CoC's system performance.
Project Eligibility Threshold: HUD will review eligibility threshold requirements on a pass/fail standard, and if standards are not met, the project will be rejected from the competition.
Applicants and subrecipients must:

- Be eligible under the CoC Program.
- Demonstrate the financial and management capacity and experience to carry out the project and to administer Federal funds.
- Submit required certifications.
- Propose an eligible population for the project type, as designated by the CoC Program Interim Rule and the NOFO.
- Agree to participate in HMIS (except for victim service providers who must use a comparable database and planning/UFA grant recipients).
- ***New in 2026* Certify affirmatively to the following:**
    - **"The project applicant will not engage in illegal racial discrimination. This is consistent with the requirements of 2 CFR 200.300(a)."**
    - **"The project applicant will not operate drug injection sites or 'safe consumption sites' in violation of 21 U.S.C. 856(a)(1), knowingly permit the use or distribution of illicit drugs on property under their control in violation of 21 U.S.C. 856(a)(2), or knowingly distribute drug paraphernalia in violation of 21 U.S.C. 863. This is consistent with the objectives outlined in Section III.B above and is consistent with the requirements of 2 CFR 200.300(a).**
      This certification is not a requirement that program participants must be sober to receive assistance, participate in treatment in order to receive assistance, or be evicted or exited from assistance for a first-time violation of a drug-related program policy or lease requirement."

Project Quality Threshold: HUD will review all new project applications to determine if they meet project quality threshold requirements. If awarded, a recipient is required to meet all the criteria listed for its component. The housing and services proposed must be appropriate to the needs of the program participants and the community. **For detailed threshold information by project type, see Appendix D. Please note that these requirements have changed significantly in 2026.**

HUD will not award funds to a new project unless the project was created through reallocation, or 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.

Other threshold requirements:

- Project applicants and potential subrecipients must have satisfactory capacity, drawdowns, and performance for existing grant(s), as evidenced by timely reimbursement of subrecipients, regular drawdowns, and timely resolution of any monitoring findings, however, this does not apply to project applicants who have never received a CoC Program funded project.
- For expansion projects, project applicants must clearly articulate the part of the project that is being expanded. Additionally, the project applicants must clearly demonstrate that they are not replacing other funding sources.
- Project applicants must demonstrate they will be able to meet all timeliness standards per 24 CFR 578.85.
- HUD reserves the right to deny the funding request for a new project, if the request is made by an existing recipient that HUD finds to have significant issues related to capacity, performance, or unresolved audit/monitoring finding related to one or more existing grants; or does not routinely draw down funds from eLOCCS at least once per quarter. Additionally, HUD reserves the right to withdraw funds if no APR is submitted on the prior grant.
- ***New in 2026*** HUD reserves the right to reject a project if the recipient is not compliant with audits for large grant recipients (over $1,000,000) as required by 2 CFR 200.501. See page 62 of the NOFO.
- ***New in 2026*** For HUD to consider new projects as meeting the project quality threshold, each new project must meet all criteria in section V.4.c.(4), as applicable, if awarded prior to executing a grant agreement. See page 62 of the NOFO.
- All projects must have a UEI number and active registration in SAM.

Renewal Projects Requirements

To be eligible for renewal funding:

- The application must be approved by the CoC for submission in this NOFO. For FY 2026 Program funding renewals, the project must currently be operating and have an expiration date in CY 2027 (January 1, 2027 to December 31, 2027). See page 61 of the NOFO.
- ***New in 2026***

    - Renewals will be issued based on objective and merit-based criteria and re-evaluated each year.
    - HUD may condition renewal on compliance with audits for large grant recipients (over $1,000,000) as required by 2 CFR 200.501 and other post-award requirements from prior years, as required by 2 CFR Part 200, 24 CFR Part 91, 24 CFR Part 578, and other applicable law [sic]. See pages 22-23 of the NOFO.
- The applicant must be the entity that signed the expiring grant agreement with HUD, or the entity that became the recipient through a grant agreement transfer amendment.

Funds for acquisition, new construction, and rehabilitation are not renewable. Grants being renewed whose original expiring award included acquisition, new construction, and rehabilitation funds may only renew leasing, supportive services, rental assistance, operating, and HMIS costs and must not exceed 10 percent in administrative costs.

Other Types of Grant Options for Renewals in 2026: Transition Grants, Consolidations, Expansion Grants

In addition to renewing their current grant, renewal applicants can choose to:

- Transition the renewal project to another CoC Program component (eliminating the gap between contracts when CoCs have allowed agencies to 'reallocate to themselves' in past competitions),
- Consolidate several grants through the application process, thereby avoiding a lengthy grant amendment process, or
- Expand the renewal grant (as described in **Appendix B**).

Transition Grants

Applicants may transition renewal projects from one CoC Program component to another (e.g., Permanent Supportive Housing to Transitional Housing) using the CoC Program Competition upon approval of the CoC.

Additional information regarding transition grants is in **Appendix H**. Special considerations regarding transitioning to Transitional Housing are in **Appendix C**. Special considerations regarding transitioning to Street Outreach are in **Appendix E**.

Consolidation Projects

Eligible renewal project applicants may consolidate two but no more than ten eligible renewal projects into one project application during the application process**.** To be eligible for consolidation, renewal projects *must:*

- Have a grant period that will expire in the Calendar Year (CY) 2027;
- Be consolidated under the same recipient; and
- All have the same component and project type (i.e. PH-PSH, PH-RRH, Joint TH/PH-RRH, TH, SSO, SSO-CE, or HMIS).

If you are interested in consolidating projects, please contact the Collaborative Applicant to discuss the process further. Additional information on Consolidation Grants is available in **Appendix I**.

See pages 19-21 of the NOFO for more information.

Expansion Projects

A renewal project applicant may submit a new project application under the DV Bonus, DV Reallocation, CoC reallocation, and CoC bonus processes to expand its current operations by adding units, beds, persons served, services provided to existing program participants, or to add additional activities to HMIS and SSO-Coordinated Entry projects within the CoC's geographic area. See **Appendix B** and pages 16-18 of the NOFO.

Eligible Costs for Renewal Projects

All renewal projects must submit an application that reflects the same costs and amounts as are listed on the Grant Inventory Worksheet for that grant. Those costs may include:

1. Acquisition
2. Rehabilitation
3. New Construction
4. Leasing
5. Rental Assistance
6. Supportive Services
7. Operating Costs
8. HMIS
9. Project Administration
10. VAWA Costs Budget Line Item - May be included in new project applications, added to renewal projects through expansion, or added to eligible renewal projects by shifting up to 10% of funds from one eligible activity to the VAWA costs line item);
11. Rural Costs Budget Line Item - May be included in new project applications or added to renewal projects through expansion.

See also Indirect Costs.

CoC Renewal project applications may include non-significant changes, including shifting up to 10 percent of funds from one approved eligible cost activity to another.

Threshold Requirements for Renewal Projects

Renewal projects will be issued based on objective and merit-based criteria and all renewals will be re-evaluated each year. Renewal projects must meet minimum project eligibility, capacity, timeliness, and performance standards identified in this NOFO. When considering renewal projects for award, HUD will review information in eLOCCS; Annual Performance Reports (APRs); and information provided from the local HUD/CPD Field Office, including monitoring reports and audit reports as applicable, and performance standards on prior grants, and will assess projects using the following criteria on a pass/fail basis:

- Whether the project applicant's performance met the plans and goals established in the initial application as amended;
- Whether the project applicant demonstrated all timeliness standards for grants being renewed, including that standards for the expenditure of grant funds have been met;
- ***New in 2026*** The project applicant's performance in assisting program participants to achieve and maintain independent living and record of success, except HMIS-dedicated projects are not required to meet this standard (see page 61 of the NOFO); and
- Evidence of unwillingness of project applicants to accept technical assistance, a history of inadequate financial accounting practices, indications of project mismanagement, a drastic reduction in the population served, program changes made without prior HUD approval, or the loss of project site control.

HUD reserves the right to reduce or reject a funding request from the project applicant for the following reasons:

- Outstanding obligation to HUD that is in arrears or for which a payment schedule has not been agreed upon
- Audit finding(s) for which a response is overdue or unsatisfactory

- History of inadequate financial management accounting practices
- Evidence of untimely expenditures on prior award
- History of other major capacity issues that have significantly affected the operation of the project and its performance
- History of not reimbursing subrecipients for eligible costs in a timely manner, or at least quarterly
- History of serving ineligible program participants, expending funds on ineligible costs, or failing to expend funds within statutory timeframes
- ***New in 2026*** Compliance with audits for large grant recipients (over $1,000,000) as required by 2 CFR 200.501. See page 62 of the NOFO
- ***New in 2026*** History of illegal discrimination, including illegal racial discrimination
- ***New in 2026*** History of subsidizing or facilitating illicit drug use or other illicit activities that conflict with the purposes of this NOFO

Funding Levels & Limits

Each year's NOFO states how the renewal amount is to be calculated. This year, these rules apply:

- Applicants requesting renewal of grants for rental assistance are permitted to request a per-unit amount less than the Fair Market Rent (FMR) if the actual rent per unit under lease is less than the FMR (but not more than). This will help reduce the number of projects receiving rental assistance that have large balances of unspent funds remaining at the end of the operating year. Renewal project applicants must ensure the amount requested will be sufficient to cover all eligible costs as HUD cannot provide funds beyond the amount awarded through this Competition. Project applications for rental assistance cannot request more than 100 percent of the published FMR.
- HUD will adjust leasing, operating, and rental assistance budget line items based on changes to the Fair Market Rents (FMR). Because the application submission deadline falls in fiscal year 2026, HUD will use FY 2026 FMRs for funding amounts.
- HUD will adjust supportive services line items with a cost-of-living adjustment. HUD will adjust amounts for the supportive services and HMIS Costs budget lines for renewing projects by the following factor:
    - Most recent three-year average of changes in State Quarterly Census of Employment and Wages (QCEW) for the category Social Assistance (NAICS 624). Data can be found at: https://www.bls.gov/cew/data.htm.
- To request increased funding to a higher level of services/housing than the previous grant, the applicant must submit a **new** application for any proposed expansion and renewal application to renew the existing project. See **New Projects: Designing Your Project** above.
- If the recipient has a subrecipient, it is required to share at least 50% of project administrative funds with its subrecipient(s).

Funding Term

- All CoC Program renewal projects are eligible to apply for one year of renewal funding.
- Any renewal PH project applicants may only request 1 year of funding. Project applicants must apply for the additional funds as a renewal project application prior to the anniversary of the first expenditure of grant funds by which date grant funds should have been expended; or, if HUD extends the date that funds must be expended, the date the extension expires. HUD does not guarantee CoC Program funds past the 1 year of renewal funding.

Match Requirement

- CoC project recipients must match all grant funds, except for leasing funds, with 25% of funds or in-kind contributions from other sources.
  - See match requirements , match ideas (**Appendix F**), and model match letter (**Appendix G**).
- Project applicants that intend to use program income as match must provide an estimate of how much program income will be used as match.

Eligible Costs to Inform Project Design

Information about eligible costs under each line item can be found in the CoC Program Interim Rule, 24 CFR 578 and in the associated HUD Resource Binder and Indirect Cost Toolkit.

NOTE: Projects often have additional limitations beyond those in the Interim Rule, due to their project design or the NOFO under which they were originally funded.

A few things to highlight because they have **changed in recent years** include:

- The 2023 NOFO added two new eligible costs/Budget Line Items:
    - **VAWA Costs Budget Line Item:** Section 605 of VAWA 2022 amends section 423(a) of the McKinney-Vento Homeless Assistance Act to add the following eligible Continuum of Care Program activity: "Facilitating and coordinating activities to ensure compliance with [the emergency transfer plan requirement in 34 U.S.C. 12491(e)] and monitoring compliance with the confidentiality protections of [the confidentiality requirement in 34 U.S.C. 12491(c)(4)]."
        - This new eligible activity category is not subject to the CoC program's spending caps on administrative costs.
        - This new activity may be included in new project applications and be added to renewal projects through expansion or added to eligible renewal projects by shifting up to 10% of funds from one eligible activity to the VAWA costs line item.
        - Examples of eligible costs for emergency transfer facilitation include the costs of assessing, coordinating, approving, denying and implementing a survivor's emergency transfer. Detailed cost examples are listed on pages 52-53 of the NOFO.
        - Examples of eligible costs for monitoring compliance with the VAWA confidentiality requirements are listed on page 53.
- Program income can be used at match. Program income must always be used for eligible activities under the grant. Project applicants that intend to use program income as match must provide an estimate of how much program income will be used as match. See page 26 of the NOFO.
- Tenant-based Rental Assistance is rental assistance in which program participants choose housing of an appropriate size in which to reside, and certain households with domestic violence experience have been able to retain the assistance outside the CoC's area. Other program participants may also choose housing outside the CoC's geographic area. If the recipient is able to meet all CoC requirements in the area where the participant chooses housing. If unable to meet the requirements, the recipient may refuse to permit the participant to retain TBRA if the participant moves outside of the geographic area.
- Indirect costs (defined at 2 CFR 200.1) are eligible under the CoC Program, and if the applicant does not have an approved federally negotiated indirect cost rate, the applicant may use a de minimis rate of 15 percent of Modified Total Direct Costs. See page 35 of the NOFO. Additional information on Indirect Costs can be found in the HUD Indirect Costs Toolkit.

Also remember:

- Staff training and the costs of obtaining professional licenses or certifications needed to provide supportive services are not eligible supportive services costs. Some limited training is eligible under administrative costs.
- Operating costs do not include operating costs of emergency shelters and supportive services only facilities, maintenance and repair of housing where those costs are included in the lease (landlord responsibilities), or a structure or unit also subsidized by rental assistance funds.
- Administrative costs do not include staff and overhead costs directly related to carrying out

other eligible activities (e.g., rental assistance), because those costs are eligible as part of those activities.

- Time spent preparing the annual application to HUD is **<u>not</u>** an eligible use of CoC project funds (it is, however, an eligible use of CoC planning grant funds).

Examples of Later Responsibilities for Recipients and Subrecipients

If your application is conditionally awarded, you will have several responsibilities. **Please be sure that you can carry all of them out before submitting your application.** The list that follows includes some of the recipient/subrecipient responsibilities. These requirements are detailed in the CoC Program NOFO at pages 107-113 and the CoC Interim Program Rule (24 CFR 578).

All Projects

- **Annual Audits:** Any recipient expending $1,000,000 or more in a year in Federal Funds must conduct a single audit for that year.
- **Reporting:**
    - **Annual Performance Reports (APR):** Your agency will be responsible for submitting an APR for each project every year, which provides client data, service utilization information, program outcomes, and financial information. HUD may terminate the renewal of any grant and require repayment if the APR is not filed on time or if HUD deems the APR unacceptable or showing noncompliance with grant requirements
    - **Recordkeeping:** Recipients must maintain records and within the timeframe required, make any reports, including those pertaining to race, ethnicity, gender, and disability status that HUD may require. CoC applicants may report this data as part of their APR submission to HUD.
    - **Transparency Act:** Award notices may also include requirements for sub-award reporting in compliance with the requirements of the Federal Financial Assistance Accountability and Transparency Act of 2006 (Pub. L. 109-282) (Transparency Act) and Section 872 of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 (Pub. L. 110-417)
- **Impact/Success Indicators:** All projects, except for HMIS, must provide systematic indicators for evaluating the positive impact/success the project will have on clients and reducing homelessness in the community. HUD will require projects to include measures for: length of time in the project; recidivism; movement to and stability in permanent housing; connection with mainstream benefits; and job and income growth for persons who are homeless. Projects may also indicate additional measures on which the project will chart success.
- **Other Data Requests:** Your agency must provide performance and other requested data to the CoC for community-level analysis and planning.
- **Match Documentation:** Your agency must maintain documentation of any required match funding in your financial reports on a grant-specific basis.
- **HMIS Participation:** Your agency must participate in the CoC's Homeless Information Management System and enter data consistent with the applicable HMIS Data Standards.
- **Performance**: Your agency must perform the tasks outlined in your application and grant agreement, including complying with all the language in the Applicant Certifications, and following all HUD statutes and regulations applicable to the grant.
- **Documentation of Homeless Status and Disability Status:** HUD requires all recipients to document the homeless status and, in some cases, the disability status for all clients.

- **Housing-related Requirements:** HUD requires recipients to ensure compliance with HQS, that housing is appropriate to the needs of the persons served, suitable dwelling size, and that housing rental amount is within HUD's guidelines. Effective October 1, 2026, housing leased with CoC program funds or for which rental assistance payments are made with CoC program funds, must meet the applicable standards in 24 CFR 5.703 (National Standards for the Physical Inspection of Real Estate (NSPIRE)).
- **Service-related Requirements:** All programs must provide ongoing assessment of supportive services. Transitional Housing will require individualized services for program participants that will result in at least 20 hours per week of engagement in services, activities or employment for all program participants over age 62 or who is an *individual with handicaps* as defined in 24 CFR 8.3 or with a *developmental disability* as defined in 24 CFR 578.3. See pages 63-64 of the NOFO.
- **Fair Housing:** HUD requires compliance with requirements related to Fair Housing and Equal Opportunity, Equal Access to Housing, and Resolution of Outstanding Civil Rights Matters. This includes outreach to underserved populations, including those with Limited English Proficiency.
- **Calculation of Client Rent:** HUD determines the amount of rent that can be charged to clients, and recipients must show documentation of rental calculations.
- **No program fees:** Recipients and subrecipients may not charge program fees to participants.
- **Policies:** All CoC recipients are required to institute certain policies, including participant participation, grievance procedures, due process for participant termination, staff rules, emergency safety and evacuation procedures, confidentiality restrictions, non-discrimination, free from religious influences, conflict of interest, anti-lobbying, drug-free workplace, etc.
- **State and Local Requirements:** Services provided with CoC program funds must be provided in compliance with all applicable State and local requirements, including licensing requirements.
- **Mainstream Resources:** You must coordinate and integrate your program with other mainstream health, social services and employment programs for which your clients may be eligible
- **Prevention and Discharge Planning:** Any governmental entity serving as an applicant must agree to develop and implement to the maximum extent practical and where appropriate, policies and protocols for the discharge of persons from publicly-funded institutions or systems of care (such as health care facilities, foster care other youth facilities, or corrections programs and institutions) in order to prevent such discharge from immediately resulting in such persons entering the homeless system.
- **Coordination with Educational Agencies:** Any program serving homeless families will have to certify that their programs will establish policies and practices that are consistent with, and do not restrict the exercise of rights provided by the education subtitle of the McKinney Vento Act and other laws relating to the provision of education and related services to individuals and

families experiencing homelessness. They must also designate a staff person to ensure that children are enrolled in school and connected to appropriate services within the community.

- **Ethics:** Recipients and subrecipients must not be debarred or suspended, not have delinquent federal debts, conduct business in accordance with core values and ethical standards/code of conduct.

- **Some Pre-Contract Requirements for New Projects:**

  - Proof of site control, match, environmental review, and the documentation of financial feasibility must be completed within 12 months of the announcement of the award, or 24 months in the case of funds for acquisition, rehabilitation, or new construction. The 12-month deadline may be extended by HUD for up to 12 additional months upon a showing of compelling reasons for delay due to factors beyond the control of the recipient or subrecipient.

  - **Use Covenants:** All grants for funds for acquisition, rehabilitation, or new construction require recordation of a HUD-approved use and repayment covenant requiring operation of the program for 15 years.

  - **Environmental Review:** All grants for acquisition, rehabilitation, conversion, leasing, repair, disposal, demolition, or construction must demonstrate that the project site is free of hazardous materials that could affect the health and safety of the occupants.

  - **Section 3 Compliance:** Projects using housing assistance funding for housing rehabilitation (including reduction and abatement of lead-based paint hazards, but excluding routine maintenance, repair and replacement) or housing construction, are subject to Section 3 of the Housing and Urban Rehabilitation Act of 1968.

  - **Building Codes:** Housing and facilities constructed or rehabilitated with assistance under this part must meet State or local building codes, and in the absence of State or local building codes, the International Residential Code or International Building Code (as applicable to the type of structure) of the International Code Council.

  - **Other like requirements** (e.g., lead-based paint, environmental requirements, real property acquisition and relocation, etc.).

Completing an Application in HUD's Web-Based Application System: e-snaps

HUD requires application submission through the web-based e-snaps system. The e-snaps website is https://esnaps.hud.gov/grantium/frontOffice.jsf.

Over 600 pages of training modules, navigational guides, and detailed instructions can be accessed on this webpage: **https://www.hudexchange.info/programs/e-snaps/**

Some e-snaps tips:

- Your agency must have at least one person on staff who is able to access and enter data into e-snaps. It is preferable to have two people on staff with access but having more than two can lead to confusion and errors.
- e-snaps is HUD's application portal – the channel by which your application(s) will be transmitted to HUD at the end of the competition. It may not be the system for the local competition.
- The e-snaps system is not always user-friendly or glitch-free. It is likely that you will encounter some problems along the way. Do not hesitate to contact CoCTX611@amarillo.gov if you have problems with e-snaps. That said, many problems can be avoided by following the instructions closely and relying upon the navigational guides and detailed instructions listed above, and by using a recommended internet browser (i.e. Google Chrome, Firefox, Safari).
- As in recent years, renewal project applicants (for grants that have renewed at least once) will see a pre-populated project application in e-snaps. Assuming no changes are planned for the project, a renewal project application can be submitted with only limited changes on a few select screens that require inputs.

Applicant Profile

Complete the Applicant Profile portion of e-snaps utilizing this Navigational Guide.

Quick Applicant Profile Tips:

- Before you can access the online location where you complete the Project Application, you must complete and submit the Applicant Profile and related documents. DO NOT ATTEMPT TO GO DIRECTLY TO YOUR PROJECT APPLICATION. If you get there, there is likely a mistake and you will probably have to retrace your steps.
- Although you only need one Applicant Profile per agency (in almost all cases), you will need to complete a Project Application for each project.
- If you are applying for a new project and a renewal project, you will need to register for multiple funding opportunities within your Applicant Profile. If you have multiple funding opportunities, make sure to create the project application under the correct Funding Opportunity name.
- The "Complete" button on the Applicant Profile must be selected within the timeframe of the competition period. Therefore, when you log in the first time during this NOFO period, even if there is a statement "This e.Form has been marked as complete," you MUST put the forms in edit-mode (select the Edit button on the Submission Summary page) and then select the "Complete" button again.
- All required attachments must be uploaded before the Project Applicant will be able to access the Project Application. Please make sure all attachments are current before submitting your application.

Organization Information: SAM & UEI

You need to have a Unique Entity Identifier (UEI) number and complete or renew your registration with the System for Award Management (SAM) (the successor to CCR) to enter into a grant agreement with HUD. The SAM website is www.sam.gov. Sam.gov requires several steps in its registration process due to fraud, including submission of notarized letters. If your agency needs to register, please update your SAM Registration early in the application process as it can take multiple weeks to complete the process. UEI numbers must also be registered and active on www.sam.gov.

Additional Information: Code of Conduct

Applicants are required to develop and maintain a written code of conduct. Consistent with regulations governing specific programs, your code of conduct must prohibit real and apparent conflicts of interest that may arise among officers, employees, or agents; prohibit the solicitation and acceptance of gifts of excessive value, or gratuities by your officers, employees, or agents for their personal benefit; and outline administrative and disciplinary actions available to remedy violations of such standards.

Simply stated, the Code of Conduct:

- Must prohibit the solicitation and acceptance of gifts or gratuities by officers, employees, and agents for their personal benefit in exceeding minimal value;
- Outline administrative and disciplinary actions available to remedy violations of such standards,
- Describe the method to be used to ensure that all officers, employees and agents of the organization are aware of the Code of Conduct, and
- Must be written on company letterhead that provides a mailing address, authorized official name, and telephone number.

All applicants for HUD funding must have a Code of Conduct on file with HUD. An applicant is prohibited from receiving an award of funds from HUD if it fails to meet this requirement for a Code of Conduct.

An applicant who previously submitted an application and included a copy of its code of conduct ***will not*** be required to submit another copy if

- The applicant is listed on HUD's Web site, **and**
- If the information (e.g. name of organization, authorized official) has not been revised.

An applicant ***must include*** a copy of its code of conduct if the information listed on the above website has changed, e.g.,

- The person who submitted the previous application is no longer your authorized organization representative,
- The organization has changed its legal name or merged with another organization, or
- The address of the organization has changed.

Before entering into an agreement with HUD, an applicant awarded assistance under a HUD program NOFO will be required to submit a copy of its code of conduct and describe the methods it will use to ensure that all officers, employees, and agents of its organization are aware of its code of conduct.

HUD FORM 2880: Applicant/ Recipient, Disclosure/Update Report

A Project Applicant is **required** to complete HUD form 2880 to complete the Applicant Profile. Please see the "How to Complete the HUD Form 2880 in e-snaps" form.

Non-Profit Documentation

Your agency's records should include at least one form of documentation to verify nonprofit status. This document is required as an attachment to your e-snaps application.

- A copy of the IRS ruling providing tax-exempt status under section 501(c)(3) of the IRS Code; or
- Documentation showing that the applicant/sponsor is a certified United Way agency; or
- A certification from a licensed CPA that no part of the net earnings of the organization inures to the benefit of any member, founder, contributor, or individual; that the organization has a voluntary board; that the organization practices nondiscrimination in the provision of assistance; and that the organization has a functioning accounting system that provides for each of the following (mention each in the certification):
    - (a) Accurate, current and complete disclosure of the financial results of each federally sponsored project.
    - (b) Records that identify adequately the source and application of funds for federally sponsored activities.
    - (c) Effective control over and accountability for all funds, property and other assets.
    - (d) Comparison of outlays with budget amounts.
    - (e) Written procedures to minimize the time elapsing between the transfer of funds to the recipient from the U.S. Treasury and the use of the funds for program purposes.
    - (f) Written procedures for determining the reasonableness, allocability and allowability of costs.
    - (g) Accounting records, including cost accounting records, which are supported by source documentation.
- Letter from authorized state official showing applicant as organized and in good standing as a public nonprofit organization

Short List of All Attachments to e-snaps

Each applicant completes, in e-snaps, an applicant profile (the SF-424 Application for Federal Assistance) and then a project application (including various Federal forms) for each project. This list summarizes the other documents that need to be uploaded to e-snaps. The Local Competition Materials for your CoC will have additional instructions on the SF-424 Form.

Attached to Applicant Profile

- Applicant Code of Conduct (not required if listed on HUD website)
- Nonprofit Documentation of Applicant Eligibility (for non-profits only; e.g., 501(c)(3) letter)
- Survey on Equal Employment Opportunity (for non-profits; optional)
- (Only if applicant is requesting indirect costs AND has an approved federally negotiated indirect cost rate) Approved Indirect Cost Rate Proposal

Attached to Project Application

- Documentation of Subrecipient Eligibility (e.g., 501(c)(3) letter)

Registering for Project Application Funding Opportunity

The final steps before you begin your Project Application are registering for the funding opportunity. Follow the instructions in the Project Application training module and/or review the "How to Access the Project Application" guide.

Executive Order 12372 and SF-424 Form

"This NOFO is not subject to Executive Order 12372. No action is needed." See page 102 of the NOFO.

HUD Resources

- **2026 CoC NOFO:** https://www.hud.gov/hud-partners/community-coc.
- **CoC Program Interim Rule (24 CFR part 578):** https://www.govinfo.gov/content/pkg/CFR-2017-title24-vol3/xml/CFR-2017-title24-vol3-part578.xml.
- **CoC Competition Question Guidance and Email Addresses:** https://www.hudexchange.info/programs/e-snaps/#getassistance
- **Emailed questions** must be submitted to the appropriate HUD.gov email address, as follows:

- CoCNOFO@hud.gov for questions about the NOFO, competition, and applications.
- e-snaps@hud.gov for questions about e-snaps technical issues, including creating an individual user profile, **lockouts/password resets**, requesting access to a CoC's or project applicant's e-snaps account, navigating e-snaps, updating the Applicant Profile, identifying the funding opportunity, creating a project, and accessing the application on the Submissions screen.

- **HUD Websites:** www.hud.gov ; www.hudexchange.info
- **Funding Application (e-snaps application system):** https://esnaps.hud.gov/
- **E-snaps Resources:** https://www.hudexchange.info/programs/e-snaps/
- **Training and Resources:** www.hudexchange.info/homelessness-assistance/
- **HUD Exchange Ask-a-Question (AAQ):** https://www.hudexchange.info/program-support/my-question/

Appendix A

Domestic Violence Bonus (DV Bonus) and DV Reallocation Project Guidance

Applicants may apply for **Domestic Violence Bonus or DV Reallocation** funding for projects dedicated to survivors of domestic violence, dating violence, or stalking who qualify under paragraph (4) of the [definition of homeless at 24 CFR 578.3](), for the following project types:

1. **Rapid Re-housing (PH-RRH) projects**
2. ***New in 2026* Transitional Housing (TH) projects**
3. **Supportive Services Only Projects for Coordinated Entry (SSO-CE)** to implement policies, procedures, and practices that equip the CoC's coordinated entry to better meet the needs of unhoused individuals who are experiencing trauma or a lack of safety related to, or fleeing or attempting to flee domestic violence, dating violence, sexual assault, or stalking (e.g., to implement policies and procedures that are trauma-informed, 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).

New in 2026 Please note that Joint Transitional Housing and Rapid Rehousing is **not** an eligible new project type in the 2026 NOFO.

To be eligible to receive a new DV Bonus project, the CoC must also demonstrate it ranks projects based on how they improve system performance as outlined in section V.B.1.a.(1) of the NOFO.

Reminder: 2022 VAWA Reauthorization:

- CoCs and CoC programs may implement the new definition prior to HUD rulemaking, provided that CoCs update the relevant written standards and policies to reflect the new criteria. For the purposes of the CoC Program and other HUD programs, the VAWA Reauthorization Act of 2022 expanded the HUD definition of "homeless" to include any individual or family who is:
    - Experiencing trauma or a lack of safety related to, or fleeing or attempting to flee, domestic violence, dating violence, sexual assault, stalking or other dangerous, traumatic, or life-threatening conditions related to the violence against the individual or a family member in the individual's or family's current housing situation, including where the health and safety of children are jeopardized;
    - Has no other safe residences; and
    - Lacks the resources to obtain other safe permanent housing
- For general guidance on implementation of VAWA 2022, please also see "[The Violence Against Women Act Reauthorization Act of 2022: Overview of Applicability to HUD Programs]()," a notice HUD published in the Federal Register on January 4, 2023.

Applying for a DV Bonus Project:

- Applicants can either apply for a New DV Bonus project or a New DV Reallocation project created through the reallocation of a DV Renewal grant.

- A CoC can only submit one **new** project application for a **new** DV SSO-CE project. A CoC may apply for any number of **new** DV RRH and TH projects provided that each application is for at least $50,000.
- A CoC may apply for up to 20 percent of its Preliminary Pro Rata Need (PPRN) to create a new DV Bonus project(s); however, this amount is limited to a:
  - (1) a minimum of $50,000 if 20 percent of the CoC's PPRN is less than $50,000; or
  - (2) maximum of $5 million if 20 percent of the CoC's PPRN is more than $5 million
- A new DV Bonus project may only request 1-year of funding but may request a longer initial grant term not to exceed 18 months.
- A project applicant may also apply to expand an existing renewal project, including one that was previously funded with DV Bonus funding. However, only the new project application for the expansion will be considered for DV funds through this process. DV Bonus funding may be used to expand an existing renewal project that is not dedicated to serving survivors of domestic violence, dating violence, sexual assault, or stalking who meet the definition of homeless in paragraph (4) of 24 CFR 578.3 so long as the DV Bonus funds for expansion are solely for additional units, beds, persons served, or services dedicated to persons eligible to be served with DV Bonus funding.
- **Reallocated DV Renewal funding cannot be used to expand a CoC Renewal grant**. 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 on page 88 of the NOFO.
- If a renewal project intends to reallocate its Domestic Violence Bonus Funding or if the renewal project funded with DV Bonus funds is involuntarily reallocated, then the reallocation funds must go to new projects who will continue to serve the same population, even when projects are reallocated**.** CoCs may reallocate eligible Renewal projects that were previously funded, in whole or in part, with DV Bonus funding to create DV Reallocation projects that are dedicated to serving the same population.
  - New DV Reallocation projects must be 100 percent dedicated to serving individuals and families of persons experiencing trauma or a lack of safety related to fleeing or attempting to flee domestic violence, dating violence, sexual assault, or stalking who qualify under paragraphs (1) or (4) of the definition of homeless at 24 CFR 578.3 or section 103(b) of the McKinney-Vento Homeless Assistance Act. If a CoC reallocates funding from a DV Renewal grant and does not earmark those funds for new project(s) that are 100 percent dedicated to that subpopulation, HUD may condition the project applications to ensure the projects are serving the required subpopulation. If an applicant does not resolve the condition placed on the project, HUD will reject the project application.

- These new projects (including new expansion projects) created with reallocation DV Renewal funding, in their entirety, must meet all the same requirements of a DV Bonus project and the sum of all DV Reallocation applications must be for the same amount of funding made available from the DV Renewal funding being reallocated.
- For information about which renewal projects were funded with DV Bonus funds, see the Grant Inventory Worksheet included in the local application materials.

- DV Bonus renewal projects that have an SSO-CE component cannot be reallocated.
- Grants with DV Renewal funding are eligible to use the transition grant process.
- **Homelessness and Human Trafficking.** HUD 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.
- Projects can add a VAWA Costs Line Item/Activity for "Facilitating and coordinating activities to ensure compliance with [the emergency transfer plan requirement in 34 U.S.C. 12491(e)] and monitoring compliance with the confidentiality protections of [the confidentiality requirement in 34 U.S.C. 12491(c)(4)]."

Ranking and Scoring DV Bonus Projects:

- ***Revised in 2026* 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 then review DV Bonus projects (this does not include DV Reallocation or the renewal of projects originally funded under the DV Bonus) already selected for funding through the above process and determine whether $104,000,000 has been awarded to DV Bonus projects:
    - If at least $104,000,000 has been selected for conditional award no further action is needed.
    - If $104,000,000 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 $104 million has been selected.
- ***Revised in 2026* Scoring.** There is no separate scoring process or competition for DV Bonus or Reallocation projects.

Appendix B

Special Focus: Expansion Project Design Guidance

A renewal project applicant may submit a new project application to **existing projects** to increase the number of units, beds, persons served, services provided to existing program participants, or to add additional activities to HMIS and SSO-Coordinated Entry projects.

Expansion may be done through application for reallocation (including DV Reallocation), CoC Bonus, or DV Bonus funding (if the expansion will be dedicated to serving survivors of domestic violence, dating violence, sexual assault, or stalking that meet the definition of homeless (24 CFR 578.3)). CoC Bonus, DV Bonus, CoC Reallocation, and DV Reallocation funds may only be used to expand eligible CoC and DV Renewal projects. Applications to expand Youth Homelessness Demonstration Program (YHDP) Renewal projects through the YHDP Replacement process can only be funded with funding reallocated from another YHDP Renewal project.

Applying for an Expansion Project:

- In order to request an expansion for a current CoC Program-funded project, **project applicants will be required to submit two project applications**:
  - The renewal project application that will be expanded; and
  - A new project application with just the expansion information (that meets project eligibility and quality thresholds, is for the same component type, and requests 1 year of funding).
- The renewal and new projects will be ranked by the CoC with unique rank numbers.
  - If both the new expansion project and the renewal project it expands are conditionally selected for funding, one grant agreement incorporating both approved project applications will be executed.
  - If the renewal project the new project application is proposing to expand is not selected for award, HUD will review the new project and will consider it as a standalone project during the selection process provided that the project is feasible on its own with its requested funding and provided it passes project eligibility and project quality threshold requirements. The same process occurs separately with DV Bonus and DV Reallocation funds.
  - If the new expansion project exceeds the amount of funding available under the reallocation or Bonus processes, HUD will reduce the funding request to the available amount, which could affect the activities of the new expansion project.
- HUD will not fund expansions of capital costs (i.e., new constructions, rehabilitation, or acquisition) and HUD will only allow a 1-year funding request.
- Recipients cannot apply to expand a project included in a grant consolidation during the same funding year. If an applicant applies to expand a project included in a grant consolidation, HUD

may consider the expansion project for funding if it meets all the requirements of a new standalone project.

- HUD will only select a new DV Bonus project that expands an existing renewal project if HUD selects the renewal project for funding. 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 the NOFO.
- DV Bonus and DV Reallocation funds can only be used to expand an existing renewal project if the expansion project is 100 percent dedicated to serving individuals and families who are experiencing trauma or a lack of safety related to, or fleeing or attempting to flee domestic violence, dating violence, sexual assault, or stalking who qualify under paragraph (1) or paragraph (4) of the definition of homeless at 24 CFR 578.3. Therefore, project applicants *may* expand an existing renewal project that is not dedicated to serving survivors of DV to dedicate additional beds, units, persons served, or services provided to existing program participants to this population.
- If an applicant proposes to use DV Reallocation funds to expand an existing renewal project that is not currently dedicated to serving individuals and families of persons experiencing trauma or a lack of safety related to, or fleeing or attempting to flee domestic violence, dating violence, sexual assault, or stalking to dedicate additional beds, units, persons served, or services provided to existing program participants of this population, the entire project, including the renewal project being expanded, must serve 100 percent individuals and families who are fleeing or attempting to flee domestic violence, dating violence, sexual assault, and stalking and who qualify as homeless under paragraphs (1) or (4) of the definition of homeless at 24 CFR 578.3 or section 103(b) of the McKinney-Vento Homeless Assistance Act. In the case of DV Reallocation Projects, HUD will use the Tier 1 and Tier 2 selection process described in sections V.D.3.a and V.D.3.b of the NOFO.
- For expansion project applications, project applicants must describe the part of the project that is being expanded. Additionally, project applicants must demonstrate they are not replacing other funding sources.
- If an applicant is proposing to expand an existing Permanent Housing project, it must demonstrate how they are expanding supportive services to program participants, including where appropriate, on-site supportive services.
- Project applicants that intend to submit a new project application for the purposes of expanding an eligible CoC Renewal or DV Renewal project must:
    - enter the grant number of the project that is eligible for renewal that the project applicant requests to expand on the new project application;
    - indicate how the new project application will expand units, beds, services, persons served, or services provided to existing program participants, or in the case of HMIS or

SSO-Coordinated Entry projects, how the current activities will be expanded for the CoC's geographic area; and

- ensure the funding request for the expansion grant is within the funding parameters allowed under CoC reallocation, CoC bonus, DV bonus, or DV Reallocation funding amounts available.

- VAWA Costs Line Item Addition: The following eligible cost/activity was added to the CoC program: "Facilitating and coordinating activities to ensure compliance with the emergency transfer plan requirement in 34 U.S.C. 12491(e) and monitoring compliance with the confidentiality protections in 34 U.S.C. 12491(c)(4)." This VAWA Costs Line Item may be added to eligible renewal projects through expansion.

- Rural Costs Line Item Addition: The following eligible cost/activity was added to the CoC program: projects in rural areas can use Continuum of Care Program funds to pay for the following eligible activities: (a) Payment of short-term emergency lodging, including in motels or shelters, directly or through vouchers. (b) Repairs to units in which homeless individuals and families will be housed; or are currently not fit for human habitation. (c) Staff training, professional development, skill development, and staff retention activities. This Rural Costs Line Item may be added to eligible renewal projects through expansion.
  - *Please check the NOFO to determine whether your CoC qualifies as "Rural."*

Appendix C

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CONTINUUM OF CARE

Transitional Housing

The U.S. Department of Housing and Urban Development (HUD) has directed that resources in the homelessness response system funded by the HUD Continuum of Care will shift from permanent housing to transitional options that include time limits, work requirements, and connections to services as conditions for housing. Consistent with the changes in policy, Scott Turner, HUD Secretary, has stated that federal housing assistance should not be a permanent hammock but a trampoline to help people achieve self-sufficiency.

The 2026 Notice of Funding Opportunity (NOFO) addresses the shift by incentivizing transitional housing and supportive service only projects. This resource explores models of Transitional Housing and how current programming should be modified to comply with new requirements while centering the needs of participants. Keep in mind that that providers may not operate drug injection sites, knowingly permit illicit drug use on their property, or distribute drug paraphernalia — though this is not a requirement that participants be sober or in treatment to receive assistance. Provider and resident households will need to agree on participation in services that are documented by an addendum to the lease or occupancy agreement or contract, and
and service plans describing 20 hours per week of engagement in services, activities, or employment will be a key scoring criterion for new projects.

Please note that Transitional Housing Tenant Based Rental Assistance cannot be administered by a nonprofit; rather a nonprofit would need to partner with a PHA or unit of government or create a leasing project.

Models of Transitional Housing

Transitional Housing provides time-limited stable housing supported by services intended to prepare individuals and families for self-sufficiency.

- Services may be on-site or arranged in the community and may include connections to workforce development, employment, education, healthcare, behavioral healthcare, legal services, budgeting, childcare, parenting resources, and/ or other possibilities based on the **participant's individualized services plan that becomes an addendum to the lease or occupancy agreement or a contract between the program and the participant.** Services should be designed to meet the specific needs of the population served.
- Residents of Transitional Housing under the CoC program may come from homelessness, incarceration, rehabilitation centers, mental health institutional care, foster care, or other settings, as long as they meet the definition of homelessness in

categories 1, 2, or 4 for Transitional Housing programs.

- Generally, Transitional Housing would be either site-based, scattered site, or transition-in-place.
- Successful exits from Transitional Housing would be to permanent housing paid for by the household.

Site-Based Transitional Housing

Site-based Transitional Housing provides housing in a building that is owned or leased by the service provider to multiple individuals or families.

- The space reserved for participants may be a bed in a shared room with access to shared bathroom, recreation, and kitchen facilities or may include a private room that may have a private bathroom with shared recreation and kitchen facilities or some other configuration.
- Services:
  - The services on-site may include life-skills training, budgeting, saving for deposits and future housing options, legal services, mental health and/ or sobriety supports, transportation, and other options.
  - Community-based options may include education, workforce development, links to employment, outpatient health services, or other support based on the needs of the residents.
- Each household has a lease or occupancy agreement with a term of at least one month that ends in 24 months and cannot be extended.
- Successful exits from site-based Transitional Housing would be to housing in the community that is either subsidized or market rate, paid for by the household. The NOFO incentivizes programs that demonstrate that at least 50% of the participants exit to a positive destination within 24 months, and at least 50% of participants exit with employment income.

Transition-In-Place or Scattered Site Transitional Housing

Transition-In-Place housing and scattered site transitional housing are typically apartments or single-family homes that are leased on a unit-by-unit basis to provide time-limited stable housing for individuals and families. The lease may be in the name of the household, or the service provider may sub-lease the home to an individual or family, depending on the structure of the grant agreement. Non-profit organizations would lease the units and sub-lease to the participants or would have an agreement (sub-recipient arrangement or contract) with a public housing authority or unit of government to administer tenant based rental assistance. Grantees who are a PHA or unit of government would typically administer tenant based rental assistance in scattered site or transition-in-place transitional housing.

- Services would be provided in the home as needed and in the community. In-home services might include case management visits, budgeting, health support, mental health support, sobriety support, and other services based on the needs of participants. Outpatient supports may include education, workforce development, links to employment, outpatient health or behavioral health services, or other supports based on the needs of the participants.

- Successful exits from transition-in-place housing would typically include the household moving the lease from the name of the provider to the name of the participant if the lease was in the provider's name or the lease would remain in the participant's name and the household would remain in the home. The resident would take over rent payments or may have secured a voucher to assist with affordability once the Transitional Housing period ends. **The NOFO requires that at least 50% of the participants exit to non-subsidized housing within 24 months, and at least 50% of participants exit with employment income.**
- Successful exits from scattered site transitional housing may be a transition in place arrangement or may be that the participant moves to another affordable unit and the existing unit remains with the program.

Modifying Programming to Comply with Possible New Requirements

Practical Considerations
It is possible to create new Transitional Housing Projects through:

- Transition Project
    - HUD allows certain renewal permanent housing projects to change the program type to Transitional Housing to align with HUD's priorities.
    - The applicant may need to revise the program description and/or the program budget to be consistent with the new program type's requirements.
    - The project renewal, identified as a transition project with a new program type of Transitional Housing, would be rated and ranked and included in the priority listing as part of the CoC application.
- New Projects by Reallocation
    - Through the local CoC process, communities may choose to defund permanent housing programs that are not aligned with HUD's priorities.
    - Through the local CoC's process, new projects that are aligned with HUD's priorities may be selected to replace the defunded projects and included in the priority listing as part of the CoC application.
- New Projects as Bonus Projects
    - HUD has allocated bonus funds to support new projects that align with its priorities.
    - Communities would rate and rank the new bonus projects in their priority listing as part of their CoC application.

Rapid Rehousing (RRH) to Transitional Housing
Rapid Rehousing is a time-limited permanent housing option that is eligible under the Continuum of Care (CoC) program and the Emergency Solutions Grant (ESG) program. Rapid Rehousing includes units leased by participants and subsidized for up to two years by the provider. Services are voluntary, except for monthly case management for some households.

Rapid Rehousing programs could be reconfigured as transition-in-place Transitional Housing models.

A few considerations for such a transition:

- Please see HUD's guidance on participants' eligibility to transition from an RRH program to a Transitional Housing program.
- Current Rapid Rehousing rental calculations follow the CoC written standards. Transitional Housing rental calculations need to be aligned with CFR 578.77.
- If the CoC-funded Transitional Housing line item is leasing, then the lease would transfer to the provider's name during the period of rental assistance then the provider would sublease the same unit back to the participant. The participant's portion of the rent would be written into the sub-lease. At the time of exit, the lease would transition back to the participant, and the participant would begin to pay full rent to the property owner/ manager per the terms of the lease.
- If the CoC-funded Transitional Housing line item is rental assistance, then the participant's lease would not change. At the end of the Transitional Housing term, the household would be responsible to pay full rent to the property owner/ manager per the terms of the lease.
- In either case, a service plan and agreement to adhere to the identified services and any work requirements would become an addendum to the lease or sublease or a contract between the program and the participant.

Permanent Supportive Housing (PSH) to Transitional Housing

The FY2026 NOFO significantly increases geographic competition by setting Tier 1 at 60% of the CoC's Annual Renewal Demand (ARD) and competing 40% among CoCs nationally, and makes a $1.3 billion set-aside for new TH and SSO projects. PSH and RRH projects face heightened competition in this environment. Projects may consider activating their Moving On policies and community-based service partnerships for individuals with disabilities who may require permanent rental support. Projects may consider seeking non-Federal funding for existing projects.

Other options may include converting the programs to site-based Transitional Housing or transition-in-place housing with a two-year time limit that will allow some time to identify more permanent solutions.

Please see HUD's guidance on participants' eligibility to transition from a PSH program to a Transitional Housing program.

Scattered site PSH could be converted to transition-in-place Transitional Housing using the same processes as described for Rapid Rehousing. Providers will need to ensure that there is an appropriate plan for the participant's needs once the two-year time limit has expired.

Site-based PSH or PSH with leased units could be converted to site-based Transitional Housing. The provider-owned or provider-leased units could change their lease, sublease, or occupancy agreement with the participant to ensure that there is consensus on the services that will be provided and include individualized service plans targeting at least 20 hours per week of engagement in services, activities, or employment. Note that the FY2026 NOFO frames this as a project design and scoring criterion, not a separate documentation mandate. Providers should review their harm reduction practices to ensure compliance with the FY2026 NOFO's prohibition on operating drug injection sites, distributing drug paraphernalia, or knowingly permitting illicit drug use on property — while noting that participant sobriety is not required as a condition of assistance. The service plan will become a lease addendum or an addendum to the occupancy agreement or a contract between the program and the participant.

Strong Practices in Transitional Housing

Transitional Housing can be a supportive resource for homeless households, especially when:

- Provider and residents are co-creating **an individual services plan that helps the resident achieve their own goals.**
- Linkages to community services and resources (including health care) are strong, with priority access or on-site options that facilitate access for Transitional Housing residents
  - **Linkages made during Transitional Housing should be able to continue after the Transitional Housing ends.**
- Paid work, education, or volunteerism is resident-led and aligned with the tenant's goals for themselves, and may include activities that residents are already undertaking
  - Providers may wish to streamline documentation and provide supports to minimize the documentation effort for the resident
- Services and resources are designed to meet the need for complete self-sufficiency at the end of two years. **Strong partnerships with workforce programs or benefits access that increase household income are key for self- sufficiency after the Transitional Housing ends.**
- Programs use Evidence-Based Practices, such as **Trauma Informed Care and Critical Time Intervention.**
- Transitional Housing has been shown to work well for people who are leaving the criminal justice system, people who are exiting in-patient service for substance use disorder, youth, or families that have been involved in the child welfare system.

Current Permanent Supportive Housing or Rapid Rehousing Residents' Eligibility for Transitional Housing

It will be important to document each household's eligibility for Transitional Housing at entry based on the guidelines and eligibility criteria published by HUD in the 2026 NOFO or other resources. If a program chooses to convert a RRH project to a TH project using the Transition Project process, then the program will have one year to transition current participants to an appropriate solution.

2026 NOFO Threshold Criteria

Project Eligibility Threshold

- HUD will review all projects to determine if they meet project eligibility threshold requirements on a pass/fail standard. If HUD determines the applicable standards are not met for a project, HUD will reject the project.

- HUD will consider any project requesting renewal funding as having met these requirements through its previously approved grant application unless HUD receives information to the contrary (e.g., monitoring findings, results from investigations by HUD's Office of Inspector General, the recipient routinely does not draw down funds from eLOCCS at least once per quarter, consistently late Annual Performance Report (APR) submissions).
- Approval of new and renewal projects is not a determination by HUD that a recipient is compliant with applicable fair housing and civil rights requirements.
- **Projects must meet the following criteria:**
    - Project applicants and potential subrecipients must meet the eligibility requirements of the CoC Program as described in the Act and the Rule and provide evidence of eligibility required in the application (e.g., nonprofit documentation).
    - Project applicants and subrecipients must demonstrate the financial and management capacity and experience to carry out the project as detailed in the project application and the capacity to administer federal funds. Demonstrating capacity may include a description of the applicant and subrecipient experience with similar projects and with successful administration of SHP, S+C, or CoC Program funds or other federal, state, local, or private resources.
    - The population to be served must meet program eligibility requirements as described in the Act, the Rule, and section III.G.11 of this NOFO.
    - Project applicants, except Collaborative Applicants that only receive awards for CoC Planning costs and, if applicable, UFA Costs, must agree to participate in a local HMIS system. However, in accordance with Section 407 of the Act, any victim service provider that is a recipient or subrecipient must not disclose, for purposes of HMIS, any personally identifying information about any client. Victim service providers must use a comparable database that meets the needs of the local HMIS.
    - Project applicants must submit the required certifications specified in this NOFO.
    - Project applicants must certify affirmatively to the following:
        - The project applicant **will not** engage in illegal racial discrimination. This is consistent with the requirements of 2 CFR 200.300(a).
        - The project applicant **will not** operate drug injection sites or "safe consumption sites" in violation of 21 U.S.C. 856(a)(1), knowingly permit the use or distribution of illicit drugs on property under their control in violation of 21 U.S.C. 856(a)(2), or knowingly distribute drug paraphernalia in violation of 21 U.S.C. 863. This is consistent with the objectives outlined in Section III.B above and is consistent with the requirements of 2 CFR 200.300(a).
          This certification is not a requirement that program participants must be sober in order to receive assistance, participate in treatment in order to receive assistance, or be evicted or exited from assistance for a first-time violation of a drug-related program policy or lease requirement.
    - HUD reserves the right to verify past performance and evaluate the eligibility of a project application submitted during the CoC Program Competition to ensure that it can adequately manage federal awards and comply with all applicable federal laws. HUD will not penalize applicants for complying with the terms and conditions of prior HUD grants.

Project Quality Threshold

Transitional Housing

- HUD will review all new project applications to determine if they meet project quality threshold requirements.
- HUD will not award funds to a new project unless the project was created through reallocation, or 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.
- HUD will consider any project requesting renewal funding, including renewing YHDP and renewing Special NOFO projects, as having met project quality threshold requirements through its previously approved grant application unless HUD receives information to the contrary or if the renewal project has compliance issues which results in the project not operating in accordance with the Rule.
- **Projects must meet the following criteria:**
  - HUD will consider YHDP Replacement project applications including applications for new YHDP projects created through YHDP reallocation as having met project quality threshold requirements if the project application activities and costs are eligible under this NOFO. If a YHDP Replacement (including YHDP Reallocation) project application is not for activities and costs that are eligible under this NOFO, HUD will not reject the project under this project quality threshold, but HUD will require the project applicant to correct or revise information submitted after the final CoC Program award announcement but before executing the grant agreement.
  - HUD will review the UFA Costs submitted by the UFA designated Collaborative Applicant to ensure appropriate match and eligibility of costs requested.
  - HUD will assess all new project applications for the following minimum project eligibility, capacity, timeliness, and performance standards.
    - Project applicants must have satisfactory capacity, drawdowns, and performance for existing grant(s) funded under the CoC Program, as evidenced by timely reimbursement of subrecipients, regular drawdowns, and timely resolution of any monitoring findings; however, this does not apply to project applicants who have never received a CoC Program funded project;
    - For expansion project applications, project applicants must describe the part of the project that is being expanded and demonstrate the project is not replacing other funding sources;
    - Project applicants must demonstrate their ability to meet all timeliness standards per 24 CFR 578.85. HUD reserves the right to deny a funding request for a new project, if the request is made by an existing recipient that HUD finds to have significant issues related to capacity, performance, unresolved audit, or monitoring findings related to one or more existing grants; or does not routinely draw down funds from eLOCCS at least once per quarter. HUD also reserves the right to withdraw funds if no APR is submitted on the prior grant. HUD also reserves the right to reject a project if the recipient is not compliant with audits for large grant recipients (over $1,000,000 or more) as required by 2 CFR 200.501.
- Additionally, for HUD to consider new projects as meeting project quality threshold, each new project must meet the following criteria as applicable. **If awarded, a recipient must meet all the criteria listed in the criteria column for its component.** New Transitional Housing projects must receive at least 6 out of 8 points available for this project type. New TH projects that do not receive at least 6 points will be rejected.
  - 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 (i.e., case management, behavioral healthcare, employment training, etc.).

- 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 or has a plan in place to ensure homeless individuals and families will 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 a positive destination 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:
  - Describe how the proposed project will **assess the service needs of program participants and provide individualized services that will result in at least 20 hours per week of engagement in services, activities, or employment for all program participants** (e.g., case management, counseling, treatment, volunteering, work therapy, education, job training, community-building activities, etc.). Employment may contribute to the 20 hours per week. This criterion does not apply to participants over age 62 or who have a handicap as defined in 24 CFR 8.3 or a developmental disability as defined in 24 CFR 578.3.
    - Note: the project description provided in this criterion does not constitute a reporting or documentation requirement.
    - ***Note:* This definition of "handicap" is narrower than what the McKinney-Vento Act permits for a "homeless individual with a disability." It would exclude people with HIV/AIDS and many people whose primary diagnosis is a substance use disorder.**
  - Indicate that the proposed project will **create service plans for each program participant** that include:
    - the services to be provided, when and how often services will be provided, by whom all services will be provided;
    - program participant goals, strategies for achieving those goals, and target dates for achievement to focus on improved health and wellness, housing stability, and increased employment income leading to financial stability and self-sufficiency.
- 1 point: Demonstrate the **average cost per household served for the project is reasonable,** consistent with 2 CFR 200.404.

New Projects: Project-Specific Threshold Requirements

Project Quality Threshold: HUD will review all new project applications to determine if they meet project quality threshold requirements. HUD will not award funds to a new project unless the project was created through reallocation, or 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. If awarded, a recipient is required to meet all the criteria listed for its component.

To meet project eligibility thresholds, applicants must certify affirmatively to the following:

- "The project applicant will not engage in illegal racial discrimination. This is consistent with the requirements of 2 CFR 200.300(a)."
- "The project applicant will not operate drug injection sites or 'safe consumption sites' in violation of 21 U.S.C. 856(a)(1), knowingly permit the use or distribution of illicit drugs on property under their control in violation of 21 U.S.C. 856(a)(2), or knowingly distribute drug paraphernalia in violation of 21 U.S.C. 863. This is consistent with the objectives outlined in Section III.B above and is consistent with the requirements of 2 CFR 200.300(a).
This certification is not a requirement that program participants must be sober in order to receive assistance, participate in treatment in order to receive assistance, or be evicted or exited from assistance for a first-time violation of a drug-related program policy or lease requirement."

YHDP PROJECTS:

- HUD will consider YHDP Replacement project applications including applications for new YHDP projects created through YHDP reallocation as having met project quality threshold requirements if the project application activities and costs are eligible under this NOFO.
- If a YHDP replacement (including YHDP reallocation) project application is not for activities and costs that are eligible under this NOFO, it will not be rejected under this project quality threshold, and HUD will work with the project applicant to correct or revise information submitted after the final award announcement before executing the grant agreement.

TRANSITIONAL HOUSING (TH):

- For new transitional housing projects, applications must receive at least 6 out of 8 possible points (listed below). New TH projects that do not receive at least 6 points will be rejected. Quality threshold factors include that:
    1. 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 (i.e., case management, behavioral healthcare, employment training, etc.). (2 points)
    2. The applicant has prior experience operating transitional housing or other projects that have successfully helped homeless individuals and families exit homelessness within 24 months or has a plan in place to ensure homeless individuals and families will exit homelessness within 24 months. (1 point)
    3. 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)

4. 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)
5. Describe how the proposed project will:
   - Assess the service needs of program participants,
   - and provide individualized services for program participants in their TH that will result in at least 20 hours per week of engagement in services, activities, or employment for all program participants, except for a program participant over age 62 or who is an individual with handicaps as defined in 24 CFR 8.3 or with a developmental disability as defined in 24 CFR 578.3
   - Indicate that the proposed project will create service plans for each program participant that include:
     - The services to be provided, when and how often services will be provided, by whom all services will be provided;
     - Program participant goals, strategies for achieving those goals, and target dates for achievement to focus on improved health and wellness, housing stability, and increased employment income leading to financial stability and self-sufficiency (2 points)
6. Demonstrate that the cost per household served is reasonable. 2 CFR 200.404. (1 point)

SUPPORTIVE SERVICES ONLY (SSO) STANDALONE:

- For new standalone supportive services only projects, applications must receive at least 4 out of 5 possible points (listed below). New SSO standalone projects that do not receive at least 4 points will be rejected. Quality threshold factors include that:
  1. The Supportive Services project is necessary to assist people in exiting homelessness, addressing barriers to stable housing (e.g., substance use disorder, unemployment, childcare, etc.) and increasing self-sufficiency and the Recipient will conduct an annual assessment of the service needs of the program participants. (1 point)
  2. 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. (2 points)
  3. 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)
  4. Demonstrate that the cost per household served is reasonable. 2 CFR 200.404. (1 point)

SUPPORTIVE SERVICES ONLY (SSO) STREET OUTREACH:

- For new street outreach supportive services only projects, applications must receive at least 5 out of 6 possible points (listed below). Projects that do not receive at least 5 points will be rejected. Projects that do not receive at least 5 points will be rejected. Quality threshold factors include that:
    1. 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)
    2. 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. (2 points)
    3. Demonstrate that the applicant has a history of, or plan for, 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 and assist/be willing to assist first responders in their efforts to engage homeless individuals. (1 point)
    4. The applicant has experience providing or a plan for 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)
    5. Demonstrate that the average cost per household served for the project is reasonable. 2 CFR 200.404. (1 point)

SSO-COORDINATED ENTRY (SSO-CE):

- For new coordinated entry supportive services only projects, applications must receive at least 3 out of 4 possible points (listed below). New SSO-CE projects that do not receive 3 points will be rejected. Quality threshold factors include that:
    1. The Coordinated Entry system is easily available and reachable for all persons within the CoC's geographic area who are seeking homelessness assistance. The system must also be accessible for persons with disabilities within the CoC's geographic area. (1 point)
    2. There is a strategy for advertising that is designed specifically to reach households experiencing homelessness with the highest needs. (1 point)
    3. There is a standardized assessment process. (1 point)
    4. The project will ensure program participants are directed to appropriate housing and services that fit their needs. (1 point)

PERMANENT SUPPORTIVE HOUSING (PH-PSH):

- For new permanent supportive housing projects, applications must receive at least 3 out of 5 possible points (listed below). New Permanent Housing projects that do not receive at least 3 points will be rejected. Quality threshold factors include that:
  1. The type of housing proposed, including the number and configuration of units, will fit the needs of the program participants. (1 point)
  2. The type of supportive services and assistance that will be offered to program participants will ensure that the participant is able to successfully obtain and retain permanent housing and in a manner that fits their needs (e.g. transportation, safety planning, enhanced case management). If the applicant is proposing to expand an existing PH project, it must demonstrate how they are expanding supportive services to program participants, including where appropriate, on-site supportive services. (1 point)
  3. The project will serve homeless individuals or families with a disability in accordance with 24 CFR 578.37(a)(1)(i). (1 point)
  4. Demonstrate the average cost per household served is reasonable. 2 CFR 200.404. (1 point)
  5. 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)

RAPID REHOUSING (PH-RRH):

- For new rapid rehousing projects, applications must receive at least 4 out of 6 possible points (listed below). New Permanent Housing projects that do not receive at least 4 points will be rejected. Quality threshold factors include that:
  1. The provision of tenant-based rental assistance will help individuals and families achieve self-sufficiency within 24 months. (1 point)
  2. The type of supportive services and assistance that will be offered to program participants (e.g., case management, substance use treatment, mental health treatment, and employment assistance) will ensure that the participant is able to successfully obtain self-sufficiency and exit homelessness. (2 points)
  3. The applicant has previously operated or currently operates a homelessness projects where, or has a plan in place to have, 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, or has an in place to ensure this. (1 points)
  4. Demonstrate the average per unit cost per household served for the project is reasonable. 2 CFR 200.404. (1 point)
  5. 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)

HOMELESS MANAGEMENT INFORMATION SYSTEM (HMIS):

- For new HMIS projects, applications must receive at least 3 out of 4 possible points (listed below). New HMIS projects that do not receive at least 3 points will be rejected. Quality threshold factors include that:

  1. How the HMIS funds will be expended in a way that furthers the CoC's HMIS implementation. (1 point)
  2. The HMIS collects all Universal Data Elements as set forth in the HMIS Data Standards. (1 point)
  3. The ability of the HMIS to un-duplicate client records. (1 point)
  1. The HMIS produces all HUD-required reports and provides data as needed for HUD reporting (e.g., APR, quarterly reports, data for CAPER/ESG reporting) and other reports required by other federal partners. (1 point)

COC PLANNING – Collaborative Applicants Only:

- For new CoC planning projects, applications must receive at least 3 out of 5 possible points (listed below). CoC Planning projects that do not receive at least 3 points will be rejected. Quality threshold factors include that:

  1. Governance and Operations-The CoC conducts meetings of the entire CoC membership that are inclusive and open to members and demonstrates the CoC has a written governance charter in place that includes CoC policies. (1 point)
  2. CoC Committees-The CoC has CoC-wide planning committees, subcommittees, or workgroups to address the needs of persons experiencing homelessness in the CoC's geographic area that recommends and sets policy priorities for the CoC. (1 point)
  3. The proposed planning project that will be carried out by the CoC with Planning grant funds are compliant with the provisions of 24 CFR 578.7. (2 points)
  1. The funds requested will improve the CoC's ability to evaluate the outcome of both CoC Program-funded and ESG-funded projects. (1 point)

Appendix E

Street Outreach and SSO Projects

The U.S. Department of Housing and Urban Development will direct resources in the homelessness response system funded by the HUD Continuum of Care to include strategies to reduce unsheltered homelessness and increase supportive services. This includes opportunities for street outreach, supportive services, and problem-solving activities. The goal in traditional housing-focused street outreach in the homelessness response system has been to identify people who are eligible for CoC-funded housing options, assess for prioritization, and connect to housing resources. Problem-solving street outreach aims to connect with each person who is unsheltered and, ideally, use motivational interviewing techniques to assist people in resolving their homelessness as quickly as possible through supportive services and connections to workforce development.

This resource explores partnerships in street outreach and problem-solving activities. Outreach efforts could be implemented as Supportive Services Only (SSO) or Supportive Services Only-Coordinated Entry (SSO-CE) programs that aren't directly attached to Continuum of Care (CoC) housing programs or as a street outreach component of CoC-funded transitional or permanent housing projects that partners with other community-based resources.

Partnerships in Street Outreach

Effective Outreach takes on a variety of forms.

- Often, **faith-based organizations** and **community groups** connect with unsheltered persons to bring food, water, and fellowship.
- Through the PATH program, behavioral health organizations meet unsheltered people where they are and, when appropriate, assess for behavioral health concerns and link people to transportation and outpatient treatment opportunities.
- Street medicine outreach groups and mobile health units, often attached to Federally Qualified Health Centers (FQHC), address the primary health needs of people who are unhoused.
- As part of the homelessness response system, housing focused outreach workers identify people who qualify for housing resources, assist in collecting documentation for eligibility, and help to move people to a housing solution.

Generally, each outreach effort serves a specific purpose. Through possible new funding opportunities, particularly **Supportive Services Only (SSO)** programs, there may space to connect with unsheltered persons in a holistic way that:

Street Outreach and Problem Solving

- Addresses **immediate needs**,
- Assesses for **behavioral health and primary health** concerns, and
- Focuses on **housing** and other solutions like
    - **Family reconnection,**
    - Connections to **benefits** or **workforce development** to increase incomes to self-resolve homelessness, or
    - Short-term targeted assistance like **deposits**.
- Focuses on **legal assistance** to help people resolve the barriers to housing.

A **multi-disciplinary** approach to Outreach that is person-centered and focused on solutions could:

- Maximize partnerships and resources while a **Supportive Services Only (SSO) program** fills the gaps.
- Support personnel from the homelessness response system who ensure that data are entered into the Coordinated Entry portal so that high-priority individuals and families can obtain access to CoC- funded housing resources in a **Supportive Services Only-Coordinated Entry (SSO-CE) program** while community partners assist with addressing the needs of unsheltered individuals and families who may not be prioritized for CoC-funded housing resources.
- Support outreach workers who identify eligible persons for **CoC-funded transitional or permanent housing options** as part of the CoC-funded transitional or permanent housing project who can partner with community groups, the faith community and others to ensure that people who are not prioritized for scarce CoC-funded housing options are linked to solutions.

Street Outreach Project Types and Eligible Activities

SSO Eligible Activities
An SSO project may include:

- Acquisition, Rehabilitation, or Leasing of a space to provide supportive services,
- HMIS,
- Project Administration, and
- Supportive Services. Eligible supportive services are:
    - Annual Assessment of Services (§ 578.53(e)(1))
    - Moving costs (§ 578.53(e)(2))
    - Case management (§ 578.53(e)(3))
    - Childcare (§ 578.53(e)(4))
    - Education services (§ 578.53(e)(5))
    - Employment assistance and job training (§ 578.53(e)(6))
    - Food (§ 578.53(e)(7))
    - Housing search and counseling services (§ 578.53(e)(8))
    - Legal services (§ 578.53(e)(9))
    - Life skills training (§ 578.53(e)(10))
    - Mental health services (§ 578.53(e)(11))
    - Outpatient health services (§ 578.53(e)(12))
    - Outreach services (§ 578.53(e)(13))
    - Substance abuse treatment services (§ 578.53(e)(14))
    - Transportation (§ 578.53(e)(15))
    - Utility deposits (§ 578.53(e)(16))

An SSO program may not have a Leasing or Rental Assistance line item to provide transitional housing or permanent housing as part of the project.

Street Outreach as an SSO-CE Eligible Activities
The eligible activities for an SSO-CE program are the same as an SSO program as long as the activities directly support coordinated entry. Therefore, if the project includes street outreach and other supportive services, there must be a tie to the coordinated entry process in the community.

Street Outreach as a Part of a CoC-funded Housing Project
Outreach Activities are currently included in the eligible supportive services provided in CoC-funded transitional housing and CoC-funded permanent housing.

Modifying Programming to Comply with Possible New Requirements

Practical Considerations

- Transition Project

  - HUD may allow a renewal project to change its program type to align with HUD's priorities
  - The applicant may need to revise the program description and/ or the program budget to be consistent with the new program type's requirements.
  - The project renewal, identified as a transition project with a new program type, would be rated and ranked and included in the priority listing as part of the CoC application.
- **New Projects by Reallocation**
  - Through the local CoC process, communities may choose to defund programs that are not aligned with HUD's priorities.
  - Through the local CoC's process, new projects that are aligned with HUD's priorities may be selected to replace the defunded projects and included in the priority listing as part of the CoC application.
- **New Projects as Bonus Projects**
  - HUD has allocated bonus funds of 15% of Final Pro Rata Need (FPRN) to support new projects with the following limitations:
    - Split CoC that is not a New Tribal CoC: no less than $250,000 and no more than $3,000,000
    - Merged CoC: no less than $750,000 and no more than $10,000,000
    - CoC that is neither Merged nor Split: no less than $500,000 and no more than $5,000,000
    - New Tribal CoC: no less than $500,000 and no more than $5,000,000
  - Communities will rate and rank the new bonus projects in their priority listing as part of their CoC application.

Strong Practices in Street Outreach

Outreach and problem-solving activities can be a supportive resource for homeless households, especially when:

- Provider and participants co-create a strengths-based, problem-solving, **individual services plan** that helps the person or family achieve their own goals.
- Diversion activities are designed to provide temporary solutions with the expectation that providers will **follow up** and also assist with long-term solutions.
- Outreach activities are **multi-disciplinary** so that people can be assessed for multiple services and solutions.
- Linkages to community services and resources (including **health care, behavioral health, workforce opportunities**) are strong, with priority access or on-site options that provide **transportation** and facilitate access regardless of housing status
  - Linkages made through Outreach should be able to continue once the Outreach relationship has ended
- It is expected that work, education, and/ or volunteerism will be requirements to obtain or maintain participation in SNAP benefits and Medicaid. Outreach workers can connect people to **paid work, education, or volunteerism.** The activities should be **participant-led and aligned with their goals for themselves** and may include activities they are already undertaking.

  - Providers may wish to streamline documentation and provide supports to minimize the documentation effort for individuals and families as they are connected to solutions
- Strong partnerships with workforce programs and/or benefits access that increase household income are key for self-resolving and long-term self- sufficiency
- Outreach staff are trained in using Evidence-Based Practices, such as Motivational Interviewing, Trauma Informed Care and Critical Time Intervention.

2026 NOFO Threshold Criteria

Project Eligibility Threshold.

- HUD will review all projects to determine if they meet project eligibility threshold requirements on a pass/fail standard. If HUD determines the applicable standards are not met for a project, HUD will reject the project. See section V.A.4.a. of the NOFO for additional project threshold criteria.
- HUD requires all renewals for federal grants to be issued based on objective and merit-based criteria and all renewals will be re-evaluated each year. See section V.A.4.b. of the NOFO for additional renewal project threshold criteria.
- Approval of new and renewal projects is not a determination by HUD that a recipient is compliant with applicable fair housing and civil rights requirements.

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- HUD will review all new project applications to determine if they meet the project quality threshold requirements. Projects created through reallocation are new projects. See section V.A.4.c. for new project threshold criteria.
- **Projects must meet the following criteria:**
  - Project applicants and potential subrecipients must meet the eligibility requirements of the CoC Program as described in the Act and the Rule and provide evidence of eligibility required in the application (e.g., nonprofit documentation).
  - Project applicants and subrecipients must demonstrate the financial and management capacity and experience to carry out the project as detailed in the project application and the capacity to administer federal funds. Demonstrating capacity may include a description of the applicant and subrecipient experience with similar projects and with successful administration of SHP, S+C, or CoC Program funds or other federal, state, local, or private resources.
  - Project applicants must submit the required certifications specified in this NOFO.
  - The population to be served must meet program eligibility requirements as described in the Act, the Rule, and section III.G.11 of this NOFO.
  - Project applicants, except Collaborative Applicants that only receive awards for CoC Planning costs and, if applicable, UFA Costs, must agree to participate in a local HMIS system. However, in accordance with Section 407 of the Act, any victim service provider that is a recipient or subrecipient must not disclose, for purposes of HMIS, any personally identifying information about any client. Victim service providers must use a comparable database that meets the needs of the local HMIS.
  - Project applicants must certify affirmatively to the following:
    - The project applicant will not engage in illegal racial discrimination. This is consistent with the requirements of 2 CFR 200.300(a).
    - The project applicant will not operate drug injection sites or "safe consumption sites" in violation of 21 U.S.C. 856(a)(1), knowingly permit the use or distribution of illicit drugs on property under their control in violation of 21 U.S.C. 856(a)(2), or knowingly distribute drug paraphernalia in violation of 21 U.S.C. 863. This is consistent with the objectives outlined in Section III.B above and is consistent with the requirements of 2 CFR 200.300(a).

      This certification is not a requirement that program participants must be sober in order to receive assistance, participate in treatment in order to receive assistance, or be evicted or exited from assistance for a first-time violation of a drug-related program policy or lease requirement.
  - HUD reserves the right to verify past performance and evaluate the eligibility of a project application submitted during the CoC Program Competition to ensure that it can adequately manage Federal awards and comply with all applicable Federal laws. HUD will not penalize applicants for complying with terms and conditions of prior HUD grants.

Street Outreach and Problem Solving

Project Quality Threshold.

- HUD will review all new project applications to determine if they meet project quality threshold requirements
- HUD will not award funds to a new project unless the project was created through reallocation, or 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.
- HUD will consider any project requesting renewal funding, including renewing YHDP and renewing Special NOFO projects, as having met project quality threshold requirements through its previously approved grant application unless HUD receives information to the contrary or if the renewal project has compliance issues which results in the project not operating in accordance with the Rule.
- **Projects must meet the following criteria:**
    - HUD will consider YHDP Replacement project applications including applications for new YHDP projects created through YHDP reallocation as having met project quality threshold requirements if the project application activities and costs are eligible under this NOFO. If a YHDP Replacement (including YHDP Reallocation) project application is not for activities and costs that are eligible under this NOFO, HUD will not reject the project under this project quality threshold, but HUD will require the project applicant to correct or revise information submitted after the final CoC Program award announcement but before executing the grant agreement.
    - HUD will review the UFA Costs submitted by the UFA designated Collaborative Applicant to ensure appropriate match and eligibility of costs requested.
    - HUD will assess all new project applications for the following minimum project eligibility, capacity, timeliness, and performance standards.
        - Project applicants must have satisfactory capacity, drawdowns, and performance for existing grant(s) funded under the CoC Program, as evidenced by timely reimbursement of subrecipients, regular drawdowns, and timely resolution of any monitoring findings; however, this does not apply to project applicants who have never received a CoC Program funded project;
        - For expansion project applications, project applicants must describe the part of the project that is being expanded and demonstrate the project is not replacing other funding sources;
        - Project applicants must demonstrate their ability to meet all timeliness standards per 24 CFR 578.85. HUD reserves the right to deny a funding request for a new project, if the request is made by an existing recipient that HUD finds to have significant issues related to capacity, performance, unresolved audit, or monitoring findings related to one or more existing grants; or does not routinely draw down funds from eLOCCS at least once per quarter. HUD also reserves the right to withdraw funds if no APR is submitted on the prior grant. HUD also reserves the right to reject a project if the recipient is not compliant with

audits for large grant recipients (over $1,000,000 or more) as required by 2 CFR 200.501.

- Additionally, for HUD to consider new projects as meeting the project threshold, each new project must meet the criteria in section V.4.c.(4)(b)-(d), as applicable. **If awarded, a recipient must meet all criteria listed for its component prior to executing a grant agreement.**
    - New SSO Standalone project applications must receive at least 4 out of 5 points available. New SSO Standalone projects that do not receive at least 4 points will be rejected.
        - The Supportive Services project is necessary to assist people in exiting homelessness, addressing barriers to stable housing (e.g., substance use disorder, unemployment, childcare, etc.) and increasing self-sufficiency and the Recipient will conduct an annual assessment of the service needs of the program participants. (1 point)
        - 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. (2 points)
        - 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)
        - Demonstrate that the cost per household served is reasonable. 2 CFR 200.404. (1 point)

    - New SSO project applications that focus on street outreach and indicate so in their project application must receive at least 5 out of the 6 points available for this project type. Projects that do not receive at least 5 points will be rejected.
        - 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 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. (2 points)
        - Demonstrate that the applicant has a history of, or plan for, 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 and assist/be willing to assist first responders in their efforts to engage homeless individuals. (1 point)

- The applicant has experience providing or a plan for 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)
- Demonstrate that the average cost per household served for the project is reasonable. 2 CFR 200.404. (1 point)

- New SSO-CE project applications (also known as centralized or coordinated assessment) must receive at least 3 out of the 4 points available for this project type. New SSO-CE projects that do not receive at least 3 points will be rejected.
  - The Coordinated Entry system is easily available and reachable for all persons within the CoC's geographic area who are seeking homelessness assistance. The system must also be accessible for persons with disabilities within the CoC's geographic area. (1 point)
  - There is a strategy for advertising that is designed specifically to reach households experiencing homelessness with the highest needs. (1 point)
  - There is a standardized assessment process. (1 point)
  - The project will ensure program participants are directed to appropriate housing and services that fit their needs. (1 point)

Appendix F

Examples of Match Resources

PLEASE NOTE: Match must be used for eligible costs of the project, which may vary. Costs listed below could be eligible sources of match for CoC projects, but not all are eligible for ALL CoC projects.

Advocacy	Children	Counseling	Education, Employment and Training
Benefits advocacy Housing advocacy Legal assistance, advocacy, representation, and referrals Peer advocacy Tenant rights workshops	After-school children's program Child care services Children's books, loaned television, videos, art supplies as available, training, tickets for special events Children's art program Children's books Children's circus program Children's holiday party K-12 homeless education Parenting classes Summer camp School supplies Therapeutic day Care	Bereavement counseling and pastoral services Counseling services Crisis intervention Landlord/tenancy counseling Pre-treatment counseling, support groups, counseling, and housing assistance Recovery groups Support groups Therapy	After school and associated summer school activities Aftercare services Basic computer skills classes and individual tutoring for residents and graduates Benefits and Work Incentive Workshops Computer literacy training Employment and training services Education/courses Education Counseling ESL Job development and employment services Job research Job placement Job retention Leadership training Life skills training Literacy Nutrition education/cooking classes

			Sewing classes Training tuition Training videos and games Tutoring Uniform vouchers Vocational services
Financial Services	**Health**	**Housing**	**Human Resources**
Asset/resource management services Money management Representative payee services	AIDS-related services Dental screening services Dual diagnosis services Gynecological services Health care resources and education Healthcare services Medical, psychiatric and pharmacy services Medication support Mental health services Peer support Pregnancy testing Preventative Health Care Services Psychiatric disability evaluations Psychotherapy Residential and outpatient treatment services Respite care	Financial move in grants, housing search support and monthly housing clinics Housing Housing placement Housing search assistance Maintenance and repair projects/beautification project Move-In assistance Property management Rental assistance and financial assistance for move-in costs Rental subsidies	Americorps VISTA Volunteers Consultation staff Mental health advocacy staff Volunteer hours

	Substance abuse services Triage		
In-Kind	**Operations**	**Supportive Services**	
Clothing Equipment Food Furnishings Household items	Administrative support Clerical services Consulting and practical support Facility Space Mail service Office/workshop space Programming	Artistic services to residents Assessment services Benefits eligibility support Case management Community development Family Support Services Independent living services Mentoring services Outreach Recreational trips and activities Referrals Restraining order assistance, court accompaniment and consultation Support services supervision Technical assistance Translation services Veteran's services assistance Subsidized/free bus passes	

Appendix G

Form of Match Letter

[This must be on the letterhead of the entity providing the resource.]

In the chart below is information regarding the resource being provided by this agency.

Name of organization providing the resource	
Type of contribution and use*	
Value of the contribution**	
Name of project	
Specific grant the contribution will support (e.g. if project is S+C and has two CoC grants supporting the project, note if this is for S+C1 2019 or S+C2 2020)	
Name of grant recipient and/or subrecipient	
Date the contribution will be available***	[_________], 2026
Name of person authorized to commit these resources	
Title of person authorized to commit these resources.	

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Signature of person authorized to commit these resources.	
Date	Must be dated between Jun 1, 2026 and Aug 26, 2026.

* E.g., cash, childcare, case management, health care, etc. If cash, also state allowable activities to be funded by match.

** For in-kind, identify method used to determine the value of the donation.

*** For renewals, this date must be within your 2026-2027 operating year

Appendix H

Transition Grants

- Applicants may transition renewal projects from one CoC Program component (e.g., Rapid Rehousing to Transitional Housing) to another using the CoC Program Competition upon consent/approval of the CoC.
    - To meet the requirements, HUD will consider the following as CoC consent for the transition grant: the project application identifies the project as a transition project, and the CoC ranks the new transition grant project on the New Project Listing in the FY 2026 CoC Priority Listing.
- By the end of the operating year, the transition grant must be operating under the new component and will be eligible to apply for renewal in the next CoC Program Competition under the component to which it transitioned. Transition grant applications cannot request 18-month grant terms.
- To create a transition grant, the CoC must wholly eliminate one or more renewal projects and use those funds to create the single, new transition grant (so resulting project type must be allowed as a new project under this NOFO competition and meet project eligibility and quality thresholds). Transition grants cannot consolidate with any other project.
- For a new project to be considered a transition grant, the applicant for the new project must be the same recipient for the eligible renewal grant(s) being eliminated, and the applicant must provide the grant number(s) of the projects being eliminated to create the new project and attach a copy of the most recently awarded project application.
    - For FY 2025 grants expiring in CY 2027 that were not required to submit a FY 2025 renewal application for the FY 2025 funding opportunity, the applicant will attach a copy of the FY 2024 CoC Program Competition project application.
- All remaining funds awarded must be used for eligible activities awarded under the new component for the project.
- Transition grants conditionally awarded will have one year to fully transition from the original component to the new component and this will take place during the transition grant's normal operating year. After the first operating year for which FY 2026 funds are awarded, the transition grant must be fully operating under the new component and will be eligible for renewal in the FY 2026 operating year under the component to which it transitioned.
- The project's operating start date will be the day after the end of the previous grant term for the expiring component, i.e., the transition grant will have the same operating year as the expiring component project. For transition grants reallocated from more than one project, the operating start day of the transition grant will be the day after the end of the earliest expiring grant term.
- If HUD determines that a new project that applied to be a transition grant does not qualify to be a transition grant, but meets all other new project requirements, then HUD may award the project as a new project that is not a transition grant. In these instances, the recipient will not

be permitted to expend any FY2026 funds until the new project grant agreement is executed by the local HUD field office.

- Youth Homeless Demonstration Program (YHDP) renewal projects are not eligible to use the transition process. YHDP Renewal grants must submit a YHDP Replacement application to change component types.

Appendix I

Consolidation Projects

- Eligible renewal project applicants may consolidate two or more (but no more than ten) eligible renewal projects (including renewing YHDP projects and renewal Special NOFO Competition projects) into one project application during the application process. To be eligible for consolidation, renewal projects *must:*
    - Ensure Budget Line Items (BLIs) for the consolidated project application submitted exactly match the sum of the BLIs for each of the individual projects as they appear on the GIW, or the grant agreement as amended;
    - Where two or more eligible projects are being consolidated through the project application, the total Annual Renewal Amount of the consolidation project must be equal to or less than the sum of the original renewal projects.
    - Include the expiring grant numbers with period of performance and budget period start and end dates for the projects that are consolidating;
    - Confirm that all projects being consolidated must have periods of performance and budget period start and end dates that end in Calendar Year (CY) 2027;
    - Confirm that all projects being consolidated have the same recipient and are for the same component (i.e. PH-PSH, PH-RRH, Joint TH/PH-RRH, TH, SSO, SSO-CE or HMIS). YHDP Renewal projects that wish to consolidate may establish a single YHDP Replacement grant to replace multiple YHDP grants.
    - Be in good standing with HUD, meaning none of the projects have:
        - outstanding audit or monitoring findings,
        - outstanding obligation to HUD that is in arrears,
        - unresolved construction delays,
        - a history of poor financial management/drawdown issues,
        - history of low occupancy levels, or lack experience in administering the project type, or
        - other capacity issues.
- **If you are interested in consolidating projects, please contact Homebase to discuss the process further.**
- The projects being combined during a grant consolidation will continue uninterrupted.
    - The following projects cannot be consolidated and if a project application meeting these characteristics attempts to consolidate, HUD will not consider the consolidation, but rather select the projects individually provided they pass project eligibility and project quality threshold requirements:

- A DV Renewal project cannot consolidate with a CoC Renewal project (a project not dedicated to serving individuals and families who meet the eligibility criteria in Section III.G.11 of the NOFO, including a project originally funded under the Special NOFO Competition, and a YHDP Renewal project), or a project originally funded under the Special CoC NOFO Competition;
- A Transitional Housing (TH) and a Permanent Housing (PH) project cannot consolidate to form a Joint Transitional Housing and Rapid Rehousing Component project;
- A YHDP renewal project cannot consolidate with a CoC Renewal project (including those projects originally funded under the Special CoC NOFO Competition) or a DV Renewal project;
- A special project originally funded under the Special CoC NOFO Competition through the Rural Set Aside cannot consolidate with any other type of project except another project originally funded through the Rural Set Aside;
- Transition grants cannot consolidate with any other project; and
- Recipients cannot apply to consolidate and apply to expand the consolidated project in the same funding year.

- To apply for a consolidated grant, applicants must submit separate renewal project applications for each of the grants that are proposed to be consolidated. Each project application will identify the grant number that will survive, which is the grant number with the earliest start date in CY 2027.

- Project applications for the grants that are proposed to be consolidated will be ranked, and if all those grants are selected, HUD will award the single consolidated grant based on its ranked position to include the amount of funding of all grants included in the consolidation. All other project applications included in the surviving grant will be removed from the CoC's ranking resulting in project applications below to slide up one ranked position.

- The start date for the consolidated grant, if conditionally awarded, will be the day after the expiration date of the eligible renewal project with the earliest expiration date. The expiration date for the consolidated grant will be calculated by averaging the expiration dates for all expiring grants included in the consolidated grant weighted by the size of each expiring grant.

  - If that date falls on the first through the fifteenth of a month, then the expiration date will be the last day of the previous month.

  - If the date falls on the sixteenth through the end of the month, then the expiration date will be the last day of the month. HUD will calculate the expiration date for the consolidated grant as follows: It will be 'X' months after the end of the 12th month after the start date for the consolidated grant with 'X' determined by calculating the sum for all grants of the total award times the number of months after the expiration of the first expiring grant that the grant expires and dividing that sum by the total award for the consolidated grant.

- If the calculation of 'X' results in a partial month, if it is less than 0.5, then the consolidated grant will expire on the last day of the previous month, and if it is 0.5 or more, then the consolidated grant will expire on the last day of the calculated month.

- Collaborative Applicants designated by HUD as UFAs have more flexibility in how they manage their CoC Program-funded projects, making the consolidation of projects during the CoC Program competition unnecessary. A Collaborative Applicant with UFA designation can consolidate projects during the grant term, so long as the consolidations are not combining different component types and the projects are funded under the same grant (e.g., projects are currently funded under the same renewal grant). If a UFA-designated Collaborative Applicant consolidates projects during the grant term, it can apply to renew them during the CoC Program Competition as consolidated projects.