

FY2026 Continuum of Care and Youth Homelessness Demonstration Program Notice of Funding Opportunity Summary

Table of Contents

Background	2
Noteworthy Points.....	2
Important HUD-Required Dates	3
Estimated Funding Available	4
2026 HUD CoC NOFO Goals and Objectives	4
Application Structure	5
Review and Rank Changes and Reminders	5
New Projects	9
Renewal Projects	13
Transition Projects	14
Consolidation Projects.....	15
Expansion Projects	15
Youth Homelessness Demonstration Program (YHDP)	16
Important Points for All Project Applicants	18
Community-Level Scoring Changes.....	18
Resources	21

Background

The U.S. Department of Housing and Urban Development (HUD) has released a Notice of Funding Opportunity (NOFO), signifying the beginning of a funding competition among approximately 385 Continuums of Care (CoCs), the community stakeholder groups that guide local responses to homelessness. The 2026 CoC NOFO was released on June 1, 2026, opening the competition making available **approximately \$4 billion nationally** to serve people experiencing homelessness. The information in the NOFO sets forth the competition rules and processes for 2026. HUD expects to make approximately 7,000 awards under this NOFO.

This summary includes the highlights of the FY 2026 CoC NOFO. New and impactful policies relating to the FY 2026 CoC Program Competition are indicated as ***KEY CHANGE***. Additional information about project application requirements and standards will be available locally.

Details about anything in this summary can be found in the [NOFO](#).

Noteworthy Points

- HUD policy priorities in 2026 focus on:
 - Improving outcomes (especially reducing unsheltered homelessness),
 - Increasing competition among geographic areas,
 - Promoting substance abuse treatment and recovery,
 - Optimizing self-sufficiency,
 - Advancing public safety,
 - Minimizing trauma for vulnerable populations, and
 - Expanding access to all applicants, including faith-based organizations, and all participants, regardless of race.
- Tier 1 is equal to 60% of the CoC's Annual Renewal Demand (ARD).
- There is no cap on Permanent Housing projects, however, this NOFO provides a set-aside of \$1,300,000,000 for new projects with a priority for Transitional Housing (TH) projects and Supportive Services Only (SSO) projects (32% of funding available) and a national floor of \$430,000,000 for Permanent Housing for families with children, which may impact funding of Permanent Housing projects listed in Tier 2.
- To further increase competition, the CoC Bonus is up to 15% of the Final Pro Rata Need (FPRN), with a minimum of \$500,000 and a maximum of \$5,000,000 for most CoCs. Different floors/ceilings apply to CoCs that have split or merged or have newly registered as a Tribal CoC since FY 2023 CoC Registration (See pp. 11-12 of the NOFO.) This increases the amount of Bonus funding available to many smaller CoCs.
 - CoCs may apply for the following types of new projects through the CoC Bonus and CoC Reallocation process: SSO projects, TH projects, Permanent Supportive Housing (PH-PSH) projects, Rapid Rehousing (PH-RRH) projects, Homeless Management Information System (HMIS) projects, and Supportive Services Only

R&EC NOFO Cohorts

Coordinated Entry (SSO-CE) projects. Joint TH-RRH is *not* an eligible component for new projects.

- The Domestic Violence (DV) Bonus is equal to 20% of the Preliminary Pro Rata Need (PPRN), with a minimum of \$50,000 and a maximum of \$5,000,000.
 - CoCs may apply for the following types of new projects through the DV Bonus and DV Reallocation process: PH-RRH projects, TH projects, and SSO-CE projects. TH is a new eligible activity for this funding this year.
- YHDP projects will be *competitively* renewed or replaced through the YHDP Replacement Process.
- Grants with DV Renewal funding are eligible to use the transition grant process.
- Threshold factors for new and renewal projects have been revised and do not require service participation. However, service participation is incentivized through threshold factors, Consolidated Application scoring, and Tier 2 project scoring.

Important HUD-Required Dates

Please note that the NOFO does NOT require project applications to be submitted to the CoC 30 days prior to the Consolidated Application submission deadline this year.

Jun. 1, 2026	FY 2026 CoC Program NOFO is released.
On or before Aug. 11, 2026 (15 days prior to submission deadline)	The CoC must notify , in writing outside of <i>e-snaps</i> , all project applicants who submitted their project applications to the CoC by the CoC-established deadline whether their project application(s) will be accepted and ranked on the CoC Priority Listing, rejected , or reduced by the CoC.
Prior to the application deadline	CoC must post on their website (or a partner’s website) all parts of the CoC Consolidated Application , including the CoC Application attachments and the Priority Listing, and notify community members and key stakeholders that the CoC Consolidated Application is available.
Aug. 26, 2026 8:00 PM EDT¹ 5:00 PM PDT	Submission Deadline for 2026 Consolidated Application. HUD strongly suggests that Collaborative Applicants print a copy of the Submission Summary form from the CoC Application and the FY 2026 CoC Priority Listing before closing their internet browser after the CoC Consolidated Application has been submitted by HUD. This is the Collaborative Applicant’s receipt of submission and proof of compliance with the application deadline.

¹ Note that the NOFO also includes a second, later time. We are defaulting to the earlier deadline.

R&EC NOFO Cohorts

Dec. 1, 2026	Anticipated award date .
Jan. 1, 2027	Estimated performance period start date .
Dec. 31, 2027	Estimated performance period end date.

Estimated Funding Available

HUD has not released Grant Inventory Worksheets, or their Funding Available report. You can estimate your funding by using the following strategies.

This year, in our CoC, the eligible application amounts are **estimated** as follows:

- **Tier 1** (60% of ARD): Add all 4 quarters of your 2025 awards (minus Planning Grant) to get your estimated ARD.
- **Tier 2** (remainder of ARD + CoC Bonus + DV Bonus)
- **CoC Bonus**: 15% of the Final Pro Rata Need (FPRN) (which is the larger of ARD or PPRN), with a minimum of \$500,000 and a maximum of \$5,000,000. The minimum of \$500,000 will apply in many smaller communities this year.
- **Domestic Violence (DV) Bonus**: 20% of the Preliminary Pro Rata Need (PPRN), with a minimum of \$50,000 and a maximum of \$5,000,000. A potential estimate for your PPRN is the [2024 report](#).
- **CoC Planning**: 5% of FPRN, up to maximum of \$1,500,000, or \$50,000 whichever is greater

Please note that these amounts, especially the DV Bonus estimate, may be updated after further HUD communications.

2026 HUD CoC NOFO Goals and Objectives

KEY CHANGE This year HUD has set the following goals and objectives to provide context for applicants to understand the merit criteria outlined in Section V.B on the NOFO, which supports HUD’s goals of ending homelessness. HUD states these goals are consistent with national policy objectives. CoCs will be evaluated based on the extent to which they further HUD’s policy priorities.

1. **Improving Outcomes** — This NOFO incentivizes sustained reductions in homelessness and increased self-sufficiency over outputs such as the number of beds created or filled. This NOFO puts an emphasis on reducing unsheltered homelessness and encampments and encourages CoCs to prioritize projects that promote self-sufficiency, increase employment income over government assistance, and promote treatment and recovery.
2. **Creating Competition to Improve Innovation and Accountability** — HUD is setting Tier 1 at 60% of ARD consistent with the FY26 appropriation and Office of Management and Budget (OMB) competition requirements (2 CFR 200.204–205).

3. **Restoring Balance to the Continuum of Care** — This NOFO shifts funding away from permanent housing toward transitional housing and supportive services only projects. PH-PSH should be prioritized for those over 62 or with physical or developmental disabilities.
4. **Prioritizing Treatment and Recovery as a Means to Self-Sufficiency** — This NOFO encourages CoCs to prioritize projects that provide on-site behavioral health treatment, robust wraparound supportive services, and participation requirements. It also encourages investment in treatment-focused beds, recovery housing, and partnership with community behavioral healthcare providers, drug courts, and other addiction and severe mental illness treatment providers.
5. **Promoting Economic Self-Sufficiency** — This NOFO encourages partnership with workforce development centers, employers, childcare, and other supportive service providers to increase employment and employment income for program participants. This NOFO also encourages CoCs to prioritize projects that help lead to long-term economic independence for individuals and families to exit homelessness to unsubsidized housing and prevent future returns to homelessness. This NOFO also encourages supportive service participation requirements.
6. **Advancing Public Safety for All** — This NOFO encourages cooperation with law enforcement to advance public safety, including working with law enforcement, first responders, and state and local governments to reduce encampments, public camping, and public drug use.
7. **Minimizing Trauma for Vulnerable Populations** — This NOFO encourages providers to provide trauma informed care and ensure participant safety in programs, especially for youth and survivors of domestic violence, dating violence, sexual assault, and stalking.
8. **Expanding Access Based on Merit, and Not Ideology** — HUD is committed to providing an equal opportunity to every applicant, recipient, and program participant free from discrimination. HUD will ensure that faith-based organizations can participate in the CoC program and operate consistent with their sincerely held religious beliefs and is committed to prohibiting the use of federal funds for racial preferences.

Application Structure

The CoC Consolidated Application is made up of three parts:

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

Review and Rank Changes and Reminders

- **Maximum Application Amount.** The maximum amount a CoC may apply for is the sum of the CoC’s ARD, eligible CoC Bonus amounts, eligible DV Bonus amounts, eligible CoC planning amounts, and, if applicable, eligible UFA costs amounts.
 - ***KEY CHANGE* Tier 1 is smaller this year**, equal to **60%** of the CoC’s ARD. Tier 1 was 90% in 2024 and 93% of ARD in 2023.
 - **CoC Bonus amounts for new projects are higher**, equal to **15%** of the Final Pro Rata Need (FPRN), up from 12% in 2024 and 7% in 2023. There is a minimum of \$500,000 and a maximum of \$5,000,000 for most CoCs. Different floors/ceilings apply to CoCs that have split or merged in FY 2023 or more recently (see pp. 11-12 of the NOFO).
 - **DV Bonus amounts for new projects are higher**, equal to **20%** of the Preliminary Pro Rata Need (PPRN) (up from 15% in 2024). There is a minimum of \$50,000 and a maximum of \$5,000,000.
 - ***KEY CHANGE* Project Priorities.** This NOFO provides a set-aside of \$1,300,000,000 for new projects with a priority for Transitional Housing and Supportive Service Only projects. This NOFO also has set a national floor of \$430,000,000 for Permanent Housing for families with children.
 - Applications for **CoC Planning**, and if applicable, **UFA Costs** projects are not competitively ranked and therefore must be excluded from CoC ranking. These non-competitive applications are also excluded from the Tier 1 and Tier 2 selection process and are not part of ARD.
- **Performance-Based Decisions.** Requests for new CoC project applications, except for new projects created through reallocation, are not allowed unless the CoC evaluates and competitively ranks projects based on how they improve the CoC’s system performance as outlined in section V.B.1.b of the NOFO. HUD will prioritize funding for CoCs that have demonstrated the capacity to reallocate funding from lower to higher-performing projects.
- **Reallocation.** CoCs may reallocate funding from any eligible renewal grant, including grants that have not previously renewed under the CoC Program, so long as the project has an executed grant agreement with an expiration date in Calendar Year 2027.
 - **YHDP and DV Reallocations.** Project funds previously designated for DV or YHDP programs can only be reallocated to serve the same population.
 - **DV Renewal projects that have an SSO-CE component cannot be reallocated.**
- ***KEY CHANGE* YHDP projects will be competitively renewed or replaced.** YHDP projects may be reallocated by CoCs to create new YHDP grants. If significant changes to a renewing YHDP project are needed, the YHDP project may replace its current project with a new YHDP Replacement project, which may wholly or in part include otherwise ineligible activities.
- ***KEY CHANGE* DV Bonus, DV Reallocation, and YHDP projects will be selected using the Tier 1 and Tier 2 selection process.**
- **Scoring and Project Selection.** CoCs will earn points in the CoC application for including the following projects on their Priority Listing:
 - ***KEY CHANGE* Projects with substance use treatment on-site.** For a portion of 20 points, demonstrate that substance use treatment available on-site for at

least 30% of TH/RRH/PSH projects submitted on the Priority Listing (by listing the projects and treatment providers). Rural CoCs will receive full points for identifying access to treatment.

- ***KEY CHANGE* Projects investing adequately in supportive services.** For 8 points, demonstrate that the CoC is adequately investing in supportive services by showing either:
 - Through proposed CoC funding, leveraging, match, and other formal partnerships, the CoC is providing supportive services with a value of 50% of the CoC's ARD; or
 - 30% of proposed CoC funding on the Priority Listing is used for supportive services relative to their ARD.
- ***KEY CHANGE* Projects that require program participants to take part in supportive services** (e.g., case management, employment training, substance use disorder treatment) in line with 24 CFR 578.75(h) (agreements required to be attached). For 8 of 8 points, ensure 100% of projects on the Priority Listing have participation requirements. For 4 of 8 points, ensure 50% of projects have participation requirements.
 - Except that consistent with 24 CFR 5.2005(b)(1) assistance may not be denied on the basis or as a direct result of the fact that the participant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, if the participant otherwise qualifies for admission, assistance, participation, or occupancy.
- ***KEY CHANGE* Projects in Opportunity Zones.** Receive 4 points if projects ensure that at least 50% of their activities are in an Opportunity Zone.
- ***KEY CHANGE* Sober Living.** For some portion of 20 points, identify at least one new or existing CoC project that operates sober housing in accordance with 24 CFR 578.93(b)(5).
- ***KEY CHANGE* Families with Children.** For 4 point, identify at least one PH-RRH or TH project in the CoC that primarily or exclusively serves families with children experiencing homelessness in accordance with 24 CFR 578.93(b).
- ***KEY CHANGE* High Utilizers of Healthcare Systems.** For 4 points, identify at least one partnership or project the CoC has to provide specialized supportive services for homeless individuals with a high level of medical needs.
- ***KEY CHANGE* Aging and Elderly.** For 4 points, identify at least one partnership or project the CoC has to serve aging and elderly individuals experiencing homelessness, such as with a provider of residential care, assisted living, or medical respite services. CoC-funded projects may establish preferences for elderly individuals or families.
- ***KEY CHANGE* Permanent Housing for Chronically Homeless Participants.** For 4 points, identify at least one PH-RRH or PH-PSH project that prioritizes individuals experiencing chronic homelessness.
- ***KEY CHANGE* Advancing Recovery.** For 10 bonus points, describe the policy or statement the CoC has in place to ensure that all housing projects submitted by the CoC will not operate drug injection sites or "safe consumption sites,"

R&EC NOFO Cohorts

knowingly distribute drug paraphernalia on or off property under their control, knowingly permit the use or distribution of illicit drugs on property under their control, or conduct, permit, encourage, or allow any of these activities under the pretext of "harm reduction." See p 64 of the NOFO for details.

Tier 1

- ***KEY CHANGE*** Tier 1 is equal to 60% of the CoC's ARD.
- Any competitively ranked project may be placed in Tier 1 according to the CoC's local rating and ranking process and based on local needs and priorities.
- Tier 1 projects will be conditionally selected for funding provided the project applications pass both eligibility and threshold review, and if applicable, project renewal threshold.

Tier 2

- Tier 2 is the difference between Tier 1 and the sum of each CoC's ARD, CoC Bonus, and DV Bonus.
- Project applications placed in Tier 2 will be assessed for project eligibility and project quality threshold requirements, and if applicable, project renewal threshold requirements. HUD will determine funding using the CoC Application score as well as the CoC project ranking.
- ***KEY CHANGE*** Ranking in Tier 2 will be impacted by HUD's 2026 funding set-asides. See "HUD Funding Process" immediately below.
- Projects in Tier 2 are less likely to be funded, and every Tier 2 project will be scored using a 100-point scale based on three factors:
 - **CoC Score.** Up to 50 points will be awarded in direct proportion to the score received on the CoC Application.
 - **CoC Project Ranking.** Up to 40 points will be assigned directly related to the CoC's ranking of the project application(s).
 - ***KEY CHANGE* Service Participation.** Up to 10 points for projects that have or will incorporate supportive service participation requirements in their program design, based on individual need in accordance with 24 CFR 578.75(h). Supportive Service Only and HMIS will automatically receive 10 points in this category.
 - Except that consistent with 24 CFR 5.2005(b)(1) assistance may not be denied on the basis or as a direct result of the fact that the participant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, if the participant otherwise qualifies for admission, assistance, participation, or occupancy.

HUD Funding Process

- ***KEY CHANGE*** HUD will select projects in this sequence:

1. **CoC Planning and UFA costs** (unranked).
2. All **Tier 1 projects** that pass eligibility thresholds.
3. **DV Bonus projects.** If less than \$104,000,000 in DV Bonus project funding has been selected via steps 1–2, HUD will continue down the ranked list by project score and fund additional DV Bonus projects until \$104,000,000 is reached. This does not include DV Reallocation or the renewal of projects originally funded under the DV Bonus.
4. **Permanent Housing for families with children.** If less than \$430,000,000 has been selected via steps 1–3, HUD will continue down the ranked list by project score and fund additional permanent housing projects that serve families with children until \$430,000,000 is reached.
5. **New TH and SSO projects in Tier 2.** HUD will select projects by score until the total new TH/SSO projects funding equals \$1,300,000,000.
6. **All other new projects in Tier 2.** HUD will continue selecting by project score until all new projects combined reach \$1,300,000,000.
7. **All other projects in Tier 2.** HUD will remove all remaining unselected new projects, recalculate Tier 2 scores, and continue selecting projects.

New Projects

- CoCs may apply for new projects created through CoC Bonus, DV Bonus, CoC Reallocation, DV Reallocation, YHDP Replacement including YHDP Reallocation, or a combination of reallocation and CoC Bonus.
- To receive funding for a new CoC project, except those created through reallocation, HUD must determine the CoC has demonstrated that projects are evaluated and ranked based on the degree to which they improve the CoC's system performance [See more information on System Performance in section V.B.1.b of the NOFO].
 - Because new project applications may be created through the reallocation or CoC Bonus processes, if HUD determines that a project applicant or a CoC incorrectly classified one or more new projects as reallocation or CoC Bonus, HUD may reclassify the project(s) as either reallocation or CoC Bonus if the CoC exceeded either its reallocation or CoC Bonus amount.
 - If a project applicant uses both reallocation and CoC Bonus amounts to create a single new project but did not have enough available from either source, HUD will reduce the project to the amount available, if any.
- HUD will review all new project applications to determine if they meet project eligibility and quality threshold requirements. See pp. 59-70 of the NOFO for details, including threshold rating factors by project type.
 - ***KEY CHANGE*** 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.”
- ***KEY CHANGE*** Transitional projects are encouraged through threshold scoring (but enough points can be garnered to pass threshold even if this standard is not met) to provide 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 except those over age 62 or who have a disability. This project description does not constitute a reporting or documentation requirement.
- ***KEY CHANGE*** Similarly, SSO projects focused on street outreach are encouraged through threshold scoring (but enough points can be garnered to pass threshold even if this standard is not met) to demonstrate that the applicant has a history of, or a plan for, partnering with first responders and law enforcement. The applicant must cooperate and not interfere or impede with the enforcement of 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.

Allowable Grant Terms

- The initial grant term for new project applications may be one year, two years, three years, four years, five years, or 15 years, but there are limitations depending on the grant type. Please see pp. 24-26 of the NOFO for details.
- HUD will allow new projects to request one year of funding with a longer initial grant term not to exceed 18 months. HUD has determined that most new projects requesting one year of funding normally take approximately three to six months to begin fully operating the new project (e.g., hiring staff, developing partnerships with landowners if leasing or renting). Therefore, a new project requesting one year of funding may request a grant term of 12-18 months that will allow for the additional start-up process. Transition grant applications cannot request 18-month grant terms.
- The first year of funding for YHDP Replacement projects will be based on the 1-year renewal amount of the current YHDP project being replaced. The YHDP Replacement project’s operating start date will be the day after the end of the previous grant term for the project being replaced.

Eligible Types of New Projects Created Through CoC Bonus or Reallocation

- **CoCs may apply for the following types of new CoC projects through reallocation or the CoC Bonus process:**
 - PH-PSH projects
 - PH-RRH projects
 - ***KEY CHANGE*** TH projects
 - Dedicated HMIS projects
 - ***KEY CHANGE*** SSO projects
 - SSO-CE projects to develop or operate a Coordinated Entry system
- ***KEY CHANGE*** Joint TH-RRH is **not** an eligible new project type in this year's NOFO.
- **Projects may serve the following eligible populations and provide services as listed.** The populations align with the Interim Rule but are less restrictive than has been used in recent years.
 - ***KEY CHANGE* PH-PSH** projects must serve persons who qualify as homeless under paragraphs (1), (2), or (4) of 24 CFR 578.3 where the head of household also has a qualifying disability as defined in section 401(9) of the McKinney Vento Homeless Assistance Act.
 - **PH-RRH** projects for people who qualify as homeless under paragraphs (1), (2), or (4) of 24 CFR 578.3 (and paragraph (3) if the CoC is approved to serve this population).
 - **TH** projects for people who qualify as homeless under paragraphs (1), (2), or (4) of 24 CFR 578.3 (and paragraph (3) if the CoC is approved to serve this population).
 - **Dedicated HMIS** projects for the costs at 24 CFR 578.37(a)(4) that can only be carried out by the HMIS Lead, which is the recipient or subrecipient of an HMIS grant and is listed on the HMIS Lead form in the CoC Applicant Profile in e-snaps. Additionally, if the CoC has organizations within its geographic area that are victim service providers, the HMIS Lead, or subrecipient, may request HMIS funds for a comparable database. Victim service providers may also request HMIS funds in their project application budgets to enter data into a comparable database.
 - **SSO** projects consistent with 24 CFR 578.37 and 578.53, including projects with the outreach service activity described in 24 CFR 578.53(e)(13) to individuals and families primarily residing in places not meant for human habitation. These projects must serve people who qualify as homeless under paragraphs (1), (2), or (4) of 24 CFR 578.3 (and paragraph (3) if the CoC is approved to serve this population).

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

Eligible Types of New Projects Created Through DV Bonus

- Through this NOFO, approximately \$104,000,000 is available nationally for DV Bonus projects.
- **New Projects Created Through DV Bonus or DV Reallocation processes:** A CoC may apply the following types of projects:
 - **PH-RRH** dedicated to serving survivors of domestic violence, dating violence, sexual assault, or stalking that are defined as homeless (24 CFR 578.3).
 - ***KEY CHANGE* TH** dedicated to serving survivors of domestic violence, dating violence, sexual assault, or stalking that are defined as homeless (24 CFR 578.3).
 - ***KEY CHANGE* Joint TH-RRH** is **not** an eligible new project type in this year's NOFO.
 - **SSO-CE** projects to implement policies, procedures, and practices that equip the CoC's coordinated entry to better meet the needs of homeless 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.
- **Eligible Populations.** DV Bonus and DV Reallocation projects must serve 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 ((and paragraph (3) if the CoC is approved to serve this population).
- **Project Quality Threshold for DV Bonus.** To be eligible to receive a new DV Bonus project, a CoC must demonstrate it ranks projects based on how they improve system performance as outlined in Section V.B.1.b of the NOFO. Additionally, to be eligible to receive a DV Bonus project for the TH or PH-RRH component, project applications must demonstrate the applicant's experience 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, and their ability to house survivors and meet safety outcomes.
- **Number of Applications.** A CoC may apply for any number of PH-RRH and TH projects provided that each application is for at least \$50,000. A CoC can only submit one new project application for an SSO-CE project.
- **Expansion Projects.** A CoC may apply to expand an existing renewal project, including one that was previously funded with DV Bonus funding. DV Bonus funding may be used to expand an existing renewal project that is not dedicated to serving individuals and families who are fleeing or attempting to flee domestic violence, dating violence, sexual assault, and/or stalking so long as the DV Bonus funds for expansion are solely for additional units, beds, or services dedicated to persons eligible to be served with DV Bonus funding. HUD will only select a new DV Bonus project that expands an existing

renewal project if HUD selects the renewal project 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, HUD will consider the DV Bonus application as a standalone DV Bonus application.

- ***KEY CHANGE* Ranking and HUD Selection Process.** 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, when the project is part of an expansion, the corresponding renewal project application must be on the Renewal Project Listing with a unique rank number. HUD will make Tier 1 project selections. It will then review DV Bonus projects already selected for funding through the Tier 1 process and determine whether \$104,000,000 has already been awarded to DV Bonus projects. If at least \$104,000,000 has already 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 \$104,000,000 has been selected. There is no separate scoring process or competition for DV Bonus or Reallocation projects.

Renewal Projects

- ***KEY CHANGE* Annual Re-Evaluation.** All renewals will be re-evaluated each year. HUD may condition renewal on compliance with audits for large grant recipients (over \$1,000,000) and other post-award requirements from prior years.
- **Threshold Requirements.** Renewal projects must meet the minimum project eligibility, capacity, timeliness, and performance standards identified in this NOFO or they will be rejected from consideration for funding. HUD reserves the right to reduce or reject a project application submitted during the CoC Program Competition that does not meet these standards. HUD will not penalize applicants for complying with the terms and conditions of prior HUD grants. See details in the NOFO at pp. 59-62.
 - ***KEY CHANGE*** 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."

- ***KEY CHANGE* Verification of Past Performance.** 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.
- **Cost of Living Adjustments.** HUD is authorized to make reasonable cost of living adjustments to renewal application line items of HMIS and supportive services.
- **One-Year Grant Term.** All CoC Program renewal project applications are limited to a one-year grant term and one year of funding. The grant term may be extended consistent with 2 CFR 200.308 and 2 CFR 200.309.
- **Joint TH-RRH.** Although new Joint TH-RRH component project applications will not be allowed, HUD will allow renewal project applications for Joint TH-RRH projects.
- **Special NOFO and YHDP.** Awards HUD made under the CoC Program (including projects originally funded under the Special NOFO to Address Unsheltered and Rural Homelessness) and YHDP are eligible for renewal with FY 2026 CoC Program funds if they are currently operating and have an expiration date in CY 2027 (the period from January 1, 2027, through December 31, 2027).
- **Eligible Participants.** Participants eligible to be served by renewal projects funded under this NOFO, are as follows:
 - **Renewal PH-PSH projects** must serve the same population of individuals and families indicated in the expiring grant agreement.
 - **Renewal PH-RRH, Joint TH-RRH, TH, and SSO projects** must serve persons who qualify as homeless under paragraphs (1), (2), or (4) of 24 CFR 578.3. Additionally, these projects may serve persons who qualify as homeless under paragraph (3) of 24 CFR 578.3 if the CoC is approved to serve persons in paragraph (3).
 - **DV Renewal projects** must serve 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. Additionally, these projects may serve persons who qualify as homeless under paragraph (3) of 24 CFR 578.3 if the CoC is approved to serve persons in paragraph (3).

Transition Projects

- Applicants may transition their eligible renewal project(s) (including a Special NOFO project or DV Renewal project) from one CoC Program component to another (e.g., TH to RRH, RRH to PSH) over a one-year grant cycle (transition grants cannot request 18-month grant terms).
- Transition grant applications awarded FY 2026 funds must fully transition to the new component by the end of the 1-year grant term and may only apply for renewal in the next CoC Program Competition under the component to which it transitioned.
- Transition grants cannot consolidate with any other project.

R&EC NOFO Cohorts

- To create a transition grant, the CoC must wholly eliminate one or more projects and use those funds to create a single, new transition grant.
- The applicant must have the consent of the CoC, as indicated by:
 - The project application identifying the project as a transition project, and
 - The CoC ranking the new transition grant project on the New Project Listing in the FY 2026 CoC Priority Listing.
- YHDP projects are not eligible to use the transition grant process. YHDP Renewal grants must instead submit a YHDP Replacement project to change component types.
- See pages 21-22 of the NOFO for additional information on transition grants.

Consolidation Projects

- Applicants may consolidate up to 10 eligible renewal projects (including renewing YHDP projects and renewal Special CoC NOFO Competition projects) into one project during the application process.
 - This means that a CoC Program recipient does not have to wait for a grant agreement amendment to be executed to consolidate two or more grants before it can apply for a single consolidated project in the CoC Program Competition.
 - The projects being combined during a grant consolidation will continue uninterrupted.
- To be eligible for consolidation, projects must have the same recipient and be for the same component. Additionally, YHDP projects cannot consolidate with non-YHDP projects and a DV Renewal project cannot consolidate with a CoC renewal project (that is not dedicated to DV) or a project originally funded under the Special CoC NOFO.
- ***KEY CHANGE*** Projects originally funded under the Special CoC NOFO through the Rural Set Aside cannot consolidate with any other type of project except another project originally funded through the Rural Set Aside.
- Transition grants cannot be consolidated with any other project.
- Recipients cannot apply to consolidate projects and apply to expand the consolidated project during the same funding year.
- Where two or more eligible projects are being consolidated, the total Annual Renewal Amount (ARA) must be equal to or less than the sum of the original ARA of the renewal projects before consolidation.
- See pages 19-21 of the NOFO for additional information on consolidations.

Expansion Projects

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

R&EC NOFO Cohorts

- If an applicant is proposing to expand an existing PH-PSH project, it must demonstrate how they are expanding supportive services to program participants, including where appropriate, on-site supportive services.
- Recipients cannot apply to expand a project included in a grant consolidation during the same funding year.
- The new expansion project applications must request only 1 year of funding, must meet the project eligibility and project quality thresholds in sections V.A.4.a and V.A.4.c. of the NOFO, and must be for the same component as the project being expanded. Additionally, the renewal project being expanded must have an expiration date in CY 2027.
- To apply for an expansion grant with CoC Bonus, DV Bonus, DV Reallocation, or CoC Reallocation funding, project applicants must submit separate new and renewal project applications and both projects must be ranked by the CoC with unique rank numbers.
 - For the new expansion project to be selected for a conditional award the renewal project application must also be selected for a conditional award. If the renewal project is not selected for award, HUD will review the new project and will consider it as a standalone new project application.
- In the case of YHDP Replacement applications to expand existing YHDP Renewal projects, applicants must submit a YHDP Replacement and a YHDP Reallocation application separately and each project must be included in the CoC's Priority Listing.
 - CoC Bonus, CoC Reallocation, DV Bonus, or DV Reallocation funding cannot be used to expand a YHDP renewal project.
- If an applicant proposes to use DV Reallocation funds to expand an existing renewal project that is not currently dedicated to DV, then the entire project, including the renewal project being expanded, must serve 100% DV.
- For more information on Expansion projects, see pp. 16-19 of the NOFO.

Youth Homelessness Demonstration Program (YHDP)

- ***KEY CHANGE*** HUD will competitively award YHDP projects, including renewal and replacement YHDP projects. CoCs seeking to reallocate YHDP projects may only reallocate to other youth projects.
- **Grant Term.** YHDP Renewal, and YHDP Replacement project applications are limited to a 1-year grant term with 1 year of funding. HUD may extend the grant term consistent with 2 CFR 200.308 and 2 CFR 200.309. The first year of funding for YHDP Replacement projects will be based on the 1-year renewal amount of the current YHDP project being replaced. The YHDP Replacement project's operating start date will be the day after the end of the previous grant term for the project being replaced.
- **Special YHDP Activities.** YHDP renewal and replacement projects may submit applications that include special YHDP activities that are otherwise ineligible under the CoC Program and make use of exceptions to the NOFO's requirements. See pp. 47-51 of the NOFO for special YHDP activities.

R&EC NOFO Cohorts

- **Match.** YHDP renewal or replacement projects will not be required to meet the 25% match requirement if the applicant is able to demonstrate it has taken reasonable steps to maximize resources available for youth experiencing homelessness or if the recipient has already had a match exemption approved.
- **Eligible Participants.** YHDP renewal projects must serve youth, aged 24 or younger, including unaccompanied, pregnant, and parenting youth, who:
 - Qualify as homeless under paragraph (1), (2), and (4) of 24 CFR 578.3 or Section 103(b) of the McKinney Vento Homeless Assistance Act;
 - Have an unsafe primary night-time residence and no safe alternative to that residence; or
 - Qualify as homeless under paragraph (3) of 24 CFR 578.3 if the CoC is approved to serve persons in paragraph (3).
- **YHDP renewal eligible project types:**
 - Permanent Housing, including PH-PSH and PH-RRH projects
 - Joint TH/PH-RRH Component
 - TH or Crisis Residential TH
 - SSO, including, but not limited to, housing search and placement services, case management, drop-in centers, legal services, or street outreach
 - SSO-CE
 - SSO - Host Home and Kinship Care
- **New Projects.** HUD will only fund new YHDP Reallocation projects through the YHDP Replacement process as described below:
 - TH or Crisis Residential TH
 - SSO, including, but not limited to, housing search and placement services, case management, or street outreach
 - SSO-CE
 - SSO - Host Home and Kinship Care
 - HMIS
 - ***KEY CHANGE*** Permanent Housing, including PH-PSH and PH-RRH
 - Current YHDP recipients may apply for PH projects only when the recipient is consolidating multiple existing YHDP PH renewal grants
- **Replacement.** A renewing YHDP project may choose to replace its current program project with a new project which may include changing the component type, activities ineligible under the CoC Program, or portions of its current program design, to conduct activities that are ineligible with CoC Program funds provided the replacement project demonstrates it will directly serve youth aged 24 and under experiencing homelessness. Please see pp. 15-16 of the NOFO for more details on the replacement application process, eligible replacement project types, and eligible special YHDP activities.
 - YHDP Renewal grants are not eligible to use the transition grant process. YHDP Renewal grants must submit a YHDP Replacement application to change component types.
- **Consolidation, Expansion, and Reallocation.** While YHDP projects can use the replacement process to consolidate projects, these projects cannot consolidate with non-YHDP projects. YHDP Renewal projects may also apply to expand its current project

through the YHDP Replacement process. Unified Funding Agencies (UFAs) are prohibited from moving funds out of or into YHDP-funded projects and mix funding from any other non-YHDP funded project. UFAs may replace eligible YHDP renewal projects.

- ***KEY CHANGE* Competitive Repurposing of YHDP Renewal Funds.** A CoC that determines, in consultation with its youth action board, that it no longer needs funds to renew an eligible YHDP grant must notify HUD. HUD recaptures those funds and makes them competitively available through a subsequent YHDP and Youth Homelessness System Improvement (YHSI) grants NOFO.

Important Points for All Project Applicants

- ***KEY CHANGE* Preferences for Elderly or Disabled Persons.** CoC Program recipients may establish preferences for:
 - Elderly individuals and families. For purposes of establishing preferences under this allowance, HUD is defining elderly as 55 and older.
 - Disabled individuals or families as defined by section 401(10) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11360(10)).
- ***KEY CHANGE* Bathrooms and Kitchens.** While HQS and NSPIRE standards (which apply starting on October 1, 2026) require a bathroom and a kitchen in the unit, HUD will consider requests to waive the regulatory requirement of in-unit bathrooms and kitchens for good cause to facilitate projects proposing a housing model that does not meet this standard, such as Single Rooms Occupancy units (SROs).
- **SAM Registration.** Applicants must be registered with <https://www.sam.gov/SAM> before submitting their application. Applicants must maintain current information in SAM on immediate and highest-level owner and subsidiaries, as well as on all predecessors that have been awarded a federal contract or grant within the last three years, if applicable. Information in SAM must be current for all times during which the applicant has an active Federal award or an application or plan under consideration by HUD.
- **UEI Number.** Applicants must provide a valid UEI number, registered and active at <https://www.sam.gov/SAM> in the application.
- **Code of Conduct.** All project applicants must ensure their organization has a Code of Conduct that complies with the requirements of 2 CFR part 200 and is on file with HUD. Be sure to review the [Code of Conduct for HUD Grant Programs](#) page on HUD's website to ensure your organization is listed (which means you have submitted an approved Code of Conduct). If you do not see your organization on the list, be sure to attach a current and complete Code of Conduct to your Project Applicant Profile in *e-snaps*.
- **2026 FMR Will Apply.** Because the application submission deadline falls in FY 2026, HUD will use FY 2026 Fair Market Rent (FMRs) for funding amounts.

Community-Level Scoring Changes

- **Policy Priorities.** Both FY 2024 and FY 2026 are 200-point applications. However, while FY 2024 was organized around Housing First, fair housing, racial equity, and lived experience; FY 2026 is organized around treatment/recovery, employment/self-sufficiency, and public safety.
- **What Was Cut** (and where the points went)
 - **The equity cluster (~27 points total).** Various factors related to equity were all eliminated (LGBTQ+ Individuals (6), Coordinated Entry + Affirmatively Furthering Fair Housing (6), Advancing Racial Equity in Homelessness (6), Advance Racial Equity in the local process (4), and Involving Individuals with Lived Experience (5). These points were redirected to treatment, public safety, and employment.
 - **CoC Merger Bonus.** The merger bonus was cut from up to 25 down to 6 (now combined "Merger and UFA Bonus").
 - **Coordination with Housing and Healthcare (14 points).** Points awarded for housing and healthcare leverage were removed entirely as a scored category and redistributed across Treatment and Recovery and System Performance.
 - **Housing First (10 points).** Housing First points were absorbed into the new Participation Requirements (8) and Treatment and Recovery (20) factors that score the opposite posture.
 - **RRH capacity expansion (9 points).** Growing RRH beds is no longer rewarded, consistent with the shift away from outputs and permanent-housing emphasis.
 - **Public Housing Agencies coordination.** This factor was reduced from 10 to 2 points (-8).
 - **Smaller standalone factors.** Avoiding criminalization (2 points), Mainstream Benefits (2 points), Comparable Databases for DV Providers (1 point), and Coordination with Federal/State/Local/Private orgs (2 points) all removed.
- **What changed substantially** (similar measure, reweighted)
 - **Length of Time Homeless: 13 → 2 points.** The single biggest de-emphasis of System Performance scoring was in length of time homeless.
 - **Successful Permanent Housing Placement: 13 → 6 points.** Thresholds are essentially unchanged (≥50% successful exits; ≥20% of exits to unsubsidized housing), but the weight is more than halved.
 - **Reducing the Number of Homeless Individuals and Families: 12 → 20 points.** Reducing number of homeless households is now the weightiest System Performance factor, with added long-term comparisons (e.g., 2018/19 vs. current PIT) layered onto the year-over-year decreases.
 - **Jobs and Income Growth: 7 → 12 points.** This factor has the same core thresholds (≥20% of participants and ≥25% of leavers with *employment* income gains, explicitly not government assistance), now a top-weighted factor reflecting the self-sufficiency priority.
 - **Governance Board (within Accountable Structure): expanded to 8 points.** FY24 incentivized a lived-experience member, 3 elected officials, a business rep, and 2 law enforcement; FY26 keeps those and adds seats for a recovery housing/sober living provider, a behavioral/primary health provider, a workforce development

rep, and an Assisted Outpatient Treatment (AOT) / specialty court representative.

- **Street Outreach reframed.** FY24 scored increasing positive exits from outreach; FY26 reweights it around cooperation with first responders and law enforcement.
- **What was newly added** (no FY24 counterpart)
 - **Treatment and Recovery Services (20 points).** This new, weighty factor scores on-site substance-use treatment for ≥30% of housing projects, peer recovery, Serious Mental Illness (SMI) identification and Assertive Community Treatment (ACT), partnerships with drug/specialty courts, AOT and civil commitment, the 988/crisis system, Certified Community Behavioral Health Clinic (CCBHC) / Community Mental Health Center (CMHC) / SAMHSA Projects for Assistance in Transition from Homelessness (PATH) / Grants for the Benefit of Homeless Individuals (GHBI) partnerships, a sober-housing project, and a benchmark of ≥1 treatment-engagement unit per 2 people reporting chronic substance use (6 of the 20).
 - **Protecting Public Safety (14 points).** This factor scores CoCs on clearing tents/encampments, decreasing public illicit-drug use, adopting involuntary-commitment standards for people who are a danger to themselves or others, and Sex Offender Registry and Notification Act (SORNA) sex-offender information sharing.
 - **Policy Initiative Preference Points (14 points).** For preference points, 4 bonus points are awarded for Opportunity Zone projects, plus 10 points for "prohibiting illicit drug enablement," with detailed criteria and a clarification that the policy cannot require sobriety/treatment or evict for a first-time violation.
 - **Reduce Encampments (8 points).** This is a new System Performance factor rewarding a measurable reduction in encampments or people living in them.
 - **Participation Requirements for Supportive Services (8 points).** CoCs will receive full points if 100% of housing projects impose supportive-service participation requirements (half points at 50%), with a VAWA carve-out barring denial based on DV-survivor status.
 - **Investment in Supportive Services (8 points) and Employment and Workforce Development (5 points).** These new standalone factors emphasize service intensity and pathways to work.
 - **New subpopulation categories.** Justice System Re-entry (4), High Utilizers of Healthcare Systems (4), and Aging and Elderly (4); plus a dedicated Families factor (4) and a retained-but-recast youth/education factor.
 - **Comprehensive Strategies / gap plan (4 points).** CoCs receive points for having a data-driven plan to close an identified system gap.
 - **Family or Support Network Reunification (4 points).** This factor rewards efforts to reconnect people with family or support networks.
 - **Two new data-quality measures.** These factors award points for unknown exit destinations below 10% (2) and unit utilization at or above 85% (2).

Resources

- [2026 CoC NOFO Competition Page](#)
- [2026 CoC NOFO](#)
- [CoC Program Interim Rule \(24 CFR part 578\)](#)
- Application Pages
 - [Access *e-snaps* Application System](#)
 - [e-snaps Information](#)
 - [Code of Conduct for HUD Grant Programs](#)
 - [System for Award Management \(SAM\)](#)
- HUD Websites
 - [General site](#)
 - [HUDEXchange.info](#)
 - [Training and Resources](#)
 - [Subscribe to HUD Listserv](#)
 - [Ask A Question \(AAQ\) Portal](#)