

CoC NOFO 2026 Key Information

Application Deadline: June 22, 2026 at 12:00 p.m. Eastern Time

Headlines:

- There is **no cap on permanent housing renewals**. However, HUD has established a ‘back door’ to the permanent housing cap. It is setting aside \$1.3 Billion of the total \$4.04 Billion available in the NOFO (32%) for NEW transitional housing or supportive services only projects that are ranked in Tier 2.
- **Tier 1 will be 60% of the Annual Renewal Demand (ARD)** – the total of CoC funding that is eligible for renewal in this competition.
- Participants in new transitional housing projects must receive individualized services 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 or with a developmental disability.
- This NOFO does not have participation in supportive services as threshold factor for the review of new project applications for PH projects (permanent supportive housing and rapid rehousing). However, the scoring factors for Tier 2 include 10 points for required service participation and the CoC application will score 8 points if all housing projects submitted by the CoC have participation requirements. Although renewal PH projects do not have a service participation threshold requirement, the process for scoring CoC applications will incentivize this. PH projects ranked in Tier 2 will be unlikely to get funded without such a requirement.
- CoCs can apply for up to **15% of final pro rata need (FPRN) for bonus projects**. However, for the first time, the amount of bonus funding that can be applied for is **capped at no more than \$5 million**. This means that larger CoCs will be limited in terms of how much new money can be applied for. Until HUD releases a GIW or ARD report, CoCs can estimate ARD/FPRN using 2025 awards adjusting for projects that did not renew in 2025 and are eligible for renewal in 2026.
- DV Bonus projects can apply for up to 20% of preliminary pro rata need (PPRN) but this is also capped at \$5 million for any CoC. There is \$104,000,000 available nationally (approximately double the amount available in recent competitions).

- **YHDP will be competitively renewed.** YHDP and DV Bonus projects must continue to serve youth and young adults or survivors, as appropriate, and the funds can only be reallocated to serve the same population.
- **Allowable new CoC projects have been expanded to include Transitional Housing and Supportive Services only** including but not limited to street outreach.
 - New PH including PSH and Rapid Rehousing are also allowed but because of the set-aside of nearly one-third of funding for new TH and SSO, PH projects ranked in Tier 2 are unlikely to be funded.
 - There is no disability requirement for RRH.
 - New HMIS and SSO-coordinated entry projects are also allowed.
 - No new Joint TH/RRH projects are allowed but existing ones can be renewed.
 - New DV Bonus projects can provide rapid rehousing, transitional housing and/or a single project to support coordinated entry for DV survivors.
- Though there is also a set-aside of approximately 11% of funding for new or renewal PH for families, it is not likely to be meaningful. CoCs are likely to rank renewal PH in Tier 1, and the \$430M set-aside will likely be exhausted before HUD begins selecting Tier 2 projects.
- HUD reminds CoCs that individuals living in Permanent Housing may be eligible for Transitional Housing ([see HUD guidance](#)).
- CoCs can receive ten points on their CoC score if the CoC can describe the policy that ensures that all housing projects submitted by the CoC will not operate safe consumption sites, distribute drug paraphernalia, permit the use of illicit drugs on property under their control, or permit or encourage these activities. The policy must describe remedies to be taken for violations, encourage SUD treatment and recovery housing, and not restrict/prohibit CoC funded housing projects from requiring sobriety or participation in treatment.
- HUD will consider waivers of HQS/NSPIRE requirements that each unit have a bathroom and kitchen to support projects such as single room occupancy units (SROs) that don't meet the requirement.
- CoC recipients may establish preferences for elderly households (defined by HUD as over 55) and disabled households.
- Prior to awarding funds, HUD will conduct a risk review of all potential recipients. Grounds for denying grants include poor performance, organizational health and capacity, ability to achieve outcomes, poor expenditure of grant funds, evidence of "project mismanagement", and history of illegal discrimination, or subsidizing or facilitating illegal drug use.



- Projects funded under the Special NOFO serving unsheltered persons and rural areas are eligible for renewal in this competition. There are additional restrictions on grants funded under the rural set-aside. These grants cannot be consolidated with non-SNOFO rural set-aside grants and certain activities allowable under the Special NOFO will not be allowed when the grant is renewed. Rural set-aside recipients may only request costs that are eligible under the CoC program. [see page 52 of NOFO for Rural Set-Aside costs that are no longer eligible uses of CoC funds]
- Project applicants will need to certify that they will not engage in illegal racial discrimination and not operate drug injection or safe consumption sites or knowingly distribute drug paraphernalia.
- Scoring factors for projects ranked in Tier 2 provide 50 points in direct proportion to the CoC score, 40 points based on the ranking, and 10 points for projects that incorporate services participation requirements.

Continuing Policies from prior NOFOs

- YHDP funds, DV Bonus funds, and SNOFO Rural Set-aside grants – funds can only be reallocated to serve the same target population (YDHP and DV Bonus) or rural area (rural set-aside). DV SSO Coordinated Entry grants cannot be reallocated.
- **Planning funds** are set at no more than 5% of the final pro rata need (greater of the preliminary pro rata need or annual renewal demand) – capped at \$1,500,000.
- One or more existing renewal grants can use the **transition process** to create a new project in a new project component. Grants being transitioned must be fully reallocated. Transition grants must fully transition to the new program component by the end of the one-year grant term.
- Up to ten grants can be consolidated in a single grant provided that the grants are all to the same recipient and some program component. YHDP projects seeking to consolidate may establish a single YHDP replacement grant to replace multiple YHDP renewal grants. Projects funded under the Special NOFO Rural Set-Aside cannot consolidate with any other type of project. Transition grants cannot consolidate with any other projects. Grants cannot be consolidated and expanded during the same funding year.
- The total grant request for any renewing project is limited to the project’s annual renewal amount as indicated on the GIW. Renewal applications can make non-significant changes to budget lines by shifting no more than 10% of funds from one

approved eligible activity to another. Renewal grants may only request one year of funding.

- Renewal project grants can be expanded to serve additional persons, provide additional units or services to participants. To expand, a current recipient must submit a renewal application and a new project application for the expansion request. Recipients cannot apply to expand a project included in a grant consolidation.
- YHDP projects can be transitioned to a new component or recipient by using the YHDP replacement process.
- To be eligible for renewal or reallocation (including transition) in the 2026 competition, the grant must expire in calendar year 2027.
- YHDP Special Activities are unchanged but must be requested in each year's application for YHDP funding.
- VAWA costs for facilitating emergency transfers and monitoring compliance with confidentiality protections remain eligible activities.
- CoC projects in rural areas can continue to use program funds to pay for special rural costs including short term emergency lodging, repairs to units housing homeless people, staff training, professional development, skill development, and staff retention.
- Eligible project applicants that attempted to participate in the CoC planning process, that believe they were denied the right to participate in a reasonable manner, may submit a solo project application to HUD
- 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
- Awards will be based on FMRs in effect at the time of application submission, operating and leasing budget lines in PH projects will be adjusted in proportion to the FMR increases, and HUD will apply a cost of living adjustment to the supportive services and HMIS budget lines.

Application Requirements

- The CoC must include written procedures, that are publicly posted, that clearly describe the project level review and ranking process indicating how projects submitted to the CoC are reviewed, scored and ranked.
- The CoC must provide public notice (as evidenced by a screenshot from the CoC website) that shows the date the CoC notified the public of the local competition

process, the due date for project applications, and the full CoC Application and Project Priority listing including all projects submitted to the CoC that were approved and ranked or rejected.

- Provide a copy of one scored project application form used by most renewal applicants that includes the objective criteria and system performance criteria, respective maximum points and actual points awarded, and the local competition selection results for new and renewal projects.
- Notification to project applicants – all applicants who submitted applications must be notified at least 15 days prior to the HUD competition deadline that the application was rejected or reduced or, if the project was ranked, the ranked position of the project application. If rejected or reduced, notice must be sent to the project applicant outside of e-snaps. If accepted and ranked, the notice may either be publicly posted or emailed to the applicants.
- FY2026 project applications for each project submitted.
- FY 2026 Project Priority listing with a unique rank for each project.
- The FY 2026 Form HUD-2991 (Certification of Consistency with Consolidated Plan) must be completed and dated between December 10, 2025 and August 26, 2026 and attached to the FY 2026 CoC Priority Listing.
- Certification for Opportunity Zone Preference Points (HUD 2996) if a majority of the funding requested is for projects located in Opportunity Zones.

HUD Project Application Review

- **Renewal threshold**
 - Project performance met goals established by application
 - Timely expenditure of grant funds
 - Performance in assisting participants to achieve and maintain self-sufficiency and independent living
 - Poor audit findings, outstanding obligations to HUD, inadequate financial management practices, untimely expenditures on prior award, major capacity issues, not reimbursing sub-recipients, serving ineligible persons or spending funds on ineligible activities.
- **New Project Threshold**
 - Sufficient capacity, drawdowns and performance on prior grants
 - HUD finds significant issues related to capacity, performance, unresolved audit, or monitoring findings related to one or more existing grants; or failure to regularly draw down funds

- **New Project Quality Thresholds**
 - **Transitional Housing** – must score at least 6 points
 - 2 points - provide eligible supportive services that are necessary to assist program participants to obtain and maintain housing – directly or through partnering
 - 1 point – prior experience in operating TH or similar that helped people exit homelessness in 24 months
 - 1 points – prior TH or similar experience or has plan to have 50% of participant exit to positive destination and at least 50% have employment income
 - 1 point – supplemented with resources from other public or private sources
 - 2 points – assess needs of participants and provide individualized services that result in at least 20 hours/week of engagement in services, activities, or employment – except for those over 62 or individuals with handicaps. Each participant will have a services plan with goals around health and wellness, housing stability, and increased employment income
 - **Supportive Services Only Standalone** – must score at least 4 points
 - 1 point – project addresses housing barriers (SUD, unemployment, childcare) and increasing self-sufficiency and will conduct annual assessments of service needs
 - 2 points – strategy for providing services to those who do not traditionally engage
 - 1 point – project will be supplemented with other public or private resources
 - 1 point – cost/household served is reasonable
 - **Supportive Services Only Street Outreach** - must score at least 5 points
 - 1 point – project will be supplemented with other public or private resources
 - 2 points – strategy for providing services to those who do not traditionally engage
 - 1 point – applicant has history of or plan to partner with first responders and law enforcement to engage unsheltered persons. Must not interfere with enforcement of local laws and assist first responders in efforts to engage homeless people.

- 1 point – experience in providing outreach and demonstrated effectiveness or a plan for helping people successfully exit unsheltered settings
 - 1 point – cost/household served is reasonable
- **Permanent Supportive Housing** – must score at least 3 points
 - 1 point – housing will meet needs of participants
 - 1 point – supportive services will ensure participants will obtain and maintain permanent housing
 - 1 point – project will serve homeless individuals or families with a disability 24 CFR 578.37(a)(1)(i)
 - 1 point – average cost per household is reasonable
 - 1 point - project will be supplemented with other public or private resources
- **Rapid Rehousing** – must score at least 4 points
 - 1 point – providing tenant based rental assistance will help people achieve self-sufficiency in 24 months
 - 2 points – types of services and assistance will ensure participants are able to be self-sufficient and exit homelessness
 - 1 point – experience or a plan to have 50% of participants exit to permanent housing in 24 months and at least 50% exit with employment income
 - 1 point – average cost/household is reasonable
 - 1 point – project will be supplemented with other public or private resources

CoC Application Merit Review

- CoC Application points: 200; Bonus Points: 20
 - [Merit Review Details](#)
 - Project Capacity, Review, Ranking: 14 Points (7%);
 - SPM: 64 points (32%),
 - CoC Coordination and Engagement: 122 points (61%)
 - Bonus Points: Merger and UFA (6 points), Policy Initiative Preference (14 points)