



MARYLAND BALANCE OF STATE CONTINUUM OF CARE

**FY2026**

# CoC Funding Competition

Public Briefing

# Agenda

- HUD Goals & Objectives
- Changes in the Competition
- Collaborative Application Merit Review Scoring
- Project Tiering
- HUD Selection Process
- Available Funds
- Eligible Project Application Types
- Competition Application Component Basics



# FY2026 CoC NOFO

**JUNE 1, 2026**

NOFO Released

**AUGUST 26, 2026**

CoC Application Due



# 2026 HUD Goals & Objectives

1 Improving outcomes

2 Creating competition to improve innovation and accountability

3 Restoring balance to the Continuum of Care

4 Prioritizing treatment and recovery as a means to self-sufficiency

5 Promoting economic self-sufficiency

6 Advancing public safety for all

7 Minimizing trauma for vulnerable populations

8 Expanding access based on merit, not ideology



# 01

FY2026 COC FUNDING COMPETITION

## Changes from Prior Competitions

# Changes from Prior Competitions

## Investment in New Transitional Housing and Supportive Service Only Projects.

Unlike in prior years, CoCs may apply for Transitional Housing and Supportive Service Only projects including street outreach.

In order to increase competition, broaden the applicant pool, and restore balance to the Continuum of Care Program, 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.**

CoCs may use the Transition Grant process to create new projects.



# Changes from Prior Competitions

## DV Bonus Projects: Transitional Housing.

Transitional Housing is an eligible DV Bonus project in this NOFO.

HUD determined that Transitional Housing is an eligible activity that is critical in order to assist 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.



# Changes from Prior Competitions

## Increase in Competition.

The Continuum of Care program is a national competition between geographic areas (42 U.S.C. 11386a).

Consistent with the FY26 HUD appropriation, **Tier 1 is set at 60 percent of the CoC's Annual Renewal Demand (ARD).**

HUD reminds CoCs and applicants of the Solo Applicant appeal process for project applicants that believe they were denied the right to participate in a reasonable manner.



# Changes from Prior Competitions

## Housing with shared kitchen and bathroom facilities.

Under the CoC Interim Rule at 24 CFR 578.75, housing leased with Continuum of Care program funds, or for which rental assistance payments are made with Continuum of Care program funds, **must meet the applicable standards at 24 CFR 982.401 (HQS), and starting on October 1, 2026, 24 CFR 5.703 (NSPIRE).**

Both HQS and NSPIRE require a bathroom and a kitchen in the unit. **HUD will consider requests to waive this regulatory requirement for good cause to facilitate projects proposing a housing model that does not meet this standard, such as Single Rooms Occupancy units (SROs).**



# Changes from Prior Competitions

## Service Participation Requirements.

Expectation that **all project types require program participants to take part in supportive services** (e.g. case management, employment training, substance use disorder treatment) by providing direct language from supportive service agreements (contract, occupancy agreement, lease, or equivalent)

**New Transitional Housing Project** must provide 20 hours per week of customized services for each participant (ex: case management, employment training, substance use treatment, etc)

*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*



# Changes from Prior Competitions

## Project Eligibility Threshold Review.

HUD will review all projects to determine if they meet the following 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.

Project applicants must certify affirmatively to the following:

- The project applicant will not engage in illegal racial discrimination.
- 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).

As written, these restrictions are not limited to the use of CoC funds in the proposed project but would also restrict an organization's ability to engage in harm reduction efforts with non-federal sources.

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.**

# Changes from Prior Competitions

## Risk Review.

### Past Performance:

- Public sources like news reports, Inspector General findings, Government Accountability Office reports, and complaints with a reasonable basis

### Organizational Health:

- Ability to follow all required laws and rules

### Results:

- Ability to promote self-sufficiency and economic independence
- Number of people served or targeted for assistance
- History of illegal discrimination, including illegal racial discrimination
- History of subsidizing or facilitating illicit drug use or other illicit activities that conflict with the purposes of this NOFO

HUD in its discretion may **use the results of the risk review as a sufficient and independent basis to make adverse funding decisions, including rejecting an award**, applying special conditions on the award, or reducing the amount of an award.



# Changes from Prior Competitions

## Post Award.

- Will not be used to engage in illegal racial discrimination, including racial preferences.
- Will not be distributed in a way that interferes with constitutional protections for free speech, religious beliefs, and the free exercise of religion.
- Will not be used to fund, promote, encourage, subsidize or facilitate the use of illicit drugs.
- Will not be used to fund any project, service provider, or organization that operates drug injection sites or “safe consumption sites,” knowingly distributes drug paraphernalia on or off of property under their control, permits the use or distribution of illicit drugs on property under their control, or conducts any of these activities under the pretext of “harm reduction.”



# 02

FY2026 COC FUNDING COMPETITION

## **Collaborative Application Merit Score**

# Merit Review

POINTS

**14**

Project Capacity,  
Review & Ranking

POINTS

**64**

System  
Performance

POINTS

**122**

CoC Coordination  
& Engagement

**200 Available Points**

**Bonus:** CoC Merger — 6 points | Policy Initiative Preference — 14 points

# Collaborative Application Scoring: CoC Coordination & Engagement

## Representative Governance Board

- at least 1 person with current or former experience of homelessness
- at least **3 elected public officials**
- a representative of the **business community**
- a representative of **law enforcement**
- a representative of a recovery housing/sober living provider
- a representative from a behavioral or primary health provider
- a representative of a local workforce development organization or system
- a representative from a **local court system** managing Assisted Outpatient Treatment (AOT) and/or other civil commitment processes; or from specialty courts



# Collaborative Application Scoring: CoC Coordination & Engagement

## Community Coordination

- Treatment and Recovery Services.
- Investment in Supportive Services.
- Participation Requirements for Supportive Services.
- Employment and Workforce Development.
- Street Outreach, Law Enforcement and First Responders.
- Family or Support Network Reunification.
- Public Housing Agencies.
- Protecting Public Safety.
- Outreach.

## Coordination to Serve Subpopulations

- Children and Youth.
- Families.
- Veterans.
- Survivors of Domestic Violence, Dating Violence, Sexual Assault, and Stalking.
- Justice System Re-entry.
- High Utilizers of Healthcare Systems.
- Aging and Elderly.
- Permanent Supportive Housing for Chronically Homeless Individuals and Families.



# 03

FY2026 COC FUNDING COMPETITION

## Tiering

# Ranking & Tiering Funding Structure

- CoCs are required to rank all new and renewal project applications in priority order based on CoC policy which may include local priorities, needs and gaps
- Ranked projects will fall into two tiers
  - Projects in Tier 1 likely to receive funding assuming threshold approval
  - Projects in Tier 2 are subject to additional scoring and compete nationally based on CoC Performance and rank order



# Tier 1

60%

Annual Renewal Demand (ARD)

- Projects in Tier 1 will be conditionally selected from the highest scoring CoC to the lowest scoring CoC.
- Projects must pass both eligibility and threshold review.
- Tier 1 projects are likely to receive funding assuming threshold approval.



# Tier 2

40%

ARD + Bonus Funds

- Tier 2 projects undergo eligibility and threshold review AND additional scoring by HUD.
- Scored projects compete nationally with all Tier 2 projects — funding is determined by HUD based on score and available funds.
- If a project straddles both tiers, the Tier 1 portion is funded on Tier 1 criteria; the Tier 2 portion is scored and competes.
- *Tier 2 projects will compete, but not in the same way as prior years.*



# Tier 2 Scoring

Each Tier 2 project is scored and competes on a national level — up to 100 points per project.

**50** pts

## CoC Score

Direct proportion to the CoC Collaborative Application score — e.g., 100 of 200 points on the Application = 25 of 50 points here.

**40** pts

## CoC Project Ranking

HUD formula based on Tier 2 rank order — the higher the rank, the higher the points.

**10** pts

## Service Participation

Replaces Housing First participation.



# Ranking & Tiering

1	Renewal PSH
2	Renewal PSH
3	Renewal PSH
4	Renewal PSH
5	Renewal PSH
6	Renewal PSH
<hr/>	
7	New TH
8	New TH
9	New SSO
10	SSO

Tier 1: 60% of Annual  
Renewal Demand (ARD)

Tier 2: 40% of ARD + Bonus  
Funds



# 04

FY2026 COC FUNDING COMPETITION

## HUD Selection Process

# How HUD selects projects for funding

1 Planning and admin costs *automatic*

2 Everything in Tier 1 *protected*

3 Domestic violence floor *\$104 million*

4 Housing for families floor *\$430 million*

5 New TH and SSO projects *toward \$1.3 billion*

6 Other new projects *until \$1.3B reached*

7 Renewal projects in Tier 2 *remaining funds*

## OVERVIEW

### Following the money

HUD awards funding in a strict sequence — picture the money flowing downhill through seven steps. Each step takes its share before any money reaches the next one.

 Automatic  Minimums  Competition  Leftover

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## STEP 1 OF 7

### Planning and admin costs come off the top

First, HUD funds every application for CoC Planning and UFA costs that meets basic requirements. There is no competition here — pass the checklist, get funded.

 Automatic  Minimums  Competition  Leftover

# How HUD selects projects for funding

1 Planning and admin costs *automatic*

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## STEP 2 OF 7

### Everything in Tier 1 is funded

Each community ranks its projects into two groups. Tier 1 is the protected zone — every project placed there is funded, as long as it passes HUD's threshold review. Tier 2 is where the real competition happens.

 Automatic  Minimums  Competition  Leftover

# How HUD selects projects for funding

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## STEP 3 OF 7

### A guaranteed minimum for new DV Bonus projects

HUD pauses and checks: did projects serving domestic violence survivors receive at least \$104 million in Tier 1? If not, HUD selects the highest-scoring DV Bonus projects from Tier 2 until that floor is met.

 Automatic  Minimums  Competition  Leftover

# How HUD selects projects for funding

1 Planning and admin costs *automatic*

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**4 Housing for families floor** *\$430 million*

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6 Other new projects *until \$1.3B reached*

7 Renewal projects in Tier 2 *remaining funds*

## STEP 4 OF 7

### A guaranteed minimum for families

Same check, different population: did permanent housing projects for families with children receive at least \$430 million? If not, HUD selects the highest-scoring Tier 2 projects serving families until that floor is met.

 Automatic  Minimums  Competition  Leftover

# How HUD selects projects for funding

1 Planning and admin costs *automatic*

2 Everything in Tier 1 *protected*

3 Domestic violence floor *\$104 million*

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**5 New TH and SSO projects** *toward \$1.3 billion*

6 Other new projects *until \$1.3B reached*

7 Renewal projects in Tier 2 *remaining funds*

## STEP 5 OF 7

### New TH and SSO projects compete

The open competition begins. HUD funds new transitional housing and supportive services projects from Tier 2, highest score first, toward a \$1.3 billion budget for new projects. DV Bonus projects not picked in Step 3 get a second chance here.

 Automatic  Minimums  Competition  Leftover

# How HUD selects projects for funding

1 Planning and admin costs *automatic*

2 Everything in Tier 1 *protected*

3 Domestic violence floor *\$104 million*

4 Housing for families floor *\$430 million*

5 New TH and SSO projects *toward \$1.3 billion*

**6 Other new projects** *until \$1.3B reached*

7 Renewal projects in Tier 2 *remaining funds*

## STEP 6 OF 7

### Other new projects fill the \$1.3 billion

If money remains in the new-project budget, HUD funds other types of new projects from Tier 2 by score until the full \$1.3 billion is spent. Once it is, any unselected new projects are removed from consideration.

 Automatic  Minimums  Competition  Leftover

# How HUD selects projects for funding

1 Planning and admin costs *automatic*

2 Everything in Tier 1 *protected*

3 Domestic violence floor *\$104 million*

4 Housing for families floor *\$430 million*

5 New TH and SSO projects *toward \$1.3 billion*

6 Other new projects *until \$1.3B reached*

7 **Renewal projects in Tier 2** *remaining funds*

## STEP 7 OF 7

### Renewals get whatever remains

Finally, existing programs up for renewal that landed in Tier 2 are funded by score until the money runs out. This is why Tier 2 renewals carry real risk — they are last in line.

 Automatic  Minimums  Competition  Leftover

# 05

FY2026 COC FUNDING COMPETITION

## Available Funds

# Estimated Available Funding

2026 CoC NOFO\*

Total Available Project Funding: \$11,960,452

Annual Renewal Demand

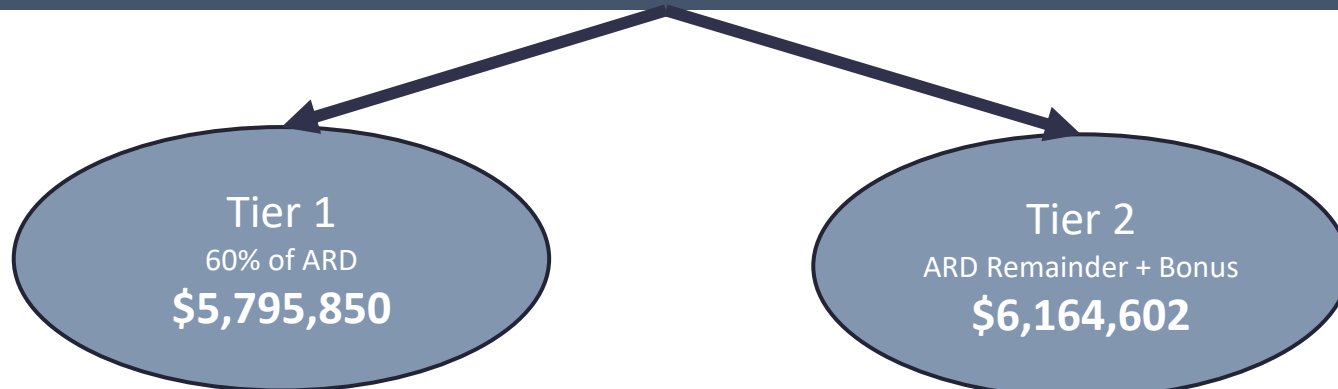
\$9,659,780

CoC Bonus Funding  
15% FPRN

\$1,448,962

DV Bonus Funding  
20% PPRN

\$851,740



CoC Planning  
5% FPRN  
\$482,988



# Estimated Available Funding

## Likely CoC Project Limitations

Current Budget for  
Renewals

**\$9,659,780**

Tier 1  
60% CoC ARD

**\$5,795,850.00**

Difference in  
Renewals to  
Reallocate

**\$3,863,930**



# Potential Local Permanent Housing Impact

LHC	Project Types	Current Households Served	Households Served After 40% Reduction	Total Current CoC Funds	Total CoC Funds After 40% Reduction
AC	3 PSH / 1 RRH	125	75	\$790,459.00	\$474,275.40
CC	2 PSH / 1 RRH	16	10	\$295,370.00	\$177,222.00
FC	4 PSH / 1 Joint TH-RRH	50	30	\$752,406.00	\$451,443.60
GC	1 PSH / 1 RRH	28	17	\$267,786.00	\$160,671.60
HC	3 PSH / 1 RRH	54	32	\$1,163,136.00	\$697,881.60
LS	6 PSH	76	46	\$1,495,508.00	\$897,304.80
SM	7 PSH / 2 RRH / 3 Joint TH-RRH	170	102	\$3,934,174.00	\$2,360,504.40
WC	3 PSH	55	33	\$573,177.00	\$343,906.20



# 06

FY2026 COC FUNDING COMPETITION

## Eligible Project Applications

# Renewal Projects

## Eligible Renewal Project Types

- Permanent Supportive Housing
- Rapid Rehousing
- Joint TH-RRH
- HMIS
- SSO Projects

A project that will be under grant agreement by December 31, 2026 and will have an expiration date in Calendar Year 2027 (between January 1, 2027, and December 31, 2027).

Renewal projects cannot request a higher amount than what is listed in the GIW

Renewal projects can move up to 10% of funds between the Budget Line Items



# Renewal Project Options: Consolidation

**HUD encourages the consolidation of eligible renewal grants.**

- Applicants may combine two or more, but no more than 10, eligible renewal projects.
- The projects must have the same recipient and be for the same component.
- The period of performance and budget period of the expiring grants must have end dates in CY 2027.
- Applicants intending to use the consolidation process must they are 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.



# New Project Application Opportunities

CoCs may submit new project application created through

- ❖ **CoC Bonus**
- ❖ **DV Bonus**
- ❖ **Reallocation**
- ❖ **Combination of the three sources**

HUD will review project subrecipient eligibility as part of the project quality threshold review process. Project applicants are required to submit documentation of the subrecipient eligibility with the project application.



# New Projects: CoC Bonus

**CoC Bonus:** Up to 20% of the Final Pro Rata Need, approximately **\$1,448,962**

Must be one of the following project types:

- **Transitional Housing**
- **Supportive Services Only**
  - **SSO – Standalone**
  - **SSO – Street Outreach**
  - **SSO – Coordinated Entry**
- **PSH & RRH**



# New Projects: DV Bonus

**Domestic Violence Bonus:** Up to 20 % of the Preliminary Pro Rata Need, approximately **\$851,740**

- New projects that want to be considered for the DV Bonus:
  - Must serve survivors of domestic violence, dating violence, sexual assault, or stalking that are defined as homeless
    - **Transitional Housing**
    - Rapid Rehousing
- Can be stand alone new project or expansion of renewal project



# New Project: Transition Grant

A Transition grant is an application to fund a new CoC project through the reallocation process to transition eligible CoC renewal project(s) from one program component to another eligible component over a 1-year period.

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.

- Renewal Grants expiring in CY 2027 may submit a FY 2026 transition grant application to request a component type change. The transition grant's operating start date will be the day after the end of the previous grant term for the expiring component. For transition grants reallocated from more than one project, the operating start date of the transition grant will be the day after the end of the earliest expiring grant term.
- Applicants wishing to apply for a transition grant must have the consent of its Continuum of Care; and the new project application must meet project eligibility and project quality thresholds.
- For a new project to be considered a transition grant, the new project applicant must be the recipient listed on the current grant agreement for the eligible renewal grant(s) being eliminated and must include the grant number(s) of the project(s) being eliminated to create the new project and attach a copy of the most recently awarded project application.



# New Transitional Housing Project

## What is Transitional Housing?

Transitional Housing (TH) provides **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.**

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

### Project may be:

- Tenant-Based
- Site-Based
- Project-Based

## What supportive services are provided in Transitional Housing (TH) programs?

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 their needs. 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.

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.



# New Transitional Housing Project

## Threshold Requirements

- Demonstrate that the project will provide / partner with organizations to **provide eligible supportive services** necessary to assist program participants obtain & maintain housing.
- **Supplement with resources from other sources**, ex: mainstream health, social, and employment programs such as Medicare, Medicaid, SSI, and SNAP.
- Have a plan in place to ensure homeless individuals and families will **exit homelessness within 24 months**.
- Have a plan in place to ensure that at least **50% exit to a positive destination within 24 months & at least 50 % exit with employment income**.

**Nonprofit organizations are not authorized to administer rental assistance in CoC-funded transitional housing.** The recipient of a TH project that uses rental assistance to pay for rental costs **must be a unit of state or local government or a Public Housing Authority**. Nonprofit organizations may either use leasing dollars in a TH project or enter into a contract or subrecipient agreement with an eligible entity that can administer the rental assistance.



# New Transitional Housing Project

## Participation Requirement

Provide **individualized services for program participants with at least 20 hours per week of engagement** in services, activities or employment.

Exemption for participants over age 62 or those with handicaps or a developmental disability.

Examples of services or activities include case management, counseling, treatment, volunteering, work therapy, education, job training, community building activities, etc.

**Employment may contribute to the 20 hours per week of engagement.**



# New DV Bonus Transitional Housing

- The entire project must be 100 % dedicated to serving individuals and families who are fleeing or attempting to flee domestic violence, dating violence, sexual assault, or stalking and who qualify under paragraph (1) or (4) of the definition of homeless at 24 CFR 578.3 or section 103(b) of the McKinney-Vento Homeless Assistance Act.
- Minimum grant request of \$50,000.
- Demonstrate applicant experience serving individuals & 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.
- 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.**



# New Supportive Services Only Project

## What is Supportive Services Only?

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 families and individuals experiencing homelessness. The recipient may only assist program participants for whom the recipient of the funds is not providing housing or housing assistance.

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.



# New SSO: Street Outreach Project

## Threshold Requirements

- 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.**
- 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.
- Demonstrate that the applicant has a history of, or a **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 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.
- The applicant has **experience providing outreach services, or a plan for providing outreach services**, consistent with the activity description at 24 CFR 578.53(e)(13) and has a plan for or 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.



# New SSO: Standalone Project

## Threshold Requirements

- 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.
- 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.**
- 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.



# Eligible Costs

Eligible Costs	Transitional Housing	Supportive Services Only
Acquisition	X	X
Rehabilitation	X	X
New Construction	X	
Leasing	X	X
Rental Assistance	X	
Supportive Services	X	X
Operating Costs	X	
HMIS	X	X
Project Administration	X	X



# Eligible Supportive Services Activities

- Annual Assessment of Service Needs.
- Assistance with moving costs.
- Case management.
- Child care.
- Education services.
- Employment assistance and job training.
- Food.
- Housing search and counseling services.
- Legal services.
- Life skills training.
- Mental health services.
- Outpatient health services.
- Outreach services.
- Substance abuse treatment services.
- Transportation.
- Utility deposits.
- Direct provision of services.



# Reallocation

## REALLOCATION

Reallocation is the process of distributing funding from a lower performing project and making those funds available for new projects without decreasing the CoC's Annual Renewal Demand (ARD).

CoCs may only reallocate eligible renewal projects so long as the renewal project being reduced or eliminated has a current grant agreement with an expiration date in CY 2027.

*Reallocation Limitations: Projects funded under DV Bonus can only be reallocated to other DV serving projects*



# Voluntary Reallocation

Voluntary reallocation means that a project makes the choice to give up a portion or the entire amount of their project funding for the purpose of creating a new project or to change their project component type.

To meet HUD and community priorities, renewal projects within the MD-514 geography may request a voluntary reallocation request if there is a decision to reduce the overall budget, reduce the number of households served, or acknowledging a difficulty in implementing all performance and compliance related requirements of the grant.



# Involuntary Reallocation

Involuntary reallocation is when the CoC “reclaims” some or all of a renewal project’s funding which has been allocated to a particular agency without the explicit consent of the Agency in control of the funds. Involuntary reallocation happens when funding is redirected from an existing Renewal Project for the purpose of creating a New Project.

## ***Project Performance***

Renewal projects will be assessed on their project quality and ability to meet performance outcomes such as occupancy rates, participant income growth, successful exits and cost efficiency. All scored renewing projects are subject to an eligibility threshold; ***projects that score in the lowest 20% of all renewal projects may be subject to further evaluation and review.*** Further, ***those not meeting the eligibility threshold may be moved to a lower ranking status and therefore subject to involuntary reallocation.***

## ***Spending History***

HUD assumes that projects will spend 100% of the funds allocated to them. Projects that fail to spend the total grant award may see a decrease in funding as those funds are added to the pool of funds available for reallocation to other projects. ***Projects that have a high recapture rate of 10% or greater for two consecutive program years, may be reduced to the amount disbursed at the end of the 12-month review.*** An exception to this policy may be made for new projects that could not expend funds due to implementation barriers. Please note that any organization found to have less than 100% of their grant expended may be required to provide an explanation on why funds were recaptured.

## ***HMIS Participation***

HMIS participation is required to meet HUD renewal project threshold requirements. Non-HMIS providers must use a comparable database that meets the needs of the local HMIS to meet this threshold. Monitoring results along with data quality reports will be examined to determine if agency participation in HMIS is adequate. Projects with a data error rate of 10% or more will be placed on a data quality corrective action plan to correct existing errors and prevent future occurrences. The corrective action plan will consist of a series of required data quality workshops for users within the project. ***Projects that do not meet threshold requirements or have the highest rates of data errors may be reallocated to higher performing projects or new projects.***

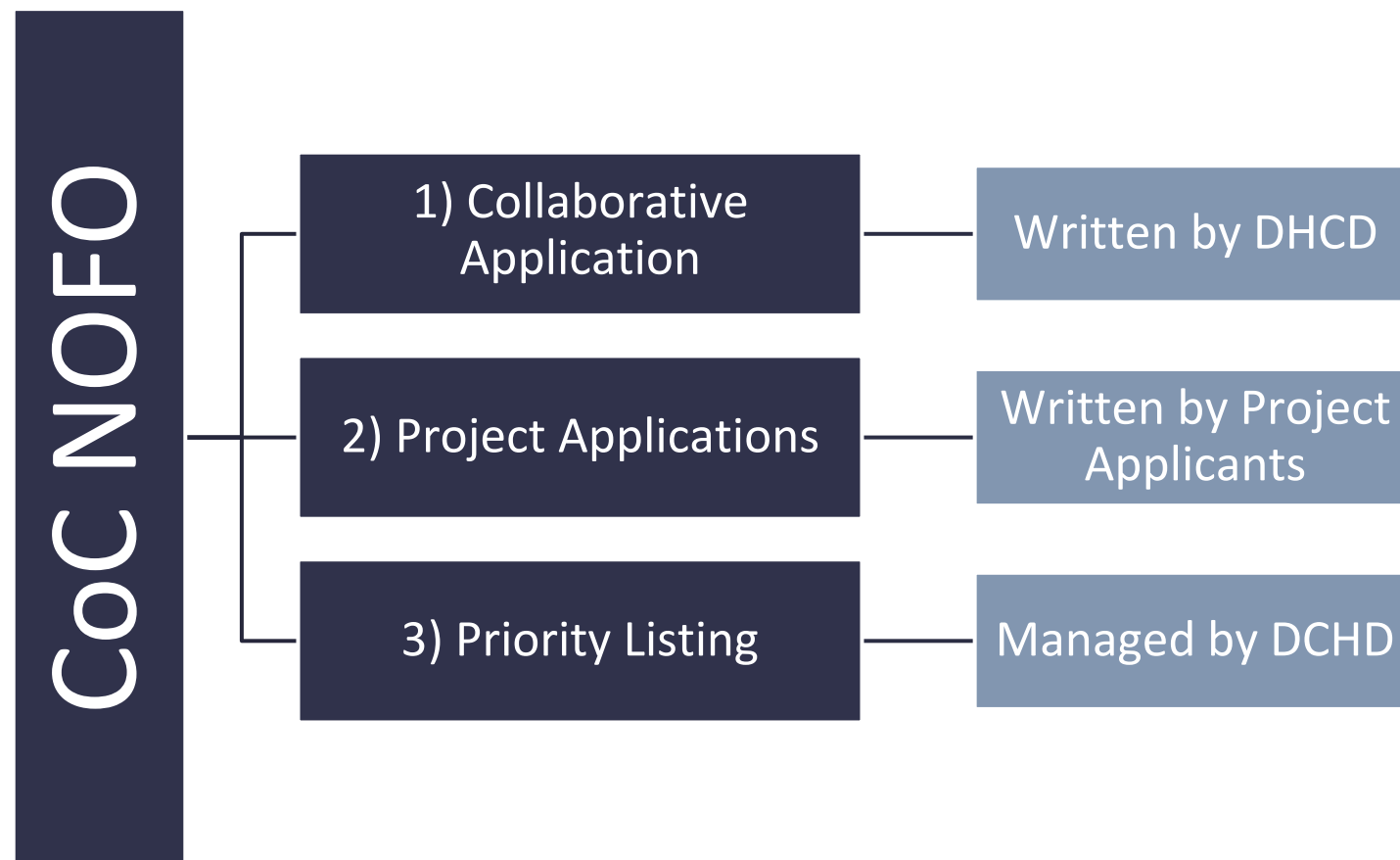


# 07

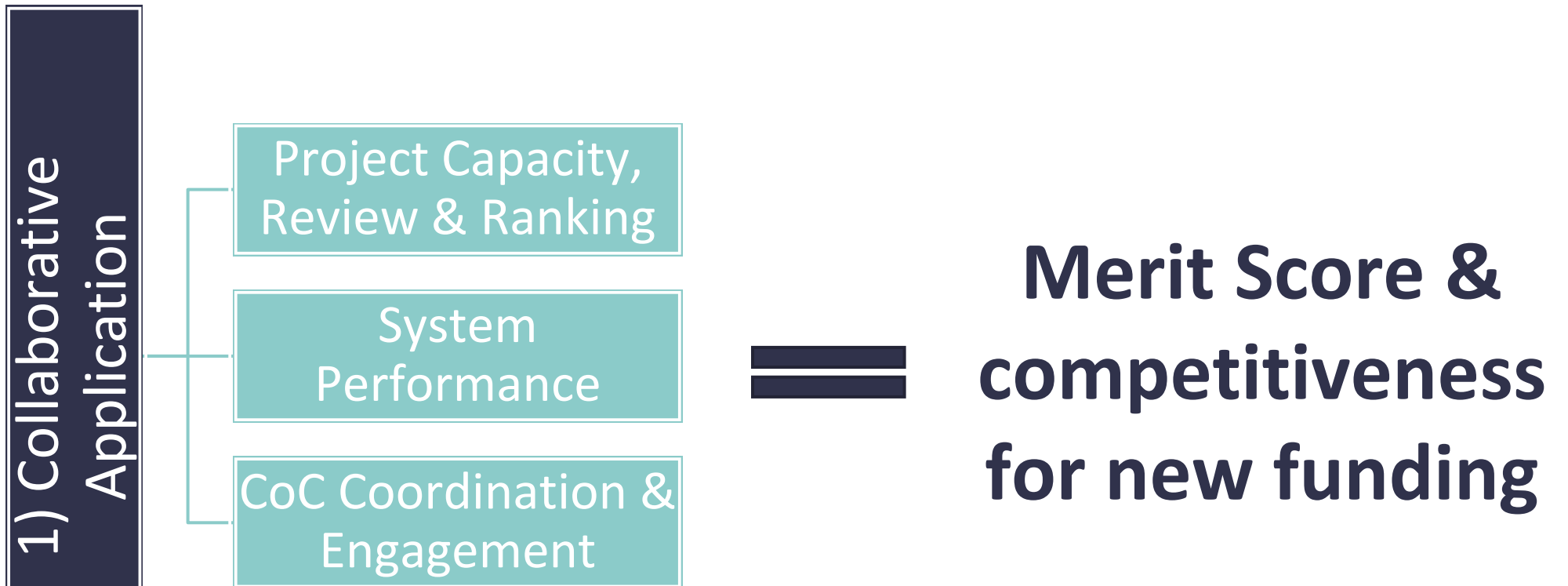
FY2026 COC FUNDING COMPETITION

## CoC Application Components

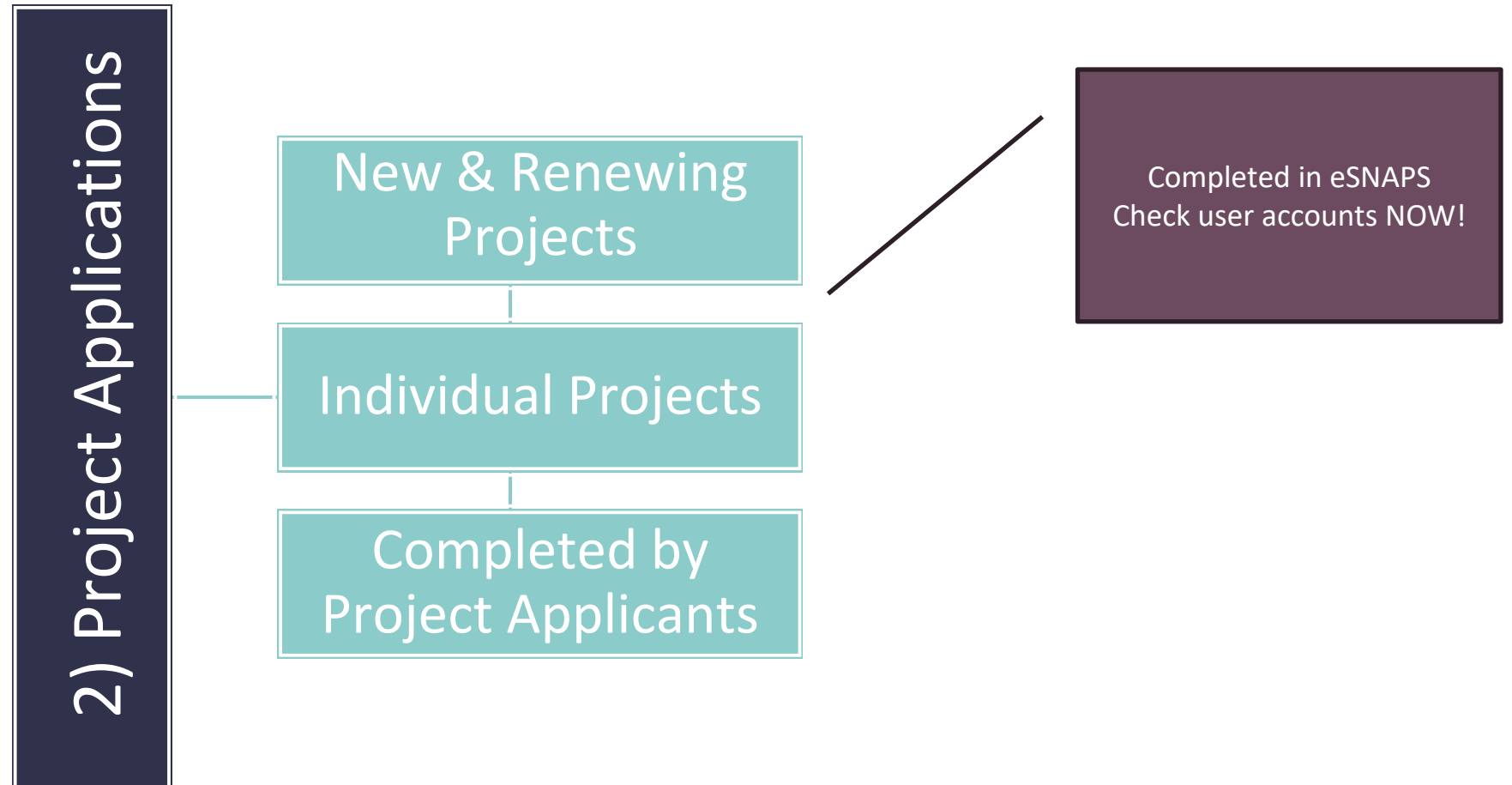
# CoC Application Submission: eSNAPS



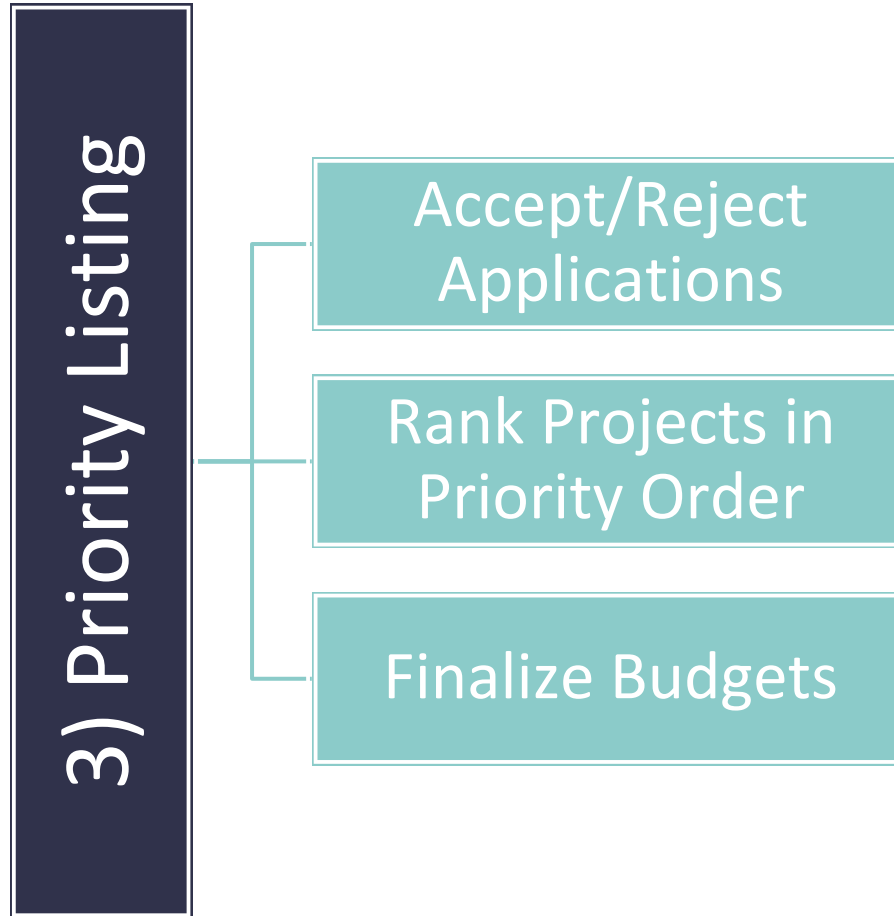
# Collaborative Application: DHCD Writes



# Project Applications: Projects Write



# Priority Listing: DHCD Manages



08

FY2026 COC FUNDING COMPETITION

# Balance of State Local Competition

# BoS CoC Competition Goals

1

## Preserve

Preserve PSH projects to the maximum allowable extent

2

## Maximize

Maximize the CoC overall application score and ensure the highest possibility of project funding

3

## Align

Effectively meet HUD policies and priorities



# CoC Local Competition: *PENDING*

- All new and renewal project applications (including transition grants) must participate in the local competition process
- The CoC Performance Review Committee finalizes the rank order and funding recommendations based on the CoC Competition Policies
- All competition related documentation, tools, training information and resources will be posted on the [BoS CoC Funding Information Page](#)
- Competition related communications will be announced via the [CoC Listserv](#)



# CoC Local Competition: *PENDING*

Application Elements	Renewal	New
Performance Scorecard	X	
Request for Proposals	X	X
eSNAPS Application	X	X

## Project Review Committee

- Renewal projects initially ranked based on score
- Adjustments made per CoC Policy
- RFP responses scored by committee and ranked based on the CoC Policy
- Submit Final Project Ranking Recommendations to CoC Leadership for review
- CoC will inform all applicants of their status and publish final ranking, scoring and funding amounts
  - Deadline August 11th



# Next Steps

- 1 CoC Board to approve competition-related policies June 16th
- 2 Local competition opens the week of June 22nd
- 3 All competition information posted on the BoS website and announced via Listserv
- 4 Schedule office hours meeting availability
- 5 Survey LHCs to better understand local participants and meet new requirements



# Competition Resources

## Balance of State

- [Funding Information Page](#)
- [BoS CoC ListServ](#)
- [BoS CoC HelpDesk](#)

## National Alliance to End Homelessness

- [CoC Competition Information](#)
- [NAEH NOFO Impact Analysis](#)

## HUD

- [HUD CoC Page](#)
- [CoC NOFO](#)
- [Program Participants' Eligibility to Move from PH To TH](#)
- [Is My Project a Supportive Services Only \(SSO\) or a Housing Project?](#)

