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July 15, 2025

The Honorable Steve Womack U.S. House of Representatives Chairman, Transportation-Housing and Urban Development Subcommittee 2358-A Rayburn House Office Building Washington, D.C. 20515

The Honorable James Clyburn U.S. House of Representatives Ranking Member, Transportation-Housing and Urban Development Subcommittee 1036 Longworth House Office Building Washington, D.C. 20515 The Honorable Cindy Hyde-Smith U.S. Senate Chair, Transportation-Housing and Urban Development Subcommittee Room S-128, The Capitol Washington, D.C. 20510

The Honorable Kirsten Gillibrand U.S. Senate Ranking Member, Transportation-and Urban Development Subcommittee Room S-128, The Capitol Washington, D.C. 20510

Dear Chairpersons and Ranking Members:

On behalf of the National Alliance to End Homelessness - a nonpartisan, nonprofit organization committed to preventing and ending homelessness for all - I thank you for your leadership during these challenging times. More than ever before, people experiencing homelessness, or those vulnerable to homelessness and the organizations that serve them, need your continued help and support.

I am writing to express deep concern about HUD's recently announced intent to issue a new Continuum of Care (CoC) Program Notice of Funding Opportunity (NOFO) for FY2025 funding. In FY2024, Congress granted HUD the authority to administer a 2-year competitive process – with strong bipartisan support – to reduce administrative burden and increase efficiency at the local and federal levels. The shift from an annual to a biennial competition for CoC homelessness funding in 2024/2025 allowed CoCs to conduct a robust and comprehensive two-year planning process for FY2024 and FY2025. It also allowed them to plan to direct resources and capacity to quality improvement efforts to strengthen overall system performance and planning.

Retracting this commitment in the middle of the NOFO cycle would create an undue burden on CoCs and the programs that serve people experiencing homelessness in their communities.

The CoC Program Competition requires yearlong planning to ensure that communities are engaging in thorough and fair processes to ensure that CoC funds are allocated to the most impactful projects. A new CoC NOFO process--especially one that could deviate significantly from 2024 and with such limited notice—would be extremely disruptive to CoCs and recipients of CoC funding.

As a former HUD leader who led and executed CoC Program competitions for 10 years, I know firsthand the tremendous amount of work the competition entails for CoCs, homeless services providers, and HUD staff. Rushing this type of process at this point in the year will undoubtedly result in unanticipated challenges and glitches that will ultimately result in significant delays in awarding funds.

Homeless service providers and the people they serve – veterans, families with children, youth, seniors, and vulnerable individuals – are anxious about the possibility of further disruptions to funding, particularly following the delays in distributing the awards for the FY2024 CoC Program funds earlier this year. These programs rely on this funding to get people off the streets and into safe and stable housing with services. Many providers across the country faced a gap in funding earlier this year and had to use reserves, take a loan, or ask for leniency from landlords and other partners during that period. They are still recovering from that experience. Forcing them to do the same for a second year in a row is unacceptable.

Please urge HUD to reconsider their decision and, instead, honor the commitment to a two-year NOFO that HUD made to CoCs last year with bipartisan support from Congress.

Thank you for your consideration. Please contact the Alliance's John Threlkeld (<u>jthrelkeld@naeh.org</u>), Senior Congressional Affairs Manager, if you have any questions or concerns.

Sincerely,

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Ann Oliva Chief Executive Officer National Alliance to End Homelessness