

NATIONAL ALLIANCE TO END HOMELESSNESS

Understanding HUD's FY2025 Continuum of Care (CoC) Program NOFO



National Alliance to
END HOMELESSNESS

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ENDHOMELESSNESS.ORG

WHAT WE DO



Policy and Programs

- Educating the field about key strategies for ending and preventing homelessness.
- Keeps federal policymakers informed of the needs of people experiencing homelessness and the programs serving them.
- Leads advocacy efforts on a grassroots level.

Capacity Building

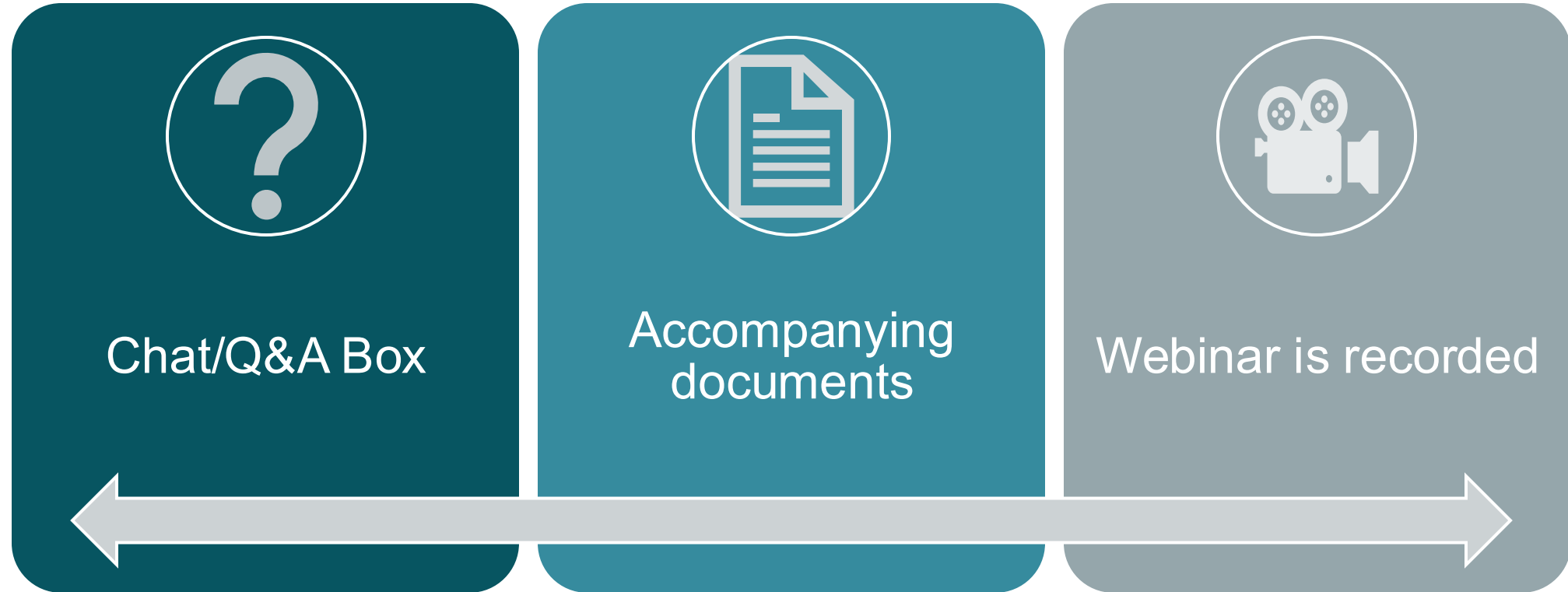
- Offering training and technical assistance tailored to communities' unique needs.
- Prioritizes equitable practices to improve systems
- Provides online courses, trainings, and webinars to inform the field of best practices to end homelessness.

Homelessness Research Institute

- Analyzes data to identify homelessness trends on national, local, and Continuum of Care levels.
- Publishes research that ensures leaders and stakeholders have the best information about trends and emerging solutions to the problem.
- Uses an equity lens to identify disparities in homelessness data.

Lived Experience Innovation + Strategic Communications

Housekeeping



POLITICO

Trump admin looks at deep cuts to homeless housing program

A new policy change will significantly cut funding used to place people experiencing homelessness in permanent housing.



New Lawsuit Challenges Trump-Vance Administration's Targeted Punishment of Applicants for Federal Housing Funding

Politically Motivated Criteria Withholds Needed Resources from States, Localities, and Service Providers to Advance a Partisan Agenda

JUL 25, 2025

National Alliance to End Homelessness Statement on Trump Administration's Executive Order on Homelessness

Order Represents a Broadside Threat to the Nation's Homeless Response Systems, People Experiencing Homelessness, and the Providers Who Serve Them

The New York Times

Trump Administration Proposes a Drastic Cut in Housing Grants

In a major shift, HUD's plan would direct most of the \$3.9 billion in homelessness funds away from Housing First to programs that prioritize work and drug treatment.

NEED CONGRESS TO TAKE ACTION!

- Outreach to lawmakers must continue—find the messengers that can carry the torch!
- Need local elected officials to speak up!
- Go to the Alliance's Advocacy Page to find talking points, resources, and more!
<https://endhomelessness.org/action/stophudnofo>
- Specific ask: Include a provision in an upcoming appropriations bill that directs HUD to renew all existing CoC Program grants that expire in CY2026

**THE TRUMP
ADMINISTRATION
PLANS TO FORCE
170,000+ PEOPLE
BACK ONTO THE STREETS**

**TAKE
ACTION:**



 National Alliance to
END HOMELESSNESS
@naeh_endhomelessness

FY2025 CoC Program NOFO

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OVERVIEW

The Fundamentals

Deadline: January 14, 2026, at 8:00 PM Eastern Time





THE RUNDOWN ON FUNDING

- **\$3.918 billion** is available
 - \$3.52 billion in FY2025 full-year CR
 - \$100 million repurposed per Congressional authorization
 - \$294 million recaptured funding
- Increased amount *may* be enough to cover the national renewal demand using FY2026 FMR calculations—no actual “new” funding that does not come out of renewal demand

CHANGES TO FUNDING TIERS

Tier 1	Tier 2
30% of Annual Renewal Demand	The difference between Tier 1 and the sum of the CoC's ARD, CoC Bonus, and DV Bonus Amount
HUD selects all projects ranked in Tier 1 that pass project quality, project threshold, and risk review	After selecting all approved Tier 1 projects, HUD will select projects ranked in Tier 2 using an assigned point value for each project based on (1) CoC Merit Score, (2) CoC Project Ranking, and (3) Supportive Service Participation Requirement

- Everything except CoC Planning (or UFA costs) is competitive and must be ranked in Tier 1 or Tier 2, including YHDP
- Projects awarded under the SNOFO that expire in 2026 are eligible to apply for renewal
- At least \$52 million must be used for new DV Bonus projects
- Any eligible project types can be included in Tier 1 or 2: Transitional Housing, Rapid Rehousing, Permanent Supportive Housing, HMIS, SSO-CE, SSO-SO, and other SSO
- Transition grants allowable *but* the applicant must match the current grant recipient

CAP ON PERMANENT HOUSING

- No more than an amount equal to 30% of a CoC's Annual Renewal Demand (ARD) can be used to fund Permanent Housing (permanent supportive housing, rapid re-housing, and joint component)
 - CoCs **will be forced** to reallocate any permanent housing in excess of this limit to any other type of project
 - New PH projects created through reallocation must still be within the 30% limit and meet new project quality and threshold criteria

NEW

Policy Priorities



NEW FY2025 POLICY PRIORITIES

Ending the crisis of homelessness on our streets	CoCs expected to direct resources towards outreach, intervention, and assistance consistent with Executive Order on “Ending Crime and Disorder on America’s Streets.”
Prioritizing treatment and recovery	CoCs expected to prioritize projects that provide treatment and services needed to recover and regain self-sufficiency, including on-site treatment and participation requirements in services.
Advancing public safety	CoCs expected to cooperate with law enforcement to advance public safety. HUD cited the Supreme Court decision in <i>Grants Pass v. Johnson</i> as upholding the authority of local governments to prohibit public camping.
Promoting self-sufficiency	CoCs expected to prioritize projects that help lead to long-term economic independence for individuals and families. This would allow them to exit homelessness and prevent future returns to homelessness.
Improving outcomes	CoCs should prioritize projects that promote self-sufficiency, increase employment income over government assistance, and promote treatment and recovery.
Minimizing trauma	CoCs should encourage the use of trauma informed care, ensure safety of program participants, and access to ‘safe, single-sex spaces’ for women.

Project-Level Review



PROJECT ELIGIBILITY & PROJECT QUALITY THRESHOLD

- Each year, all projects must meet threshold eligibility criteria to receive funding.
 - Pass/fail standard—project applications rejected if they do not meet
 - Renewal projects are considered to have met these requirements previously
- Assesses the extent in which the project applicants are eligible, have the financial and management capacity to carry out the project, have submitted all required certifications, will serve eligible program participants, and will agree to participate in HMIS.
- **NEW IN FY2025.** Project applicants must certify that they:
 - Will not engage in racial preferences or other forms of illegal discrimination
 - Will not operate drug injection sites or “safe consumption sites,” knowingly distribute drug paraphernalia, permit the use or distribution of illicit drugs, or conduct any of these activities under the pretext of “harm reduction.”

PROJECT RENEWAL THRESHOLD

- Standard review of renewal projects to assess that they meet the minimum eligibility, capacity, timeliness, and performance standards identified in the NOFO
 - **Pass/fail** standard—project applications rejected if they do not meet
- **NEW IN FY2025.** HUD reserves the right to reduce or reject a project application for the following new reasons:
 - Evidence that the project has **previously or currently conducts** activities to subsidize or facilitate racial preferences or other forms of illegal discrimination **or** conducts activities that rely on or otherwise use a definition of “sex other than as binary in humans”
 - Evidence that the project operates drug injection sites or “safe consumption sites,” knowingly distribute drug paraphernalia, permit the use or distribution of illicit drugs, or conduct any of these activities under the pretext of “harm reduction.”

NEW PROJECT QUALITY THRESHOLD CRITERIA

Minimum score to be awarded. If awarded, must meet all of the criteria listed.

Project Type	Key Criteria
Transitional Housing (TH) Min: 7/10	- Supportive services will be required for participation - Applicant has experience operating a TH and will leverage other public/private sources - Project will provide 40 hours of customized services (with some exceptions)
Supportive Services Only (SSO)-Standalone Min: 4/5	Project will leverage other public/private sources and provide services necessary to exit homelessness and increase self-sufficiency for program participants including those who do not traditionally engage
Supportive Services Only (SSO)-Street Outreach Min: 5/6	In addition to criteria for standalone SSO, applicant must have experience providing outreach services and demonstrate a history of partnering with first responders and law enforcement and will not interfere with enforcement of public camping and drug use laws
Supportive Services Only-Coordinated Entry (SSO-CE) Min. 3/4	- Available and reachable for all in geographic area and a strategy for reaching households with highest needs - Standardized assessment used to ensure participants directed to housing and services that meet their needs
Permanent Supportive Housing (PSH) Min: 4/6	- Project will leverage other public/private sources to provide supportive services - Will require participation in services - Will be designed to serve elderly individuals or people with a physical disability or a developmental disability
Rapid Rehousing (RRH) Min: 6/8	- Project will leverage other public/private sources to provide supportive services - Will require participation in services - Applicant has previously operated a project where employment incomes were improved
Homeless Management Information System (HMIS) Min: 3/5	- Used as a proactive case management tool to promote treatment and recovery - Collects all UDE and has the ability to unduplicate client records - Produces all HUD reports
CoC Planning Min. 3/5	- CoC membership is open and inclusive and there is a written governance charter in place - CoC-wide planning committees - Funds will be compliant with 24 CFR 578.7 and will improve CoCs ability to evaluate CoC and ESG projects

UPDATED RISK REVIEW

- HUD's review of applications has always included an assessment of risk and past performance.
- In FY2025, this "Risk Review" incorporates the same criteria as in years past (i.e., financial controls, effective management systems, results of audits) but adds two new criteria:
 - Other public sources such as newspapers, Inspector General or Government Accountability Office reports or findings, or other complaints that have been proven to have merit
 - History of subsidizing or facilitating activities that conflict with the purposes of this NOFA
- Information used to make funding decisions and apply award conditions

Merit Review



OVERVIEW OF MERIT REVIEW

- Merit Review (previously CoC Scoring Criteria) removes or significantly adjusts previous criteria and adds new criteria
- Total of 130 points available across 3 rating areas:
 - Project Capacity, Review, and Ranking (9 points)
 - System Performance (40 points)
 - CoC Coordination and Engagement (81 points)
- There are 19 bonus points available
 - CoC Merger
 - Policy Initiative Preferences

NEW OR UPDATED CRITERIA

- **Project Capacity, Review, and Ranking**
 - Supportive service participation requirements are considered a part of local ranking and review process
- **System Performance Measures**
 - Majority of points for reduction of homelessness, returns to homelessness, and jobs and income growth
 - Much higher expectations
- **CoC Coordination and Engagement**
 - High availability of treatment and recovery services
 - Service participation requirements demonstrated by supportive service agreements across CoC projects
 - Plan in place for sharing PIT, HIC, HMIS, and SPM data with state and local government as permitted by law
 - Street outreach projects partner with first responders and law enforcement
 - Protecting “public safety”—law enforcement and public safety protections

DEEP DIVE ON PROTECTING “PUBLIC SAFETY”

To receive full points, CoCs must:

- Cite state or local law(s) that cover the CoCs **entire geographic area** that prohibit the use of illicit drugs **and** public camping and must have enforcement protocols for each
- Demonstrate utilization of standards that address individuals experiencing homelessness who are a danger to themselves or others, including involuntary commitment
- The state substantially implements and is compliant with the registration and notification obligations of the Sex Offender Registry and Notification Act (SORNA)
- Assists law enforcement in mapping and checking the location of homeless sex offenders
- Cooperates, assists, and does not interfere or impede with law enforcement or co-response to connect violators of public camping or drug use laws with services.

BONUS POINTS

CoC Merger	Policy Initiative Preference Points
Up to 15 points for all CoCs that merged after the FY2024 CoC Program Registration Deadline	• Up to 4 points if proposed activities are within an opportunity zone OR • Up to 4 points if all nonprofit recipients of funding voluntarily, thoroughly, and demonstrably facilitate immigration status verification using SAVE (directly or in coordination with state/local government)

Selection Process



MAKING FUNDING DECISIONS

- When making funding decisions, HUD will consider:
 - Eligibility requirements and threshold review
 - Merit review results
 - Risk review results
- HUD makes a point of saying that it may choose to fund no applications under this NOFO, use additional funds or remaining funds to release another NOFO
- Solo Applicants-anticipate HUD will utilize the solo application process to shift funds to entities of their choosing, outside of CoC Process



Citygate Network Executive Summary of Briefing with Caitlyn McKenney, HUD, and Dr. Robert Marbut

Date: July 31, 2025

Topic: Executive Order – Ending Crime and Disorder on America's Streets

Focus: Policy shift around homelessness, addiction, mental illness, and public safety

Specific Executive Order Audience: HUD, DOJ, HHS leadership

Final Takeaways

Area	Shift	Opportunity
Policy Direction	From harm reduction/Housing First → treatment, recovery, safety	Missions/ministries offering recovery-oriented services may gain new funding access
Civil Commitment	Expanded support and legal reinforcement	Understand local laws and prepare to engage with civil commitment referrals
Funding Access	Faith-based and transitional models prioritized	Engage CoCs or explore solo application paths
Accountability	Outcomes (not just bed counts) will drive funding	Track long-term progress: sobriety, stability, reentry success
Legal Protections	EO constrained by law	Balance compassion with public safety while <u>guarding civil liberties</u>

HUD FUNDING PROCESS

- Projects for CoC Planning (5% of ARD) or UFA Costs, if applicable, are funded first (noncompetitive)
- **All** other project types must be ranked by CoC, then:
 - First: All Tier 1 projects that pass project quality, project eligibility, and risk review
 - Then: HUD will select projects in Tier 2 (that pass project quality, project eligibility, and risk review) in the order of a project score
 - Up to 50 points in proportion to the CoC Merit Review Score
 - Up to 40 points based on CoC's ranking of the project
 - Up to 10 points for projects that have or will incorporate service participation requirements
- HUD goes down the list in order until funds are expended

Post Award Information



POST AWARD: COMPLIANCE WITH EXECUTIVE ORDERS

- There are new provisions that awarded projects will be required to comply with related to Executive Orders including:
 - Ending Taxpayer Subsidization of Open Borders
 - Eradicating Anti-Christian Bias
 - Ending Illegal Discrimination and Restoring Merit-Based Opportunity
 - Defending Women From Gender Ideology Extremism and Restoring Biological Truth to the Federal Government

POST AWARD: OTHER COMPLIANCE PROVISIONS

- In addition, awards made under this NOFO:
 - Will not be used to conduct activities that subsidize or facilitate racial preferences or other forms of illegal discrimination, including activities where race or intentional proxies for race will be used as a selection criterion for employment or program participation
 - Will not be used to conduct activities that rely on or otherwise use a definition of sex as other than binary in humans.
 - 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.”

What's Coming?



THINGS WE'RE WORKING ON

- **Advocacy:** Will continue to fight for Congressional intervention
 - <https://endhomelessness.org/action/stophudnofo/>
- **Resources for Planning and Strategy:** Toolkits, webinars, and other guidance



THANK YOU!

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