PUBLIC SOLICITATION OF APPLICATIONS

2025 Local Continuum of Care
Project Evaluation & Application Policies and Procedures
Process Summary
Requirements
Rating Criteria
Timeline
Instructions

Prepared by Housing for Health Partnership Staff

December 2025

Table of Contents

OVERVIEW OF THE HUD CoC/YHDP NOFO & CoC INTERIM RULE REQUIREMENTS

Introduction

The Continuum of Care (CoC) Program is designed to:
- Promote a community-wide commitment to the goal of ending homelessness;
- Provide funding for efforts by nonprofit providers, States, Indian Tribes or Tribally Designated Housing Entities, and local governments to quickly rehouse individuals and families experiencing homelessness, persons experiencing trauma or a lack of safety related to fleeing or attempting to flee domestic violence, dating violence, sexual assault, and stalking, and youth experiencing homelessness while minimizing the trauma and dislocation caused by homelessness;
- Promote access to, and effective utilization of, mainstream programs and programs funded with State or local resources; and
- Optimize self-sufficiency among individuals and families experiencing homelessness.

The goal of the Youth Homelessness Demonstration Program (YHDP) is to support the development and implementation of a coordinated community approach to preventing and ending youth homelessness and sharing that experience with and mobilizing communities around the country toward the same end. The population to be served by the demonstration program is youth ages 24 and younger who are experiencing homelessness, including unaccompanied and pregnant or parenting youth.

Each year the U.S. Department of Housing and Urban Development (HUD) releases a Notice of Funding Opportunity (NOFO), signifying the beginning of a funding competition among more than 450 Continuums of Care (CoCs), the community stakeholder groups that guide local responses to homelessness. The 2025 CoC/YHDP NOFO was released on November 14, 2025, opening the competition making available approximately $3.918 billion to serve homeless people nationally. Consolidated applications for CoC funds are due to HUD January 14, 2026, at 5:00PM Pacific. For further information about the CoC NOFO, the CoC Interim Rule, and HUD's CoC online application system (called e-snaps) go to: https://www.hud.gov/hud-partners/community-coc.

Before the CoC application is submitted to HUD, our CoC, the Housing for Health Partnership (H4HP), is required to hold a local competition to determine which projects will be included in the consolidated application, along with their relative priority. The results of the local competition dictate for which projects the CoC will seek funding. Additional information about project application requirements and standards is available on the H4HP website at: https://housingforhealthpartnership.org/Home/ForProviders/FundingOpportunities.aspx.

Funding Available and Tiered Funding Approach

$8,975,125 is the possible total (before FMR and supportive service cost of living adjustments [COLA]) for Santa Cruz County projects. This includes:
- **$7,073,804** in annual renewal demand (ARD) for one-year renewal of existing CoC and YHDP projects or repurposing to the following allowable new project types: supportive services only (SSO), transitional housing (TH), Street Outreach (SO), YHDP TH or other qualified YHDP replacement project.
- **$1,414,761** for one or more new CoC bonus projects of the following allowable types: TH, SSO, or SO.
- **$132,870** for one or more Domestic Violence (DV) bonus projects of the following type: TH serving a 100% DV population.
- **$353,690** for one non-competitive CoC planning project.

In 2025, funds are NOT available for:
- CoC, YHDP, and DV Bonus RRH projects

- CoC, YHDP, and DV Bonus TH-RRH projects
- Emergency Shelter or Interim Housing projects (except TH)
- New YHDP projects of any type (except replacements by current grantees)
- Prevention projects
- Projects serving persons who are not experiencing homelessness

Tiering: HUD requires CoCs to rank projects that are subject to competition into two tiers, which are financial thresholds. **Tier 1** has been reduced to **30%** of the CoC ARD amount (including the YHDP ARD), or **$2,122,141**. **Tier 2** has been increased to difference between Tier 1 and the maximum possible amount of renewal, reallocation, and bonus funds, or an estimated $4.95 million plus any qualified bonus amounts. New this year: DV bonus amounts count toward Tier 2 and YHDP renewal or replacement projects must be ranked competitively. CoC planning grant projects are non-competitive and therefore do not need to be ranked or tiered.

The purpose of tiering is for CoCs to indicate which projects are their highest priorities for funding. Because of the above changes to tiering, funding will be way more competitive than previous and Tier 2 projects, especially those ranked lower, may be at **substantial risk of funding loss.**

PH Cap: New this year, is a 30% cap on funding for permanent housing (PH) projects, defined to include projects of these types: permanent supportive housing (PSH), rapid rehousing (RRH), and joint TH-RRH. No more than 30% of our ARD, or **$2,122,141**, may be used for PH projects of any type. This PH cap compels us to repurpose – **or lose** - more than **$4 million** in renewal funding for existing PSH, RRH, & TH/RRH projects. HUD will **disqualify** any PH projects submitted beyond our PH cap

Order by Which HUD Will Select Projects

HUD will select CoC projects that meet applicable project threshold and quality standards in the following order:
1. All **CoC planning** and **unified funding agency** (UFA) cost projects
2. Projects in **Tier 1,** including new projects and renewals, will be selected based on CoC score from highest to lowest CoC score
3. Projects in **Tier 2** will be selected in order of score until there is no more funding available based on the following Tier 2 scoring factors totaling 100 points:
   a. CoC Score: Up to 50 of 100 points will be awarded in direct proportion to the score received on the CoC Application
   b. CoC Project Ranking. Up to 40 of 100 points for the CoC's ranking of the project application(s). To more evenly distribute funding across CoCs and consider the CoCs ranking of projects, point values will be assigned directly related to the CoCs ranking of projects.
   c. Service Participation: **New this year**, up to 10 of 100 points for projects that have or will incorporate supportive service participation requirements in their program design, based on individual need and evidenced in an occupancy agreement or equivalent document.

      If at any point, HUD selects PH projects in an amount more than 30 percent of a CoC's ARD, HUD will remove all remaining unselected PH projects from that CoC's priority listing, recalculate their Tier 2 project score, and continue selection.

4. HUD will then review DV Bonus projects already selected for funding through the above process and determine whether $52,000,000 has been awarded to DV Bonus projects:
   a. If at least $52,000,000 has been selected for conditional award no further action is needed.
   b. If $52,000,000 has not been selected for conditional award – continue down the list

and fund additional DV Bonus projects by project-level score until at least $52 million has been selected

For projects that straddle the two tiers, the Tier 1 portion will be funded in accordance with the above Tier 1 process and the Tier 2 portion will be funded in accordance with the Tier 2 process. HUD may award project funds for just the Tier 1 portion, provided the project is still feasible with the reduced funding (e.g., is able to continue serving homeless program participants effectively).

Overview of Key HUD Changes This Year

1. **Tier 1 has been significantly reduced to 30%** of ARD (was 90% last year).
2. **No more than 30% of ARD will funds PH Projects** (PSH, RRH, and TH-RRH).
3. **CoC Bonus amounts for new projects are higher**, equal to **20%** of ARD, up from 12% in 2024.
4. **DV Bonus amounts for new projects are smaller**, equal to 10% (down from 15% in 2024) of the Preliminary Pro Rata Need (PPRN) or $50,000, whichever is greater.
5. **New project applications for transitional housing and supportive services only** will be allowed. New Joint TH-RRH project applications will not be allowed.
6. **Threshold factors** for new and renewal projects have been revised.
7. Tier 2 project scoring replaces the 10 points previously scored for Housing First to instead award points for **supportive service participation requirements.**
8. **Expiring Special NOFO** (Unsheltered and Rural Homelessness Supplemental NOFO) projects will be ranked in the CoC Renewal Projects Priority Listing.
9. 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 2026.
10. **YHDP projects will be competitively renewed or replaced**. YHDP projects may be reallocated by CoCs to create new YHDP grants.
11. The following rating factors have been removed from this year's NOFO:
    a. **Affirmatively Furthering Fair Housing**
    b. Addressing the Needs of **Lesbian, Gay, Bisexual, Transgender, and Queer (LGBTQ+)** Individuals
    c. Involving Individuals with **Lived Experience of Homelessness**
    d. **Increasing Affordable Housing** Supply
    e. **Addressing Racial Disparities**
    f. **Promoting Racial Equity** in the Local CoC Process
    g. **Using Housing First**

HUD's Homeless Policy & Program Priorities

CoCs will be evaluated based on the extent to which they further HUD's policy priorities that have been *substantially revise*d to focus on **treatment, mandatory services,** and **public safety** as follows.

1. **Ending the Crisis of Homelessness on Our Streets**: The number of people experiencing unsheltered homelessness is at an all-time high. People living on the streets and in encampments have high rates of substance use disorder and mental illness. CoCs should direct resources towards outreach, intervention, and assistance that helps people regain self-sufficiency. CoCs should work with law enforcement, first responders, and their state and local governments to reduce encampments, public camping, and public drug use to address barriers to maintaining housing and increasing self-sufficiency.

2. **Prioritizing Treatment and Recovery**: CoCs should prioritize projects that provide the treatment and services people need to recover and regain self-sufficiency including on-site behavioral health treatment, robust wraparound supportive services, and participation requirements. This NOFO devotes resources to TH programs and SSO projects with the goal of improving health and long-term economic independence for the homeless. HUD encourages CoCs to utilize the full array of mainstream programs and local and private resources to provide housing and healthcare needed to maintain safe and stable housing.

3. **Advancing Public Safety**: Safety and security for all members of the public, especially those living unsheltered, is essential to promoting a community-wide commitment to the goal of ending homelessness. CoCs should cooperate with law enforcement to advance public safety for the entire community impacted by homelessness. No one should sleep outside on the street or in dangerous encampments, and everyone should be able to enjoy public spaces safely. HUD encourages CoCs to assist in preventing and minimizing the trauma associated with living on the streets or in encampments, especially for women and youth that are the victims of sexual assault and trafficking. Unchecked public camping and public illicit drug use inhibit nonprofit providers and local government from effectively addressing homelessness. First responders are critical partners in engaging people into treatment and services and protecting public order and vulnerable individuals experiencing homelessness.

4. **Promoting Self-Sufficiency**: One of the primary purposes of the CoC Program is to optimize self-sufficiency. CoCs should partner with workforce development centers, employers, childcare, and other supportive service providers to increase employment and employment income for program participants. CoCs should prioritize projects that help lead to long-term economic independence for individuals and families to exit homelessness and prevent future returns to homelessness.

5. **Improving Outcomes**: CoCs should review all projects eligible for renewal under this NOFO to determine their effectiveness in reducing homelessness and increasing self-sufficiency. CoCs should prioritize projects that promote self-sufficiency, increase employment income over government assistance, and promote treatment and recovery. This NOFO includes several options to help CoCs improve their effectiveness, including reallocation, expansion, and transition grants, and CoC's should take advantage of these options to expand the pool of providers, including faith-based providers, and improve the overall performance of the CoC.

6. **Minimizing Trauma**: One of the purposes of the CoC program is to minimize the trauma associated with homelessness. CoCs should encourage 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. Women experiencing homelessness or domestic violence should have access to safe, single-sex spaces and other consideration for personal privacy.

Who can be Served

Persons served by CoC-funded projects must be **"homeless"** under the HUD's final rule on the definition of homelessness under the HEARTH Act. However, different project types have different requirements for homeless categories and eligibility. The definition includes four broad categories of homelessness:

1. **People who are living in a place not meant for human habitation, in emergency shelter, in transitional housing, or are exiting an institution** where they temporarily resided if they were in shelter, or a place not meant for human habitation before entering the institution. The only significant change from existing practice is that people will be considered homeless if they are exiting an institution where they resided for up to 90 days (it was previously 30 days) and were homeless immediately prior to entering that institution.

2. **People who are losing their primary nighttime residence, which may include a motel or hotel or a doubled-up situation, within 14 days** and lack resources or support networks to remain in housing. HUD had previously allowed people who were being displaced within 7 days to be considered homeless. The regulation also describes specific documentation requirements for this category.

3. **Families with children or unaccompanied youth who are unstably housed and likely to continue in that state**. This is a new category of homelessness, and it applies to families with children or unaccompanied youth (up to age 24) who have not had a lease or ownership interest in a housing unit in the last 60 or more days, have had two or more moves in the last 60 days, and who are likely to continue to be unstably housed because of disability or multiple barriers to employment. New and renewal RRH, Joint TH-RRH, and SSO projects may serve persons in this category only if HUD has approved the CoC to do so; new and renewal PSH projects may not serve persons in this category.

4. **People who are fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking**, **or other dangerous or life-threatening situations** related to violence; have no other residence; and lack the resources or support networks to obtain other permanent housing (also see new VAWA revisions described above).

For information HUD requirements for documenting homeless status, please see HUD's homeless status guidance available at: https://www.hudexchange.info.

Unaccompanied Youth

Any youth-serving provider funded under this NOFO may serve unaccompanied youth aged 24 and under (or families headed by youth aged 24 and under) who have an unsafe primary nighttime residence and no safe alternative to that residence. 3rd party documentation of homelessness cannot be required. HUD interprets "living in unsafe situations" as having an unsafe primary nighttime residence and no safe alternative to that residence. These youth-related requirements supersede any conflicting requirements.

Also, **YHDP projects** must serve youth experiencing homelessness, including unaccompanied and pregnant youth, where no member of the household is older than 24.

Chronically Homeless

In addition to meeting the definition of homeless, some projects must serve persons who meet the more specific definition of "**chronically homeless**." These projects include new permanent supportive housing (PSH) projects, renewal PSH projects that were originally funded under chronic homelessness initiatives, and any other PSH project that has committed in recent years to targeting and/or prioritizing chronically homeless.

A homeless individual, or a family with an adult head of household (of if no adult, a minor head of household) with a disability who:
- Lives in a place not meant for human habitation, a safe haven, or in an emergency shelter; AND
- Has been homeless in such place for at least 12 months OR on at least 4 separate occasions in the last 3 years, as long as the combined occasions equal at least 12 months and each break in homelessness separating the occasions included at least 7 consecutive nights.
- Stays in institutional care facilities for fewer than 90 days are included in the 12-month total.

Some Types of People who are not Considered Homeless

People in the following situations are NOT homeless:

- Paying excessive amount for housing, housing is substandard, or the housing is crowded;
- Living with relatives or friends;
- Living in a Board and Care, Adult Congregate Living Facility, or similar place; or
- Being discharged from an institution (after a stay of 90 consecutive days or more).

Eligible Project Applicants

Eligible project applicants for the CoC Program Competition are **nonprofit organizations, States, local governments, and instrumentalities of State and local governments, public housing agencies, and Indian Tribes or TDHEs**. For-profit entities are not eligible to apply for grants, or to be subrecipients.

Eligible CoC Program Components

The CoC program includes the following four project components eligible under the 2025 CoC NOF):

Permanent housing (PH) is defined as community-based housing without a designated length of stay in which formerly homeless individuals and families live as independently as possible. The CoC Program may fund two types of permanent housing: (1) **permanent supportive housing** (PSH), which is permanent housing with indefinite leasing or rental assistance paired with services to help homeless people with disabilities achieve housing stability; and (b) **rapid re-housing** (RRH), a model that emphasizes housing search and relocation services and short- and medium-term rental assistance to move homeless people as rapidly as possible into permanent housing. Note: In 2025, HUD is **capping PH at 30% of a CoC's ARD**.

Transitional housing (TH) is a project component that may be used to cover the costs of up to 24 months of housing with accompanying support services, providing a period of stability to enable homeless people to transition successfully to and maintain permanent housing within 24 months of program entry. Program participants must have a lease or occupancy agreement in place when residing in transitional housing. Note: In 2025, HUD is **encouraging TH projects** with service participation requirements. HUD is also allowing renewal of existing **joint TH-RRH project types** but **not new** TH-RRH projects.

Supportive services only (SSO) is a program component limited to recipients and subrecipients providing services to individuals and families not residing in housing operated by the recipient. SSO recipients and subrecipients may use the funds to conduct outreach to sheltered and unsheltered homeless persons, link clients with housing or other necessary services, and provide ongoing support. SSO projects may be offered in a structure or structures at one central site, or in multiple buildings at scattered sites where services are delivered. Projects may also be operated independent of a building (e.g., street outreach) and in a variety of community-based settings, including in homeless programs operated by other agencies. Note: In 2025, HUD is **encouraging SSO** projects.

Homeless Management Information System Funds under this component may be used only by HMIS leads for leasing a structure in which the HMIS operates, for operating the structure in which the HMIS is housed, and/or for other costs related to establishing, operating, and customizing a CoC's HMIS.

Eligible Cost Types

CoC Program funding can only be used to support eligible costs listed in the CoC Interim Rule. Not all costs are eligible in each program component or project type. The eligible costs are summarized below. In addition to the categories below, development costs for *acquisition, new construction, and/or rehabilitation* are eligible, but because those costs are not prioritized by the CoC, they are not described in the summary below. For further information, please see the CoC Interim Rule and CoC Program Introductory Guide at: https://www.hudexchange.info.

Leasing is an eligible cost category under the PH, TH, SSO, and HMIS program components. Funds may be used to lease individual units or all or part of structures. Rents must be reasonable, and, in the case of individual units, the rent paid may not exceed HUD-determined fair market rents. Leasing funds may not be used for units or structures owned by the recipient, subrecipient, or their parent organization. When leasing funds are used to pay rent on units, the lease must be between the recipient or the subrecipient and the landowner, with a sublease or occupancy agreement with the program participant. The recipient may charge the program participant an occupancy charge consistent with the interim CoC rule.

Rental assistance is an eligible cost category under the PH and TH program components and may be tenant-based (TBRA), sponsor-based (SBRA), or project-based (PBRA), depending upon the component type. Rental assistance may be short-term for up to 3 months; medium-term for 4 to 24 months; or long-term for more than 24 months. The length of assistance depends upon the component type under which the cost is funded. Recipients must serve as many program participants as shown in their funding application to HUD, but, if the amount reserved for the term of the grant exceeds the amount needed to pay actual costs, the excess funds may be used to cover property damage, rent increases, or the rental needs of a greater number of program participants. When rental assistance funds are used to pay rent on units, the lease must be between the program participant and the landowner.

Supportive services are eligible costs under the PH, TH, and SSO program components, including Coordinated Entry. All eligible service types are listed in the box, and any cost not listed is ineligible. As in the past, services must be offered to residents of PSH and TH for the full period of their residence. RRH programs must require program participants to meet with a case manager at least monthly. Services may be provided to formerly homeless individuals for up to six months after their exit from homelessness, including the six months following exit from a transitional housing project. Eligible costs include the salary and benefits of staff providing services, and materials and **supplies** used in providing services.

Operating costs are eligible under the PH, TH, and HMIS program components. Funds may be used to pay the day-to-day operating costs in a single structure or individual housing units, including maintenance (such as scheduled replacement of major systems), repair, building security (when CoC Program funds pay for more than 50 percent of the facility by unit or area), electricity, gas, water, furniture, equipment, property insurance, and taxes. These costs may not be combined with rental assistance costs within the same structure.

HMIS Costs related to contributing client data to or maintaining data in the CoC's HMIS or a comparable database for victim services providers or legal services providers are eligible costs under the PH, TH, SSO, and HMIS program components. Eligible HMIS costs include hardware, equipment, and software costs; training and overhead; and HMIS-related staffing costs.

Eligible Types of Services
. Annual assessment of service needs
· Assistance with moving costs
· Case management
· Child care operations or vouchers
· Education services
· Employment assistance and job training
· Food (meals or groceries)
· Housing search and counseling
· Legal services
· Life skills training
· Outpatient mental health services
· Outpatient health services
· Outreach services
· Outpatient substance abuse treatment
· Transportation
· Utility deposits
. Facilitating/coordinating activities for compliance with emergency transfer plan
. Monitoring compliance with VAWA confidentiality protections

Project Administration   These costs include expenses related to the overall administration of the grant, such as management, coordination, monitoring, and evaluation activities and environmental review.

Indirect Costs
Indirect Costs (also known as "facilities and administrative costs" defined at 2 CFR 200.56) are eligible under the CoC Program for all project types, and if the applicant does not have an approved federally negotiated indirect cost rate, the applicant may use a *de minimus* rate of 10 percent of modified total direct costs. If a renewal project requests indirect costs, it must carve them out of other program costs.

CoC Renewal Funding

2025 Renewal Projects

Projects that have existing CoC grants that are expiring can apply for a continuation (renewal) grant under the following parameters.

- Which Grants Can be Renewed: To apply for renewal funding, the existing grant must expire in the calendar year 2026 (January 1 – December 31, 2026). A grant agreement for the project being renewed must be in place no later than December 31, 2025.
- Applicants That Can Renew: The applicant must be the same entity that signed the expiring grant agreement with HUD.
- Activities That Can Be Renewed: A project can only request renewal of term activities:
    - Leasing
    - Rental assistance
    - Operations
    - Supportive services
    - HMIS
    - Project administration
- Amount That Can be Renewed (GIW): A project's request cannot exceed the Annual Renewal Amount for the project approved by HUD in the Grant Inventory Worksheet (GIW).
- FMR issues: Eligible renewal projects requesting rental assistance are permitted to request a per-unit amount less than the Fair Market Rent (FMR), based on the actual rent costs per unit (but not more than). This will help to reduce the number of projects receiving rental assistance that have large balances of unspent funds remaining at the end of the operating year. Renewal project applicants must ensure that the amount requested will be sufficient to cover all eligible costs, as HUD cannot provide funds beyond what is awarded through the competition. HUD will adjust leasing, operating, and rental assistance budget line items based on changes to the Fair Market Rents (FMR). All adjustments will be made prior to the award announcement.
- COLA: HUD will adjust amounts for the supportive services and HMIS Costs budget lines for renewing projects based on the most recent three-year average of changes in State Quarterly Census of Employment and Wages (QCEW) for the category Social Assistance (NAICS 624). Data can be found at: https://www.bls.gov/cew/data.htm.
- Renewal term: **1 year for all renewal projects**.

Renewing PSH and DedicatedPLUS

A renewal project that is PSH 100% dedicated to chronically homeless people may either become a DedicatedPLUS project or may continue to dedicate 100 percent of its beds to chronically homeless individuals and families. If a renewal project that has 100 percent of its beds dedicated to chronically homeless individuals and families elects to become a DedicatedPLUS project, the project will be required to adhere to all fair housing requirements.

A DedicatedPLUS project is defined as a project where 100 percent of the beds are dedicated to serve individuals with disabilities and families in which one adult or child has a disability, including unaccompanied homeless youth,

that at intake are:
- Experiencing chronic homelessness
- Residing in a TH project that will be eliminated and meets the definition of chronically homeless in effect at the time in which the individual or family entered the TH project
- Residing in a place not meant for human habitation, emergency shelter, or safe haven, but the individuals or families experiencing chronic homelessness had been admitted and enrolled in a PH project within the last year and were unable to maintain a housing placement
- Residing in TH funded by a Joint TH and PH-RRH component project and who were experiencing chronic homelessness prior to entering the project
- Residing and has resided in a place not meant for human habitation, a safe haven, or emergency shelter for at least 12 months in the last 3 years, but has not done so on 4 separate occasions OR
- Receiving assistance through a Department of Veterans Affairs (VA)-funded homeless assistance program and met one of the above criteria at initial intake to the VA system.

Consolidating Renewal Projects

Eligible renewal project applicants may consolidate up to ten eligible renewal projects into one project application during the application process. This means that a CoC Program recipient no longer must 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, the projects must have the same recipient and be for the same component; and will be funded in this competition only with FY 2025 funds (meaning no funds recaptured from prior years will be awarded to the project). HUD will not permit projects with outstanding problems, such as monitoring findings or financial management issues, to consolidate. HUD will not permit a TH and a PH project to consolidate to form a Joint TH--RRH project and will not permit a transition grant to be consolidated with any other project.

To apply for a consolidated grant, applicants must submit separate renewal project applications in e-snaps for each of the grants that are proposed to be consolidated, and each of these applications must identify the grant number that will survive (which must be the grant number with the earliest start date in 2026). Project applications for the grants that are proposed to be consolidated will be ranked, and if all those grants are selected, HUD will award the single consolidated grant. If one of the grants proposed to be consolidated is found to be ineligible for consolidation or is not selected, HUD will award all grants that are eligible for renewal and selected as separate grants.

YHDP Renewals

YHDP renewal projects that wish to consolidate and meet the above requirements, can use the YHDP Replacement project process to replace multiple YHDP grants. YHDP renewal projects may not use the above consolidation option to consolidate with non-YHDP projects (although they can do so with eligible YHDP projects).

A Note About Renewal Threshold Requirement

HUD assumes renewal projects meet project eligibility and quality threshold requirements because of previously approved grant applications, unless information to the contrary is received (e.g., monitoring findings, results from investigations by the Office of Inspector General, the recipient routinely does not draw down funds from LOCCS at least once per quarter, or consistently late APRs.). Eligibility threshold is determined on a pass/fail basis. Please see the 2025 CoC NOFA for further information.

HUD reserves the right to reduce or reject a funding from the project applicant for the following:

- Outstanding obligation that is in arrears or a payment schedule has not been agreed upon
- Audit finding(s) for which a response is overdue or unsatisfactory
- History of inadequate financial management accounting practices
- Evidence of untimely expenditures on prior award
- History of other major capacity issues that have significantly affected the project
- History of not reimbursing subrecipients for eligible costs timely, or at least quarterly
- History of serving ineligible program participants, expending funds on ineligible costs, or failing to expend funds within statutorily established timeframes
- **New this year**: Evidence that the project has previously or currently conducts activities that **subsidize or facilitate racial preferences** or **other forms of illegal discrimination** or conduct activities that rely on or otherwise **use a definition of sex other than as binary in humans**; and
- **New this year**: Evidence that the project **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."**

Creating New Projects

In 2025, CoCs may submit new projects created through (1) reallocation, (2) CoC bonus, (3) combination of reallocation and CoC bonus, (4) DV bonus, and (5) YHDP replacement or reallocation. To be eligible for any competitive new projects, a CoC must use system performance measures (see above) in ranking and selecting projects.

Also, new projects typically can request grant terms of one or more years depending on the project type but maximizing future funding for the CoC favors requesting only one year (e.g., renewal of a one-year $100,000 grant would be $100,000 per year, while a three-year $100,000 grant would be only $33,333 per year).

- New **Stand-alone vs. expansion** grants - Generally, a new project can be either a stand-alone project or an expansion of an existing renewal to increase the numbers served, beds/units provided, services provided, HMIS services, etc. The new expansion applications must be submitted separately from the renewal application being expanded, although if both are funded HUD will issue a single contract. The expansion grant can be **funded only if the underlying renewal is also funded**. **YHDP projects are eligible** for the expansion process but only using funds reallocated from YHDP renewals. **New DV bonus projects can be created** using the expansion process, and **existing DV bonus projects can be expanded** using funds reallocated from a DV bonus renewal project.

- **Transition grant** option - Applicants may opt to use the grant year to transition one or more renewal projects from one CoC Program component to another (e.g., RRH to TH). To create a transition grant, the CoC must agree to wholly eliminate the original project(s) and use those reallocated funds to create the single, new transition grant. Transition grants have one year to fully transition from the original component to the new component. See below for more details. Note: Transitions of YHDP projects must use the YHDP replacement process (see below).

New Reallocation and/or CoC Bonus Projects

The following project types are eligible in 2025 to be created through **reallocation** of existing renewal funding (amount varies based upon Board reallocation decisions) and/or the **CoC bonus**. One or more projects can be created, but the overall amount requested cannot exceed the funds being reallocated and/or the maximum CoC bonus.
1. **TH** projects that will serve homeless categories 1, 2, and 4.

2. **SSO or SO** projects that will serve homeless categories 1, 2, and 4.

New PSH, RRH, and TH-RRH will not be accepted by our CoC this year (*but if there is a remaining PH cap gap after selection of PH renewals, H4HP will determine a strategy for a new PH project for the unused PH cap*).

Domestic Violence Bonus Projects

The 2025 NOFO provides a set-aside of **$52 million** nationally for a DV bonus competition for new projects that serve a 100% DV population. Each CoC can receive a DV bonus amount of no more than 15% of its PPRN (in our case estimated **$132,870).** The minimum single application amount is $50,000. Also, a DV bonus project can be an expansion of a non-DV renewal (e.g., a RRH project expands to serve an exclusively DV population in the expansion). Eligible project type:
1. **TH** that uses victim-centered practices and service eligible DV population

New RRH, TH-RRH, and CES projects proposed for the DV bonus will not be accepted by our CoC this year.

New this year: HUD will not have a separate scoring process or competition for DV projects. Rather, CoCs are required to rank all DV Bonus projects in the CoC Priority Listing. HUD will make Tier 1 and Tier 2 project selections. It will then review DV Bonus projects already selected for funding through the Tier 1 and Tier 2 process and determine whether $52,000,000 has already been awarded to DV Bonus projects. If $52,000,000 has not been selected for award, HUD will continue down the list and fund additional DV Bonus projects by project-level score until at least $52,000,000 has been selected.

Human Trafficking: HUD has clarified that while a DV Bonus project may serve people fleeing or attempting to flee human trafficking, it may not exclusively serve this group.

YHDP Replacement and Reallocation Projects

In 2025, YHDP projects will be competitively renewed or replaced. YHDP projects may be **reallocated by CoCs** to create new YHDP grants. Also, a YHDP renewal applicant may opt to **replace its current project** with a new project. New YHDP projects can include **activities ineligible under the CoC Program**. A replacement projects can retain parts of its old program, provided the replacement project demonstrates it will directly address youth homelessness, and include a letter of support from the Youth Advisory Board (YAB). The YHDP Replacement project process can replace and consolidate multiple YHDP grants and expand a project using funds reallocated from other YHDP renewals if any. Eligible replacement project types:
- TH or **Crisis Residential TH**
- **SSO** – housing search, case management, drop-in centers, legal services, street outreach (SO)
- **Host homes** and **kinship care**
- **Shared housing** (if not PH)

RRH, TH-RRH, and CES projects proposed for YHDP will not be accepted by our CoC this year.

Replacement projects cannot request capital costs (i.e., new construction, acquisition, or rehabilitation).

The NOFO has a long list of **special program flexibilities** detailed below. In sum, the flexibilities relate to issues such as subsidizing housing costs, paying for a range of other youth living costs, and relaxed lease and housing inspection-type requirements. For further details, please see the CoC NOFO.

Summary of Eligible New Project Types in 2024

CoC bonus and/or Reallocation	DV Bonus	YHDP Replacement
1. TH 2. SSO 3. SO	1. TH	1. TH or Crisis Residential TH 2. SSO, including SO 3. Host homes and kinship care 4. Shared Housing (if not PH)

New Project Threshold Requirements

For new projects, the review process considers applicant and subrecipient eligibility and capacity, project eligibility, and project quality as part of the threshold review. Project Eligibility Threshold: HUD will review eligibility threshold requirements on a pass/fail standard, and if standards are not met, the project will be rejected from the competition.

Applicants and subrecipients must:
- Be eligible under the CoC Program
- Demonstrate financial and management capacity and experience to carry out the project and to administer Federal funds
- Submit required certifications
- Propose an eligible population for the project type, as designated by the CoC Program
- Show that the project is cost-effective, with costs not deviating substantially from the norm in that locale for similar project activities
- Agree to participate in HMIS (except for victim service providers who must use a comparable database).
- **New in 2025**: Certify affirmatively to the following: The project applicant will **not engage in racial preferences** or **other forms of illegal discrimination**.
- **New in 2025**: The project applicant will **not operate drug injection sites** or "**safe consumption sites**," knowingly **distribute drug paraphernalia** on or off of property under their control, **permit the use or distribution of illicit drugs on property under their control**, or conduct any of these activities under the **pretext of "harm reduction."**

Project Quality Threshold: HUD will review all new project applications to determine if they meet project quality threshold requirements. HUD will not award funds to a new project unless the project was created through reallocation, or the CoC has demonstrated to HUD's satisfaction that projects are evaluated and ranked based on the degree to which they improve the CoC's system performance. **If awarded, a recipient is required to meet All the criteria listed for its component**. The housing and services proposed must be appropriate to the needs of the program participants and the community. **New in 2025:** HUD has made significant changes to the project quality standards for different project types, with greater emphasis on supportive services participation, partnering with law enforcement, serving unsheltered and elderly or physically disabled populations as follows:

TH - need 7 of 10 points
2 - Provide or partner for supportive services
1 - Prior TH experience or other projects successful in exiting clients within 24 months
1 – Has previously or currently operated TH or other homelessness project or has plan in place for 50% exit to PH w/in 24 months and 50% exit with employment income.
1 – Will leverage other public or private resources, that may include mainstream health, social, and employment programs.
2 – Will require supportive services participation evidenced by supportive services agreement.
2 – Will provide 40 hrs. per week of supportive services for each participant.
1 – Average cost per household served is reasonable.

*A project can qualify without required services participation **OR** without 40 hours of services per week. But they **cannot qualify** without at least one of those. Could lose 1 other point.*

SSO – need 4 of 5 points
1 – Project is needed for exiting homelessness and increasing self-sufficiency, and there will be annual service needs assessment per participant.
2 – Has strategy for providing services to participants, including those with unsheltered history and those who don't usually engage with services.
1 - Will leverage other public or private resources, that may include mainstream health, social, and employment programs.
1 – Services are cost effective.

*A project can qualify if it misses 1 point but **cannot qualify** if it does not have strategy for providing services to participants, including those with unsheltered history and those who don't usually engage with services.*

SSO Street Outreach – need 5 of 6 points
1 - Will leverage other public or private resources, that may include mainstream health, social, and employment programs.
2 – Has strategy for providing services to participants, including those with unsheltered history and those who don't usually engage with services.
1 - Has history of partnering with 1st responders and law enforcement to engage people on street to access shelter, treatment, family reunification, TH, or independent living. Must cooperate, assist, and not impede law enforcement of laws such as camping and public drug use.
1 – Has experience providing street outreach and has shown effectiveness in helping people exit to shelter, treatment, TH, or PH.
1 – Services are cost effective.

*A project can qualify if it misses 1 point, including the point for law enforcement cooperation, but **cannot qualify** if it does not have strategy for providing services to participants, including those with unsheltered history and those who don't usually engage with services.*

New PSH - need 4 of 6 points
1 – Type of housing and number and configuration of units meets needs of participants.
1 – Type of supportive services ensures participants will obtain and remain in PH in manner that fits their needs. If expanding existing PSH, must show supportive services are being expanded.
1 – Will serve and prioritize units for elderly and/or persons with a physical disability/impairment or developmental disability (not including SUD).
1 – Will require supportive services participation evidenced by supportive services agreement.
1 - Average cost per household served (housing and services) is reasonable for the population served.
1 - Will leverage other public or private resources, that may include mainstream health, social, and employment programs.

*A project can qualify without required services participation **AND** without prioritizing for elderly and/or persons with a physical disability/impairment or developmental disability, but no other points could be lost.*

New RRH – need 6 of 8 points
1 – Provision of TBRA will help participants achieve self-sufficiency within 3 to 24 months.
2 - Type of supportive services ensures participants will attain self-sufficiency and exit homelessness.
2 – Has previously operated projects where outcomes for employment income were improved compared to average project in the CoC.
1 – Will require supportive services participation evidenced by supportive services agreement.

1 - Average cost per household served (housing and services) is reasonable for the population served.
1 - Will leverage other public or private resources, that may include mainstream health, social, and employment programs.

*A project can qualify without required services participation **OR** without employment income improved compared to other projects. But a project cannot qualify without both.*

Other threshold requirements:
- Project applicants and potential subrecipients must have satisfactory capacity, drawdowns, and performance for existing grant(s), as evidenced by timely reimbursement of subrecipients, regular drawdowns, and timely resolution of any monitoring findings
- For expansion projects, project applicants must clearly articulate the part of the project that is being expanded. Additionally, the project applicants must clearly demonstrate that they are not replacing other funding sources
- Project applicants must demonstrate they will be able to meet all timeliness standards
- HUD reserves the right to deny the funding request for a new project, if the request is made by an existing recipient that HUD finds to have significant issues related to capacity, performance, or unresolved audit/monitoring finding related to one or more existing grants. Additionally, HUD reserves the right to withdraw funds if no APR is submitted on the prior grant.

More About Reallocation, CoC Bonus, and Combined Projects

- **$1,414,761** is the maximum CoC bonus amount this year.
- The availability of reallocated funds in any amount is not guaranteed and depends upon whether the H4HP Policy Board reallocated funds from one or more renewals.
- Reallocated, CoC bonus, and combination projects must be ranked and tiered with other projects; there is no separate competition.

TH bonus and/or reallocation projects:
TH projects must provide 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. TH may be single site or scattered sites and can be integrated with affordable or market-rate units.

Project must select program participants consistent with the CoC's Coordinated Entry process and must serve persons who qualify as homeless under paragraphs (1), (2), or (4). 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.

To facilitate the movement of program participants into PH, TH projects should provide a wide range of supportive services to participants while they reside in the program that meets the needs of their program participants. Recipients should (per HUD) 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.

- May use grant funds for:
  - Acquisition
  - Rehabilitation
  - New Construction
  - Leasing
  - Operations
  - Rental Assistance
  - Supportive Services
  - HMIS
  - Indirect Costs
  - Administration
  - VAWA Costs Budget Line Item

SSO bonus and/or reallocation projects:

SSO projects allow recipients to provide supportive services—such as conducting outreach to sheltered and un-sheltered 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 or subrecipient of the funds is not providing housing or housing assistance.

An SSO project budget may include
- Acquisition, Rehabilitation, or Leasing of a space to provide supportive services
- HMIS
- Project Administration
- Eligible supportive services that include the following eligible service types:
  - Annual assessment of service needs
  - Assistance with moving costs
  - Case management
  - Childcare operations or vouchers
  - Education services
  - Employment assistance and job training
  - Food (meals or groceries)
  - Housing search and counseling
  - Legal services
  - Life skills training
  - Outpatient mental health services
  - Outpatient health services
  - Outreach services
  - Outpatient substance abuse treatment
  - Transportation
  - Utility deposits
  - Facilitating/coordinating activities for   compliance with emergency transfer plan
  - Monitoring compliance with VAWA confidentiality protections

SSO projects **may no**t include Leasing or rental assistance budget line item to provide housing of any type to par-ticipants.

More About Transitional Grants

Applicants may transition renewal projects from one CoC Program component to another (e.g., RRH to TH) during

the competition. To be eligible to receive a transition grant, the renewal project applicant must have the consent of its CoC. To create a transition grant, the CoC must wholly eliminate one or more projects and use those funds to create the single, new transition grant. The applicant can use as much funding it wants on the original program component but must fully transition to the new program component by the end of the grant term.

For a new project to be considered a transition grant, the applicant for the new project must be the same recipient for the eligible renewal grant(s) being eliminated, and the applicant must provide the grant number(s) of the projects being eliminated to create the new project and attach a copy of the most recently awarded project application (e.g., if the project was last funded in the FY 2024 CoC Program Competition, a copy of the FY 2024 CoC Program Competition project application must be attached to the project application).

More About New Projects Created Through Expansion of Existing Projects

HUD will allow applicants to apply for a new expansion project under the reallocation process, new CoC bonus, and new DV bonus to expand an eligible renewal project by adding units or beds, persons served, services provide to existing participants, or to add additional eligible activities such as the new VAWA activities described above and new activities for HMIS or CES projects. For the new expansion project to be selected for award the renewal project application must also be selected for conditional award. Expansion requests may only be for a one-year term and HUD will not fund capital development activities. *Note: New CoC expansion grants will only be accepted by the CoC for existing TH or SSO projects.*

If both the new expansion project and the renewal it expands are selected for funding, one grant agreement incorporating both project applications will be executed. If the renewal project application is not conditionally selected for funding, the expansion project application will not be selected.

Project applicants may use the DV bonus to expand an existing renewal project that is not currently dedicated to serving survivors of domestic violence, dating violence, or stalking that meet the definition of homeless to dedicate additional beds, units, persons served, or services provided to existing program participants to this population. **A DV bonus renewal can be expanded** in principle using funds reallocated from other DV bonus renewals, but our CoC will not be accepting DV bonus renewals since the only DV bonus renewals are RRH projects; these projects are instead being encouraged to reallocate or transition to TH for a DV population. **YHDP projects are eligible** for the expansion process but only using any funds the CoC might reallocate from other YHDP projects, if any.

To apply for an expansion grant, project applicants must submit separate renewal and new project applications and a renewal application that includes the information from the renewal new project application that combines the activities, and budgets into one renewal project application. While the renewal and new projects will be ranked by the CoC, the combined expansion project will not be ranked and, if selected for conditional award, will take the ranked position of the stand-alone renewal project, and the separate new project will be removed from the ranking resulting in project applications below to slide up one ranked position. However, if the combined renewal expansion project is also part of a consolidation project application, HUD will follow the ranking process for consolidated projects outlined in the NOFO, and if the combined expansion and consolidation is selected for conditional award, the ranked position of the stand-alone renewal project and the new project will be removed from the ranking, resulting in project applications below to slide up. If HUD determines the combined expansion project is ineligible, HUD will review the renewal and new project applications separately as these projects will retain their ranked position on the CoC Project listings.

More About YHDP Replacement Projects

A renewing YHDP project may choose to replace its current project with a new project, which may include

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 address youth homelessness. The YHDP Replacement project process can be used to replace multiple YHDP grants in lieu of consolidation.

If an eligible YHDP renewal project applicant wants to submit a YHDP replacement project application in lieu of submitting a renewal project application, it must include the grant number from the YHDP renewal project being replaced in the YHDP replacement project application. The CoC's Collaborative Applicant is responsible for ensuring that only a renewal YHDP or replacement YHDP project application is submitted through the CoC Priority Listing. If the Collaborative Applicant submits both a renewal and replacement YHDP project application for the same project, HUD will only select the renewal YHDP project application.

If a renewing YHDP project chooses to replace some or all current activities, it must submit a YHDP replacement project application and it will be reviewed by HUD to ensure that the activities requested are eligible and do not exceed the funding amount of the renewal project(s) being replaced; however, the replacement YHDP project will not be rejected (unless a renewal YHDP project application has been submitted for the same project being replaced). If needed, HUD will work with replacement YHDP recipients to correct or revise information submitted after the final FY 2025 award announcement prior to executing the grant agreement.

Although HUD allows YHDP replacement projects of the PSH, RRH, and TH-RRH types, **our CoC is only accepting** the following types:
1. **Transitional Housing** (TH) or **Crisis Residential Transitional Housing** which is a form of transitional housing that is short-term, low barrier, utilizes a congregate living setting, and provides access to the following supportive services in particular: family engagement and unification, case management, emergency triage services and other supportive services whose purpose is to move youth rapidly into stable housing.
2. **SSO**, including, but not limited to, housing search and placement services, case management, drop-in centers which are a physical location that offers a variety of services to individuals and families experiencing homelessness that can be funded through the drop-in center grant or through another grant, legal services, or street outreach.
3. **Host Homes and Kinship Care**, a model in which a family agrees to permit a youth to reside with them. Recognizing that the addition of another person in the home may increase costs to the family, HUD will entertain applications that propose to house youth with families and to subsidize the additional costs attributable to housing the youth. The residence is in a community-based setting. The family could be related to the youth and the length of stay may be time-limited or without time limits. YHDP replacement projects may be used to subsidize the increased costs to the family that are attributable to housing the youth. An example of eligible costs would be additional food or transportation costs.
4. **Shared Housing (if not PH)**, a model of housing assistance where rental assistance is provided for a youth to reside with a family or unrelated person. The youth leases from the property owner and shares the unit with the family. The unit may be a house or an apartment. Under this NOFO "immediate family member" is defined to mean parents, grandparents, siblings, and legal guardians. CoC funds may be used to provide replacement YHDP projects with tenant-based rental assistance for a youth to reside with a family. The FMR will be adjusted to the **youth's pro-rata share of the FMR** for the shared housing unit size. For example, in the case of a single youth who will occupy one bedroom in a 4-bedroom house, the FMR used would be the youth's pro-rata share of the 4-bedroom FMR (i.e., ¼ of the 4-bedroom FMR).

YHDP replacement projects may also choose to submit applications for the following special YHDP activities (to the extent allowable in the above project types) ineligible under the CoC program. Recipients may:
1. Have **leases** for a minimum term of **1 month** under rental assistance
2. Use **leasing, sponsor-based rental assistance, and project-based** rental assistance
3. Use **Admin funds** to support costs associated with involving **youth with lived experience**
4. Use **Admin funds** to attend relevant **conferences and trainings** that are **not HUD-sponsored**

5. **Employ youth** who are receiving services or housing from the recipient organization.
6. Use **habitability standards**, not Housing Quality Standards, in short- or medium-term assistance
7. Provide **moving expenses more than one time** to a program participant
8. Provide **payments of up to $500** per month for families under a host home model
9. Use the following:
   a. **Security deposits** for units in an amount not to exceed **2 months** of rent
   b. **Housing damages** while the **youth is still in the unit** up to **two-months'** rent
   c. Household **cleaning supplies** for clients
   d. Housing **start-up expenses**, including furniture, pots and pans, linens, toiletries, and other house-hold goods, not to exceed **$300**
   e. One-time cost of purchasing a **cellular phone** and service for program participant use
   f. Cost of **internet** in a program participant's unit
   g. Payment of **rental arrears of up to 6 months**, including any late fees on those arrears
   h. Payment of **utility arrears of up to 6 months** per service
   i. Up to **three months of utilities** for a program participant
   j. **Gas and mileage** costs for a program participant's **personal vehicle** for trips to and from medical care, employment, childcare, or other services eligible under this section
   k. **Legal fees**, including court fees, bail bonds, and required courses and equipment.
   l. **Driving fines** and fees that prevent driver's license renewal and impacting housing
   m. Costs for **car insurance and registration**, if the personal vehicle is necessary to reach medical care, employment, childcare, or other services eligible
10. Continue providing **supportive services for up to 24 months after exit** from homelessness, TH or after the end of housing assistance
11. Continue providing **supportive services for up to 36 months after exit from homelessness**
12. **Rental assistance** may be combined with **leasing or operating** funds in the **same building**
13. Provide **payments of up to $1000 per month for families** that provide housing under a host home and kinship care model, if the additional cost is necessary to recruit hosts to the program
14. Carry out other **innovative activities**, provided the activity meets the following criteria:
    a. Approved by both the **Youth Action Board (YAB) and CoC**
    b. Tests or likely to achieve a **positive outcome** in at least **core outcomes area**
    c. Is **cost effective**
    d. Is **not in conflict with fair housing**, civil rights, or environmental regulations.

Additional New Project Design and Implementation Issues

Funding Levels and Adjustments
- New project applications must request the full FMR amount per unit
- HUD will adjust leasing, operating, and rental assistance budget line items based on changes to the Fair Market Rents (FMR). All adjustments will be made prior to award announcement
- If the recipient has a subrecipient, it is required to share at least 50% of project administrative funds with its subrecipient(s).

Timeliness
- Proof of site control, match, environmental review, and the documentation of financial feasibility must be completed within 12 months of the announcement of the award, or 24 months in the case of funds for acquisition, rehabilitation, or new construction. The 12-month deadline may be extended by HUD for up to 12 additional months upon a showing of compelling reasons for delay due to factors beyond the control of the recipient or subrecipient
- For recipients of funds for rehabilitation or new construction:

1. Construction activities must begin within 9 months of the later of signing of the grant agreement or of signing an addendum to the grant agreement authorizing use of grant funds for the project.
2. Construction activities must be completed within 24 months of signing the grant agreement.
3. Activities that cannot begin until after construction activities are completed must begin within 3 months of the date that construction activities are completed

- To expend funds within statutorily required deadlines, applicants funded for new sponsor-based and project-based rental assistance must execute the grant agreement and begin providing rental assistance within 2 years. However, HUD strongly encourages all rental assistance to begin within 12 months of award. Applicants unable to begin within 12 months should consult the local HUD CPD Field Office.

New Project Grant Terms
It makes sense for new and renewal projects to apply for **1 year,** renewable yearly, to maximize funding. However, the following the following terms are allowable under the 2025 CoC NOFO:

New Projects can request 1, 2, 3, 4, 5, or 15 year grant terms, with the following exceptions:
1. Any new projects that request tenant-based rental assistance may request a **1-year, 2-year, 3-year, 4-year, or 5-year** grant term.
2. Any new project application that includes leasing could only request **up to a 3-year** grant term.
3. Any new projects requesting project-based rental assistance or sponsor-based rental assistance, or operating costs could request up to a 15-year grant term but request up to **5 years** of funds.
4. Any of the following new projects could request **1-year, 2-year, 3-year, 4-year, or 5-year** grant terms: operating costs, supportive services only, HMIS, and project administration.
5. Any new project applications that requested new construction, acquisition, or rehabilitation had to request a minimum of a **3-year grant term and could request up to a 5-year grant** terms.
6. If an applicant requested funds for new construction, acquisition, or rehabilitation in addition to requesting funds for operating, supportive services, or HMIS, the term had to be **3 years plus the time** necessary to acquire the property, complete construction, and begin operating the project
7. Expansion proposals are limited to **1 year**.
8. YHDP replacement projects are limited to **1 year**.
9. HUD will allow new projects that request a **1 year** of funding to request a longer initial grant term not to exceed 18 months. HUD has determined that most new projects requesting 1 year of funding normally take approximately 3 to 6 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 1 year of funding may request a grant term of 12 months to 18 months.

Match Requirements

All eligible funding costs, except leasing, must be matched with no less than **a 25 percent cash or in-kind contribution**. **No match is required for leasing**. The match requirements apply to project administration funds, CoC planning costs, and UFA costs, along with the traditional expenses—operations, rental assistance, supportive services, and HMIS.

However, YHDP renewal or replacement projects will not be required to meet the 25 percent match requirement if the applicant is able to demonstrate it has taken reasonable steps to maximize resources available for youth experiencing homelessness.

Cash match: A recipient or subrecipient may use funds from any source, including any other federal sources (excluding CoC program funds), as well as State, local, and private sources, if funds from the source are not statutorily prohibited to be used as a match. (The recipient must ensure that the rules governing match funds allow them to be match for the CoC Program.) The cash must be used for activities that are eligible under the CoC Interim

Rule.
- NOTE: **Program income CAN be used as match**.
- Funds from other federal programs (e.g., HUD VASH) are eligible sources of match and are considered government sources. Project applicants are encouraged to include funds from these sources, whenever possible.

In-kind Match: The recipient or subrecipient may use the value of **property, equipment, goods**, or **services** contributed to the project, provided that, if the recipient or subrecipient had to pay for such items with grant funds, the costs would have been eligible. If third-party services are to be used as a match, the recipient or subrecipient and the **third-party service provider** that will deliver the services must enter into a **memorandum of understanding (MOU)**—before the grant is executed—documenting that the third party will provide such services and value towards the project.
- Services provided by individuals must be valued at rates consistent with those ordinarily paid for similar work in the recipient's or subrecipient's organization
- The MOU must establish the unconditional commitment, except for selection to receive a grant, by the third party to provide services, the specific service to be provided, the profession of the persons providing the service, and the hourly cost of the service to be provided.

*Electronic Application (*e-snaps*)*

The following e-snaps information is just a summary. Project applicants should rely on HUD's very detailed e-snaps materials as authoritative on e-snaps matters.

CoCs and applicants are required to apply for CoC funds electronically through HUD's *e-snaps* system.   Santa Cruz County projects must participate in the Santa Cruz CoC application through *e-snaps*. The e-snaps online grant application and management system, training materials, Frequently Asked Questions, and additional resources are available at: https://www.hudexchange.info.

Questions may be submitted to HUD through the *e-snaps* Virtual Helpdesk also at: esnaps@hud.gov.

E-snaps can be directly accessed at: https://esnaps.hud.gov.

In essence, applicants will:

1. Create a User Profile (new users only): First, create a username and password
2. Project Applicant Profile: Second, fill out and submit a Project Applicant Profile form AND
3. Project Application: Finally, register for, fill out and submit a Project Application form for each project and provide applicable attachments.

H4H lead staff will have access in *e-snaps* to each Project Application to review the applications. Any changes needed will be returned to applicants for correction. H4HP staff will not be able to directly edit Project Applications.

In 2025, the H4HP Policy Board must approve (or reject), rank, and place into Tier 1 or Tier 2 all projects correctly submitted in e-snaps. This includes CoC bonus and DV bonus, and YHDP projects, but does not include CoC planning projects. If not correctly submitted, projects cannot be approved or ranked in e-snaps and thus cannot be funded.

Applicants using e-snaps must have a valid **federal Unique ID** number and up-to-date federal **System for Award Management (SAM)** registration.

Again, only basic information about e-snaps (subject to change and correction) is provided above. Therefore, it is critical that you access and review e-snaps materials at: https://www.hudexchange.info.

The Santa Cruz County H4HP's CoC Consultant will be available to answer questions about e-snaps at tonygardnerconsulting@yahoo.com. ***Before contacting the consultant, please attempt to answer your own question by reading the applicable e-snaps information or training materials.***

LOCAL SANTA CRUZ COUNTY 2025 CoC PROJECT EVALUATION PROCESS

Role of the Santa Cruz County Housing for Health Partnership (H4HP)

Applicants for new and/or renewal CoC/YHDP funding must participate in the local consolidated application being coordinated by the Santa Cruz H4HP. The process includes applying for funds, providing information as needed for the consolidated application, and participating in planning meetings. The key local deadlines and requirements are listed in the attached CoC/YHDP Timeline. The dates and requirements are subject to change. The best way to keep track of such changes is to attend all the meetings; however, we will make our best effort to keep everyone informed! Technical assistance is available from the CoC Consultant at tonygardnerconsulting@yahoo.com.

Types of Projects Encouraged

All eligible projects are encouraged to apply for CoC funds in the local competition. Based upon HUD priorities and Santa Cruz CoC priorities the following proposal types are being encouraged accepted:

30% PH Cap:
- Only PSH renewals with rental assistance tied to development-based funding commitments[1]

Other Renewals:
- CES, HMIS, and YHDP TH or SSO renewals

New Projects Reallocated from PSH, RRH, and TH-RRH Renewals:
- TH (including DV bonus projects) or SSO

New YHDP Replacement or Reallocation Projects
- TH or SSO replacing or reallocating RRH or TH-RRH projects

DV Bonus
- New TH 100% DV

New CoC Bonus (not tied to reallocated funds)
- TH, TH including SUD Treatment, Street Outreach, or Other SSO.

As mentioned above, funds are NOT available due to HUD rules or CoC priorities for:
- CoC, YHDP, and DV Bonus RRH projects
- CoC, YHDP, and DV Bonus TH-RRH projects

---

[1] New PSH will be considered if, after selecting PSH renewals, there is an unused gap in the PH cap funds.

- Emergency Shelter or Interim Housing projects (except TH)
- New YHDP projects of any type (except replacements by current grantees)
- Prevention projects
- Projects serving persons who are not experiencing homelessness.

Notice Regarding Potential Reallocation of Funds

Please be aware that the H4HP Policy Board will review all renewal grants and may reallocate funds if it finds that the renewal project is under performing, obsolete, contrary to HUD policy, ineffective, or that reallocation would reduce homelessness or improve program or administrative efficiency. See above for the types of projects that are eligible and prioritized to receive reallocated funds. YHDP and DV Bonus projects may be reallocated, as follows:

1. YHDP renewal grants may be reallocated, in whole or in part, based upon need, HUD policy, and/or performance, to one or more new projects with a different recipient. However, any new project thus created must serve a 100% YHDP-eligible population and may only carry out YHDP-eligible program activities.
2. DV Bonus renewal grants may be reallocated, in whole or in part, based upon need, HUD policy, and/or performance, to one or more new projects with a different recipient. However, any new project thus created must serve a 100% DV Bonus-eligible population and may only be for a TH.

Encouragement of Voluntary or Transitional Reallocation to Better Align the CoC

In order to encourage projects to voluntarily align themselves with HUD policies and priorities and local priorities under *Housing for a Healthy Santa Cruz: A Strategic Framework for Addressing Homelessness in Santa Cruz County, 2024-2027*, existing PSH, RRH, and TH-RRH projects, or other projects components that are no longer needed, that no longer match the agency's mission, that no longer match HUD policy, or that are underperforming, wishing to convert their project to one of the eligible new reallocation project types described and prioritized above, will be given priority by the H4HP Board in accessing the funds reallocated from their existing project. Such projects may use the transitional grant procedure allowed this year under the 2025 CoC NOFO.

Specific Methods of Evaluating Proposals From Victim Service Providers

The H4HP encourages applications from victim service providers and other providers for DV bonus projects and other projects that will help meet the housing, safety, and other needs of survivors of domestic violence, dating violence, and stalking. The following specific evaluation methods apply to proposals from victim service providers:

Renewal Proposals:
- Use of comparable database: Victim service providers are prohibited from entering data into HMIS and instead must use a comparable database that meets HMIS requirements. Therefore, all relevant performance and data questions in the local supplemental application and the HUD e-snaps application must be answered using aggregate (non-identifiable) data from a comparable database.
- Addressing program factors: The project quality, readiness, and appropriateness section of the local supplemental application and the project description section of HUD e-snaps application must include a description the project applicant's previous experience and performance, inclusion of victim-centered practices, and how the project will improve the safety of participants.

New Project Proposals

- Use of comparable database: Victim service providers are prohibited from entering data into HMIS and instead must use a comparable database that meets HMIS requirements. Therefore, victim service providers proposing new projects must agree to use a comparable database and to provide the CoC with aggregate (non-identifiable) data from the comparable database.
- Addressing program factors: The local project application and the HUD e-snaps application must include a description the project applicant's previous experience and performance, inclusion of victim-centered practices, and how the project will improve the safety of participants.

Basic Local Evaluation Process Steps, Local Deadlines, Decision Minutes, Notice to Applicants, and Website Posting of Priority Listings

- H4HP staff issue an internal (Santa Cruz County) notice of funding with an application timeline specifying key requirements, criteria including system performance measures, dates, and deadlines.
- CoC Consultant holds an Applicant Orientation Session(s) to brief all prospective, new, and existing applicants about the requirements and process and to make sure every applicant has the necessary information and evaluation and application-related materials to apply.
- CoC Consultant furnishes on-going technical assistance to all applicants e-mail regarding technical requirements and *e-snaps*.
- H4H requires that local Project Proposals using H4HP-created application forms with required attachments (such as renewal APRs) be submitted for review and ranking (at least 30 days before the HUD deadline).
- The H4HP Rating and Ranking Committee, under H4HP Policy Board direction, meets to develop recommendations to approve or reject, score, rank, and place in Tier 1 or Tier 2 renewal and new project applications (including CoC and DV bonus projects), and to hear applicant presentations.
- H4HP staff provide notice to applicants regarding project approval or rejection, rank order, tier placement, and any reduction (at least 15 days before the HUD deadline). Minutes of the decisions will be made available to all CoC Members and will get posted online with the Project Priority listings.
- The H4HP Policy Board meets to review Rating and Ranking Committee recommendations, any eligible appeals, and to approve the final project selections, rank order, and tier placement.
- H4HP requires that complete and accurate Project Applications be submitted in *e-snaps* with all HUD-required forms (H4HP staff and consultants will conduct a thorough technical review of the Project Applications and may amend them back in e-snaps for correction and re-submission).
- H4H posts the CoC Application and Project Priorities submission online for public review (at least two days before the HUD deadline).
- H4H submits the final 2025 CoC application in e-snaps to HUD, including the CoC Application, Project Applications, and Project Priority Listings.

H4HP Rating and Ranking and Publicly Announced Objective Criteria

HUD requires that the community review, approve (or reject), rank, and place into Tiers 1 and 2 all projects submitted including CoC, YHDP, and DV bonus projects (but not including the CoC planning project, which is not ranked). As in previous years, this process will be carried out by the H4HP Rating and Ranking Committee with members selected for (1) lack of conflict of interest, (2) knowledge of the community and homelessness issues, and (3) representative of varied sector interests.

The H4HP Rating and Ranking Committee members will engage in a fair, objective decision process that may include the following:

1. Signing the H4HP's No Conflict-of-Interest Policy and recusal in any cases of conflict.

2. Reviewing, rating, and evaluating local projects using previously publicly announced objective scoring criteria that include system performance measures.
3. The local applications and objective scoring criteria will include project HMIS data used to measure project and system performance in line with national HEARTH Act performance objectives.
4. Proposal question and answer with applicants (if needed).
5. Discussion of the local applications in the context of local strategic plan and HUD policies and priorities.
6. Vote on the approval (or rejection), rank order, and tier placement (if applicable) of each new and renewal project (including YHDP, CoC Bonus, and DV Bonus projects).
7. As mentioned above, all applicants will receive notice regarding project approval (or rejection), rank order, Tier placement, and any reduction (at least 15 days before the HUD deadline). Minutes of the rating and rank-ing decisions, and bonus selection, will be made available to all CoC Members, and will get posted online with the Project Priority listings (at least two days before the HUD deadline).

Deadlines and Proposal Requirements

Please see the attached CoC/YHDP Process Timeline and Local Proposal Instructions/Checklist.

On-Call Technical Assistance: New and Existing Applicants

If you need on-call assistance, contact the H4HP CoC Consultant at tonygardnerconsulting@yahoo.com.

Resource Information

1. 2025 CoC NOFO Competition Page: https://www.hud.gov/hud-partners/community-coc
2. 2025 CoC NOFO: https://www.grants.gov/search-results-detail/360861
3. CoC Program Interim Rule (24 CFR part 578): https://www.govinfo.gov/content/pkg/CFR-2018-title24-vol3/xml/CFR-2018-title24-vol3-part578.xml
4. Application Pages Access e-snaps Application System: https://esnaps.hud.gov
5. e-snaps Information: https://www.hudexchange.info/programs/e-snaps/
6. Code of Conduct for HUD Grant Programs: https://www.hud.gov/programof-fices/spm/gmomgmt/grantsinfo/conductgrants
7. System for Award Management (SAM): https://www.sam.gov/SAM
8. HUD Website: www.hud.gov
9. HUD Resources general site: www.hudexchange.info
10. Training and Resources: https://www.hudexchange.info/resources/
11. Ask A Question (AAQ) Portal: https://www.hudexchange.info/program-support/my-question/
12. CoC/YHDP NOFO and program questions: CoCNOFO@hud.gov
13. E-snaps questions: esnaps@hud.gov
14. Santa Cruz County H4HP webpage: https://housingforhealthpartnership.org/About/HousingforaHealthySantaCruzCounty.aspx

Separate Attachments

The following attachments can be found on the H4HP webpage, under Funding Opportunities:

1. Local CoC/YHDP Process Timeline
2. Local Project Scoring Criteria and Tool
3. Local Project Application Form
4. Local Project Application Instructions and Checklist.