

Frequently Asked Questions:

Applying to the Continuum of Care Program Notice of Funding Opportunity (CoC Program NOFO) November 2025

This FAQ document has been drafted by National Alliance to End Homelessness staff in response to recent changes in HUD's FY25 CoC Program NOFO. It contains common questions that Continuum of Care leads may have, answered by Alliance experts. Please note: these FAQs **do not** substitute legal advice or provide technical information on how to respond to specific questions that may be asked in the NOFO. Questions should be submitted to HUD for official government response.

Category	Questions(s)	Alliance Response
Advocacy	What is the expected timeline for the THUD (Transportation-Housing and Urban Development) appropriations bill, and how could that bill impact this NOFO?	<p>The current Continuing Resolution (CR) is set to expire on January 30, 2026. Congress must pass a full-year spending bill by that deadline or pass another CR to keep the government open.</p> <p>The Alliance's current advocacy efforts are focused on urging Congress to include a provision in an upcoming appropriations bill that would require HUD to fund all eligible renewal projects that expire in calendar year 2026.</p>
	What are effective strategies for engaging Democrats already on board, and Republicans who may be reluctant to show public opposition?	<p>Refer to the Take Action page on the Alliance's website to get information about the current opportunity, find resources, and learn tips for action.</p> <p>Please also see the House GOP sign-on letter re: the CoC NOFO.</p>
	How should state and local leaders be preparing? What should budgetary asks be of these decision-makers?	Use the Alliance's new Contingency Planning Toolkit as your community navigates difficult decisions that lie ahead. This toolkit will help ensure informed and accurate conversations with community partners who will also be impacted. Toolkit materials will allow for informed and productive dialogue focused on the entire safety net adjacent to or integrated with housing (e.g.,

		behavioral and physical health, food stability, public safety, education, and others).
Caps/Tiers	What is included in the 30% cap on permanent housing in the FY2025 CoC Program NOFO?	HUD's new FY2025 CoC Program NOFO limits the amount of funding that CoCs may request for permanent housing to the amount equal to 30% of a CoC's Annual Renewal Demand (ARD). This cap includes all permanent housing, including Permanent Supportive Housing, Rapid Re-Housing, and Joint Component TH-RRH. It is also inclusive of both new and renewal requests. Any project requests for permanent housing that exceeds this cap will be rejected and removed from consideration.
	What types of projects can be ranked in Tier 1 vs. Tier 2?	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; Joint TH-RR projects remain eligible for renewal funding but are not allowable as a new project. Whether a project fits within Tier 1 or Tier 2 will depend on the CoC's local decision-making process and ranking decisions.
Coordinated Entry	How does this NOFO impact CES funding and prioritization?	<p>There are no substantive changes to requirements associated with coordinated entry or coordinated entry projects (SSO-CE) in the FY2025 CoC Program NOFO. However, there are items that the CoC will need to consider when anticipating the impact of other parts of the NOFO.</p> <ul style="list-style-type: none"> - To the extent that the CoC's Coordinated Entry is funded in part or full with CoC Program funding and that project is eligible for renewal in FY2025, the CoC will need to determine the project ranking. - Regardless of how Coordinated Entry is funded, the new cap on permanent housing and changes to the overall funding amount could have significant impacts on how the coordinated entry functions, prioritization decisions, and the community's ability to quickly rehouse people experiencing homelessness.

		<p>- Communities will also need to reassess their CES written standards and processes to account for changes to program types and availability. This way, communities can ensure that assessment, prioritization, and referral pathways remain consistent, fair, and aligned with the shifting funding landscape.</p>
Immigration	<p>What are the expectations for nonprofits who have been exempt from SAVE and do not have access?</p>	<p>Nonprofit charitable organizations that receive CoC awards directly from HUD are not required to verify immigration status for any grant-funded service's. However²:</p> <ul style="list-style-type: none"> - If a state or local government (SLG) verifies an individual's immigration status and shares that information with a nonprofit recipient, the nonprofit must deny or terminate services in accordance with that verification, as described below for SLG recipients. - If a nonprofit acts as a subrecipient to an SLG CoC recipient, the SLG recipient likely remains obligated to verify immigration status, as described below. In that circumstance, the SLG may choose to delegate that obligation to the nonprofit subrecipient. <p>The FY2025 CoC Program NOFO provides for up to 4 "Policy Initiative Preference Points." This is based on the extent to which all nonprofit recipients within the CoC voluntarily use SAVE to verify immigration status directly or in coordination with a governmental entity.</p>

¹ Department of Justice, [Interim Guidance on Verification of Citizenship, Qualified Alien Status and Eligibility Under Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996](#), 62 Fed. Reg. 61344, at 61346 (Nov. 17, 1997).

² Historically, it was understood that nonprofit subrecipients were exempt from PRWORA's verification requirements, the same as nonprofit primary recipients. However, at least one other agency (the Education Department) expressly stated in July guidance that SLGs "involved in the administration" of federal public benefits remain subject to the verification requirement, "even when some or all [] services are ultimately provided by a nonprofit charitable organization." US Dept. of Education, [Clarification of Federal Public Benefits Under the Personal Responsibility and Work Opportunity Reconciliation Act](#), 90 Fed. Reg. 30896, 30900 (July 11, 2025). Neither HUD nor the Department of Justice has expressly adopted this narrow view of the nonprofit exception, but the Department of Education's interpretive guidance signals evolving understandings of PRWORA's scope within the Trump Administration. Under the circumstances, it is likely that SLGs must ensure PRWORA verifications are conducted for services delivered by nonprofit subrecipients, whether by the SLG itself or by the subrecipients.

Harm Reduction	What are the HUD's operating definitions for terms such as "harm reduction, illicit drugs, and drug paraphernalia?" How is the provision of Narcan considered?	<p>The FY2025 CoC Program NOFO does not include a definition of "harm reduction," but refers to the Executive Order from July, <i>Ending Crime and Disorder on America's Streets</i>.</p> <p>The Executive Order also did not provide clarity on how the Administration is defining these activities. However, soon after it was released, the U.S. Department of Health and Human Services (HHS) Substance Abuse and Mental Health Services Administration (SAMHSA) released a "Dear Colleague" letter which does provide some guidance, including what activities are allowed versus those that are prohibited. Absent additional guidance from HUD, this guidance from SAMHSA is likely the most useful to assess projects against.</p>
Punitive Policies	What policies (or lack thereof) disqualify a CoC from attaining points related to camping bans and engaging law enforcement?	<p>The FY2025 CoC Program NOFO provides points to CoCs based on the existence of local or state laws that prohibit public camping and illicit drug use in public. To receive points, the CoC must demonstrate not only that the law(s) exists but also that there are protocols in place to enforce them. The law(s) must also cover the CoC's entire geographic area.</p> <p>At the project level, Supportive Services Only (SSO) projects for street outreach must demonstrate that the applicant has a history of partnering with law enforcement and will cooperate</p>

		with the enforcement of local laws associated with bans on public camping and public drug use.
Litigation	How should communities navigate any requirements discussed in the NOFO that may be contrary to state, local, or federal laws and/or requirements?	Communities should consult with legal counsel to navigate provisions that they feel violate elements of statutes, regulations, and the Fair Housing Act.
	How does the CoC Builds lawsuit impact this current NOFO?	The CoC Builds lawsuit has no impact on this NOFO.
Reallocation	If a Permanent Supportive Housing (PSH) or Rapid Re-Housing (RRH) project is reallocated to transitional housing (TH), will current program participants be eligible for the TH project so they can remain in place?	<p>Program participants residing in CoC-funded RRH and PSH are housed and are not homeless. Although participants maintain eligibility for the purposes of a transfer into PSH, if needed, this does not apply to any other project types (42 USC 11383(f)).</p> <p>To be eligible for transitional housing, a household must meet Category 1, 2, or 4 of the homeless definition. Because program participants in PSH and RRH are housed, they would not be eligible for a new transitional housing project created through reallocation in FY2025. (42 USC 11302 and 24 CFR 578.37)</p> <p>There is some discussion that the loss of rental assistance resulting from reallocation would be sufficient to allow someone to meet Category 2 of the homeless definition if they have not identified a subsequent residence and they have limited resources or support. However, this is not consistent with the statute, regulation, or prior HUD guidance.</p> <p>For leaseholders, which most participants in RRH and PSH are,</p>

		Category 2 (24 CFR 576.500) requires a "court order resulting from an eviction action that requires the individual or family to leave their residence within 14 days after the date of their application for homeless assistance; or the equivalent notice under applicable state law, a Notice to Quit, or a Notice to Terminate issued under state law." According to current regulation, the loss of rental assistance in and of itself would not be sufficient.
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	<p>What are the parameters around organizations applying for transition grants? Is there a maximum number of grants an organization can apply for? Is it possible to undergo a partial reallocation, and who should be listed as the applicant?</p>	<p>The FY2025 NOFO allows for CoCs to create a transition grant, which is a new project funded through the reallocation process. The renewal project transitioning to a new component must be fully eliminated through reallocation. Any renewal grant funded through the CoC Program or Special NOFO can be reallocated to create a transition grant. On page 45, the NOFO states that YHDP Renewal Grants may not use the transition grant process. There is conflicting information regarding DV Renewal projects (on page 44, it indicates that DV Renewal projects could be included, however, on page 45 it explicitly says they are not eligible).</p> <p>A transition grant allows for a reallocated project to transition from one program component to another eligible component over a 1-year period. Transition grant applications awarded FY 2025 funds must fully transition to the new component by the end of the 1-year grant term and may only apply for renewal in the next CoC Program Competition under the component to which it transitioned. This allows more time to phase out the current project.</p> <p>The operating start date of the transition grant will be the day after the end of the earliest expiring grant term.</p> <p>The new transition grant must meet all project quality and project threshold requirements for new projects and new project applicants. In order to qualify as a transition grant, the applicant must be the same organization as the current grant recipient. If HUD determines a new project submitted as a transition grant does not qualify, but meets all other new project requirements, HUD may award the project as a new non-transition grant project. If this occurs, the new project operating start date will be reflected in the grant agreement.</p>

Service Requirements	What services do Supportive Services Only (SSO) projects cover, and what interventions can you pair them with? (i.e., emergency shelter, PSH)	Supportive Services Only (SSO) projects provide supportive services to unsheltered and sheltered homeless people for whom the recipient or subrecipient is not providing housing or housing assistance and the project is not otherwise connected to the provision of housing. SSO projects could include street outreach, housing navigation, street medicine, drop-in centers, and care coordination.
	What are expectations for the 40-hour of services a week for TH? Can these services be administered in a group setting? How would services need to be “enforced”?	<p>No additional information was provided in the FY2025 NOFO regarding what HUD will expect related to the provision of 40 hours per week supportive services per program participant.</p> <p>Eligible supportive services in the CoC program include assessment of services, moving costs, case management, childcare, education services, employment assistance and job training, food, housing search and counseling services, legal services, life skills training, mental health services, outpatient health services, outreach services, substance use treatment, transportation, and utility deposits.</p>
Timing	Based on application deadlines and review, how much of a delay to funding could communities see? How will communities be able to plug in this gap?	<p>According to the NOFO, HUD anticipates making awards in May 2026. However, based on historical CoC award timelines, May is an aggressive goal.</p> <p>Normally, once awards are announced, field offices will work to execute grant agreements and may prioritize renewal or transition grants with early expiration dates first. New grants will not begin until grant agreements are executed. This could be several months after awards are announced.</p> <p>Use the Alliance's Contingency Planning Toolkit as your community navigates difficult decisions that lie ahead. This toolkit will help ensure informed and accurate conversations with community partners who will also be impacted. Toolkit materials will allow for informed and productive dialogue focused on the entire safety net adjacent to or integrated with housing (e.g., behavioral and physical health, food stability, public safety, education, and others).</p>

Definitions	For new permanent supportive housing projects, the FY2025 NOFO limits eligibility to individuals who are elderly and/or who have a physical disability or impairment. How does this impact the eligibility of people with non-physical disabilities?	<p>The Alliance cannot fully answer this question, other than to provide information on current statutory requirements. We recommend submitting related questions directly to HUD for a response.</p> <p>The McKinney-Vento Act requires that PSH serve homeless individuals with a disability. This requires a person to have a disability that is expected to be long-continuing or of indefinite duration, substantially impedes the individual's ability to live independently, and could be improved by the provision of more suitable housing conditions.</p> <p>It includes the following: a physical, mental, or emotional impairment, including an impairment caused by alcohol or drug abuse, post-traumatic stress disorder, or brain injury; a developmental disability, as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15002); or; is the disease of acquired immunodeficiency syndrome or any condition arising from the etiologic agency for acquired immunodeficiency syndrome.</p> <p>Federal Civil Rights laws and requirements do not allow discrimination based on protected classes which include race, color, religion, national origin, sex, age, familial status, or disability.</p>
Domestic Violence	How should DV service providers approach requirements that seem to conflict with FVPSA, VAWA and VOCA?	The Alliance does not know how HUD intends to reconcile conflicts between the NOFO and statutory requirements under FVPSA, VAWA and VOCA. We recommend that applicants submit this question directly to HUD.
	Are survivors of DV also expected to meet the services requirements?	There do not appear to be any exceptions related to service participation requirements in new projects for survivors of DV.

	Can the DV bonus be used to fund DV reallocations, as DV renewals can't use a transition grant?	<p>CoCs may reallocate eligible DV Renewal to create new DV Reallocation projects that are dedicated to serving individuals and families who are fleeing or attempting to flee domestic violence, dating violence, sexual assault, or stalking and who qualify under paragraphs (1) or (4) of the definition of homelessness act.</p> <p>Funding made available from the reallocation of expiring DV Renewal projects may be used for “new rapid re-housing projects and supportive service projects providing coordinated entry, and for eligible activities that the Secretary determines to be critical in order to assist individuals and families of persons experiencing trauma or a lack of safety related to fleeing or attempting to flee domestic violence, dating violence, sexual assault, or stalking.”</p>
Equity	How do HUD's new requirements around gender identity and equity square with local and state laws, as well as previous federal policy?	<p>The Equal Access Rule remains in effect until formally withdrawn through the rulemaking and public comment process. The Alliance encourages the field to continue to create safe and welcoming environments through programs that support gender-expansive households – and all program participations – through person-centered strategies.</p> <p>Many states, cities or counties have additional protected classes (such as immigration status, sexual orientation, gender identity, etc.) <i>and</i> protections beyond federal civil rights laws.</p> <p>Contact your local housing counseling agency, human rights agency or commission, or state fair housing office to understand the additional protected classes, protections specific to your community, and guidance from local experts.</p>