

# FY2026 CoC NOFO Webinar

## June 11, 2026

# Agenda

Definitions

Review NOFO Purpose & Process

Discuss Major Policy Objectives in FY26 NOFO

- HUD's Funding Priorities
- Highlight major changes from previous years

Indiana Balance of State Board Considerations

Considerations for your project

Q & A

# DEFINITIONS

**CoC** = Continuum of Care grant program, also colloquial term for our collective statewide system of service providers

**NOFO** = notice of funding opportunity

**ARD** = Annual renewal demand (the amount of funding set-aside for each CoC)

*\*\*Note: HUD assigns a maximum ARD to each CoC, but does not have to award the maximum*

**Internal Competition** = Competition within our CoC for inclusion in the collaborative application

**Collaborative Application** = The total application sent to HUD on behalf of our CoC

**Collaborative Applicant** = IHCDA is the designated collaborative applicant for the Indiana Balance of State CoC

**If we use acronyms today that you don't know, please ask for clarification!**

# WHAT IS THE NOFO?

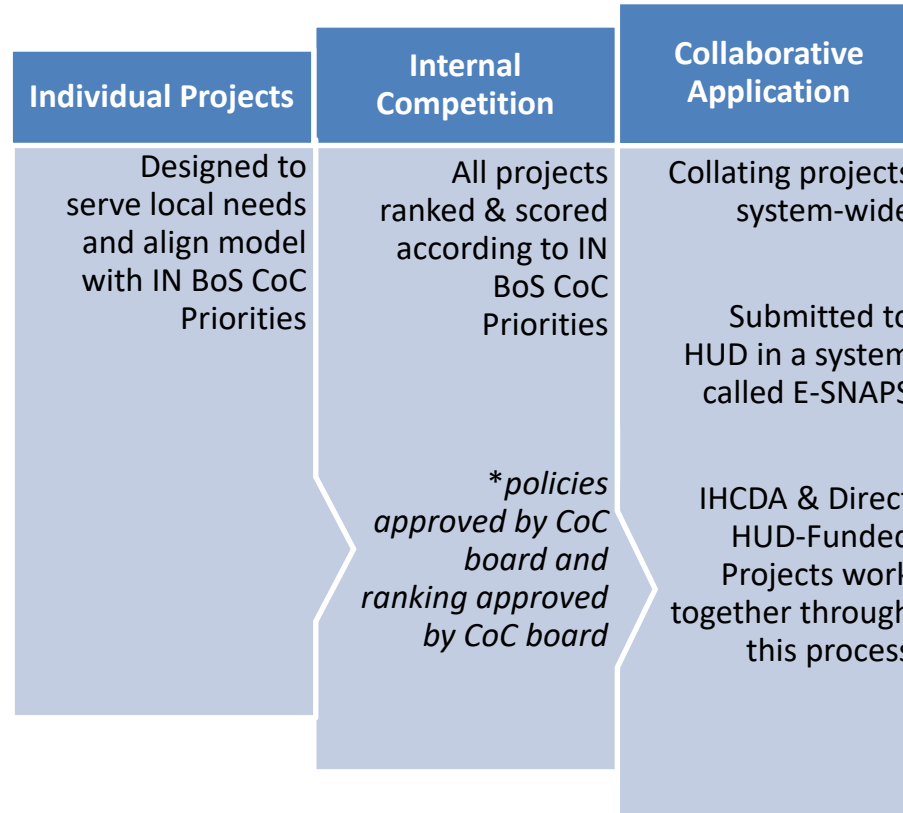
Congressional Appropriation of Funds for homelessness services

HUD Budgets & Creates Policy based on administrative priorities

CoC's Nationwide compete for the funds made available



# The Collaborative Application Process



# FUNDING OVERVIEW

\$4,040,000,000 appropriated by Congress

- 1) Planning Costs set at 5% of annual renewal demand
- 2) At least \$104M must be used for NEW DV Bonus projects which can include transitional housing
- 3) At least \$430M must be used for permanent housing for families with children (PSH & RRH)
- 4) Up to \$1.3B set aside for new projects ranked in Tier 2, priority for new TH & SSO
- 5) Recaptured funds were not included in the ARD like they have been in the past

Indiana Balance of State CoC Priorities to be voted on by CoC Board June 18<sup>th</sup> 2026

# THE FUNDING TIERS

Tier 1 Funding = 60% of ARD

Tier 2 Funding = 40% of ARD

CoC Bonus, DV Bonus

# HUD's Funding Priorities

## CONDITIONAL SELECTION PROJECT

1.

All CoC Planning and UFA Costs applications that meet project threshold requirements.

2.

All projects ranked in Tier 1 that meet project threshold requirements. Can include any type of project, new or renewal, including DV Bonus.

3.

If DV Bonus ranked in Tier 1 = \$104 million, no further action needed; If total does not = \$104 million, select DV bonus by project score in Tier 2 up to \$104 million  
DV Bonus ranked in Tier 2 > \$104 million *may* still be selected based on project score using steps below

4.

If PH projects for families with children ranked in Tier 1 = \$430 million, no further action needed; if total does not = \$430 million, select PH projects for families with children by project score in Tier 2 up to \$430 million  
PH projects for families with children ranked in Tier 2 > \$430 million *may* still be selected based on project score using steps below

5.

**New** TH and SSO projects **ranked in Tier 2** by project score (could include DV Bonus for TH and SSO not already selected) until \$1.3 billion of new projects selected

6.

(If funds available) Other types of **new** projects **ranked in Tier 2** by project score until the \$1.3 billion amount has been reached. Once \$1.3 billion in new projects has been reached, HUD will remove any remaining unselected new projects

7.

(If funds available) HUD will select renewal projects ranked in Tier 2 that meet project threshold requirements by Tier 2 score until all remaining available funds have been expended.

# HIGHLIGHTING KEY CHANGES

- CoC Bonus formula depends on the CoC structure and competitive nationwide
- No special protections or guaranteed funding except planning grant
- Priority for New TH & SSO Projects
- Renewals are de-prioritized
- Set-Aside for families with children
- Expanded eligibility for PSH
  - PSH projects that are not dedicated to chronically homeless (Dedicated Plus) may serve people with disabilities who meet Category 2 in addition to Cat 1 & 4
- Updated definition of self sufficiency: “the ability to meet basic needs, including a place to live, without public or private assistance.”
- Expanded definition of risk review & merit review – organization specific, not just project specific or CoC specific
- Contracts will include language relating to administration priorities & executive orders
- Changes to Rural Special NOFO Set Aside cost eligibility
- Emphasis on no returns to homelessness & increase in employment income

# SCORING CATEGORIES

Project Capacity, Review & Ranking – 14 pts.

System Performance – 64 pts.

CoC Coordination & Engagement – 122 pts.

CoC Merger or Unified Funding Agency Bonus – 6 pts. (not applicable)

Policy Initiative Preference Points – 14 pts.

# COC BOARD CONSIDERATIONS

## Tier 1 Prioritization

- Prioritize renewals of PSH Only
- Prioritize Renewals of PSH & Other Permanent Housing Types (RRH)

## Tier 2 Prioritization

- To include or not to include renewals

## DV Bonus Considerations

- Do all DV projects rank in the same tier?
- Should all DV projects be only new, only renewals, or a mix of new & renewals?

## CoC-Wide Supportive Services Requirements

## CoC-Wide Policy on Safe Injection Sites

## Ranking of Statutory-Required infrastructure projects (HMIS & CE)

# CONSIDERATIONS FOR YOUR PROJECT

Nonprofit entities cannot administer rental assistance in Transitional Housing. Leasing and operation costs are eligible, but this will require a program change.

Transitional Housing Projects will score higher if they implement a service participation requirement of 20 hours per participant per week. (specifics and exceptions are on **page 63 of NOFO**)

Low scoring PSH, especially those that do not serve families with children will need to transition to TH or identify alternative funding outside of CoC funds.

HUD has released guidance on eligibility of PSH>TH including how some current PSH clients may transition in place.

Merit & Risk Review will be conducted by HUD for all projects. High risk includes categories beyond financial & grants management – **review page 86 of NOFO**

Contracts will include language from administrative priorities and executive orders – **review page 106 of NOFO**