2025 HUD CoC NOFO Competition Information Session

Tuesday, November 25, 2025

3:00 PM- 5:00 PM

Virtual Meeting

MONTGOMERY COUNTY · 17 76 · MARYLAND

Housing for All
A Stronger Montgomery

What is the NOFO?

The HUD Continuum of Care program is designed to promote a community-wide commitment to the goal of ending homelessness.

The CoC NOFO competition provides funding for programs:
- aimed at quickly rehousing persons experiencing homelessness,
- reducing the trauma and disruption caused by homelessness,
- promoting access to and effective use of mainstream programs by homeless individuals and families,
- seeking to enhance self-sufficiency among those experiencing homelessness.

Roles of the Montgomery County's Department of Health and Human Services, Services to End and Prevent Homelessness
- Collaborative Applicant
- Continuum of Care (CoC) Lead
- Homeless Management Information System (HMIS) Lead

Overview of Changes

- HUD will be awarding more than $3.918 billion as part of the 2025 CoC Competition and Youth Homeless Demonstration Program Grants.

- Tier 1 is set at 30% of overall funding, compared to 90% in 2024

- Tier 2 is set at 70% of overall funding, compared to 10% in 2024

- No more than 30% of the funding can be used for Permanent Housing Programs - Permanent Supportive Housing (PSH) and Rapid Rehousing (RRH)

- New Supportive Service requirements

- New policy priorities and risk review

- Merit review replaces CoC Scoring

- New certification requirements and Opportunity Zone Preference Points

Overview of Changes

- Montgomery County applicants may apply for the following projects:
  - Renewal of PSH programs
  - Transitional Housing
  - Supportive Services Only (SSO)
    - Including street Outreach
- Estimated Annual Renewal Demand (ARD): $11,084,880
  - Tier 1 is equal to 30% - $3,325,464
  - Coc Bonus - $2,216,976
  - DV Bonus - $726,527
- Renewal and New Projects are ranked together.
- Tier 1 and 2 are competitive.

HUD Tier Scoring Criteria

- The maximum amount a CoC may apply for is the sum of the CoC's ARD, eligible CoC Bonus amounts, eligible DV Bonus amount, and eligible CoC Planning amounts.

- HUD will award a point value to each ranked new and renewal project application that is in Tier 2 using a 100 point scale.

- **CoC Score** – Up to 50 points in direct proportion to the score received on the CoC Application. For example, if the CoC scores 65 out of 130, the applicant will score 25 out of 50.

- **CoC Project Ranking** – Up to 40 points for the CoC's Ranking, more points are given to projects ranked higher.

- **Service Participation** - Up to 10 points for projects that have or will incorporate supportive services participation requirements in their program design, based on individual need and evidenced in an occupancy agreement or equivalent document.

HUD Policy Priorities

- **Ending the Crisis of Homelessness on Our Streets**
  - 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

- **Prioritizing Treatment and Recovery**
  - CoCs should prioritize projects that provide treatment and services people need to recover and regain self-sufficiency, including on-site behavioral health treatment, robust wraparound supportive services, and participation requirements. CoCs are encouraged to utilize mainstream programs and local and private resources to provide housing and healthcare needed to maintain safe and stable housing.

HUD Policy Priorities

- **Advancing Public Safety**
  - CoCs should cooperate with law enforcement to advance public safety for the entire community impacted by homelessness.

- **Promoting Self Sufficiency**
  - CoCs should partner with workforce development centers, employers, childcare, and other supportive service providers to increase employment and income for program participants.
  - CoC's should prioritize projects that lead to long-term economic independence for individuals and families to exit homelessness and prevent future returns to homelessness.

- **Improving Outcomes**
  - CoCs should review all projects eligible for renewal under this NOFO and 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.

HUD Policy Priorities

- **Minimizing Trauma**
  - 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.

Please review the HUD NOFO for more details about each policy priority

Renewal Project Requirements

Renewal Projects

- Projects may renew to continue ongoing leasing, operating, supportive services, rental assistance, HMIS, and project administrative costs.
- May include non-significant changes, including shifting up to 10% of funds from one approved eligible activity to another.
- May apply to transition to an eligible new component through reallocation.
- May continue to serve the same population and capacity.

Renewal Project Requirements

Renewal Projects

- Project applications are eligible for renewal if the current grant term expires during calendar year 2026.

- All applicants should carefully review the detailed instructions, instructional guides, and funding announcements for the renewal project to ensure that applications are completed correctly.

- Applications should reference HUD Policy Priorities.

- Applications should demonstrate compliance with program requirements outlined in the NOFO.

- Renewal project requests will be evaluated both on the applicant's past CoC grant performance and the renewal project application.

- All renewal budget totals must equal the ARA shown on the Grant Inventory Worksheet (GIW)

Transition Grants

Transition Grants
- A grant application to fund a new project through the reallocation process to transition an eligible renewal project from one program component to another eligible component over a 1-year period.
  - For example, PSH to TH, or RRH to TH.
- Renewal project transitioning to a new component must be fully eliminated through reallocation.
- Projects awarded this grant 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 Competition under the component to which it transitioned.
- The transition grant's start date will be the day after the end of the previous grant term for the expiring component.

Transition Grants

Transition Grants

- Applicants wishing to apply for a transition grant must have the consent of the CoC.
- Must meet HUD's eligibility and threshold requirements.
- For a new project to be considered a transition grant, the new project applicant must:
  - be the recipient listed on the current grant agreement for the renewal grant being eliminated.
  - Must attach a copy of their FY24 application to their FY25 application.

New Projects

New Projects
- Can be created through:
  - CoC Bonus,
  - DV Bonus, and
  - CoC Reallocation (transition grant)
- HUD will allow new projects to request a grant term of 12 to 18 months to allow time for the start-up process.
- Transition grants (reallocation) cannot request 18-month grant agreements.

Reallocation Process

- Reallocation is a process CoCs use to shift funds in whole or in part from existing eligible CoC renewal projects to create one or more new projects without decreasing the CoC's ARD.

- CoCs may only reallocate eligible renewal projects so long as the renewal project being reduced or eliminated has a current grant agreement with an expiration date in CY 2026.

- **Carefully review the instructions in the NOFO as the reallocation process is going to be used for transition grants.**

- Projects may voluntarily reallocate funds to create a new project, Monday, December 1, 2025, by 10 am.

- Notification of funds available from <u>voluntary</u> reallocation will be announced no later than Tuesday, December 2, 2025.

CoC Ranking and Review Process

All new and renewal projects will be reviewed & ranked by the NOFO Scoring and Ranking Workgroup per the established CoC process.

Projects will be assessed using a standard scoring tool.

The NOFO Scoring and Ranking Workgroup will prioritize projects based on the merit criteria and processes to maximize the opportunity for funding.

CoC NOFO Competition Scoring and Ranking Workgroup

NOFO Scoring and Ranking Workgroup:

- Jeff Goldman - ICH Chair
- Ebony Grey - ICH Vice Chair
- Pelumi Olatinpo- ICH Commissioner
- Tara O. Clemons Johnson - County Council Staff
- Melissa Ferguson - Contracts & Grants Monitor

Recommendations

- Adapt to new federal priorities
- Prioritizing preservation of PSH
    - Tiering: PSH in Tier 1, TH and SSO in Tier 2, Bonus in Tier 2.
- Pursue maximum points for competitiveness
- Ranking: tie to NOFO for threshold, service requirements

Merit Review (previously CoC Scoring Criteria)

A. Project capacity, Review and Ranking Updated/New Measures	Points
Updated: Objective Criteria and system performance: Objective criteria represent **at least 50% of the total possible points** in the local scoring process. such as: Cost-effectiveness |Performance data| Type of population served **At least 25% of the total scoring points** are allocated to the following performance measures: Returns to Homelessness Employment Income Supportive Service Participation Requirements	6
Updated: Reallocaton- CoC demonstrates a standard process for reallocating from lower performing OR have reallocated at least 20% of ARD since FY21	1
B. System performance Measures **Updated/New Measures**	
UPDATED: Reduces the number of homeless individuals and families-Measured by PIT count **5 pts** – 20% decrease in the number of unsheltered persons in 2025 compared to 2024. **4 pts** – Decreases in the number of unsheltered persons **in both** periods: 2023 → 2024, **and** 2024 → 2025. **3 pts** – Decrease in the number of unsheltered persons when comparing **2023 to 2025**. **3 pts** – 5% decrease in the number of **chronically homeless (CH)** individuals in 2025 compared to 2024. **2 pts** – Decrease in the **total sheltered + unsheltered** population in 2025 compared to the prior year.	17
UPDATED: Reduces the number of first-time time homelessness among individuals and families: Demonstrate reduction of 20% and identify strategies	1
UPDATED: Successful permanent housing placement: **2 pts** – Rate of successful exits from ES, TH, and RRH is at least **50%**. **2 pts** – At least **20%** of positive program exits result in placement into **unsubsidized housing**. **1 pts** – Applicant **describes strategies** used to achieve or improve successful exits.	5
UPDATED: Reduces the extent to which individuals and families return to homelessness: **3 pts** – Returns to homelessness are **less than 8% over 24 months**. **3 pts** – Returns to homelessness are **7% or less over 12 months**. **1 pts** – Applicant **describes strategies** to reduce returns to homelessness.	7
UPDATED: Increases income for program participants from employment and non-employment cash sources: **3 pts** – **At least 20%** of participants had an **increase in employment** during program participation. **3 pts** – **At least 25%** of participants had an **increase in employment income at exit**. **1 pts** – Applicant **describes strategies** to increase both **employment and non-employment income**.	7

Merit Review (previously CoC Scoring Criteria)-continued

C. CoC Coordination & Engagement Updated/New Measures	Points
UPDATED: Has membership of a variety of stakeholders within the geographic area and considers the needs of all relevant subpopulation	0.5
NEW: Has a governance board representative of community: at least 1 PWLE; 3 elected officials; 1 business community; 2 law enforcement	4
NEW: Availability of Treatment and Recovery Services: Substance use treatment is available **onsite for at least 30% of projects**. The creation or current existence of projects **require participation in substance use treatment** as a condition of occupancy The geographic area has a **minimum number of treatment or recovery beds**, appropriate for its population size. Participants have **access to 24/7 detox services**. The CoC maintains **formal partnerships with CCBHCs** or similar providers. Sober or recovery housing options are available within the CoC. The CoC dedicates a **high % of funding to recovery services** or demonstrates **strong leveraging of external resources**.	16
NEW: Participation requirements for service: maximum points if **100% of projects require services**. **½ of the points** if **50% of projects require services**.	10
NEW: Reduce encampments: Demonstrated reduction of encampments or people in encampments by 20%	10
UPDATED: Coordination with federal, state, local, private, and other organizations: CoC must demonstrate coordination in the planning and operation of projects, describe plans to consult with ESG recipients, and describe how they have or will share PIT, HIC, HMIS, and SPM data with state and local government as permitted by law.	2
NEW: Coordination with Veteran organizations	6
UPDATED: Street outreach (positive exits and partnering with Law enforcement)	6
UPDATED/NEW: Protecting Public Safety: **2 pts** – CoC cites **state or local law** covering the entire geographic area that **prohibits drug use, camping, and loitering**. **2 pts** – CoC has a **protocol for enforcement** that applies across the entire geographic area. **3 pts** – CoC demonstrates the **use of involuntary commitment** when appropriate under state law. **3 pts** – CoC demonstrates the **use of SORNA** (Sex Offender Registration and Notification Act). **3 pts** – CoC assists with **mapping sex offenders** and supports law enforcement or co-responders in **connecting violators of public camping or drug-use laws to services**.	13
UPDATED: Leveraging housing and healthcare resource: Points for at least one TH, PSH or RRH that utilizes healthcare resources provided by private orgs, state/local, faith based, or PHAs	4

CoC Bonus Project

- Total Funds Available: Estimated amount $2,216,976

- Accepting Applications for:
  - Supportive Services Only (SSO)
    - Including street outreach
  - Transitional Housing

- Must meet the thresholds outlined in HUD NOFO

CoC Reallocation Projects

- New projects created through reallocation or transition grants

- Any eligible organization can apply, whether or not they have previously received HUD funding.

- All agencies must have a UEI number. This can be obtained by registering on the SAM.gov portal.

- All applicants should closely review the detailed instructions, instructional guides, and funding announcements for the new project to ensure that their applications are complete.

- New Project applicants will be assessed on their organizational capacity, program design, and project eligibility threshold.

CoC Reallocation Projects (Continued)

Organization Capacity

- Experience performing proposed activities.

- For Domestic Violence Programs: experience working with survivors of domestic violence, dating violence, sexual assault, or stalking; and involvement of survivors in policy and program development and inclusion of victim-centered practices.

- Must demonstrate the financial and management capacity and experience to carry out the project application and the capacity to administer federal funds.

- Have no unresolved HUD findings on other HUD grants.

- Experience leveraging other federal, state, local, and private sector funds.

Domestic Violence Bonus Projects

- Total Funds Available: Estimated $726,527
- Must meet the Eligibility Threshold outlined in the HUD NOFO

- All new projects must commit to Trauma Informed Care, compliance with VAWA, and Victim-Centered practices

- Eligible Participants must meet the Category IV Homeless Definition:
  - Category 4: Any individual or family who Is experiencing trauma or a lack of safety related to, or fleeing or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous, traumatic, or life-threatening conditions related to the violence against the individual or a family member in the individual's or family's current housing situation, including where the health and safety of children are jeopardized; has no other safe residence; and lacks the resources to obtain other safe permanent housing.

Matching Requirements

- **Match -** All projects must meet match requirements to be eligible.

  - HUD requires a minimum of 25% match on all grant funds except for leasing costs.
  - Match can be **in-kind** or **cash.**
  - DHHS will only continue to provide current match funding for renewal PSH projects scored and ranked to be in Tier 1.
  - Any cash or in-kind funds used towards the match must be used to support eligible activities under the grant.

- Rents and occupancy charges collected from participants are considered program income and can be used as a match. Program income should be expended in the program year it is earned.
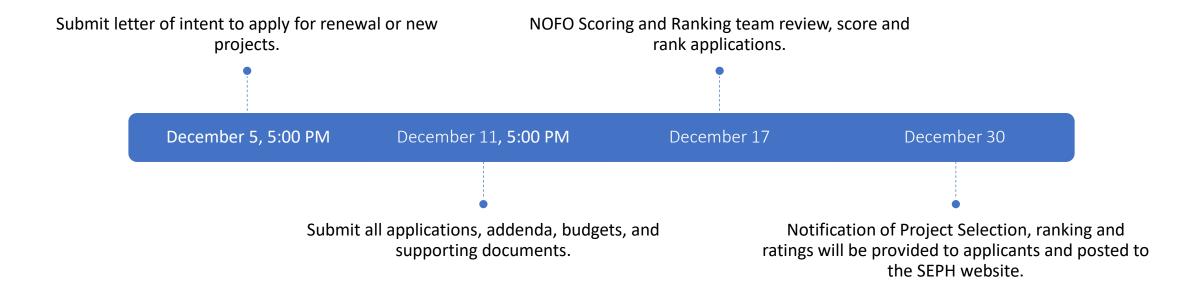
Important Deadlines

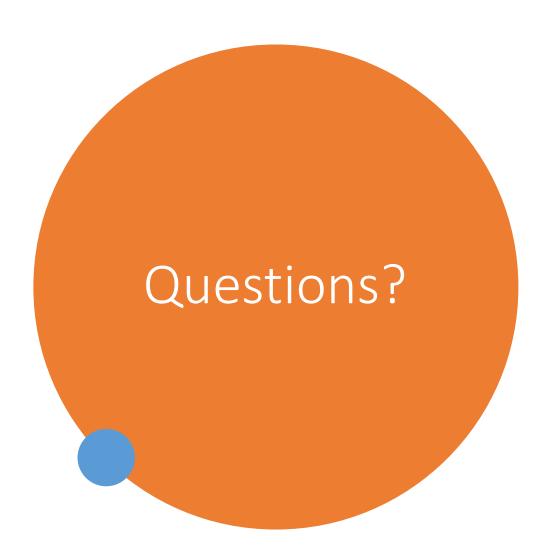**December 11, 2025, at 5pm - Renewal Project supporting documentation are due**

- Most recent HUD Monitoring Reports. If the project was not reviewed by HUD, please provide a statement indicating the last date reviewed and any findings.
- Summary of drawdown expenditures for grants expiring in Calendar Year 2026. Please indicate if all funds were expended, and if not, what amount will be returned with an explanation as to why.
- CoC Coordination Engagement Addendum
- Copies of the **updated** Project's Policy and Procedures and Client/Participant Handbook that document the project's alignment with HUDs priorities and your application.
- Email documents to NOFO@montgomerycountymd.gov

Important Deadlines

- **Monday, December 1, 2025, 10:00 am – Voluntarily reallocation of project funds.**

- **Friday, December 5, 2025 – Letter of intent to apply for renewal, new, or bonus projects**

- **Thursday, December 11, 2025, 5:00 pm. All New and Renewal Project Applications**
  - Completed applications include
    1. CoC Coordination and engagement addendum
    2. Supporting Documents
    3. Projects full budget (**total cost** to operate project)
  - Submit in PDF and Excel format via email to NOFO@montgomerycountymd.gov.
  - Do **NOT** submit the CoC Project Application via e-SNAPS until you are notified.

- Notification of Project Selection and Priority Ranking will be provided to the agency and posted to the SEPH CoC [website](#) on, **December 30, at 5:00 pm.**

Projects Deadlines Summary

Submit letter of intent to apply for renewal or new projects.

NOFO Scoring and Ranking team review, score and rank applications.

| December 5, 5:00 PM | December 11, 5:00 PM | December 17 | December 30 |

Submit all applications, addenda, budgets, and supporting documents.

Notification of Project Selection, ranking and ratings will be provided to applicants and posted to the SEPH website.

Questions?

If you have questions, please contact:

nofo@montgomerycountymd.gov

Useful links:

HUD CoC Program

CoC Program Rule found in 24 CFR part 578

FY25 CoC NOFO – Grants.gov

SEPH Continuum of Care page