



FY2026 YHDP Local Competition

Frequently Asked Questions

Local guidance note: This FAQ is intended to support local YHDP planning and does not replace the HUD NOFO, CoC Program regulations, HUD award conditions, or final HUD guidance. All projects must still meet HUD eligibility, documentation, environmental review, match, and local competition requirements.

General YHDP Project Questions

1. Are all YHDP clients required to come through Youth Coordinated Entry?

Generally, yes. YHDP projects should align with Youth Coordinated Entry unless the project has an approved special population, preference, or referral pathway built into the project design and aligned with the local process. Outreach and community partnerships can still be used to identify and connect youth to the system, but the referral process should ultimately connect back to Youth Coordinated Entry.

2. For an SSO Employment or Behavioral Health project, do referrals come from Coordinated Entry?

Yes. Referrals should generally come through Youth Coordinated Entry.

Projects may still conduct outreach, partner with community organizations, and help identify youth who need services, but the project should not operate as a completely separate referral system outside of Youth Coordinated Entry unless that pathway has been approved and clearly described in the project design.

3. Can a project focus on a specific youth population?

Yes. Projects may be designed around a specific youth population or service need if that is clearly explained and aligned with the NOFO and local process.

Examples may include pregnant and parenting youth, youth aging out of foster care, youth impacted by trafficking or domestic violence, LGBTQ+ youth, youth with behavioral health needs, youth with substance use needs, or youth needing employment and education supports.

If a project has a special population focus or preference, that should be clearly described in the LOI and aligned with the referral process.

4. What does “youth-specific capacity” mean?

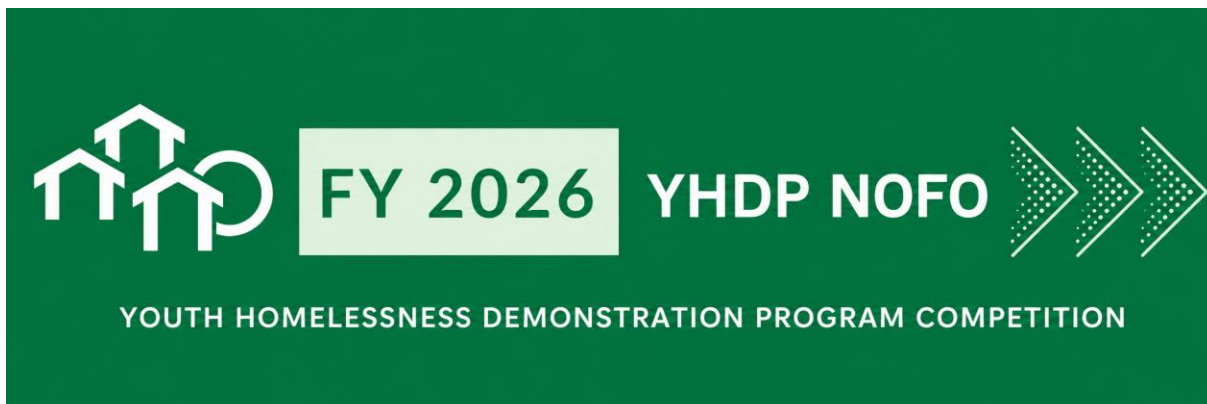
Youth-specific capacity means the project is designed for youth and young adults, not just a general adult service model with youth added in.

Applicants should show how the project will meet the needs of youth, including staffing, services, partnerships, outreach, engagement, trauma-informed care, positive youth development, and connection to youth-specific outcomes.

TH and SSO Project Design

5. What is the main difference between TH and SSO?

TH is a housing model. It can include housing assistance and supportive services.



SSO is a supportive services model. It can include services that help youth connect to housing and stability, but it should not be structured as rental assistance or short-term rent.

A simple way to think about it:

TH = housing plus services.

SSO = services that help youth access and maintain stability, but not rental assistance.

6. What should applicants do if they are unsure whether their idea fits under TH or SSO?

Applicants should describe the actual activity they want to fund. If the main activity is paying for housing or rent, the project may need to be TH. If the main activity is navigation, services, employment, education, behavioral health connection, outreach, documents, benefits, or housing search, the project may fit better as SSO. Applicants should clearly explain the model in the LOI so the review team can assess alignment.

7. What is the local expectation for YHDP Transitional Housing?

YHDP Transitional Housing should be youth-focused, service-rich, and time-limited, with a clear housing and service plan. Locally, TH projects should not be designed as long-term holding patterns. The expectation is that projects help youth move toward stability, income, education/employment, permanent connections, and an appropriate next housing option.

For projects moving away from RRH/PH-type models and into TH, the local expectation is that they operate closer to the faster-paced RRH model they are familiar with, generally planning around 0–9 months, with extensions up to 12 months as needed based on the youth’s needs and project design.

8. Can TH projects provide supportive services?

Yes. Supportive services are an important part of a YHDP TH model. TH projects should clearly describe the services youth will receive, how services support housing stability and self-sufficiency, and how the project will help youth move toward permanent housing, income, education/employment, well-being, and permanent connections.

9. Can a YHDP SSO project provide rental assistance?

No. A YHDP SSO project should not be budgeted as rental assistance, short-term rent, or RRH-style housing assistance.

SSO projects should be framed around eligible supportive services such as case management, housing search and placement, employment and education supports, benefits navigation, outreach, legal services, behavioral health linkages, substance use connections, family mediation, and other housing-focused supportive services.

If a project wants to pay rent or operate a housing assistance model, it likely needs to be structured as Transitional Housing rather than SSO.

10. Can SSO include diversion or short-term rent payments as a special activity?

Not as rental assistance. The current YHDP special activities do not create a general SSO rental assistance or short-term rent category.

Some activities may feel “diversion-like,” such as housing navigation, mediation, document support, family reunification/preservation, transportation, legal services, or connection to housing resources. Certain housing stability costs may also be allowable under YHDP special



activities if properly tied to the project and documented. However, this should not be described or budgeted as rental assistance, short-term rent, or RRH.

Day Center / Navigation Hub

11. Can a YHDP SSO project lease space for a youth day center or navigation hub?

Potentially, yes, if the space is directly tied to eligible supportive services and the project is structured as an SSO project. The concept should not be framed as a general community center or broad drop-in space. It should be framed as a youth-focused SSO navigation hub that helps youth connect to housing stability, self-sufficiency, and supportive services.

Examples of eligible activities may include housing navigation, case management, documents and IDs, benefits, employment and education supports, behavioral health connections, substance use connections, outreach follow-up, family mediation, and connection back to the youth homeless response system. Any facility-related costs should be reasonable, clearly explained, and reviewed for environmental requirements.

12. Should applicants “think big” for the Day Center/Navigation Hub concept?

Yes, but the proposal should still be realistic, eligible, and fundable. Applicants can describe an innovative youth-focused model, but they should also be clear about what YHDP would actually fund during the grant term. If the full vision is larger than what YHDP can support, the proposal should describe the YHDP-funded phase or core service model and identify other partners or funding that may support the larger vision over time. The strongest proposals will be innovative but still clear on staffing, services, budget, readiness, youth-specific capacity, and connection to housing outcomes.

13. Can YHDP funds be used for a general community hub?

The project should not be framed as a general community hub. For local alignment, the project should be clearly youth-specific and tied to the youth homeless response system. A stronger framing would be a youth SSO navigation hub, youth engagement center, or youth-focused service access point that helps young people move toward housing stability and self-sufficiency.

Host Home / Kinship Care

14. Can kinship care stipends and supportive services be included under a TH project?

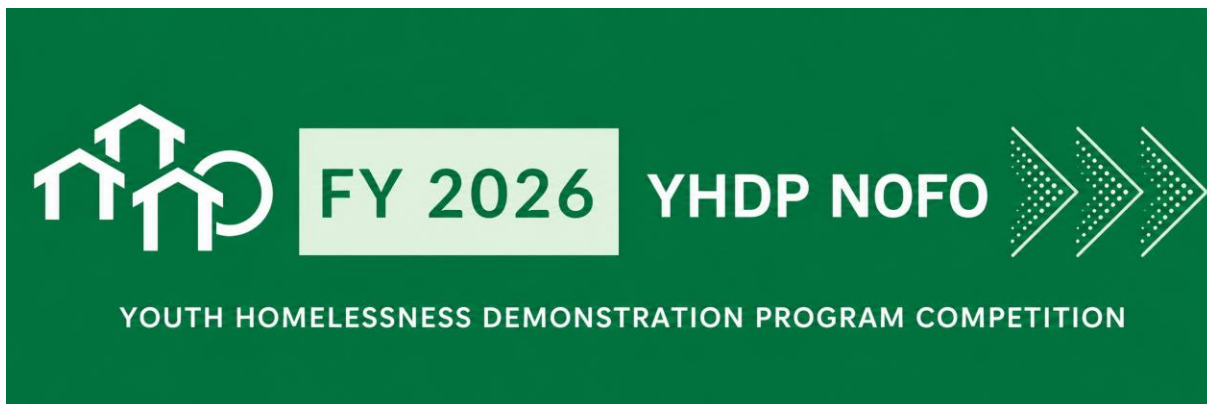
Potentially, yes. If the TH project includes a Host Home or Kinship Care model, the project may be able to include kinship care payments as a YHDP special activity/flexibility, along with supportive services for the youth.

The stipend itself should not be described as rental assistance, leasing, or a standard supportive service. It should be clearly identified as a YHDP Host Home/Kinship Care special activity tied to the project model.

15. What budget line should a kinship care stipend go under?

For LOI and project narrative purposes, the stipend should be clearly labeled as:

YHDP Special Activity — Host Home/Kinship Care Payment



It should not be placed under rental assistance, leasing, or operating. Applicants should explain the payment amount, number of youth or households served, number of months, purpose of the payment, how it supports housing stability, and how payments will be documented and tracked.

The exact e-snaps budget placement may need to be confirmed once the application is built, but the project narrative should clearly separate the stipend from rent or rental assistance.

16. Can YHDP pay \$500 per month for kinship care or host home payments?

Potentially, yes, if the project is using the YHDP Host Home/Kinship Care special activity and the payment is tied to the model. Applicants should clearly explain how the payment offsets additional household costs related to housing the youth, such as utilities, food, or additional space needs. If the project needs a higher amount, that may require additional justification or approval.

YHDP Special Activities and Built-In Flexibilities

17. What are YHDP special activities?

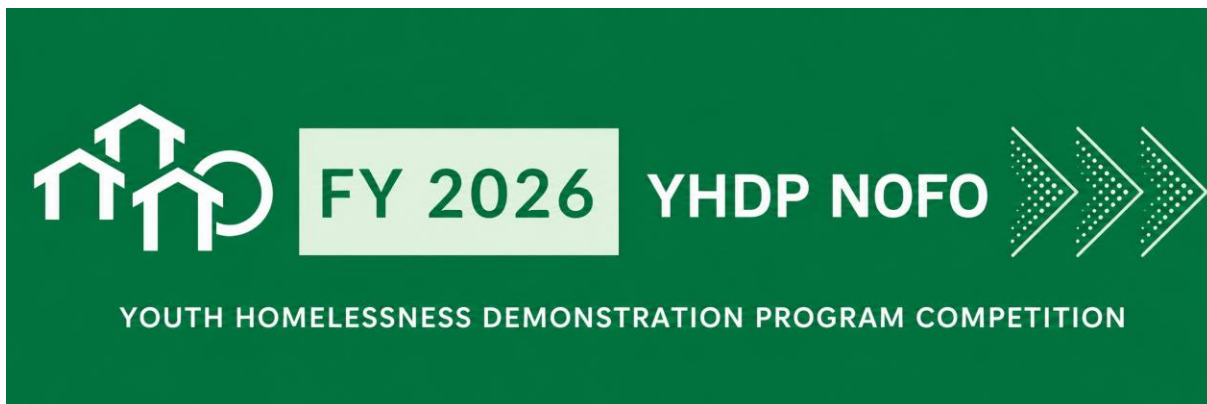
YHDP includes some special activities and built-in flexibilities that may allow projects to do things that are not typically available under regular CoC Program rules. These should be clearly identified in the LOI and project narrative and must still be connected to an eligible YHDP project type, eligible youth participants, and the approved project design.

Applicants should not assume every special activity will automatically be approved. The project should explain what flexibility is being used, why it is needed, how it supports youth housing stability or self-sufficiency, and how the costs will be tracked.

18. What are examples of YHDP special activities or flexibilities?

Common YHDP special activities/flexibilities include:

- Planning activities, up to the allowable YHDP planning limit.
- Using administrative funds to support youth with lived experience participation.
- Using administrative funds for youth homelessness-related training and conferences.
- Employing youth who are receiving services, with conflict-of-interest documentation.
- Alternative Transitional Housing habitability standards, when applicable.
- Moving expenses more than once, if needed.
- Host Home/Kinship Care payments, generally up to \$500 per month.
- Supportive services after project exit, within the allowed timeframe.
- Leasing above FMR when rent is reasonable.
- Necessary housing stability costs, such as security deposits, rental arrears, utility arrears, household start-up supplies, cell phone/internet when necessary, legal fees, transportation, and similar costs.
- Owner incentive or retention payments for TH, within HUD limits.
- Use of SRO units for TH.
- Rental assistance administration by nonprofit providers, where allowed.



Applicants should clearly label these costs in the budget narrative as YHDP special activities and should not mix them with rental assistance, leasing, operating, or regular supportive services unless HUD’s budget structure clearly allows it. For example, a Host Home/Kinship Care stipend should be described as: YHDP Special Activity — Host Home/Kinship Care Payment It should not be described as rental assistance.

19. What are YHDP built-in exceptions?

Some YHDP flexibilities may require a stronger justification or HUD approval as part of the application or grant process. These are often referred to as built-in exceptions.

Examples may include:

- Transitional Housing with leasing or rental assistance for up to 36 months, when the project can explain who may need more than 24 months and how the project will support self-sufficiency.
- Supportive services provided for a longer period after project exit, when justified.
- Combining rental assistance with leasing or operating in the same project/unit, with safeguards to avoid double subsidy.
- Host Home/Kinship Care payments above the standard monthly amount, if needed to recruit or retain hosts.
- Match exceptions, when the applicant meets HUD’s requirements.
- Other innovative activities that are clearly tied to YHDP goals and approved by HUD.

Applicants requesting any built-in exception should be very clear about:

- what exception is being requested;
- why it is necessary;
- which youth population it will support;
- how it supports housing stability, self-sufficiency, safety, or system outcomes;
- how costs will be tracked; and
- how the project will remain compliant with HUD and local requirements.

20. How should special activities be shown in the budget?

Applicants should clearly separate and label any proposed YHDP special activities in the budget narrative.

- **YHDP Special Activity — Host Home/Kinship Care Payment**
Monthly payment to kinship caregivers or host homes to offset added household costs related to housing the youth.
- **YHDP Special Activity — Housing Stability Costs**
Security deposits, arrears, utilities, start-up supplies, legal fees, or other costs needed to help youth obtain or maintain housing.
- **YHDP Built-In Exception — Extended TH Assistance**
If requesting TH assistance beyond the standard period, explain the youth population served, why the extended assistance is needed, and how the project will support self-sufficiency.

The budget should be clear enough for reviewers to understand what is a regular eligible cost, what is a YHDP special activity, and what may require a built-in exception or additional approval.

Match



21. Is there a match requirement for YHDP?

Generally, yes. YHDP projects are subject to the CoC Program match requirement unless an exception applies. Applicants should plan to show how they will meet match through eligible cash or in-kind resources, unless they are requesting a match exception allowed under the YHDP NOFO.

22. Is there a YHDP match exemption or exception?

Potentially, yes. The YHDP NOFO includes built-in match exception options in limited circumstances. A match exception may be possible if the applicant can show that the project has multiple non-YHDP resources connected to the project, or if the recipient does not have other active CoC or YHDP grants.

This should not be treated as automatic. If an applicant wants to request a match exception, the LOI or application should clearly explain:

- why the match exception is needed;
- what other resources are supporting the project;
- how those resources are connected to the YHDP project;
- whether the applicant has other active CoC or YHDP grants; and
- how the project will remain financially viable without traditional match.

Locally, applicants should still submit any match documentation they have available. If they are seeking a match exception, they should clearly state that in the LOI and budget narrative.

23. Should applicants rely on a match exception?

Not unless they need to. If an applicant can provide eligible match, that is generally cleaner. A match exception may be helpful for smaller, newer, or youth-specific providers that have strong project ideas but limited match resources. However, the project still needs to show financial capacity, sustainability, and other resources that support the proposed work.

Property / Facility Questions

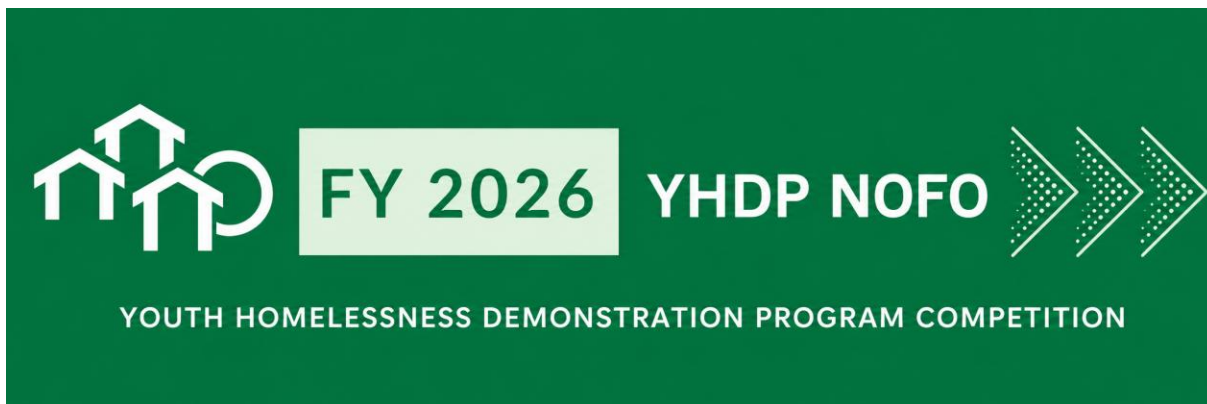
24. Can YHDP funds be used for property acquisition?

Potentially, yes, but this is a higher-risk and higher-readiness project concept. Property acquisition may be eligible if it is tied to an eligible YHDP project component, such as a Transitional Housing project, and meets all HUD requirements.

Applicants considering acquisition should be prepared to explain the property, site control or acquisition plan, readiness timeline, environmental review requirements, development costs, match/leverage, operating plan, services, and how the property will be used for YHDP-eligible youth.

Applicants should not acquire, lease, rehabilitate, convert, repair, demolish, construct, or commit funds for property-related activities before environmental review requirements are satisfied.

25. Is property acquisition recommended for this local competition?



Not necessarily. While acquisition may be eligible in some circumstances, it may not be the strongest approach unless the applicant can show strong readiness, a realistic timeline, clear project design, site control pathway, and the ability to meet all HUD requirements. For many applicants, leasing space or partnering with existing facilities may be more practical than acquisition, especially within the YHDP timeline.

LOI and Application Questions

26. Should applicants use their own letterhead for the LOI?

Yes. Applicants may use their own agency letterhead. The LOI should follow the requested structure and headings so reviewers can clearly see that all required information is included.

27. Should applicants follow the LOI guidance template?

Yes. Applicants should follow the structure and section headings in the guidance template as closely as possible. This helps ensure the LOI includes the information reviewers need and makes the review process easier.

28. What should applicants avoid in their YHDP proposal?

Applicants should avoid proposing:

- SSO projects that are really rental assistance or short-term rent programs;
- general service centers without a clear youth housing focus;
- repackaged existing programs without new youth-specific capacity;
- unclear referral pathways outside of Youth Coordinated Entry;
- budgets that are not tied to eligible activities;
- projects that cannot realistically launch during the grant period;
- property acquisition concepts without readiness or environmental review planning; and
- models that do not clearly connect to youth housing stability, self-sufficiency, and system outcomes.

29. What makes a strong YHDP proposal?

A strong proposal should be clear, youth-specific, realistic, and aligned with both HUD and local priorities. Strong proposals should describe:

- the project model and eligible component;
- who the project will serve;
- how youth will be referred;
- what services or housing assistance will be provided;
- how the project supports housing stability and self-sufficiency;
- how youth voice is included;
- how the project connects to Youth Coordinated Entry;
- how the project addresses safety, trauma, and well-being;
- staffing and implementation readiness;
- budget reasonableness; match or leveraged resources; and
- how the project adds capacity to the youth homeless response system.