



FY26 CoC NOFO Entrance Conference

The Way Home Continuum of Care TX-700

Coalition for the Homeless of Houston/Harris County (CFTH)

FY26 CoC Program Competition

Today's Agenda

FY26 HUD NOFO Overview and Strategy

- 1 | Role of CFTH and The Way Home
- 2 | FY26 HUD NOFO Updates
What changed in the application
- 3 | Priorities
HUD and local alignment
- 4 | Strategic Funding
Tier 1 and Tier 2 strategies
- 5 | Project Types & Categories
Renewal, new, transition, expansion, and reallocation
- 6 | Program Models
TH, SSO, PSH, RRH, and Joint TH/RRH considerations
- 7 | Financial Basics
Leasing vs. rental assistance
- 8 | Requirements
Local documents and attachments
- 9 | Timeline & Next Steps
Local process and applicant instructions
- 10 | Closing
Questions and TA process

We will review these items to ensure a successful application cycle.

Who We Are: CFTH and The Way Home

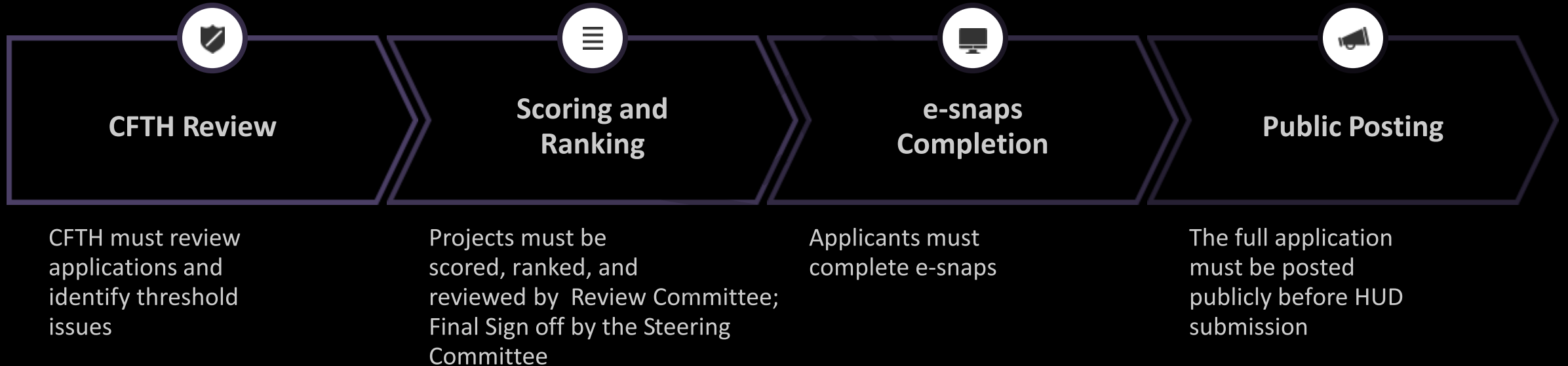
Collaborative Applicant and Lead Agency roles



- Submitting the consolidated CoC application to HUD
- Managing the local competition process
- Supporting CoC governance
- Coordinating HMIS, Coordinated Entry, planning, and system performance
- Ensuring a fair, transparent process

Important Reminder

Local Competition Deadlines



HUD's deadline is August 26, 2026, but applicants must follow the local deadlines as this is a local competition first.

What Makes FY26 Different

Key strategic shifts for the upcoming fiscal year



Tier 1 Adjustments

Tier 1 is set at 60% of Annual Renewal Demand



Tier 2 Competition

Tier 2 is larger and more competitive



National \$1.3B Set-Aside

Priority for new TH and SSO projects



Strategic Focus

Greater focus on performance, outcomes, employment, income, treatment/recovery, and reallocation strategy



Supportive Service Requirements

Increased emphasis on supportive service participation requirements



Community Outreach

Broader participation from eligible new, faith-based, nonprofit, and community-based organizations

HUD Priorities in Plain Language



Homelessness Reduction

Reduction in overall homelessness, unsheltered homelessness, and encampments.



Outcomes and Opportunity

Increased exits, income, and employment.



Collaborative Services

Strong service engagement, recovery partnerships, and public safety coordination.



Prevention and Stability

Reduced first-time homelessness and returns to homelessness.



Operational Viability

Cost reasonableness and project readiness.

Local takeaway: Applications must clearly explain the model, budget, outcomes, and readiness.

Local Priorities for The Way Home

Protecting the core system while responding to HUD



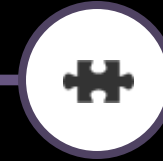
Prioritizing PSH and core infrastructure

Focusing on HMIS, CE, DV Access, and Outreach.



Supporting TH projects

Focusing on realistic, compliant, and ready projects.



Supporting SSO models

Strategically filling existing system gaps.



Reviewing RRH and Joint TH/RRH

Evaluating potential transition to TH projects.



Maintaining process integrity

Ensuring a conflict-free and transparent process throughout.

What We Are Balancing Locally

HUD is shifting the competition. The local system still has to protect core capacity.

HUD Direction

More competition through 60% Tier 1
Strong emphasis on TH and SSO
Focus on treatment, employment, income, and service participation
Encourages new and faith-based applicants
National TH/SSO set-aside

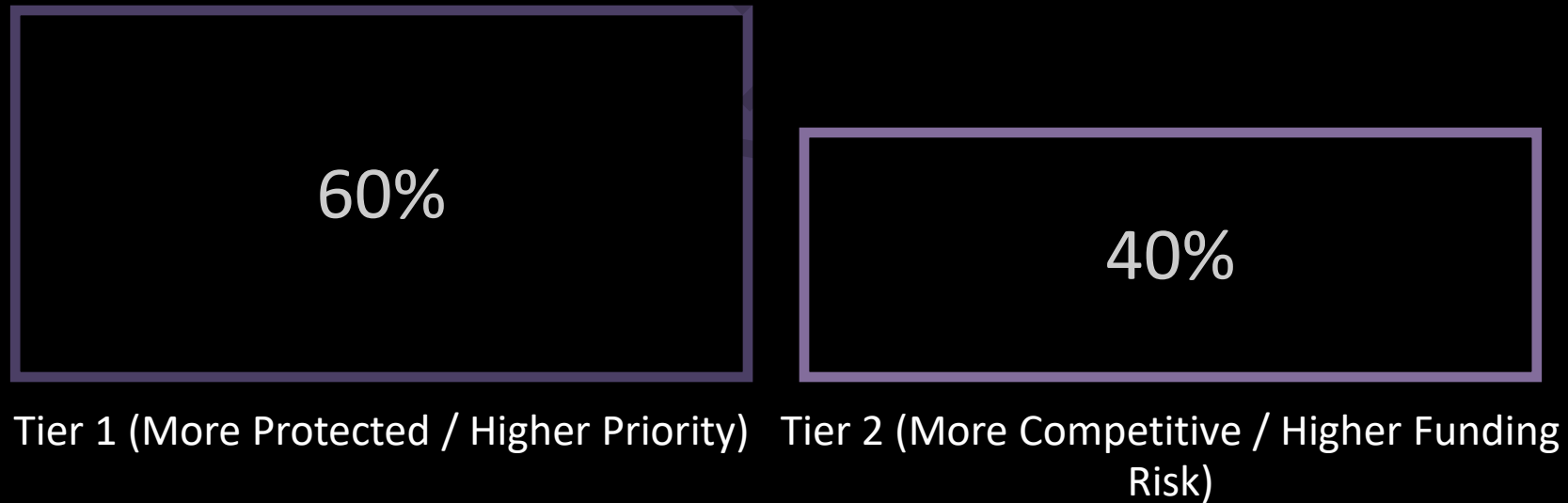
Local System Responsibility

Protect core system capacity where possible
Submit realistic, eligible, ready projects
Keep strategy grounded in system need and provider capacity
Maintain a fair, transparent, conflict-free process
Remember local funding is limited by bonus, reallocation, and HUD selection

This is not about one project type winning or losing. It is about submitting the strongest possible CoC application under a changed NOFO.

Tier 1 and Tier 2: What It Means

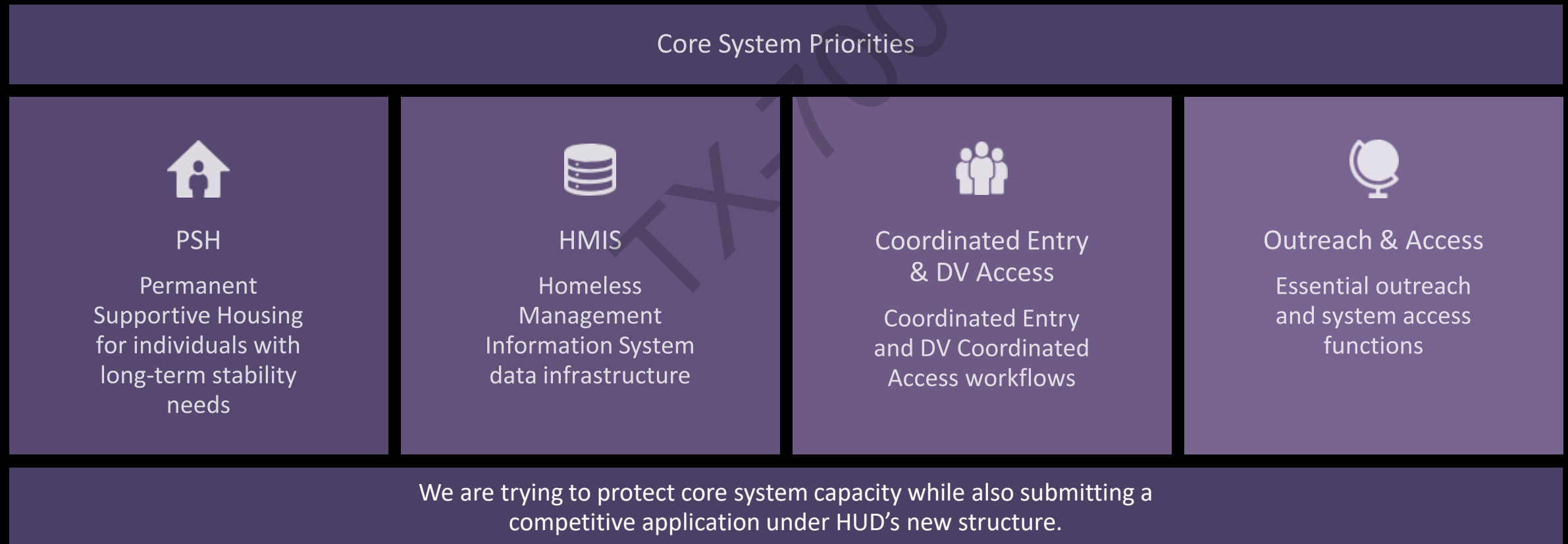
Understanding HUD Funding Structures



Ranking matters more this year. Tier 1 is more protected, but not guaranteed. Projects must still meet HUD eligibility, threshold, and local competition requirements.

Local Tier Strategy: What We Are Trying to Protect

The Way Home's FY26 tiering strategy is focused on protecting the backbone of the system while still responding to HUD's FY26 priorities.



What This Means for RRH and Joint TH/RRH

Risk Assessment and Local Strategic Direction



Funding Risk Profile

These projects are not automatically eliminated but carry higher funding risk.



Feasibility Evaluation

Evaluate if a transition to TH is feasible/sensible.



Transition Implications

Transition is not automatic and changes the housing model, budget, referrals, and performance expectations.



Technical Assistance

Use TA to discuss project design prior to finalization.

Permanent Supportive Housing: Local Position

There is no Permanent Housing cap in FY26. PSH remains core to The Way Home. The 60% Tier 1 structure creates funding pressure and requires careful review of renewals.



Unit utilization and spending/drawdown

Monitor and analyze the efficiency of resource allocation and financial performance.



Returns to homelessness and housing retention

Track long-term successful outcomes and stability for program participants.



Service engagement and cost reasonableness

Review the impact of supportive services and ensure cost-effective delivery.

Transitional Housing: Why HUD Is Emphasizing It

TH is for those needing time-limited housing, structured services, and a path to permanent housing.



Housing model and length of stay

Defined parameters for residential duration and housing structure.



Referral and service model

Clear pathways for intake and provision of supportive services.



Clear exit strategy to permanent housing

Defined objective and plan for stable, long-term housing transition.



Budget matching the operational model

Financial resources aligned with service delivery and housing requirements.

TH Design Questions Applicants Must Answer

Be prepared to explain the following operational and structural details:



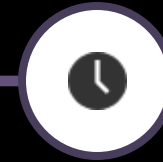
Population served and referral source

Detail the specific demographic served and the mechanism for intake or referrals.



Legal structure of the housing (lease/occupancy)

Define the nature of the housing agreement, including lease or occupancy terms.



Length of stay and supportive services provided

Specify the duration of stay and the model of support offered to residents.



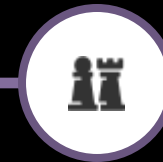
Movement to permanent housing

Outline the strategies and systems in place to transition individuals to permanent housing.



Cost per household and match resources

Break down financial requirements and the sourcing of matching funds.



Compliance with HUD inspections and documentation

Confirm adherence to HUD standards, including required inspections and administrative record-keeping.

Leasing vs. Rental Assistance: Why This Matters

Understanding the core differences in administrative structure and participant responsibility

Leasing



Project pays costs directly; provider/participant has agreement with owner.

Rental Assistance

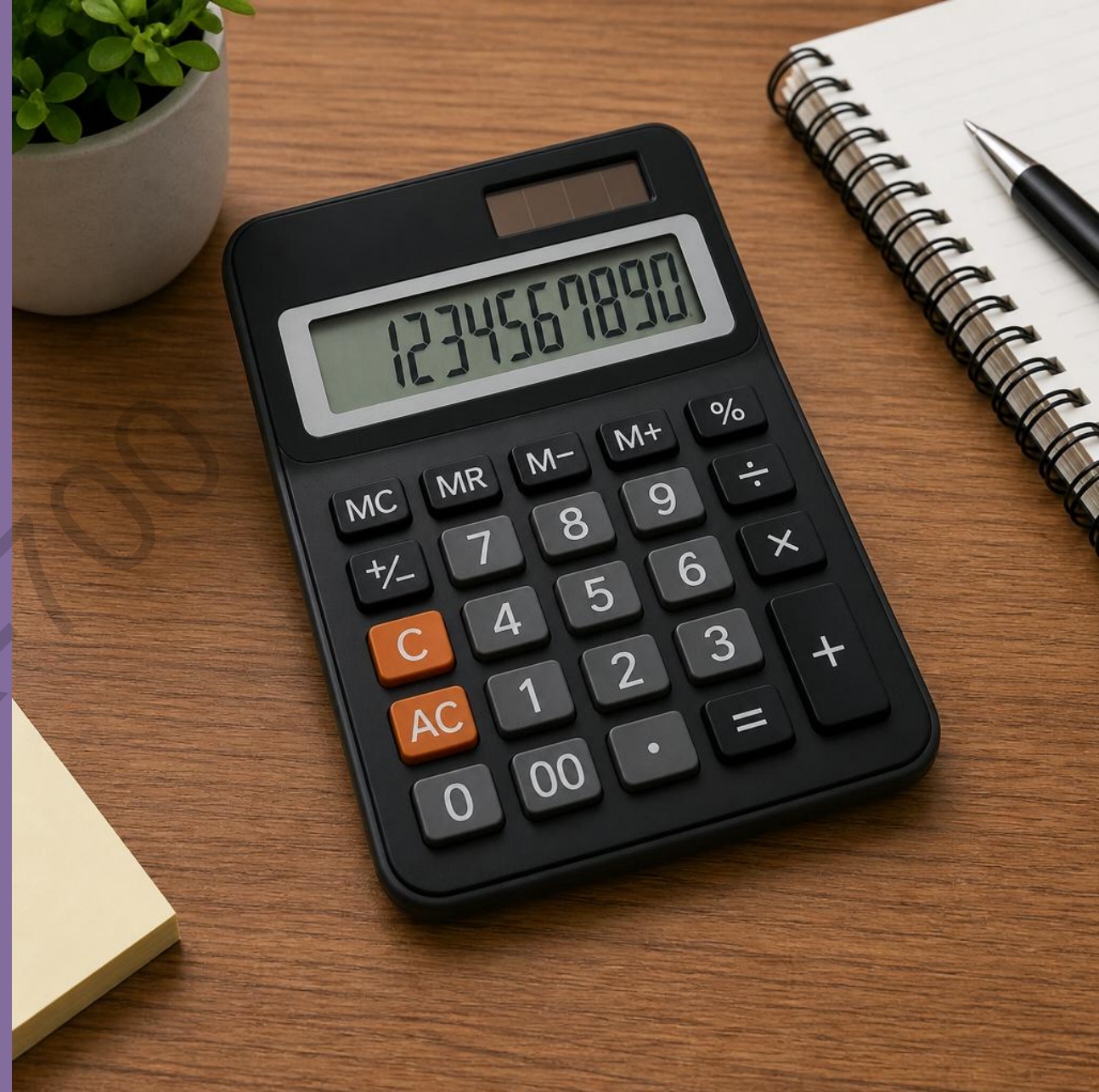


Assistance paid on behalf of participant; participant holds the lease.

Important Planning Guidance

TH Budget Caution: Nonprofits and Rental Assistance

- Under the CoC rule, rental assistance must be administered by a State, unit of general local government, or public housing agency. So nonprofit TH applicants should not build a standard CoC TH project budget assuming the nonprofit can directly administer tenant-based rental assistance.



YHDP projects may have special flexibilities, but those do not automatically apply to all CoC TH projects. If your proposed TH budget includes rental assistance, flag this in TA before finalizing your application.

Rental Assistance vs. Leasing: Quick Comparison

Key Operational Differences

Feature	Leasing	Rental Assistance
Basic structure	Provider/project leases the unit or facility	Assistance is paid on behalf of the participant
Common TH use	Often clearer for nonprofit TH models	Must be reviewed carefully before budgeting
Lease relationship	Provider may hold lease; participant may have sublease or occupancy agreement	Participant typically holds lease with landlord
Key compliance issues	Leasing rules, inspections, occupancy agreements, eligible costs	Rent reasonableness, rent calculations, eligible administrator, inspections
Local guidance	May be a cleaner TH structure	Do not assume allowable without review

Seek guidance before finalizing a TH budget that includes rental assistance.

What Is SSO?

Supportive Services Only — services only, not housing assistance.



Funding Scope

Funds services, not housing, rent, leasing, or rental assistance.



Examples of SSO

Street outreach, housing navigation, employment/income support, treatment/recovery navigation, behavioral health connection, case management, childcare.

SSO: What Makes a Strong Project

Key criteria for effective Supportive Services Only project proposals



Target Population and Access

Clearly identify who is served and explain the specific mechanism for how referrals occur.



Service Gap Identification

Define the specific service gap the project addresses in the community.



Defined Outcomes

Establish a clear connection to housing and income stability outcomes.



Non-Duplication

Demonstrate how the project avoids duplicating existing funded services.



Cost Efficiency

Provide justification for cost reasonableness of the proposed activities.

Broad or 'floating' models are often more aligned than those tethered to a single building.

Faith Communities

Faith-based and community-based organizations are welcome to participate. Participation does not require an organization to change its mission, but any CoC-funded project must meet the same HUD and local requirements as every other applicant.



Homeless Households

The project serves HUD-eligible homeless households



Model Eligibility

The model is eligible



Capacity

There is staff/financial capacity



Tracking and Compliance

The project can document services, outcomes, eligible costs, and federal grant compliance.



Fair Housing

Civil rights, fair housing, nondiscrimination, and eligible-use rules are strictly followed.

Supportive Service Participation Requirements

Documentation and Compliance Standards



Clear Documentation

HUD is placing increased emphasis on direct language showing supportive service participation requirements in housing project documents.



Compliance Standards

Ensure all agreements meet current regulatory standards, specifically focusing on VAWA, fair housing, and disability rights.

Projects should include clear, compliant language in service, occupancy, lease, or program documents while maintaining VAWA, fair housing, disability rights, and participant protections.

DV and Survivor Safety

Safety, confidentiality, and mobility are paramount.



Survivor choice/safety planning

Prioritizing survivor choice and safety planning throughout service delivery.



Comparable database requirements

Ensuring data systems meet confidentiality standards essential for DV survivor protection.



VAWA protections and emergency transfers

Implementing Violence Against Women Act guidelines to facilitate secure housing transitions.



Consideration of TH, RRH, or SSO-CE models to support safety

Evaluating Transitional Housing, Rapid Re-housing, and Supportive Services Only-Coordinated Entry models through a safety-first lens.

Bonus Funding Available

FY26 Strategic Allocation Overview

CoC Bonus Funding

Up to
~\$5M

eligible new projects

DV Bonus Funding

Up to
~\$5M

eligible survivor-serving projects

Funding Disclaimer

Funding is subject to meeting all local/HUD threshold and rank requirements; it is not guaranteed.

The national TH/SSO set-aside does not create unlimited local funding. Projects must still be eligible, realistic, competitive, locally reviewed, ranked, and ultimately selected by HUD.

National Set-Aside vs. Local Funding

Availability of national set-aside funds for TH/SSO does not guarantee local support.



CoC/DV Bonus

Funding availability based on local CoC and Domestic Violence bonus allocations.



Reallocation

Assessment of existing resources available for reallocation.



YHDP replacement

Evaluation of Youth Homelessness Demonstration Program replacement needs.



Eligibility and competitive ranking

Strict adherence to project eligibility criteria and strategic ranking.

Requirement: We must submit only realistic, eligible, and competitive local projects.

Reallocation and Transition



Reallocation

Shifting funds from an eligible renewal to create a new project.



Transition

Moving an existing project between components over a one-year period.
Examples: RRH to TH, or PSH to TH.
Must be approved locally, be HUD-eligible, and meet quality thresholds.

New vs. Expansion vs. Transition

Grant Funding Glossary

Category	Definition
New	Bonus or reallocated funds.
Expansion	Adding units/services to an existing renewal.
Transition	Moving renewal from one component to another.
Replacement	YHDP/specific youth-funded changes.
Renewal	Existing CoC-funded projects.

Renewal Projects



Threshold compliance



Match and financial
documentation



Performance, spending, and
utilization



Overall alignment with
HUD/local priorities



HMIS/CE alignment

Renewal is not automatic.

New Project Readiness

Key requirements for applicants

Applicants must demonstrate:



Model & Population

Clear model and eligible population



Resources & Roles

Solid budget, staffing, and partner roles



Operational Readiness

Operational readiness to launch



Standards

Ability to meet HUD performance/compliance standards

APPLICANTS MUST MEET ALL CRITERIA TO PROCEED.

Required Local Materials

Checklist for application documentation



Applications

New and Renewal application forms



Scorecards and Narratives

Completed project scorecards and accompanying project narratives



Budgets and Match Documentation

Financial budgets and proof of matching funds



Certifications

HMIS, CE, and Supportive Services compliance certifications



SAM.gov/UEI and Applicant Signature pages

Active registration status and authorized signature documents

Application Packaging and Submission

✓ Submit one ZIP file per project

Ensure each project is contained in a single compressed archive.

✓ Use required naming and labeling conventions

Follow established naming schemas to ensure files are organized and identifiable.

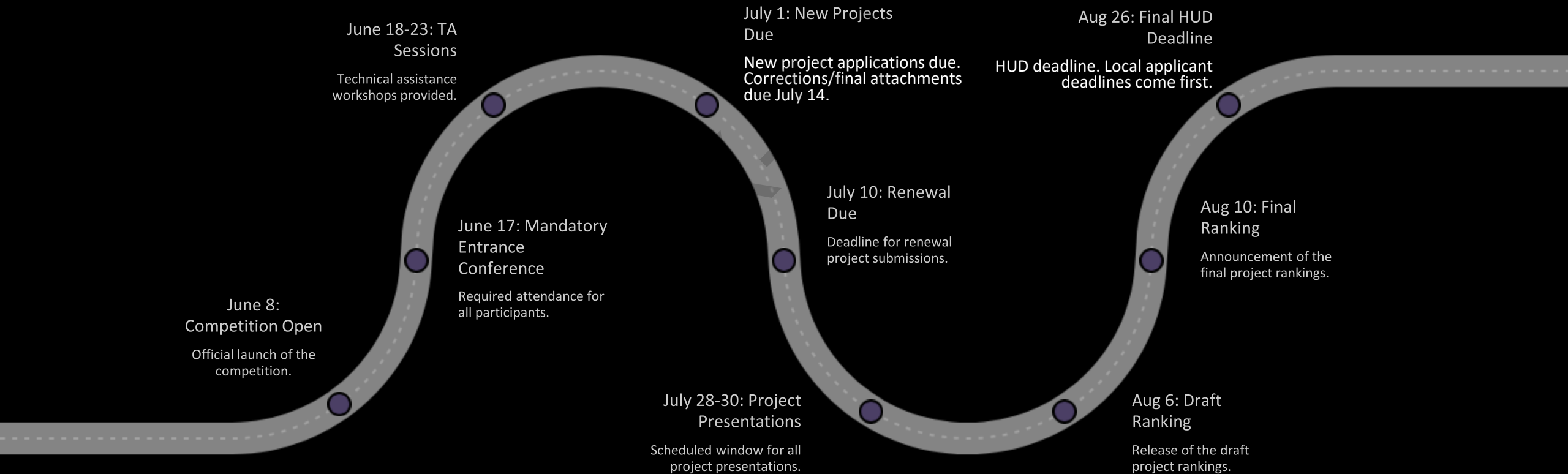
✓ Official submissions only to
NOFO@cfthhouston.org

Send all final application files to the designated submission email address.

Requirement: Process must be fair, consistent, and documented for all.

Local Timeline

Key Project Milestones and Deadlines



What Applicants Should Do Now



Read all materials and confirm project type



Review attachments and begin match documentation



Verify SAM.gov/UEI and e-snaps access



Schedule TA as needed



Send questions to
NOFO@cfthhouston.org

What We Will Not Be Able to Do

To maintain competition integrity, CFTH cannot:



Write your
application



Guarantee
funding or
specific
ranking



Offer 'side'
guidance or
project-specific
commitments
via email



Accept late
materials

CFTH will provide: Process clarification, general requirements, and technical assistance.

Tone for This Competition

We are navigating change together.



Understand the
rules and funding
risks



Protect critical
system capacity



Submit our
strongest possible
application



Keep the process
fair, transparent,
and aligned

Final Reminders

Key takeaways for applicants



Local deadlines come first

Adhere strictly to local
timeline requirements.



TH, SSO, and PSH have distinct, specific requirements

Ensure compliance with
program-specific
guidelines for TH, SSO,
and PSH.



Budget line items (Leasing vs. Rental Assistance) require caution

Exercise care when
categorizing and
managing specific
budget line items.



Participation does not guarantee funding

Understand that
program participation is
independent of funding
status.

All questions to NOFO@cfthhouston.org



@ NOFO@cfthhouston.org

Please provide: Agency name, project name, type, and specific area of inquiry (e.g., renewal vs. bonus).

Thank you for being part of The Way Home system.