

HUD Goals and Objectives Excerpts in the FY 2026 CoC Competition Notice of Funding Opportunity (NOFO)

The Goals and Objectives noted below provide context for applicants to better understand how the merit review criteria found in section V.B and threshold sections of the NOFO supports HUD's goal of ending homelessness. These goals are consistent with national policy objectives which must be incorporated into the awarding of funds (2 CFR 200.211(c)(1)(ii) (pages 28-34).

1. Improving Outcomes

This NOFO incentivizes outcomes consistent with the purposes of the CoC program including optimizing self-sufficiency, reducing homelessness, and minimizing the trauma caused to communities as a whole by homelessness. HUD is committed to supporting meaningful, sustained reductions in homelessness and increases in self-sufficiency rather than measuring outputs such as the number of beds created or filled.

Because unsheltered homelessness causes unique trauma to individuals, families, and communities, this NOFO focuses on reductions in unsheltered homelessness and encampments.

2. Creating Competition to Improve Innovation and Accountability

Consistent with the FY26 appropriation bill, HUD is setting Tier 1 at 60% and competing 40% of CoC ARD on the basis of merit between geographic areas.

3. Restoring Balance to the Continuum of Care

The CoC program has four project components for all CoCs: Permanent Housing, Transitional Housing, Supportive Service Only, and HMIS. This NOFO provides opportunities to restore a healthy balance of CoC-funded projects to further community-wide efforts to reduce homelessness.

By investing in Transitional Housing and Supportive Service Only projects, HUD intends to restore the "continuum" to the Continuum of Care Program to help able-bodied people move to self-sufficiency. Individuals who are likely to never be able to return to the workforce—over 62 years old, physically disabled, developmentally disabled—should be prioritized for Permanent Supportive Housing.

To the extent permitted by law, HUD is shifting its focus from awarding nearly 90% of CoC funding to Permanent Housing to expand opportunities for other components of the CoC Program.

4. Prioritizing Treatment and Recovery as a Means to Self-Sufficiency

This NOFO provides communities opportunities to invest in treatment services and recovery housing, and ensures that recipients do not distribute drug paraphernalia or knowingly permit the use and distribution of fatal, illicit drugs on their properties. This is not a requirement that projects condition assistance on sobriety or treatment, although both are allowable under 24 CFR 578. CoCs should prioritize projects that provide the treatment and services people need to recover and regain self-sufficiency including on-site behavioral health treatment, robust wraparound supportive services, and participation requirements. This NOFO devotes resources to Transitional Housing programs and Supportive Service Only projects with the goal of improving health and long-term economic independence for homeless individuals and families. The NOFO

encourages investment in treatment-focused beds, recovery housing, and partnership with community behavioral healthcare providers, drug courts, and other addiction and severe mental illness treatment providers. HUD encourages CoCs to utilize the full array of mainstream programs and local and private resources to provide housing and healthcare needed to maintain safe and stable housing.

5. Promoting Economic Self-Sufficiency

One of the primary purposes of the CoC Program, as outlined in U.S.C. § 11381, is to optimize self-sufficiency. In fact, self-sufficiency is one of only four purposes Congress provided for the CoC Program. CoCs should partner with workforce development centers, employers, childcare, and other supportive service providers to increase employment and employment income for program participants. CoCs should prioritize projects that help lead to long-term economic independence for individuals and families to exit homelessness to unsubsidized housing and prevent future returns to homelessness.

In accordance with 24 CFR 578.75(h), HUD encourages supportive service agreements that meet individual needs and advance individual progress towards self-sufficiency and independent living goals set forth in 42 U.S.C. 11386a(b)(1)(F).

6. Advancing Public Safety for All

Safety and security for all members of the public, especially those living unsheltered, is essential to promoting a community-wide commitment to the goal of ending homelessness. CoCs should cooperate with law enforcement to advance public safety for the entire community impacted by homelessness. No one should sleep outside on the street or in dangerous encampments, and everyone should be able to enjoy public spaces safely. HUD encourages CoCs to assist in preventing and minimizing the trauma associated with living on the streets or in encampments, especially for women and youth that are the victims of sexual assault and trafficking. Unchecked public camping and public illicit drug use inhibit nonprofit providers and local government from effectively addressing homelessness.

First responders and law enforcement are often the first to encounter our most vulnerable members of society and should be aware of the available services to triage individuals into safe and appropriate services, ideally alongside non-law enforcement service providers in the Continuum of Care. CoCs should work with law enforcement, first-responders, and their state and local governments to reduce encampments, public camping, and public drug use in order to address barriers to maintaining housing and increasing self-sufficiency.

7. Minimizing Trauma for Vulnerable Populations

One of the purposes of the CoC program is to minimize the trauma associated with homelessness 42 U.S.C. § 11381(2). 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.

8. Expanding Access Based on Merit, and Not Ideology

HUD is committed to providing an equal opportunity to every applicant, recipient, and program participant free from discrimination. Part of this commitment is recognizing that faith-based providers deserve a level playing field to compete for CoC funding and participate in the community-wide efforts of their local CoCs. Faith-based organizations first served the nation's homelessness population long before the Federal government was ever involved.²⁸

To the fullest extent permitted by law, HUD will ensure that faith-based organizations can participate in the CoC program and operate consistent with their sincerely held religious beliefs, recognizing all relevant protections provided by subsection c of HUD's Equal Participation Rule, 24 CFR § 5.109, the Religious Freedom Restoration Act, and the First Amendment. Promoting equal access for faith-based organizations directly advances the goals of the CoC program by increasing the number and diversity of program providers and increasing overall competition for CoC funds.

This NOFO prohibits the use of federal funds being used for any type of racial preferences, even under the guise of "diversity, equity, and inclusion." HUD wants to increase access to homelessness relief for *all* individuals and families.