

# FY 2024 Continuum of Care Builds NOFO Summary

- On July 19, 2024, the Department of Housing and Urban Development (HUD) released the Continuum of Care Builds (CoCBUILDS) NOFO. The application deadline is ***November 21, 2024***.
- The CoCBUILDS NOFO encourages Continuums of Care (CoCs) to leverage funds provided for construction, acquisition, or rehabilitation of new Permanent Supportive Housing (PSH) units with other funding sources to maximize the amount of housing that can be directed to meeting the needs of individuals and families experiencing homelessness.

# Permanent supportive housing is beneficial for several reasons:

- **Stability:** It provides stable housing for individuals who may otherwise be experiencing homelessness or precariously housed, offering a foundation for stability in their lives.
- **Support Services:** It offers on-site or readily accessible, voluntary support services such as counseling, healthcare, substance abuse treatment, and job training, tailored to the individual's needs.
- **Cost-Effectiveness:** It can reduce overall public costs by decreasing the use of emergency services, such as hospitals, shelters, and law enforcement, which are often utilized at higher rates by individuals experiencing homelessness.
- **Improved Health Outcomes:** Stable housing contributes to better physical and mental health outcomes for residents, as they have a safe and consistent environment in which to address health issues and access regular care.
- **Community Integration:** Permanent supportive housing allows individuals to become integrated into their communities, fostering a sense of belonging and social connection, which are crucial for overall well-being.
- **Prevention of Recidivism:** For individuals who have experienced incarceration or cycles of homelessness, permanent supportive housing can break these cycles by providing a stable environment and support systems to prevent relapse into previous patterns.

Overall, permanent supportive housing addresses both the immediate need for shelter and the underlying factors contributing to homelessness, leading to better outcomes for individuals and communities alike.

# HUD identified six goals for this competition:

- Increase housing opportunities for people with high risk of levels of need.
- Increase the supply of permanent supportive housing units within CoC geographic areas to address individuals and families experiencing homelessness where one member of the household has a disability.
- Encourage coordination between housing providers, health care organizations, and social service providers.
- Ensure access to resources for projects to expand opportunities for new PSH units in States with populations less than 2.5 million.
- Ensure new PSH units are conveniently located near local services; e.g., walking distance, near reliable transportation services, provide access to telehealth.
- Affirmatively further fair housing by addressing barriers which perpetuate segregation, hinder access to areas of opportunity for protected class groups and concentrate affordable housing in under-resourced areas.

# HUD and Program-Specific Goals and Objectives

Applications are expected to align with the following goals and objectives from HUD's Strategic Plan for Fiscal Years (FY) 2022-2026:

- **Strategic Goal 1: Support Underserved Communities:** Fortify support for underserved communities and support equitable community development for all people.
- **1B: Reduce Homelessness** Strengthen Federal, State, Tribal, and community implementation of the Housing First approach to reducing the prevalence of homelessness, with the ultimate goal of ending homelessness.
- **Strategic Goal 2: Ensure Access to and Increase the Production of Affordable Housing** Ensure housing demand is matched by adequate production of new homes and equitable access to housing opportunities for all people.
- **2A: Increase the Supply of Housing:** Enhance HUD's programs that increase the production and supply of housing across the country.
- **Strategic Goal 4: Advance Sustainable Communities** Advance sustainable communities by strengthening climate resilience and energy efficiency, promoting environmental justice, and recognizing housing's role as essential to health.
- **4B: Strengthen Environmental Justice:** Reduce exposure to health risks, environmental hazards, and substandard housing, especially for low-income households and communities of color.
- **4C: Integrate Health and Housing:** Advance policies that recognize housing's role as essential to health.

# CoCBuils cites the following policy priorities:

- Increasing the supply of affordable housing by focusing on new construction, rehabilitation, or acquisition to increase PSH; encouraging adaptive reuse and conversion of hotel properties; and to address zoning and land use issues that may hinder housing development.
- Ensuring access to supportive and public services by providing voluntary supportive services; and by ensuring access to CoC supportive services and local public services.
- Partnering with housing, health, and service agencies to improve resource utilization for ending homelessness; maximizing use of mainstream and community based resources; collaborating with healthcare organizations; collaborating with Public Housing Agencies; enhancing employment opportunities; and ensuring Tribal members can access CoC-funded assistance.

# Award Details

- HUD announced \$175,000,000 available through this NOFO.
- At least \$65,000,000 reserved for CoC's in states with populations < 2.5 million (16 states)
- Up to 25 awards expected.
- Our CoC may apply for 1 project of a value between \$1,000,000 and \$5,000,000. 25% Match required.
- The project period may be from 2 – 5 years (dependent on time frame for completion)
- HUD will only review CoCBUILDS project applications submitted by the CoC-designated Collaborative Applicants. Each CoC-designated Collaborative Applicant may only submit one CoCBUILDS application.

# Eligible costs – What will the NOFO fund?

Development of NEW PSH Units for eligible households – those experiencing homelessness outlined in 24 CFR 587.37(a)(1)(i) – where at least one household member has a disability.

Eligible costs include:

- Acquisition;
- Rehabilitation;
- New construction;
- Project-based rental assistance;
- Supportive services;
- Operating costs; and
- Project administrative costs.

Note that **the application must include a capital costs budget** for new construction, acquisition, or rehabilitation.

The application may also request up to 20% of the total funds for use in project-based rental assistance, operating costs, or supportive services and up to 10% of the total budget (capital costs plus additional eligible costs) for project administrative costs. Non-capital costs funds awarded under this NOFO may be eligible for renewal in the CoC Program Competition.

# CoC Review of Project Applications

**The CoC is required to review CoCBUILDS applications and will develop an RFP process based upon the scoring criteria outlined in the NOFO, to ensure the CoC submits the most viable application to HUD.**

- Development experience and leveraging (24 points);
- Experience managing homeless projects (12 points);
- Implementation schedule (12 points);
- Property maintenance (5 points);
- Unmet housing need (7 points);
- Experience managing rental housing (10 points);
- Coordinated Entry (3 points);
- Coordination with housing providers, healthcare organizations, and social service providers (10 points);
- Experience promoting racial equity (8 points);
- Community integration for persons with disabilities (7 points); and
- Section 3 requirement (2 points); and
- Environmental justice policy initiative (optional to receive 2 preference points).

**While only one project application per CoC may be submitted, where feasible, HUD encourages inclusion of one or more subrecipients that will contribute towards the goals of this NOFO (e.g., capital costs, housing, supportive services).**



# Application Highlights

- In addition to narratives addressing the scoring criteria outlined above the CoCBuils NOFO requires the following unscored submissions:
- A Certification of Consistency with the Consolidated Plan;
- A narrative that addresses advancing racial equity;
- A narrative that addresses affirmative marketing and outreach;
- A narrative that addresses experience promoting racial equity; and
- A narrative that addresses affirmatively furthering fair housing.

Also:

- The Consolidated Appropriations Act, 2023 and the Consolidated Appropriations Act, 2024 directs HUD to provide incentives to create projects **that coordinate with housing providers, healthcare organizations, and social service providers to provide permanent supportive housing.**
- As the CoC Collaborative Applicant we are happy to help to facilitate planning conversations and answer questions. Please contact: CEDO – Marcella Gange [mgange@burlingtonvt.gov](mailto:mgange@burlingtonvt.gov)

# FY2024 + FY2025 HUD CoC Program Competition NOFO

- On July 31<sup>st</sup> 2024 the U.S. Department of Housing and Urban Development's (HUD) Office of Special Needs Assistance Programs (SNAPS) published the **Notice of Funding Opportunity (NOFO) for the Fiscal Year (FY) 2024 – FY 2025 Continuum of Care Competition**
- This 2-year Continuum of Care (CoC) Program NOFO is authorized by the Consolidated Appropriations Act, 2024 and includes an application submission deadline for FY 2024 funding and a deadline for FY 2025 funding. The deadline to submit CoC Consolidated applications and project applications for FY 2024 funds is 8:00 PM EDT on October 30, 2024.
- CoC Renewal grants that do not meet the renewal eligibility requirements for FY 2024 funding but are eligible for renewal when FY 2025 Congressional Appropriations are made available, must submit applications for FY 2025 funding by the application submission deadline of 8:00 PM EDT on August 29, 2025. Applicants with CoC projects that wish to reallocate eligible renewal projects and create new projects in the FY 2025 funding process must also submit those applications for reallocation by the application submission deadline of 8:00 PM EDT on August 29, 2025.

# Changes from previous NOFO

- **a. Changes to Tiering.** Tier 1 is set at 90 percent of the CoC's Annual Renewal Demand (ARD).
- **b. 2-Year NOFO.** The Consolidated Appropriations Act, 2024 authorizes HUD to issue a single 2-year NOFO for fiscal years 2024 and 2025.
- **c. Funding for Specific Subpopulations.** The House and Senate Committees on Appropriations expressed that for projects awarded for specific subpopulations (e.g., homeless youth or survivors of domestic violence, dating violence, sexual assault or stalking), before funding for such projects may be reallocated to other populations, HUD must consult with relevant stakeholders. For the FY 2024 funds, HUD requires funding reallocated from projects previously funded with YHDP or DV Bonus funding to be used for projects serving the same subpopulation.
- **d. DV Reallocation.** In this NOFO, HUD has expanded reallocation to include DV Reallocation. HUD establishes these terms to distinguish between funding sources that must continue to serve the same populations of the projects being reallocated

# Reallocation and Bonus Funds

- Following the first meeting of the NOFO and Ranking Committee – no reallocation funds are expected.
- As above -**DV Reallocation**. In this NOFO, HUD has expanded reallocation to include DV Reallocation. HUD establishes these terms to distinguish between funding sources that must continue to serve the same populations of the projects being reallocated
- CoC Bonus Project: The CoC Bonus allows CoCs to use up to 12 percent of their Final Pro Rata Need (FPRN) to create one or more new project applications. New projects created through the CoC Bonus must meet the project eligibility and project quality threshold requirements established by HUD in sections III.C.4.a. and b. of this NOFO. To be eligible to receive a CoC Bonus project, the Collaborative Applicant must demonstrate its CoC evaluates and ranks projects based on how they improve system performance as outlined in section V.B.2.b of this NOFO.
- DV Bonus funds: CoCs may apply for DV Bonus projects where the total amount for one year of funding for all DV Bonus applications is up to 15 percent of its Preliminary Pro Rata Need (PPRN)

Any reallocation or bonus funds for New or Expansion Projects will be described in the RFP