

FY 2025 Continuum of Care Funding

Notice of Funding Opportunity (NOFO) released on November 13, 2025

Pending Litigation

- State of Wisconsin has joined 19 other states in a lawsuit against HUD challenging the new conditions and cut on permanent housing.
- HSC is moving forward with our response to the NOFO, but recognize the outcome of the litigation will have impact.

What is the CoC Program?

- Program designed to:
 - Promote a community wide commitment to the goal of ending homelessness
 - Provide funding for efforts by non-profit providers, States, Indian Tribes or Tribally Designated Housing Entities, and local governments to quickly rehouse individuals and families experiencing homelessness, persons experiencing trauma, or a lack of safety related to fleeing or attempting to flee domestic violence, dating violence, sexual assault, and stalking, and youth experiencing homelessness while minimizing the trauma and dislocation caused by homelessness
 - Promote access to and effective utilization of mainstream programs and programs funded with State or local resources; and
 - Optimize self-sufficiency among individuals and families experiencing homelessness

What is
currently
funded?

Permanent Supportive
Housing: Dane County,
Housing Initiatives,
Porchlight, Tellurian, The
Road Home Dane
County

Rapid Rehousing: The
Salvation Army, Urban
Triage

Joint TH-RRH: Urban
Triage

Coordinated Entry &
HMIS: Institute for
Community Alliances

YHDP: City of Madison

Street Outreach:
Madison Street Medicine

Planning: City of
Madison

HUD's Goals & Objectives



Ending the Crisis
of Homelessness
on Our Streets



Prioritizing
Treatment &
Recovery



Advancing Public
Safety



Promoting Self-
Sufficiency



Improving
Outcomes



Minimizing
Trauma

Timeline

- HUD released the NOFO on 11/13/25 with a due date of 1/14/26
 - Typically have 90 days
- HUD plans to make funding announcements in May 2026. After some contracts have already expired.
- Applications are not yet in e-snaps, the web-based portal.

Significant Changes

- Increase in Competition
 - Tier 1 is set at 30% of the CoC's Annual Renewal Demand
 - Last year, Tier 1 was set at 90% of ARD
- Investment in Transitional Housing and Supportive Services Only Projects
 - No more than 30% of a CoC's ARD under this NOFO will fund Permanent Housing Projects, including PSH, RRH and Joint TH-RRH
- YHDP (NOFO, p.16)
 - HUD will competitively renew or replace YHDP projects.

Tier 1

- Projects prioritized in Tier 1 are typically considered “safe” and will be renewed
- Expected 90% of the Annual Renewal Demand to be placed in Tier 1: \$5,561,420
- This year, only 30% of ARD will be in Tier 1: \$1,853,807

CoC-funded Permanent Housing

- Funding to Renew Permanent Housing Projects: \$4,676,321
- Can only fund: \$1,853,807
- HUD requires that the CoC cuts \$2,822,514 in Permanent Housing
- Currently, 257 households in CoC-funded PH. This cut could result in loss of housing & services for approximately 157 households.

Threshold Review – All Projects

- NEW: Must certify affirmatively to the following:
 - The project applicant will not engage in racial preferences or other forms of illegal discrimination.
 - The project applicant will not operate drug injection sites or “safe consumption sites,” knowingly distribute drug paraphernalia on or off of property under their control, permit the use or distribution of illicit drugs on property under their control, or conduct any of these activities under the pretext of “harm reduction.”

NOFO, p. 53-54

New Projects

- The CoC will not accept applications for new Permanent Housing projects.
- Transitional Housing & Support Services Only is HUD's priority
 - Projects must meet HUD's Threshold requirements
 - Service Requirement
 - Emphasis on employment income
 - Cooperate, assist and not interfere or impede with law enforcement to enforce local laws such as public camping and public drug use laws

CoC Merit Review – Points of Interest

- Emphasis on employment income
- Support service participation requirements
- Exits to non-subsidized housing
- Reduce encampments
- Street outreach partners with first responders and law enforcement to increase housing and service engagement

CoC Merit Review, Cont.

- Emphasis on Public Safety:
 - Public illicit drug use
 - Public camping or loitering
 - Demonstrate utilization of standards that address individuals experiencing homelessness who are a danger to themselves or others including involuntary commitment
 - Substantial implementation of SORNA (Sex Offender Registry and Notification Act)
 - When asked by law enforcement, the CoC assists in adequately mapping and checking the location of homeless sex offenders
 - The CoC cooperates, assists, and does not interfere or impede with law enforcement or co-response to connect violators of public camping or drug use laws with services

Priority Points

- Activities are within an Opportunity Zone
- All CoC projects that are non-profit charitable organizations voluntarily, thoroughly, and demonstrably facilitate immigration status verification before distribution of benefits to all recipients

Questions?

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