

## **COC Local Projects NOFO FAQ**

**12/4/2025**

1. **Question:** If you transition from PSH or RRH to transitional housing, would an agency be required to submit a transition or reallocation application?

**Answer:** An agency can submit an application for a renewal project and also submit a reallocation or transitional application to propose the transition from the renewal project to a new project.

2. **Question:** If your application is not accepted in Tier 1 would you be required to submit a second application for transition?

**Answer:** If you wanted to submit an application for reallocation of your present program along with an application for renewal you would need to submit two applications.

3. **Question:** Do families score lower than single clients?

**Answer:** The Local NOFO scoring tool awards points based on the target groups established by the HHA: that is: Physically or developmentally disabled, seniors, chronically homeless, Youth, DV and veterans.

4. **Question:** What is reallocation vs transitional?

**Answer:** Reallocation would take place upon approval of the grant by HUD; a transition grant would make the change over the period of a year.

5. **Question:** Has the Transitional option always been available?

**Answer:** The Transition option is new this year.

6. **Question:** Would a Transition Grant application fall under new projects?

**Answer:** Yes, it would be considered a new project.

7. **Question:** If a project begins at the end of the previous year would that time frame be included in the renewal application and scored?

**Answer:** In order to be eligible for renewal the project would have to have an end date during calendar year 2026. I am not clear if you are asking if performance data would be reviewed for the period of time the project has been operating as part of the renewal process. If that is what you are asking, the review would not consider data for less than the full year.

8. **Question:** If you have a renewal project that is current, and it is renewed with a new grant, would the project be unfunded?

**Answer:** If you want to renew the project as it is, you would need to submit a renewal application, keeping in mind that the percentage of PSH and RRH that can be funded can only be 30% of the total funding (ARD).

9. **Question:** What timeline does the grant cover?

**Answer:** HUD has just answered this question. The text of their answer is below:

As the 2025 CoC NOFO indicates (I.A.2) the initial grant term for "New" project applications may be for 1 year, 2 years, 3 years, 4 years, or 5 years. HUD may extend the grant consistent with 2 CFR 200.308 and 2 CFR 200.309. HUD will allow new projects to request 1 year of funding with a longer initial grant term not to exceed 18 months. The reason for this longer grant term is that HUD has determined that most new projects requesting one year of funding often take approximately 3 to 6 months to begin fully operating the new project (e.g., hiring staff, developing partnerships with landowners if leasing or renting). Therefore, a new project requesting 1 year of funding may request a grant term of 12 months to 18 months that will allow for the additional start-up process. Your budget period will be determined by the month that you make your first financial draw in the financial system. For example, if your grant agreement for a new CoC project is signed in October, 2026, and you make your first financial draw in November, 2026, your grant will begin on November 1, 2026, and can run from 12 months to 18 months.

Therefore, if someone has told you that it must run from 10/1/26 to 12/31/27, they are more than likely implying you should request a grant term of 15 months. Determining what grant term length your project will need is something you will need to determine in consultation with your field office if awarded funds.

Lastly, if you request an extended grant term, where the grant ends will be the start of your 1 year renewal. So even if you start on 10/1/26, but end on 12/31/27, then your renewal would start on 1/1/28 and end 12/31/28.

- 10. Question:** Would your target population remain the same for a PSH renewal project regardless of new guidelines? Can I change my population when I submit my renewal application, or would the application be considered new?

**Answer:** We are posing these questions to HUD.

- 11. Question:** Is there a preferred target population for Transitional Housing?

**Answer:** Not as far as HUD criteria. Transitional Housing can serve anyone who is experiencing homelessness. However, note that the CoC has established priorities of physically or developmentally disabled, seniors, chronically homeless, Youth, DV and veterans.

- 12. Question:** If you have a PSH project renewal, would it be best to submit a new application as well as the renewal?

**Answer:** Since only 30% of the funding may be spent on PSH and RRH, you may want to consider that.

- 13. Question:** I went into esnaps and I don't see the FY 2025 application or renewal available in the Funding Registration Section. Is this something that HUD does on their end or that the county does as the collaborative applicant? I want to make sure I am not missing something since there is a quick turnaround time.

**Answer:** This is something that HUD does, but apparently has not done yet. We are anxiously awaiting seeing both the project applications and the CoC applications available.

14. **Question:** Can you explain reallocation?

**Answer:** The HUD NOFO defines reallocation as shown below (II.G.3). It contains references to other sections of the HUD NOFO which you may also want to review.

Reallocation is a process CoCs use to shift funds in whole or in part from existing eligible CoC renewal projects to create one or more new projects without decreasing the CoC's ARD. CoCs may only reallocate eligible renewal projects so long as the renewal project being reduced or eliminated has a current grant agreement with an expiration date in CY 2026. Additionally, new projects created through reallocation must meet the project eligibility and project quality thresholds established in sections V.A.4.a and V.A.4.b of this NOFO. For more information on the requirements for projects created through reallocation, see sections IV.D.1.e and IV.D.1.f (DV Reallocation), IV.D.1.g (CoC Reallocation), and IV.D.1.i (YHDP Reallocation) of this NOFO. To create a Transition Grant through the reallocation process, the CoC must wholly eliminate one or more projects and use those funds to create the single, new transition grant [see section IV.D.1.l of this NOFO].