



HUD FY 2025 NOFO

PA-510 COC Competition Overview and Instructions

Introduction:

Each year, the U.S. Department of Housing and Urban Development (HUD) competitively awards homeless services funding to local jurisdictions across the country through the Continuum of Care Programs. The Continuum of Care (CoC) Program is designed to promote community-wide commitment to the goal of ending homelessness and providing funding for efforts by nonprofit providers, and State and local government to:

1. To create a systematic response to make homelessness rare and brief.
2. To effectively use a Coordinated Entry system that promotes participant choice, coordinates mainstream services, and is open, inclusive, and transparent.
3. To use a Housing First approach that quickly rehouse homeless individuals and families while minimizing the trauma and ending chronic homelessness.
4. To promote access to and use of mainstream benefits and coordinate with employers to help individuals and families experiencing homelessness to achieve independence and long-term sustainability.
5. To build programs and policies oriented towards positive outcomes for people experiencing homelessness.
6. To use evidence-based approaches that strategically use performance and outcome data to best allocate resources to determine the cost-effectiveness and impact of homeless services providers.

Historically, each year homeless providers participate in the local competition for permanent housing programs and other services while the Lancaster County CoC competes as the Collaborative Applicant for county wide programs including street outreach, coordinated entry, Rapid Re-Housing (Pathways) and Transitional Housing to Rapid Re-Housing (locally known as Crisis Housing).

HUD FY 2025 NOFO CoC Program Competition

HUD released the CoC NOFO November 13, 2025 and there are significant changes from previous years the complete application packet is located here: [FY 2025 Continuum of Care Competition and Youth Homeless Demonstration Program Grants NOFO](#).

The Continuum of Care (CoC) program promotes a community-wide commitment to ending homelessness. The program provides funding to nonprofit providers and state and local governments to quickly rehouse individuals and families experiencing homelessness while minimizing the impacts of trauma and dislocation. The program also promotes self-sufficiency and access to mainstream programs by individuals and families experiencing homelessness.

We are still awaiting key documents including the HUD FAQs, application, detailed project and planning instructions to be posted. Please visit our [website](#), which will be regularly updated, for more information as HUD releases updates to the FY25 NOFO.

PA-510 Funding Categories

Category	Amount	Description
2025 Estimated Annual Renewal Demand (ARD)	\$ 2,342,919.00	Total amount of funding required to renew all existing CoC-funded projects for one year, including HUD's Fair Market Rent (FMR) adjustments applied to rent assistance budgets.
Tier 1 (30% ARD)	\$ 702,867.00	The portion of ARD that HUD will fund under the FY2025 NOFO for all eligible permanent housing projects in a CoC, including PSH, RRH, and Joint TH-RRH.
CoC Bonus	\$ 1,113,264.00	The amount HUD makes available for a CoC to create new project applications through the CoC Bonus, which must meet all eligibility and quality threshold requirements in FY 2025 NOFO.
DV Bonus	\$ 556,632.00	The amount HUD makes available for a CoC to create new or expanded projects specifically serving households fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking. All projects must meet the DV Bonus requirements in FY 2025 NOFO.

HUD's NOFO changes for this year include a limitation of Tier 1 funding for Permanent Housing projects to 30% of CoC's Annual Renewal Demand (ARD). This represents a dramatic shift from the 2024 NOFO, where 90% of all project types, including PSH, RRH, TH-RRH, Supportive Services Only, Coordinated Entry, and HMIS, were ranked. Under the new structure, a much larger portion of the permanent housing portfolio is exposed to Tier 2, requiring CoCs to make sharper, data-informed decisions to remain competitive.

HUD's Eligible Project Types

HUD is prioritizing proposals that strengthen the community's response to unsheltered homelessness and behavioral health needs. Eligible project types include:

- Permanent Supportive Housing (PSH)
- Rapid Re-Housing (RRH)
- Joint Transitional Housing-RRH
- Transitional Housing (especially with treatment/recovery integration)
- Supportive Services Only (SSO), including Outreach and Coordinated Entry

Projects that include partnerships with healthcare providers, behavioral health services, first responders, or law enforcement will be viewed favorably under HUD's scoring criteria. Please note these programs serve participants who are eligible based on HUD-defined homelessness.

HUD's Focus on Project Applications

Projects should clearly demonstrate:

- A strong plan to engage and serve people experiencing unsheltered homelessness
- Capacity to support behavioral health treatment, recovery, and stabilization
- Consistent, accurate HMIS data and clean monitoring history
- Strong housing outcomes and system performance
- Compliance with all CoC and HUD requirements, and Executive Orders
- Supportive services made available for 40 hours per week for participants in a Transitional Housing program.

Local CoC NOFO Competition Process & Submission Requirements:

The PA-510 CoC invites new and renewal projects for the CoC competition of the HUD FY 2025 NOFO, including proposals from entities that have not previously received funding. Please carefully review the following.

For New Projects: All new projects must submit the Local Interest for New Project Submission Google Form <https://forms.gle/XqU2JxPEqr3Xe2P87> by Friday, December 5 at Noon. Submitting the form begins the process for your agency's project to be considered for competition.

New Project Types: The following projects are available for competitive process.

- Transitional Housing – new project
- Supportive Services Only - new project
- Supportive Services Only Street Outreach – new project.

Note: See timeline below for more information regarding the process and deadlines.

For Existing Projects: All renewal applicants were invited to an overview of the key changes in the NOFO, important deadlines, and Q&A on Monday, November 24, 2025 at 11:00 AM. These agencies were invited to consider renewal, transition, expansion, and/or reallocation to expand existing projects or create new projects. Renewal submissions must be made in [E-Snaps](#). For more information on reallocation, please see the reallocation process and timeline noted below.

Keep in mind that a transition grant allows an eligible renewal project to convert to another CoC component type during a one-year term. Transition grants eliminate the original project and create a single new transition project. The transition must be fully completed within the one-year term.

PA-510 Reallocation Process – FY2025

This Reallocation Process outlines how the Lancaster City & County Continuum of Care (PA-510) will evaluate, select, and implement reallocation decisions during the FY2025 CoC Program Competition. The information is aligned with HUD FY2025 requirements, reflects local system priorities, and establishes expectations for renewal projects at risk of reduction or reallocation.

1. Purpose of Reallocation

Reallocation is a strategic action that shifts funds, in whole or in part, from existing renewal projects to new projects that demonstrate higher system impact, stronger alignment with HUD's FY2025 priorities, or improved community outcomes.

2. Eligible Projects

Only renewal projects previously renewed under the CoC Program may be considered for reallocation. Projects that are underperforming, noncompliant, or unable to meet CoC expectations may be subject to full or partial reallocation.

3. Voluntary Reallocation

Renewal project applicants may voluntarily reallocate a portion or all of their grant. Providers must notify the Lancaster City and County Coalition early enough to allow system review and planning for any new project opportunities created by reallocation.

An email must be sent to the attention of Marjorie Shaffer, CoC Manager, no later than December 4, 2025 at 5:00pm. The subject line should read: “Voluntary Reallocation Request – [Agency Name] – [Project Name].”

The email must include:

- Grant name and full HUD grant identifier.
- Project component type.
- Total current grant amount and amount proposed for reallocation.
- Budget line items proposed for reduction or elimination and spenddown projection.
- Grant agreement expiration date.
- Number of households, units, or beds affected.
- Reason for reallocation.
- Description of how participants will be transitioned without disruption.
- Whether the agency will apply for a new project using reallocated funds.

4. Strategic (Involuntary) Reallocation

The CoC may initiate reallocation when performance, compliance, system need, or HUD requirements warrant funding shifts. Strategic reallocation may occur even if a project scores well but no longer aligns with system priorities.

5. Criteria Used in Reallocation Decisions

- Spending performance, including chronic underspending.
- Ability to reduce budget without loss of units or services.
- History of prior reductions.
- Program performance on HUD and local metrics.
- Failure to meet minimum performance thresholds.
- Unresolved HUD monitoring findings.
- HMIS data quality and timeliness.
- Coordinated Entry compliance.
- Alignment with HUD FY2025 priorities.
- Structural HUD requirements such as the 30% ARD Permanent Housing cap.
- Impact on overall CoC Application score.
- Community need and potential service gaps.
- Availability of alternative funding sources.

6. Reallocation Decisions

Reallocation may result in full removal, partial reductions, or reinvestment into new projects. High-scoring projects may still be reallocated if required for compliance or system priorities.

7. Integration With Scoring and Ranking

Reallocation outcomes will directly inform ranking and placement within Tier 1 or Tier 2. Projects recommended for reallocation may be excluded from the Priority Listing based on system need.

Local Tentative Competition Timeline

Dates are established based on HUD's Notice of Funding Opportunity; some dates are subject to change within the established timeframe that is required by HUD's Notice and are **dependent upon HUD opening the FY25 NOFO application**.

Action Items	Date / Deadline
HUD releases FY25 NOFO	November 13, 2025
Local Competition Opens	November 25, 2025 by 5:00 PM
Transition Grant Consideration – email Marjorie Shaffer at mshaffer@lchra.com	December 4, 2025 by 5:00 PM
Renewal Application Reallocation Interest Deadline - email Marjorie Shaffer at mshaffer@lchra.com	December 4, 2025 by 5:00 PM
Local interest for new CoC funded projects due via Google Form at https://forms.gle/JTnUvCRKjUcd19Ez6	December 5, 2025 by 12:00 PM
Renewal applications due in E-snaps	December 15, 2025 by 8:00 PM
New project applications due (email to bdegoede@lchra.com)	December 15, 2025 by 8:00 PM
Initial project ranking list posted & agencies notified	December 29, 2025
Local appeals due	January 5, 2026 by Noon
Appeals are notified	January 6, 2026
Final ranking list posted & agencies notified	January 6, 2026
New applicants notified to submit in E-snaps	January 6, 2026
Local deadline: all projects (new and renewal) submitted in e-snaps	January 12, 2026
Collaborative Application & Priority Listing due to HUD	January 14, 2026 by 8:00 PM

PA-510 Application: Additional details will be forthcoming.

Scoring Matrix: Additional details will be forthcoming.

Appeal Process: More information will be forthcoming.

Questions? Please email Marjorie Shaffer, mshaffer@lchra.com, for questions concerning the application process.