



FY 2026 PA-510 Lancaster City and County Continuum of Care

Local Applicant Guide

*Guidance for Applicants Seeking Funding Through the FY
2026 HUD Continuum of Care Program Competition*

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Welcome

Thank you for your interest in the FY 2026 PA-510 Lancaster City and County Continuum of Care (CoC) Program Local Competition.

The PA-510 Continuum of Care is committed to conducting a fair, transparent, and competitive local competition that supports projects addressing the housing and service needs of individuals and families experiencing homelessness as defined by HUD throughout Lancaster County.

This Applicant Guide has been developed to help organizations understand the FY 2026 HUD Continuum of Care (CoC) Program Notice of Funding Opportunity (NOFO), navigate the local competition process, and prepare competitive project applications. It is intended to serve as a practical resource by summarizing key HUD requirements, explaining the local competition process, and identifying important considerations for developing a successful application. While this guide is designed to simplify the application process, it does not replace the FY 2026 CoC NOFO or other applicable HUD regulations and guidance.

Organizations with CoC Program experience and eligible entities that have not previously received HUD CoC Program funding, are encouraged to apply through the local competition process. The PA-510 Continuum of Care recognizes that new organizations and new partnerships strengthen the local homeless response system by bringing additional expertise, innovative approaches, and expanded community capacity. Technical assistance will be available throughout the local competition to help applicants understand the funding opportunity and local application requirements; however, each applicant is responsible for preparing and submitting a complete application that complies with HUD and local requirements.

Faith-based organizations are encouraged to apply and will be considered on the same basis as any other eligible applicant. Organizations will not be discriminated against because they are faith-based or religious in character. If awarded funding, faith-based organizations must carry out eligible CoC Program activities in accordance with all applicable federal and local requirements.

The FY 2026 CoC NOFO introduces several significant changes, including revised funding priorities, updated application requirements, and increased national competition for available funding. Applicants are strongly encouraged to review this guide carefully before preparing an application and to use the referenced HUD resources throughout the application process.

We appreciate your interest in strengthening Lancaster County's homeless response system and look forward to working with you throughout the FY 2026 local competition.

Understanding the Funding Opportunity

This section provides an overview of the FY 2026 HUD CoC Program Notice of Funding Opportunity (NOFO) and the Youth Homelessness Demonstration Program (YHDP). It is intended to help applicants understand the purpose of the funding opportunity, the types of projects HUD is prioritizing, and the role of the local competition in developing the PA-510 Lancaster City and County CoC Consolidated Application.

The information contained in this section summarizes the FY 2026 HUD CoC NOFO. Where applicable, references to the NOFO are included so applicants can review the original HUD guidance for additional detail.

Overview of the HUD Continuum of Care (CoC) Program

The CoC Program, authorized under 24 CFR Part 578, is HUD's primary federal program for addressing homelessness. The program is designed to promote a community-wide commitment to ending homelessness through a coordinated housing and services system.

Through the CoC Program, HUD provides funding to nonprofit organizations, local governments, States, Indian Tribes, tribally designated housing entities, and public housing agencies to assist individuals, families, youth, and survivors of domestic violence, dating violence, sexual assault, and stalking in quickly obtaining and maintaining permanent housing. The program also promotes coordination with mainstream resources and other community systems while supporting long-term housing stability and self-sufficiency.

Each year HUD publishes a Continuum of Care Notice of Funding Opportunity (NOFO), which establishes the requirements for the national competition. The NOFO identifies eligible applicants, eligible project components, available funding, application requirements, evaluation criteria, and the process HUD will use to award funding.

Organizations seeking CoC Program funding through the PA-510 Lancaster City and County CoC must first participate in the local competition. Only projects selected through the local competition may be included in the PA-510 Consolidated Application submitted to HUD for funding consideration.

Overview of the Youth Homelessness Demonstration Program (YHDP)

The Youth Homelessness Demonstration Program (YHDP) is a component of the HUD Continuum of Care Program designed to assist communities in developing and implementing coordinated strategies to prevent and end youth homelessness.

YHDP serves youth age 24 and younger, including unaccompanied youth and youth who are pregnant or parenting. Communities awarded YHDP funding develop a coordinated community plan that guides the use of YHDP resources to improve housing stability and system responses for youth experiencing homelessness.

The FY 2026 CoC NOFO includes opportunities for eligible YHDP renewal and replacement projects. Unless otherwise identified in the NOFO, YHDP projects are generally subject to the same local competition, threshold, and application requirements applicable to other CoC Program projects.

Applicants proposing projects that serve youth should review both the FY 2026 CoC NOFO and any applicable YHDP guidance to ensure proposed activities are consistent with HUD requirements.

FY 2026 CoC NOFO Overview

The FY 2026 CoC Notice of Funding Opportunity (NOFO) was released by HUD on June 1, 2026, making approximately **\$4 billion available nationally** to support projects serving individuals and families experiencing homelessness. The FY 2026 competition includes funding opportunities for both the Continuum of Care Program and the Youth Homelessness Demonstration Program (YHDP). The NOFO establishes the funding available, eligible project types, application requirements, threshold requirements, merit review criteria, risk review criteria, and the process HUD will use to award funding.

The FY 2026 NOFO also introduces several significant changes from prior competitions. These include updated policy priorities, expanded emphasis on measurable outcomes and organizational capacity, revised threshold and merit review criteria, and new requirements for certain project components. Applicants should carefully review project-specific requirements throughout this guide, as several eligibility and project quality standards have changed.

Eligible Entity Types

The PA-510 Local Competition is open to organizations that are eligible to receive funding under the FY 2026 HUD CoC NOFO.

In general, eligible applicants include units of state and local government, public housing authorities, federally recognized Tribal governments and organizations, public institutions of higher education, and nonprofit organizations with 501(c)(3) tax exempt status. Individuals and for-profit entities are not eligible to apply for HUD CoC funding or serve as subrecipients. Faith based organizations are eligible to apply and will be considered on the same basis as all other eligible applicants in accordance with applicable federal requirements. Applicants are responsible for reviewing the FY 2026 CoC NOFO to confirm their eligibility and compliance with all applicable statutory and regulatory requirements. The HUD NOFO governs all eligibility determinations.

Funding Available Through the FY 2026 Competition

The FY 2026 HUD CoC NOFO provides several funding opportunities for both existing and new projects. The funding available to the PA-510 Lancaster City and County CoC is based on formulas established by HUD and is divided into separate funding categories, each with specific eligibility requirements and allowable project types.

The primary funding opportunities available through the FY 2026 competition are summarized below.

1. Annual Renewal Demand (ARD)

Annual Renewal Demand (ARD) represents the amount of funding required to renew eligible CoC Program projects currently operating within the CoC. ARD includes eligible renewal housing and services projects, HMIS projects, Coordinated Entry projects, Domestic Violence (DV) Bonus renewal projects, and Youth Homelessness Demonstration Program (YHDP) renewal projects.

The CoC may recommend that renewal projects continue as currently funded or may recommend reallocation of all or a portion of an eligible renewal grant to better address community needs. Reallocated funding may be used to create eligible new projects as authorized under the FY 2026 CoC NOFO.

2. CoC Bonus Funding

CoC Bonus funding provides an opportunity to develop new projects that address community needs and strengthen the overall CoC. Bonus funding is awarded through the national competition and is separate from Annual Renewal Demand.

CoCs may apply for the following types of new CoC projects through the CoC Bonus or CoC Reallocation processes:

- Supportive Services Only (SSO)
- Transitional Housing (TH)
- Permanent Supportive Housing (PH-PSH)
- Rapid Re-housing (PH-RRH)
- Supportive Services Only for Coordinated Entry (SSO-CE)
- Homeless Management Information System (HMIS) (Only the HMIS Lead Agency can apply for this funding)

3. Domestic Violence (DV) Bonus Funding

Domestic Violence (DV) Bonus funding supports new projects that serve individuals and families fleeing or attempting to flee domestic violence, dating violence, sexual assault, or stalking who meet HUD's applicable definition of homelessness.

CoCs may apply for the following types of new DV projects through the DV Bonus or DV Reallocation processes:

- Transitional Housing (TH)
- Rapid Re-housing (PH-RRH)
- Supportive Services Only for Coordinated Entry (SSO-CE)

DV Bonus projects must satisfy the requirements established in the FY 2026 NOFO for survivor-focused projects.

4. CoC Planning Funding

CoC Planning funding supports planning, coordination, and management activities carried out by the Collaborative Applicant on behalf of the CoC.

Planning funds are available only to the Collaborative Applicant identified in HUD's CoC Applicant Profile.

Planning funds are not ranked as part of the local competition and are not competitive with housing or service projects. Organizations other than the Collaborative Applicant are not eligible to apply for Planning funding.

Funding Not Available Through the FY 2026 Competition

The FY 2026 HUD CoC NOFO **does not** make funding available for the following project types:

- Emergency Shelter projects.
- Homelessness Prevention projects.
- New Joint Component Transitional Housing and Rapid Re-housing (Joint TH-RRH) projects.

Organizations proposing these activities should consider other federal, state, local, or private funding opportunities.

How the HUD Consolidated Application Works

Each CoC submits one Consolidated Application to HUD for consideration under the annual CoC Program competition. The Lancaster County Housing and Redevelopment Authority (LCHRA) serves as the Collaborative Applicant for the CoC and is responsible for submitting the Consolidated Application on behalf of the CoC.

The Consolidated Application consists of three primary components:

- **CoC Application:** Prepared by the Collaborative Applicant on behalf of the Continuum of Care, the CoC Application describes the CoC's governance, strategic planning, coordinated entry system, performance, and system-wide efforts to prevent and end homelessness.
- **CoC Priority Listing:** The CoC Priority Listing identifies every project selected through the local competition and establishes the order in which project applications are submitted to HUD. Projects included on the Priority Listing have successfully completed the local competition and have been approved for submission by the CoC.
- **Individual Project Applications:** Each housing or service project selected through the local competition must complete an individual HUD Project Application in e-SNAPS. These applications include project narratives, budget information, required certifications, attachments, and other documentation required by HUD.

Role of the Local Competition

Before submitting the Consolidated Application, the PA-510 Lancaster City and County CoC conducts a local competition to evaluate project applications and establish funding priorities. Only projects selected through the local competition are included in the CoC Priority Listing and submitted to HUD for funding consideration.

The local competition is conducted in accordance with the PA-510 Review and Rank Policy. That document describes the local evaluation process, scoring methodology, ranking procedures, appeals process, and development of the CoC Priority Listing.

HUD's FY 2026 Homeless Policy and Program Priorities

Each year, HUD establishes national policy and program priorities through the NOFO. These priorities guide both HUD's evaluation of CoC applications and the design of individual project applications. Applicants should consider these priorities when developing project proposals. Competitive applications clearly demonstrate how the proposed project addresses a community need and advances one or more of HUD's priorities..

The FY 2026 CoC NOFO places increased emphasis on the following priorities:

Improving Outcomes and Reducing Homelessness: HUD continues to prioritize projects that demonstrate measurable outcomes and contribute to reducing homelessness within the community. Project design should emphasize housing stability, successful exits to permanent housing, and long-term positive outcomes for program participants.

Promoting Employment, Income Growth, and Self Sufficiency: Projects should assist program participants in increasing earned income, accessing mainstream benefits, improving financial stability, and achieving greater economic self-sufficiency through coordinated supportive services and community partnerships.

Supporting Treatment and Recovery: Where appropriate, projects should incorporate partnerships and practices that promote treatment, recovery, and long-term housing stability for individuals with behavioral health or substance use disorders.

Advancing Public Safety: HUD encourages applicants to demonstrate how proposed projects contribute to safer communities while helping individuals and families exit homelessness through coordinated, housing-focused interventions.

Demonstrating Organizational and Financial Capacity: HUD places significant emphasis on an organization's ability to successfully administer federal funds. Applicants should demonstrate strong financial management, effective grant administration, timely expenditure of funds, compliance with federal requirements, and the organizational capacity necessary to implement the proposed project.

Serving Families with Children: The FY 2026 NOFO establishes national funding floors for certain new Transitional Housing, Supportive Services Only, and Permanent Housing projects dedicated to serving families with children. Applicants proposing these project types should carefully review the applicable project requirements described later in this guide. Additional information regarding HUD's policy priorities is available in the FY 2026 CoC NOFO.

Understanding Tier 1, Tier 2, and Straddling Tiers

One of the most important concepts in the HUD Continuum of Care (CoC) competition is the use of Tier 1 and Tier 2 funding. Understanding how the tiers operate helps explain why the local review and ranking process is a critical component of the annual competition.

HUD does not evaluate every project equally. Instead, each Continuum of Care receives a funding amount that is divided into Tier 1 and Tier 2. As part of the annual competition, each CoC must review project applications submitted for inclusion on the CoC Priority Listing as part of the Consolidated Application and either approve and rank or reject project application submissions, except CoC Planning projects.

In developing the Priority Listing, the CoC considers HUD requirements, national policy priorities established in the NOFO, local priorities, and the overall competitiveness of the CoC Consolidated Application. Regardless of ranking, *all projects must meet HUD's eligibility and threshold requirements to be considered for funding.*

Tier 1

Tier 1 represents the portion of the CoC's Annual Renewal Demand (ARD) that HUD identifies as having the highest likelihood of funding, provided project applications satisfy all applicable eligibility and threshold requirements.

For the FY 2026 competition, Tier 1 is limited to 60 percent of the CoC's Annual Renewal Demand (ARD). As a result, a significant portion of renewal funding, together with CoC Bonus and Domestic Violence (DV) Bonus funding, will compete nationally in Tier 2. Placement in Tier 1 does not guarantee funding. Every project must still successfully complete HUD's eligibility, threshold, merit, and risk reviews.

Tier 2

Tier 2 includes the portion of funding not included in Tier 1, together with eligible CoC Bonus and Domestic Violence (DV) Bonus funding, as established by HUD for the applicable competition. For the FY 2026 competition, Tier 2 represents the difference between Tier 1 and the CoC's Annual Renewal Demand (ARD), together with eligible CoC Bonus and Domestic Violence (DV) Bonus funding. CoC Planning project is not included in Tier 2.

Projects placed in Tier 2 compete nationally for funding. HUD evaluates Tier 2 project applications using a 100-point scoring system consisting of:

- **CoC Application Score:** Up to **50 points** based on the score received by the CoC Application.
- **CoC Project Ranking:** Up to **40 points** based on the project's position on the CoC Priority Listing. Higher-ranked projects receive more points.
- **Supportive Service Participation:** Up to **10 points** for projects that incorporate supportive service participation requirements based on individual need and documented in an occupancy agreement or equivalent document.

Because Tier 2 funding is nationally competitive, development of a well-supported Priority Listing is one of the most important responsibilities of the CoC.

Straddling Tiers

A project may occasionally fall across both tiers. When this occurs, the portion of the project that falls within Tier 1 is considered separately from the portion that falls within Tier 2.

HUD may fund:

- The entire project;
- Only the Tier 1 portion; or
- The Tier 1 portion and later determine whether the Tier 2 portion will be funded through the national competition.

Projects that straddle the tiers must remain operationally feasible if only the Tier 1 portion is awarded.

Local Priority Listing

The CoC develops a Priority Listing that identifies the order in which project applications will be submitted to HUD. In developing the Priority Listing, the CoC considers HUD requirements, national policy priorities, local priorities, project performance, and the overall competitiveness of the CoC Consolidated Application.

The procedures used to evaluate applications, assign project scores, determine project rankings, establish Tier 1 and Tier 2 placement, and develop the CoC Priority Listing will be published in the PA-510 FY 2026 Review and Rank Policy. That policy will be released separately from this Applicant Guide following approval by the CoC's

Steering Committee. Applicants are strongly encouraged to review the Review and Rank Policy once it is published, as it describes the evaluation criteria and process that will be used during the local competition.

The PA-510 Local Competition Process

Purpose of the Local Competition

HUD requires each CoC to establish and follow a local competition process that is objective, transparent, and available to all eligible applicants. The local competition allows the CoC to evaluate project applications, establish funding priorities based on HUD requirements and community needs, and develop the CoC Priority Listing submitted to HUD as part of the Consolidated Application.

The local competition serves several important purposes:

- Ensures all eligible applicants have an opportunity to compete for available funding.
- Evaluates project applications using locally adopted policies that align with HUD requirements.
- Establishes the order in which projects will be submitted to HUD.
- Strengthens the overall competitiveness of the PA-510 Consolidated Application.
- Ensures funding recommendations reflect both community needs and HUD priorities.

Participation in the local competition is required for all organizations seeking funding through the FY 2026 CoC Program competition, including renewal projects, new project applications, transition grants, expansion projects, and projects created through reallocation, unless otherwise permitted by HUD.

The Lancaster County Housing and Redevelopment Authority (LCHRA) serves as the Collaborative Applicant for the CoC and is responsible for administering the local competition through its designated Local Competition Facilitator and for submitting the Consolidated Application on behalf of the CoC.

The local competition is conducted in accordance with the PA-510 Review and Rank Policy, which establishes the procedures governing the evaluation, scoring, ranking, selection, and recommendation of project applications for inclusion in the CoC Priority Listing submitted to HUD.

Local Competition Schedule

The CoC publishes a Local Competition Schedule each year identifying key milestones, application deadlines, training opportunities, Review and Rank activities, Board actions, and HUD submission deadlines. Applicants are responsible for monitoring the [Lancaster County Office for the Homelessness Coalition Website](#) and communications from the Collaborative Applicant for updates issued during the competition. The Collaborative Applicant reserves the right to revise the schedule as necessary to accommodate changes to the HUD competition schedule or other circumstances affecting the local competition.

Applicant Responsibilities & Organizational Readiness

Applicants are responsible for ensuring that all application materials are complete, accurate, and submitted by the published deadlines. Participation in technical assistance opportunities does not replace the applicant's responsibility for understanding HUD requirements or preparing a complete application.

Throughout the local competition, applicants are expected to:

- Review this Applicant Guide and the FY 2026 HUD CoC NOFO.
- Review the PA-510 Review and Rank Policy.

- Determine the most appropriate funding opportunity and project component.
- Complete all required local application forms.
- Submit all required supporting documentation.
- Respond promptly to requests for clarification or additional information.
- Monitor communications issued by the Collaborative Applicant throughout the competition.
- Meet all published local and HUD deadlines.

Applicants are responsible for ensuring that information submitted as part of the local competition is accurate and consistent with any subsequent HUD project application.

System for Award Management (SAM) & Unique Entity Identifier (UEI)

Organizations that receive HUD funding must have an active Unique Entity Identifier (UEI) and an active registration in the System for Award Management (SAM) before entering into a grant agreement with HUD.

Applicants should verify that their UEI and SAM registration are active early in the application process. Organizations that need to establish or renew a SAM registration should begin as soon as possible, as the registration process includes multiple verification steps and may take several weeks to complete.

Code of Conduct

Applicants must maintain a written Code of Conduct that complies with HUD requirements and addresses conflicts of interest, acceptance of gifts and gratuities, organizational standards of conduct, employee awareness, and disciplinary actions.

All applicants receiving HUD funding must have a Code of Conduct on file with HUD. Applicants whose information has changed since their previous submission (such as the organization's name, address, or authorized official) should be prepared to submit an updated Code of Conduct before entering into a grant agreement.

Applicants without a Code of Conduct on file with HUD will be required to submit one before a grant agreement is executed.

Local Competition Application Process

All applicants seeking funding through the FY 2026 CoC local competition must submit the required local application materials to the PA-510 Collaborative Applicant by the established local deadlines. The local application process is used to evaluate projects, establish funding priorities, and develop the CoC's Consolidated Application for submission to HUD. The local application requirements differ from HUD's e-SNAPS application and must be completed regardless of whether the applicant is a current recipient, prospective recipient, or subrecipient. Applicants should carefully review all local application instructions and submit all required forms and supporting documentation by the published deadlines.

The process generally consists of the following steps.

Step 1 – Review the Funding Opportunity

- Review this Applicant Guide, the FY 2026 HUD CoC NOFO, and the PA-510 Review and Rank Policy to determine the appropriate funding opportunity and project component.
- Organizations considering transition grants, expansion projects, or reallocation should carefully review the applicable HUD requirements before preparing an application.

Step 2 – Prepare and Submit the Local Competition Application

- Complete the appropriate PA-510 Local Competition Application and submit all required attachments by the published deadline.
- Applicants are responsible for providing complete and accurate information sufficient for the CoC to evaluate the proposed project.

Step 3 – Local Review and Evaluation

- Applications are reviewed in accordance with the PA-510 Review and Rank Policy using the evaluation criteria adopted by the CoC.
- During the review process, the Collaborative Applicant may request clarification or additional supporting documentation to better understand information contained in the application. Such requests are intended to clarify or verify information already submitted and are not an opportunity to materially revise the application.

Step 4 – Funding Recommendations and Applicant Notification

- Following completion of the review process, the Review and Rank Panel develops a recommended Priority Listing for consideration by the CoC's Steering Committee.
- Following action by the CoC's Steering Committee, applicants are notified of the outcome of the local competition, including appeal rights described in the PA-510 Review and Rank Policy.
- Projects approved through the local competition are included on the CoC Priority Listing and recommended for inclusion in the PA-510 CoC Consolidated Application submitted to HUD. Final funding decisions remain the responsibility of HUD.

Communication During the Competition

The Collaborative Applicant will serve as the official point of contact throughout the local competition. Official competition announcements, application materials, deadlines, clarifications, and other competition-related information will be distributed through the communication methods identified in the local competition announcement. Applicants are responsible for monitoring communications issued by the Collaborative Applicant throughout the competition.

To promote a fair and transparent competition:

- Responses to applicant questions that may affect multiple applicants may be distributed to all prospective applicants.
- Clarifications issued by the Collaborative Applicant become part of the local competition guidance.
- Applicants are responsible for incorporating applicable clarifications into their application.

Failure to receive or review a communication issued by the Collaborative Applicant does not extend published deadlines or application requirements.

If Your Project Is Selected

Projects selected through the local competition are recommended for inclusion in the PA-510 Consolidated Application submitted to HUD. Selection through the local competition does **not** constitute a funding award. Final funding decisions are made by HUD following review of the Consolidated Application and all individual Project Applications.

Organizations selected through the local competition should be prepared to:

- Complete any additional HUD Project Application requirements.
- Provide supplemental documentation requested by the Collaborative Applicant or HUD.
- Execute all required certifications and assurances.
- Respond promptly to requests for clarification during the HUD review process.
- Meet all HUD submission deadlines.

Technical Assistance

The PA-510 CoC, through the Collaborative Applicant and its designated Competition Facilitator, is committed to providing applicants with technical assistance throughout the local competition process. Technical assistance is intended to promote fair, transparent, and competitive competition by helping applicants understand HUD requirements and local application expectations. Technical assistance is provided to assist applicants in understanding the funding opportunity; however, each applicant is solely responsible for the content, accuracy, completeness, and timely submission of its application.

Technical assistance may include:

- Information sessions and applicant trainings.
- Individual technical assistance meetings.
- Responses to questions regarding the FY 2026 HUD CoC NOFO.
- Guidance regarding eligible project components and eligible costs.
- Clarification of local competition requirements and application materials.

Applicants should submit all questions regarding the FY 2026 local competition to Beth DeGoede bdegeode@lchra.com. Responses to questions that may affect multiple applicants may be distributed to all prospective applicants. Responses and clarifications issued on behalf of the Collaborative Applicant become part of the official local competition guidance, and applicants are responsible for incorporating applicable clarifications into their applications.

HUD e-SNAPS

E-SNAPS is HUD's web-based grants management system used to create, submit, and manage Continuum of Care (CoC) Program grant applications. It serves as the official portal for applicants and recipients to complete project applications, execute grant agreements, submit amendments, and manage grant information throughout the life of the award. Direct recipients are required to use e-SNAPS to submit applications and complete required grant administration activities.

At the time this Applicant Guide and Local Competition Instructions document was published, the FY 2026 CoC Competition had not yet opened in HUD's e-SNAPS system. The CoC will notify applicants when e-SNAPS becomes available and will provide any additional guidance, local deadlines, and submission requirements at that time.

Direct recipients are responsible for completing and submitting their HUD project applications through the e-SNAPS system. Direct recipients can access e-SNAPS at: <https://esnaps.hud.gov/grantium/frontOffice.jsf>. Applicants responsible for submitting applications through e-SNAPS are encouraged to review the training modules, user guides, and detailed application instructions available on the HUD Exchange: <https://www.hudexchange.info/programs/e-SNAPS/>

Subrecipients are not required to submit applications through e-SNAPS. Instead, subrecipient applications are submitted to the Collaborative Applicant as part of the local competition process. If selected for funding, the direct recipient will coordinate with the subrecipient to obtain the information necessary to complete the HUD application and satisfy all applicable HUD requirements.

Funding Opportunities and Eligible Project Types

This section describes the funding opportunities available through the FY 2026 CoC Program competition and the eligible project components that may be funded. Applicants should carefully review each funding opportunity before determining the most appropriate project type and funding request.

Choosing the Right Funding Opportunity

The FY 2026 HUD CoC Program provides several funding opportunities for both existing and new projects. Selecting the appropriate funding opportunity is an important first step in developing a competitive application.

Depending on the organization's circumstances, applicants may be eligible to apply for one or more of the following:

Renewal Project: Renewal projects are existing CoC Program grants that are eligible for continued funding through the FY 2026 competition. Renewal projects are generally funded through the Continuum's Annual Renewal Demand (ARD) and must continue to meet HUD eligibility, threshold, and project quality requirements.

New Project: New projects create additional housing or services that address a community need within the Continuum of Care. New projects may be funded through CoC Bonus funding, Domestic Violence (DV) Bonus funding, or through funding made available by reallocation of eligible renewal grants.

Expansion Project: A renewal project applicant may submit a new project application under the DV Bonus, DV Reallocation, CoC reallocation, and CoC bonus processes to expand its current operations by adding units, beds, persons served, services provided to existing program participants, or to add additional activities to HMIS and SSO-Coordinated Entry projects within the CoC's geographic area.

Transition Grant: Applicants may transition renewal projects from one CoC Program component to another (e.g., Permanent Supportive Housing to Transitional Housing) using the CoC Program Competition upon approval of the CoC. YHDP renewal projects are not eligible to use the transition grant process. See pages 21-22 of the NOFO.

Consolidation Projects: Eligible renewal project applicants may consolidate two but no more than ten eligible renewal projects into one project application during the application process. To be eligible for consolidation, renewal projects *must*:

- Have a grant period that will expire in the Calendar Year (CY) 2027;
- Be consolidated under the same recipient; and
- All have the same component and project type (e.g., PH-PSH, PH-RRH, TH, SSO).

Reallocation: Reallocation allows all or a portion of eligible renewal funding to be redirected to new projects that better address community needs and align with HUD priorities. Reallocated funding remains part of the Continuum's Annual Renewal Demand and must be used for eligible project components identified in the FY 2026 CoC NOFO.

Applicants considering expansion, transition, consolidation, or reallocation should carefully review the applicable HUD requirements before preparing an application.

Selecting the Appropriate Project Component

The FY 2026 HUD Continuum of Care (CoC) Program includes several eligible project components designed to address different housing and service needs within a community's homeless response system. Selecting the appropriate project component is one of the most important decisions an applicant will make during the application process.

Each project component has specific eligibility requirements, eligible activities, eligible costs, and project quality expectations established by HUD. Applicants should carefully review the requirements for the proposed project component before preparing an application.

The FY 2026 CoC Program includes the following eligible project components:

- Supportive Services Only (SSO)
- Transitional Housing (TH)
- Permanent Housing – Permanent Supportive Housing (PH-PSH)
- Permanent Housing – Rapid Re-Housing (PH-RRH)
- Supportive Services Only – Coordinated Entry (SSO-CE)
- Homeless Management Information System (HMIS)

Each project component has unique eligibility requirements, eligible costs, and project quality expectations. Detailed guidance for each project component, including eligible participants, eligible costs, project requirements, and FY 2026 considerations are provided later in this guide.

Project Design Considerations

Before preparing an application, applicants should evaluate whether the proposed project:

- Addresses a community need within the PA-510 CoC.
- Aligns with the selected HUD project component.
- Advances the priorities identified in the FY 2026 CoC NOFO.
- Demonstrates the organizational and financial capacity to successfully administer federal funding.
- Includes a realistic implementation plan supported by appropriate staffing and resources.
- Demonstrates the ability to achieve measurable outcomes.

Applicants are encouraged to review the applicable project component requirements before completing the Local Competition Application.

General Requirements Applicable to All Project Components

Unless otherwise specified in the FY 2026 CoC NOFO or 24 CFR Part 578, the following requirements apply to all CoC-funded project components:

- Program participants must be selected in accordance with the PA-510 Lancaster City and County Continuum of Care Coordinated Entry Policies and Procedures.
- Projects must serve only individuals and families who meet the applicable HUD eligibility requirements for the proposed project component.
- Recipients and subrecipients must verify and document participant eligibility before assistance is provided and maintain documentation sufficient to demonstrate ongoing compliance with HUD requirements.
- Projects must participate in the PA-510 CoC Homeless Management Information System (HMIS) known locally as Empower Lancaster in accordance with HUD requirements and the PA-510 HMIS Policies and Procedures, unless the project is a victim service provider prohibited from entering client-level data into HMIS. Victim service providers must maintain a HUD-compliant comparable database.
- Projects must coordinate and integrate program services with mainstream health care, behavioral health, social services, education, employment, income, and other community resources for which program participants may be eligible.
- Projects must comply with all applicable requirements established in the PA-510 CoC Standards and Procedures, FY 2026 CoC NOFO, 24 CFR Part 578, and other applicable federal statutes, regulations, and HUD guidance.

Budget Development and Eligible Costs

Developing a realistic and compliant project budget is a critical component of a successful CoC Program application. The proposed budget should support the project design, reflect the activities described in the application, and include only costs that are eligible under the FY 2026 CoC NOFO, 24 CFR Part 578, and the HUD Resource Binder.

Budget Submission Requirement

Applicants are required to complete and submit the PA-510 Local Competition Budget Workbook as part of the Local Competition Application. The budget must accurately reflect the proposed project design and funding request. Applications submitted without a completed Budget Workbook will be considered incomplete and may not be reviewed or scored as part of the FY 2026 PA-510 Local Competition.

General Budget Requirements

Applicants are responsible for ensuring that proposed costs:

- Are eligible under the selected project component.
- Are reasonable and necessary to operate the proposed project.
- Support the activities described in the application.
- Are adequately documented.
- Comply with all applicable federal requirements.

Project budgets should clearly demonstrate how the requested funding will support successful project implementation and achievement of the proposed outcomes.

Eligible Budget Line Items

The CoC Program includes the following budget line items:

- Acquisition
- Rehabilitation
- New Construction
- Leasing
- Rental Assistance
- Supportive Services
- Operating
- Homeless Management Information System (HMIS)
- Project Administration

Before developing a project budget, applicants should review Subpart D of 24 CFR Part 578 and the FY 2026 CoC NOFO. Not every budget line item is allowable under every project component, and applicants are responsible for submitting only eligible costs.

Match Requirements

If you are a direct applicant to HUD, a 25% match is required for eligible project costs. Applicants are responsible for identifying eligible cash and/or in-kind match and maintaining documentation sufficient to demonstrate compliance with HUD match requirements. Additional information regarding match requirements is provided in the FY 2026 CoC NOFO and 24 CFR Part 578.

Fair Market Rent (FMR)

Projects requesting Rental Assistance or Leasing funds must comply with the Fair Market Rent (FMR) requirements established by HUD, as applicable. The PA-510 CoC will provide applicants with the current Lancaster County Fair

Market Rent schedule during the local competition. Applicants should also ensure all units meet applicable rent reasonableness requirements before assistance is provided.

Budget Development Resources

The FY 2026 CoC NOFO, 24 CFR Part 578, HUD Exchange guidance, and applicable CPD notices remain the primary sources for determining eligible costs and budget requirements. Applicants are encouraged to consult these resources and contact the Collaborative Applicant with questions before submitting the Local Competition Application.

Threshold Review

Every project application submitted through the PA-510 Lancaster City and County Continuum of Care (CoC) local competition must satisfy the threshold requirements established by HUD in the FY 2026 CoC NOFO, as well as any applicable local competition requirements, before it can advance to scoring and ranking.

As part of the local competition, the Collaborative Applicant will conduct a threshold review using HUD's threshold requirements to verify that applications appear to satisfy the federal eligibility requirements for submission to HUD. This local review is intended to identify threshold deficiencies before project applications are included in the PA-510 CoC Consolidated Application. HUD will conduct its own independent threshold review of all project applications submitted through the national competition and retains sole authority to determine whether an application satisfies all federal threshold requirements.

HUD Threshold Requirements

- Project applicants and potential subrecipients must meet the eligibility requirements of the CoC Program as described in the Act and the Rule and provide evidence of eligibility required in the application (e.g., nonprofit documentation).
- Project applicants and subrecipients must demonstrate the financial and management capacity and experience to carry out the project as detailed in the project application and the capacity to administer federal funds. Demonstrating capacity may include a description of the applicant and subrecipient experience with similar projects and with successful administration of SHP, S+C, or CoC Program funds or other federal, state, local, or private resources.
- The population to be served must meet program eligibility requirements as described in the Act, the Rule, and Section III.G.11 of this NOFO.
- Project applicants must submit the required certifications specified in the NOFO.
- Project applicants, except Collaborative Applicants that only receive awards for CoC planning costs, must agree to participate in the PA-510 HMIS system, Empower Lancaster. However, in accordance with Section 407 of the Act, any victim service provider that is a recipient or subrecipient must not disclose, for purposes of HMIS, any personally identifying information about any client. Victim service providers must use a comparable database that meets the needs of the local HMIS.

Applicants should carefully review the FY 2026 CoC NOFO to ensure the proposed project satisfies all applicable threshold requirements before submitting a Local Competition Application.

Local Threshold Requirements

In addition to HUD's threshold requirements, the PA-510 CoC has established local threshold requirements to ensure applications are complete and can be evaluated through the local competition.

At a minimum, applicants must:

- Submit a complete Local Competition Application by the published deadline.
- Submit a completed PA-510 Local Competition Budget Workbook.
- Include all required attachments and supporting documentation.
- Meet all eligibility requirements established in the FY 2026 CoC NOFO and local competition materials.
- Respond to requests for clarification or correction, if applicable, within the timeframe established by the Collaborative Applicant.

Applications that do not satisfy the published threshold requirements may be determined ineligible for further consideration through the local competition.

Correcting Administrative Errors

Applications submitted by the published local competition deadline may be reviewed for minor clerical, technical, or administrative errors during the threshold review process. When appropriate, the Collaborative Applicant may request corrections to these non-substantive errors. Requested corrections must be submitted within the timeframe established by the Collaborative Applicant.

Corrections are intended only to clarify or complete information that existed prior to the application deadline and may not materially alter the proposed project or provide a competitive advantage.

Examples of Correctable Errors

- Missing signatures.
- Minor typographical, formatting, or transcription errors.
- Inadvertent omission of required supporting documentation that existed prior to the application deadline.
- Mathematical or calculation errors that do not change the proposed project or requested funding.

Examples of Non-Correctable Errors

- Applications submitted after the published deadline.
- Changes to the proposed target population, project design, or project component.
- Changes to the requested funding amount or budget line items, except to correct a mathematical calculation.

Applicant Certifications and Assurances

Applicants selected through the local competition must complete all certifications and assurances required by HUD as part of the FY 2026 CoC Program application.

For FY 2026, project applicants must certify affirmatively the following:

- **Illegal Racial Discrimination**
"The project applicant will not engage in illegal racial discrimination. This is consistent with the requirements of 2 CFR 200.300(a)."
- **Illegal Drug Activities**
"The project applicant will not operate drug injection sites or 'safe consumption sites' in violation of 21 U.S.C. 856(a)(1), knowingly permit the use or distribution of illicit drugs on property under their control in violation of 21 U.S.C. 856(a)(2), or knowingly distribute drug paraphernalia in violation of 21 U.S.C. 863. This is consistent with the objectives outlined in Section III.B of the FY 2026 CoC NOFO and the requirements of 2 CFR 200.300(a)."

This certification does **not** require program participants to be sober to receive assistance, participate in treatment as a condition of receiving assistance, or be evicted or exited from assistance for a first-time violation of a drug-related program policy or lease requirement.

Applicants are responsible for reviewing all certifications required by HUD and ensuring they can comply with the applicable federal requirements before submitting an application.

HUD Quality Threshold Review (New Projects Only)

New project applications that pass the eligibility and threshold review will be evaluated against HUD's project quality threshold requirements contained in the FY 2026 CoC NOFO. These requirements vary by project component. Projects must achieve the minimum score established by HUD for their project type to be eligible for inclusion on the CoC Priority Listing. Projects that do not meet the applicable quality threshold will not advance to scoring and ranking.

Project Type	Minimum Score Required
Transitional Housing	6 of 8
SSO Standalone	4 of 5
SSO Street Outreach	5 of 6
SSO Coordinated Entry	3 of 4
Rapid Rehousing	4 of 6
CoC Planning	3 of 5

Following the summary above, applicants should review Appendix A – HUD Project Threshold Requirements for New Projects, which contains the detailed quality criteria applicable to each eligible project component. These criteria are based on the FY 2026 HUD Continuum of Care (CoC) Notice of Funding Opportunity (NOFO) and will be used during the local quality threshold review. New project applications must meet the applicable minimum quality threshold for their project type to be eligible to advance to the scoring and ranking process.

Organizational Capacity

HUD expects applicants to demonstrate the organizational capacity necessary to successfully administer a CoC Program grant. Organizational capacity should be reflected throughout the application and supported by the applicant's experience, staffing structure, financial management practices, and project implementation plan.

Applicants should be prepared to demonstrate:

- Experience administering housing and supportive service programs.
- Adequate staffing and organizational structure to implement the proposed project.
- Financial management systems capable of administering federal grant funds.
- Internal controls and oversight procedures.
- Experience meeting reporting, monitoring, and grant management requirements.

Organizations without previous CoC Program experience are encouraged to demonstrate relevant experience managing programs of similar size and complexity and describe how they will ensure successful implementation of the proposed project.

Financial and Risk Review

In addition to evaluating project eligibility, HUD conducts a financial and risk review of applicants prior to making an award. The purpose of the review is to assess whether the applicant has the financial and management capacity necessary to successfully administer federal funding.

As part of this review, HUD may consider factors including, but not limited to:

- Financial stability.
- Quality of financial management systems.
- History of performance under federal awards.
- Timely expenditure of grant funds.
- Findings from audits, monitoring, or other oversight activities.
- Compliance with applicable federal statutes, regulations, and award conditions.

Applicants should review the Financial and Risk Review section of the FY 2026 CoC NOFO to understand the factors HUD may consider during the award process.

Project Quality

In addition to meeting threshold requirements, applicants should develop projects that are responsive to identified community needs and demonstrate the ability to achieve meaningful outcomes. A well-designed project clearly explains the need for the proposed project, the population to be served, the services or housing to be provided, and the anticipated outcomes.

Applicants should ensure the proposed project:

- Aligns with the selected project component.
- Addresses a community need within the PA-510 Continuum of Care.
- Demonstrates the organizational capacity to successfully implement the project.
- Includes a realistic implementation plan and budget.
- Identifies measurable outcomes and methods for evaluating project performance.

While project quality is considered throughout the local competition and HUD review process, applicants should also review the PA-510 Review and Rank Policy for information regarding the local evaluation process.

Common Reasons Applications May Be Determined Ineligible

The following are examples of circumstances that may result in an application being determined ineligible for review or funding consideration:

- The application is incomplete or submitted after the published deadline.
- Required forms, certifications, or supporting documentation are missing.
- The proposed project or applicant does not meet HUD eligibility requirements.
- The proposed project component is not eligible under the FY 2026 CoC NOFO.
- The proposed budget includes ineligible costs or is inconsistent with the project design.
- Required local application materials, including the Budget Workbook, are not submitted.
- The applicant is unable to make the certifications or assurances required by HUD.
- The application does not satisfy applicable local threshold requirements.

This list is intended to provide examples and is not all-inclusive. Applicants remain responsible for complying with all requirements established in the FY 2026 CoC NOFO and the PA-510 local competition materials.

Final Considerations Before Submission

Meeting HUD and local threshold requirements is the first step in developing a competitive application. Threshold requirements determine whether an application is eligible for consideration but do not guarantee that a project will be recommended by the CoC or selected for funding by HUD.

Applicants should carefully review the FY 2026 CoC NOFO, this Applicant Guide, the PA-510 Review and Rank Policy, and all local competition materials before submitting an application.

Prior to submission, applicants should confirm that:

- The proposed project is eligible under the selected funding opportunity and project component.
- The application clearly demonstrates how the proposed project addresses a community need and supports the Continuum's strategic priorities.
- The application narrative is complete and accurately reflects the proposed project.
- The PA-510 Local Competition Budget Workbook has been completed and aligns with the proposed project design.
- All required forms, certifications, and supporting documentation have been included.
- Match requirements have been identified, where applicable.
- The application has been reviewed for completeness and accuracy.
- The application will be submitted by the published deadline.

The FY 2026 CoC Program Competition is expected to be highly competitive. Applicants are encouraged to submit applications that not only satisfy HUD and local threshold requirements but also demonstrate strong project design, organizational capacity, fiscal responsibility, and the ability to improve outcomes for individuals and families experiencing homelessness. Well-developed applications strengthen both the individual project and the overall competitiveness of the PA-510 Continuum of Care Consolidated Application.

Responsibilities Following Project Selection

Selection through the PA-510 Lancaster City and County CoC local competition is the beginning of the federal application process. Organizations selected for inclusion in the CoC Consolidated Application should be prepared to work closely with the Collaborative Applicant to complete all HUD application requirements and, if awarded funding, administer the project in accordance with federal requirements.

This Section provides a high-level overview of the responsibilities associated with project selection and administration. It is not intended to replace the requirements established in the FY 2026 CoC NOFO, 24 CFR Part 578, 2 CFR Part 200, or other applicable HUD guidance.

Selection Through the Local Competition

Projects selected through the PA-510 local competition are recommended for inclusion in the CoC Consolidated Application submitted to HUD. Selection through the local competition does **not** constitute a HUD funding award. All project applications remain subject to HUD's eligibility review, threshold review, merit review, financial and risk review, and the availability of funding. The Collaborative Applicant reserves the right to request additional information or documentation from selected applicants as necessary to complete the Consolidated Application or respond to HUD requests.

HUD Project Application

Organizations selected through the local competition will work with the Collaborative Applicant to complete the HUD Project Application and any additional documentation required by HUD.

Depending on the project and applicant type, this may include:

- Completion of the HUD Project Application in e-SNAPS.
- Final budget review and verification.
- Required certifications and assurances.
- Submission of supporting documentation.
- Resolution of HUD technical deficiencies or requests for clarification.
- Compliance with all HUD submission deadlines.

Failure to provide requested information within established timeframes may affect the project's ability to be submitted to HUD.

Recipient and Subrecipient Responsibilities

Recipients and subrecipients awarded CoC Program funding are responsible for administering their projects in accordance with all applicable federal requirements. Recipients are responsible for ensuring that any subrecipients also comply with applicable federal requirements.

Responsibilities include, but are not limited to:

- Compliance with the FY 2026 CoC NOFO and grant agreement.
- Compliance with 24 CFR Part 578 and 2 CFR Part 200.
- Financial management and internal controls.
- Maintenance of complete and accurate program and financial records.
- Compliance with applicable procurement, civil rights, fair housing, and nondiscrimination requirements.
- Timely reporting and record retention.
- Participation in required monitoring activities.

Match and Financial Documentation

Recipients must maintain documentation supporting all required match contributions throughout the grant term. Cash and in-kind match must be adequately documented and made available during monitoring or audit activities. Failure to maintain sufficient documentation may result in questioned costs or other corrective actions. Applicants should also maintain documentation supporting all expenditures charged to the grant, including source documentation sufficient to demonstrate that costs are allowable, reasonable, necessary, and properly allocated.

Reporting Requirements

Recipients and subrecipients are responsible for completing all required reporting in accordance with HUD requirements and established deadlines.

Reporting requirements may include:

- Homeless Management Information System (HMIS) participation or use of a comparable database, as applicable.
- Annual Performance Reports (APR).
- Financial reporting.
- Requests for information from HUD or the Collaborative Applicant.
- Other reports required by the grant agreement or applicable federal guidance.

Accurate and timely reporting is essential to demonstrate project performance and compliance with HUD requirements.

Monitoring and Oversight

Projects funded through the CoC Program are subject to monitoring by the Collaborative Applicant, HUD, and other authorized oversight agencies.

Monitoring activities may include:

- Program monitoring.
- Financial monitoring.
- File reviews.

- Review of participant eligibility documentation.
- Review of financial records and supporting documentation.
- Verification of compliance with grant requirements.

Recipients and subrecipients are expected to cooperate fully with monitoring activities and respond promptly to any findings or requests for corrective action.

Thank you for the time, effort, and commitment invested in developing projects to serve individuals and families experiencing homelessness. The local competition is designed to identify high quality projects that align with HUD priorities and the needs of our community while ensuring a fair and transparent review process. Applicants are encouraged to carefully review all application materials, submit complete and accurate information, and reach out with questions throughout the competition process. Although the PA-510 CoC submits projects on the Priority Listing, all funding decisions are made solely by the U.S. Department of Housing and Urban Development (HUD). HUD conducts its own review of all project applications and determines final grant awards based on federal eligibility, threshold, and funding requirements.