



HOUSING FOR A HEALTHY SANTA CRUZ

2026 CoC/YHDP Competition Applicant Orientation Session

June 16, 2026



Agenda

- Welcome: Please Introduce Yourself in the Chat
- Overview of HUD CoC/YHDP Program Competition
- Local Application and Selection Process
- Question and Answer
- Closing



Overview of HUD CoC/YHDP Program Competition



Frequently Used Acronyms

- **CoC** – Continuum of Care (more on the next slide)
- **YHDP** – Youth Homeless Demonstration Program. Projects that have been awarded special funds for serving youth experiencing homelessness
- **HUD** – US Dept. of Housing and Urban Development. The agency that releases the funds and sets program rules
- **NOFO** – Notice of Funding Opportunity



Multi-Step CoC/YHDP Funding Process

1

- HUD Releases annual NOFO

2

- CoC develops and manages a local application process to invite, rate, and rank projects to submit to HUD

3

- CoC submits a consolidated application to HUD in e-snaps, including all local project applications organized by priority rank order

4

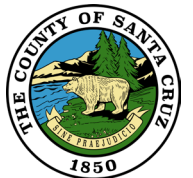
- HUD awards funds directly to selected projects (the CoC is not a pass through)



Possible Funding for our CoC

\$9,689,592 theoretically possible (but unlikely), including:

- **\$7,609,946 Annual Renewal Demand (ARD)** for one-year **renewal** of existing CoC, DV, & YHDP projects, or **repurposing** to the following **new** project types:
 - CoC & DV transition or reallocation – PSH, RRH, TH, SSO Standalone, SSO Coordinated Entry (CE), & HMIS
 - YHDP replacement – TH, Crisis Residential TH, SSO, SSO CE, SSO – Host Homes and Kinship Care, PSH, and RRH – TG

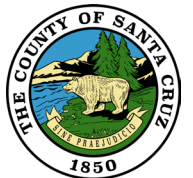


Possible Funding for our CoC

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- **\$1,521,989** for **CoC Bonus** projects of the following **new** project types
 - New PSH, RRH, TH, SSO Standalone, SSO Coordinated Entry, & HMIS
- **\$177,160** for **DV Bonus** projects of the following **new** project types
 - New RRH, TH, or SSO CE serving 100% persons fleeing DV
- **\$353,690** for one non-competitive **CoC planning** project

Note: While the above describes all the allowable project types, only specific project types are prioritized locally. Details below



Ranking and Tiering

All CoC, DV, & YHDP projects be ranked competitively in 2 tiers

- **Tier 1 = 60%** of our **ARD** or **\$4,565,968** (will be funded if pass threshold review) – *down from 90% in 2024 and 93% in 2023*
- **Tier 2 = 40%** of our ARD or \$3,043,978 **plus** any CoC or DV Bonus received (funding highly uncertain, nationally competitive)

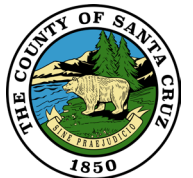
• Example:

Tier 1 Projects	Amounts (Tier 1 = \$600,000)
1. Project 1	\$200,000
2. Project 2	\$200,000
3. Project 3	\$200,000
Tier 2 Projects	Amounts (Tier 2 = \$400,000 + Bonus Projects Received)
1. Project 1	\$200,000
2. Project 2	\$200,000
3. Project 3 (CoC Bonus)	\$150,000
Total Awards	\$1,150,000



Significant HUD Changes This Year

- **Back to a one-year NOFO cycle!**
- **Tier 1** is way smaller/only 60% ARD is sheltered from national competition
- **YHDP projects** must be ranked competitively and therefore must submit local applications and e-snaps
- **No 30% PH renewal cap** as had been feared
- Strong HUD push for new TH and SSO to “rebalance” CoC
- **30%+ priority for new TH and SSO** in Tier 2; about 1/3 of all funds nationally will be awarded to new TH and SSO



Significant HUD Changes This Year

- **Major changes to CoC Application scoring poses major challenge for us**, reflecting draconian administration priorities at significant odds with our history and practices
- HUD is prohibiting **Housing 1st, Harm Reduction, DEI, and safe drug consumption** programs
- **20 hr. per week supportive services requirement in new TH** (down from the feared 40 hrs.)



HUD Homelessness Priorities (all new)

Priority 1: Improving outcomes

Priority 2: Creating competition to improve innovation and accountability

Priority 3: Restoring balance to the CoC

Priority 4: Prioritizing treatment and recovery as a means to self-sufficiency



HUD Homelessness Priorities (all new)

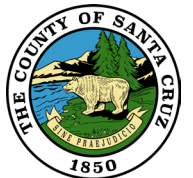
Priority 5: Promoting economic self-sufficiency

Priority 6: Advancing public safety for all

Priority 7: Minimizing trauma for vulnerable populations

Priority 8: Expanding access based on merit and not ideology

See the NOFO pp. 28-34 for HUD provided extensive explanations



Order in Which HUD will Award Funds

Through the following steps and selection order, HUD is **prioritizing new projects**:

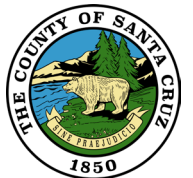
1. All **CoC Planning** and **Unified Funding Agency** projects
2. All **Tier 1** projects
3. HUD will review projects already selected to see if all DV Bonus funding has already been awarded. If not, HUD will award **DV Bonus projects in Tier 2** by score order till all DV Bonus funds (**\$104 million**) are expended
4. HUD will then review projects already to see if a \$430 million set aside for PH projects (PSH, RRH, joint TH-RRH) for families with children has already been awarded. If not, HUD will award **PH projects for families with children in Tier 2 (new and renewal)** by score order till the entire **\$430** million is expended



Order in Which HUD will Award Funds

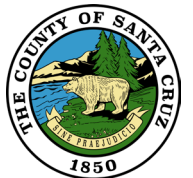
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5. HUD will then select **new TH or SSO projects ranked in Tier 2** by score order until **\$1,300,000,000** set aside for new projects have been selected
6. If any funds remain in the Tier 2 new project set aside after selecting all new TH & SSO projects, HUD will then continue selecting **other eligible new projects** (e.g., new PSH, RRH, and HMIS) ranked in Tier 2 by score until \$1,300,000,000 is expended
7. If any funds remain after the above steps, HUD will continue selecting **renewal projects remaining in Tier 2** in score order till all funds are expended



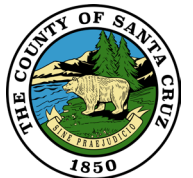
Additional Issues Affecting Project Selection

- How Tier 2 projects will be scored (100–point scale)
 - **CoC Score.** Up to **50** points in direct proportion to how the CoC scored
 - **Project Rank.** Up to **40** points for project’s ranking position on the priority list
 - **Service Participation.** Up to **10** points for projects that indicate that they have or will incorporate service participation requirements



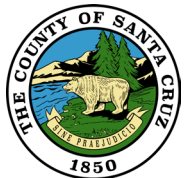
Additional Issues Affecting Project Selection

- Selected new HUD project threshold & risk review requirements
 - **New Eligibility Requirement:** Must affirm agency will (1) not engage in illegal racial discrimination, & (2) operate drug injection or safe consumption sites
 - **New Threshold Requirement:** New TH must provide at least 20 hrs. per week individualized services, activities, or employment except seniors and disabled (narrow definition). *Does not apply to new PSH or RRH*
 - **Risk Review:** Expanded to include info from public sources, e.g., news reports & subjective criteria, e.g., the ability to promote self-sufficiency
 - **Additional:** HUD may also consider the “likelihood that the proposed project will result in the benefits expected.”



Eligible CoC & DV Projects Types

- CoC renewal projects of all types are eligible (HUD contract must be expiring in calendar 2027)
- Eligible **new** CoC project types:
 - **CoC bonus, reallocation, and transition:**
 - Transitional Housing
 - PSH
 - RRH
 - SSO Standalone, SSO Street Outreach, SSO Coordinated Entry (CE)
 - HMIS
 - **DV bonus** (must serve 100% DV):
 - RRH
 - TH
 - CE focused on DV



Eligible YHDP Project Types

- YHDP renewal projects of all types are eligible (HUD contract must be expiring in calendar 2027)
- Eligible New YHDP Project Types (called **Replacement** projects)
 - TH or Crisis Residential TH
 - CES focused on youth
 - SSO Standalone,
 - SSO Street Outreach
 - SSO CE
 - SSO Host homes and kinship care
 - HMIS
 - PSH *only when consolidating multiple existing PSH grants*
 - RRH *only when consolidating multiple existing RRH grants*
- A YHDP project can replace its own project, or a replacement project could be created from one or more other YHDP projects
- YHDP projects in general can benefit from numerous flexibilities not available to regular CoC projects



More About CoC, DV, & YHDP Renewals

- To be eligible, the grant must be expiring in **2027 (1/1/27 - 12/31/27)**
- Only the **entity with the HUD grant agreement** can apply for renewal
- Can only ask for the amount listed in the 2026 **Grant Inventory Worksheet (GIW)**. Cannot ask for more, but you can ask for less
- Eligible for **FMR increases** for housing activities and **COLAs** for **services** and **HMIS** activities
- **Cannot modify your project** through grant application process
- Grant-term: May only request **one year** of funds
- **Consolidation:** Applicants that have more than one of the same type of project may request to consolidated the into a single grant



Creating New Projects Through Reallocation, Transition, or CoC Bonus

- New projects (bonus and/or reallocated) can be a new **standalone project** or an **expansion** of an existing renewal, e.g., adding new beds, people services, more services, etc.
 - New application much more detailed than a renewal application
 - An expansion project requires two applications, one for the underlying renewal and new project one for the expansion part of the project



Creating New Projects Through Reallocation, Transition, or CoC Bonus

- **Transition Grants:** Opting to use the grant year to transition the project from one project type to another (e.g., RRH to TH)
 - Must agree eliminate the original renewal and use the reallocated funds to create the new transition grant
 - Must be same applicant as the one on the grant agreement of the project being eliminated
 - Transition grants have one year to fully transition to the new project

Grant term: Must have a one-year grant term



Eligibility of Current PSH and RRH Residents for New TH

- Recent HUD guidance indicated current program participants in RRH or PSH *could* be eligible for TH if the program participant has been referred by the CoC's CE and:
 - The program participant is fleeing DV, does not have another residence, and does not have the resources or support networks needed to obtain other permanent housing;
 - The program participant's lease expires within 14 days, does not have another residence, and does not have the resources or support networks needed to obtain other permanent housing; **OR**
 - An eviction process has been initiated for the program participant in their current housing, and they must vacate the unit within 14 days.



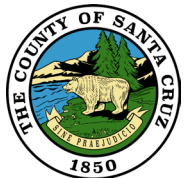
More About DV Bonus Projects

- National HUD competition for **\$104 million**
- **\$177,160** - Maximum Santa Cruz County amount
- Must serve a 100% DV population as defined by **Category 4** (fleeing or attempting to flee DV) of the HUD definition
- Can use the **expansion** process to create a DV bonus
- Must submit both new DV project application AND answers to HUD scoring questions (Coordinate with H4H staff on this)
- Grant term: Should be **one year** to maximize ARD over time
- **DV Bonus Renewals:** can be reallocated or transitioned to eligible new projects. Must serving a 100% DV population (one-year term)



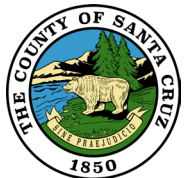
More About YHDP Replacement Projects

- YHDP applicant can **replace** its current project with a new project (e.g., from RRH to TH) eligible for the YHDP program flexibilities
- Must continue to serve eligible YHDP population
- Process can be used to replace or consolidate multiple YHDP projects and to expand an existing YHDP project using funds reallocated from other YHDP projects
- Grant term: Must be one year



More About TH

- **Time-limited housing** (up to **24 months**) with supportive services to help individuals & families move to **self-sufficiency**
- **Site-based** or **scattered site**
- **Mandatory Services:** Participants must agree to it
- **Services Types:** Case management, employment training, SUD treatment, mental health support, budgeting, etc.
- At least **20 hrs. per week** individualized services, activities, or employment except seniors and disabled (narrow definition)
- Can use leasing or rental assistance funds (but nonprofit **cannot administer** its own **TH rental assistance**)



More About SSO

SSO-Standalone

- Provides supportive services to help people exit homelessness and increase self-sufficiency
- Activities include case management, housing navigation, employment & education assistance, mental health & substance use treatment, etc.
- Serves individuals and families who meet HUD's definition of homeless

SSO-Street Outreach

- Engages unsheltered individuals and connects them to housing and services
- Activities include outreach and engagement, crisis intervention, referral to housing/treatment
- Serves people living in places not meant for human habitation

SSO-Coordinated Entry

- Develops or operates the CoC's Coordinated Entry system
- Activities include standardized assessment process, advertising strategy, ensure accessibility etc.
- Serves all persons seeking homelessness assistance within the CoC's geographic area



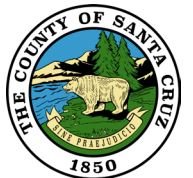
More About RRH

- A model that emphasizes housing search and relocation services and short- and medium-term rental assistance to move homeless people as rapidly as possible into permanent housing
- Program participation is time-limited – up to 24 months
- Scattered site model
- Follows a Housing First model with minimal barriers to accessing housing and remaining in housing
- Participant secures and leases own housing using tenant-based rental assistance (TBRA)
- Participant receives housing search services to secure the unit (can include move-in costs) and housing stabilization services to ensure they can assume the rent once assistance ends



Additional New Project Considerations

- Must request the **full FMR** amount if using **rental assistance**
- HUD will **adjust leasing, operating, and rental assistance** budget line items based on changes to the **FMR**
- Must **share 50% of project admin funds** with any subrecipients
- Must meet HUD **timeliness standards**
- Grant terms - **1 year** grant terms renewable yearly are locally prioritized to maximize funding



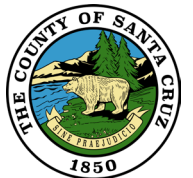
Match Requirements

- **25 percent cash or in-kind contribution** for all funding activities except that **no match required for leasing**
- **Cash match** – may use funds from any source except CoC funds or any source that is legally prohibited from being used
- **In-kind match** – value of **property, equipment, goods, or services** contributed to the project, provided that, if the recipient had to pay for items with grant funds, the costs would have been eligible. **MOU** required for **3rd party services**
- **Evidence of match**, e.g., match letter or 3rd party MOU must be provided at the time of contracting with HUD
- Match must be **tracked and spent** with the CoC funds



Budget Activities

- **Leasing** is an eligible cost category under the PSH, CES, and HMIS program components. Funds may be used to lease individual units or all or part of structures
- **Rental assistance** is an eligible cost category under the TH, PSH, RRH, & TH-RRH program components and may be tenant-based (TBRA), sponsor-based (SBRA), or project-based (PBRA), depending upon the component type. Rental assistance may be short-term for up to 3 months; medium-term for 4 to 24 months; or long-term for more than 24 months
 - Note: **Nonprofits may not administer their own Rental Assistance in TH**, but must enter into a contract agreement with an government entity, such as a housing authority, that may administer the rental assistance



Budget Activities (cont)

Selected Key Differences Between Leasing and Rental Assistance

Leasing	Rental Assistance
Focus on the property – applicant leases it	Focus on the participant – applicant provides the participant with rental assistance
Applicant leases directly from landlord <i>-Subleases to participant</i>	Participant leases directly from landlord <i>-Applicant has rental payment agreement with landlord</i>
May require local environmental clearance (NEPA)	Usually, don't need local local environmental clearance
Other eligible costs: security deposit, 1 st an last months' rent, staff costs for leasing activities	Other eligible costs: security deposit, 1 st an last months' rent, staff costs for rental assistance activities, and one-time property damages up to 1 month
Rent limits: (1) may not exceed the FMR, and (2) may not exceed rent reasonableness	Rent limits: (1) may exceed the FMR, but (2) may not exceed rent reasonableness
Utilities may be paid from the Operating budget	Utilities may not be paid from HUD funds (no Operating budget allowed)

Budget Activities (cont)

- **Supportive services** are eligible costs for TH, PSH, RRH, TH-RRH, and all types of SSO projects
- **Eligible Types of Services:**
 - Annual assessment of service needs
 - Assistance with moving costs
 - Case management
 - Childcare operations or vouchers
 - Education services
 - Employment assistance and job training
 - Food (meals or groceries)
 - Housing search and counseling
 - Legal services
 - Life skills training
 - Outpatient mental health services
 - Outpatient health services
 - Outreach services
 - Outpatient substance abuse treatment
 - Transportation
 - Utility deposits
 - Facilitating/coordinating activities for compliance with emergency transfer plan
 - Monitoring compliance with VAWA confidentiality protections
- Eligible costs include the salary and benefits of staff providing services, and materials and supplies used in providing services.



Budget Activities (cont)

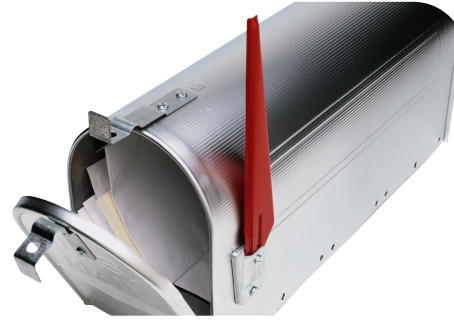
- **Operating costs** are eligible for TH and PSH
- Day-to-day operating costs, including:
 - Maintenance and repairs
 - Building security
 - Utilities (electricity, gas, water)
 - Furniture
 - Equipment
 - Property insurance
 - Taxes
- May not be combined with rental assistance in the same structure
- Other eligible costs: **HMIS, Admin, & VAWA** emergency transfer and compliance monitoring costs



Other Project Requirements



HMIS Participation



CES only housing referral source



Financial Capacity



Recordkeeping & Documentation



Misc.: Housing Quality FMRs & Rent Reasonableness, etc. etc.

A Brief Word About E-snaps

- **CoC and YHDP project applicants** must submit both the **local application** and the **HUD e-snaps online application**
- Extensive e-snaps information, training materials, and resources are available at: <https://www.hudexchange.info>
- E-snaps can be directly accessed at: <https://esnaps.hud.gov/grantium/frontOffice.jsf>.
- Applicants using e-snaps must have a valid **federal Unique ID** number and up-to-date federal **System for Award Management (SAM)** registration – SN



A Brief Word About E-snaps (cont)

In essence, applicants will:

- **Create a User Profile** (new users only): First, create a username and password
- **Project Applicant Profile**: Second, fill out and submit a Project Applicant Profile form, AND
- **Project Application**: Finally, register for, fill out and submit a Project Application form for each project
- The Santa Cruz County H4HP's CoC Consultant will be available to **answer questions** about e-snaps at tonygardnerconsulting@yahoo.com
- The CoC Consultant will conduct a **technical review** of your e-snaps application to insure it meets all HUD requirements



Local Application and Selection Process



Local Process Timeline (subject to change)

Key dates (see separate process timeline for details)

- **6/1** – HUD issued FY 2026 CoC/YHDP NOFO:
- **6/11** – Local Public Solicitation of CoC, YHDP applications
- **6/16, 2:30–4 PM** – Applicant Orientation
- **7/21, 5 PM** – Local deadline for CoC/YHDP applications
- **8/11** – Deadline for written decisions *from H4HP* to applicants
- **8/21** – End of appeals period
- **8/26, 5 PM** – HUD application deadline



Role of H4HP

- HUD requires that local CoC's to design and carry out a fair, objective, non-conflicted process at the local level to select which projects will be included in the consolidated application and their relative priority
- The process must use objective criteria including performance measures, must be open and transparent
- In Santa Cruz County this process is carried out each year by the H4H Division as staff to H4HP (our CoC body)



Local Process Steps

- Applicants submit local application by **July 21 @5 pm**
- Non-conflicted **Funding Review Committee** appointed to review and score local applications using objective criteria and make approval and relative priority recommendations
- Still considering whether ask all projects to present in person (optional, but will be scored). If so, we will provide you with a time slot (max 30 minutes per **agency (July 30 or 31??)**)
- H4HP Policy Board makes final approval and priority decisions
- Applicants notified of decision in writing by **August 11**
- Applicant appeal period through **August 21** for projects that were denied, ranked Tier 2, or had funds reduced



H4HP Policy Statement on 2026 NOFO

- Given the major HUD changes to the national CoC program, the H4HP Policy Board considered and adopted a **Policy Statement on this NOFO** posted on the **H4HP website**, Funding Opportunities
- In summary the Policy Statement emphasizes bringing **as much federal homelessness funding as possible** to Santa Cruz County, while also **protecting the people who are already living in housing** that we support
- The policy statement informed **priorities for our local application process** and these priorities are also under Funding Opportunities (detailed version) and summarized in the following slide



Summary of H4HP Board's Priorities for 2026 Project Funding

- We are **prioritizing PSH renewal projects** serving seniors (55 and older) and individuals with documented disabilities
- We are **de-prioritizing RRH new and renewal** projects (including RRH programs funded through CoC, YHDP, & DV Bonus funds) and encouraging current RRH recipients to consider **transitioning, replacing, or reallocating** their existing programs to new TH
- We are **strongly encouraging** applications for **DV Bonus projects** providing TH
- We are **strongly encouraging** applications for **CoC Bonus projects** providing TH or **SSO** projects
- We are **encouraging** applicants to clearly articulate supportive service availability and expectations for program participants through **participant services agreements**



Summary of Rating and Ranking Criteria

Key scoring areas (see *proposed scoring tool for details*)

- Housing/project type – 15 pts
- Priority population – 5 pts
- Performance measure – 20 pt
- Program effectiveness – 25 pts
- Financial and cost effectiveness – 15 pts
- Agency experience/capacity – 10 pts
- Mainstream resources – 7 pts
- Community collaboration and participation – 3 pts

Total – 100 pts possible

Note: See 2026 Project Scoring Tool for details on points TG



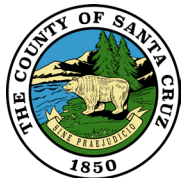
Key Changes Rating & Ranking Criteria

- **Project type:** Increased total pts to 15, full points for PSH & CoC CES renewals, half points for new TH & SSO and YHDP SSO renewals, no points for all other projects
- **Priority populations:** Added seniors as priority population (to align with HUD priority)
- **Performance measures:** Added new measures to align with HUD – exits to unsubsidized housing, exits to unknown destinations, and 25% increased employment income



Key Changes Rating & Ranking Criteria

- **Program effectiveness:** Added required service participation to align with HUD, and 20 hrs required services per week in new TH, and onsite SUD services
- **Financial/cost effectiveness:** Added 50% supportive services funding and leverage priorities to align with HUD and deleted Housing and Health leverage (no longer HUD required)
- **Agency experience/capacity:** Added single audits and client/public complaints as capacity factors to align with HUD



Application Submission Requirements

- Local Application Deadline: **Tuesday, July 21, 5PM**
- Submit via **email** to Sheryl.norteye@santacruzcountyca.gov AND tonygardnerconsulting@yahoo.com
- Completed **local project application** and attachments, e.g.,
 - APR
 - HUD findings
 - Single or financial audit
 - Participant supportive services agreement
 - Any relevant Complaints
 - Drawdowns(See Application Instructions & Checklist for details of attachments)
- **PDF** printout of completed **e-snaps** application

Note: See Application Checklist for more details-



Potential for Reallocation

- **Reallocation** is when the CoC takes some or all the funds from one or more renewal projects and allocates the funds to one or more new projects
- Each year H4HP Policy Board **reviews all renewal grants** and has reallocated funds where the project is **under performing, under spending, obsolete, ineffective**, or to comply with HUD policy
- The prioritized new project types (**TH and SSO**) are eligible to receive funds that the H4HP Policy Board decides to reallocate
- New this year: **YHDP** and **DV bonus** projects can be reallocated to new eligible project types serving eligible populations



Issues for Projects Likely to be in Tier 2

- Should we apply to transition or replace our existing RRH, TH-RRH, or SSO project with **new TH or SSO** project?
 - **Existing RRH, TH-RRH, and SSO** projects in Tier 2 are at **high risk of funding loss**, since HUD won't fund them till after \$1.3 billion in new projects are funded
 - Existing RRH or TH-RRH targeting families with children might get picked ahead of new projects, but it is highly uncertain and depends on the funding status of the families with kids set aside
 - Want to and can implement a TH model or SSO model & comfortable meeting new project threshold requirements



Issues for Projects Likely to be in Tier 2

- Implications for current participants of RRH or TH-RRH
 - Since the RRH & TH-RRH participants are considered housed, there are typically **not eligible** to be served **by new TH** or **SSO**
 - HUD has ID'd some **limited exceptions** (see above), e.g., when the person is at imminent risk of homelessness
 - A transition grant buys time to continue serving existing participants, but all must be exited by the year end



- Where to find all local materials:

[Funding Opportunities](#)

- Where to find HUD CoC/YHDP materials:

<https://www.hud.gov/hud-partners/coc-program-competition>

<https://www.hudexchange.info/programs/coc/>

<https://esnaps.hud.gov/grantium/frontOffice.jsf>

<https://www.grants.gov/search-results-detail/361999>

- If you have questions, contact:

tonygardnerconsulting@yahoo.com or

Sheryl.norteye@santacruzcountyca.gov



Q & A??

