

# Understanding the CoC Program NOFO

How Federal Funding Decisions Shape  
Our Homeless Response System

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2026



SACRAMENTO  
STEPS FORWARD

# Presentation Agenda

Connecting federal funding rules to local decisions, system performance, and Board governance responsibilities.

- **Setting the Stage**  
Understanding the funding opportunity and its importance to Sacramento
- **The NOFO Process**  
Tracking the annual competition from release through compliance
- **Performance and Competitiveness**  
Examining how system outcomes influence HUD Scoring
- **Strategic Priorities and Board Action**  
Identifying opportunities to strengthen future applications and results

# Setting the Stage

Trent Simmons

# What is the CoC Program NOFO?

The Continuum of Care Notice of Funding Opportunity.



## Purpose

HUD's annual competitive funding opportunity to renew and expand homelessness assistance projects.

Awards flow to Continuums of Care — local planning bodies responsible for coordinating housing and services.



## Authority

McKinney-Vento Homeless Assistance Act, as amended by the **HEARTH Act of 2009**.

Implementing regulations at **24 CFR Part 578**.

Administered by HUD's Office of Special Needs Assistance Programs (SNAPS).



## Federal Context

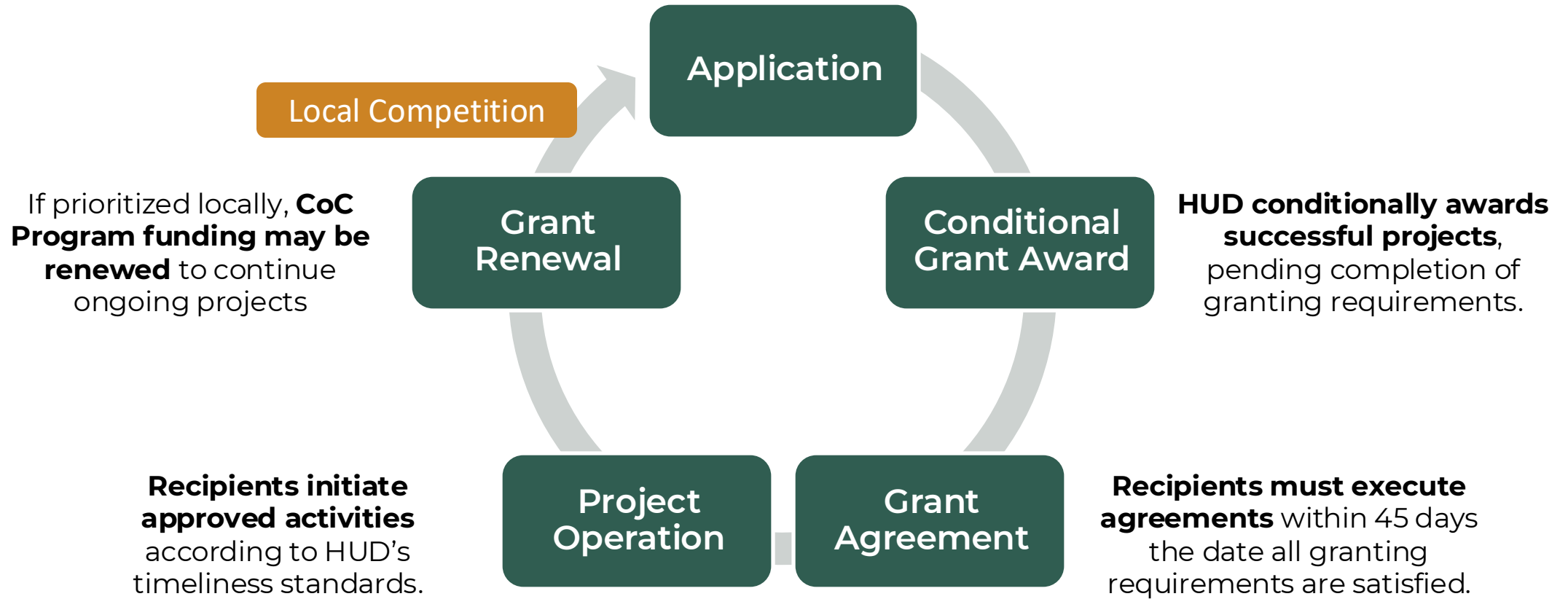
**~\$3.5B+** awarded annually across ~400 CoCs nationwide.

Primary federal funding source for **Permanent Supportive Housing** and **Rapid Rehousing**.

Released annually (typically summer); awards announced the following calendar year.

# HUD's (Annual) CoC Grant Life Cycle

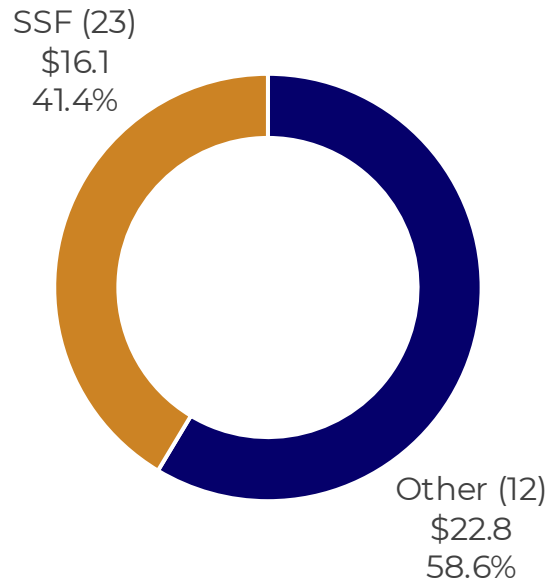
The CoC applies on behalf of a project during the annual NOFO.



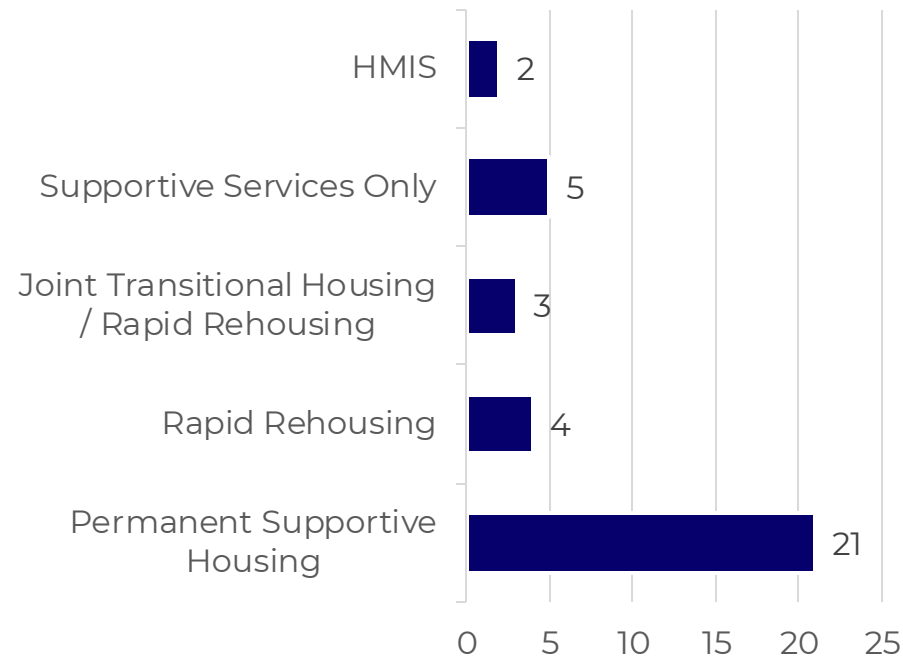
# Sacramento CoC Program Overview FY 2024

<b>\$39 million</b> FUNDING*	<b>2,143</b> PEOPLE SERVED	<b>1,592</b> UNITS	<b>35</b> PROJECTS*	<b>14</b> (SUB)RECIPIENTS	<b>TOTAL</b>
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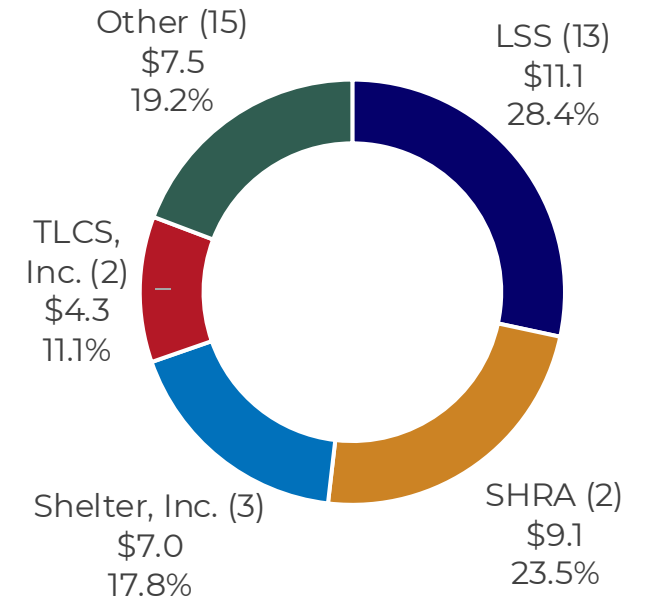
CoC Grant Funding by Recipient (millions)\*



CoC Project Types (projects)\*



CoC Grant Funding by Operator (millions)\*



\*Excludes CoC Planning funds awarded to the Collaborative Applicant and 2 YHDP projects newly awarded to Lutheran Social Services.

# CoC Grant Funding Received by SSF



## Planning Grant

- About 10% for PIT operations (software, vendor, etc.)
- Remaining 90% for staffing (e.g., grants, PWLE).

## HMIS

- 100% for HMIS staffing and software licenses

## Coordinated Entry (2)

- 100% for Coordinated Access staffing

## Youth Homeless Demonstration Project (3)

- 43% to SSF for Coordinated Access and HMIS staffing
- 57% to 211 for Coordinated Access operations

# **The NOFO Process**

Trent Simmons

# Pre-Release Phase



## LOOK BACK

### Early Performance Check-In

SSF and CoC-funded providers review last year's **Annual Performance Report** data from HMIS to gauge program strength and competitiveness.



## PROTECT CLIENTS

### Impact Analysis

Our new **Social Impact Group** reviews how shifting HUD expectations could affect clients and services and proposes ways to soften any disruption.



## REFRESH THE TOOLS

### Update Review & Ranking

The **CoC Project Review Committee** and SSF update last year's scoring tool, ranking criteria, and policies to match both HUD's and our community's expectations.



## STAY CONNECTED

### Community Engagement

SSF watches for updates and shares them with the CoC and community partners so that everyone is ready to coordinate once the NOFO drops.

# Application Phase

## Local

SSF + CoC

**Inputs:** scoring tool, eligibility & quality standards, performance data, HUD + local priorities



## National

SSF + CoC + HUD

**Inputs:** priority listing, system performance data, resources & agreements



# HUD Review & Award Phase



## HUD REVIEWS

### CoC Consolidated Application

Provides the overall system score, reflecting CoC's performance and strategic approach.

### Individual Project Applications

Each project individually assessed for alignment with national policy priorities



## AWARDS

### Announcements

HUD announces awards in the months following the competition, closely aligning the CoC's submitted priority list and available funds

### Issues Resolved

Any application issues and conditions identified during review are addressed before funding is released.

### Grant Agreements Finalized

Awards are formally finalized through executed grant agreements with each recipient.

# Post-Award & Compliance

Ongoing program and performance monitoring of *service delivery, fiscal operations, data quality, and performance outcomes.*



## ANNUAL PERFORMANCE REPORTS

Each funded project submits an APR within 90 days of operating year end, documenting outputs, outcomes, and household-level data.



## QUARTERLY DRAWDOWNS

Recipients draw grant funds quarterly via eLOCCS, matched to actual expenditures and supported by approved cost-allocation methods.



## HMIS DATA REPORTING

Projects enter required data elements in real time to support system performance measures and CoC-wide analytics.

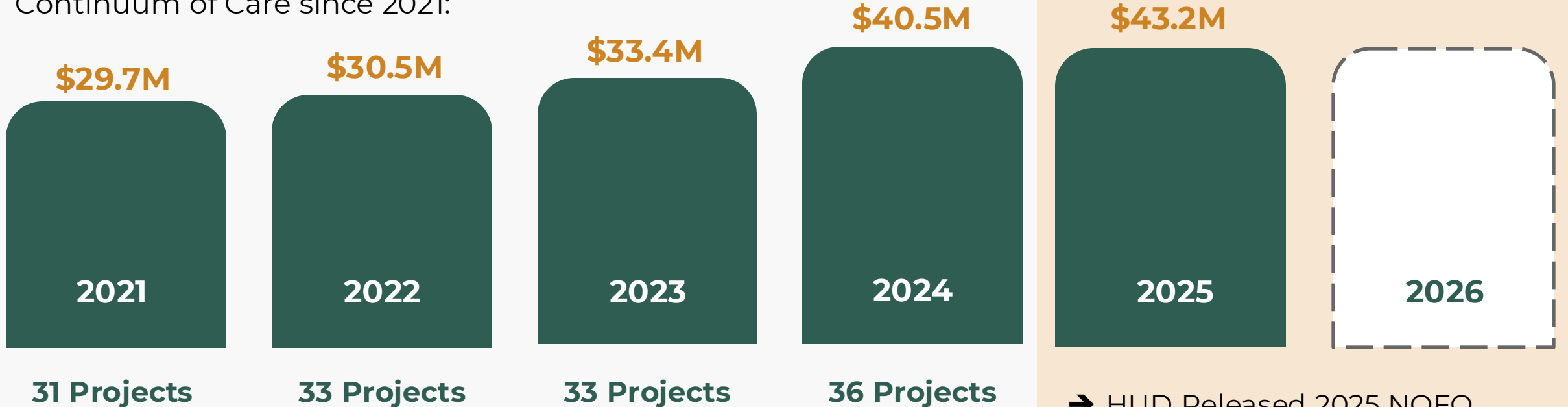


## ANNUAL MONITORING

Subrecipients are monitored annually against HUD regulations, NOFO commitments, and local CoC community standards.

# Where are we in the NOFO cycle?

HUD funds awarded to providers through the Sacramento Continuum of Care since 2021:



- HUD Released 2025 NOFO
- Court Injunction Led to Pause
- HUD Reopened 24/25 Renewals
- **38 Renewal Projects Awarded**
- **2026 NOFO Released June 1**

# Performance & Competitiveness

Trent Simmons

## Major NOFO Changes

- Increased competition for funding (Tier 1 reduced from 90 to 60%)
- Greater emphasis on self-sufficiency
- Renewed focus on transitional housing and supportive services
- Increased focus on treatment and recovery
- Greater scrutiny of project performance

# Most Points Are Within Reach

## WHAT'S (LIKELY) ACHIEVABLE

~147 / 200

~74% reachable with focused policy & process work

### PROJECT REVIEW & RANKING

#### Process points

14 / 14

100% of criteria are reachable. Tool & process updates only — fully within our control.

### SYSTEM PERFORMANCE

#### Outcome metrics

~26 / 64

The hardest section — driven by provider outcomes, PIT timing, and data quality concerns.

### COORDINATION & ENGAGEMENT

#### Partnerships & policy

~107 / 122

Largest opportunity — supportive service requirements, behavioral health, and workforce development.

**Bottom line:** Performance points are earned over years; the rest are earned by “Friday afternoon.” Sacramento’s success in the upcoming NOFO will depend on policy, agreements, and governance work.

# Where We Underperform on the Metrics

38 points lost to measurable performance — these are the gaps we can close over time.

Metric Category	HUD Threshold	Our Result	Points Lost
<b>Unsheltered Homelessness</b> <i>(PIT Count)</i>	≥ 20% decrease, 2025 → 2026	<b>N/A</b>	<b>5</b>
	Any decrease, both 2025 and 2026	<b>N/A</b>	<b>5</b>
	Any decrease, 2024 → 2026	<b>6.6% increase</b>	<b>2</b>
	Any decrease from pre-pandemic	<b>7.8% increase</b>	<b>2</b>
	≥ 5% decrease in chronic homelessness, 2025 → 2026	<b>N/A</b>	<b>3</b>
	≥ 20% decrease in total homeless count	<b>N/A</b>	<b>3</b>
<b>First-Time Homelessness</b>	≥ 20% decrease compared to prior year	<b>7.8% decrease</b>	<b>2</b>
<b>Length of Time Homeless</b>	Any decrease compared to prior year	<b>5.3% increase</b>	<b>2</b>
<b>Successful Exits</b>	≥ 50% successful exit rate	<b>39% success rate</b>	<b>2</b>
<b>Returns to Homelessness</b>	< 8% for 3 pts or < 16% for 1 pt	<b>19% return rate</b>	<b>3</b>
	< 7% for 3 pts or < 11% for 1 pt	<b>13% return rate</b>	<b>3</b>
<b>HMIS Bed Coverage</b>	≥ 85% bed coverage	<b>81% bed coverage</b>	<b>2</b>
<b>HMIS Data Quality</b>	< 10% unknown exits	<b>27% unknown exits</b>	<b>2</b>
<b>Unit Utilization Rate</b>	≥ 85% utilization	<b>83%</b>	<b>2</b>
<b>Total performance-driven points lost</b>			<b>= 38</b>

# NOFO Scoring Priorities for CoC Coordination

*To maximize our coordination and engagement scoring, we must take an “all in” approach to partnerships and policy.*

- **Updating CoC Board Membership** (+1 recovery housing provider seat, +1 behavioral or primary care provider seat, and +1 specialty court seat)
- **Invest in supportive services** (between CoC and non-CoC dollars, show 50% ARD)
- **Encourage/require service participation requirements**
- **Prioritize treatment and recovery care access** (engaging the full continuum of behavioral health services)
- **Coordinate directly with law enforcement to resolve encampments**
- **Identify dedicated partnerships for serving subpopulations** (e.g., re-entry, high medical needs, high acuity)

## In Conclusion: We Can Increase Competitiveness By...

- Consider updates to CoC Board membership
- Share leverage and match supportive service dollars with SSF
- Consider **formalized** partnerships with behavioral health, workforce development, and law enforcement (including re-entry)
- Encourage transitional housing and supportive services projects (**street outreach**) to apply
- Model **creative** partnership—it takes a village!

# RESOURCES

Access resources on the [FY2026 CoC Program Competition NOFO Webpage](#).

For local questions: [CoCNOFO@sacstepsforward.org](mailto:CoCNOFO@sacstepsforward.org)

For national questions: [CoCNOFO@hud.gov](mailto:CoCNOFO@hud.gov)

For E-Snaps password support: [e-snaps@hud.gov](mailto:e-snaps@hud.gov)



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