

FY 2024 Continuum of Care Builds NOFO Summary

Overview

On July 19, 2024, the Department of Housing and Urban Development (HUD) released the [Continuum of Care Builds \(CoCBuilds\) NOFO](#). The application deadline is **November 21, 2024**.

The CoCBuilds NOFO encourages Continuums of Care (CoCs) to leverage funds provided for construction, acquisition, or rehabilitation of new Permanent Supportive Housing (PSH) units with other funding sources to maximize the amount of housing that can be directed to meeting the needs of individuals and families experiencing homelessness.

HUD identified six goals for this competition:

1. Increase housing opportunities for people with high risk of levels of need.
2. Increase the supply of permanent supportive housing units within CoC geographic areas to address individuals and families experiencing homelessness where one member of the household has a disability.
3. Encourage coordination between housing providers, health care organizations, and social service providers.
4. Ensure access to resources for projects to expand opportunities for new PSH units in States with populations less than 2.5 million.
5. Ensure new PSH units are conveniently located near local services; e.g., walking distance, near reliable transportation services, provide access to telehealth.
6. Affirmatively further fair housing by addressing barriers which perpetuate segregation, hinder access to areas of opportunity for protected class groups and concentrate affordable housing in under-resourced areas.

HUD and Program-Specific Goals and Objectives

Applications are expected to align with the following goals and objectives from HUD's Strategic Plan for Fiscal Years (FY) 2022-2026:

- **1B: Reduce Homelessness**

Strengthen Federal, State, Tribal, and community implementation of the Housing First approach to reducing the prevalence of homelessness, with the ultimate goal of ending homelessness.

- **Strategic Goal 2: Ensure Access to and Increase the Production of Affordable Housing**

Ensure housing demand is matched by adequate production of new homes and equitable access to housing opportunities for all people.

- **2A: Increase the Supply of Housing**

Enhance HUD's programs that increase the production and supply of housing across the country.

- **Strategic Goal 4: Advance Sustainable Communities**

Advance sustainable communities by strengthening climate resilience and energy efficiency, promoting environmental justice, and recognizing housing's role as essential to health.

- **4B: Strengthen Environmental Justice**

Reduce exposure to health risks, environmental hazards, and substandard housing, especially for low-income households and communities of color.

- **4C: Integrate Health and Housing**

Advance policies that recognize housing's role as essential to health.

CoCBUILDS cites the following policy priorities:

- Increasing the supply of affordable housing by focusing on new construction, rehabilitation, or acquisition to increase PSH; encouraging adaptive reuse and conversion of hotel properties; and to address zoning and land use issues that may hinder housing development.
- Ensuring access to supportive and public services by providing voluntary supportive services; and by ensuring access to CoC supportive services and local public services.

- Partnering with housing, health, and service agencies to improve resource utilization for ending homelessness; maximizing use of mainstream and community-based resources; collaborating with healthcare organizations; collaborating with Public Housing Agencies; enhancing employment opportunities; and ensuring Tribal members can access CoC-funded assistance.

See pp 5-7 of the NOFO for more details.

Award Details

There is approximately **\$175,000,000** is available through this NOFO. Of this \$175 million, at least \$65 million is reserved for CoCs that are in states with populations of fewer than 2.5 million people. However, if HUD does not receive this amount in application requests, any remaining amount may be awarded to qualified applicants for projects in any state.

HUD expects to make approximately 25 awards. Up to three awards are set aside for the highest scoring project applications where the PSH units are located on Tribal reservations or trust lands. Award amounts will range between \$1,000,000 and \$10,000,000 per project period.

The project period may be two, three, four, or five years. Applicants should select the grant term based on the type of capital costs project and the realistic time frame for completion. Generally, rehabilitation and acquisition time frames are less than new construction. See [24 CFR 578.85](#) for timeliness requirements related to new construction and rehabilitation projects.

HUD will only review CoCBuils project applications submitted by the CoC-designated Collaborative Applicants. Each CoC-designated Collaborative Applicant may only submit one CoCBuils application. However, if a CoC is working with a Tribe or Tribal Designated Housing Entity (TDHE) to provide units of PSH on Tribal reservations or trust land, two applications may be submitted by the CoC-designated Collaborative Applicant, one for the CoC's geographic area not including the Tribal reservations or trust lands and one where the units will be located on Tribal reservations or trust lands.

Funding Available for our CoC:

- Maximum amount for a single project: **\$5,000,000 (approximate)**

(Note: The Final Pro Rata Need (FPRN) will be posted [here](#). Based on past information with the Preliminary Pro Rata Need ([FY2023 CoC NOFO ARD](#)), which was \$4,154,442, if FPRN is less than \$9,999,999 then the max award is \$5,000,000)

- Maximum amount for an additional project with units located on Tribal reservations or trust land: **\$2,000,000**

Applicants that intend to use program income as a match must provide an estimate of how much program income will be used for the match.

Eligible Applicants

Eligible project applicants include:

- State, county, city, township, and special district governments;
- Federally recognized Native American tribal governments;
- Native American tribal organizations;
- Nonprofits having IRS 501(c)(3) status, other than institutions of higher education; and
- Others identified by [24 CFR 578.15](#).

HUD will only accept CoCBuils project applications from CoCs that had a valid e-snaps registration for the Fiscal Year 2024 CoC Program Competition. CoCs should **not** attempt to change Collaborative Applicants during this CoCBuils competition without prior HUD approval unless HUD replaces the Coc's designated Collaborative Applicant.

Any applicant that is not a Tribe or TDHE proposing to site a project on a Tribal reservation or trust land must include a Tribal resolution from the Tribe authorizing the applicant to do so or a letter from an official or principal of the Indian Tribe or TDHE who is authorized to act on behalf of the Indian Tribe or TDHE. Tribes do not need to include a Tribal resolution to site a project on their own reservation or trust land.

Eligible Costs

Available funds from this NOFO may assist rural areas in the development of new PSH units for eligible individuals and families experiencing homelessness outlined [in 24 CFR 578.37\(a\)\(1\)\(i\)](#) where at least one individual in the household has a disability.

Eligible costs include:

- Acquisition;
- Rehabilitation;
- New construction;
- Project-based rental assistance;
- Supportive services;
- Operating costs; and
- Project administrative costs.

Note that **the application must include a capital costs budget** for new construction, acquisition, or rehabilitation.

The application may also request up to 20% of the total funds for use in project-based rental assistance, operating costs, or supportive services and up to 10% of the total budget (capital costs plus additional eligible costs) for project administrative costs. Non-capital costs funds awarded under this NOFO may be eligible for renewal in the CoC Program Competition.

CoC Review of Project Applications

CoCs are required to review proposed CoCBUILDS applications locally. If more than one application is received, the CoC must determine which application it will submit to HUD. While only one project application per CoC may be submitted, where feasible, HUD encourages inclusion of one or more subrecipients that will contribute towards the goals of this NOFO (e.g., capital costs, housing, supportive services). CoCs are permitted to submit a second application if the new PSH units are constructed, rehabilitated, or acquired on Tribal reservations or trust lands.

HUD encourages CoCs to use scoring criteria detailed in Section V.A of the NOFO to ensure it submits the most viable application to HUD for review and scoring. These criteria are outlined below – see pp 25-42 of the NOFO for details.

- Development experience and leveraging (24 points);
- Experience managing homeless projects (12 points);
- Implementation schedule (12 points);
- Property maintenance (5 points);
- Unmet housing need (7 points);
- Experience managing rental housing (10 points);
- Coordinated Entry (3 points);
- Coordination with housing providers, healthcare organizations, and social service providers (10 points);
- Experience promoting racial equity (8 points);
- Community integration for persons with disabilities (7 points); and
- Section 3 requirement (2 points); and
- Environmental justice policy initiative (optional to receive 2 preference points).

The CoC must include a letter signed by the CoC Board President stating the CoC supports the submission of the selected application(s). See pp 20-21 of the NOFO for details.

Application Considerations & Highlights

All application materials, including instructions and the application package are available through Grants.gov.

In addition to narratives addressing the scoring criteria outlined above and detailed in Section V.A of the NOFO (see pp 25-42), the CoCBuils NOFO requires the following unscored submissions (see pp 21-24 for details):

- A Certification of Consistency with the Consolidated Plan;
- A narrative that addresses advancing racial equity;
- A narrative that addresses affirmative marketing and outreach;
- A narrative that addresses experience promoting racial equity; and
- A narrative that addresses affirmatively furthering fair housing.

CoCBuils applicants should consider the following highlights:

- Applicants **must match all grant funds with no less than 25%** of funds or in-kind contributions from other sources.
- The Consolidated Appropriations Act, 2023 and the Consolidated Appropriations Act, 2024 directs HUD to provide incentives to create projects **that coordinate with housing providers, healthcare organizations, and social service providers to provide permanent supportive housing.**
 - Applicants must demonstrate through letters of commitment, contracts, or other formal written documents that:
 - The project is leveraging non-CoC funded housing resources through coordination with housing providers, healthcare organizations, and social service providers for new construction, acquisition, and rehabilitation to provide at least 50% of the amount being requested in the application, or
 - The project is leveraging non-CoC funded housing resources to provide subsidies for at least 25% of the units that are proposed in the application.
 - Applicants must also demonstrate through written commitment from a healthcare organization, housing provider, and/or social service provider:
 - Access to housing resources (e.g., supportive services, home-based and long-term services and supports, primary and medical care, behavioral health, substance use disorder treatment and recovery, and other services); or

- The value of assistance being provided is at least an amount that is equivalent to at least \$7,500 per unit included in the proposed project.
- Where possible, consider existing vacant structures that were initially designed for use other than housing (e.g., used as office space) if requesting funds for rehabilitation or acquisition where the structure can be cost-effectively restructured to create new PSH units for individuals and families experiencing homelessness.
- In evaluating applications for funding and risk posed by applicants, HUD will consider an applicant's past performance in managing funds – see pp 42-43 of the NOFO for details.
- HUD has determined that geographic diversity is an appropriate consideration in selecting projects under this NOFO. HUD believes that geographic diversity can be achieved best by awarding grants in each of HUD's ten regions. To this end, in instances where any of the ten regions do not have at least one funded project, HUD reserves the right to fund eligible project(s) with the highest total score in that region.

Agency Contact

HUD staff cannot assist applicants in preparing their applications but will be available to provide clarifying information regarding CoCBuilds. The appropriate contact is Sherri L. Boyd. Email should be sent to CoCBuilds@hud.gov.