

December 18, 2025 – The Department of Housing and Urban Development (HUD) is issuing this [Notice of Funding Opportunity \(NOFO\) for the 2025 Fiscal Year](#) for public review. HUD understands this NOFO to be enjoined pursuant to a preliminary injunction entered in *State of Washington, et al. v. HUD*, No. 1:25-cv-00626-MSM-AEM (District of Rhode Island), and *National Alliance to End Homelessness, et al. v. HUD*, No. 1:25-cv-00636-MSM-AEM (District of Rhode Island). HUD will not implement or enforce this NOFO pending further court order. HUD will issue further clarification on the status of this or any other future Fiscal Year 2025 NOFO as necessary. HUD will provide further notice as to when the application portal will open.

The changes include technical corrections and modifications, the highlights of which are as follows:

1. Investment in New Permanent Housing with Robust Supportive Services for Individuals and Families with a Disability.

This NOFO provides a set-aside of 30% of all ESG and COC funds, as contained in 42 U.S.C. § 11386b, for new permanent housing projects for homeless individuals and families with disabilities, including PH-PSH and PH-RRH. As outlined in the Threshold Criteria in V.A.4, new PH-PSH and PH-RRH projects must serve individuals and families with disabilities.

This NOFO aligns with the program statutory requirements to fund new permanent housing. CoCs have discretion to determine if or how much of their Annual Renewal Demand (ARD) will be used for the creation of new Permanent Housing projects.

2. Two-Track Application Process for Increased Flexibility.

In order to provide time and flexibility for CoCs to solicit new Permanent Housing project applications, HUD is creating a separate deadline for new Permanent Housing projects.

Normal Track: \$2,655,600,000 in funding, January 28, 2026 deadline and March 31, 2026 estimated award date. HUD reserves the right to award projects in Tier 1 of CoC Priority Listings prior to the rest of awards.

Extended Track: \$1,262,400,000 in funding, February 25, 2026 deadline and April, 22, 2026 estimated award date. For new Permanent Housing projects only.

3. FY 2025 CoC Consolidated Application.

All CoCs must complete and submit the FY 2025 CoC Consolidated Application that includes the CoC Application and CoC Priority Listing with all submitted projects ranked or rejected based on the criteria set forth in this NOFO. CoCs applying for new Permanent

Housing projects on the Extended Track timeline must submit a separate Priority Listing of new Permanent Housing projects. CoCs may not submit projects in Normal Track and Extended Track that, when combined, exceed their maximum award amount.

4. Increase in Competition and Expedited Awards.

The Continuum of Care program is a national competition (42 U.S.C. 11386a). Tier 1 is set at 30 percent of the CoC's Annual Renewal Demand (ARD). HUD reserves the right to award projects in Tier 1 of CoC Priority Listings prior to the rest of awards.

5. Investment in Transitional Housing and Supportive Service Only Projects.

In order to promote balance and increase competition, no more than 30 percent of a CoC's Annual Renewal Demand (ARD) under this NOFO will fund the renewal of existing Permanent Housing projects, including PH-PSH, PH-RRH and Joint TH and PH-RRH projects.

HUD encourages CoCs and providers to read through the NOFO. The Department intends to make resources available in a timely manner so grantees with measurable results can continue to support vulnerable populations. The Department remains fully committed to make long overdue reforms to its homelessness assistance programs.