

What Matters in the 2023 NOFO



Written by Mary Frances Kenion July 11, 2023

With \$3.134 billion in funding made available through the recently released [FY 2023 Notice of Funding Opportunity \(NOFO\) for the Continuum of Care \(CoC\) Program Competition](#) and Renewal or Replacement of Youth Homeless Demonstration Program (YHDP) Grants, the team at the Alliance wants to share its updated [SYSTEM \(Strengthening Your System to Energize Momentum\) Series](#). These are curated resources to help communities make system improvement part of their ongoing work throughout the year, assist communities to prepare a *competitive* NOFO application, and provide key insight on changes for this year's competition.

Tribes and Tribally Designated Housing Entities

Tribes and Tribally Designated Housing Entities (TDHE) are encouraged to review for [information on how to engage in CoC activities and apply for funding](#). This would apply to Tribes or Tribally Designated Housing Entities who either completed the FY 2023 CoC Program Registration as a Collaborative Applicant, provided a Tribal Resolution authorizing a CoC to include trust land or reservation, or are considering future participation in the CoC program.

Applying for This Year's NOFO

Along with a 10.85% increase over FY 2022 funding, there are also several noticeable changes from the previous NOFO noted below.

YHDP Round 1 Grants and Special Activities

The U.S. Department of Housing and Urban Development (HUD) will competitively renew or replace projects that HUD initially funded in the FY 2016 YHDP Competition (Round 1 only – *does not apply for FY 2017 projects or later*).

- If a Round 1 YHDP project is *competitively renewed*, YHDP renewal applicants may continue to select previously approved Special YHDP Activities and request to add new Special YHDP Activities.
- If a Round 1 YHDP project is *replaced through reallocation* to create a new CoC grant, reallocated funds are no longer eligible to be used for YHDP Special Activities. YHDP Replacement projects must serve youth aged 24 or younger, including unaccompanied and pregnant or parenting youth. Changes to a project model of a Round 1 grant to better serve youth experiencing homelessness require an application to replace the YHDP project.

CoC Planning Increase

HUD established an alternative maximum amount for CoC planning grants under this NOFO, which has previously been capped at 3 percent.

- The new maximum amount for CoC Planning Grant applications will be the greater of \$50,000 or 5 percent of the applicable Final Pro Rata Need (FPRN) so long as the total

grant amount for CoC planning activities does not exceed \$1.5 million.

New Eligible Activities

VAWA Costs and Rural Costs have been added as new budget line items in this year's NOFO. Both new project and renewal applicants may request a budget modification during the competition to add funds from an existing line item or request to expand existing renewal grants to add new funding to these line items.

- VAWA Costs include facilitating and coordinating activities to ensure compliance with the emergency transfer plan requirement and monitoring compliance with confidentiality protections including:
 - A full listing of examples of eligible costs can be found on pages 42-43 of the NOFO.
- Rural Costs include activities that address barriers to transitioning families in rural areas to permanent housing and to increase capacity to address the unique challenges CoCs face when serving people experiencing homelessness in rural areas including:
 - Payment of short-term emergency lodging, including in motels or shelter, directly or through vouchers.
 - Repairs to units in which homeless individuals and families will be housed; or are currently not fit for human habitation.
 - Staff training, professional development, skill development, and staff retention activities.

Category 4 Definition of Homelessness Updates

Under the CoC Program and other HUD programs, HUD is now required to consider the following criteria for qualifying as “homeless,” noted below in bold, for any individual or family who:

- Is **experiencing trauma or a lack of safety related to, or fleeing or attempting to flee, domestic violence, dating violence, sexual assault, stalking or other dangerous, traumatic, or life-threatening conditions related to the violence against the individual or a family member in the individual’s or family’s current housing situation, including where the health and safety of children are jeopardized;**
- Has no other safe residence; and
- Lacks the resources to obtain other safe permanent housing.

What Hasn’t Changed

HUD’s Homeless Policy Priorities are relatively static year-over-year [scoring criteria in this year’s NOFO](#): promoting racial equity in homelessness response and when reviewing applications, and involving individuals with lived experience of homelessness in service delivery, decision making, professional development, and employment opportunities.

CoCs should be using a Housing First approach to optimize system performance to reduce homelessness, decrease the length of time people experience homelessness, increase exits to permanent housing, and reduce returns to homelessness.
