

CA-506 Monterey/San Benito Continuum of Care (CoC) –
Lead Me Home CoC (LMH CoC)

2026 Local CoC and YHDP Competition Policies

Approved by Leadership Council's Ad hoc NOFO Committee 06/08/2026

TABLE OF CONTENTS

I. HUD Continuum of Care (CoC) Notice of Funding Opportunity (NOFO)3
A. The National Competition.....3
B. The Local Competition.....3
C. Available Funding4
II. Summary of 2026 Federal and Local Policy Priorities4
III. Local CoC Competition.....6
A. Eligible Applicants.....6
B. Eligible Project Types.....6
C. Application Types and Components.....7
D. Local Competition Deadline and Submission Process8
IV. Review, Scoring, and Ranking Process8
A. Establishing the Rating Panel.....8
B. Rating Panel Preparation9
C. Scoring Project Applications9
D. Ranking Project Applications10
E. Supplemental Applications for Funding Or Adjusted Project Types11
F. Notification of Rankings12
V. Technical Appeals.....12
A. Appeal Eligibility12
B. Establishing the Appeals Panel.....12
C. Appeals Process12
VI. Completing e-Snaps Application.....14
VII. Approval and Submission to HUD.....14
Attachment A – Renewal Project Data.....15
Attachment B – 2026 Renewal Project Scoring Criteria.....16

Attachment C – 2026 New Project Scoring Criteria.....21
Attachment D: Monterey and San Benito County CoC (CA-506) Advancing Recovery and
Prohibiting Illicit Drug Enablement Policy.....24

I. HUD CONTINUUM OF CARE (CoC) NOTICE OF FUNDING OPPORTUNITY (NOFO)

The U.S. Department of Housing and Urban Development (HUD) provides over \$4 billion per year in funding for homeless housing and services to communities across the country through the Continuum of Care (CoC) program. Each year, HUD publishes a Notice of Funding Opportunity (NOFO) for the CoC program, commonly referred to as the CoC NOFO. The CoC NOFO establishes the requirements for communities and providers to seek and receive CoC funding, such as the requirement to host a local competition to establish the priority listing of projects to be submitted to HUD for funding.

CoC program funding is distributed regionally to geographic areas designated as a “Continuum of Care”. These regional organizations, CoCs, meet regularly to improve system performance and build community support for responding to homelessness across the country through this annual funding competition. All CoC’s have a lead organization, referred to as the Collaborative Applicant and CoC Lead. For the Monterey/San Benito CoC (CA-506, or LMH CoC), the Coalition of Homeless Service Providers (CHSP) acts as the Collaborative Applicant and submits the community’s consolidated application in the national competition.

The consolidated application includes two parts:

- CoC Application: a community-wide application for funding that reflects narrative and performance data reflecting how the CoC operates as a system and aligns with HUD’s priorities.
- CoC Priority Listing: a ranked list of all local project applications from providers being submitted by the CoC funding for HUD.

A. THE NATIONAL COMPETITION

Each year, CoCs compete nationally for their community’s portion of the available CoC funding. HUD provides all the necessary information for CoCs to apply for funding in the CoC NOFO. How CoCs perform in the national competition relative to one another determines how much funding each community is awarded.

B. THE LOCAL COMPETITION

As part of the national competition, HUD requires each CoC to facilitate a comprehensive local competition to determine projects of priority for CoC funding. In the local competition, local providers submit applications to renew existing projects or create new projects.

HUD requires each CoC rank local projects into two tiers of priority for funding. Projects are scored and placed into either Tier 1 or Tier 2 by a local Independent Rating Panel. The Rating Panel reviews project applications against local and federal priorities, and a series of scoring factors, to determine application scores and ranks. Projects placed in Tier 1 indicate to HUD

that the local community prioritizes those projects for awarded funding over those ranked in Tier 2.

C. AVAILABLE FUNDING

For the FY 2026 CoC NOFO, HUD has made approximately **\$4.04 billion** available nationally for the Continuum of Care and YHDP projects.

The Monterey/San Benito County CoC is eligible to apply for funding to renew projects currently funded through the CoC and for new projects. The exact funding amounts available to the CoC are established based on the CoC's Annual Renewal Demand (ARD), which is equivalent to the amount of funding that the CoC currently receives.

HUD will release the total amounts that the CoC can apply for during the CoC Competition, including CoC Bonus and DV Bonus amounts. The official amounts that the CoC can seek will be posted on the CoC website once available: <https://chsp.org/continuum-of-care/coc-funding/continuum-of-care-coc-funding-copy/>

Current CoC recipients may apply to renew their current grants as long as they maintain eligibility. Organizations that do not currently receive CoC funding, and current CoC recipients, may apply for new projects or to expand current projects to serve more households or provide more services. Please review [II. Local CoC Competition](#) for more information.

II. SUMMARY OF 2026 FEDERAL AND LOCAL POLICY PRIORITIES

Applications in the local competition will be considered based on alignment with both local and federal priorities. These priorities are outlined here.

HUD has established several goals and objectives in the 2026 CoC NOFO, which will guide how HUD selects and scores CoC and project applications. All applicants seeking CoC funding should thoroughly review the 2026 CoC NOFO here: <https://www.hud.gov/hud-partners/community-coc>.

The 2026 CoC NOFO establishes the following goals and objectives:

1. **Improving Outcomes** – such as increases in self-sufficiency through increased employment income and promoting treatment and recovery, and reductions in unsheltered homelessness and encampments.
2. **Creating Competition to Improve Innovation and Accountability** – by decreasing the amount of funding in Tier 1 from around 90% in previous years to 60%.
3. **Restoring Balance to the CoC** – through funding new transitional housing and supportive service only projects.
4. **Prioritizing Treatment and Recovery as a Means to Self-Sufficiency** – by investing in treatment services and recovery housing, and ensuring recipients do not distribute drug

paraphernalia or knowingly permit the use and distribution of fatal, illicit drugs on their properties.

5. **Promoting Economic Self-Sufficiency** – by encouraging supportive service agreements that meet individual needs and advance progress towards self-sufficiency and independent living goals.
6. **Advancing Public Safety for All** – through coordination with law enforcement, first responders, and state and local governments to reduce encampments, public camping, and public drug use.
7. **Minimizing Trauma for Vulnerable Populations** – through trauma informed care and ensuring participant safety in all programs.
8. **Expanding Access Based on Merit, and Not Ideology** – by ensuring that faith-based organizations have the opportunity to compete for CoC funding and participate in CoC efforts, and prohibiting the use of any racial preferences.

The 2026 CoC NOFO emphasizes self-sufficiency, service participation requirements, substance use treatment and recovery, and funding non-permanent housing programs. Additionally, the CoC NOFO reflects that HUD will dedicate approximately \$1.3 billion in new project awards to Transitional Housing (TH) and Supportive Service Only (SSO) projects, indicating that there is a possibility that new Permanent Supportive Housing (PSH) and Rapid Rehousing (RRH) projects would be less competitive or CoC's who prioritize applying for new PSH and RRH may get less funding than those that seek new TH and SSO projects. For the 2026 competition, Tier 1 ranking is equal to 60% of CoCs' Annual Renewal Demand (ARD).

In 2026, the Monterey/San Benito County CoC strives to submit a competitive package of project applications for CoC funding while preserving as many Permanent Supportive housing (PSH) units and as much PSH as possible for people currently in housing who are unable or not ready to transition to self-maintained housing. As a result, the CoC will not accept new project applications for PSH and RRH in this competition, and not all renewing PSH and RRH projects are likely to be selected.

The CoC Rating Panel may consider factors, such as the number of people who would lose housing, whether there are alternative options to fund a program losing CoC funding, and the timing of potential funding gaps, when making project selection and ranking decisions as it relates to reducing or eliminating renewal PSH and RRH projects submitted. **Current PSH and RRH projects may explore other options to transition or reallocate their funding to other project types.**

III. LOCAL COC COMPETITION

A. ELIGIBLE APPLICANTS

Eligible applicants may apply for funding through the local competition process, and include nonprofit organizations, states, local governments, instrumentalities of state and local governments, Indian Tribes, and Tribally Designated Housing Entities (TDHE). Faith-based organizations and public housing agencies are also eligible to apply. Applicants must submit documentation of eligibility, i.e., nonprofit documentation, with their application.

Any organization with outstanding, unresolved judgments against it for violations of civil rights laws must resolve them before the application submission deadline.

B. ELIGIBLE PROJECT TYPES

Based on current community priorities, for the local competition, the community will be accepting applications for the following project types:

- Eligible **RENEWAL** Project Types:
 - Permanent Supportive Housing (PSH)
 - Rapid Re-housing (RRH)
 - Joint Transitional Housing (TH-RRH)
 - Transitional Housing (TH)
 - Supportive Services Only – Standalone (SSO)
 - Street Outreach (SSO-SO), and Coordinated Entry (SSO-CE)
- Eligible **NEW** Project Types:
 - Transitional Housing (TH)
 - Supportive Services Only – Standalone (SSO)
 - Street Outreach (SSO-SO)
 - Coordinated Entry (SSO-CE)
 - Homeless Management Information System (HMIS)

Submission of an application for an eligible project type does not promise inclusion in the priority listing. The Rating Panel will make selection and ranking decisions based on the scoring criteria outlined in [Attachment B - 2026 Renewal Project Scoring Criteria](#) and [Attachment C - New Project Scoring Criteria](#), and the local and federal priorities outlined in [II. Summary of Federal and Local Priorities](#).

CHSP, as the Collaborative Applicant and CoC Lead agency, will also apply for a CoC Planning project to support the administration of the CoC. The CoC Planning project is not included in the competitive allocation of funding for Renewal and New projects.

For more information about eligible project types and project costs, project applicants can refer to the [2026 HUD CoC NOFO](#).

C. APPLICATION TYPES AND COMPONENTS

There are several types of applications that organizations can submit in the local competition. The following table details the application types and required materials for each one:

Application Type	Required Application Components
<p>Renewal Any applicant currently receiving CoC funding and would like to continue receiving funding for the same projects, including both YHDP and CoC projects. Usually funded through the ARD.</p>	<ul style="list-style-type: none"> • Renewal Project Application and Budget • HMIS Data and Quarterly e-LOCCS reports pulled by the CoC Lead
<p>New Any applicant interested in funding a new project, including the expansion of a project not funded through the CoC and DV Bonus applications. Usually funded through Bonus funding and reallocated funds from renewal CoC projects.</p>	<ul style="list-style-type: none"> • New Project Application and Budget
<p>YHDP Replacements/Reallocations Any YHDP applicant applying to replace a renewal YHDP project that is no longer going to operate. These are funded through the reallocation of current YHDP funds.</p>	<ul style="list-style-type: none"> • New Project Application and Budget
<p>Consolidation Any applicant currently receiving funding for more than one project of the same type and would like to combine the grants into one. Usually funded through the ARD.</p>	<ul style="list-style-type: none"> • Renewal Project Application and Budget (for the eligible renewals being consolidated) • HMIS Data and Quarterly e-LOCCS reports pulled by the CoC Lead • New Project Application and Budget (reflecting the consolidated project)
<p>Expansion Any applicant currently receiving CoC funding and would like to expand the project to serve more households or provide more services. Usually funded through Bonus funding and reallocated funds from renewal projects that are not renewed.</p>	<ul style="list-style-type: none"> • Renewal Project Application and Budget (for the eligible renewal being expanded) • HMIS Data and Quarterly e-LOCCS reports pulled by the CoC Lead • New Project Application and Budget (reflecting the expanded project)

Application Type	Required Application Components
<p>Transition Any applicant currently receiving CoC funding and would like to change their project from one type to another over the course of one grant term. Usually funded through the ARD.</p>	<ul style="list-style-type: none"> • Renewal Project Application and Budget (for the eligible renewal transitioning) • HMIS Data and Quarterly e-LOCCS reports pulled by the CoC Lead • New Project Application and Budget (reflecting the new project type)

D. LOCAL COMPETITION DEADLINE AND SUBMISSION PROCESS

CHSP will post the application deadline on the CHSP website here:

To submit project application(s), applicants must email all required materials to grants@chsp.org by the deadline published on the CHSP website.

Late applications will not be accepted.

IV. REVIEW, SCORING, AND RANKING PROCESS

All applications for funding are reviewed by the CoC Lead agency, CHSP, upon submission before they are passed along to the Independent Rating Panel for scoring and ranking. Using a combination of objective and subjective application criteria, the Rating Panel will review and score all eligible applications, then rank all selected eligible applicants in priority order during the Rating Panel meeting.

A. ESTABLISHING THE RATING PANEL

A Rating Panel of three or five members will be seated by CHSP. Rating Panel members with lived experience of homelessness are compensated by the CoC for their time and service to the NOFO competition.

Eligible Rating Panel members must be:

- Knowledgeable about homelessness and housing in the community and broadly representative of the relevant sectors, subpopulations, and geographic areas in the CoC;
- “Neutral,” meaning that they are not employees or staff of any applicant organizations, and do not have any business/financial or specific personal conflict of interest with any applicant organizations; and
- Willing to review projects with the best interest of persons experiencing homelessness in mind.

Rating Panel members agree to:

- Dedicate time to review all eligible project applications,
- Attend the Rating Panel meeting, and
- Sign both a confidentiality agreement and a statement declaring that they have no conflict of interest.

B. RATING PANEL PREPARATION

The Rating Panel will receive training on the CoC program, local competition, and their responsibilities prior to reviewing project applications.

The Rating Panel will review all project applications and applicable data prior to the scheduled Rating Panel meeting.

Emergency Replacements

If one or more Panel members are unable to attend the Review & Rank meeting or otherwise unable to discharge their duties, then CHSP staff may appoint one or more suitable emergency replacements, or may continue the Review & Rank process with a smaller Rating Panel, at their discretion.

C. SCORING PROJECT APPLICATIONS

The Rating Panel will score project applications based on Rating Factors that summarize the priorities and targets chosen by HUD and the local community. Scoring criteria that Rating Panel members should use to score project applications are included in [Attachment B - 2026 Renewal Project Scoring Criteria](#) and [Attachment C - New Project Scoring Criteria](#).

Renewal project applications will be evaluated based on a combination of their application materials, HMIS data, and eLOCCS drawdown information. New project applications will be evaluated based on the information provided in their application materials.

Panelists are expected to preliminarily score each application prior to the Rating Panel meeting. During the meeting, panelists are encouraged to candidly share and listen to each other's reasoning for scores, though there is no requirement for panelists to agree on how to score a project. Panelists may tend to score projects more harshly or leniently than each other as long as they can justify their reasoning through relevant application information.

All panelist scores on subjective criteria are averaged to create the final score for each criterion for each application. These subjective scores will be combined with objective scores to create the final project score for each application. CHSP establishes objective scores based on the scoring criteria and data used to inform those criteria.

D. RANKING PROJECT APPLICATIONS

After determining final project scores, during the Rating Panel meeting, panelists review the list of projects in score order and deliberate on the final project ranking. Project scores serve as an important input to the ranking process; however, final project rankings are not necessarily assigned in strict score order. The Rating Panel considers additional factors, including current HUD priorities, local strategic priorities, and the overall competitiveness of the CoC's consolidated application. Based on these considerations, the Rating Panel ranks projects in priority order into Tier 1 and Tier 2, adjusting project placement within the Priority Listing to maximize the community's ability to secure federal funding and achieve local homelessness response goals.

The Rating Panel's final ranking reflects the CoC's judgment about which projects best advance community goals and HUD priorities. The ranking is compiled into a **Priority Listing**, which becomes part of the CoC's consolidated application to HUD.

Involuntary Reallocation of Renewal Projects in Ranking

In addition to having discretion around final project rank, the Rating Panel also may recommend renewal projects for involuntary reallocation, meaning the project would receive a decrease or elimination of funding due to substandard performance and/or utilization of current funds. Any funding the Rating Panel recommends for recapture from an existing project is made available for reallocation to new projects in Tier 2.

Straddling Project Ranking

Based on the Rating Panel's ranking, projects are placed into Tier 1 or Tier 2 in priority order. Due to HUD determining the size of tiers based on a proportion of CoCs ARD, each year, there is almost always one project whose ranking "straddles" Tier 1 and Tier 2.

Theoretically, this project's funding in Tier 1 is treated like the rest of Tier 1 projects, while the portion in Tier 2 is considered in the national competition for funding. This portion of the project's funding is subject to the HUD scoring criteria, including the CoC's score on the CoC Application. In this circumstance, the straddling project or HUD could decide that the share of funding awarded is insufficient to successfully continue the project, and the project could be entirely defunded. Alternatively, the project and HUD could decide that the remaining funding is enough to continue operating the project at a reduced level of coverage, serving fewer clients, or to continue operating the project at the same level of coverage by increasing local funding for the project.

E. SUPPLEMENTAL APPLICATIONS FOR FUNDING OR ADJUSTED PROJECT TYPES

Whenever possible, the CoC wants to apply for all available funding in the national competition and submit a Priority Listing that is as competitive as possible in alignment with federal and local priorities.

As a result, there may be an opportunity after the Review, Scoring, and Ranking process for programs to submit application materials for additional funding if all available funding has not been fully allocated *or* if they would like to adjust their project type to strengthen the CoC's consolidated application and their likelihood of being funded.

Scenarios for Supplemental Applications

Monterey/San Benito CoC will issue a Supplemental Project Application when:

- After receiving all project applications, it appears there is additional funding available; or
- After conducting the threshold review of the submitted project applications, it appears there is additional funding available; or
- After conducting the Review and Rank, the Panel has recommended a Renewal Project for reallocation and there are not adequate New Project applications for those funds; or
- After being selected onto the Priority List, an applicant is not able or willing to submit an official application in e-snaps.
- After being ranked in Tier 2 on the Priority List, there are Permanent Housing projects willing to submit transition grants for Transitional Housing or Supportive Services projects.

Process for Submission & Ranking of Supplemental Applications

In the event that Supplemental Applications are needed, the Collaborative Applicant will:

- Email the CoC and other interested homeless service and housing providers in the CoC with specifics regarding how much money is available, which types of projects qualify, how they should apply, and the deadline to submit.
- The Collaborative Applicant will provide technical assistance and guidance, as needed, to ensure applicants understand the funding requirements and application steps.

Due to HUD NOFO deadlines, supplemental applications will be due shortly after the notification email. The deadline will be specified in the notification.

For supplemental applications, the Rating Panel will use an abbreviated review process. The Rating Panel will evaluate applications based on their alignment with federal and local priorities, competitiveness within the HUD NOFO, and the community's strategic funding needs. No supplemental application may be ranked higher than a regular application.

F. NOTIFICATION OF RANKINGS

Following the Rating Panel meeting, all project applicants will be notified in writing of the outcome of the ranking process within three (3) business days by CHSP. Notifications will indicate whether the project was recommended for funding on the Priority Listing and, if recommended, the project's placement within Tier 1 and Tier 2. Along with ranking information, applicants will also be notified and provided with information regarding the CoC's appeals process.

V. TECHNICAL APPEALS

After notification of the outcome of the ranking process, applicants may appeal the decision on their project on technical grounds by following the process set forth below.

A. APPEAL ELIGIBILITY

Project applicants in one of the following situations are eligible to submit a technical appeal of their ranking:

1. The project is recommended for full or partial reallocation; and/or
2. The project is ranked in Tier 2.

These projects may appeal ONLY if they have reason to believe that the Rating Process was not accurately followed for objective scoring of their project, resulting in a reduced score or rejection of the project application from the Priority Listing.

All scoring criteria are outlined in [Attachment B - 2026 Renewal Project Scoring Criteria](#) and [Attachment C - New Project Scoring Criteria](#).

Appeals based on policy considerations, funding priorities, or other subjective rating criteria are ineligible and will not be granted an Appeals Hearing.

Projects ranked in Tier 1 are not eligible to appeal.

B. ESTABLISHING THE APPEALS PANEL

An Appeals Panel of three members will be seated by CHSP. Members may consist of non-conflicted members of local nonprofit organizations, foundations, government agencies, private-sector organizations, and individuals with lived experience.

A neutral third-party facilitator will also be identified to facilitate the Appeals Panel.

C. APPEALS PROCESS

To appeal, project applicants must submit a notice of appeal to CoC staff by emailing grants@chsp.org by the deadline published on the CoC website. Late appeals will not be considered.

If the project application was submitted by a collaboration of agencies, only one joint notice of appeal may be submitted.

The notice of appeal must include:

- A statement indicating why the project is eligible to appeal;
- The basis for the technical appeal; and
- A short, clear written statement, detailing the believed discrepancy in objective criteria scoring.

Preliminary Appeal Review & Follow Up

After receiving the notice of appeal, CHSP will review the appeal for eligibility. CHSP may contact the appealing Project Applicant to clarify the scoring decision and determine whether the appeal can be resolved without a formal hearing.

All eligible appeals that cannot be resolved through this less formal process, will be forwarded to the Appeal Panel for an Appeal Hearing.

Appeal Hearing

An Appeal Hearing will be conducted according to the following procedure:

1. The Appeal Panel will join the hearing with the neutral facilitator and a representative of the Rating Panel.
2. The neutral facilitator will explain the facts of the appeal and answer any procedural questions from the appeal panelists.
3. The Appeal Panel will ask the Rating Panel representative questions about the Review and Rank process, including what occurred during Rating Panel meeting and what information the Rating Panel considered in evaluating the Project Applicant.
4. The appealing Project Applicant will then join the hearing and will be provided an opportunity to explain the appeal.
5. The Appeal Panel may ask questions of the appealing Project Applicant. The appealing Project Applicant will then leave the meeting.
6. The Appeal Panel will discuss the technical appeal and take a formal vote on validity of the technical appeal and as applicable, make revisions to the applicant's project score and rank.

Appeal Decision

The decision of the Appeal Panel is final and will be transmitted to the CoC Board without further debate.

Following any eligible appeals processes, the Review, Scoring, and Ranking process concludes.

VI. COMPLETING E-SNAPS APPLICATION

All projects accepted onto the Priority Listing must submit an application in e-snaps. e-snaps is the online grants management system used by HUD. Timelines and deadlines for the e-snaps applications will be posted on the CoC website.

- Information submitted in the e-snaps application must align with the information submitted in the local project application. A project cannot change its proposed project between being ranked/approved by the Rating Panel and completing the e-snaps application.
- Priority Applicants should thoroughly review guidance published by HUD when completing their e-snaps application.
- CHSP staff is available to provide technical assistance and answer questions regarding the e-snaps application.
- All e-snaps applications will be reviewed by CHSP staff before final submission to HUD for technical accuracy.

VII. APPROVAL AND SUBMISSION TO HUD

The final Priority Listing will be submitted to the Leadership Council with the other components of the consolidated application for final review and approval.

The Leadership Council has the discretion to alter the Recommended Priority List only if alterations are determined to:

1. address urgent community needs, *and*
2. strengthen the CoC's application.

Once the Leadership Council approves the recommended Priority List, the local NOFO competition is complete.

The approved Priority List will be publicly posted on the CoC website in accordance with the timeline stipulated in the CoC NOFO.

ATTACHMENT A – RENEWAL PROJECT DATA

A. HMIS DATA

As HMIS lead for the CoC, CHSP will generate the APRs and SPMs for all renewal projects except for renewal projects that primarily serve survivors of domestic violence and do not utilize HMIS. These projects will be asked to generate their own APRs using data from their comparable database. For the 2026 local competition, APRs/SPMs will be populated for **the official “competition period”, which is April 1, 2025, through March 31, 2026.**

All APR and SPM data evaluated for Renewal Project applications will be treated as final and authoritative. Projects may use the responses in their Local Competition Application to provide context for their data but cannot suggest that other data would be more appropriate to measure project performance.

Each Renewal Project is responsible for reviewing their HMIS data, confirming that the data is correct, and making appropriate changes in HMIS prior to the local NOFO competition. To verify data, renewal project applicants can generate APRs for themselves from HMIS.

If renewal project applicants have questions regarding their APR data or need a demonstration on how to run their own APRs, they can contact the CHSP HMIS team by submitting a case ticket on the CHSP website.

B. SPENDING DATA

Because each Renewal Project has its own unique contract start and end date with HUD, each project's spenddown is evaluated based on a completed contract. Projects will be evaluated using the most recently available quarterly e-LOCCs report issued by the HUD field office. Because projects are expected to draw down funds within one month of the time the funds were spent, this means that project spenddown would be evaluated based on the most recent contract that had ended as of 5/31/2026.

If a project has not completed any contract terms that could be fully evaluated using this method, then the project's spenddown will be measured on an ad hoc basis that attempts to provide the fairest possible measurement period.

ATTACHMENT B – 2026 RENEWAL PROJECT SCORING CRITERIA

Renewal applications will be reviewed and scored based on the following scoring criteria. The Rating Panel may review all parts of the project application to gain an understanding of the program model and approach. The tables below outline the selected factors, sections, and questions of the scoring of the local applications for funding. If an application or applicant does not meet any of the required threshold criteria, the application will not be considered for funding.

The following threshold criteria apply to all renewal projects:

- The current CoC grant must expire in calendar year 2027.
- The applicant must be in good standing and eligible to receive HUD funding.
- The project must serve eligible households and participate in the required Coordinated Access System and HMIS.
- The applicant must commit to the following (which will be required by HUD at submission in eSnaps)
 - The project applicant will not engage in illegal racial discrimination, consistent with the requirements of 2 CFR 200.300(a).
 - The project applicant will not operate drug injection sites or "safe consumption sites" in violation of 21 U.S.C. 856(a)(1), knowingly permit the use or distribution of illicit drugs on property under their control in violation of 21 U.S.C. 856(a)(2), or knowingly distribute drug paraphernalia in violation of 21 U.S.C. 863.

Renewal Project Scoring Factors	Component and Details	Maximum Points Possible
<p>1. Increased Employment Income</p> <p>Percentage of people 18 and older who gained or increased earned income at exit or at a timely annual follow-up interview/assessment.</p> <p>Divide the number of adults who gained or increased at least one source of earned income by the total number of adults in the project (minus the number of adult stayers not yet due for an annual assessment) and apply the scale:</p> <ul style="list-style-type: none"> • 10 pts = 80% or higher • 5 pts = 70-79% • 0 pts = less than 70% 	<p>Objective Criteria</p> <p>APR Q 19a1 & 19a23</p>	<p>10</p>

Renewal Project Scoring Factors	Component and Details	Maximum Points Possible
<p>2. Returns to Homelessness Percentage of households served by and exited from the program without returning to the homelessness response system.</p> <p>Divide the total number of households that exited the program by the total number of households that returned to homelessness and apply the scale:</p> <ul style="list-style-type: none"> • 5 pts = less than 10% • 2.5 pts = 11-20% • 0 pts = 21% or more 	Objective Criteria HMIS Data	5
<p>3. Exits to and Retention of Permanent Housing Percentage of households that remained in permanent housing projects or exited to a permanent housing destination during the measurement period.</p> <p>PSH & RRH Projects – Divide the count of households that remained in the project or exited to a permanent housing destination during the measurement period, excluding people who passed away, exited to foster care, nursing homes, non-psychiatric hospitals, or inpatient medical facilities, and apply the scale below.</p> <p>TH & TH-RRH Projects - Divide the count of households that exited to a permanent housing destination during the measurement period, excluding people who passed away, exited to foster care, nursing homes, non-psychiatric hospitals, or inpatient medical facilities, and apply the scale below.</p> <ul style="list-style-type: none"> • 15 pts = 80% or higher • 7.5 pts = 74-79% • 0 pts = less than 74% 	Objective Criteria APR Q 23a & b	15

Renewal Project Scoring Factors	Component and Details	Maximum Points Possible
<p>4. Grant Spending</p> <ul style="list-style-type: none"> • 10 pts = No funds available for recapture • 5 pts = Some funds available for recapture; applicant has adequately explained why funds were available for recapture and/or has adequate plans to fully spend down grant funds in the current year • 0 pts = Funds available for recapture; applicant does not adequately explain why and/or does not provide an adequate plan 	<p>Subjective Criteria <i>(unless no funds available for recapture)</i></p> <p>Local Application and Project Spending Data</p>	<p>10</p>
<p>5. Audits/Monitoring</p> <ul style="list-style-type: none"> • 10 pts = Project has no unresolved audit or monitoring findings • 5 pts = Project has unresolved audit or monitoring findings, but has adequately explained why findings remain unresolved • 0 pts = Project has unresolved audit or monitoring findings that are not adequately explained 	<p>Subjective Criteria <i>(unless no findings)</i></p> <p>Local Application</p>	<p>10</p>
<p>6. Supportive Service Requirements</p> <ul style="list-style-type: none"> • 10 pts = Project requires or will require participation in services and provides a participation agreement to demonstrate the services are required • 0 pts = Project does not and will not require participation in services <p><i>*Note: Assistance may not be denied on the basis of or as a direct result of the act that a participant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, if the participant otherwise qualifies for admission, assistance, participation, or occupancy.</i></p>	<p>Objective Criteria</p> <p>Local Application</p>	<p>10</p>
<p>7. On-Site Substance Use Treatment</p> <ul style="list-style-type: none"> • 5 pts = Project provides or will provide on-site substance use treatment services • 0 pts = Project does not and will not provide on-site substance use treatment services 	<p>Objective Criteria</p> <p>Local Application</p>	<p>5</p>

Renewal Project Scoring Factors	Component and Details	Maximum Points Possible
<p>8. Funding for Supportive Services</p> <ul style="list-style-type: none"> • 5 pts = The project’s CoC budget includes funds in the supportive services line • 5 pts = The project’s required match is for supportive services and/or the project has leveraged other funds for supportive services committed to this project • 0 pts = The project does not have funds in the CoC budget, match, or other leverage for supportive services 	<p>Objective Criteria</p> <p>Local Application</p>	<p>10</p>
<p>9. Strategies to Support Self-Sufficiency</p> <p>Up to 10 pts will be provided to projects that adequately explain the strategies they will use to support participants’ self-sufficiency. Stronger strategies and explanations will receive higher points. No strategies or explanation will receive 0 points.</p>	<p>Subjective Criteria</p> <p>Local Application</p>	<p>10</p>
<p>10. Strategies to Access Mainstream Benefits</p> <p>Evaluation of core strategies to support households with accessing mainstream benefits:</p> <ul style="list-style-type: none"> • 1 point = Transportation assistance to clients to attend mainstream benefit appointments, employment training, or jobs • 1 point = At least annual follow-up with participants to ensure mainstream benefits are received and renewed • 1 point = Project participants have access to SSI/SSDI technical assistance provided by the applicant, a sub-recipient, or partner agency • 1 point = The staff person providing the technical assistance completed SOAR training • 5 points: If all of the above strategies are used • 0 points = None of the above strategies are used 	<p>Objective Criteria</p> <p>Local Application</p>	<p>5</p>

Renewal Project Scoring Factors	Component and Details	Maximum Points Possible
<p>11. Project Type and Local Priorities (PSH Only) 10 points for projects aligning with local priorities, including providing Permanent Supportive Housing (PSH) to chronically homeless households.</p>	<p>Objective Criteria Local Application</p>	<p>10</p>
Maximum Score Possible		100

ATTACHMENT C – 2026 NEW PROJECT SCORING CRITERIA

New Project applications will be reviewed and scored based on the following scoring criteria. The Rating Panel may review all parts of the project application to gain an understanding of the program model and approach. The tables below outline the selected factors, sections, and questions of the scoring of the local applications for funding. If an application or applicant does not meet any of the required threshold criteria, the application will not be considered for funding.

The following threshold criteria apply to all new projects:

- The applicant must be eligible to receive CoC funds and be applying for an eligible project type, including Transitional Housing (TH), Supportive Services Only – Standalone (SSO), and Supportive Services Only – Street Outreach (SSO-SO)
- The project must serve eligible households and an eligible population
- The applicant must be willing to participant in the Coordinated Access System and HMIS (or, for providers serving domestic violence survivors, use a comparable data system)
- The applicant must commit to the following (which will be required by HUD at submission in eSnaps)
 - The project applicant will not engage in illegal racial discrimination, consistent with the requirements of 2 CFR 200.300(a).
 - The project applicant will not operate drug injection sites or "safe consumption sites" in violation of 21 U.S.C. 856(a)(1), knowingly permit the use or distribution of illicit drugs on property under their control in violation of 21 U.S.C. 856(a)(2), or knowingly distribute drug paraphernalia in violation of 21 U.S.C. 863.

New Project Rating Factor	Points
<p>1. System Performance and Objectives</p> <p><i>Up to 13 points</i> – Project identifies performance targets and explains who they plan to achieve them, including:</p> <ul style="list-style-type: none"> • Successful exits from assistance • Reducing returns to homelessness • Increasing employment income for participants • Reducing the length of time homeless <p><i>Up to 13 points</i> – Project identifies how it will fill a need in the community and advance system performance and objectives, including:</p> <ul style="list-style-type: none"> • Reducing the number of homeless individuals and families • Reducing encampments • Reducing first time homelessness • Reducing length of time people remain homeless 	<p>26</p>

New Project Rating Factor	Points
<p>2. Applicant Experience</p> <p>Up to 10 points – Applicant (and subrecipient, if applicable) demonstrates relevant experience in providing housing or services to people experiencing homelessness.</p> <ul style="list-style-type: none"> • <i>TH Only</i> – The applicant must demonstrate it has: (1) prior experience operating transitional housing, or other projects that have helped people exit homelessness within 24 months, and has a plan to ensure households will exit within 24 months, and (2) has operated or currently operates TH or another project or has a plan to ensure that at least 50% of households exit to a positive destination within 24 months, and at least 50% of households exit with employment income. • <i>SSO-SO Only</i> – The applicant must demonstrate it has: (1) a history of, or a plan for, partnering with and assisting first responders and law enforcement to engage unsheltered people to access programs and will cooperate, and not interfere or impede with the enforcement of local laws around public camping and drug use, and (2) experience providing outreach or a plan for providing outreach services consistent with the activity description and has a plan for or demonstrated effectiveness at helping people successfully exit unsheltered homelessness. <p><i>Note: If the applicant does not have a recent or current CoC project in the CoC, the applicant must submit supporting documentation reflecting project information and outcomes.</i></p>	<p>10</p>
<p>3. Supportive Services</p> <p><i>Up to 5 points</i> – Program description clearly articulates how participants are assisted to access and retain permanent housing, secure mainstream benefits, and employment assistance to increase their incomes.</p> <p><i>10 points</i> – The project seeking CoC funding in its application or includes match or other leverage to provide supportive services to households. 0 points if no supportive service funding in project budget and no match or other leverage.</p> <p><i>10 points</i> – The project includes on-site substance use treatment services. 0 points if no on-site substance use treatment services.</p> <p><i>10 points</i> – The project has service participation requirements. 0 points if no service participation requirements.</p> <p><i>*Note: Assistance may not be denied on the basis or as a direct result of the act that a participant is or has been a victim of domestic violence, sexual assault, or stalking, if the participant otherwise qualifies for admission, assistance, participation, or occupancy.</i></p>	<p>35</p>

New Project Rating Factor	Points
<p>4. Applicant Capacity</p> <p><i>Up to 5 points</i> – The applicant (and subrecipient, if applicable) demonstrates sufficient organizational and financial capacity to track funds and meet all of HUD’s requirements.</p> <p><i>10 points</i> – The applicant has no outstanding monitoring or audit issues. 2 points if the applicant has outstanding monitoring or audit issues but provides sufficient explanation of the reason and plan to comply.</p>	15
<p>5. Timing and Budget Feasibility</p> <p><i>4 points</i> – The applicant shares a clear plan for beginning operation of the project within 6 months of when the contract is executed. 2 points will be awarded if within one year.</p> <p><i>5 points</i> – The project budget appears adequate and reasonable to support the proposed program.</p> <p><i>5 points</i> – Required match is provided and additional resources are leveraged.</p>	14
Maximum Score Possible	100

ATTACHMENT D: MONTEREY AND SAN BENITO COUNTY COC (CA-506) ADVANCING RECOVERY AND PROHIBITING ILLICIT DRUG ENABLEMENT POLICY

Consistent with the federal requirements and priorities established in the FY2026 Continuum of Care (CoC) Notice of Funding Opportunity (NOFO), the Monterey and San Benito County, Lead me Home, CoC encourages project models that support housing stability, treatment, recovery, self-sufficiency, and participant well-being through connection to and provision of supportive services.

This policy establishes a requirement that all housing projects submitted by the CoC for funding consideration, including renewal projects, align with the 2026 CoC NOFO requirements and priorities.

A. POLICY STATEMENT

All CoC-funded housing projects operating within the Monterey and San Benito County CoC shall comply with all applicable federal, state, and local laws. CoC-funded housing projects will not:

1. Operate drug injection sites, supervised consumption sites, or “safe consumption sites;”
2. Knowingly distribute drug paraphernalia on or off property under the project’s ownership, lease, management, or control;
3. Knowingly permit the use, possession, or distribution of illicit drugs on property under the project’s ownership, lease, management, or control; or
4. Conduct, permit, encourage, or allow any of the above activities under the pretext of harm reduction or any other programmatic approach.

Important Notes:

- *Nothing in this policy shall be interpreted as requiring sobriety as a condition of receiving housing or assistance, requiring participation in treatment as a condition of receiving assistance, or requiring immediate eviction or termination from assistance for a violation of a drug-related program policy or lease provision.*
- *Nothing in this policy shall be interpreted as prohibiting projects from providing participant-centered services, overdose prevention education, substance use disorder screening, referrals to treatment, recovery planning, or other lawful activities intended to support participant health, safety, recovery, and housing stability.*
- *Nothing in this policy restricts or prohibits projects that require program participants to be sober or to participate in treatment as a condition of assistance.*

B. COC PROJECT REQUIREMENTS AND COMPLIANCE

Through the local competition process, all project applicants must certify compliance with this policy and any related certifications required by HUD through the 2026 CoC NOFO. Upon request

by the CoC Lead Agency, CHSP, applicants must describe any relevant program policies, participant expectations, and operational practices in accordance with this policy.

The CoC reserves the right to review information obtained through project monitoring activities, HUD monitoring findings, participant complaints, audits, corrective action plans, site visits, or other credible sources to assess compliance with this policy.

If the CoC determines that a project may be operating in violation of this policy, it may request additional information from the recipient and conduct a deeper review. If it is determined that a project is operating in violation of this policy, the CoC may take one or more of the following actions, as appropriate and depending on the specific violation, recipient's response, and federal requirements:

- Require the recipient to submit and implement a corrective action plan;
- Require additional monitoring, reporting, or technical assistance;
- Consider the violation during the local competition process;
- Determining that the project is not aligned with local and federal funding priorities;
- Recommend partial or full reallocation of the project's funding during a future competition cycle, consistent with HUD regulations and local competition policies; and/or
- Take any other action permitted under applicable HUD regulations, grant agreements, or local practices.