FY2026 CoC NOFO for Indianapolis CoC Providers

Frequently Asked Questions

Last updated: August 20, 2026

The Indianapolis Continuum of Care (CoC), in partnership with the City of Indianapolis Department of Metropolitan Development (DMD), is closely monitoring developments regarding the federal FY2026 Continuum of Care Notice of Funding Opportunity (NOFO).

We recognize that the changes to this year's federal funding process have created significant uncertainty for providers, staff, boards, and the people our system serves.

Our most important message to providers right now is this: Continue operating your currently funded programs and serving participants as usual. Do not reduce, wind down, restructure or cancel programming based solely on the FY2026 NOFO or the local priority listing developed for that competition.

The federal process has changed. Our commitment to serving people has not.

1. What happened to the FY2026 CoC NOFO?

On August 7, 2026, the U.S. District Court for the District of Rhode Island vacated HUD's FY2026 Continuum of Care NOFO after finding that HUD violated the Administrative Procedure Act in issuing the funding opportunity.

Because the NOFO was vacated, HUD has stated that the FY2026 NOFO and its August 26 application deadline are no longer in force and that HUD cannot currently accept applications under that competition.

HUD has said it is evaluating the court's order and considering its legal options, including an appeal. HUD has not yet announced what process will replace the vacated NOFO or when that process may begin.

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2. What does "vacated" mean?

In practical terms, the FY2026 NOFO that providers and CoCs had been responding to is no longer an active federal funding opportunity.

That means:

- the August 26 federal application deadline is no longer in effect;
- HUD is not currently accepting applications under that NOFO;
- the Indianapolis CoC has paused local activities associated with that competition; and
- the local priority listing created in response to that NOFO should not be treated as a current funding decision.
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It does not mean that HUD has eliminated the CoC Program, that Indianapolis has lost existing FY2026 CoC funding, or that a new funding process will necessarily look the same as the one that was vacated.

We are waiting for formal HUD guidance before drawing conclusions about what the next FY2026 funding process will require.

3. Should our organization stop or reduce services?

No. Providers should continue operating currently funded programs and serving participants as usual.

The Indianapolis CoC has specifically asked providers not to reduce, wind down or alter operations based on the vacated FY2026 NOFO. The current pause applies to activities related to the FY2026 funding competition, not to the delivery of currently funded programs and services.

Continue fulfilling the requirements of your organization's existing grants, contracts and program commitments.

4. Could HUD issue another NOFO?

HUD has indicated that it is considering its legal options and will issue further guidance. A replacement or revised funding process is one possible outcome, but HUD has not announced what that process will be, what requirements it will contain or what the timeline will be.

CHIP and DMD will evaluate any new federal guidance once it is formally issued rather than asking providers to plan around speculation.

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5. Are our current CoC grants still funded?

Existing programs should continue operating under their current awards and grant terms.

The August 7 court ruling addressed the FY2026 funding competition. It did not direct Indianapolis providers to stop operating currently funded programs.

The uncertainty we are navigating concerns how HUD will administer FY2026 funding moving forward, including future renewal and new-project funding decisions.

Providers should therefore distinguish between:

- **Current funding:** Existing awards under which organizations are currently operating.
- **Future FY2026 funding:** Funding that would have been awarded through the now-vacated FY2026 competition and for which HUD has not yet announced a replacement process.

6. Our project was placed in Tier II. Does that mean we are losing our funding?

No. The Tier I/Tier II priority listing was developed in response to a federal NOFO that is no longer in effect.

Providers should not use their placement on that list as a basis for winding down programming, notifying participants of service reductions, eliminating positions or otherwise preparing to close a project.

At the same time, the court ruling does not guarantee future renewal funding for any particular project. HUD has not yet established the replacement FY2026 process.

The appropriate posture right now is:
Continue operating, preserve capacity, stay informed, and be prepared to respond quickly when new federal guidance is issued.

7. Does the previous Indianapolis priority listing still apply?

Not as a current FY2026 funding decision.

The priority listing was developed to meet the requirements of the NOFO that has now been vacated. Because that federal funding opportunity is no longer active, providers should not interpret that ranking as a final determination regarding FY2026 funding.

Depending on what HUD does next, some elements of the local work already completed may still prove useful. Other portions may need to be revised or replaced entirely.

CHIP and DMD will provide guidance once HUD establishes the next federal process.

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8. Should we continue working on our FY2026 application?

For now, pause activities that exist solely to meet the requirements or deadlines of the vacated FY2026 NOFO unless CHIP or DMD specifically instructs otherwise. However, providers should preserve the work already completed.

Please do not discard:

- project narratives;
- budgets;
- performance information;
- supporting documents;
- certifications;
- organizational approvals;
- application materials;
- local scoring materials; or
- other documentation assembled for the FY2026 competition.

A future HUD process may require some of the same information, and timelines could be compressed once new guidance is issued.

In other words: pause unnecessary NOFO work but remain ready to move.

9. What should providers be doing while we wait?

Providers should focus on five priorities:

- **Continue services**
  - Maintain currently funded programming and continue serving participants according to existing program requirements.
- **Maintain compliance**
  - Continue normal grant administration, reporting, HMIS participation, financial documentation, performance monitoring and other obligations associated with current awards.
- **Preserve readiness**
  - Keep FY2026 application materials organized and accessible so your organization can respond quickly if HUD establishes a new application process.
- **Keep internal decision-makers informed**
  - Make sure executive leadership, finance staff, program leadership and boards understand that the federal competition is uncertain but that providers have not been instructed to close programs because of the vacated NOFO.
- **Watch official communications**
  - Monitor communications from CHIP and the Indianapolis CoC. Future local updates will be shared through the CoC listserv and CHIP's website.

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10. Should we prepare for the possibility that the next NOFO will be different?

Yes, but preparation is different from prematurely changing programs.

HUD may issue a replacement funding opportunity, pursue additional legal action, establish different deadlines or otherwise change the FY2026 process. We do not yet know which path HUD will take.

Organizations can responsibly prepare by:

- ensuring finance and program leadership understand current grant timelines;
- identifying upcoming grant expiration dates;
- keeping application materials current;
- ensuring performance data are accurate;
- maintaining documentation that may be required in a future competition;
- identifying staff who can respond quickly to a new application timeline; and
- raising organization-specific vulnerabilities with CHIP and DMD early.

Providers should not, however, redesign or terminate programming based on assumptions about a NOFO that HUD has not yet issued.

11. Could HUD appeal the court ruling?

Yes. HUD has publicly stated that it is considering all legal options, including an appeal to the U.S. Court of Appeals for the First Circuit.

An appeal does not itself tell us what the eventual FY2026 funding process will look like. CHIP and DMD are monitoring federal developments and will communicate when a development requires local action.

Providers do not need to take separate action based on the possibility of an appeal at this time.

12. What happens to the August 26 deadline?

It is no longer in force.

HUD specifically states that the August 26, 2026 application deadline associated with the vacated FY2026 NOFO no longer applies.

The Indianapolis CoC has therefore paused activities associated with that deadline. If HUD establishes a new deadline, CHIP and DMD will communicate it to providers as soon as possible.

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13. What should we say if a board member, donor, partner or reporter asks whether our funding was cut?

A safe response is:
"No final FY2026 funding decision has been made. A federal court vacated the FY2026 CoC funding opportunity, so the competition is currently paused while HUD determines its next steps. Existing services continue, and we are awaiting formal federal guidance about the future funding process."

If you receive a media inquiry requiring broader Indianapolis CoC context, please coordinate with CHIP so that providers, CHIP and the City can communicate from the same factual foundation.

14. Does this affect CoC Builds or the separate Youth Homelessness Demonstration Program (YHDP) funding opportunity?

These are separate federal funding opportunities from the FY2026 CoC competition currently at issue.

Indianapolis maintains separate funding materials and application processes for CoC Builds and for the separate FY2024/FY2025 Youth Homelessness Demonstration Program (YHDP) NOFO.

Providers involved in those opportunities should follow the specific guidance associated with those competitions rather than assuming the FY2026 CoC pause applies to every HUD funding opportunity.

15. Should we make staffing decisions because of the NOFO uncertainty?

Providers should not make staffing decisions solely because of placement on the vacated FY2026 priority listing.

Organizations remain responsible for their own personnel and financial decisions, but the previous ranking should not be treated as a final federal funding determination.

If your organization is approaching a grant expiration, cash-flow issue or other operational deadline that may create a genuine service or staffing concern, please raise that issue with CHIP/DMD rather than assuming the outcome of the FY2026 competition.

Understanding real operational deadlines across the system will also help the CoC distinguish immediate risks from hypothetical future ones.

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16. Should we tell staff or program participants that our program may lose funding?

Providers should not communicate a future funding loss as though it has already been decided.

HUD has not yet announced a replacement FY2026 funding process or made final FY2026 awards under that process.

Organizations should communicate honestly about uncertainty while avoiding unnecessary alarm.

A helpful internal message is:
"The federal FY2026 funding competition has been vacated by a court and is currently paused. This does not change our current operations. We are continuing services while CHIP and the City await additional federal guidance."

If your organization has a separate, documented financial or grant-expiration concern that could affect services, address that issue based on your organization's actual circumstances rather than the previous Tier I/Tier II ranking.

17. What if our current grant expires before HUD resolves this?

Please notify CHIP/DMD promptly if your organization identifies an upcoming expiration or other funding circumstance that could create an actual continuity-of-service concern.

The CoC needs to understand organization-specific timelines so that emerging risks can be evaluated based on actual grant circumstances.

Do not assume that another organization's funding timeline is the same as yours.

18. e-snaps still appears accessible. Should we be submitting something?

No submission should be interpreted as required simply because portions of e-snaps remain accessible.

HUD's current guidance explicitly says that it is unable to accept applications under the vacated FY2026 NOFO currently, even though portions of e-snaps remain available.

Providers should follow formal HUD, CHIP and DMD guidance rather than interpreting system availability as evidence that the competition has reopened.

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19. Should providers begin contingency planning?

Reasonable internal contingency planning is appropriate. Premature implementation of contingency plans is not.

Organizations may want to identify:

- upcoming grant expiration dates;
- program costs and cash-flow requirements;
- positions substantially supported by CoC funding;
- contractual or lease obligations;
- participant-related commitments;
- application staffing capacity; and
- internal decision points that would require advance notice.

This information can help leadership respond quickly if federal delays become prolonged. However, providers should not cancel programming, terminate services or communicate anticipated closures based solely on speculation about what HUD may do.

20. What should we avoid saying?

Until HUD provides further guidance, **avoid** statements such as:

- "Our project has lost its funding."
- "Tier II programs are being cut."
- "The court restored all of our funding."
- "Our funding is guaranteed now."
- "The August 26 deadline still applies."
- "HUD has cancelled the CoC Program."
- "We know what the new funding requirements will be."
- "Services are shutting down because of the court ruling."

None of those statements accurately reflects the current status.

21. Where should we look for reliable updates?

Please rely first on official information from:

- CHIP and the Indianapolis Continuum of Care;
- the City of Indianapolis Department of Metropolitan Development;
- HUD/SNAPS; and
- direct communications distributed through the CoC listserv.

CHIP's current NOFO page states that all future local updates regarding the FY2026 NOFO and local competition will be distributed through the CoC listserv and posted online.

Because the federal situation is evolving, providers should be cautious about making operational decisions based solely on news reports, social media posts or information from another community.

22. What would cause CHIP and DMD to issue a new update?

Examples include:

- HUD issuing a revised or replacement FY2026 NOFO;
- HUD establishing a new application deadline;
- new formal HUD/SNAPS guidance;
- legal action that materially changes the current status;
- new information regarding renewal funding or grant timing;
- a federal development requiring action from applicants;
- a delay beginning to create a documented local operational risk; or
- other changes that materially affect Indianapolis CoC providers.

Providers will not be expected to independently determine when federal developments require local action. CHIP and DMD will communicate those implications.

Bottom Line for Providers

- Keep serving people.
- Continue operating currently funded programs.
- Do not wind down or restructure a program because of its placement on the previous FY2026 priority list.
- Pause work tied solely to the vacated competition but preserve your application materials and be prepared to move quickly.
- Continue all current grant, data, reporting and compliance responsibilities.
- Flag real grant-expiration or operational risks to CHIP/DMD.
- Wait for formal guidance before making assumptions about what comes next.

CHIP and DMD will continue monitoring developments and will communicate when providers need to take action.