

[Local BFZ community] raises concerns over HUD's new homelessness funding rules, urges a path that protects housing stability and supports real solutions

FOR IMMEDIATE RELEASE

[City/County], [State] — [Date] — Leaders in [Community/CoC Name] are raising serious concerns about the U.S. Department of Housing and Urban Development's (HUD) new Notice of Funding Opportunity (NOFO), which [threatens rental support](#) for more than 170,000 people nationwide who rely on permanent housing to stay stable at a time when the country faces a [severe shortage of affordable homes](#).

Local leaders are urging Congress to renew all existing Continuum of Care contracts for twelve months — a previously authorized step that would prevent disruption, allow time to evaluate the proposed policy changes, and help communities protect housing stability.

"This is not the time to reduce housing or threaten stability for people who rely on it," said [Local Leader], [Title] for [Organization]. "Reform must be judged by real outcomes: fewer people experiencing homelessness, safer public spaces, and better long-term stability. And any shift must confront the real issue: people have nowhere to move when affordable homes are scarce and rental support becomes temporary."

Key concerns for [Community/CoC Name]

- **Immediate risk of housing loss.** Because the NOFO was released late in the year, new awards may not be available until August 2026. Communities will begin running out of funds as early as January, putting as many as 170,000 people — including seniors, veterans, and people with disabilities — at risk of losing stable housing and services. With affordable homes already scarce, making rental support temporary would push many back into homelessness.
- **A harmful funding shift.** The NOFO redirects funding without addressing the core problem: the nation is short millions of affordable homes. Limiting permanent housing resources ignores extensive evidence that stable housing reduces homelessness and strengthens long-term outcomes.
- **Negative impacts on public safety and crisis systems.** Permanent housing reduces arrests, emergency health care use, and pressure on law enforcement. Restricting it could increase unsheltered homelessness and worsen outcomes for people in crisis.

- **Funding gaps that communities cannot bridge locally.** The NOFO's emphasis on transitional housing cannot fill the gap quickly. New units take 12–18 months to bring online, leaving an immediate shortage of options in an already tight housing market.
- **Threats to the existing affordable housing supply.** Many permanent housing programs depend on layered financing. Sudden rule changes could destabilize these properties, affecting small landlords and risking local affordable housing stock.

What [Community/CoC Name] is calling for

1. A one-year Congressional renewal of all CoC grants expiring in 2026.

A straightforward, no-cost step to protect housing stability while policymakers address needed reforms.

2. Outcome-based reforms that focus on reducing homelessness.

Policy should prioritize reductions in homelessness, stronger public-space conditions, and long-term stability.

3. Local flexibility to design the right mix of housing and services.

Communities need the ability to pair housing with treatment and tailor programs to local conditions, especially during a housing shortage.

Why it matters for [Community/CoC Name]

Over the past [X] years, the community has invested in coordinated, data-driven work through Built for Zero to improve outcomes for people experiencing homelessness. [Brief local example: recent reductions, milestones, system improvements.]

Sudden shifts in federal housing support put this progress at risk by destabilizing existing homes, interrupting services, and straining partnerships that took years to build.

"Our job is to keep people safe and housed," said [Second Local Leader]. "We need federal partners who support what works: increasing housing supply, connecting people to treatment, and giving local providers the flexibility to deliver results. Temporary rental assistance in a market with no affordable homes is not a viable path."

About [Community/CoC Name]

[Two–three sentences describing the local BFZ community, mission, scale of work, and any functional zero milestones or progress.]

Media Contact

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