

## MEMO TO FILE: NOFO Impacts #2 – VOA

**FROM:** Gavin Cooley, President, Spokane Business Association  
**DATE:** May 19, 2026  
**RE:** Estimated impact on Volunteers of America Eastern Washington & Northern Idaho of the anticipated FY 2026 HUD Continuum of Care NOFO rebalance

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### Executive Summary

This memo provides an educated, directional estimate of how the anticipated FY 2026 HUD Continuum of Care (CoC) Notice of Funding Opportunity (NOFO) could affect Volunteers of America Eastern Washington & Northern Idaho (VOAEW, also known as VOA Spokane). It is the companion analysis to the Catholic Charities Eastern Washington memo of the same date. The FY 2026 NOFO is expected by June 1, 2026, with awards by December 1, 2026, and is expected to cap permanent housing (PSH plus Rapid Rehousing) at roughly 30% of CoC funding, down from approximately 87 to 90% in recent awards, with the balance shifted to transitional housing, supportive services only (SSO), street outreach, treatment, recovery, and employment activities. The final NOFO text is not yet public, the prior proposal was withdrawn in December 2025, and an April 2026 federal court ruling has constrained the administration's ability to alter funding conditions outside the NOFO process. Treat all numbers in this memo as directional.

The bottom line for VOAEW is that the FY 2026 NOFO change is a modest direct risk, smaller in proportion than for Catholic Charities, because VOAEW's program portfolio is already weighted toward the categories HUD is signaling it wants to grow: youth shelter and youth runaway services, transitional housing, women's shelter and respite, and veterans housing through VA-funded programs that are not affected by the CoC NOFO at all. VOAEW's confirmed FY 2023 HUD CoC line items total approximately \$1.29 million across three projects (Samaritan PSH, scattered-site PSH Off Site, and Alexandria's House transitional), against an estimated total annual operating budget in the \$15 to \$25 million range. The greater risks for VOAEW lie outside the CoC NOFO: federal Runaway and Homeless Youth (RHY) program pressure, state Office of Homeless Youth appropriations volatility, the unresolved Hope House operating model that is converting June 30, 2026 from a 34-bed congregate shelter to a 44-bed referral-based respite model, and federal veterans-program politics affecting SSVF and GPD.

## Context: HUD Funding Flowing Into Spokane

This is the same regional HUD funding table that appears in the companion CCEW memo, reproduced for ease of reference. VOAEW participates in the WA-502 Spokane CoC, the City of Spokane CHHS contracting process, and Spokane County contracting; it also accesses two large federal funding streams that the table does not capture, federal Runaway and Homeless Youth (RHY) program funding administered through the Department of Health and Human Services, and VA-funded SSVF and Grant Per Diem (GPD) for veterans housing.

HUD program	Annual amount	Where it generally goes in Spokane
<b>CDBG (City entitlement)</b>	\$3,017,244	Community Development Block Grant administered by City CHHS. Funds capital projects (affordable housing, public facilities, code enforcement, neighborhood revitalization) and public services. VOAEW receives smaller passthrough than CCEW historically.
<b>HOME (City entitlement)</b>	\$1,138,478	HOME Investment Partnerships dollars for affordable rental development, homebuyer assistance, and Tenant-Based Rental Assistance. The Marilee was capitalized partly through City HOME, county HHAA, and state HTF dollars.
<b>ESG (City entitlement)</b>	\$267,764	Emergency Solutions Grant for shelter operations, street outreach, rapid rehousing, and HMIS. VOAEW shelters (Hope House, Crosswalk, YAS) historically receive ESG passthroughs.
<b>Program income (CDBG + HOME)</b>	approx. \$1,345,000	Anticipated PY 2026 program income (loan repayments, etc.) that recycles back into the same CDBG and HOME purposes.
<b>CoC competitive (Regional)</b>	\$6,333,005	WA-502 Spokane City and County Continuum of Care competitive award. VOAEW's confirmed FY 2023 CoC line items total approximately \$1.29M across three projects.
<b>TOTAL HUD into Spokane (City + CoC)</b>	<b>approx. \$12.1M</b>	<b>Combined annual HUD funding administered by the City and Spokane Regional CoC. Of this, roughly \$6.6M (CoC plus ESG) is dedicated homelessness-response funding.</b>

The FY 2026 NOFO debate is essentially a fight over the \$6.3 million CoC line and the rules that govern it. VOAEW's approximately \$1.29 million CoC footprint sits inside that line. The CDBG, HOME, and ESG entitlements operate on different statutory authority and are not directly affected by the NOFO restructure. Federal RHY and VA programs are separately authorized and run on their own appropriations cycles, but they face their own political pressures in the FY 2026 federal budget.

## Snapshot: VOAEW's Homelessness Response Footprint

VOAEW operates a different program mix than CCEW. Where CCEW is housing-and-PSH heavy (approximately 3,000 units, ~472 of them open Haven PSH units), VOAEW is roughly 190 to 220 beds and units in Spokane, weighted toward youth runaway and homeless services, women's shelter, and veterans housing. The table below summarizes the principal homelessness-response activities VOAEW operates in Spokane, the order-of-magnitude annual cost of each, and the primary funding sources. Dollar ranges are estimates derived from public reporting, contract notices, and program structure; they are intended as directional context, not audited figures.

VOAEW activity	Est. annual cost	Primary funders	Description
<b>Hope House women's emergency shelter</b>	\$1.5 to \$2.0M	City of Spokane (\$1.2M one-time bailout Aug 2024); ESG; WA CHG; philanthropy	34-bed congregate downtown women's shelter at 111 W. Third Ave. Transitioning June 30, 2026 to a 44-bed referral-based respite model; VOA stated it could not operate the proposed 30-bed format. Major civic political story 2024 to 26.
<b>Hope House PSH (31 units)</b>	\$0.5 to \$0.8M	SHA project-based vouchers; HUD CoC PSH; Apple Health FCS	31 PSH apartments for single disabled women co-located with the shelter; tripled in 2020 rebuild (\$12M project).
<b>The Marilee PSH (50 units)</b>	\$1.2 to \$1.8M	SHA project-based vouchers; HUD CoC PSH (Samaritan line \$849,735 FY23); Apple Health FCS; philanthropy	50 units of Housing First PSH for chronically homeless adults at 217 E. 2nd Ave., adjacent to CCEW's Buder Haven; opened 2016. The single largest PSH facility in VOA's Spokane portfolio.
<b>PSH Off Site (scattered-site)</b>	\$0.4 to \$0.6M	HUD CoC PSH (WA0111 \$364,518 FY23); tenant rent; Apple Health FCS	Scattered-site PSH program serving chronically homeless adults in market units across Spokane.
<b>Crosswalk Teen Shelter (RHY Basic Center)</b>	\$1.5 to \$2.5M	Federal RHY (HHS/ACF); WA Office of Homeless Youth; Spokane County (\$300K 2025 to 27); philanthropy	18 licensed RHY shelter beds for youth ages 13 to 18. Only licensed RHY shelter in Eastern WA. New Crosswalk 2.0 (45,000 sq ft) opened fall 2025 at 3024 E. Mission near SCC. Capital project: \$14.5M.

VOAEW activity	Est. annual cost	Primary funders	Description
<b>Crosswalk 2.0 Cannon Hall (transitional)</b>	\$0.8 to \$1.2M	Federal RHY TLP; WA Office of Homeless Youth; SCC partnership	18 private dorm rooms for youth ages 16 to 20 in education or employment programs; Running Start and SCC career readiness alignment. Opened fall 2025.
<b>Alexandria's House Maternity Group Home</b>	\$0.4 to \$0.6M	HUD CoC TH (WA0126 \$76,201 FY23); WA OHY; DCYF licensing; federal RHY MGH	5-bed maternity group home for pregnant and parenting youth ages 16 to 18, operating since 1990. Only licensed youth-focused MGH in WA.
<b>Aston-Bleck Apartments (young mothers TH)</b>	\$0.3 to \$0.5M	Spokane County (\$30K 2025 to 27 supplemental); WA OHY; DCYF; philanthropy	Transitional housing for young mothers ages 18 to 24 and their children, located at 525 W. Second Ave. Step-up from Alexandria's House; operating since 1992.
<b>Young Adult Shelter (YAS)</b>	\$1.5 to \$2.0M	City of Spokane (\$1.2M FY24 to 25 award); Spokane County (\$250K 2025 to 27); WA OHY; federal RHY TLP	24/7 shelter for ages 18 to 24 at 3104 W. Augusta Ave., opened 2021. Spokane's only dedicated young adult shelter and the coordinated entry access point for youth.
<b>Veterans Transitional Housing (GPD)</b>	\$0.5 to \$0.8M	VA Grant Per Diem; VA HCHV referrals; tenant rent	20-unit single-family residential community for chronically homeless veterans referred via VA HCHV. Not HUD CoC funded; runs on VA appropriations cycle.
<b>Supportive Services for Veteran Families (SSVF)</b>	\$0.4 to \$0.8M	VA SSVF grant	Rapid rehousing and homelessness prevention for veteran households. VA-funded; not HUD CoC.
<b>Youth scattered-site RRH and TLP</b>	\$0.5 to \$0.8M	Federal RHY TLP; WA OHY; ESG	Independent youth housing scattered-site RRH and transitional living for ages 18 to 24, private units up to 24 months.

VOAEW activity	Est. annual cost	Primary funders	Description
<b>Behavioral health and case management at Crosswalk</b>	\$0.6 to \$1.0M	2022 federal grant (\$4M expansion); Apple Health (Medicaid); philanthropy	Expanded behavioral health services at the Crosswalk 2.0 facility; counseling, substance use treatment navigation, and trauma-informed care.
<b>TOTAL VOAEW homelessness response</b>	<b>approx. \$10 to \$14M</b>	<b>Aggregate of housing, shelter, youth, veterans, services lines above.</b>	<b>Order-of-magnitude only. VOAEW's overall operating budget is estimated at \$15 to \$25M; non-homelessness program lines (food, gleaning, community services) make up the balance.</b>

Three patterns matter for the NOFO analysis. First, VOAEW's PSH footprint (Marilee plus Hope House PSH plus PSH Off Site) totals roughly 110 units, against a much larger non-PSH footprint of youth, women's shelter, transitional, and veterans programs. Second, the largest single VOAEW federal grant lines are not HUD CoC at all — they are federal RHY (Crosswalk), VA SSVF and GPD (veterans), and state Office of Homeless Youth funding. Third, the activity mix is already weighted toward the categories HUD is signaling it wants to expand in the FY 2026 NOFO.

### Detailed Funder Breakout for Each VOAEW Activity

This table decomposes the estimated annual cost of each VOAEW activity into specific funder lines. "Confirmed" amounts come from published contracts and HUD award reports; "Estimate" amounts are educated guesses based on portfolio-typical economics and the share of each program's known total that each funder type usually carries. The point of the table is to show structure and proportion, not to substitute for VOA's audited statements.

Funder / source	Est. annual	Confidence	Notes and sourcing logic
<b>1. Hope House Women's Emergency Shelter — Total approx. \$1.5-2.0M/yr (34 beds, transitioning to 44-bed respite June 30, 2026)</b>			
<b>City of Spokane one-time bailout</b>	\$1,200,000	Confirmed (one-time)	Mayor Brown's August 2024 proposal; funded from cost-saving measures in other city contracts. One-time, not recurring.
<b>ESG (Emergency Solutions Grant)</b>	\$0.1-0.2M	Estimate	Portion of City ESG (\$267,764 total) allocated to women's shelter operations.
<b>WA Commerce CHG</b>	\$0.2-0.4M	Estimate	State homeless grant funds for emergency

Funder / source	Est. annual	Confidence	Notes and sourcing logic
passthrough			shelter operations.
Diocese, philanthropy, private donors	\$0.4-0.7M	Estimate	Largest sustaining donor base; substantial private giving keeps the doors open year-to-year.
VOAEW general fund	\$0.1-0.3M	Estimate	Unrestricted fund support.
<b>2. Hope House PSH (31 units) — Total approx. \$0.5-0.8M/yr</b>			
SHA project-based vouchers	\$0.3-0.4M	Estimate	PBVs supporting the 31 PSH apartments at Hope House; approximately 25 to 31 units × \$12-15K/unit/yr.
HUD CoC PSH operating subsidy	\$0.1-0.2M	Estimate	Slice of VOA's CoC allocation flowing to Hope House PSH operations.
Apple Health FCS	\$0.05-0.15M	Estimate	Medicaid tenancy support for eligible tenants.
Tenant rent contributions	\$0.05-0.1M	Estimate	30% of income for low-income tenants × 31 units.
<b>3. The Marilee PSH (50 units) — Total approx. \$1.2-1.8M/yr</b>			
HUD CoC PSH (Samaritan line)	\$849,735	Confirmed	FY 2023 award (WA0130 VOA Samaritan 05-06); the largest VOA CoC line and the most NOFO-exposed.
SHA project-based vouchers	\$0.4-0.6M	Estimate	Estimated 30 to 40 PBV-supported units × \$12-15K/unit/yr.
Apple Health FCS	\$0.1-0.2M	Estimate	Medicaid tenancy support for chronically homeless tenants on PSH.
Tenant rent contributions	\$0.1-0.15M	Estimate	30% of income for very-low-income tenants × 50 units.
<b>4. PSH Off Site (scattered-site PSH) — Total approx. \$0.4-0.6M/yr</b>			
HUD CoC PSH (WA0111)	\$364,518	Confirmed	FY 2023 award for scattered-site PSH; significant NOFO exposure as a permanent housing program.
Tenant rent contributions	\$0.05-0.1M	Estimate	30% of income from program participants.

Funder / source	Est. annual	Confidence	Notes and sourcing logic
Apple Health FCS	\$0.05-0.1M	Estimate	Medicaid tenancy support.
<b>5. Crosswalk Teen Shelter (RHY Basic Center, 18 beds) — Total approx. \$1.5-2.5M/yr</b>			
Federal RHY (HHS/ACF Basic Center)	\$0.5-0.8M	Estimate	Primary federal funder for licensed RHY shelter operations; faces national appropriations pressure in FY26.
WA Office of Homeless Youth (OHY)	\$0.4-0.7M	Estimate	State funder for licensed youth shelter; OHY administered by Commerce.
Spokane County contracts	\$0.3M	Confirmed	\$300,000 in the 2025 to 27 Spokane County Homeless Services contract.
2022 federal behavioral health grant tail	\$0.2-0.4M	Estimate	Tail of the \$4M federal expansion grant announced October 2022.
Philanthropy	\$0.2-0.4M	Estimate	Innovia, Empire Health, Smith-Barbieri, individual donors; substantial private giving anchored the \$14.5M capital campaign.
<b>6. Crosswalk 2.0 Cannon Hall (transitional, 18 dorms ages 16-20) — Total approx. \$0.8-1.2M/yr</b>			
Federal RHY TLP (Transitional Living)	\$0.3-0.5M	Estimate	Federal Transitional Living Program for older youth in education and employment.
WA Office of Homeless Youth	\$0.3-0.4M	Estimate	State match and supplemental funding.
SCC partnership / education contracts	\$0.1-0.2M	Estimate	Running Start and SCC career readiness alignment may bring student-aligned revenue.
Philanthropy	\$0.1-0.2M	Estimate	Tail of capital campaign and ongoing private giving.
<b>7. Alexandria's House Maternity Group Home (5 beds) — Total approx. \$0.4-0.6M/yr</b>			
HUD CoC Transitional Housing	\$76,201	Confirmed	FY 2023 award (WA0126 Alexandria's House); CoC-attributable and therefore NOFO-relevant, though TH lines are favored under the rebalance.
WA OHY and federal	\$0.2-0.3M	Estimate	State youth funder and federal Maternity

Funder / source	Est. annual	Confidence	Notes and sourcing logic
RHY MGH			Group Home line.
DCYF licensing and contracts	\$0.05-0.1M	Estimate	State child welfare alignment for the only licensed youth-focused MGH in WA.
Philanthropy	\$0.05-0.1M	Estimate	Private giving and mission support.
<b>8. Aston-Bleck Apartments (young mothers TH) — Total approx. \$0.3-0.5M/yr</b>			
Spokane County supplemental	\$30,000	Confirmed	\$30K in the 2025 to 27 Spokane County Homeless Services contract; small supplemental line.
WA OHY and DCYF	\$0.15-0.3M	Estimate	Primary state funders for the young-mothers transitional program.
Philanthropy	\$0.1-0.2M	Estimate	Donor support continues a 1992-era program.
<b>9. Young Adult Shelter (YAS) — Total approx. \$1.5-2.0M/yr</b>			
City of Spokane	\$1,200,000	Confirmed	FY 2024 to 25 city award; the largest single VOA recurring city contract.
Spokane County	\$250,000	Confirmed	2025 to 27 Spokane County Homeless Services contract.
Federal RHY TLP	\$0.2-0.4M	Estimate	Federal Transitional Living for ages 18-24.
WA OHY	\$0.1-0.2M	Estimate	State young-adult youth funding.
Philanthropy and VOA general fund	\$0.1-0.2M	Estimate	Private giving and unrestricted VOA fund.
<b>10. Veterans Transitional Housing (GPD, 20 units) — Total approx. \$0.5-0.8M/yr</b>			
VA Grant Per Diem (GPD)	\$0.4-0.6M	Estimate	Primary federal funder via VA, not HUD; per-diem reimbursement for veteran beds.
Tenant rent contributions	\$0.05-0.1M	Estimate	Veteran tenant rent shares.
Philanthropy and VOA general fund	\$0.05-0.15M	Estimate	Supplemental private giving.
<b>11. SSVF (Supportive Services for Veteran Families) — Total approx. \$0.4-0.8M/yr</b>			

Funder / source	Est. annual	Confidence	Notes and sourcing logic
<b>VA SSVF grant</b>	\$0.4-0.8M	Estimate	Federal VA grant for rapid rehousing and prevention for veteran households; subject to VA appropriations, not HUD CoC.
<b>12. Youth Scattered-site RRH and TLP — Total approx. \$0.5-0.8M/yr</b>			
<b>Federal RHY TLP</b>	\$0.2-0.4M	Estimate	Federal Transitional Living for ages 18-24 in scattered private units.
<b>WA OHY</b>	\$0.2-0.3M	Estimate	State match.
<b>ESG and city/county contracts</b>	\$0.1-0.2M	Estimate	Local passthrough contracts for youth RRH.
<b>13. Behavioral Health and Case Management at Crosswalk — Total approx. \$0.6-1.0M/yr</b>			
<b>2022 federal behavioral health grant</b>	\$0.3-0.5M	Estimate	Annualized portion of the \$4M federal expansion grant; tail through FY26 to 27.
<b>Apple Health (Medicaid)</b>	\$0.2-0.4M	Estimate	Medicaid billing for SUD and behavioral health counseling.
<b>Philanthropy</b>	\$0.1-0.2M	Estimate	Trauma-informed care and additional staffing.
<b>GRAND TOTAL VOAEW homelessness response</b>	<b>approx. \$10-14M/yr</b>	<b>Order-of-mag.</b>	<b>HUD-attributable share (CoC + ESG passthrough + entitlement program-income flows): approx. \$1.6-2.2M, or 12-18% of total. Non-HUD share: approx. \$8-12M, or 82-88%. The bulk of VOAEW's federal exposure is to RHY and VA programs, not HUD CoC.</b>

Three observations from this decomposition. First, the HUD-attributable share of VOAEW's homelessness response is approximately 12 to 18% of total annual cost — comparable in proportion to CCEW (10 to 15%) but on a much smaller absolute base. Second, within the HUD-attributable share, the Marilee Samaritan line (\$849,735 confirmed FY23) and PSH Off Site (\$364,518) are the two specific dollars the FY 2026 NOFO change most directly threatens. Third, the largest federal funding streams for VOAEW are not HUD CoC at all — they are federal RHY (multiple Crosswalk and TLP lines), VA SSVF and GPD (veterans), and state Office of Homeless Youth. Those streams face their own political risks but are governed by separate statutes and appropriations cycles.

## 1. The Policy Change in One Page

HUD's May 2026 announcement (HUD No. 26-031) states that the agency intends to rebalance the CoC program toward a diversity of solutions targeting the underlying causes of homelessness, with increased investment in transitional housing, SSO projects (street outreach, childcare, outpatient addiction treatment, job training), and supportive services. Stakeholder and press reporting from late 2025 through May 2026 has described the operative numerical structure as:

- A cap of roughly 30% on the share of CoC awards that may fund permanent housing as a category, meaning PSH and RRH combined, versus the roughly 87 to 90% share that permanent housing has held historically.
- Substantial expansion of the transitional housing share, which has been around 1% of national CoC awards in recent years.
- Expansion of SSO components covering outreach, treatment navigation, employment, childcare, and recovery supports.
- Possible conditions on permanent housing aid, including work or treatment expectations, time limits, and stricter prioritization rules.

The proposal has had a complex procedural path. HUD initially advanced the change in late 2025, then temporarily withdrew the NOFO in December 2025. Federal courts ruled in April 2026 that the administration cannot unilaterally alter homelessness funding conditions outside formal rulemaking, and Congress included triggers in the FY 2026 Consolidated Appropriations Act that would auto-renew all expiring CoC projects if HUD has not made awards by July 1, 2026. As of this writing, HUD is preparing a second attempt at the NOFO targeted for June 1, 2026 publication.

## 2. VOAEW's Spokane Portfolio

VOAEW operates a smaller, more program-diverse Spokane portfolio than CCEW, weighted toward youth (Crosswalk, Cannon Hall, Alexandria's House, Aston-Bleck, YAS, scattered-site youth), women (Hope House shelter and PSH), and veterans (GPD and SSVF). Total estimated bed and unit count is roughly 190 to 220 across all programs, against CCEW's approximately 3,000 units. The PSH footprint specifically is roughly 110 units across the Marilee, Hope House PSH, and scattered-site PSH Off Site.

Property / Program	Beds/units	Population served	Notes
The Marilee	50	Chronically homeless adults	PSH, opened 2016 at 217 E. 2nd Ave., adjacent to CCEW's Buder Haven; named for retired CEO Marilee Roloff; built with ~\$10M mixed capital stack.
Hope House shelter	34	Single women, emergency overnight	Congregate shelter at 111 W. Third Ave.; closing June 30, 2026 and

Property / Program	Beds/units	Population served	Notes
			reopening as a 44-bed referral-based respite model.
Hope House PSH	31	Single disabled women 18+	PSH apartments co-located with the shelter; tripled in 2020 rebuild (\$12M project).
Crosswalk 2.0 (shelter floor)	18	Youth ages 13 to 18 (RHY)	Licensed RHY shelter, only one in Eastern WA; in new \$14.5M facility at 3024 E. Mission, opened fall 2025.
Crosswalk 2.0 Cannon Hall	18	Youth ages 16 to 20 in education/employment	Transitional living dorms above the shelter; aligned with SCC and Running Start.
Alexandria's House MGH	5	Pregnant and parenting youth 16 to 18	Maternity group home, operating since 1990; only licensed youth-focused MGH in WA.
Aston-Bleck Apartments	approx. 5-10	Young mothers 18 to 24 and children	Transitional housing at 525 W. Second Ave., operating since 1992; step-up from Alexandria's House.
Young Adult Shelter	approx. 30-40	Ages 18 to 24	24/7 shelter at 3104 W. Augusta Ave., opened 2021; Spokane's only dedicated young adult shelter; youth CE access point.
Veterans Transitional Housing (GPD)	20	Chronically homeless veterans	Single-family residential community for VA HCHV referrals; not HUD CoC funded.
PSH Off Site (scattered)	approx. 25-35	Chronically homeless adults	Scattered-site PSH in market units across Spokane.
Youth scattered-site RRH/TLP	approx. 10-20	Youth 18 to 24	Independent youth housing scattered-site rapid rehousing and transitional living.
<b>TOTAL VOAEW Spokane footprint</b>	<b>approx. 195-235</b>	<b>Mixed: youth, women, veterans, PSH</b>	<b>PSH subset: approx. 110 units (Marilee + Hope House PSH + PSH Off Site). Approximately 15 to 20% the size of CCEW's Spokane portfolio.</b>

VOAEW's CoC-attributable exposure is concentrated in three line items: the Marilee Samaritan PSH (\$849,735 FY23), the scattered-site PSH Off Site (\$364,518 FY23), and Alexandria's House transitional housing (\$76,201 FY23). The transitional-housing line at Alexandria's House would actually benefit from a NOFO that grows TH share. The two PSH lines are the specific dollars at risk.

### Total financial picture of the VOAEW portfolio

The table below assembles, at a high level, what is known and reasonably estimable about the capital stack and the annual operating and services layers for each major property and program. Capital figures are confirmed where cited; operating and services figures are estimates based on contract values, portfolio-typical economics, and CCEW-comparable assumptions where direct data is missing.

Property / Program	Beds/units	Capital stack (one-time)	Operating subsidy (annual)	Services layer (annual)
<b>The Marilee</b>	50	approx. \$10M: state HTF + city/county HHAA + LIHTC + philanthropy (\$1.2M Spokane County)	SHA PBVs + HUD CoC Samaritan (\$849,735 FY23)	CoC services + Apple Health FCS + philanthropy (est. \$300-500K/yr)
<b>Hope House shelter + PSH</b>	34 + 31	\$12M 2020 rebuild: state HTF + city HOME + LIHTC + philanthropy	City contracts + SHA PBVs + HUD CoC PSH (est. \$300-500K/yr)	ESG + CHG + philanthropy + FCS (est. \$300-500K/yr)
<b>Crosswalk 2.0 (shelter + Cannon Hall)</b>	36	\$14.5M: state legislature + county + city (\$1.3M SCAPA bldg) + \$2M philanthropy	Federal RHY + WA OHY + Spokane County (\$300K) (est. \$1.0-1.5M/yr)	2022 federal behavioral health grant + Apple Health + philanthropy (est. \$0.4-0.7M/yr)
<b>Alexandria's House MGH</b>	5	Older facility; modest capital basis	HUD CoC TH (\$76,201 FY23) + WA OHY + RHY MGH (est. \$0.3-0.5M/yr)	DCYF + philanthropy (est. \$0.05-0.15M/yr)
<b>Aston-Bleck Apartments</b>	approx. 5-10	Older facility, modest basis	Spokane County (\$30K) + WA OHY + DCYF (est. \$0.2-0.4M/yr)	Philanthropy + VOA general fund (est. \$0.05-0.1M/yr)

Property / Program	Beds/units	Capital stack (one-time)	Operating subsidy (annual)	Services layer (annual)
<b>Young Adult Shelter</b>	approx. 30-40	Leased / modest capital	City (\$1.2M FY24-25) + Spokane County (\$250K) (est. \$1.4-1.6M/yr)	Federal RHY TLP + WA OHY + philanthropy (est. \$0.2-0.5M/yr)
<b>Veterans GPD (20 units)</b>	20	Older single-family stock; modest basis	VA Grant Per Diem (est. \$0.4-0.6M/yr)	VA HCHV + philanthropy (est. \$0.1-0.2M/yr)
<b>TOTALS</b>	<b>approx. 195-235</b>	<b>approx. \$40M+ capital deployed across recent VOA Spokane projects (Marilee, Hope House rebuild, Crosswalk 2.0)</b>	<b>approx. \$4-6M/yr operating subsidy across the portfolio</b>	<b>approx. \$1-2M/yr services layer; HUD CoC services slice is small</b>

As with CCEW, the capital line is largely sunk and protected. VOAEW's operating subsidy line is concentrated in city, state, and federal RHY/VA contracts rather than HUD CoC. The services layer is smaller in absolute terms than CCEW's because VOAEW's PSH stack is one-fifth the size.

### 3. Direct HUD CoC Exposure: What Is Actually at Risk

VOAEW's direct HUD CoC exposure is contained in three confirmed FY 2023 line items totaling approximately \$1.29 million:

- WA0130 VOA Samaritan 05-06 (PSH; Marilee-linked): \$849,735.
- WA0111 VOA PSH Off Site (scattered-site PSH): \$364,518.
- WA0126 VOA Alexandria's House (TH; not exposed to a PSH cap, may benefit): \$76,201.

If the FY 2026 NOFO imposes a 30% cap on permanent housing renewals, VOAEW's exposure is concentrated in the Samaritan PSH and PSH Off Site lines, which together total approximately \$1.21 million. In a worst case where the cap binds immediately and proportionally on renewals, that exposes VOAEW to a recurring annual reduction in the range of \$300,000 to \$700,000. In a milder case where the cap binds primarily on new awards or where congressional renewal triggers protect FY 2025 renewals, the exposure is closer to \$100,000 to \$250,000 annually. Alexandria's House transitional housing is unlikely to be cut and could expand under the new NOFO.

Importantly, VOAEW's largest federal grant lines are not HUD CoC at all. Federal RHY funding for Crosswalk and Transitional Living programs runs on a separate appropriations track through HHS/ACF. VA SSVF and GPD for veterans run on VA appropriations. State Office of Homeless Youth funding runs through WA Commerce. These streams have their own risk profiles in the FY 2026 budget environment, but they are not affected by the CoC NOFO rebalance.

#### 4. Non-HUD Funding Streams That Carry VOAEW

VOAEW's funding base is highly diversified — perhaps more so than CCEW's, because the program mix forces engagement with multiple separate federal authorities (HHS/ACF for RHY, VA for veterans, HUD for CoC and entitlements) plus state OHY, DCYF, Commerce CHG, city, county, and Medicaid streams. The table below assembles the principal non-HUD streams.

Stream	Est. annual to VOAEW	Type	Notes
<b>Federal RHY (HHS/ACF)</b>	\$1.5-2.5M	Services + operating	Largest single federal funding stream for VOAEW. Basic Center for Crosswalk, Transitional Living for Cannon Hall and YAS, plus Maternity Group Home for Alexandria's House. Faces national pressure in FY26 appropriations but not subject to the CoC NOFO.
<b>WA Office of Homeless Youth (OHY)</b>	\$1.0-1.5M	Services + operating	Primary state funder for licensed youth shelters and TH. Administered by WA Commerce.
<b>City of Spokane contracts</b>	\$1.5-2.5M	Operating	Hope House one-time bailout \$1.2M (Aug 2024); YAS recurring \$1.2M (FY24-25); ESG passthroughs. Hope House operating model under structural pressure.
<b>Spokane County contracts</b>	\$0.6-0.9M	Operating	2025 to 27 confirmed: Aston-Bleck \$30K, Crosswalk \$300K, YAS \$250K, plus other smaller lines.
<b>VA SSVF + GPD</b>	\$0.9-1.6M	Operating + services	Federal veterans funding via VA, not HUD. Independent of CoC NOFO.
<b>SHA project-based vouchers</b>	\$0.7-1.0M	Operating subsidy	Approximately 50-70 PBV-supported units across the Marilee and Hope House PSH. Not affected by the CoC NOFO.
<b>Apple Health FCS (Medicaid)</b>	\$0.3-0.7M	Services (Medicaid)	Tenancy support and behavioral health billing across PSH, youth, and veterans programs. Growing structural alternative to HUD CoC services.

Stream	Est. annual to VOAEW	Type	Notes
<b>2022 federal behavioral health grant (tail)</b>	\$0.5-0.8M	Services	\$4M federal expansion grant announced October 2022 for Crosswalk behavioral health; amortized through FY26 to 27.
<b>WA Commerce CHG passthrough</b>	\$0.2-0.5M	Operating + services	Smaller share than CCEW receives; flows through Spokane County administration.
<b>DCYF and state child welfare</b>	\$0.2-0.4M	Services + licensing	Alexandria's House and Aston-Bleck licensing; family-prevention dollars.
<b>Philanthropy (Innovia, Empire Health, Smith-Barbieri, individual donors)</b>	\$0.8-1.5M	Operating + capital	Crosswalk 2.0 raised approximately \$2M private capital. Innovia and Empire Health are recurring partners. Sustained annual private giving.
<b>VOAEW general fund / Second Harvest / in-kind</b>	\$0.3-0.5M	Operating	Unrestricted VOA funds and significant in-kind support (Second Harvest food, parish networks, volunteer labor).
<b>TOTAL non-HUD annual to VOAEW</b>	<b>approx. \$8.5-13.5M/yr</b>		<b>Multiple times VOAEW's HUD CoC exposure. RHY, VA, OHY, and city contracts are the structural backbone of the VOAEW Spokane operation.</b>

Three takeaways. First, federal RHY is VOAEW's single largest federal funding line and faces FY 2026 appropriations pressure unrelated to the HUD CoC NOFO. Second, city and county contracts (\$2-3 million combined) are the structural anchor for Hope House, YAS, Crosswalk, and Aston-Bleck and are politically responsive to local policy choices. Third, VA-funded veterans programs are insulated from the CoC NOFO but face their own VA appropriations and policy risks.

### 5. Tenant-Level and Community Consequences

If the FY 2026 NOFO change lands as currently described, the most probable downstream effects for VOAEW are the following.

- 1. Modest reduction in PSH services at the Marilee.** The Samaritan line is the largest VOAEW CoC dollar; trimming this slice reduces case management intensity at the Marilee. Caseloads widen, lease violations rise, and the highest-acuity tenants are most likely to destabilize.

2. **PSH Off Site scattered-site program at risk of consolidation.** Scattered-site PSH is the most fragile model under a renewal cap because it does not have a capital anchor. Could be consolidated, reduced, or converted to RRH.
3. **Alexandria's House and Aston-Bleck unaffected or modestly expanded.** Both are transitional housing for youth; both align with the new NOFO direction. Alexandria's House CoC TH line (\$76,201) is more likely to grow than shrink.
4. **Crosswalk and YAS unaffected by the NOFO.** RHY and city/county contracts are the dominant funders. Federal RHY appropriations are the more material risk, and that is separate from the CoC NOFO.
5. **Veterans programs unaffected by the NOFO.** VA GPD and SSVF run on VA appropriations and policy. The federal veterans-funding environment is its own conversation.
6. **Hope House transition continues on its own timeline.** The June 30, 2026 conversion to a 44-bed referral-based respite model is independent of the CoC NOFO and driven by VOA operational economics, city contract terms, and the structural challenges of running a low-barrier downtown women's shelter at a 30-bed format.

## 6. Three Scenarios (Educated Guesses)

The range below frames possible CoC NOFO outcomes for VOAEW. All three scenarios are smaller in absolute terms than the comparable CCEW scenarios because VOAEW's CoC footprint is roughly one-quarter the size of CCEW's. None of the scenarios assumes elimination of Crosswalk, YAS, veterans programs, or the bulk of the women's shelter and PSH operation.

Scenario	Mild	Moderate	Severe
<b>Trigger</b>	Final NOFO retains 30% PH cap but congressional renewal triggers protect FY 2025 renewals.	30% cap applies to renewals with multi-year phase-in.	30% cap applies immediately with conditions disadvantaging Housing First.
<b>Annual HUD CoC reduction to VOAEW</b>	\$100,000 to \$250,000	\$300,000 to \$500,000 phased over 2 to 3 years	\$600,000 to \$900,000 concentrated in PSH lines (Samaritan + PSH Off Site)
<b>VOAEW PSH units at structural risk</b>	None reclassified	Possible 10 to 25 scattered-site units consolidated or converted	Marilee services thinned; scattered-site PSH largely wound down
<b>Offsetting opportunity</b>	Alexandria's House TH line could grow; YAS/Crosswalk capture	Material expansion of FCS Medicaid billing and possible new SSO	Requires program redesign and capital campaign through VOA

Scenario	Mild	Moderate	Severe
	new TH or SSO dollars	grants for youth programs	national and Innovia

## 7. Mitigations and Open Questions

### Likely VOAEW responses

- Lean into the categories the new NOFO favors. VOAEW is already a national leader in RHY and TH; the Crosswalk 2.0 expansion and Alexandria's House MGH align with HUD's stated direction.
- Accelerate FCS billing build-out across the Marilee, Hope House PSH, and scattered-site PSH.
- Negotiate larger project-based voucher commitments from Spokane Housing Authority on the Marilee and Hope House PSH to backfill HUD CoC operating subsidy.
- Compete for new SSO and TH dollars released by the NOFO rebalance; Crosswalk, YAS, Aston-Bleck, and Alexandria's House are well-positioned bid platforms.
- Lobby for federal RHY appropriations stability, which is a larger material risk than the CoC NOFO.
- Resolve Hope House operating model through the June 30, 2026 transition to a 44-bed respite-based system; this is the most visible 2026 operational change and is independent of NOFO outcomes.

### Questions to track over the next 60 to 120 days

7. Does the final FY 2026 NOFO actually contain a 30% PH cap, and does it apply to renewals or only new awards?
8. Do the Samaritan PSH and PSH Off Site lines survive the WA-502 ranking process?
9. Does federal RHY appropriations move materially in either direction in FY26?
10. Does VA SSVF or GPD see policy or appropriations changes that affect VOAEW's veterans programs?
11. Does the Hope House respite model launch on schedule July 1, 2026, and at what bed count actually delivered?
12. What does the most recent VOAEW Form 990 (FY ending 6/30/2024 or 6/30/2025) show for total revenue, federal grant revenue, and the program-by-program breakout? This would tighten the exposure ranges in this memo substantially.

## 8. Caveats and Verification Notes

- All percentage and dollar figures in this memo are directional. VOAEW's specific 2024 and 2025 CoC award amounts were not separately published in materials reviewed; the

FY 2023 line items (\$849,735 Samaritan, \$364,518 PSH Off Site, \$76,201 Alexandria's House) are confirmed.

- VOAEW's total annual revenue is estimated at \$15 to \$25 million based on program scale. The most recent VOAEW Form 990 was not directly accessed for this memo; pulling the audited statements and 990 would refine these ranges substantially.
- VOAEW's SHA project-based voucher count is estimated from the Marilee and Hope House PSH unit count; the actual PBV contract values and unit assignments should be confirmed with Spokane Housing Authority.
- SSVF and GPD grant amounts for the VOAEW Spokane affiliate were not separately published in materials reviewed; ranges are estimated from typical SSVF and GPD scale for affiliates with one 20-unit GPD facility.
- The Hope House respite transition (June 30, 2026 to a 44-bed referral-based model) is confirmed in multiple sources; the exact city contract amount supporting the new model after the one-time \$1.2M bailout is not yet public.
- This memo addresses VOAEW only. The CCEW memo is the companion analysis. A separate Spokane Housing Authority analysis remains outstanding.

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