



October 13, 2026

Department of Housing and Urban Development
451 7th Street SW, Room 10276
Washington, DC 20410-0500

RE: Docket No. FR-6628-N-01 | HUD Notice of Research Justifying Additional Incentives for Certain Activities to Reduce Homelessness

On behalf of the Oakland, Berkeley/Alameda County Continuum of Care Leadership Board, we thank you for the opportunity to comment in response to the Department of Housing and Urban Development's (HUD) Notice of Research Justifying Additional Incentives for Certain Activities to Reduce Homelessness (Docket No. FR-6628-N-01) published on September 11, 2026.

Our Leadership Board is a dedicated group of 30 individuals representing a diverse cross section of stakeholders, including people with lived expertise. Collectively, our CoC board members have many decades of experience in the design and implementation of programs and systems to address homelessness in Alameda County. Our system serves over 25,000 people a year by deploying an array of interventions to assist people experiencing homelessness, from street outreach to permanent housing.

The Board has reviewed HUD's notice and we would like to provide the following comments. We urge HUD to ensure that incentives discussed in this notice do not reduce access to the other vital components of the homelessness response system by reducing funding for programs that we know are needed and effective in our community.

A. HUD Did Not Conduct Meaningful Stakeholder Engagement

In this notice, HUD states that the Department does not create policy in a vacuum and that HUD "hosted 58 homelessness forums in 32 states, sharing its intended policy direction, listening to feedback, and answering questions." This profoundly misrepresents the process that took place in the San Francisco Bay Area, where a single, invitation-only session was held on February 17, 2026. No one from our CoC's Leadership Board was invited. Attendees were hand-picked by HUD. The meeting agenda consisted of listening to HUD representatives talk. There was virtually no opportunity to provide input and

participants were instructed not to share what they heard. We strongly urge HUD to conduct a good-faith effort to engage all homelessness response system stakeholders before making changes of the magnitude described in this notice.

B. Notice Incorrectly Presents Causes of Homelessness

The notice attributes increases in homelessness to the purported decline in availability of transitional housing while failing to address any other factors impacting the numbers of people experiencing homelessness in the United States. Most notably, the notice fails to acknowledge that the single greatest factor driving homelessness is housing unaffordability. In Alameda County, 45% of renters are cost-burdened (and rising), with 24% paying over half their income just for housing. Since 2000, rent costs have increased by 33% while income grew just 12% in real terms. From 2015 to 2022, only 41% of low-income housing production targets were met.¹

To further illustrate this point, we note that the notice correctly asserts that “unlike every other subpopulation of homelessness, Veteran homelessness has decreased significantly year-over-year for the last two decades.” However, HUD incorrectly attributes this decrease to the existence of service participation requirements in the VASH program. In fact, the reason homelessness among veterans has decreased sharply since the inception of VASH is this program massively scaled up the availability of housing assistance for eligible veterans.²

Finally, we dispute HUD’s assertion that nationally the supply of transitional housing has diminished by 57.7% since 2013. A recent study by the Turner Center found that the nation added about 142,000 interim housing beds between 2020 and 2025, a 33 percent increase.³ If communities have been adding interim housing beds and homelessness is increasing, HUD should consider exploring what other factors might be leading to these increases. We would suggest an analysis of the cost of housing in relation to real incomes would be a good place to start.

¹ Data from <https://www.achcd.org/housing-needs-explorer/>

² Evans WN, Kroeger S, Palmer C, Pohl E. Housing and Urban Development-Veterans Affairs Supportive Housing Vouchers and Veterans' Homelessness, 2007-2017. *Am J Public Health*. 2019 Oct;109(10):1440-1445. doi: 10.2105/AJPH.2019.305231. Epub 2019 Aug 15. PMID: 31415190; PMCID: PMC6727298.

³ <https://turnercenter.berkeley.edu/research-and-policy/taking-stock-of-interim-housing-lessons-from-the-bay-area/>

C. Proposed Set-Asides Do Not Support Local Flexibility to Address Local Needs

Our community needs the full range of interventions available to end homelessness. Prevention, comprehensive supportive services, street outreach, transitional housing, rapid rehousing, recovery-oriented housing, and permanent supportive housing are all needed to create an efficient system that makes homelessness rare, brief, and one-time.

The incentives described in the notice prioritize interventions that are appropriate for a subset of individuals who experience homelessness in Alameda County. However, by shifting large amounts of funding to this small subset of interventions (e.g., recovery-focused transitional housing), the policies proposed in the notice will limit our CoC's ability to implement proven strategies that end homelessness for all people who experience it in our community.

The notice asserts, without evidence, that “a select subpopulation of homeless individuals are unlikely to regain self-sufficiency or independence and may require long-term assistance. However, there are countless individuals who, with supportive services and transitional housing, can become self-sufficient, and who deserve the opportunity to do so.” In Alameda County, an incredibly significant (not “select”) number of people currently experiencing or who have formerly experienced homelessness have significant and life-long barriers to self-sufficiency, as defined by HUD as being entirely independent of any governmental assistance. While the notice focuses on people who report having substance use issues, it fails to acknowledge the existence of many other disabling conditions that present barriers to self-sufficiency. In Alameda County, 40% of people experiencing homelessness report having long-term mental health conditions, 36% have chronic health conditions, 36% have physical disabilities, and 18% have developmental disabilities. Older adults are the single largest growing population of people experiencing homelessness across the country. While our CoC fully supports and encourages any person in their goals for self-sufficiency, the vast majority of individuals served in our system require ongoing financial assistance in order to secure and sustain housing (not “a select few.”).

This is why we have invested in housing interventions such as Permanent Supportive Housing which ensure that people with disabling conditions have stable, affordable and service-rich housing and do not return to homelessness. Many of the people currently served in PSH or who are waiting for placement in PSH will not benefit from transitional housing with employment services. This includes many of the over 1,200 tenants currently residing in CoC-funded PSH who are at-risk of housing loss, because the large set-aside for new transitional housing and supportive services projects has constrained our CoC's ability to renew all of our high performing PSH in the 2026 CoC competition. We have also

invested in Rapid Rehousing, a highly effective intervention providing medium-term housing assistance that aligns with HUD's goals of promoting employment and self-sufficiency, but is not incentivized under the 2026 NOFO. Our community needs the flexibility to balance investments in transitional housing with these other housing types to ensure it is scaled to meet our local needs

To further illustrate the point about need for flexibility, we note that HUD's notice focuses extensively on the benefits of transitional housing for specific subpopulations, including youth, survivors of gender-based violence, and families with children, but fails to contextualize this information with any data about the relative size of these subpopulations of people who experience homelessness. In Alameda County, Transition Age Youth are 5% of the overall population of people who experience homelessness, while 14% are GBV survivors. This data does not support re-designing our systems to expand transitional housing to more than 40% of our CoC-funded grant portfolio, particularly not at the expense of funding PSH for the many individuals who are not in these specific subpopulations.

We are also concerned about incentivizing supportive service participation requirements. Supportive services are essential components of our homelessness response system, but participation requirements should not become barriers to housing or continued housing assistance. Communities and providers should retain the flexibility to design voluntary, person-centered services based on individual needs rather than being financially incentivized to impose participation requirements that may be inappropriate for people with disabling conditions or other significant barriers.

Conclusion

We are deeply concerned that the proposed shift in HUD resources to transitional housing and services-only programs in our region will create significant imbalances in system flow and reduce permanent housing options for those who need ongoing assistance to stay housed. CoCs should have the flexibility to deploy funding to best meet locally identified needs, which is the most effective way to reduce homelessness.

Respectfully submitted,

The Oakland, Berkeley/Alameda County CoC Leadership Board