
Notice of Funding Opportunity (NOFO) – Specialized Emergency
Shelter for Medically Vulnerable Vermonters (October 1, 2026)

PLEASE REVIEW ALL MATERIALS CAREFULLY.

APPLICATION DEADLINE: Monday, November 2, 2026, 4:30PM

The Agency of Human Services, Department of Disabilities, Aging & Independent Living (DAIL), is pleased to announce a funding opportunity in collaboration with the Department for Children and Families Office of Economic Opportunity (OEO) to develop and demonstrate a new emergency shelter model to include care and services for individuals determined to be medically vulnerable whose needs are not met at other shelters. This notice provides an overview, description of the funding opportunity, a year-one estimated timeline, award criteria and application instructions.

Overview: Vermonters with serious health conditions who need help with daily activities are a growing percentage of unhoused Vermonters. While our goal is for all shelter to be accessible to all Vermonters and for shelter options to be close to every community, and a specialized shelter does not lessen the responsibility of all shelter providers to provide reasonable accommodations and meaningful access, a specialized emergency shelter with the appropriate level of available on-site care prevents more expensive healthcare costs and leads to better health and housing outcomes for Vermonters.

With the need to address an increasing volume of complex care needs among Vermonters, the rapidly aging population, and the chronic housing shortage, it is essential that the continuum of care build statewide emergency shelter capacity that can meet the needs of adults, including those who are medically vulnerable, to support their health and safety. This is a key objective in Vermont's multisector plan on aging, [Age Strong VT](#).

To address this need, [Act 143 of 2026](#) established the framework for a Vermont Homeless Response Continuum (VHRC) including Level 3: Specialized Shelter Services. In the Act, a "specialized shelter" is defined as "a facility that meets the Department's shelter standards and applicable standards for the delivery of additional services, including health care, mental health services, or services related to substance use disorder." It is not the intent that every specialized shelter provide all the above services but rather provide focused services for specialized needs.

Eligible Applicants: Eligible applicants include Vermont nonprofit organizations, municipalities, and other public or private organizations eligible under State requirements to receive grant funds for the activities described in this NOFO. Organizations may apply individually or in collaboration with other eligible organizations.

Project Goal: The goal is to develop, demonstrate and sustain access to a specialized emergency shelter model that includes care and support for those who are medically vulnerable.

Grant Funding:

- Total funds allocated for a 1.5 Year Grant (1/1/2027 – 6/30/2028): \$1,801,500 Total. \$1,201,000 (Jan-Dec, 2027); \$600,500 (Jan-June, 2028, pending SFY2028 budget approval).
- Source of Funds: State General Funds
- VT State funding mechanism: NOFO/State Grant Agreement

Project Summary: This project will provide funding to develop and demonstrate a specialized emergency shelter model to provide the level of care needed for medically vulnerable Vermonters. As funding allows, the project will support at least one and up to two shelters, depending on each shelter's capacity.

Program Model

DAIL seeks proposals to:

- Operate a specialized emergency shelter with a bed capacity of approximately 20 to 25 guests in a building/location that can meet the needs of the population, including safety, accessibility, and privacy for receiving care. The emergency shelter must meet all Fire and Building Safety codes.
- Provide clinical oversight and care to guests to meet their individualized care needs. Care must be provided in collaboration with one or more outside partner organizations via contract depending on capacity and expertise (for example, an agency that can bill Medicare and/or Medicaid, such as a home health agency, federally qualified health center, and/or home care agency)

DAIL will accept proposals for stand-alone new shelters or shelters that seek to add bed capacity to an existing shelter. The goal is to increase bed capacity in the overall shelter system and meet the care needs of this population.

Services

In addition to the onsite support provided in a traditional emergency shelter under the VHRC Level 2, a Level 3 specialized emergency shelter for the medically vulnerable must include availability of the following services as needed by guests:

- Clinical oversight
- Case management
- Personal care services
- Skilled nursing care (i.e. wound care, medication management, etc.)
- Option for meals
- Laundry and cleaning
- Transportation options, especially to access healthcare services

A flexible model of services is needed to address the wide range of health needs and goals of individuals as identified through the person-centered planning process. Other considerations to decrease barriers include having a designated smoking zone, ability

for spouses/care partners to stay together, arrangements for pets to be with individuals or fostered offsite, and access to developmental services, mental health services and substance use disorder services through community partners.

Eligibility

Eligible individuals must meet the HUD definition of homeless and any other eligibility requirements within the VHRC. Eligibility for the specialized emergency shelter will be based on medical vulnerability and determined through a referral and screening process in coordination with VHRC screening and assessment process and must be approved by DAIL.

Each admitted guest will complete a coordinated entry assessment if appropriate, actively engage in case management and other necessary services in their care plan, and be willing to work towards identified housing goals, to the extent of their ability, which may include self-determined plans for independent housing, shared living, or residential housing. Providers must have policies and procedures for accepting and discharging guests, which must be approved by DAIL.

No individuals will be forced to be admitted or to remain at the specialized shelter, regardless of their eligibility. Additionally, every effort will be made to maintain continuity of care with local care providers and local community connections while individuals are at the shelter.

Definitions

Homeless: Individual who lacks a fixed, regular, and adequate nighttime residence, meaning:

- Has a primary night-time residence that is a public or private place not meant for human habitation; **or**
- Is living in a publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state and local government programs); **or**
- Is exiting an institution where they have resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution.

Medically Vulnerable: Individual at least 18 years of age who:

- Meets the Medicare definition of “homebound,” such as someone who relies on the medically necessary assistance of another person or medical equipment such as a wheelchair for mobility and other essential functions;
- Requires a lifesaving device that requires access to electricity, such as an oxygen concentrator;
- Is in active cancer treatment or treatment for severe kidney/renal disease, or severe liver or heart conditions; **or**
- Is eligible for or actively receiving Medicaid-eligible or Medicare-eligible “home-based” nursing services (like home health visits or hospice).

- Note: For the purposes of this NOFO, medically vulnerable includes individuals whose primary need is medical but does not exclude those who also need developmental services, mental health services or substance use services.

Emergency Shelter: Emergency Shelter means any facility, the primary purpose of which is to provide a temporary shelter for people experiencing homelessness in general or for a specific population of people experiencing homelessness, **AND** which does not require occupants to sign leases or occupancy agreements. An emergency shelter for the medically vulnerable does not meet the definition of a long-term care facility and is not licensed as such.

Eligible Emergency Shelter activities include:

- Essential Services for households in emergency shelter. Essential Services Case Management provides coordination for households in emergency shelter settings, ensuring basic needs are addressed and providing comprehensive referrals to mainstream services and benefits.
- Shelter Operations to support shelter with operational costs (including routine repairs, rent, security, fuel, utilities, etc.) that are necessary to maintain safe and sustainable shelter operations.

Administration and Indirect Costs:

Grantees may use funds to pay for the costs of administering the project. Administrative costs may not exceed 15% of the total grant award.

If the applicant uses an approved indirect cost rate or the 15% de minimis indirect cost rate, the indirect cost calculation must be applied to the allowable direct-cost base applicable to that rate. The indirect cost calculation is separate from the 15% overall limit on administrative costs.

Projects are expected to leverage Medicaid and Medicare billable services by enrolled providers for eligible participants. Grant funding is not intended to supplant billable healthcare or long-term care services. Grant funds may be used to cover healthcare or long-term care services when guests have no other payer source for medically necessary services, when services are not eligible to be billed, or in emergency situations.

Funding may NOT be used for any of the following:

- Property acquisition, new construction, or mortgage costs (if those costs are required for your project, please see <https://dcf.vermont.gov/oeo/partners/funding/shelterdevelopment>)
- Organizational staffing costs (except for staff in the shelter)
- Supplanting billable services

Reporting Requirements

- Quarterly Reports: Grantees will submit quarterly program reports to DAIL using templates provided. Reports are due: April 15, July 15, October 15, January 15. These will consist of summaries of demographic information, shelter utilization, and performance outcomes as well as successes and challenges. The Quarter 4 report must also include a narrative covering activity and outcomes for

the full year. Performance outcomes may include people served, successful transitions to permanent housing, reduced hospitalization or emergency department utilization, and participant satisfaction and sense of autonomy.

- Financial Reports: All invoices must include the grant number and be accompanied by a financial accounting of expenditures. A full year financial report is due with the full year program report and must include a final accounting of the expenditure of funds for the year.
- Point-in-Time Count: Grantees are required to participate in the annual Point-in-Time Count conducted by the Continuum of Care. The date of the count will be determined by the Continuum of Care (anticipated late January).
- HMIS: Grantees are required to participate in the VT HMIS (Homeless Management Information System), as designated by their Continuum of Care.
- Coordinated Entry: Grantees are required to participate in the Coordinated Entry process put in place by their respective Continuum of Care, the Vermont Balance of State or Chittenden County Homeless Alliance.
- Participant Eligibility: Grantees are required to document participant eligibility as part of an intake process. These records and associated documentation may be kept virtually (e.g., HMIS) and/or in hard copy form.
- Financial Records: Grantees are required to maintain complete financial records of all grant-funded activity, including invoices, receipts, and payroll records. Grantees may be required to produce these to the State at any time in connection with documentation of a disbursement request, program monitoring, or financial auditing.
- Continuum of Care Reporting: Grantees will be required to report no less than once per year to their local Continuum of Care/Housing Coalition on the outcomes achieved by this project.

Estimated Timeline:

October 1, 2026	NOFO Release
November 2, 2026	Grant applications are due to DAIL.
November 9, 2026	Grantees are notified of awards.
November 9- December 31, 2026	DAIL works with grantees to execute grants.
January 1, 2027	Grants are executed for a period of approximately 1.5 years, with an end date of June 30, 2028.

Grants under this project may be extended up to an additional two (2) years with DAIL approval. Potential extensions will be evaluated based on the success of the grant in meeting performance metrics.

Award Criteria:

1. Applicants must be able and willing to submit progress reports and financial reports.
2. Applicants must be able and willing to comply with a Grant Agreement including [State Standard Provisions](#) and [AHS Standard Provisions](#).
3. Applicants must be able to implement their plan and spend funding within the grant period.

4. Applications will be reviewed and scored by a state review team based on the organization's qualifications, the proposed plan, including projected people served, estimated costs and likelihood of successful implementation and sustainability.
5. The total number and amount of awards will be determined by the volume of applications received and available grant funds.
6. Applicants may be individual agencies or a collaboration of agencies with one identified as the lead agency/fiscal agent.
7. Applicants are expected to leverage Medicaid and Medicare billable services by outside providers whenever possible. Grant funding is not intended to supplant billable healthcare services. Applicants that have identified commitment from one or more care providers are preferred.
8. Applicants must have municipal/town approval and submit a Certification of Local Government Approval with their application in advance of receiving grant funds (see attached).

Application Instructions:

Use the fillable PDF form provided to submit an application to Angela.Smith-Dieng@Vermont.Gov along with required attachments no later than **November 2, 2026**.

Required attachments include:

1. Organization's Experience and Qualifications
2. Identified Care Providers, including a Summary of their Experience and Qualifications, and a Letter of Commitment outlining the care/services they intend to provide.
3. Project Work Plan and Timeline, including any building acquisition or construction needs if applicable
4. Operational Plan, including details on staffing, partnerships and/or contractors, leveraged resources, etc.
 - a. If the proposal is to expand capacity at an existing emergency shelter with this specialized capacity, please provide more information including a proposed reduction of the HOP funds, if/how HOP funded staff will be leveraged, and any other impacts to the operations of the current shelter capacity.
5. Proposed project performance measures and outcomes
6. List of Key Partners and their Roles
7. Project Budget/Costs (identify potentially billable services) (see budget template attached)
8. Staff Job Descriptions of the Shelter Provider & Care Providers
9. Three Reference Names/Contacts for the Grant Applicant

Proposals should be in 12 pt. font, with numbered pages. There are no page limitations. Applicants will receive a confirmation email after submission.

DAIL Contact for Questions: Angela.Smith-Dieng@Vermont.Gov.

Attachments:

1. Application Form (Fillable PDF)
2. Budget Template
3. Certification of Local Government Approval Form

**Specialized Emergency Shelter for Medically Vulnerable
Vermonters****Applications Due November 2, 2026, 4:30 p.m.**

Instructions: Complete all sections of this application. Submit the application with all required attachments to Angela.Smith-Dieng@Vermont.gov no **later than November 2, 2026, 4:30 p.m.**

Date:

Section I: Applicant Information

1. Organization name:
2. Contact name and title:
3. Contact phone number:
4. Contact email:
5. Unique Entity Identifier (UEI)#:

Section II: Standard Subrecipient Grant Risk Assessment Questions

1. Has the organization been suspended or debarred by the Federal government?
Yes: ☐ No: ☐
2. Has the organization been suspended or debarred by the State government?
Yes: ☐ No: ☐
3. Is the organization currently delinquent in submission of the Subrecipient Grant Annual Report for any of the past three years? Yes: ☐ No: ☐
4. Is the organization currently delinquent in submission of the Single Audit Report for any of the past three years? Yes: ☐ No: ☐
5. Is the organization receiving a federal award for the first time? Yes: ☐ No: ☐
6. Does the organization have experience administering similar programs?
Yes: ☐ No: ☐
7. Does the organization have adequate and qualified staff to comply with the terms of the agreement? Yes: ☐ No: ☐
8. How much has the organization's key staff involved in grant compliance and performance changed in the past year? (Choose one.)
☐ No changes in key staff over the past year.
☐ Minor changes in support staff or a change in one key staff member.
☐ Significant changes in key staff for both grant compliance and performance.

9. Has the organization had a single audit? Yes: ☐ No: ☐
10. Does the organization have a financial management system in place that can track and record program expenditures? Yes: ☐ No: ☐
11. If staff will be required to track their time associated with the award, does the organization have a system in place that will account for 100% of each employee's time? Yes: ☐ No: ☐
12. Does the organization have a documented procurement policy that is compliant with state and federal regulations? Yes: ☐ No: ☐
13. Does the organization have a conflict-of-interest policy? Yes: ☐ No: ☐
14. Does the organization have a record retention procedure that complies with all applicable state and federal guidelines? Yes: ☐ No: ☐
15. Does the organization have standard operating procedures and/or administrative manuals that indicate strong internal controls? Yes: ☐ No: ☐

Section III: Project Information

1. Estimated year-1 project cost.
2. Provide a summary of the project.

Section IV: Required Attachments

This information may be submitted in one document or separate document attachments.

1. Organization's Experience and Qualifications
2. Identified Care Providers, including a Summary of their Experience and Qualifications, and a Letter of Commitment outlining the care/services they intend to provide.
3. Project Work Plan and Timeline, including any building acquisition or construction needs if applicable
4. Operational Plan, including details on staffing, partnerships and/or contractors, leveraged resources, etc.
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9. Three Reference Names/Contacts for the Grant Applicant

Signature

I attest that the information in this application is true to the best of my knowledge. I understand that submitting an application is not a guarantee of funding.

Electronic Signature

Budget Template for Specialized Shelter

Shelter Staff Salary/Fringe

Shelter Manager

Shelter Day Staff

Shelter Night Staff

Case Manager

Total Staffing \$ -

Shelter Operations

Rent/Lease

Property Taxes

Utilities/Fuel

Utilities/Electric

Utilities/Water

Trash/Recycling

Lawn & Snow

Shelter Supplies

Pest Control

Maintenance

Cleaning

Postage

Printing & Copying

Office Supplies

Technology

Telephone & Internet

Insurance - P/C Liability, SAAM, Auto

Insurance - Flood

Insurance - Cyber

Insurance (staff-related)

Laundry

Food and Meals

Travel and Mileage

Vehicle Repair and Maintenance

Equipment/Furniture:

Total Operations

Total Shelter Staffing

Total Shelter Operations

Total Care Contract(s)

Administration

Total Project Budget

Contract(s) with Care Provider for Staffing

Care Provider Name:

Clinical Staff Salary/Fringe

Clinical Manager (RN)

Care Day Staff (LNA or PCA)

Care Night Staff (LNA or PCA)

Administration

Total Staffing

Add if more than one contract anticipated

**CERTIFICATION OF LOCAL GOVERNMENT APPROVAL
FOR ORGANIZATIONS
RECEIVING SPECIALIZED SHELTER GRANT PROGRAM FUNDS FROM STATE OF VERMONT**

_____ (name of organization) has applied for funding from
the State of Vermont to operate a homeless shelter at _____
_____. (enter address)

The City/Town of _____ (enter name of municipality) hereby certifies
that it has reviewed the proposed project and concluded that **(check all that apply):**

- ☐ The project does not require any local permits or approvals.
- ☐ The project has obtained all necessary local permits and approvals.
- ☐ The project has been denied necessary local permits or approvals.
- ☐ The project must apply for and receive the following local permits or approvals:

The municipality also certifies that the appeal period for permits or approvals issued will
end on _____ (enter date or n/a).

Name of duly authorized municipal official: _____

Title of duly authorized municipal official: _____

By: _____

Signature of Municipal Official

Date