

Transition Grant Requirements for the CoC Program Competition

In the FY 2021 CoC Program Competition, project applicants may submit a single project application requesting funds for a new project that, if awarded, allows a portion of the funds to be used to carry out the eligible activities of the project that was reallocated to create the new project.

This reallocation process enables applicants to create a new project in their community that has a different project component (e.g., RRH, PSH, HMIS). A new project that is awarded as a “Transition Project” will enable recipients to ease the transition of its activities from the former project to the new project.

Wind Down and Ramp Up

In a Transition Project, you can use no more than 50% of the funds to “wind down” the reallocated project(s) and the remaining funds to “ramp up” the new project.

What are the application submission requirements?

- One or more projects must be wholly eliminated through the reallocation process to create a new project.
Note: Unlike other reallocations, there is no partial reallocation.
- The new project must meet all eligibility and threshold requirements for new project applications in the current [CoC Program Competition Notice of Funding Availability](#) (NOFA).
- The CoC must consent to the reallocation; HUD considers this consent given if the CoC accepts and ranks the transition project application on the CoC New Project Listing.
- If more than one eligible renewal project is eliminated to create the new transition grant project, the eligible renewal projects must be from the same recipient.
- In the New Project Application, applicants must provide the grant number(s) for the project(s) being reallocated. The number will be provided in the form of the Project Identification Number (PIN), which is the first 6 alphanumeric digits of the grant agreement number.
- You must attach a copy of the most recently awarded renewal project application(s) to the new project application. As HUD did not conduct an FY 2020 CoC Program Competition, most projects will attach a copy of the FY 2019 CoC Program Competition project application.

What project component options do I have for the new project?

- PH-PSH
- PH-RRH
- Joint TH and PH-RRH
- SSO-CE
- Dedicated HMIS

What are the project requirements?

- The new grant term must be for only 1 year.
- The operating start date of the new grant will be the date after the end of the previous grant term for the expiring component.

Note: This requirement is unlike regular new projects for which the operating start date is determined by when a recipient first incurs eligible costs and draws down funds.

- If more than one project is eliminated using reallocation, HUD uses the day after the end of the earliest expiring grant term for the beginning date of the new project.
- No more than 50 percent of the budgeted request may be used for costs in the project(s) that was eliminated. The remainder of the project budget must be used for the new project.
- The project will have 1 year to fully transition from the eliminated project(s) to the new project.

What else do I need to know about the application information, budget, award, and renewal?

- The New Project Application asks for narrative information and numbers (e.g., number of persons served, beds, units) about the new project.
- The budget forms will only reflect the expenses for the new project. If awarded, the field office representative will work with a recipient on allocating grant funds between the reallocated and new projects when the grant is being executed.
- Transition grants are eligible for renewal in subsequent fiscal years for the eligible activities of the new project and its component.
- If HUD determines a new project submitted as a transition grant does not qualify, but meets all other new project requirements, HUD may award the project as a new non-transition grant project. If this occurs, the recipient will not be permitted to expend any funds until the new project's grant agreement is executed by the local HUD field office.

What are the restrictions?

- Funds from partially eliminated projects cannot be used to create a transition project.
- Transition projects may not be combined with consolidations.
- YHDP renewal and replacement projects are not eligible to use the transition process.
- If an award is made for a transition project in the current competition year (e.g., FY 2021), then in the following competition (e.g., FY 2022), recipients will not be allowed to use any portion of the renewal award for the project that was eliminated.