

## Transition Grant Requirements

In the FY 2019 CoC Program Competition, project applicants may submit a single project application that requests funds for a new project, but allows a portion of the renewal funds, if awarded, to be used to carry out the eligible renewal project(s) activities that were eliminated to create this new project.

A transition grant is a project application that will transition funds from one project component to a new project component. This component change is facilitated through the reallocation process.

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### 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.

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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, which is considered by HUD has 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.
- You must provide the grant number(s) of the project(s) eliminated eligible renewal project applications.
- You must attach a copy of the most recently awarded renewal project application(s) to the new project application. In most cases, this will be the FY 2018 renewal project application that was selected for conditional award in early

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

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

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

- The new project application will provide narrative information and numbers (e.g., number of persons served, beds, units) based on the project application’s new component.
- The budget forms will only reflect the expenses for the new project component.
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- During the first year of operation, up to 50 percent of the costs may be used for winding down activities under the old grant that is being reallocated. However, this is not to be reflected in your project application budget(s); rather, your field office representative will work with you on allocating grant funds when the grant is being executed.
- If an award is made for a transition project in the current competition year (e.g., FY 2019), then in the following competition (e.g., FY 2020), recipients will not be allowed to use any portion of the award for the project that was eliminated and “winding down.”

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 there 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 are the **restrictions**?

- Funds from partially eliminated projects cannot be used to create a transition project.
- A transition project is not a renewable project; in other words, project applicants may not request additional funds to “wind down” the eliminated project(s).
- Project applicants will use the renewal project applications for the FY 2020 CoC Program Competition to renew the new transition project.
- Transition projects may not be combined with consolidations.