



**Overview:**  
**CoC Transitional Housing**

(Updated 4.16.26)

Continuum of Care (CoC)-funded transitional housing (TH) provides time-limited housing (typically up to 24 months) for individuals and families experiencing homelessness. TH includes robust supportive services and is designed as a bridge to permanent housing. TH can be effective for populations with higher service needs (youth, survivors of domestic violence, substance use, etc.) who may struggle to access permanent housing options if limited to traditional emergency shelter. It can assist those with high barriers to housing placement and facilitate the placement by covering furniture, utilities, and related initial housing costs.

**Program Requirements**

Participants in a TH project must have a signed lease, sublease, or occupancy agreement with the following requirements:

- An initial term of at least one month
- Automatically renewable upon expiration, except by prior notice by either party
- A maximum term of 24 months

**Participant Eligibility**

Eligibility is limited to individuals and families experiencing literal homelessness, at imminent risk of homelessness (within 14 days), or fleeing/attempting to flee domestic violence (HUD homeless categories 1, 2 and 4). There is no requirement that participants be unsheltered or chronically homeless.

**Eligible Costs**

See the links for the full list of eligible costs by category:

**Capital:** Acquisition, rehabilitation and new construction

**Leasing:** Rent for units or buildings, leased directly to the org recipient (sub-lease or occupancy agreement with participants)

**Rental Assistance:** Must be administered by a PHA (see additional detail in *Additional Considerations*)

**Operating Costs:** Utilities, maintenance, furniture, insurance, and other facility-related expenses



**Supportive Services:** Case management, education services, mental health services, substance use treatment, employment assistance, food, and life skills training

**HMIS:** Costs related to contributing data to the Homeless Management Information System (see the HMIS Guidance section of our [Application Instructions](#))

**Administration:** Limited to 10% of the total grant for administrative expenses

Note: CoC programs have a 25% matching funds requirement, with the exception of leasing funds.

### **Additional Considerations**

- In order to use rental assistance funds under TH, a non-profit must enter into a contract or subrecipient agreement with a unit of local government, state government, or a public housing authority to administer the rental assistance. This limitation is based on a recent HUD clarification of CoC statute. Given this limitation, the NYC CoC recommends that non-profits applying for TH apply for leasing funds instead of rental assistance.
- For more information regarding the leasing budget line and how it differs from rental assistance, see [Leasing vs. Rental Assistance](#).
- Applicants may seek funding to add units and/or enhance services in existing programs not currently receiving CoC funds (but should avoid supplantation of city or state funding sources).
- TH projects using leasing funds have the ability to sign one-year leases and pay the costs of the entire lease term with grant funds, enabling the project to hold vacant units while identifying new participants (similar to PSH).
- Positive housing outcomes upon exit from TH include permanent housing destinations but *not* emergency shelter.
- Unless HUD changes its policies, TH projects may not be eligible for cost of living increases through future grant renewals.
- Providers interested in transitioning to the TH model should be aware that if the transition grant is awarded, existing participants may be unable to continue their program enrollment under the new project type. The NYC CoC is seeking additional guidance on this topic and will share more information once available.

### **Comparison to Rapid Rehousing (RRH)**



	<b>TH</b>	<b>RRH</b>
<b>Duration</b>	Up to 24 months	Typically up to 24 months
<b>Housing type</b>	Program controls units (either scattered or congregate)	Program identifies apartments in the community, does not maintain an “inventory” of units
<b>Service intensity</b>	High-touch, structured support	Lighter touch, housing-focused
<b>Lease requirements</b>	Leased by recipient, with participant sublease or occupancy agreement	Requires 12-month initial lease in participant’s name
<b>Use of rental assistance BLI</b>	Only allowed if administered by PHA—cannot be administered directly by nonprofit recipient	Required under RRH model
<b>Operating costs</b>	Allowable	Not allowable
<b>Capital costs</b>	Allowable	Not allowable

**More Information**

- Eligible cost details: [CoC Interim Rule](#)
- [HUD Homelessness Categories](#)
- [Grant Timeliness Requirements](#)