**Anticipated Timeline**

The FY25-26 NC ESG Program application is projected to be released in June 10, 2025, with an anticipated due date of Monday, August 25, 2025. Award decisions will be announced in late-October. New contracts with project applicants or fiscal sponsors will be executed by January 1, 2026. Contracts will be effective January 1 – December 31, 2026.

**Continuum of Care Applications**

Project applicants must apply through their Continuum of Care. Continuum of Care are responsible for completing the regional application and holding a local competitive process to determine which projects will be submitted to the ESG office for funding.

The 2023-24 Continuums of Care Areas are:

* NC-500 Forsyth
* NC-501 Buncombe
* NC-502 Durham
* NC-503 Balance of State Region 1
* NC-503 Balance of State Region 2
* NC-503 Balance of State Region 3
* NC-503 Balance of State Region 4
* NC-503 Balance of State Region 5
* NC-503 Balance of State Region 6
* NC-503 Balance of State Region 7
* NC-503 Balance of State Region 8
* NC-503 Balance of State Region 9
* NC-503 Balance of State Region 10
* NC-503 Balance of State Region 11
* NC-503 Balance of State Region 12
* NC-503 Balance of State Region 13
* NC-504 Guilford
* NC-505 Mecklenburg
* NC-506 Tri-Hic (Brunswick/New Hanover/Pender)
* NC-507 Wake
* NC-509 Gaston/Lincoln/Cleveland
* NC-511 Cumberland
* NC-513 Orange
* NC-516 Northwest

**Available Funding**

The U.S. Department of Housing and Urban Development allocated $5,169,928 to the NC State ESG Program. A portion, 7.5% or $387,745 is for admin costs incurred by the State or subrecipients that are units of local government. The remaining funds, $4,782,183, will be distributed to subrecipients for program costs. The amount that each Continuum of Care is eligible to apply for is the “NC ESG Fair Share”.

No more than 60% of funds can be used for Emergency Response Services (Street Outreach and Emergency Shelter). While there is a maximum percent for Emergency Services, there is no maximum for Housing Stability (Rapid Re-Housing, HMIS, and Targeted Prevention). This means a Continuum of Care may choose to apply for the full 60% of Emergency Response funding or use some of that funding for Housing Stability Activities. The chart below shows the funding that each Continuum of Care may apply for during the FY25-26 competition.

|  |  |  |  |
| --- | --- | --- | --- |
| **Continuum of Care** | **NC ESG Fair Share** | **Emergency Services (60% maximum)** | **Housing Stability (40% minimum)** |
| NC-500 | Forsyth | $207,166  | $124,300  | $82,866  |
| NC-501 | Buncombe | $139,533  | $83,720  | $55,813  |
| NC-502 | Durham | $173,005  | $103,803  | $69,202  |
| NC-503-R1 | BoS Region1  | $140,266  | $84,160  | $56,106  |
| NC-503-R2 | Bos Region 2 | $115,314  | $69,188  | $46,126  |
| NC-503-R3 | BoS Region 3 | $181,610  | $108,966  | $72,644  |
| NC-503-R4 | BoS Region 4 | $168,436  | $101,061  | $67,375  |
| NC-503-R5 | BoS Region 5 | $330,532  | $198,319 | $132,213  |
| NC-503-R6 | BoS Region 6 | $192,144  | $115,286  | $76,858  |
| NC-503-R7 | BoS Region 7 | $366,277  | $219,766  | $146,511  |
| NC-503-R8 | BoS Region 8 | $163,716  | $98,229  | $65,487  |
| NC-503-R9 | BoS Region 9  | $222,939  | $133,763  | $89,176  |
| NC-503-R10 | BoS Region 10 | $236,091  | $141,654  | $94,437  |
| NC-503-R11 | BoS Region 11 | $100,560  | $60,336  | $40,224  |
| NC-503-R12 | BoS Region 12 | $161,625  | $96,975  | $64,650  |
| NC-503-R13 | BoS Region 13 | $135,706  | $81,424  | $54,282  |
| NC-504 | Guilford | $280,886  | $168,531  | $112,355  |
| NC-505 | Mecklenburg | $499,045  | $299,427  | $199,618  |
| NC-506 | Tri-Hic | $164,040  | $98,424  | $65,616  |
| NC-507 | Wake | $433,683  | $260,210  | $173,473  |
| NC-509 | Gaston-Lincoln-Cleveland | $187,816  | $112,690  | $75,126  |
| NC-511 | Cumberland | $18,037  | $10,822  | $7,215  |
| NC-513 | Orange | $44,187  | $26,512  | $17,675  |
| NC-516 | Northwest | $119,571  | $71,743  | $47,828  |

**Calculation of Distribution of Funds**

To establish a fair distribution of program funds, the NC ESG Program uses the Department of Housing and Urban Development’s (HUD) Continuum of Care (CoC) Pro Rata Formula as the basis for determining the amount of eligible funding for each Continuum of Care. Seven entitlement communities receive ESG funding directly from HUD.

The allocation that these entitlements receive from HUD are considered when determining each Continuum of Care’s eligible amount. The CoC Pro Rata percentage is multiplied by the total amount of ESG funds allocated to North Carolina (NC State ESG + entitlements). This is the total amount that each Continuum of Care should have as its fair share of ESG funding.

For communities that do not receive entitlement funding from HUD, the full amount will come from the NC ESG Program. For entitlement communities, the amount received directly from HUD will be subtracted from their fair share, so only a portion of the fair share is awarded through the NC ESG Program. The chart below shows the total fair share for each entitlement community with the amount of program funding administered by the local government and the NC ESG Program.