**Anticipated Timeline**

The FY21-22 NC ESG Program application is projected to be released in July 2021, with an anticipated due date of Friday, October 1, 2021. Award decisions will be announced in mid-November. New contracts with project applicants or fiscal sponsors will be executed by January 1, 2022. Contracts will be effective January 1 – December 31, 2022.

**Continuum of Care Applications**

Project applicants must apply through their Continuum of Care or Local Planning Area. Continuum of Care / Local Planning Areas 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 2021-22 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 $5,315,950\* to the NC State ESG Program. A portion, 7.5% or $398,696 is for admin costs incurred by the State or subrecipients that are units of local government. The remaining funds, $4,917,254 will be distributed to subrecipients for program costs. The amount that each Continuum of Care / Local Planning Area is eligible to apply for is the “NC ESG Fair Share”.

*\*The awarded amount for 2021 is less than the awarded amount for 2020, therefore, you may see a decrease in your CoC’s 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 / Local Planning Area 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 / Local Planning Area may apply for during the FY21-21 competition.

|  |  |  |  |
| --- | --- | --- | --- |
| **Continuum of Care** | **NC ESG Fair Share** | **Emergency Services (60% maximum)** | **Housing Stability (40% minimum)** |
| NC-500 | Forsyth | $211,432 | $126,859  | $84,573  |
| NC-501 | Buncombe | $127,628 | $76,577  | $51,051  |
| NC-502 | Durham | $171,504 | $102,903  | $68,602  |
| NC-503-R1 | BoS Region1  | $126,492 | $75,895  | $50,597  |
| NC-503-R2 | Bos Region 2 | $118,276 | $70,966  | $47,311  |
| NC-503-R3 | BoS Region 3 | $191,737 | $115,042  | $76,695  |
| NC-503-R4 | BoS Region 4 | $169,317 | $101,590  | $67,727  |
| NC-503-R5 | BoS Region 5 | $303,771 |  $182,262 | $121,508  |
| NC-503-R6 | BoS Region 6 | $199,228 | $119,537  | $79,691  |
| NC-503-R7 | BoS Region 7 | $365,880 | $219,528  | $146,352  |
| NC-503-R8 | BoS Region 8 | $169,115 | $101,469  | $67,646  |
| NC-503-R9 | BoS Region 9  | $230,849 | $138,509  | $92,340  |
| NC-503-R10 | BoS Region 10 | $235,627 | $141,376  | $94,251  |
| NC-503-R11 | BoS Region 11 | $109,144 | $65,486  | $43,658  |
| NC-503-R12 | BoS Region 12 | $151,883 | $91,130  | $60,753  |
| NC-503-R13 | BoS Region 13 | $148,966 | $89,380  | $59,586  |
| NC-504 | Guilford | $275,511 | $165,306  | $110,204  |
| NC-505 | Mecklenburg | $503,941 | $302,365  | $201,576  |
| NC-506 | Tri-Hic | $163,396 | $98,038  | $65,358  |
| NC-507 | Wake | $399,175 | $239,505  | $159,670  |
| NC-509 | Gaston-Lincoln-Cleveland | $188,709 | $113,225  | $75,484  |
| NC-511 | Cumberland | $130,731 | $78,439  | $52,292  |
| NC-513 | Orange | $101,315 | $60,789  | $40,526  |
| NC-516 | Northwest | $123,626 | $74,176  | $49,450  |

**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. Six entitlement communities receive ESG funding directly from HUD. The chart below shows the allocations from HUD for the six entitlements and the NC ESG Program (funds allocated to the state).

|  |  |  |  |
| --- | --- | --- | --- |
| Grantee | FY21 HUD Allocation | Admin | Program |
| Mecklenburg | $509,569 | $38,217.68  | $471,351.33  |
| Durham | $174,344 | $13,075.80  | $161,268.20  |
| Guilford | $192,761 | $14,457.08  | $178,303.93  |
| Raleigh | $272,266 | $20,419.95  | $251,846.05  |
| Wake | $182,490 | $13,686.75  | $168,803.25  |
| Forsyth | $188,585 | $14,143.88  | $174,441.13  |
| NC State ESG | $5,315,950 | $398,696.25  | $4,917,253.75  |
| Total NC ESG | $6,835,965 | $512,697  | $6,323,268  |

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. The allocation each CoC / LPA receives *is the larger* of the Pro Rata percentage multiplied by the total amount of ESG funds allocated or $100,000.

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.

|  |  |  |  |
| --- | --- | --- | --- |
| **Continuum of Care** | **ESG Fair Share Total** | **ESG Entitlement** | **NC ESGFair Share** |
| (entitlement + state) |  |  |
| NC-500 | Forsyth | $ 385,873  | $ 174,441  | $ 211,432  |
| NC-502 | Durham | $ 332,772 | $ 161,268  | $ 171,504  |
| NC-504 | Guilford | $ 453,815  | $ 178,304  | $ 275,511  |
| NC-505 | Mecklenburg | $ 975,292  | $ 471,351  | $ 503,941  |
| NC-507 | Wake | $ 819,824  | $ 420,649  | $ 399,175  |

\*NC-507 Wake has two entitlement funds administered separately by the City of Raleigh and Wake County.
 These funds have been combined in the chart.