

Safeguarding Tomorrow Revolving Loan Fund Program

Presenters:

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FEMA

Agenda

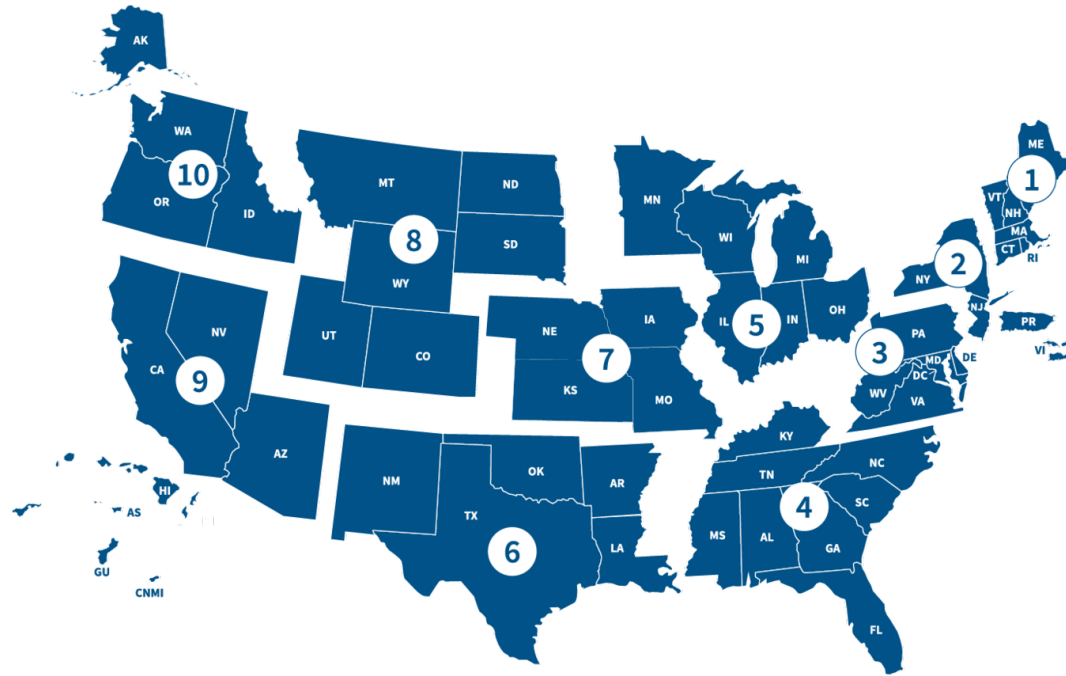
- Program Overview
 - Eligible Entities
 - Grant Requirements
 - Loan Requirements
- Entity Loan Fund Structures
- Project Proposal Lists
- Technical Assistance
- Questions



An aerial photograph of a coastal town, likely in New England, featuring a harbor filled with numerous sailboats and yachts. The town is built on a hillside, with a prominent church steeple visible on the right. The entire image is overlaid with a semi-transparent blue gradient.

Program Overview

Eligible Entities

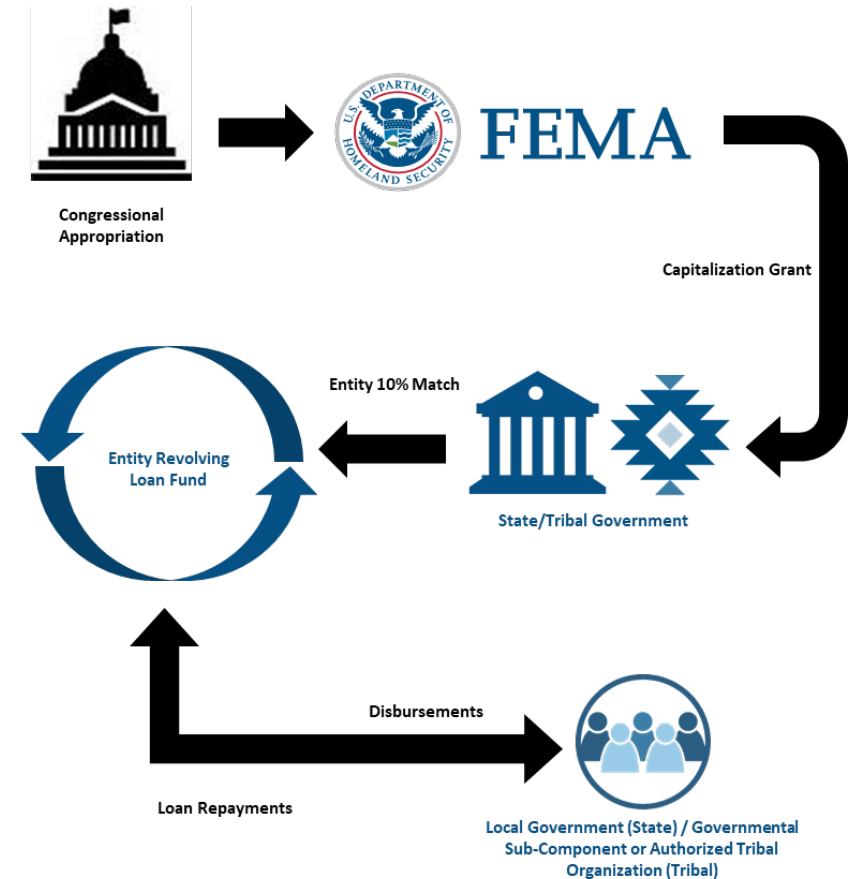


- The Safeguarding Tomorrow Revolving Loan Fund program provides capitalization grants that enable eligible entities to administer revolving loan funds and provide direct loans to local governments for projects and activities that mitigate the impacts of natural hazards.
- Entities eligible to apply for grant funding now include:
 - All 50 States.
 - The District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.
 - Federally recognized Tribal Governments that have received a major disaster declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act.



Safeguarding Tomorrow Revolving Loan Fund Program

- FEMA provides funding via a capitalization grant. The participating entity contributes 10% of the capitalization grant into an established entity loan fund.
- The entity loan fund provides assistance to local governments to expedite eligible mitigation activities in their communities with greater flexibility and autonomy.
- The lender entity is responsible for monitoring project progress and loan repayment from local communities. As local governments repay loans, these funds can be utilized for new loans.
- FEMA will monitor the use of funding through reporting mechanisms and audits.



Safeguarding Tomorrow RLF Implementation Journey 2023

January – March	April - June	July – September	October - December
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Application Period

Application Review

RFI



Award Activities



Regional Knowledge Shares and Technical Assistance for Applicants



Tribal Consultation Coordination and Delivery



Stakeholder Engagement



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Eligible Loan Recipients

- The Stafford Act, Section 205, generally requires eligible entities receiving a Safeguarding Tomorrow RLF capitalization grant to provide loans to **local governments**.
- For eligible Tribal entities, this may mean providing a loan to any **sub-component** within their respective governmental structures or to an **authorized Tribal organization**.
- For more information on the definition of local government, refer to Section 102(8) of the Stafford Act.



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Program Capitalization Grant versus Entity Loan

Capitalization Grant	Entity Loan Fund
<ul style="list-style-type: none">Administered by FEMA according to federal statutory requirements and best practicesGrant agreement between FEMA and an eligible entity (such as a State or eligible Tribal Government)The entity will not repay FEMA for grant funds received, but must comply with federal oversight of grant management requirements	<ul style="list-style-type: none">Administered by the eligible entity according to the grant agreement and its FEMA-approved Intended Use PlanLoan agreements between the entity and loan recipient (such as local governments) with a maximum interest rate of 1%Loan recipient must pay back the funds in accordance with the eligible entity's requirements



Capitalization Grant Requirements Checklist

To be eligible for grant award, an eligible entity must fulfill the following statutory requirements:



Have a FEMA-approved State or Tribal **Hazard Mitigation Plan**



Issue a public notice of not less than (6) weeks in length inviting hazard mitigation project proposals from local governments that result in a Project Proposal List



Develop a complete capitalization **grant application package**



Post the entity-developed Intended Use Plan for **public comment** prior to submitting application



Establish a Revolving Loan Fund from which the entity's emergency management agency has authority to manage the Safeguarding Tomorrow RLF program



Contribute the required **entity cost match (10% contribution)** on or before the date on which the grant is received.



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Allowable Uses for Capitalization Grant

- **Entity Administrative Costs:** Entities may use a portion of the capitalization grant for costs associated with administering their revolving loan fund.
 - The statute requires entity loan fund administrative costs shall not exceed the following limits, whichever is greatest: \$100,000 per year; 2% of the capitalization grants made in that fiscal year; or 1% of the value of the entity loan fund.
- **Local Government Technical Assistance:** Entities may provide technical assistance to local governments applying for and receiving loans. Technical assistance provided by entities to local governments shall not exceed 5% of the capitalization grant the entity received.
- **Loans to Local Governments:** The entity provides assistance through low-interest loans to local governments to expedite eligible mitigation activities in their communities. Statutory project limitations direct that an entity:
 - Not commit more than 10% of a capitalization grant for loans to implement zoning and land use planning changes
 - Not commit more than 10% of a capitalization grant for loans to perform mitigation planning under Section 322 of the Stafford Act
 - Not provide a loan greater than \$5,000,000 to finance a single hazard mitigation project



Loan Recipient Requirements

- The statute specifies requirements for loan recipients which the entity will be responsible for ensuring are met before a loan can be awarded. **The local government who will receive the loan must:**
 - Have an approved hazard mitigation plan.
 - Establish a dedicated source of revenue for repayment.
- Entities should incorporate any additional entity-specific requirements for their entity loan fund into the appropriate section of their Intended Use Plan.





Entity Loan Fund Management

Entity Loan Funds - How are they administered?

Programmatic Administration

- Applying for grant funding
- Determining entity loan fund priorities
- Coordinating with local governments
- Managing project selections
- Performing oversight activities
- Reporting to FEMA

Financial Administration

- Managing loan awards and repayments
- Tracking amounts in the entity loan fund, Including: the capitalization grant, entity share, repayments of loans, and interest earned
- Ensure allocation amounts to each loan recipient don't exceed statutory limits.



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Entity Loan Funds - Statutory Requirements

Programmatic Administration

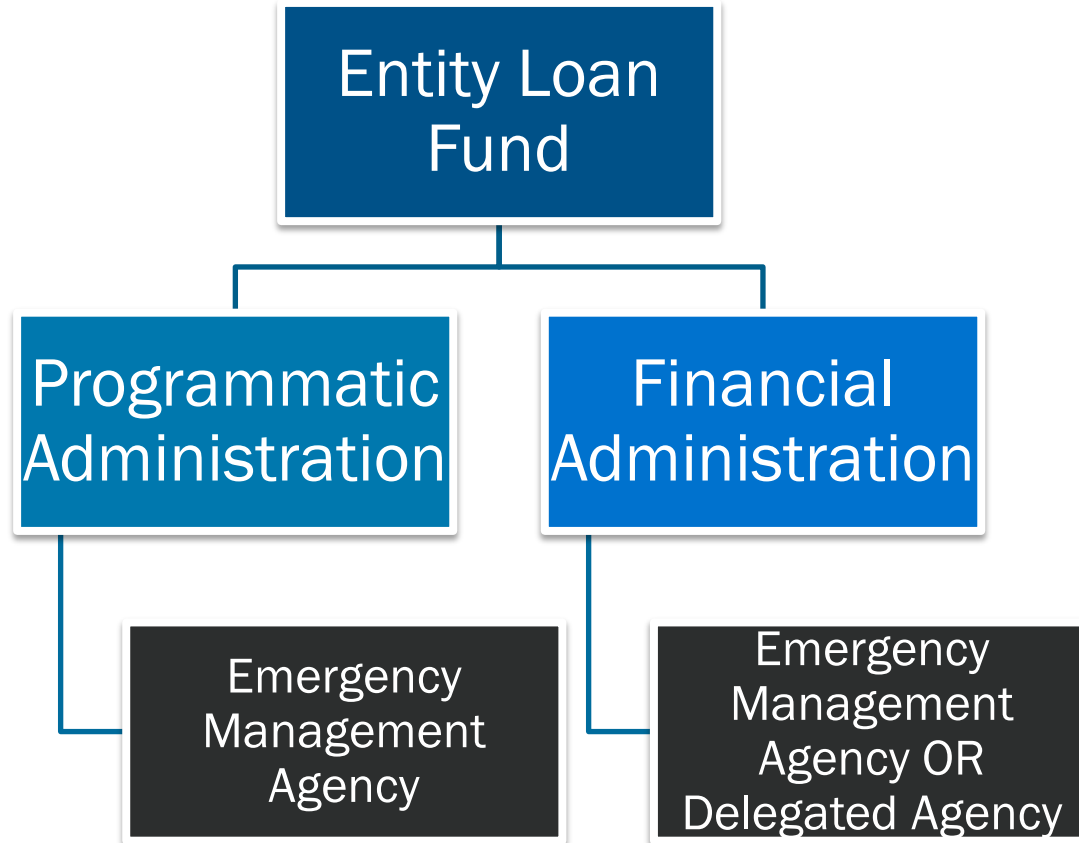
- **Must** be administered by the agency responsible for emergency management, who **must** keep control of:
 - Applying for a capitalization grant;
 - Establishing entity program priorities; **and**
 - Carrying out oversight activities

Financial Administration

- **May** be combined with the financial administration of any other revolving fund established by the entity, **if**:
 - Documentation demonstrating partnership with the entity's emergency management agency is provided;
 - The partnering loan fund is also under the authority of the entity; **and**
 - Amounts tied to the program are accounted for separately from other amounts in the entity loan fund



Entity Loan Funds - Structure Scenarios



- **Eligible Scenarios:**
 - Emergency Management Agency fully administers entity loan fund.
 - Emergency Management Agency manages programmatic administration, but delegates financial administration.
- **Ineligible Scenarios:**
 - Emergency Management Agency fully delegates programmatic and financial administration.
 - Emergency Management Agency delegates to a financial institution not under the authority of the entity.



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Project Proposal Lists

What is the Project Proposal List?

- Purpose:** Contains the planned local government projects and activities that the entity plans to award.
- The entity is expected to communicate the funding opportunity with local governments to identify local hazard mitigation projects and activities and incorporate them into their list.
- Requirement for Funding:** An entity must issue a public notice soliciting proposals from local governments no less than six weeks prior to the submission of the grant application.

Project Information	Description of Data
ID Number	Project ID numbers are the unique identifiers for the projects and are determined by the entity.
Project Title	Name of specific projects as determined by the borrower.
Loan Applicant (Borrower)	Name of the borrower.
Community Name(s)	Name of the community(ies) receiving benefits from the project, as determined by the borrower.
Community Identification Number (CID)	Community Identification number.
County(ies)	Name of the County(ies) receiving benefits from the project, as determined by the borrower.
Census Tract(s)	Census Tract(s) number receiving benefits from the project, as determined by the borrower.
Community Rating System Class	
Center for Disease Control Social Vulnerability Index Score(s) of Census Tract(s)	SVI score of the census tract(s) receiving benefits from the project. Entities can identify CDC SVI scores using the following steps: Entities will need to determine the SVI status for the census tracts that benefit from the project. The SVI status can be found here. Entities should set the following parameters on the map for determining SVI: - SVI Theme: "Overall SVI" - Geographic Comparison: "Nationwide" - State Selection: N/A - Geographic Unit: "Census Tract" - Data Year: "2020"
Percent of Benefiting Census Tracts that have a Center for Disease Control Social Vulnerability Index Score > 0.8	Entities can then search for counties in the search bar or zoom to the geography. When zoomed in, the calculation of how many benefiting census tracts are socially vulnerable (>.8) to the total benefiting census tracts can be found. Entities will need to determine whether a census tract is a low-income geographic area using the following steps:



Eligible Projects and Activities

Activities that mitigate the impact of natural hazards

Non-federal cost-share requirement for other Hazard Mitigation Assistance (HMA) programs

Zoning and land use planning

Mitigation planning

Building code adoption and enforcement

- Statutory project limitations direct that an entity:
 - Not provide a loan greater than \$5 million to finance a single hazard mitigation project
 - Not commit more than 10% of a capitalization grant for loans to implement zoning and land use planning changes
 - Not commit more than 10% of a capitalization grant for loans to perform mitigation planning under Section 322 of the Stafford Act



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An aerial photograph of a coastal town, likely in New England, featuring a large marina filled with numerous sailboats and yachts. The town is built on a hillside, with a mix of residential houses and larger commercial buildings. A prominent church with a tall, white steeple is visible on the right side. The surrounding area is densely forested with green trees. The entire image is overlaid with a semi-transparent blue filter.

Grant Technical Assistance

Technical Assistance

- FEMA will provide guidance materials, training, and technical assistance to eligible entities for the grant application process.
 - This technical assistance can be leveraged to support the development of application materials, including an entities Intended Use Plan and project proposal list.
- FEMA will utilize a variety of methods and platforms to provide technical assistance to entities, including but not limited to:
 - Fact sheets and guidance materials
 - Webinars and pre-recorded instructional videos
 - Office hours
 - FAQ and program email inbox



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Additional Resources

STORM RLF Website

<https://www.fema.gov/grants/mitigation/storm-rlf>

STORM RLF Email Address

FEMA-STORMRLF@fema.dhs.gov



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Thank you



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