



Safeguarding Tomorrow Revolving Loan Fund

Florida Division of Emergency Management Seeks Proposals for Low Interest Loan Funding to Complete Hazard Mitigation Activities

The Florida Division of Emergency Management (Division) is seeking proposals from communities who may be interested in applying for low interest loans to implement hazard mitigation projects under the Safeguarding Tomorrow Revolving Loan Fund (RLF) Program. The Safeguarding Tomorrow through Ongoing Risk Mitigation (STORM) Act became law on Jan. 1, 2021. The STORM Act authorizes the Federal Emergency Management Agency (FEMA) to provide capitalization grants for eligible entities to make funding decisions and award loans directly to local communities. Eligible entities include states, eligible federally recognized tribes, territories, and the District of Columbia. These revolving loan funds provide hazard mitigation assistance for local governments to reduce risks from natural hazards and disasters.

The Division is gathering information with the intent of applying for a capitalization grant from FEMA. A Notice of Funding Opportunity entitled “Fiscal Year 2023 Safeguarding Tomorrow through Ongoing Risk Mitigation Revolving Loan Fund Program,” was published on December 20, 2022 (*Funding Opportunity Number: DHS-23-STORM-139-00-01*). The Division must solicit projects from local governments to develop a project proposal list via a Public Notice for a minimum of six weeks. This list will accompany the application the Division submits to FEMA. If awarded a capitalization grant, the Division may grant loans to projects from this project proposal list. A well-developed project proposal list affords the state the opportunity to focus limited loan funds to the local governments most in need of financial assistance and to prioritize loans for projects ready for financing.

Eligible Entities

Eligible Entities under this program include states, eligible federally recognized tribes, territories, and the District of Columbia. These Eligible Entities may apply directly to FEMA to receive a capitalization grant to establish a revolving loan fund program.

Those eligible to apply to the State for a loan under this program include local governments. Local governments must have adopted their respective county Local Mitigation Strategy plan. Individuals are not eligible to apply.

Program Priorities

FEMA’s priorities for the Safeguarding Tomorrow RLF program are to:

- **Empower Entities** – FEMA will collaborate with eligible entities to help them increase their capacity and capability, through focused engagement activities leading up to the application period and providing increased technical assistance during the Year 1 application period.
- **Create Innovative Funding Solutions** – Applicants can leverage loans for non-federal cost share with other FEMA Hazard Mitigation Assistance programs, helping underserved communities access additional funding resources.
- **Deliver Equitable Investments and Increased Access** – A goal of the Safeguarding Tomorrow RLF program is that 40% of the overall benefits generated by the entity loan funds flow to underserved communities.
- **Reduce Grant Application Complexity** – The program strives to reduce program complexity by breaking down barriers and increasing access to mitigation funding.



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- **Maximize Administrative Flexibility** – Throughout the process, identify administrative burdens and reduce them to the greatest extent possible.

Allowable Uses

Loan funds may be used for mitigation projects and activities to increase resilience and mitigate the impacts of events such as drought, extreme heat, severe storms (including hurricanes, tornadoes, windstorms, cyclones, and severe winter storms), wildfires, flooding, earthquakes, shoreline erosion, high water levels, and storm surges.

Allowable uses of funds include:

- **Mitigation Activities:** Eligible project types under this program will include activities that mitigate the impact of natural hazards, zoning and land use planning changes, and building code enforcement.
- **Non-Federal Cost-Share:** Loans may be used by local governments to satisfy a local government's non-federal cost-share requirement for other FEMA Hazard Mitigation Assistance (HMA) grant programs, such as the Hazard Mitigation Grant Program, Hazard Mitigation Grant Program Post Fire, Building Resilient Infrastructure and Communities and Flood Mitigation Assistance grant programs.
 - To align with the timelines for these programs, entities are encouraged to list all possible cost share loans in their application materials to allow options to award loans to those projects. An entity should list any potential projects where a loan may be utilized for this purpose in the project proposal list that is submitted with its capitalization grant application.
- **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.
- **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 not to exceed the following limits: \$100,000 per year; 2% of the capitalization grants made in that fiscal year; or 1% of the value of the entity loan fund, whichever is greatest.

Loan Information

- Loans will be made at an interest rate of not more than 1 percent.
- Loan repayment will commence not later than 1 year after project completion.
- Loan repayment will be complete no later than 20 years after the date the project is completed, or 30 years after the date the project is completed for projects in a low-income geographic area as defined in 42 USC Section 5135 (m)(5).
- Loan recipients must establish a dedicated source of revenue for repayment.

Next Steps

Communities interested in applying for a loan must complete the form [here](#).

The Division will develop a project proposal list based on proposals received from this Public Notice, for use in the state application for a capitalization grant. The Division will develop an Intended Use Plan which will be made available for public comment. The Division will apply to FEMA for the capitalization grant by April 28, 2023.



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Questions

Questions may be directed to the State Hazard Mitigation Officer Laura Dhuwe at Laura.Dhuwe@em.myflorida.com.

Additional Information is available on the Division and FEMA websites:

- Division website: www.floridadisaster.org/dem/mitigation/safeguarding-tomorrow-through-ongoing-risk-mitigation-storm-revolving-loan-fund/
- Florida Project Proposal Form: www.surveymonkey.com/r/rlfproposals
- FEMA's website: www.fema.gov/grants/mitigation/storm-rlf