

FEMA's Safeguarding Tomorrow Revolving Loan Fund Program

The [Robert T. Stafford Act Disaster Relief and Emergency Assistance Act, Section 205](#) was amended to authorize FEMA to provide capitalization grants for eligible entities to make funding decisions and award loans directly to local communities. These grants are available through the Safeguarding Tomorrow Through Ongoing Risk Mitigation Revolving Loan Fund Program (Safeguarding Tomorrow RLF). Eligible entities are states, eligible federally recognized tribes, territories and the District of Columbia.

These revolving loan funds provide hazard mitigation assistance for local and tribal governments to reduce risks from natural hazards and disasters.

For more details about each of these sections and information about the Environmental and Historic Preservation Review process, visit the Safeguarding Tomorrow RLF [webpage](#).

Eligibility

Safeguarding Tomorrow RLF are seed-funding grants for eligible entities to make funding decisions and award loans directly to local communities.

Eligible entities are:

- States
- Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the District of Columbia
- Federally recognized tribes that received a direct major disaster declaration as outlined in [Section 401 of the Stafford Act](#)

Loan Recipients



Although communities cannot apply directly to FEMA for capitalization grants, local governments can apply to participating entities for low-interest loans.

Additionally, Indian tribes located within a participating entity (such as a state or territory) may also apply for a loan under a participating entity's revolving loan fund.

Loan recipients must have an approved hazard mitigation plan. These loans will allow local jurisdictions to reduce vulnerability to hazards, foster greater community resilience and reduce disaster suffering.

Tribal entities may provide a loan to any authorized tribal organization, including a sub-component within their respective governmental structures.

Preparing to Apply for a Safeguarding Tomorrow RLF Capitalization Grant

Establish a Revolving Loan Fund

To apply, eligible entities must establish a revolving loan fund to be administered by the agency responsible for emergency management. Some entities may be able to rely upon existing loan mechanisms to satisfy this requirement. Entities interested in applying must complete a **capitalization grant application**, develop an **Intended Use Plan** and a **local government Project Proposal List**.

FEMA requires applications to include local government project proposals for which a **public notice** was provided at least six weeks prior to submitting a capitalization grant application. Additionally, the Intended Use Plan must be provided for public comment and review before submitting a capitalization grant application.

Hazard Mitigation Plan

Entities must have a hazard mitigation plan as defined in [Title 42 United States Code Section 5165](#) – Mitigation Planning. FEMA will require applications to include a description of vulnerability assessments and a description of how local government project proposals conform with the hazard mitigation plan of the entity and the local government.



Cost-Match

Capitalization grant recipients must deposit an amount that is at least 10% of the amount of the grant into the loan fund, as a condition of receiving funding.

Applying

- To apply for funding made available, applicants must adhere to the application and funding deadlines. Visit the Safeguarding Tomorrow RLF webpage for the current application period.
- The period of performance for capitalization grants will be 24 months from the date of award. The projected period of performance start date will vary by award.

Revolving Loan Cycle

A **revolving loan fund** is a funding mechanism where loans are issued from the administering entity to eligible recipients for a project, and then after the project is completed, the loans are repaid to the loan fund with interest.

FEMA provides funding to states and tribal governments via a capitalization grant. The participating state, territorial, or tribal government deposits an amount that is at least 10% of the capitalization grant into an established entity loan fund. FEMA will monitor the use of funding through reporting mechanisms and audits.

- 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.

Allowable Uses of the Safeguarding Tomorrow Program

FEMA will provide capitalization grants for entities to establish revolving loan funds for mitigation projects and activities to increase resilience and mitigate the impacts of events such as drought, extreme heat, severe storms, wildfires, floods



and earthquakes.

- FEMA will not limit or restrict project types beyond the limitations in statute.
- Loans may be used as a non-federal cost match for another Hazard Mitigation Assistance grant application.
- FEMA will not require entities to submit a benefit-cost analysis.



FEMA