



Michigan State Police

Emergency Management and Homeland Security Division

Informational Bulletin

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Safeguarding Tomorrow Revolving Loan Fund Program

Seeking Requests for Low Interest Hazard Mitigation Loans Response Needed by April 12, 2024

The Michigan State Police, Emergency Management and Homeland Security (MSP/EMHSD) is seeking requests from communities interested in applying for low interest loans to implement hazard mitigation projects that reduce risks from natural hazards and disasters.

The Safeguarding Tomorrow Revolving Loan Fund (STRLF) is a five-year program rolled out by the Federal Emergency Management Agency (FEMA) in fiscal year (FY) 2023. Michigan applied and was selected for a grant in the year one cycle. The state is currently gathering necessary information gathering to apply for a year two cycle capitalization grant from the STRLF for FY 2024.

If a capitalization grant is awarded, Michigan would be able to offer additional low interest loans to communities across the state. To apply, the MSP/EMHSD must provide a project proposal list generated from input from communities.

We ask communities with interest in applying for a loan, to complete an online project information form located [here](#).

Important note, this is not a loan application. No funding is currently available. If loan funding becomes available, communities that complete the current form will be asked to apply. If you completed the form last year, your project is still on the list of projects eligible for consideration to receive a loan from year one funding. However, if there is still interest in pursuing a loan for the project you submitted last year, we ask that you complete the form again. This will allow additional information about your request to be added and provides the MSP/EMHSD an opportunity to capture new information that was not requested in last year's form.

Eligibility

- If awarded, a capitalization grant would allow the state to provide loans to local governments and tribes.
- Loan applicants must participate in a hazard mitigation plan that has been approved by the FEMA.
- Loans awarded for certain types of projects will require an Environment and Historic Preservation Review (before loan disbursement).
- A benefit-cost analysis is **not** required.

Hazard Mitigation Activities

- Eligible project types under this program include activities that reduce disaster risks for homeowners, businesses, nonprofit organizations, and communities from the impact of natural hazards, including:
 - Drought and prolonged episodes of intense heat.
 - Severe storms, including hurricanes, tornadoes, windstorms, cyclones, and severe winter storms.
 - Wildfires.

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- Earthquakes.
- Flooding, including the construction, repair, or replacement of a non-Federal levee or other flood control structure (subject to specific requirements).
- Shoreline erosion.
- High water levels.
- Storm surges.
- Zoning and land use planning changes.
- Loans under this program may also be used by communities to pay the non-federal cost share for FEMA Hazard Mitigation Assistance grants.

Loan Information

- The maximum loan amount per hazard mitigation project is \$5 million.
- Interest rates are capped at one percent.
- Loan repayment will commence no later than one year after project completion.
- Loans must be repaid 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.
- Loan recipients must establish a dedicated source of revenue for repayment.

Next Steps

- Communities interested in applying for a loan must complete the online project information form located [here](#) by April 12, 2024.
- The MSP/EMHSD will then develop a project proposal list generated from community input for use in the state application for a capitalization grant.
- The MSP/EMHSD will update its “Intended Use Plan” for the STRLF and post it for public comment prior to April 30, 2024.
- The MSP/EMHSD will complete and submit a grant application package to FEMA by April 30, 2024.

If you have questions about this program, contact Mr. Matt Schnepf at 517-256-1512 or send an email to the EMHSD Hazard Mitigation mailbox MSP-EMHSD-Hazard-Mitigation-Grants@michigan.gov. Please visit FEMA’s website for more information about the [Safeguarding Tomorrow Revolving Loan Fund Program](#). For assistance with completing the online project information form, please see the Word document titled, *STRLF Project Information Form Guide*, posted with this informational bulletin.