



# Homeland Security and Emergency Services

## **INTENDED USE PLAN**

### **Hazard Mitigation Revolving Loan Fund**

### **Fiscal Year 2024**

*Issued: April 2024*

### ***DISASTER RECOVERY PROGRAMS***

Kathy Hochul  
Governor

Jackie Bray  
Commissioner

**Division of Homeland Security & Emergency Services**  
1220 Washington Ave.; Building 7A  
Albany, NY

This page intentionally left  
blank

# Table of Contents

I. Introduction.....	6
1.1. Status of New York State’s Hazard Mitigation Revolving Loan Fund (HM RLF)....	6
1.2. Updates for Fiscal Year 2023 Hazard Mitigation Revolving Loan Fund.....	6
II. Uses of the Hazard Mitigation Revolving Loan Fund.....	7
2.1. HM RLF Program Objectives.....	7
2.2. HM RLF Program Goals.....	8
2.2.1. Connection to Other Plans and Goals.....	8
2.2.2. Mitigation and Resiliency Goals.....	9
2.2.3. Short-Term Entity Safeguarding Tomorrow Revolving Loan Fund Goals.....	9
2.2.4. Long-Term Entity Safeguarding Tomorrow Revolving Loan Fund Goals.....	10
2.3. HM RLF Program Priorities.....	10
2.3.1. Increase Resilience and Reduce Risk.....	10
2.3.1.1. Hazard Mitigation.....	10
2.3.1.2. Zoning and Land-Use Planning.....	10
2.3.1.3. Building Code Adoption and Enforcement.....	10
2.3.1.4. Cost Share.....	11
2.3.2. Partnerships.....	11
2.3.3. Regional Impacts.....	11
2.3.4. Major Economic Sectors and National Infrastructure.....	11
III. Criteria and Method for Distribution of Funds.....	12
3.1. Loan Management Information.....	12
3.1.1. Availability of Financial Assistance From the Entity Loan Fund.....	12

3.1.2.	Loan Application Process for Financial Assistance From the Entity Loan Fund.....	12
3.1.3.	Financial Planning.....	12
3.1.4.	Short-, Medium-, and Long-term Financial Projections.....	12
3.2.	Criteria and Method for Loan Distribution.....	13
3.2.1.	Creating a Project Proposal List.....	13
3.2.1.1.	Prioritization Methodology.....	13
3.2.1.2.	Tie-Breaking Procedure.....	13
3.2.2.	Project Proposal List.....	13
IV.	Financial Management.....	16
4.1.	Financial Status of the New York State Safeguarding Tomorrow Revolving Loan Fund.....	16
4.1.1.	Financial Status of the HM RLF.....	16
4.1.1.1.	Sources of Assets in the Entity Loan Fund (Previous Fiscal Year).....	16
4.1.1.2.	Sources of Assets in the Entity Loan Fund (Current Fiscal Year).....	16
4.2.	Financial Terms of Loans.....	17
4.2.1.	Standard Loans.....	17
4.2.2.	Loans for Low-Income Geographic Areas or Underserved Communities.....	17
4.3.	Loan Disbursements.....	17
V.	Entity Program Management.....	18
5.1.	Technical Assistance.....	18
5.2.	Local Capacity Development.....	18
5.3.	Environment and Historic Preservation Compliance.....	18
5.4.	Public Meetings and Comment Activities.....	18

VI. Audits and Reporting.....	19
6.1. Compliance with Federal Reporting Requirements.....	19
6.2. Publication of Information.....	19
6.3. Loan Recipient Auditing and Reporting.....	19
Appendix A.....	20
A.1. Loan Application Process.....	20
A.2. Financial Planning Methodology.....	20
Appendix B.....	21
B.1. Loan Distribution Methodology.....	21
Appendix C.....	22
C.1. Project Proposal List Prioritization Methodology.....	22
Appendix D.....	23
D.1. Additional Information.....	23

# I. Introduction

## 1.1. Status of New York State's Hazard Mitigation Revolving Loan Fund (HM RLF)

The purpose of this Intended Use Plan (IUP) is to describe New York State's (NYS) approach to the administration of the Hazard Mitigation Revolving Loan Fund (HM RLF). The HM RLF program funds will be administered by the NYS Division of Homeland Security and Emergency Services (DHSES). DHSES is in charge of both programmatic oversight and fiscal administration of the HM RLF. This IUP outlines NYS's priorities, policy, and evaluation criteria that DHSES will use to manage the program in its second year (FY 2024).

On May 3, 2023, Governor Kathy Hochul signed Chapter 55 of the Laws of 2023 into law, which established the HM RLF. This law enables DHSES to make loans to local governments for eligible hazard mitigation activities, as defined in the Safeguarding Tomorrow through Ongoing Risk Management Act of 2020 (STORM Act).

The IUP is required as a part of the State's application for the Federal Emergency Management Agency (FEMA) Safeguarding Tomorrow through Ongoing Risk Mitigation Revolving Loan Fund (STORM RLF) program. The HM RLF was created to implement the STORM RLF. The State will use these capitalization grants to provide loans to local governments for projects and activities that mitigate the impacts of drought, intense heat, severe storms (including hurricanes, tornadoes, windstorms, cyclones and severe winter storms), wildfires, floods, earthquakes, and other natural hazards.

## 1.2. Updates for Fiscal Year 2023 on New York State's HM RLF

On September 12, 2023, FEMA announced that New York was one of eight states selected to receive a capitalization grant to help communities reduce vulnerability to natural hazards and disasters, resulting in a \$6.2 million award to support the establishment of the HM RLF. FEMA awarded New York the FY 2023 capitalization grant award in March 2024, and it was accepted in April 2024.

Since receiving the capitalization grant award from FEMA, DHSES has conducted outreach to interested and eligible communities to provide education, offer technical assistance, and support localities in the building capacity to complete and submit loan applications.

The FY 2023 HM RLF application period is currently underway, and it is expected that loans will be provided to localities following an evaluation period. DHSES will continue to increase outreach, education, and capacity building efforts to ensure that the loan fund continues to promote equity throughout the implementation of the program.

# II. Uses of the Hazard Mitigation Revolving Loan Fund

## 2.1. HM RLF Program Objectives

DHSES has established a set of priorities for the HM RLF program. The priorities are:

1. Disadvantaged, underserved and Socially Vulnerable (as defined below) areas proposing projects to foster resilience.
2. Non-federal cost share for existing hazard mitigation projects.
3. Mitigation projects that address the following:
  - a) Localized flood risk reduction
  - b) Social stabilization
  - c) Infrastructure Retrofit
  - d) Generators
4. Projects not eligible under other Hazard Mitigation Assistance (HMA) grants due to not passing a benefit cost analysis.

DHSES will evaluate loan applications based on social, economic, and environmental vulnerability. The scoring criteria assess loan applications using the Center for Disease Control (CDC) Social Vulnerability Index (SVI).

DHSES developed scoring criteria to evaluate the loan applications based on alignment to the State Hazard Mitigation Plan (SHMP). This criterion helps prioritize projects that are consistent with existing programs and statewide priorities.

## 2.2. HM RLF Program Goals

### 2.2.1. Connection to Other Plans and Goals

New York State has several on-going statewide planning efforts that contribute to long-term resiliency.

[New York State Comprehensive Emergency Management Plan \(CEMP\)](#): The CEMP identifies the State's overarching policies, authority, and response organizational structure to be implemented preceding and following an emergency or disaster situation, and is structured into three distinct, but interconnected volumes, as described below.

Volume 1: [New York State Hazard Mitigation Plan](#) addresses the State's overall hazard mitigation planning process, risk assessment, strategy development and plan implementation to reduce the State's vulnerability to disasters.

Volume 2: [State Response and Short-Term Recovery Plan](#) identifies the State's overarching policies, authority, and response and recovery organizational structure to be implemented in any emergency or disaster situation warranting a collective, multi-agency State response.

Volume 3: [State Long-Term Redevelopment Plan](#) includes provisions for implementing long-term recovery and redevelopment activities and functions, including mitigation.

[New York County Emergency Preparedness Assessments \(CEPA\)](#): CEPA is a tool to help State and local stakeholders assess risk, capabilities, and the potential need for support and resources during emergencies or disasters. CEPA provides for a standardized and repeatable process to capture and analyze hazard and capability information and supports the Federal Emergency Management Association's (FEMA) annual Threat Hazard Identification and Risk Assessment (THIRA) requirement.

[New York Emergency Management Accreditation Program \(EMAP\)](#): EMAP is the voluntary assessment and accreditation process for state and local government programs responsible for coordinating prevention, mitigation, preparedness, response, and recovery activities for disasters. EMAP establishes credible standards applied in a peer review accreditation process. New York's Emergency Management Program was first accredited in 2007, and the State received reaccreditation 2014, 2019, and again in 2023. The process affords opportunities for integration and includes standards that are specific to hazard mitigation planning and the SHMP. These standards address: (a) the State's process for hazard identification, risk assessment and consequence analysis, and (b) the State's ability to properly utilize mitigation resources to mitigate effects of hazards.

## 2.2.2. Mitigation and Resiliency Goals

The mitigation and resiliency benefits NYS intends to achieve are as follows:

- Promote a comprehensive state hazard mitigation policy framework for effective mitigation programs that includes coordination among federal, state, and local organizations for planning and implementing programs.
- Protect existing property, including public, historic, private structures, state-owned/operated buildings, and critical facilities and infrastructure.
- Increase awareness of hazard risk and mitigation capabilities among a variety of stakeholders, including citizens, elected officials, and property owners to enable the successful implementation of mitigation strategies.
- Encourage the development and implementation of long-term, cost effective, and resilient mitigation projects to preserve or restore the functions of natural systems.
- Build stronger by promoting mitigation actions that emphasize sustainable construction and design measures to reduce or eliminate the impacts of natural hazards now and in the future.

## 2.2.3. Short-Term Entity Safeguarding Tomorrow Revolving Loan Fund Goals

DHSES recognizes that current Hazard Mitigation grant funding does not fully address NY's hazard mitigation and resilience needs. Local governments may lack resources to meet the non-federal cost share for HMA grants. The HM RLF will be used to finance projects from the STORM RLF capitalization grant for local governments for eligible hazard mitigation projects in their entirety, or the non-federal cost share requirement for other FEMA HMA grants.

DHSES will monitor projects' effectiveness and adherence to the intent of the loan program through regular check-ins with program participants in the form of quarterly reporting, and site visits. This process will allow DHSES to monitor progress and ensure alignment with statewide resilience goals.

DHSES will efficiently disburse loans to recipients by reviewing applications timely. DHSES anticipates disbursing funds within 9 months of receiving funding from FEMA by working closely with all applicants. As with other HMA initiatives, DHSES staff will coordinate with communities defined as low-income and underserved. DHSES will continue to prioritize projects that serve disadvantaged communities, provide the non-federal match for mitigation grants, and address priority hazards in the State. In addition, DHSES will prioritize projects that do not qualify for other HMA funding due to a non-passing Benefit Cost Analysis (BCA).

## 2.2.4. Long-Term Entity Safeguarding Tomorrow Revolving Loan Fund Goals

DHSES has established long-term goals which guide NYS in meeting the needs of communities participating in the HM RLF program.

DHSES will issue project loans utilizing the initial FEMA funding, and State match dollars. DHSES intends to use the interest earned on loans and loan repayments to create a self-sustaining program. If made available by FEMA, DHSES will apply for additional capitalization grants to permit additional lending. NY's priorities for the HM RLF align with other HMA programs under DHSES's responsibility. In addition, the NYS mitigation priorities will continue to be reflected in the [NYS Hazard Mitigation State Plan](#). Consistent with current practices, DHSES will continue to coordinate and work closely with local communities to ensure a consistent pipeline of eligible projects to then be submitted and ready for funding.

It is DHSES's intent to continue to promote equity for low-income geographic areas and underserved communities throughout the life of the HM RLF. DHSES will continue to strategically align current and future assets with local projects in need of funding as outlined in the State's priorities. In addition, DHSES will maintain compliance with federal requirements of the loan funding and support recipients in complying with federal requirements.

## 2.3. HM RLF Program Priorities

### 2.3.1. Increase Resilience and Reduce Risk

DHSES will support projects that increase resiliency and reduce risk of harm to infrastructure. The overall goal of the HM RLF is to support local jurisdictions as they work to address the priority hazards in line with the state plan and their local plan.

#### 2.3.1.1. Hazard Mitigation

DHSES will administer the HM RLF to support various hazard mitigation activities that address natural hazards such as severe storms and wind events, and flooding. Flooding includes highwater levels, inland flooding and storm surges. Loan applications will also be evaluated against the NY State Hazard Mitigation Plan. In addition, loan applications will be scored using previously described criteria.

#### 2.3.1.2. Zoning And Land-Use Planning

At this time zoning and land-use planning are not earmarked as priority activities for the HM RLF.

#### 2.3.1.3. Building Code Adoption and Enforcement

At this time building code adoption and enforcement are not earmarked as priority activities for the HM RLF.

#### 2.3.1.4. Cost Share

DHSES encourages loans 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, Building Resilient Infrastructure and Communities, and Flood Mitigation Assistance grant programs.

To align with timelines of award dates for the programs referenced above, the loan applicant will need to list all possible grants in the application to allow options to award loans to those projects. HM RLF used to meet the non-federal cost share requirement must meet the purpose and eligibility requirements of the relevant HMA grant program and the HM RLF.

#### 2.3.2. Partnerships

Partnerships between eligible loan applicants may support mitigation efforts that benefit a larger area. If similar or complimentary projects surface, DHSES may encourage applicants to work in partnership where possible and within the confines of federal, state, and local laws.

DHSES requires that one applicable jurisdiction submit the loan application on behalf of the partnership and be the signatory for each project they are applying for. Any project proposal caps will remain in effect.

#### 2.3.3. Regional Impacts

At times, resiliency requires regional solutions. As such, DHSES will utilize the HM RLF to support regional solutions where feasible. Any project proposal caps will remain in effect.

#### 2.3.4. Major Economic Sectors and National Infrastructure

DHSES will promote the protection of infrastructure and utilize the HM RLF to support qualifying projects that apply for loan funding.

# III. Criteria and Method for Distribution of Funds

## 3.1. Loan Management Information

### 3.1.1. Availability of Financial Assistance From the Entity Loan Fund

DHSES applied for \$15.0 million in FFY 2023 STORM RLF funding. We were subsequently awarded \$6.2 million in FFY 2023. DHSES will apply for up to \$52.2 million in FFY 2024, contingent upon the amount of interest that localities have. This section will be updated once amounts are known.

### 3.1.2. Loan Application Process for Financial Assistance From the Entity Loan Fund

DHSES will coordinate with eligible communities that are reachable on the Project Proposal List to complete loan applications. DHSES is currently providing technical assistance to support localities in completing and submitting loan applications for projects included in the FFY 2023 Project Proposal List. DHSES will issue loans to eligible projects that are reachable on the FFY 2023 Project Proposal List while also preparing to administer FFY 2204 of the HM RLF, pending receipt of the FFY 2024 capitalization grant from FEMA. Upon receipt of the FFY 2024 STORM RLF award, DHSES will review and evaluate project proposals received in response to the FFY 2024 Public Notice. and will contact applicants to request a formal loan application for eligible projects.

### 3.1.3. Financial Planning

At the time of submitting a loan application, the applicant will provide a project plan detailing the strategies, goals, and implementation plans for the funds to be received. In addition, the applicant must provide assurance that they can make interest and principal payments.

### 3.1.4. Short-, Medium-, and Long-term Financial Projections

The HM RLF currently consists of \$6.8 million from the first year (FFY 2023). This amount consists of a \$6.2 million capitalization grant and a \$600,000 state match, or 10 percent, as required. A portion of the capitalization grant may be withheld to support DHSES loan fund administration costs. It is not expected that DHSES will receive any principal or interest repayments any sooner than the third year of the program.

DHSES may apply for up to \$52.2 million in FFY 2024 funds and anticipates applying for additional STORM RLF funds from FEMA (as applicable). New York state will utilize loan repayments and any interest in the fund to issue new loans as funding becomes available within the HM RLF.

## 3.2. Criteria and Method for Loan Distribution

Each application will be reviewed by DHSES staff to determine appropriateness of the proposed project, as well as each applicant's capacity to properly manage the loan and project according to the funding requirements. Financial health of each applicant will also be considered during the review process.

### 3.2.1. Creating a Project Proposal List

The project proposal list for the FFY 2024 cycle of the HM RLF will be based on the project proposals submitted in response to the Public Notice.

#### 3.2.1.1. Prioritization Methodology

DHSES has established a set of priorities to rank HM RLF applications submitted:

- Equitable Resilience: disadvantaged, underserved and socially vulnerable areas with eligible projects
- Cost share: non-federal cost share for existing HMA programs funded by FEMA
- Risk reduction: Localized Flood Risk Reduction projects, Soil Stabilization, Infrastructure Retrofit

#### 3.2.1.2 Tie-Breaking Procedure

DHSES reserves the right to exercise discretion when it comes to funding projects and priorities. SVI will be the final determiner of scoring. If projects have equal scores, but one is non-SVI, that would be ranked second. If projects are tied and both are SVI, the higher SVI is ranked first. If projects are tied, both are SVI, and have equal SVI scores, then the applicant with the smaller population is ranked first.

### 3.2.2. Project Proposal List

The initial project proposal list, for the first cycle, was based on project proposals submitted to DHSES. DHSES will update this list as localities continue to propose additional projects.

This list represents a snapshot in time and DHSES may continue to solicit projects for funding through this program.

## Project Proposal List

The Project Proposal List captures FFY 2023 and FFY 2024 proposed projects. This list will be updated as proposals are received in subsequent years.

FFY	Project Name	Jurisdiction	Description	Value
2023	Utica NY – South Park Drive Mitigation	Oneida County	Culvert	\$970,550
2023	Jefferson Street Bridge Culvert	Cattaraugus County	Culvert	\$2,285,000
2023	Pollard Road Culvert Replacement	Chenango County	Culvert	\$630,000
2023	Marshall Brook Flooding Mitigation Project	Warren County	Culvert	\$2,201,420
2023	Farrell Road/Lakeland Watershed Flood Mitigation	Onondaga County	Culvert	\$372,675
2023	Bostwick Road Stream Stabilization	Tompkins County	Culvert	\$700,937
2023	Culvert Fish Road and Enfield Center Road	Tompkins County	Culvert	\$24,000
2023	County Route 20 Over Mill Creek Culvert	Otsego County	Culvert	\$1,200,000
2023	Culvert North Main Street	Lewis County	Culvert	\$22,884
2023	Culvert Upgrades	Putnam County	Culvert	\$3,620,000
2023	Livonia Highway Department – Blank Road Culvert	Livingston County	Culvert	\$642,175
2023	Butternut Creek Road – Stream Crossings	Ulster County	Culvert	\$1,828,700
2024	Warren County Priority Culvert Replacements	Warren County	Culvert	\$5,000,000
2024	Thirteenth Lake Road Slope Risk assessment & Replacement Design	Warren County	Risk Assessment	\$500,000
2024	Village of Whitesboro Commercial Acquisition Project	Oneida County	Commercial Acquisition	\$831,250
2024	Boulevard Culvert Replacement	Orange County	Culvert	\$1,110,000
2024	Broadway Embankment Stabilization	Orange County	Roadside Stabilization	\$928,000
2024	Clara Avenue Home Acquisition	Orange County	Private Home Acquisition and Demolition	\$904,808
2024	Continental Road Culvert Replacement	Orange County	Culvert	\$1,300,000
2024	Continental Road Embankment Stabilization - Ida	Orange County	Roadside Stabilization	\$925,000
2024	Continental Road Embankment Stabilization – July 2023 Storm	Orange County	Roadside Stabilization	\$1,000,000
2024	Hasbrouck Avenue Drainage Improvements	Orange County	Flood Mitigation	\$5,000,000
2024	Hasbrouck and Angola Road Homes	Orange County	Private Home Acquisition and Demolition	\$3,964,152

2024	Long Hill Road Culvert Replacement	Orange County	Culvert	\$2,110,000
2024	Maple Avenue Culvert Upgrade Project	Cortland County	Culvert	\$2,170,160
2024	Erosion Control – Steam Valley Road	Cattaraugus County	Infrastructure Protective Measures	\$60,000
2024	Erosion Control – McCann Hollow Road	Cattaraugus County	Infrastructure Protective Measures	\$60,000
2024	Erosion Control – Godfrey Hollow Road	Cattaraugus County	Infrastructure Protective Measures	\$105,000
2024	Erosion Control – Oregon Road	Cattaraugus County	Infrastructure Protective Measures	\$81,000
	<b>FFY 2023</b>			<b>\$14,498,341</b>
	<b>FFY 2024</b>			<b>\$26,049,370</b>
	<b>Total</b>			<b>\$40,547,711</b>

# IV. Financial Management

## 4.1. Financial Status of the New York State Safeguarding Tomorrow Revolving Loan Fund

As identified above, the entirety of the capitalization grant, less any administrative costs, will be available to HM RLF applicants. The attached Proposed Project List (PPL) includes all projects determined by DHSES to be potential recipients of HM RLF funding.

### 4.1.1. Financial Status of the Entity Loan Fund

NY State law (Chapter 55 of the Laws of 2023) established the HM RLF in State Fiscal Year 2023-24.

The FFY 2023 capitalization grant was awarded to NYS in April 2024. The HM RLF currently includes the \$6.2 million in FFY 2023 Safeguarding Tomorrow capitalization grant, in addition to the required 10 percent State match, for a total of \$6.8 million. DHSES is currently working with interested and eligible communities to provide technical assistance in competing and submitting loan applications for projects reachable on the FFY 2023 Project Proposal List. Loan funds will be disbursed to support eligible hazard mitigation activities pending review of loan applications.

#### 4.1.1.1. For the Previous Fiscal Year

The FFY 2023 (Year 1) Safeguarding Tomorrow capitalization grant was awarded to NYS by FEMA in April 2024; therefore, HM RLF Year 1 funds have yet to be issued.

The loan fund does not include any bonds or investment earnings. As of April 2024, the HM RLF includes the FFY 2023 \$6.2 million Safeguarding Tomorrow capitalization grant, in addition to the required 10 percent State match, for a total of \$6.8 million. New York State maintains a separate account for the HM RLF, which prevents commingling of the capitalization grant with other funds. DHSES Recovery Finance staff tracks all sources of funding in the HM RLF, including capitalization grant funding, State match funds and repaid loan principal and interest.

DHSES anticipates fully disbursing the \$6.8 million from the HM RLF, less any administrative costs, to loan applicants. The remaining capitalization grant and the entirety of the required non-federal match will be available to applicants.

#### 4.1.1.2. For the Current Fiscal Year

New York State established a \$15 million appropriation in State Fiscal Year 2023-24 to support the inaugural year of the HM RLF. Of this, \$6.8 million was dedicated to eligible hazard mitigation projects proposed in FFY 2023, with \$8.2 million remaining. It is anticipated that the New York State appropriation for the HM RLF will be increased to up to \$52.2 million to support additional hazard mitigation projects in State Fiscal Year 2024-25, pending adoption of the New York State Budget. The FFY 2024 fund will consist of the capitalization grant and the required 10 percent State match for FFY 2024. The loan fund does not include any bonds or investment earnings. DHSES Recovery Finance

staff will continue to track all sources of funding in the HM RLF, including capitalization grant funding, State match funds and repaid loan principal and interest.

DHSES anticipates fully disbursing the capitalization grant, less any administrative costs, to loan applicants. The remaining capitalization grant and the entirety of the required non-federal match will be available to applicants.

## 4.2. Financial Terms of Loans

### 4.2.1. Standard Loans

Standard loans will be issued with an interest rate of 1 percent charged to the applicant. Each loan term will be for a maximum of up to 20 years following the completion of the funded project.

### 4.2.2. Loans for Low-Income Geographic Areas or Underserved Communities

Loans for low-income geographic areas or underserved communities will be issued with an interest rate of 1 percent. Each loan term will be for a maximum of up to 30 years or less following the completion of the funded project.

## 4.3. Loan Disbursements

DHSES anticipates fully disbursing the \$6.8 million, less any administrative costs, to applicants based on the FY 2023 capitalization grant award. DHSES will also apply for up to \$52.2 million in FFY 2024, based on local interest in response to the FY 2024 Public Notice. DHSES will target 100 percent loan fund utilization.

# V. Entity Program Management

## 5.1. Technical Assistance

In accordance with the guidelines set forth by FEMA, DHSES may use the greater of either \$100,000, 2 percent of the capitalization grants made in that fiscal year, or 1 percent of the value of the entity loan fund for DHSES's annual administrative costs to manage the loan fund.

These funds may also be used to offset DHSES's administrative costs to provide technical assistance to applicants and recipients of the NYS HM RLF.

## 5.2. Local Capacity Development

State staff positions and contractors may be funded to provide entities with the tools and financial assistance they need to obtain and maintain the technical, financial, and managerial capacity.

## 5.3. Environment and Historic Preservation Compliance

All project applications with potential Environmental Planning and Historic Preservation (EHP) impact will be provided to FEMA to screen for EHP compliance.

## 5.4. Public Meetings and Comment Activities

DHSES released the Public Notice for the second annual solicitation of the HM RLF on March 6, 2024. DHSES requested information with the intent of applying for the FFY 2024 capitalization grant under the Federal Emergency Management Agency (FEMA) Safeguarding Tomorrow Revolving Loan Fund (STORM RLF). Community proposals have been incorporated into the FFY 2024 Project Proposal List and build upon community feedback received in response to the Public Notice for the 2023 solicitation of the HM RLF. DHSES will continue to engage interested and eligible communities on local hazard mitigation projects through continued outreach and requests for community input throughout the life of the HM RLF.

# VI. Audits and Reporting

## 6.1. Compliance with Federal Reporting Requirements

DHSES commits to entering project and benefits data into the FEMA Non-Disaster Grants system (ND Grants) and financial data in Payment and Reporting System (PARS) to support the evaluation of the New York State Hazard Mitigation Revolving Loan Fund (HM RLF) program.

DHSES will enter project benefits data into ND Grants by the end of the quarter in which the capitalization grant is received. After the period of performance, DHSES will enter required project benefits data into FEMA's ND Grants by the end of the Federal fiscal year for this IUP.

## 6.2. Publication of Information

DHSES will utilize the existing DHSES website to publish transparent, relevant, and accurate information pertaining to the HM RLF program. The [HM RLF webpage](#) will maintain all relevant information and will be updated as needed. Information for each project that was awarded HM RLF, such as:

- Project Name
- Location of the Project
- Type and amount of assistance provided from the revolving loan fund
- Expected funding schedule
- Anticipated date of completion of the project

## 6.3. Loan Recipient Auditing and Reporting

In accounting for the receipt and expenditure of funds under the loan program, the loan recipient shall follow Generally Accepted Accounting Principles ("GAAP"). As defined by 2 C.F.R. § 200.49, GAAP has the meaning specified in accounting standards issued by the Government Accounting Standards Board (GASB) and the Financial Accounting Standards Board (FASB).

When conducting an audit of a loan recipient's performance under this loan program, the parties may use, but are not limited to the use of, Generally Accepted Government Auditing Standards ("GAGAS"). As defined by 2 C.F.R. § 200.50, GAGAS, also known as the "Yellow Book," means generally accepted government auditing standards issued by the Comptroller General of the United States, which are applicable to financial audits.

# Appendix A

## A.1. Loan Application Process

Please see *Section 3.1.2. Loan Application Process for Financial Assistance From the Entity Loan Fund.*

## A.2. Financial Planning Methodology

Several factors will be considered when determining loan amounts, including the size and frequency of the federal award(s), number of applicants, and projected repayments. This assumes DHSES will award and distribute up to \$6.8M to applicants for FFY 2023 and up to \$52.2 million in FFY 2024. This methodology also assumes the distribution of both standard and disadvantaged loans with repayment periods of up to 20 and 30 years, respectively, and 1 percent interest for all loans.

# Appendix B

## B.1. Loan Distribution Methodology

### **Application Review**

- All applications will be reviewed to ensure they are completed correctly.
- Any applications that are deemed incomplete or incorrect will be flagged and the applicant will be notified and offered technical assistance.
- If an application is identified for approval, it will advance to the Loan Initiation stage and the applicant will be notified.
- If an application is denied, the applicant will be notified.

### **Loan Initiation**

- Formal loan documents will be drafted and provided to the applicant for completion. Loan terms will vary based upon project and application type (i.e., standard or disadvantaged)

### **Loan Administration**

- Loan funds will be disbursed to the borrower from the Hazard Mitigation Revolving Loan Fund account.
- Ongoing oversight will be provided to ensure that loan funds are used appropriately.
- Loan status will be continually tracked, including loan repayment status and current balances. Regular statements will be made available to borrowers.

# Appendix C

## C.1. Project Proposal List Prioritization Methodology

DHSES will confirm that each loan applicant has a non-expired Hazard Mitigation Plan (HMP) and is an eligible activity allowed under FEMA Hazard Mitigation guidance. If the loan applicant is deemed eligible, the project will be scored.

<b>Category</b>	<b>Description and Methodology Reasoning</b>	<b>Highest Score</b>	<b>Lowest Score</b>
Disadvantaged Determination	Provide (or plan to provide) direct risk reduction to disadvantaged/vulnerable communities and populations.	35	0
Climate Change	Address climate change adaptation and resiliency with consideration of future impacts and risks associated with climate change.	25	0
Risk	Protect, mitigate, or assess risk to critical infrastructure.	10	0
Risk	Protect, mitigate, or assess risk to utilities.	10	0
Risk	Protect, mitigate, or assess risk to repetitive loss structure (RL).	10	0
Risk	Mitigate (or plan to mitigate) an imminently dangerous problem that would pose a significant risk to public health and safety if left unresolved.	10	0
Maximum Score		100	0

# Appendix D

## D.1. Additional Information Under-resourced Communities

DHSES will support underserved<sup>1</sup>/under-resourced/low-income<sup>2</sup> communities through technical assistance on loan applications. In addition, the scoring criteria for loan applications strongly weighs loan applications from vulnerable communities.

---

<sup>1</sup> Executive Order 13985, Advancing Racial Equity and Support for Underserved Communities Through the Federal Government, defines “underserved communities” as “populations sharing a particular characteristic, as well as geographic communities, that have been systematically denied a full opportunity to participate in aspects of economic, social, and civic life..” and includes communities such as Black, Latino, and Indigenous and Native American persons, Asian Americans and Pacific Islanders and other persons of color; members of religious minorities; lesbian, gay, bisexual, transgender, and queer (LGBTQ+) persons; persons with disabilities; persons who live in rural areas; and persons otherwise adversely affected by persistent poverty or inequality.

As used in this document, underserved communities also include “communities environmentally overburdened,” which are communities adversely and disproportionately affected by environmental and human health harms or risks, and “disadvantaged communities,” as referenced in Executive Order 14008, Tackling the Climate Crisis at Home and Abroad, and defined in Office of Management and Budget’s Memo M-21-28: Interim Implementation Guidance for the Justice40 Initiative.

<sup>2</sup> Pursuant to 42 United States Code Section 5165(m)(6), a “low-income geographic area” is an area, pursuant to 42 United States Code Section 3161(a)(1), that meets one of the two following criteria: (1) “the area has a per capita income of 80% or less of the national average,” or (2) “the area has an unemployment rate that is, for the most recent 24-month period for which data are available, at least 1% greater than the national average unemployment rate.”