



NEVADA OFFICE OF EMERGENCY MANAGEMENT | HOMELAND SECURITY

HELPING PEOPLE BEFORE, DURING, AND AFTER EMERGENCIES



Safeguarding Tomorrow

Revolving Loan Fund

Intended Use Plan

Fiscal Year 2027

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I. Introduction

1.1. Status of the Safeguarding Tomorrow through Ongoing Risk Mitigation Revolving Loan Fund (Safeguarding Tomorrow RLF)

Congress passed the federal Safeguarding Tomorrow through Ongoing Risk Mitigation (STORM) Act in 2020 which is codified in 42 United States Code (U.S.C), Section (§)5135. This law is the basis of the Federal Emergency Management Agency (FEMA)'s program known as Safeguarding Tomorrow (ST) which authorizes FEMA to award grants to states. With those grants, states may then issue loans with low interest rates for eligible mitigation projects that reduce risks of disasters for homeowners, businesses, nonprofits and communities to decrease loss of life and property, the cost of insurance and federal disaster payments.

Based on the STORM Act, Nevada passed legislation (SB39) on May 28, 2025, and signed into law June 05, 2025. This bill shall be administered by the Office of Emergency Management.

II. Uses of the Nevada Safeguarding Tomorrow through On-going Risk Mitigation Revolving Loan Fund (Storm RLF)

2.1. Program Objectives

The objective of Nevada Storm RLF program is to utilize revolving loan funds to provide loans to local governments so they may plan, coordinate and complete hazard mitigation projects and activities that will reduce risks from natural hazards for homeowners, businesses, nonprofit organizations, and communities in order to decrease the loss of life and property; the cost of insurance; and federal disaster payments.

2.2. Program Goals

2.2.1. Connection to Other Plans and Goals

The **Revolving Loan Fund (RLF)** aligns with existing state planning frameworks, specifically the State of Nevada Hazard Mitigation Plan (HMP). The HMP establishes a strategic foundation for identifying current and future natural hazard risks, facilitating focused risk analysis, and prioritizing mitigation efforts. These initiatives aim to enhance resilience by minimizing life and property loss, protecting public and private assets, and reducing the long-term economic costs associated with disaster response and recovery.

2.2.2. Mitigation and Resiliency Goals

In accordance with 42 U.S.C. §5135(g)(2)(B), the RLF program intends to achieve mitigation and resiliency benefits in a number of ways. The RLF program will support local governments to implement hazard mitigation measures that will result in reducing future damage and loss associated with hazards, reducing the number of severe repetitive loss structures and repetitive loss structures, decreasing the number of insurance claims in Nevada from injuries resulting from major disasters or other natural hazards.

2.2.3. Short-Term Entity Safeguarding Tomorrow RLF Goals

It is important for this RLF program to set goals for direction and against which performance may be measured. During the initial years of the RLF program, in addition to creating the program, the Office of Emergency Management has established a number of short-term goals.

2.2.3.1. DEVELOP AND MAINTAIN STRONG RELATIONSHIPS WITH STAKHOLDERS IN EACH COUNTY

To ensure the successful implementation of the RLF program, OEM must prioritize building strategic partnerships with county-level stakeholders. Establishing long-term rapport and trust is essential to accurately identifying local needs and fostering meaningful participation.

OEM has strategically expanded its distribution list beyond traditional emergency management to include multidisciplinary stakeholders. This outreach now encompasses representatives from public works, transportation, environmental, and sustainability sectors, as well as planning, resilience, and floodplain managers—the key personnel responsible for the direct execution of hazard mitigation projects.

2.2.4. Long-Term Entity Safeguarding Tomorrow RLF Goals

It is important for this RLF program to set goals to provide direction and metrics for performance. During the initial year of the RLF program, in compliance with 42 U.S.C. §5135(g)(2)(G), Nevada has established the long-term goals that follow.

2.2.4.1. MAINTAIN A PERPETUAL SOURCE OF FUNDS

In order to maintain a perpetual source of funds for future eligible uses, Nevada Office of Emergency Management (OEM) is managing the RLF, underwriting and selecting projects that provide the greatest success for the loans being repaid and the least chance of default. The RLF program requires reporting on the status of projects so that the program can guard against defaults. Additionally, the RLF loan terms require that repayments begin a year after the loan is funded.

2.2.4.2. TRANSPARENCY IN PRIORITIZATION

Nevada OEM will maintain the IUP on the RLF webpage. The IUP provides the goals and prioritization for the projects considered for loans. The information allows prospective borrowers to understand the criteria for projects that will be considered in the future.

2.2.4.3. BUILD AND SUSTAIN LOCAL CAPACITY

Building on the relationships that are established and enhanced with local government representatives and stakeholders, the RLF program will work to enhance and sustain the capacity in local governments to apply for and implement hazard mitigation measures.

2.2.4.4. BUILD ON RELATIONSHIPS TO CREATE A PIPELINE OF ELIGIBLE PROJECTS

The first five years of the RLF will be the basis of case studies for jurisdictions that are waiting to see what happens with the program. As local governments learn more, they should gain knowledge about the RLF and be encouraged to participate in the program, thus increasing the pipeline of eligible projects.

2.2.5. Increase Resilience and Reduce Risk

GENERALLY, AND SPECIFICALLY DURING THIS FUNDING CYCLE, PROJECTS IN THE PROJECT PROPOSAL LIST (PPL) WILL INCREASE RESILIENCE AND REDUCE THE RISK OF HARM TO NATURAL AND BUILT INFRASTRUCTURE PURSUANT TO 42 U.S.C. § 5135(D)(3)(A). ALL OF THE CURRENT PROJECTS AIM TO MITIGATE HARM TO THE NATURAL AND BUILT ENVIRONMENT SIMILAR TO WHAT HAS BEEN EXPERIENCED

HAZARD MITIGATION

Primarily, RLF funds are used for increasing resilience and mitigating the effects of disasters, including (but not limited to):

- Floods
- Snowstorms
- Tornadoes
- Extreme heat
- Severe storms & storm surges
- High water levels and/or shoreline erosion
- Drought
- Wildfires
- Earthquakes

However, they may also be used to finance:

- Low-impact development

- Wildland-urban interface management
- Conservation areas
- Reconnection of floodplain & open space projects
- Building code adoption
- Zoning & land use planning
- **Satisfying a local government's non-federal cost share requirement for hazard mitigation grants** (e.g., Hazard Mitigation Grant Program [HMGP], Flood Mitigation Assistance [FMA], or Building Resilient Infrastructure and Communities [BRIC] programs)

2.2.5.1. ZONING AND LAND USE PLANNING

Nevada is promoting zoning and land-use planning projects pursuant to 42 U.S.C. § 5135(f)(4) to include:

- Development and improvement of zoning and land-use codes to incentivize and encourage low-impact development, resilient wildland–urban interface land management and development, natural infrastructure, green stormwater management, conservation areas adjacent to floodplains, implementation of watershed or greenway master plans, and reconnection of floodplains.
- Study and creation of land-use incentives that reward developers for greater reliance on low-impact development stormwater best management practices, thereby exchanging density increases for increased open space and improvement of neighborhood catch basins to mitigate urban flooding, reward developers for including and augmenting natural infrastructure adjacent to and around building projects without reliance on increased sprawl, and reward developers for addressing wildfire ignition; and,

2.2.5.2. BUILDING CODE ADOPTION AND ENFORCEMENT

OEM will administer the RLF to include building code adoption and enforcement projects pursuant to 42 U.S.C. § 5135(f)(5).

2.2.5.3. COST SHARE

Nevada's Storm RLF may provide a loan to a local government for its nonfederal cost share requirement of a grant under one of FEMA's Hazard Mitigation Assistance (HMA) grant programs if the use follows all relevant program and legal requirements. An applicant should list any potential projects, where a loan may be used for this purpose, in the Project Proposal List submitted with its application. Federal funds that are used to meet the nonfederal cost-share requirement must meet the purpose and eligibility requirements of both the relevant HMA grant program and the Safeguarding Tomorrow RLF program. Local governments interested in using loan funding as matching funds for a HMA grant should work with the Nevada Office of Emergency Management to understand funding priorities, ensure the project is captured in the OEM's Intended Use Plan and

Project Proposal List, and to position loan funding with project and grant timelines. There is no limit to the percentage of grant funds that can be used for this purpose by loan recipients.

III. Criteria and Method for Distribution of Funds

3.1. Loan Management Information

The RLF stands ready to provide financial assistance in the form of loans to local governments in accordance with U.S.C §5135(g)(2)(C). The RLF program has a team in place to provide the services required.

3.2. Criteria and Method for Loan Distribution

Once notice of a capitalization grant being awarded to Nevada is received, the RLF program will contribute the 10% cost match to the RLF. Thereafter, OEM hopes to receive the checklist for the Environmental and Historic Preservation (EHP) Review. After the RLF program obtains the checklist and the responses thereto for prioritized projects, those items will be sent to FEMA during the initial funding cycle for FEMA to conduct the EHP review.

After that is complete, the RLF program will go through the settlement process to fund loans.

Projects within **economically disadvantaged areas** are prioritized through weighted scoring in the ranking criteria. For the initial NOFO cycle, the RLF offers a **1% interest rate**. Furthermore, per 42 U.S.C. §5135, these projects qualify for an **extended 30-year amortization period**, compared to the standard 20-year maximum.

3.2.1. Nevada's Project Proposal List

Along with this Intended Use Plan (IUP), OEM will provide a Project Proposal List (PPL) that includes local governments' hazard mitigation projects submitted for a loan per 42 U.S.C. §5135(b)(1)(A). The PPL prioritizes how OEM will use the capitalization grant funds.

3.2.1.1. PRIORITIZATION METHODOLOGY

In order to prioritize the projects submitted for loans, Office of Emergency Management developed a rating system of requirements and priorities in order to evaluate and rank projects.

Note: A complete ranking system for prioritization is in Appendix C.

3.2.1.2. TIE-BREAKING PROCEDURE

In the event that FEMA does not provide all of the funding requested by the State of Nevada and OEM must decide which projects receive a loan with two projects tied, OEM will award funding to a project in a jurisdiction that faces the greatest burden of social vulnerabilities.

IV. Financial Management

4.1. Financial Status of the Nevada Safeguarding Tomorrow RLF

- **FEMA Reporting:** OEM Budget manager will provide regular financial reports to FEMA to monitor fund status and project progress as required.
- **Dedicated Entity Loan Fund:** All payments of principal and interest must be deposited into a dedicated **OEM Loan Fund** established specifically for the Safeguarding Tomorrow RLF program.
- **IUP Updates:** The fund's financial status will be reflected in the annually updated Intended Use Plan, which advises stakeholders on the fund's health and expected terms of future assistance
- **Administrative Fee's:** The Office of Emergency Management (OEM) will calculate annual administrative fees based on the **maximum value** among three benchmarks: \$100K, 1% of fund value, or 2% of the annual award. These fees are to be held in a **restricted, non-interest-bearing sub-account** to ensure compliance with federal and state regulations regarding fee retention.

4.2. Financial Terms of Loans

Financial terms of loans have limits set by statute. The requirements are as follows:

- Interest rates cannot exceed 1% but can be lower.
- Annual principal and interest payments from the borrower must start no later than one year after the project is completed. The entity has the option to begin payments earlier.
- Standard loans must be repaid within 20 years of project completion. Loans to low-income geographic areas must be repaid within 30 years of project completion. This is the longest period allowed for repayment; entities can choose to have borrowers fully repay the loans earlier than this timeframe.
- All loans should be repaid before the project's design life ends.
- Borrowers must identify a specific revenue source to repay the loan.

- Borrowers must have a FEMA approved Hazard Mitigation Plan.
- All payments made by borrowers for both principal and interest must be deposited into the entity loan fund.

Entities should also describe if they intend to collect fees, how they will be collected, where they will be deposited, and its intended use.

4.2.1. Standard Loans

Provide information on standard loan terms using the loan term limits in 4.2 and the following prompts:

- 20 year Amortized Fixed Rate
- Interest Rate to be 1%
- Local governments will be required to provide a resolution passed by their legislative body demonstrating the dedicated source of revenue that will be used to pay back the loan.

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

During the first five years of the loan fund activity, and in order to secure the integrity and long-time durability of the RLF, for standard loans, the RLF program will assess the full 1% interest rate.

Local governments will be required to enter into a loan agreement and to pay all closing costs of a loan on each project. Annual principal and interest payments will commence one year after the loan is funded.

Local governments will be required to provide a resolution passed by their legislative body demonstrating the dedicated source of revenue that will be used to pay back the loan.

Standard loans must be repaid within 20 years of project completion. Loans to Economically challenged geographic areas must be repaid within 30 years of project completion.

Loans to local governments will be underwritten to secure the integrity of the RLF and determine their ability to repay the loan. Before awarding a loan Nevada OEM must make sure the local government receiving the loan has a reliable way to repay the loan. Nevada OEM work with local governments to identify different repayment sources. Since mitigation projects typically don't generate revenue, the repayment source does not have to be directly related to the project. The local government just needs to show they have some funding mechanism to repay the loan. Potential loan repayment sources could include but are not limited to:

- Property taxes
- Sales and use taxes (e.g., corporate income taxes, hotel taxes, business license taxes, capital project sales tax, valorem tax, etc.)
- Fees and permits (e.g., hospitality, water, sewerage, and parking meter fees)
- Other state or federal grant programs where such a use would be eligible

4.3. Loan Disbursements

For the initial year of funding, and pursuant to 42 U.S.C. § 5135(g)(2)(E) OEM intends to disburse every dollar that FEMA provides through grant dollars as well as a cost match.

OEM fund utilization goal is to disburse 100% of the funds allocated to the RLF.

In compliance with 42 U.S.C. Section 5135(f)(1)(A)(iii), OEM is requiring local governments to provide a resolution passed by their legislative body to demonstrate the dedicated source of loan repayment.

V. Entity Program Management

5.1. Technical Assistance

OEM hired staff to carry out the programmatic and financial aspects of the RLF program. To date, this team has planned the program roll-out, created the required documentation, including the application with an accompanying guide and developed processes. Now the program is in the administrative stage. Staff created a webpage and updates to provide information and traveled and talked with a number of local jurisdictions to inform about the new program. The cost of the administrative assistance is expected to be the full amount allotted pursuant to 42 U.S.C §5135(f)(1)(C).

Additionally, OEM reserves the right to utilizing third party engineering assistance to determine if projects are designed, constructed, and maintained in accordance with sound engineering practices and standards.

The RLF program team advanced the loan application process, collecting and analyzing data, conducting local risk assessments, performing environmental and historic preservation reviews, and preparing information for reporting and closeout. Additionally, OEM will create manuals and guides to support these training sessions. The cost of the technical assistance is expected to be the full amount allotted pursuant to 42 U.S.C. §5135(f)(6).

5.2. Local Capacity Development

OEM has a webpage where local government representatives and the public can find information, day or night, about the RLF program, contacts, public notices and other resources.

5.3. Environmental and Historic Preservation Compliance

OEM will ensure all funded projects comply with **Environmental Planning and Historic Preservation (EHP)** requirements. This includes:

- Using FEMA-provided checklists to monitor compliance.
- Reviewing and approving ground-disturbing activities to prevent archaeological damage.

As outlined in **Article XXIV**, all construction projects must comply with NEPA and other applicable laws.

5.4. Public Meetings and Comment Activities

OEM released the Public Notice for the first annual solicitation of the NV Storm Act RLF on October 1, 2026. OEM requested information with the intent of applying for the FFY 2027 capitalization grant under the Federal Emergency Management Agency (FEMA) Safeguarding Tomorrow Revolving Loan Fund (STORM RLF). Community proposals have been incorporated into the FFY 2027 Project Proposal List and build upon community feedback received in response to the Public Notice for the 2026 solicitation of the NV Storm Act RLF. OEM 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 NV Storm Act RLF.

VI. Audits and Reporting

6.1 Compliance with Federal Reporting Requirements

To ensure clarity, all program materials are posted on our website (<https://oem.nv.gov/>)

We commit 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 OEM Safeguarding Tomorrow RLF program. Among other requirements, FEMA will use the data from the audits and reporting to assess how the loan funds:

- Efficiently administer the fund.
- Provide project benefits to local communities.
- Promote equity.

6.2 Publication of Information

OEM will utilize the existing DHSES website to publish transparent, relevant, and accurate information pertaining to the HM RLF program. The Storm Act webpage <https://www.oem.nv.gov/storm-act/> 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.

Proposed Projects List (PPL) Pending

6.3 Loan Recipient Auditing and Reporting

Nevada will submit the following reports to FEMA:

- **Quarterly Progress Reports (QPRs)** detailing executed loans, disbursements, and program equity goals.
- **Biennial Audits** to evaluate financial performance and compliance.
- **Post-Closeout Reports** to analyze project effectiveness, financial performance, and equity goals.

Appendix A

A.1. Loan Application Process

Step 1: Project Proposal Submission

- Local communities must first submit hazard mitigation project proposals to their state or tribal agency.

Step 2: State/Tribal Review

- OEM reviews local proposals and compiles a **Project Proposal List**.

Step 3: Federal Capitalization Grant

- The state or tribe applies to FEMA for a capitalization grant.
- Once FEMA awards the grant and the entity establishes its revolving fund, the OEM can begin issuing loans.

Step 4: Formal Loan Application

- Once the state/tribal fund is active, local governments submit formal loan applications directly to their state's emergency management office.
- Applicants must have a **FEMA-approved Hazard Mitigation Plan** to be eligible for a loan.

Appendix B

B.1. Loan Distribution Methodology

Distributed in accordance with the individualized funding needs established during the review process.

Appendix C

C.1. Project Proposal List Prioritization Methodology

This Priority System sets forth the prioritization methodology utilized to rank Projects, which, pursuant to the Act, was developed by Nevada Office of Emergency Management. It's the responsibility for determining assistance priorities and conducting oversight activities is the responsibility of NV OEM. The Project prioritization methodology is the mechanism by which limited funds are distributed among eligible Projects. NV OEM shall rank all Projects based on the total number of rating points that each Project receives and place the Projects on the Priority List according to their ranking.

Criteria	Potential Total Points
Project complements or is an addition to an existing FEMA funded project and Project Sponsor will utilize NV Storm RLF supplemental financing to alleviate a gap in funding.	30
Project is located in an area designated as a Disadvantaged Community as defined by the Centers for Disease Control and Prevention (CDC) Social Vulnerability Index (SVI). Note: Areas with CDC SVI greater than or equal to 0.60, as well as geographic areas within Tribal jurisdictions are considered disadvantaged.	25
Project is located in a low-income geographic area as defined in 42 U.S.C. 5135 § (m)(6)	25
Risk Reduction/Resilience Effectiveness – the project will reduce risk and increase resilience. 1. Creates a safer community by reducing loss of life and property 2. Enables individuals to recover more rapidly from floods and other disasters 3. Lessens the financial impact on the Treasury, States, Tribes, and communities.	20

Repetitive loss – project will mitigate repetitive losses related to two (2) or more documented insurance and/or FEMA claims	20
Repetitive loss – project will mitigate repetitive losses related to one (1) documented insurance and/or FEMA claim	10
Project aligns with the statutory objectives of the State's current Hazard Mitigation Plan.	10
Designation as an Economically Disadvantaged Rural Community (as defined in 42 U.S.C. § 5133(a) as a small, impoverished community), or a federally recognized Tribal government, or any community with a CDC SVI of 0.80 or higher.	5
Project addresses multiple hazards or related to a larger and/or externally funded Hazard Mitigation project.	5
Project applications that meet the NJ CHAMP's Construction Readiness Criteria receive twenty-five (25) additional rating points in addition to their Base Rating. To receive these points, the Project must meet the following three milestones: 1.Receipt of preliminary credit approval 2. Forecasted award of a construction contract is within twenty-four (24) months of the first day of the first month in the quarter in which they would be allocated NV Storm RLF funds	25