



NJEIFP SAIL Loan Program

SAIL OVERVIEW:

- SAIL is a short-term **Disaster Relief Loan Program**
- Functions as an **advance** on FEMA payments
- Provides short-term **Bridge loans (up to 3 yrs)**
- SAIL uses SRF "Repayment" funds

NOTES



NJEIFP SAIL Loan Program

SUCCESS STATS TO-DATE

- **SAIL – after SANDY**
 - 16 months
 - **Legislation / Appropriations / Resol'ns**
 - **critical Program P&Ps**
-
- To date:
 - **\$194 M loans (13 projects)**
 - **\$185 M more -> June 2017**
 - **\$321 M more -> June 2017**
 - \$700 M Total**

NOTES



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3 MAIN DRIP CONSIDERATIONS

- 1. Cooperation – Advance agreements with FEMA**
- 2. Compliance –w/ Fed'l Grant Programs and SRF (mitigate risk of rejection, de-ob or claw back)**
- 3. Cash Flow (credit) - Ensure that Borrowers repay (Big FEMA \$\$ = majority of cash flow)**

NOTES



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SETTING UP A SUCCESSFUL DRIP

Remember the medical association = A.M.A.

- You need the **AUTHORITY** to address a disaster
- You need the **MONEY** to address a disaster
- You need the **ABILITY** to address a disaster

NOTES



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AUTHORITY = Statutes / Resolutions

- **Legislation – modify Enabling Act:**
 - Provide multi-yr S-T funds
 - Define Disasters / projects / Borrowers
- **Simplify Program**
 - ST Loan advances construction
 - FEMA reimburses cost
 - LT Loan terms out balance

NOTES



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MONEY = Funding for DRIP

- **Need CASH (or access to leveraged funds)**
- **Dedicate SRF Repayments funds up-front**
- **Create MOA w/ Borrowers - Sets responsibilities**
 - (SRF as agent, SRF submits RFRs; has access to PWs + EMGrants info)
- **Compliance - RFR funds directly to towns - OUCH**

NOTES



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ABILITY = OPERATIONS /LOGISTICS

- **Education of SRF - Know Stafford Act cold**
 - Mitigate rejections / De-obligation
- **Education of Borrower – Hold “Pre-Con” meeting to discuss schedule, requirements, etc.**
- **Resources – Contract out Engineering Services:**
 - Perform review work of SRF
 - SRF signs off on work prior to SRF Project cert

NOTES



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ABILITY (con't)

- **MOA – Borrowers pay 3rd party costs (e.g. Engineering Services),**
- **Technology - Aggregate, store and share data (e.g. H2LOans / ERMS)**
- **Data Mgmt - coordination w/ data aggregation...**
 - **Document EVERYTHING! - Electronic submits**
 - **ORGANIZE - Standardized Folder system**

NOTES



NJEIFP SAIL Loan Program

Project XYZ Required Documents Index

#	Description	#	Description	#	Description
1 Letter of Intent and Application					
1.1	Letter of Intent	3.7-A	Notifications	5.5	Finance Closeout
1.1-A	Planning Document	3.7-B	Statement of Ownership	5.6-A	GT Invoices
1.1-B	Miscellaneous Documents (Optional)	3.7-C	Low Bid Package	5.6-B	NJEIT Invoices
1.2	Application	3.7-D	Intent to Award	5.6-C	Payment Vouchers
2 FEMA Documentation					
2.1	Submitted Project Worksheet(s)	3.7-E	Bid Tabulation Sheet	5.6-D	Received Checks
2.2	Approved Project Worksheet(s)	3.7-F	Notice to Proceed	5.6-E	Checks Sent
2.3	Proof of Insurance	3.7-G	Other Contractor Procurement	5.7	FAF
2.4-A	MOU OEM - Subgrantee	3.7-H	Executed Contracts	6 Construction	
2.4-B	MOA Subgrantee - NJEIT	3.7-I	Authorizing Resolutions	6.1-A	Sign-In Sheet
2.5	Environmental Assessment	3.8-A	Engineering and Inspection Scope	6.1-B	Agenda
2.6	Record of Environmental Consideration	3.8-B	Authorizing Resolutions	6.2	SED Package
2.7-A	Versions	3.8-C	Procurement	6.3	Field Audits
2.7-B	Closeout Version	3.9-A	CBR & PBR Forms	6.4	Requisition(s)
3 Pre-Construction (Engineering)					
3.1-A	Plans	3.9-B	FFATA Forms	6.5	Disbursement Letters
3.1-B	Specifications	4 Legal		6.6	Change Orders
3.2-A	Grant Thornton Review Documents	4.1	Note	6.7	Field Photos
3.2-B	Recommendations	4.2	Municipal Actions and Approvals	7 Correspondences	
3.3	Permits	4.3	NJEIT Board Actions	7.1	NJEIT and Borrower
3.4	Environmental Decision Document	5 Finance		7.2	NJEIT and NIDEP
3.5-A	LFB Process	5.1-A	Creditworthiness	7.3	NJEIT and GT-Tetratech
3.5-B	Public Notice in Newspaper	5.1-B	Policy	7.4	NJEIT and NIOEM
3.5-C	Public Hearings	5.2-A	Project Account Funding	7.5	NJEIT and FEMA
3.6-A	Authorization to Advertise	5.2-B	Monthly Bank Statements	7.6	E-mail from FEMA
3.6-B	Authorization to Award	5.2-C	Disbursements	7.7	NJEIT Internal
3.6-C	Certificates	5.3-A	Draw Schedules	7.8	NJEIT and Integrity Monitor
		5.3-B	Exhibits	7.9	Borrower and GT-Tetratech
		5.4	FEMA Repayments		<i>Cell fields above are linked to Worksheet</i>



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RESULTS / LESSONS LEARNED

- **28/29 RFRs -> Avg. pymt period = 25 bus. days**
- **1st Loan => Will have issues. Make it small!**
 - **Faster construction / quicker adjustments**
- **FEMA – Challenges**
 1. **Reluctance to put determinations in writing**
 2. **Constant rotation of staff**
 3. **P.W. rewrites during construction??**
 4. **Reluctance for PW adjustments (versions)**
 5. **Close-out Process = slow**

NOTES



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When Fed'l and State Governments find a way to work consistently together

EVERYONE WINS

