



City of Homer

www.cityofhomer-ak.gov

Office of the City Manager

491 East Pioneer Avenue
Homer, Alaska 99603

citymanager@cityofhomer-ak.gov
(p) 907-235-8121 x2222
(f) 907-235-3148

Memorandum

TO: Mayor Lord and Homer City Council
FROM: Melissa Jacobsen, City Manager
DATE: March 19, 2025
SUBJECT: City Manager's Report for March 24, 2025 Council Meeting

City of Homer FY25 RAISE Grant Update

On March 11, 2025, the U.S. Department of Transportation (DOT) directed Federal Department of Transportation agencies to conduct a review of all competitive grant programs and awards, including a project-by-project review of competitive award selections made in FY 2022 – FY 2025 without grant agreements or partially obligated grant agreements. This impacts the City's FY25 RAISE grant award which has not been obligated.

Under the directive, agencies will identify programs with priorities counter to the Trump Administration's Executive Orders and likely deny awards to projects that are solely focused on any of the following elements: "equity activities, Diversity, Equity, and Inclusion (DEI) activities, climate change activities, environmental justice (EJ) activities, gender-specific activities, when the primary purpose is bicycle infrastructure (i.e., recreational trails and shared-use paths, etc.), electric vehicles (EV), and EV charging infrastructure." View [the DOT Guidance here](#).

Projects with elements of these activities in the scope will be flagged for potential removal, including:

- project activities such as equity analysis, green infrastructure, bicycle infrastructure, EV and/or EV charging infrastructure.

Based on their review, agencies must recommend to the Office of the Secretary which project selections should:

- continue in their current form with no change;
- be revised with a reduced or modified scope; or
- be canceled entirely.

The scope of the City's unobligated FY25 RAISE grant award primarily addresses planning and design for sidewalks to promote pedestrian safety on Homer's heavily-traveled streets currently lacking sidewalk facilities. However, it includes an equity analysis, mentions the potential for shared bicycle-pedestrian pathways and mentions the equity and climate benefits of not needing to be reliant on vehicles for safe travel.

Staff is consulting with HDR to more fully understand the Federal process; we are prepared to advocate for these important funds by emphasizing the benefits of the project, and stand ready to revise the project's scope should we get the opportunity.

HVFD Worksession

City Council held a worksession on March 17th at the request of the City Manager to address some matters that had been raised by the public, look at positive steps in process and looking ahead. Priorities of the Fire Chief that he hoped to share but ran out of time during comments include:

- Complete the independent assessment of the services provided
- Develop a 5-10 year strategic plan
- Develop a volunteer recruitment and retention plan
- Complete New Member Task Book (already in process)
- Take steps to replace aged and obsolete fleet, including a financial plan for the future
- Work with the City Manager on sustainable budgeting
- Station Replacement Plan (current budget request)
- Update Fire Department Disaster Preparedness and Response Plans

Staff is working to compile some historical information, including a structural analysis that was completed in 2014/15 for the building, and independent studies done on volunteerism. I will also prepare a memo with some next steps for the April 14th City Manager's report.

City Manager Meetings and Events:

- KBNERR Open House and Community Council Meeting
- Property Owner in Charles Way/Bunnell Ave Special Assessment District
- Presentation to Homer Rotary
- Homer Harbor Expansion event
- USCG Naushon Decommissioning Ceremony and meeting with Rear Admiral Dean
- Ongoing weekly meetings with Departments, Mayor and Councilmembers, and City Attorney

Attachments:

- DOT Guidance Memo
- KPEDD Industry Outlook Forum Invitation

Attention: Heads of Secretarial Offices and Operating Administrations (OA)

Overview: The Office of the Assistant Secretary for Transportation Policy (OST-P) is providing guidance on competitive award selections made after January 20, 2021, that do NOT have fully obligated grant agreements or cooperative agreements in place.

Projects with executed grant agreements in place that are fully obligated are not subject to the guidance below. For selections with partially obligated grant agreements, the same review should take place before awarding subsequent phases or adding additional funds to an existing grant agreement. Additional guidance will be provided regarding revisions to standard terms and conditions appearing in draft grant agreements or templates.

Summary: All competitive grant and cooperative agreement award selections must comply with current Administration priorities and Executive Orders (EO) that address energy, climate change, diversity and gender, and economic analysis, and other priorities. Applicable Executive Orders and Memoranda include:

- Executive Order 14148, [Initial Rescissions of Harmful Executive Orders and Actions](#);
- Executive Order 14154, [Unleashing American Energy](#)
- Executive Order 14151, [Ending Radical and Wasteful Government DEI Programs and Preferencing](#)
- Executive Order 14168, [Defending Women from Gender Ideology Extremism and Restoring Biological Truth to the Federal Government](#)
- Secretarial Order 2100.7, Ensuring Reliance Upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities
- Secretarial Memorandum on Implementation of Executive Orders Addressing Energy, Climate Change, Diversity, and Gender

This guidance provides direction for identifying award selections without fully obligated grant agreements that do not comply with these priorities.

ACTION: For projects announced from FY 2022 through FY 2025, review all award selections without grant agreements and partially obligated grant agreements. The focus of this review is to identify project scope and activities that are allocating funding to advance climate, equity, and other priorities counter to the Administration's Executive Orders.

Step 1: Program Identification. Identify Programs for which award selections may have included any of the following elements: equity activities, Diversity, Equity, and Inclusion (DEI) activities, climate change activities, environmental justice (EJ) activities, gender-

specific activities, when the primary purpose is bicycle infrastructure (i.e., recreational trails and shared-use paths, etc.), electric vehicles (EV), and EV charging infrastructure. Additionally, project-by-project review of selections to identify any project scope elements for potential removal are required for any Programs that meet the criteria below:

- Statutory language includes equity requirements, climate considerations, or bicycle infrastructure.
- NOFO mandatory evaluation criteria includes equity and/or climate requirements.
- Eligible activities included bicycle infrastructure, EV and/or EV charging infrastructure.

Programs that do not meet the criteria above should be shared with the OA Administrator or equivalent OST leadership for concurrence/confirmation. Following OA Administrator or equivalent OST leadership concurrence, the OST Office of Policy (OST-P) and Office of the General Counsel (OGC) will provide final confirmation on whether a program is required to conduct a project-by-project review. If OST-P and OGC confirm that a project-by-project review is not required, offices may proceed with negotiating and finalizing grant agreements. If OST-P and OGC confirm that project-by-project review is required, offices should proceed to Step 2. Please submit review requests to the OST Policy Board at OSTPolicyBoard@dot.gov.

Step 2: Project-by Project Review. Programs that require further review shall have Program Teams examine each individual project to identify those award selections that have project scopes that include any of the project elements listed in Step 1 (i.e. equity activities, DEI activities climate change activities, etc.). Those Teams should document their project-by-project examination and flag any project scope elements or activities for potential removal, including:

- Project activities such as equity analysis, green infrastructure, bicycle infrastructure, EV and/or EV charging infrastructure.
- Project purpose or primary project benefits include equity and/or climate such as- projects that purposefully improve the condition for EJ communities or actively reduce GHG emissions.

Note: If project scope elements are based in statute, program offices should consult with applicable legal counsel, and following legal concurrence, raise any proposed scope changes to OA leadership.

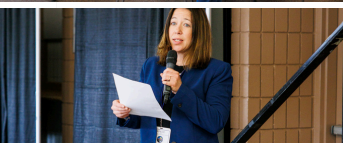
OA leadership shall review the findings from the Team review, and recommend to OST-P and OGC which project selections should:

- a. Continue in their current form with no change;
- b. Be revised with a reduced or modified scope; or
- c. Be canceled entirely.

Step 3: Project Scope Revision. Award selections identified in Step 2.b must update project scopes to eliminate flagged activities, and where possible replace identified elements with relevant elements that align with program statute, the scope of the application submission, and current Administration EOs.

Where the scope of the project includes elements noted above, Teams should negotiate with project sponsors to update project scopes to eliminate and, where possible, replace those identified elements with relevant elements that align with the program statute, the original scope of the application submission, and current Administration EOs.

- a. If the project sponsor agrees to proceed with scope changes, proceed to grant agreement formulation and execution. The project sponsor may propose alternative project elements to substitute for the redline elements that should be removed as long as they 1) align with the program statute, 2) are consistent with the purposes of the original scope of the application submission, and 3) align with current Administration EOs.
- b. If the project sponsor does not agree to remove project elements noted in Step 2 and replace with acceptable alternative scope, then the Team should proceed with a reduced award that removes the flagged scope and activities.



YOU'RE INVITED!



Please join us on
Thursday, April 24th
for our Annual
Industry Overview Forum!

If you are unable to make it in person,
please continue to register to be sent
a link to the live YouTube.



THE KENAI PENINSULA ECONOMIC
DEVELOPMENT DISTRICT

2025 IOF

INDUSTRY OVERVIEW FORUM

Location:
Kenai Chamber of Commerce

24 APRIL

THURSDAY

9:00 AM CHECK IN & REGISTRATION

9:30 AM START

4:00 PM END



SCAN TO REGISTER FOR
IN-PERSON OR VIRTUALLY
BY APRIL 18th

INDUSTRY TOPICS & HIGHLIGHTS:



COOK INLET
ENERGY
RESOURCES AND
DEVELOPMENT



WORKFORCE
DEVELOPMENT
STRATEGIES AND
RESOURCES



KENAI PENINSULA
ECONOMIC
PROSPECTUS
REPORT



KENAI
PENINSULA
BOROUGH
UPDATE



LOCAL AND
REGIONAL
HEALTH CARE
SERVICES AND
UPDATES



KENAI PENINSULA
COMPREHENSIVE
ECONOMIC
DEVELOPMENT
STRATEGY KICKOFF