

City Manager/  
Public Works Director

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT REQUIRED BY THE STATE OF ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION UNDER ITS CLEAN WATER REVOLVING LOAN PROGRAM IN CONNECTION WITH A FULLY FORGIVEN LOAN IN AN AMOUNT NOT TO EXCEED \$324,000 TO ASSIST IN FINANCING THE OHLSON LANE AND BUNNELL AVENUE STORM DRAIN UPGRADE PROJECT.

WHEREAS, the City of Homer, Alaska ("City") is a first class city organized and existing under the Constitution and laws of the State of Alaska and may exercise all legislative power not prohibited by law and the City has determined that matters set forth in this resolution are not prohibited by law; and

WHEREAS, pursuant to Resolution No. 23-068, adopted by the City Council on July 24, 2023, the City Manager was authorized to apply for a loan from the State of Alaska, Department of Environmental Conservation (“ADEC”), from amounts held in its Clean Water Revolving Loan Program, to assist in financing the design and construction of certain storm drain upgrades in connection with the Ohlson Lane/Bunnell Avenue Restoration project (“Project”); and

WHEREAS, by letter dated June 16, 2025, ADEC has conditionally approved the City's application for an amount not to exceed Three Hundred Twenty-Four Thousand and No/100 Dollars (\$324,000.00), subject to terms and conditions set forth in a loan agreement ("Loan Agreement") attached hereto; and

WHEREAS, ADEC has represented to City staff that the ADEC Project loan is subject to one hundred percent (100%) loan forgiveness, with such term being set forth in the Loan Agreement; and

WHEREAS, it is in the best interest of the City to authorize the execution and delivery of the Loan Agreement by the City to secure the ADEC funding to assist in funding costs of the Project;

NOW THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE CITY OF HOMER, ALASKA:

**Section 1.** The Council hereby authorizes the City to borrow funds from the Alaska Department of Environmental Conservation (“ADEC”), in an amount not to exceed Three Hundred Twenty-Four Thousand and No/100 Dollars (\$324,000.00), subject to repayment of

such funds being fully forgiven by an ADEC subsidy. Such funds are being secured by the City to pay costs of the Project (as defined above).

**Section 2.** The Council hereby approves, and authorizes the **negotiation,** execution and delivery by the City Manager of the Loan Agreement ("Loan Agreement") by and between the City and ADEC, in substantially the draft form presented to Council at this meeting, **with such changes deemed by the City Manager to be appropriate and in the best interest of the City.** The City Manager is further authorized to delegate responsibility to appropriate City of Homer staff to carry out technical, financial, and administrative activities in connection with the Loan Agreement.

**Section 3.** That this Resolution shall take effect immediately upon passage.

PASSED AND ADOPTED by the Homer City Council on this 28th of July, 2025.

CITY OF HOMER

  
RACHEL LORD, MAYOR

ATTEST:

  
RENEE KRAUSE, MMC, CITY CLERK

Fiscal Note: See Memorandum CC-25-133(S)

