



Federal Funding Summary

Fiscal Year 2024-25

Office of Management and Budget (OMB) M-25-13

On January 27, 2025 the Federal Office of Management and Budget issued Memorandum M-25-13, "Temporary Pause of Agency Grant, Loan, and Other Financial Assistance Programs". That memorandum required each federal agency to "Temporarily pause all activities related to obligation or disbursement of all Federal financial assistance, and other relevant agency activities that may be implicated by the executive orders, including, but not limited to, financial assistance for foreign aid, nongovernmental organizations, DEI, woke gender ideology, and the green new deal."

This action would have become effective on January 28, 2025 at 5:00 PM, but temporary restraining orders were issued by two separate U.S. District Judges to prohibit the Executive Order from taking effect until future review and action by the courts.

The memorandum would have been available on the Whitehouse's website at <https://www.whitehouse.gov/omb/information-for-agencies/memoranda/> but, like many federal webpages, it is no longer available.

Impact on City Funding

Based on the language and legality of the memorandum, it is unclear what the impact to the City would have been or will be. Staff still found it prudent to conduct an analysis of funding from federal sources in order to better understand the City's exposure to future federal action.

The table below shows the City's direct exposure to federal funding:

Federal Revenue	FY 2023-24 Actual	FY 2024-25 Budget	FY 2024-25 Actual
US DOJ Federal Grants	\$ 16,271	\$ 13,000	\$ -
206-Law Enforce Grant Fund	\$ 16,271	\$ 13,000	\$ -
FTA 5307 (Capital)	\$ 684,498	\$ 3,575,985	\$ 269,119
621-Transit Fund	\$ 684,498	\$ 3,575,985	\$ 269,119
Other Federal Grants	\$ 3,244,755	\$ 9,151,879	\$ (159,514)
101-General Fund	\$ 56,997	\$ 258,003	\$ 258,003
205-CDBG Fund	\$ 385,483	\$ -	\$ -
621-Transit Fund	\$ 2,802,275	\$ 8,893,876	\$ -
FEMA Reimbursements (COVID)	\$ 41,303	\$ -	\$ -
101-General Fund	\$ 41,303	\$ -	\$ 108,532
Federal Stimulus Grants	\$ 10,359,361	\$ -	\$ -
505-Affordable Housing Fund	\$ 1,264,467	\$ -	\$ -
405-Infrastructure Invest CIP Fund	\$ 9,094,894	\$ -	\$ -
Total	\$ 14,346,188	\$ 12,740,864	\$ 218,137

As shown above, in the current year federal funding is primarily relied upon by the Transit Fund. In prior years the City also received significant funding from the American Rescue Plan Act. This funding is critical for important projects, including the following federally funded projects:

Project Name	Project Budget	Remaining Budget	Anticipated funding
2 Battery Electric Buses and Associated Infrastructure	370,800	370,800	
3 Battery Electric Buses and 1 Cutaway Bus	6,314,035	6,314,035	
Broadband Plan	600,000	-	6,794,215
California & Foothill Railroad Crossing Upgrade	384,799	52,117	800,000
Higuera Widening at 50 Higuera	297,316	67,500	
ATP-South Broad Street Corridor			400,000
Transit Fleet Replacement: 2 Bus Replacements	2,709,371	534,835	
Transit Fleet Replacement: New Protera/Flyer Buses	785,373	135,909	
Building Electrification	75,000	75,000	
Prado Road Bridge Widening	8,065,000	8,065,000	
Grand Total	19,601,694	15,615,196	7,994,215

In addition to the direct exposure, the City partners with other agencies and organizations to fulfill its service mission. These agencies, including the Community Action Partnership of San Luis Obispo (CAPSLO), Transitions-Mental Health Association (TMHA), the County of San Luis Obispo, the State of California, and many more, depend on federal funding to fulfill their missions.