

Thursday – January 23, 2025 - 11:00 a.m.

Agenda Briefing Worksession - For January 28, 2025, Council Meeting

Present: Mayor Esther E. Manheimer, Presiding; Vice-Mayor S. Antanette Mosley; Councilman Bo Hess; Councilwoman Kim Roney; Councilwoman Sage Turner; Councilwoman Maggie Ullman (arrived in meeting at 12:03 p.m.); City Manager Debra Campbell; City Attorney Brad Branham; and City Clerk Magdalen Burleson

Absent: Councilwoman Sheneika Smith

City Council held an agenda briefing worksession to discuss the upcoming and future agenda items. In addition, City Council reviewed upcoming City Council committees that will be taking place during the next two weeks.

Discussion occurred on the following other issues and updates:

- State of City Assets, FEMA Public Assistance Overview
- Senate Bill 383 Presentation

At 12:53 p.m., Mayor Manheimer adjourned the agenda briefing worksession.

Tuesday – January 28, 2025 - 5:00 p.m

Regular Meeting

Present: Mayor Esther E. Manheimer, Presiding; Vice-Mayor S. Antanette Mosley; Councilman Bo Hess; Councilwoman Kim Roney; Councilwoman Sheneika Smith; Councilwoman Sage Turner (participated via speaker phone from 5:05 p.m. - 5:16 p.m. but was not counted towards quorum and did not cast any votes); Councilwoman Maggie Ullman; City Manager Debra Campbell; City Attorney Brad Branham; and City Clerk Magdalen Burleson

PLEDGE OF ALLEGIANCE

Mayor Manheimer led City Council in the Pledge of Allegiance.

Mayor Manheimer said that as we face a lot of challenges in our nation and a lot of questions that are being created in our communities, we want to send our hearts to anyone who doesn't feel safe and secure in their homes and their businesses in our communities. We think of Asheville as a place that is open and welcome to everyone and she hopes that continues to be the case. Today we have received a "Memorandum for Heads of Executive Departments and Agencies" regarding a "Temporary Pause of Agency Grant, Loan and Other Financial Assistance Programs" issued by the Office of Management and Budget which was issued on January 27, 2025, that directs federal agencies to respond to the Memorandum by February 10, 2025, regarding programs, projects or activities subject to the pause. The City is looking for guidance as to what this Memorandum means and how it impacts our community, our funding and our recovery.

I. PROCLAMATIONS:

II. CONSENT AGENDA:

- A. APPROVAL OF THE COMBINED MINUTES OF THE AGENDA BRIEFING WORKSESSION HELD ON JANUARY 9, 2025, AND THE FORMAL MEETING HELD ON JANUARY 14, 2025**

- B. RESOLUTION 25-14 - RESOLUTION RATIFYING CONTRACT WITH SELECTRON TECHNOLOGIES AND PREVIOUS SPENDING UNDER THAT CONTRACT, AND AUTHORIZING FUTURE SPENDING UNDER THAT CONTRACT FOR INSPECTION SCHEDULING SOFTWARE**

Action Requested: Adoption of a resolution ratifying the City's contract with Selectron Technologies and past spending under that contract and authorizing future spending for inspection scheduling software.

Background:

- The Development Services Department (DSD) utilizes the Selectron Atlas Insight software as a web-based field workforce management tool that brings all inspection requests into a single, map-based view to allow for tracking results and assigning inspections.
- DSD entered into a contract with Selectron Technologies in 2021, with an initial five-year term. The contract also includes an automatic renewal clause that renews the contract for one-year terms following the initial term, unless one of the parties notifies the other in advance of their intent not to renew.
- The initial term of the contract obligated the City to pay \$90,000+.
- DSD is therefore requesting that Council ratify this contract and all previous spending under the contract, which has been \$69,000, plus authorizing an additional \$46,000 to cover the end of the initial five-year term, for a total of up to \$115,000 to be spent on this contract.
- The past spending under this contract has been as follows: \$23,000 Annually for the past 3 years per the terms of the contract and services provided. The future spending would be for \$46,000, which will be dispersed in two \$23,000 annual payments one for this year 2025, and the second \$23,000 for next year 2026, per the terms of the contract..
- If approved, the amount of future spending authorized would continue to be paid from the Development Services Department Technology Fund administered by ITS.
- DSD intends to alert Selectron of its intent not to renew the contract after the initial term expires and not use any of the potential renewal periods. DSD then intends to engage in competitive procurement to select a vendor for the period after the initial contract term expires.

Vendor Outreach Efforts:

- At the time of original contracting Selectron was the only software vendor that provided this necessary addition to the Accela Permitting platform. While investigating this type of solution Selectron, a known vendor, and Accela partner identified that they recently developed such a product. Additional vendor outreach and a letter provided from Accela confirmed this was the only product of its kind at the time, and the only partner Accela permitting software was using.

Council Goal(s):

- Implement and Maintain Infrastructure and Core Services

Committee(s): N/A

Pro(s):

- Allows uninterrupted services for permitting, maintains inspection planning efficiency.

Con(s):

- None.

Fiscal Impact:

- The remaining contract term will be funded from the Development Services Development Technology Fund, which utilizes revenues from the 4% technology fee applied to most development fees. The previous 3 years of spending was funded through the DSD Technology Fund.

Motion:

- Motion to adopt the resolution ratifying the City's the City's contract with Selectron Technologies and past spending under that contract and authorizing future spending for inspection scheduling software.

RESOLUTION BOOK NO. 45 - PAGE 293

C. RESOLUTION NO. 25-15 - RESOLUTION AUTHORIZING THE CITY MANAGER TO AMEND THE CONTRACT WITH BILTMORE FARMS HOTEL GROUP FOR THE LODGING FOR ESSENTIAL EMPLOYEES AND FIRST RESPONDERS WORKING ON RESCUE AND RECOVERY EFFORTS

Action Requested: Adoption of resolution authorizing an amendment to the contract with Biltmore Farms Hotel Group to extend the contract period from 60 to 100 days and to increase funding by \$72,009.70 for a total of \$372,009.70 to cover lodging expenses for first responders, essential employees and out-of-area emergency resources associated with Tropical Storm Helene through January 1, 2025.

Background:

- The City of Asheville had a need to reserve lodging for employees and out-of-area resources who were essential to TS Helene emergency response efforts.
- The City outreached and engaged with multiple vendors throughout the area to provide these services.
- These included law enforcement officers from Raleigh PD, Cary PD, Greensboro PD, Winston-Salem PD, Renfrow Security Group, out-of-area Search and Rescue Units, Drone Pilots and K-9 Units.
- The number of rooms the City reserved at each location was dependent upon power, water, and internet capabilities; available staffing; and the number of available rooms at each property.
- Biltmore Farms Hotel Group (Hampton Inn & Suites) was made available to Asheville City Police and out-of-area law enforcement personnel critical to search, rescue and recovery efforts.
- Once lodging was secured, some out-of-area resources maintained lodging longer than initially anticipated.

Vendor Outreach Efforts:

- Staff performed outreach to a variety of businesses through phone and email solicitation the weekend of 9/27/24 to 9/29/24.
- The City was able to connect with and ultimately reserve lodging—to varying degrees—at all of the properties that answered the calls and emails.

Council Goal(s):

- Connected and Engaged Community

Committee(s):

- N/A

Pro(s):

- Fulfilled required needs and provided lodging to essential first responders.

Con(s):

- None

Fiscal Impact:

- This contract amendment adds \$72,009.70 to the existing contract, for a total of \$372,009.70. It is expected to be fully eligible for FEMA reimbursement and is budgeted in the Special Revenue Fund.

Motion:

- Motion to approve a resolution authorizing an amendment to Contract # 92500230 to extend the contract period from 60 to 100 days and to increase funding by \$72,009.70 to cover lodging expenses for first responders, essential employees and out-of-area emergency resources associated with Tropical Storm Helene.

RESOLUTION BOOK NO. 45 - PAGE 294

D. RESOLUTION NO. 25-16 - RESOLUTION OF SUPPORT FROM THE CITY OF ASHEVILLE TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH THE FRENCH BROAD RIVER METROPOLITAN PLANNING ORGANIZATION FOR COOPERATIVE, COMPREHENSIVE, AND CONTINUING TRANSPORTATION AS REQUIRED BY FEDERAL AND STATE LAW

Action Requested: Approval of a resolution authorizing the City of Asheville to enter into a Memorandum of Understanding for Cooperative, Comprehensive, and Continuing Transportation Planning through the French River Metropolitan Planning Organization..

Background:

- The City of Asheville is part of the French Broad River Metropolitan Planning Organization (FBRMPO), which includes nineteen other jurisdictions within the five-county Metropolitan Planning Area (as defined by federal law) and the North Carolina Department of Transportation (NCDOT).
- The FBRMPO oversees a cooperative, comprehensive, and continuing transportation planning process within the Metropolitan Planning Area. This includes developing the area's Unified Planning Work Program, which describes regional transportation planning activities undertaken by the MPO, and the Long Range Transportation Plan, which reflects and responds to the comprehensive growth and development plans and transportation plans of member jurisdictions and the NCDOT.
- The MPO is also responsible for determining the formula to allocate/distribute annual federal transit funds to the transit systems in the region.
 - The City of Asheville Transit Division, as the "Designated Recipient," administers those funds on behalf of the region's transit systems."
- While there is no specific requirement regarding how often an MPO's Memorandum of Understanding (MOU) should be updated, it is generally good practice to update it when the Metropolitan Planning Area boundary changes or when jurisdictional changes occur. Following the 2020 Census, minor changes to the MPO's boundaries occurred; therefore, the MPO determined that an MOU review and update would be appropriate.

- The MOU clarifies the roles, responsibilities, and working arrangements necessary for continuing, comprehensive, and cooperative transportation planning processes. The document also describes the organizational framework, decision-making processes, voting structure, funding and resources, MPO planning duties, compliance requirements, and termination conditions.
- Two members of the City of Asheville's Council are voting members of the MPO's governing board, and two members of the Transportation Department serve on the MPO's Transportation Technical Committee.
- The MOU does not include specific amounts for dues that each jurisdiction is responsible for, as this changes periodically. The City's current FY25 MPO dues are \$30,620 and are budgeted annually in the Transportation Department's Operating Budget. The MPO has indicated that the FY26 dues will remain unchanged.

Vendor Outreach Efforts:

- NA

Council Goal(s):

- Connected and Engaged Community
- Transportation and Accessibility

Committee(s):

- NA

Pro(s):

- The City of Asheville will remain part of the regional transportation planning efforts to provide transportation projects efficiently and effectively.

Con(s):

- None

Fiscal Impact:

- The City of Asheville pays annual dues to remain a Metropolitan Planning Organization FBRMPO member. The dues for Fiscal Year 2025 will be \$30,620.

Motion:

- Motion to approve a resolution authorizing the City of Asheville to enter into a Memorandum of Understanding (MOU) for Cooperative, Comprehensive, and Continuing Transportation Planning through the French River Metropolitan Planning Organization.

RESOLUTION BOOK NO. 45 - PAGE 295

- E. RESOLUTION NO. 25-17 - RESOLUTION RATIFYING THE CONTRACT RENEWAL FOR REMAINING OPTION YEARS AND AUTHORIZING THE CITY MANAGER TO INCREASE THE EXISTING CONTRACT AMOUNTS AS FOLLOWS: (1) WITH VIA TRANSPORTATION INC. FOR TRANSIT SCHEDULING AND PLANNING SOFTWARE; AND (2) WITH URBAN TRANSPORTATION ASSOCIATES, INC. FOR AUTOMATIC PASSENGER COUNTER SOFTWARE**

Action Requested: Adoption of resolution ratifying two contract renewals for remaining option years and authorizing the City Manager to increase the existing contract amounts as follows:

- With Via Transportation Inc. for Transit Scheduling and Planning Software by \$26,000 for a total contract amount of \$115,500 for the final option year; and

- With Urban Transportation Associates, Inc. for Automatic Passenger Counter Software by \$37,128 for a total contract amount of \$94,979 for the final two option years.

Background:

- This action ratifies the contract renewals for remaining option years and authorizes the City Manager to increase the existing contract amounts as follows:
 - With Via Transportation Inc. for Transit Scheduling and Planning Software by \$26,000 for a total of contract amount of \$115,500 for the final option year; and
 - With Urban Transportation Associates, Inc. for Automatic Passenger Counter Software by \$37,128 for a total contract amount of \$94,979 for the final two option years.
- Contract with Via Transportation Inc.:
 - Provides planning software to assist transit division staff in designing ART bus routes, develop driver schedules, and use data to make Asheville Rides Transit (ART) services more reliable.
- Contract with Urban Transportation Associates, Inc.:
 - Delivers cloud-based Automated Passenger Counter (APC) system that automatically counts passengers boarding and leaving each bus.
 - Provides real-time data that helps transit division staff improve bus schedules, service and meet federal reporting requirements.
- Both original contracts expired on December 31, 2024 prior to staff being able to renew both contracts and execute the allowable option years included in each contract.
 - For the Via contract, renewal would consist of the fifth and final year of the contract.
 - For the Urban Transportation Associates contract, renewal would consist of the sixth and seventh years of the contract.
- City Council action is required due to the contracts exceeding the \$90,000 threshold with the option years executed.

Vendor Outreach Efforts:

- N/A. These are current contracts.

Council Goal(s):

- Transportation and Accessibility

Committee(s):

- None

Pro(s):

- Supports the continuation of current/existing public transit services.
- Ensures sufficient funding to continue utilizing both critical transit operations software platforms.

Con(s):

- None

Fiscal Impact:

- This resolution ratifies the renewal of the contract for the fifth and final year of the existing contract with Via Transportation Inc. for transit related software. (Ratification needed because the original contract has expired).
 - The action adds \$26,000 to the existing contract for a total contract amount of \$115,500.
 - City Council action is required due to the contract exceeding the \$90,000 threshold in its fifth and final year.

- This resolution ratifies the renewal of the contract for the fifth and final year of the existing contract with Urban Transportation Associates, Inc. for transit related software. (Ratification needed because the original contract has expired).
 - The action adds \$37,128 to the existing contract for a total contract amount of \$94,979.
 - City Council action is required due to the contract exceeding the \$90,000 threshold with the option years executed.

Motion:

- Adoption of resolution ratifying two contract renewals for remaining option years and authorizing the City Manager to increase the existing contract amounts as follows:
 - With Via Transportation Inc. for Transit Scheduling and Planning Software by \$26,000 for a total of contract amount of \$115,500 for the final option year; and
 - With Urban Transportation Associates, Inc. for Automatic Passenger Counter Software by \$37,128 for a total contract amount of \$94,979 for the final two option years.

RESOLUTION BOOK NO. 45 - PAGE 296

F. RESOLUTION NO. 25-18 - RESOLUTION AUTHORIZING THE CITY MANAGER TO AMEND THE CONTRACT WITH HAGERTY CONSULTING INC. FOR RECOVERY MANAGEMENT SERVICES FROM TROPICAL STORM HELENE

ORDINANCE NO. 5113 - BUDGET AMENDMENT FOR RECOVERY MANAGEMENT SERVICES FROM TROPICAL STORM HELENE

Action Requested: Adoption of a resolution authorizing the City Manager to amend a contract with Hagerty Consulting, Inc. for recovery management services from Tropical Storm Helene, and to adopt a budget amendment in the amount of \$4,994,885 in the City's Special Revenue Fund.

Background:

- Over the course of September 26-29, 2024, the City of Asheville experienced unprecedented rainfall both from Tropical Storm Helene, and a predecessor heavy rain event. A state of emergency has been in place in Asheville since September 25th in relation to these damaging storms.
- The damage caused by Helene required an immediate response by the City to secure public safety, provide aid to the community, and secure public infrastructure.
- In responding to this crisis, the City of Asheville entered into emergency contracts to address the needs of the community when those needs exceeded the capacity of City staff. Under one such contract, the City engaged Hagerty Consulting, Inc., for recovery management services.
- That contract was ratified by the City Council on November 12, 2024.
- The scope of work is intended to be flexible and scalable, allowing the City of Asheville to activate services as needed based on the specific requirements of disaster response and recovery related strategies.
- The scope of work includes capacity and support to the City in working with specific federal agencies to maximize access to direct financial reimbursement, grant support, and technical assistance.
- The federal agencies referenced in the scope of work are: the Federal Emergency Management Agency (FEMA) (Public Assistance, Individual Assistance, Hazard Mitigation), U.S. Department of Housing and Urban Development (HUD), and the Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) disaster recovery programs.

- To-date Hagerty Consulting's support resulted in the obligation of \$6.4 million to the City for Expedited Category A (Debris) expenses and \$3.5 million for Expedited Category B (Emergency Protective Measures) expenses.
- Ongoing work will focus on maximizing cost recoverable opportunities and funding resources to support the City's infrastructure, housing, and economic recovery efforts.
- Some of the planned activities for the next six months includes:
 - Assisting staff in formulating and submitting FEMA Public Assistance Projects for reimbursement.
 - Developing a process for managing recovery capital projects from intake to compliance to support maximum cost recovery, transparency and minimize demands on staff time required to manage federal funding compliance.
 - Supporting the implementation of a comprehensive Debris Management Work Plan including private and commercial property debris removal, completion of right-of-way debris removal, and debris cleanup in waterways.
 - Assisting staff through training, technical assistance and grant writing for Hazard Mitigation Assistance funding opportunities, including Building Resilience Infrastructure Communities (BRIC) grants.
- Additionally, given the expertise of the Hagerty team including former U.S. Department of Housing and Urban Development (HUD) officials, Hagerty will provide assistance to the City in developing our HUD-required action plan for the \$225 million Community Development Block Grant - Disaster Recovery (CDBG-DR) direct allocation that was announced on January 8. The City has 90 total days, including a required 30-day public comment period, to submit the CDBG-DR action plan to HUD.

Council Goal(s):

- Clean, Safe, and Healthy Environment
- A Financially Resilient City

Committee(s): None

Pro(s):

- Allows the City to continue to act to address an emergency without delay.

Con(s):

- None, aside from the expenses incurred.

Fiscal Impact:

- This amendment adds \$4,994,885 to the contract, bringing the total amount not to exceed \$5,994,885. It is expected that the majority of these funds (approximately \$4.0 million) will be reimbursable through the Federal Emergency Management Agency (FEMA) Public Assistance Program. The remainder will be budgeted as a General Fund fund balance appropriation, however the City expects that additional revenue sources will be identified to help offset the remaining expenses.

Motion:

- Motion to adopt a resolution authorizing the City Manager to amend a contract with Hagerty Consulting, Inc. for recovery management services from Tropical Storm Helene, and to adopt a budget amendment in the amount of \$4,994,885 in the City's Special Revenue Fund.

**RESOLUTION BOOK NO. 45 - PAGE 298
ORDINANCE BOOK NO. 36 - PAGE 2**

G. RESOLUTION NO. 25-19 - RESOLUTION APPOINTING VICE-MAYOR S. ANTANETTE MOSLEY AS THE EX-OFFICIO NON-VOTING MEMBER ON THE BUNCOMBE COUNTY TOURISM DEVELOPMENT AUTHORITY

RESOLUTION BOOK NO. 45 - PAGE 299

H. MOTION TO DIRECT STAFF TO SEND THE “RESPONSE TO THE AUDITOR’S FINDINGS, RECOMMENDATIONS, AND FISCAL MATTERS” TO THE SECRETARY OF THE DEPARTMENT OF STATE TREASURER REGARDING THE CITY’S 2024 AUDIT, UPON OBTAINING SIGNATURES FROM THE MAJORITY OF CITY COUNCIL MEMBERS

In response to Mayor Manheimer, Finance Director Tony McDowell explained that this letter is required because we budgeted fund balance in our General Fund and our total fund balance went down and that was a performance indicator which triggered a follow-up letter to the state. He noted that based on the wording of the performance indicator, a fund balance decrease of any amount could require a letter to be submitted.

Mayor Manheimer said that members of Council have been previously furnished with a copy of the resolutions and ordinances on the Consent Agenda and they would not be read.

Vice-Mayor Mosley moved for the adoption of the Consent Agenda. This motion was seconded by Councilwoman Ullman and carried unanimously.

III. PRESENTATIONS & REPORTS:

A. MANAGER’S REPORT

Affordable Housing Plan Implementation Through Lens of Recovery

Director of Community & Economic Development Nikki Reid outlined the following key takeaways from their presentation as follows: (1) City staff are rebooting the Equitable and Affordable Housing and Stability strategy with an eye towards the region’s overall recovery. Proposed revisions to the staff work plan maintain anti-displacement strategies, funding programs, and zoning/regulatory tools to promote housing options across the community; (2) Tropical Storm Helene reshaped staff’s timeline and approach to tasks on the work plan, but not all tasks were delayed: (a) The programmatic strategies of rental assistance and home repair were prioritized in response to Helene, and are well underway; and (b) Staff has continued to work on previously approved Housing Trust Fund (HTF) projects and has made significant progress toward multiple loan closings; (3) Key differences between the original schedule of work (cited in the September 24th work session) and the revised schedule include: (a) HTF cycle shifted back into accepting applications on a rolling basis, allowing more flexibility for developers; (b) The zoning and regulatory strategies that require Council action were paused during emergency response; and (c) Because we anticipate the need to respond quickly to new information during recovery, our revised timeline looks at the next six months only; and (4) These efforts will feed into the larger recovery plan with input from City Council and the community, especially in light of CDBG-DR planning and long-term recovery.

Ms. Reid then provided the following background information: (1) City Council held a work session on September 24, 2024 to discuss Council’s goal of Equitable and Affordable Housing and Stability. At this meeting, staff outlined an interdepartmental plan of work to foster implementation of the recently adopted Affordable Housing Plan and advance needed updates to the City’s Unified Development Ordinance (UDO); (2) Since the storm, staff’s housing-related work has focused on: emergency response efforts; mechanisms to address related housing

insecurity (e.g. rental assistance); home repair funding; expedited permitting for temporary housing and repair; and supporting existing affordable housing projects in the pipeline; and (3) The development of the Recovery framework led to the Housing Recovery Support Group. This group was able to use the Affordable Housing Plan as a key resource in developing the response strategy to address immediate needs of the community.

Regarding anti-displacement strategies from the September 24 worksession, *these objectives can tie together the recommendations from the Affordable Housing Plan, the Missing Middle Report, other reports and studies, and community input including neighborhood plans:* (1) Improve access to affordable housing; (2) Increase City investments in programs that help low-income individuals or families stay in their homes; (3) Make it easier to develop housing overall and provide incentives for affordable housing; and (4) Promote additional housing options across the City as appropriate: enable the strongest residential growth in walkable and transit-supportive urban corridors and nodes.

Regarding housing recovery goals, goals created in November 2024 to frame Housing Recovery in response to Helene are to (1) support and leverage FEMA, HUD, state, and local resources for Housing Recovery; (2) where FEMA work ends, work to bridge resource gaps for equitable Housing Recovery, with specific focus on supporting the needs of pre-disaster vulnerable populations; (3) build on relationships, reach out to the community, connect needs with local partners and available resources; (4) be clear on the City’s role and do our part within the overall landscape of housing recovery in our community; and (5) prepare for CDBG-DR, be the bridge to longer-term recovery.

Ms. Reid said that regarding assessing housing needs within City limits, city staff and Hagerty Consulting are working to assemble housing data to provide to Council before the February retreat. This data will inform the Unmet Needs Assessment required as part of the CDBG -DR planning process and will support the strategies in this work plan. FEMA data can tell us the number of homes destroyed or damaged by the storm, how many of those homes had insurance, the FEMA estimate of loss, number of homes that require habitability repairs, number of renters that sought FEMA assistance, etc. SBA and other data can help outline workforce impacts related to Helene recovery. HUD will publish a Housing Impact Assessment for the region. City of Asheville early assistance and permitting data can help us project how many new residential homes may come online in the year to come and damage assessments help us better understand the level of damage to storm-impacted (existing) homes. *Community engagement and data will help drive decision making.* Data Example: How many Asheville homeowners have uninsured losses as a result of Helene? Based upon data received from FEMA on January 3, 2025 (does not include commercial / multi-family apts): 2,362 applicants for FEMA Assistance indicated to FEMA that their home may require habitability repairs (includes renters and homeowners). Of those applicants: a total of 1,339 properties had a FEMA Verified Loss. Of those applicants: a total of 1167 properties had a FEMA Verified Loss and had Homeowners Insurance; 148 properties had a FEMA Verified Loss and no Homeowners Insurance.

FEMA Verified Loss Amount	# Residential Properties in Asheville
Less than \$5,000	961
\$5,001 - 10,000	257
\$10,001 - 25,000	161
\$25,001 - \$100,000	17
\$100,001+	6

Total	1,402
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Ms. Reid walked through the updated work plan for funding and programmatic; and regulatory and zoning.

Regarding post-storm programmatic anti-displacement strategies underway, she outlined strategies from October - January 2025:

- Strategy: Help families stay in their homes.
 - Council allocated \$1 million for Rental Assistance.
 - Allocated in \$1.465 million of returned Bond funds towards Home Repair.
 - Allocated \$624,000 in CDBG-DDRF funds to rental assistance to Buncombe County.
 - Monthly: Beginning end of January, monthly reporting and monitoring of Rental Assistance and Home Repair Programs published to Engagement Hub
- Strategy: Make it easier to develop housing overall and provide incentives for affordable housing.
 - Asheville voters approved Affordable Housing Bond Referendum.
 - Housing Trust Fund operations ongoing (loan monitoring & closings, payment waivers for 2 Helene-impacted projects).
 - Housing Trust Fund open for application on a rolling basis, with priority for Low Income Housing Tax Credit projects with a deadline in early May.
- Housing Recovery Support Group functions and participation in Buncombe County Housing Recovery Support Function groups (ongoing).
- CDBG application cycle opened.
- Internal staff CDBG-DR kickoff (milestones, engagement planning, etc.)

Regarding Housing Trust Fund updates, the strategy is to Make it easier to develop housing overall and provide incentives for affordable housing. For the past few years, the City's Housing Trust Fund (HTF) has aligned its annual funding cycle with Buncombe County's, with applications typically opening in December. Typically, projects need funding from both the City and the County, alongside other sources of funds, to achieve affordability. Following Helene, HTF cycle shifted back into accepting applications on a rolling basis, prioritizing any projects that are seeking to meet the NC Housing Finance Agency's deadlines for Low Income Housing Tax Credits. We continue to carry out previous loan commitments of the Housing Trust Fund and are keeping a close eye on City-funded affordable housing units in production: (1) there are currently 118 HTF funded units under construction in city limits; (2) one new loan closing happened in October, resulting in a down payment assistance (DPA) loan being made to a new homeowner and three (3) more DPA loans to come in the future; and (3) five (5) HTF loan closings should occur in the next three months, with a total of 365 affordable units that will then be able to go to construction (includes 5 units with DPA).

Ms. Reid said that post-storm upcoming programmatic work plan from February - June 2025 is as follows:

- Strategy: Make it easier to develop housing overall and provide incentives for affordable housing.

- February: Dedicate funding from Affordable Housing Bond to HTF - City Council action.]
- April: First round of Housing Trust Fund funding requests to meet the LIHTC deadlines - City Council action.
- Strategy: Improve access to affordable housing.
 - March: Centralized Affordable Housing Rental Registry - Council will hear on term recovery update.
- February 6: CDBG-DR presentation to Council.
- February - March: Public engagement & draft CDBG-DR Action Plan published for public comment.
- April: (1) CDBG Funding Recommendations - City Council action; (2) CDBG-DR Annual Action Plan - City Council Action.

Reprogrammed to Fiscal Year 2026: Items that are not bond eligible that require general funding are on hold until budget realities are clear.

- Homeowner Tax Relief for Low-income Residents
- Land Use Incentive Grant Revisions

Director of Planning & Urban Design Stephanie Dahl said that Regarding post storm regulatory anti-displacement strategies underway from October 2024 - January 2025:

- Strategy: Make it easier to develop housing overall and provide incentives for affordable housing AND Strategy: Promote additional housing options across the City as appropriate: enable the strongest residential growth in walkable and transit-supportive urban corridors and nodes.
 - UDO Housing updates paused along with anything not directly related to emergency response.
 - Staff's regulatory support for streamlining repair applications for existing housing:
 - The Permit Application center re-opened for business on Monday October 7, one week after the storm.
 - General "repair and replace" permits for homes that were damaged were issued quickly -sometimes on the spot- and fees were (and are) waived for those applications.
 - Staff took on some administrative development review decisions normally provided by Boards and Commissions.
 - Staff also focused on collecting and analyzing data for recovery efforts from a regulatory perspective.
 - October, November- Regulations to support temporary housing units; using a storm-informed lens to consider housing recommendations in flood hazard areas.
 - December- NC SB 382 definition of "downzoning", continued consideration of flood hazard area data.

Regarding post-storm upcoming regulatory anti-displacement strategies work plan, the strategy is to make it easier to develop housing overall and provide incentives for affordable housing AND Strategy: Promote additional housing options across the City as appropriate: enable the strongest residential growth in walkable and transit-supportive urban corridors and nodes.

- January 22: Planning and Zoning Commission unanimously approved Batch One Unified Development Ordinance (UDO) Amendments to enable more housing in commercial corridors and mixed use districts.*
*Amendments were slightly adjusted to account for storm impacts and Senate Bill 382 compliance, but still include:
 - Removal of Residential Parking Minimums for key areas
 - Development Review Level Thresholds adjusted to streamline process
 - Zoning District Updates to incentivize production in outlined growth areas
- January - February: Community Information Sessions for the Batch One proposed Amendments
 - Outreach to Legacy Neighborhoods
 - January 30 - In person at 161 S. Charlotte Street, 5:30-6:30 pm
 - January 31- Virtual (and recorded) session 1:00-2:00 pm (registration required)
- February 11: City Council Consideration of Batch One Unified Development Ordinance Revisions

Regarding post storm housing-enabling overway work plan for March-June 2025, the strategy is to promote additional housing options across the City as appropriate: enable the strongest residential growth in walkable and transit- supportive urban corridors and nodes.

- Initial Review of Neighborhood Housing Overlay Proposal
 - General outreach to inform communities about the recommendations from Missing Middle and Affordable Housing plan, and receive input on the overlay proposal
 - Concurrently educate community and key stakeholders about the impact of SB382 as it relates to any call for downzoning
 - PZC review of the overlay text and map, recommendation to Council
 - Council receives presentation on Neighborhood Housing Overlay and provides feedback on 1) text and 2) map amendments
- Final review of the Neighborhood Housing Overlay Proposal:
 - Placement on Council regular agenda along with public notifications
 - City Council takes action on overlay text and/or map at public hearing(s): approve, deny, continue, or request additional work at the PZC level.
 - The overlay can go into effect immediately or at a date set by Council
- Additional amendments to the UDO dependent on progress of Neighborhood Housing Overlay proposal

The timeline and recap of next steps are (1) January - February: Community Information Sessions on Batch One - Residential Parking Minimums; Development Review Level Thresholds; Zoning District Updates; (2) February: Agenda Briefing presentation on CDBG-DR; City Council consideration of Batch One Unified Development Ordinance Revisions and Resident led petition for Flag Lots and Cottage Standards; Dedicate funding from Affordable Housing Bond to HTF; (3) February - March: Community engagement on CDBG-DR; (4) March: Centralized Affordable Housing Rental Registry - Council update. CDBG-DR draft plan published for public comment. Community engagement on Housing Overlay begins; (5) April: City Council consideration of first round of Housing Trust Fund funding requests; CDBG Funding Recommendations; CDBG-DR Action Plan. Community Engagement and Review of Housing Overlay continues; (6) May- June: Potential PZC and City Council review of Housing Overlay; and (7) Monthly: Reporting & monitoring of Rental Assistance and Home Repair Programs.

Councilmember Roney noted this looks a lot like our hotel development overlay but is missing a public benefits table. She feels strongly that a public benefits table can help streamline the development of equitable, affordable housing, including neighborhood resiliency needs with

points for renewable energy, open space and green space, tree canopy preservation, MWBE contracting, and depth/longevity of affordability. If we move in that direction, curious about the February 11th timeline bumping into meaningful engagement. She is looking for a holistic housing strategy, not inclined to give up Council levers without clear process and public benefits.

Throughout the presentation there was considerable discussion in which Ms. Reid and Ms. Dahl responded to various questions/comments from Council, some being, but are not limited to: do we know the status of the 118 Housing Trust Funded units regarding construction timelines; because the application process for the Homeowner Tax Relief Program for Low-Income Residents has paused, do we have an idea of how many people applied; have we started to put together what our public housing vouchers might look like since the Homeowner Tax Relief or Low-Income Residents is paused; explanation of what is slated for the February 11 Unified Development Ordinance amendments; need for community benefits table for the housing overlay map vs. making it easier for developers to build housing; and confirmation that the missing middle housing report map is not the same as the housing overlay map and that the areas more vulnerable would not receive any overlay but just remain the same as today. They noted that questions that could not be readily answered would be followed-up by staff and provided to Council.

IV. PUBLIC HEARINGS:

A. PUBLIC HEARING TO CONSIDER ZONING TEXT AMENDMENTS TO CHAPTER 7 OF THE CODE OF ORDINANCES TO BETTER ALIGN EXISTING CITY REGULATIONS WITH THE NORTH CAROLINA STATE BUILDING CODE

ORDINANCE NO. 5114 - ORDINANCE AMENDING CHAPTER 7 OF THE CODE OF ORDINANCES TO BETTER ALIGN EXISTING CITY REGULATIONS WITH THE NORTH CAROLINA STATE BUILDING CODE

Mayor Manheimer said that this item was discussed and the public hearing was open and closed on December 10, 2024. This item was then continued to this date. On December 10, it was the consensus of Council to (1) review the technical amendments that are non-controversial and will bring our Code into compliance with state or federal law at the January 9 agenda briefing, before the January 14 Council meeting for these to be considered, with a subject matter expert to be available for questions; (2) bring back to City Council non-substantial amendments to our Code that conflict with other sections of our Code; and (3) after public comment, bring back to Council substantial changes that are out of compliance with the State Building Code or national flood insurance program requirements, i.e., durational, look back period for calculating substantial improvement and substantial damage, and requirements to elevate structures following substantial damage.

On January 14, 2025, this public hearing was held.

Interim Public Works Director Amy Deaton said that this is the consideration of an ordinance to update the UDO sections (Sec. 7-2-4) *Conflict or inconsistency with other laws, covenants, or deed restrictions*, (Sec. 7-2-5) *Definitions*, and (Sec. 7-12-1) *Flood protection* to better align existing City regulations with the North Carolina State Building Code and State Model Flood Ordinance for Special Flood Hazard Areas within the City. This public hearing was advertised on November 29 and December 6, 2024.

Background:

- Redevelopment of properties in the flood hazard area is regulated by a variety of rules and ordinances at the federal, state and local level.

- As a result of Tropical Storm Helene there is significant focus on recovery and redevelopment efforts, especially for flood-damaged properties.
- Current language in the UDO about repair and replacement of buildings in the floodplain is unclear, leaving the potential for confusion about the requirements for properties identified as having been substantially damaged.
- In reviewing the 2021 NC Model Flood Damage Prevention Ordinance drafted by the NC Floodplain Mapping Program and as a result of the Community Assistance Visit (performed as part of our participation in the National Flood Insurance Program), other items were identified that need to be included for additional clarification and/or updates to our floodplain ordinance to aid staff administering the ordinance.
- The recommended modifications to our ordinance will ensure the City remains in good standing with the National Flood Insurance Program (NFIP) and the Community Rating System (CRS).
- The NFIP provides federally backed flood insurance protection for property owners that live in a participating NFIP community. Compliance with this program is required for city residents to be eligible for federally backed flood insurance.
- A community that does not join the NFIP after being identified for one year as flood-prone, has withdrawn from the program, or is suspended from it, faces the following sanctions:
 - No resident will be able to purchase federally backed flood insurance.
 - Existing flood insurance policies will not be renewed.
 - No Federal grants or loans for development may be made in identified flood hazard areas under programs administered by Federal agencies such as Housing and Urban Development (HUD), Environmental Protection Agency (EPA), and Small Business Administration (SBA);
 - No Federal disaster assistance may be provided to repair insurable buildings located in identified flood hazard areas for damage caused by a flood.
 - No Federal mortgage insurance or loan guarantees may be provided in identified flood hazard areas. This includes policies written by Federal Housing Administration (FHA), Veterans Affairs (VA), and others.
 - Federally insured or regulated lending institutions, such as banks and credit unions, must notify applicants seeking loans for insurable buildings in flood hazard areas that there is a flood hazard and that the property is not eligible for Federal disaster relief.
- The longer the city's ordinances are not clearly aligned with NFIP requirements, the more risk we place on flood insurance policyholders and their eligibility for flood assistance and flood insurance as well as our eligibility for public assistance.
- The CRS is a voluntary incentive program that recognizes and encourages community floodplain management practices that exceed the minimum requirements of the NFIP and provides discounted flood insurance premium rates for all city residents requiring this insurance.
- Requiring less than 2' of freeboard will impact our classification in the CRS program which could lower our class, meaning instead of a 10% reduction on flood insurance premiums, policyholders would only receive a 5% reduction.
- To clarify the code, staff recommends:
 - simplifying conflicting provisions (Sec. 7-2-4) so they are easier to understand,
 - aligning definitions "Substantial damage" and "Substantial improvement" (Sec. 7-2-5) with those that mirror FEMA and the NC State Building Code,
 - removing extraneous code that may be confusing (Sec 7-12-1(e)(1)(i)), and
 - clarifying that significantly damaged nonconforming properties must meet flood protection regulations (Sec 7-12-1(e)(7)(c)), which is a requirement of state regulations.

- The city's comprehensive planning, Living Asheville, supports these types of updates that seek to improve communication: "Promote clear and effective communication between city residents at all stages of development to ensure development responds to the needs and goals of affected residents."
- Following the January 14th City Council meeting, staff either participated in or arranged several community or business related meetings to discuss ordinance changes and address questions. Below are the events attended:
 - CIBO on January 17th
 - RAD Roundtable on January 17th
 - Biltmore Village on January 22nd
 - Public Works Building on January 23rd

Vendor Outreach Efforts: NA

Council Goal(s):

- Well-Planned and Livable Community; and
- Clean, Safe, and Healthy Environment

Committee(s):

- Planning & Zoning Commission, December 4, 2024 - Approved 6 to 1

Pro(s):

- Supports the goals of the comprehensive plan and priorities of the City Council
- Improved understanding for staff, especially those processing permit applications
- Simplification and clarification of the zoning code for all

Con(s):

- None

Fiscal Impact:

- None

Ms. Deyton said that after discussion by Council, staff was asked for the recent flood amendments to be placed into 3 categories and brought back before Council. (1) Technical amendments (a) Nonsubstantive updates; and (b) Does not change permitting process or conditions; (2) Conflicts (a) Updates and additions to align with State Model Flood Ordinance; and (b) Revisions to clarify lookback period and historic structures exemption; and (3) Substantive amendments (a) Maintains the 2' freeboard requirement; and (b) Non-conforming uses [Sec 7-12-1(e)(7)] is a null clause.

Regarding the floodplain ordinance, (1) Lookback period for calculating substantial damage - Clarify that the lookback period for calculating substantial damage will remain as currently administered: 1 year; and (2) Process for historic structures exemption (a) Clarify that properties with qualifying historic designations may request a variance for exemption from the elevation requirements through a quasi-judicial review process; and (b) Keeps with the variance process as currently administered.

Ms Deyton said that following the January 14th City Council meeting, staff either participated in or arranged several community or business related meetings to discuss ordinance changes and address questions. Below are the events attended: CIBO on January 17th; RAD Roundtable on January 17th; Biltmore Village on January 22nd; and Public Works Building on January 23rd.

She said that (1) Changes to text amendments in Chapter 7 of the Asheville Code of Ordinances will clear up ambiguity in floodplain regulations within city limits and ensure compliance with State law and the National Flood Insurance Program (NFIP) regulations; and (2) Elevation requirements for rebuilding (a) Clarify a requirement to elevate or flood-proof structures 2 feet above base flood elevation; (b) Non-conforming uses [Sec 7-12-1(e)(7)] is a null clause and does not supersede the NC Building Code requirements; and (c) Supports the public and private sector ability to receive federal grants and assistance via the NFIP.

In response to Councilman Hess, Ms. Deyton tried to outline the general sentiment from the outreach meetings, noting that there was not a clear consensus.

Councilwoman Ullman questioned what is the real driver of rebuilding and how is our ordinance leveraging that.

Councilman Hess said that he would like to take a moment to explain my reasoning behind my vote on the proposed flood ordinance changes. “This decision has not been easy, and my concerns for our small businesses remain at the forefront of my mind. I firmly believe that our state and federal partners need to step up and provide meaningful relief for our business owners who have been hit hardest by Hurricane Helene. The burden these regulations place on our businesses is immense, and it’s deeply frustrating to see local business owners, artists, and entrepreneurs left with few options while corporate interests could stand to benefit.

“While the North Carolina state building code supersedes city ordinances, meaning that even if the Council allowed rebuilding as is, the state mandates at least a 1-foot elevation above the base flood elevation (BFE), the reality of this requirement is far more challenging than it appears. For many of our businesses in flood-prone areas like the River Arts District, complying with this mandate could mean raising buildings by as much as 10 to 12 feet, given how far below the BFE they currently sit. Even the 1-foot or 2-foot minimum often cited feels negligible in the face of this substantial burden.

“At the same time, failure to comply with FEMA guidelines and the National Flood Insurance Program (NFIP) requirements puts Asheville at risk of losing critical federal funding and disaster assistance—resources that our city desperately needs to rebuild. This places me - and us as a Council in a position where our hands are tied. The relief our small business owners need must come from our state legislature and federal partners.

“ That said, my vote tonight is a reluctant yes. Here’s why: (1) 1.Ensuring Long-Term Resilience: Even as we advocate for relief for existing businesses, we must also recognize that future development in Asheville must be resilient. These protections are essential to safeguard against future disaster s and to ensure that Asheville remains eligible for federal funding and insurance protections; (2) Collaborative Support for Small Businesses: I am committed to - and I think we as a council - our committed to working with small businesses in advocating for assistance through partnerships with the Small Business Administration (SBA), and the disaster hazard mitigation grant programs to make properties and businesses more resilient; (3) Acknowledging Limitations: While I think businesses that have been part of our community for decades should have the opportunity to rebuild under a grandfathering provision, this power lies beyond our city’s authority. We will continue to advocate for state-level variances that provide relief for existing businesses while holding new developments to updated standards; and (4) Recognizing the Limitations of Elevation Requirements: It’s important to note that even with these requirements, there is no guarantee they will protect against all flooding. Even businesses that complied with regulations in past floods still suffered substantial damage. This underscores the need for comprehensive solutions that go beyond elevation requirements.

“Ultimately, my vote tonight is an acknowledgment of the legal constraints we face and the need to ensure our participation in the NFIP while protecting future development. However, I remain deeply committed to advocating for meaningful relief for our small businesses and ensuring that the character and vibrancy of Asheville are not eroded by these changes.”

Councilwoman Roney shared Councilman Hess’ concerns and sentiment about putting the whole City’s insurance and relief funding at risk is a key factor in my decision.

Councilwoman Ullman asked what risks we would be putting ourselves in if we adopted the ordinance today, but delayed the effective date, perhaps by one year. City Attorney Branham said the primary risk is likely that it would be viewed by the National Flood Insurance Program as the City of Asheville still being out of compliance until the implementation date. He can’t be sure how much the City would be docked, but possibly a reduction in our current discount rates. In addition, during that period of time, the State Building Code would still continue to be in effect, which would apply regardless of our Code. Someone relying on our Code may not know.

In response to Councilwoman Roney regarding the variance for historic structures, Ms. Deyton said that for buildings designated with a historic designation could obtain an exemption by going through the variance process. It’s likely that if they meet all the requirements, they would be granted a variance. City Attorney Branham also noted that the variance process is conducted through the Board of Adjustment. They would review the variance request and make a determination. Even though we can’t promise a variance would be granted, the City would likely not be objecting to the requests, and generally the Board concurs with City staff recommendations when variances are considered.

Mayor Manheimer said that members of Council have previously received a copy of the ordinance and it would not be read.

Councilwoman Ullman moved to adopt the proposed text amendments to Chapter 7 of the Asheville Code of Ordinances sections 7-2-4, 7-2-5, and 7-12-1, and find that the proposed amendments are reasonable, are in the public interest, are consistent with the City’s comprehensive plan, and meet the needs of the community in that the amendment will 1) align city regulations with state and federal requirements, 2) clarify development language to better support permit applicants and city staff in the permitting process, and 3) simplify the city code for all users. This motion was seconded by Councilwoman Roney and carried unanimously.

ORDINANCE BOOK NO. 36 – PAGE 3

V. UNFINISHED BUSINESS:

VI. NEW BUSINESS:

A. RESOLUTION NO. 25-20000 - RESOLUTION ADOPTING THE ASHEVILLE CITY COUNCIL 2025 LEGISLATIVE AGENDA

City Attorney Branham said that this is the consideration of adoption of the Asheville City Council 2025 Legislative Agenda and direction to share with Asheville’s Local Delegation.

Background:

- The 2025 legislative long session of the North Carolina General Assembly will commence on January 29th of this year.
- Historically, the City Council has adopted a legislative agenda to provide direction to our local delegation on those priorities for local or general legislation which the City wishes to pursue.

- This year's agenda has been abbreviated in order to draw specific attention and focus to those items most pressing to the City and relevant to the ongoing recovery efforts, or to those items most likely to receive legislative attention.
- The remaining ongoing legislative priorities shall continue to be advanced through alternative channels, and may be included in future agendas.

Council Goal(s):

- A Clean, Safe and Healthy Environment
- A Financially Resilient City
- An Equitable & Diverse Community
- Transportation & Accessibility
- A Well Planned and Livable Community
- Quality Affordable Housing

Committee NA (Council Committees Suspended)

Pro(s):

- Provides direction to our local delegation on Council's legislative priorities, and serves as a starting point for presentation of potential general and local acts which would benefit the City.

Con(s):

- None

Fiscal Impact:

- This action requires no (additional) City resources and has no fiscal impact.

City Attorney Branham said the following are the key takeaways from his presentation: (1) The N.C. General Assembly will convene its 2025 Long Session tomorrow; (2) The City Council Legislative Agenda provides a means of transmitting your shared legislative goals with our local delegation and the public; (3) This year's agenda has been modified to add focus on items of high priority, or which have high likelihood of legislative action; (4) The proposed City of Asheville 2025 Legislative Agenda is, therefore, comprised only of requests associated with Helene recovery efforts, and one zoning authority item; and (5) Pre-Existing legislative priorities will continue to be advanced through alternate channels, and future legislative agendas.

Regarding the NC General Assembly long session, (1) Long Sessions occur in ODD numbered years, and often encompass the majority of the bi-annual legislative action; (2) The 2025 Long Session will convene on January 29th; (3) Both "Local" and "General" laws can be considered in the Long Session; and (4) Local bills must be submitted by February 13th or 20th, and filed by Feb. 27th - March 6th.

He said regarding the City of Asheville Agenda Items, long session priorities, (1) Support Funding Needs Directly Related to Helene Recovery Efforts (a) 10% Local Match on FEMA Funded Public Assistance Projects; (b) Local Government Revenue Replacement Funding; (c) Ongoing Monetary and Related Legislative Support; and (2) Reconsideration of Recent changes to Local Zoning Authority (SB 382).

Regarding the pre-existing legislative priorities, (1) Pre-Existing Legislative Agenda Items will remain priorities; (2) Advocacy on these items will continue through alternative channels including City's lobbying teams; (3) By limiting this year's agenda, the City will be able to focus legislative attention on the items which are most pressing at this time; (4) Previous agenda items can be included on future agendas; (5) Support Funding Opportunities for Investments in Critical Local Infrastructure and Services; (6) Support New State Funding to Assist Property Owners with

Reducing Stormwater Pollution; (7) Reform the Local Occupancy Tax Utilization Rules; (8) Oppose Legislation that Would Limit Reasonable Regulation of Short Term Vacation Rentals; (9) Support New Legislation and State Funding to Encourage Development of Affordable Housing; (10) Oppose Legislation that Would Remove or Further Restrict Local Conditional Zoning Authority; (11) Support Legislation that Would Update Property Taxation to Provide Greater Protection and Equitable Treatment for Homeowners; (12) Amend the North Carolina Fair Housing Act to include "Source of Income/Funds" as a Protected Characteristic; (13) Support for State and Local Reparations Efforts; and (14) Support Legislation that Would Require Online Short Term Rental Platforms to include a Locally Issued Permit to Complete Rental Listings.

He said the legislative agenda timeline is (1) January 28 - Review and Recommendation by City Council; (2) January 29 - City Attorney to submit Legislative Agenda to our local delegation; (3) February 13th - 20th - Deadline for filing of new local bills; and (4) End of Long Session.

He then reviewed the following long session priorities:

1 - Provide State Funding to cover the 10% Local Share of FEMA funded Public Assistance Projects and Initiatives - The Federal Government has agreed to provide 90% of the funding required to complete the eligible Public Assistance rebuilding projects within the City. These include critical infrastructure and public assets such as roads and bridges, water control facilities, public buildings and content replacement, public utilities, and parks and recreational facilities. It remains essential, however, that State funding be provided to cover the remaining 10% of repair and recovery costs associated with these items.

- Support funding for the full local share of rebuilding and replacing these critical public assets.

2 - Ensure State Helene Recovery Funding Can Be Used for Local Government Revenue Replacement Grants or Forgivable Loans - The severe economic effects of Hurricane Helene have been felt by local governments throughout Western North Carolina. The loss of sales tax revenue and other fees and charges, as well as significant uncertainty regarding the collection of property taxes, has resulted in a monetary shortfall for the local government budgets in the affected region. Because of the statutory mandate to adopt a yearly balanced budget, this revenue shortfall will necessarily result in difficult budgetary actions which will, in turn, have a highly negative impact on local economies and recovery efforts. In order to balance budgets by the fiscal year deadline, local governments will likely be forced to cut services, reduce their workforce, or raise taxes on already struggling North Carolinians. The State Legislature has already allocated funding for local government cash flow needs. If this funding can be converted to allow for revenue replacement, then local services, employment rates, and tax rates could be maintained.

- Support amendments to the allowable uses of new funds, or funds already allocated to Hurricane Helene Relief efforts, which would permit grants or forgivable loans utilizable as revenue replacement for local governments.

3 - Provide Ongoing Funding and Support for the Recovery of Asheville and all of Western North Carolina - In addition to the need for the State to continue its precedent of providing funding for local match requirements for federally funded disaster reconstruction efforts, it is essential that State funding and other legislative assistance continue to flow to the areas and people affected by Hurricane Helene. Local Governments, and the residents they serve, will depend upon this support for months and years to come, in the form of much needed grants, loans, local government revenue opportunities, and related legislative action. Continued State

support will allow the City to address the desperate need for housing, improved resiliency of infrastructure, and personal and economic recovery of our residents and businesses. The City of Asheville is incredibly grateful for the efforts of the State thus far to support our recovery. However, a full recovery will take time, and can only be accomplished with the continuation of State support.

- Support long term additional funding and other legislative actions to advance the full recovery of Asheville and Western North Carolina.

4 - Support Legislative Amendment or Repeal of recent changes to N.C.G.S

160D-601(d) (Downzoning) - Recently adopted Session Law 2024-57, in part, amended the existing statutory provisions governing “downzoning.” These changes greatly expanded the definition of “downzoning,” and for the first time in the State’s history, prohibited nearly all local government authority to take such action. These changes will significantly impact the ability of local governments to use the zoning power to adjust to new types of land uses, to amend outdated development standards, to adjust to changes in jurisdictions, and to comply with State and Federal requirements to adopt updated maps (such as those dealing with changing flood planes). Perhaps most pressing to Asheville, and all of Western North Carolina, is that these recent changes will drastically limit local government ability to adopt needed regulatory changes to increase the safety and resiliency of areas highly susceptible to damage from future storms and flooding. Without this ability, the likelihood of future catastrophic loss of lives and property will remain high.

- Support reconsideration of the recent changes to NCGS 160D-601(d) dealing with downzoning.

Councilwoman Roney said that we do have other needs in our community at are not addressed in this legislative agenda. She spoke with educator organizations about funding for our public schools. There was an ask if we could add that to our legislative agenda. We’ve also had multiple asks to add very specific housing recovery items in our legislative agenda. Mr. Geoffrey Barton from Mountain Housing Opportunities outlined that the recovery focus agenda is about budgets and not people. His four requests were about rental assistance for low-income households; funding for temporary housing; tenant protections; and state housing tax credit. He asked that they be included under our priority “Provide Ongoing Funding and Support for the Recovery of Asheville and all of Western North Carolina” specifically. She would support those additions to our legislative agenda if Council agrees.

Mayor Manheimer said that the City Attorney is trying to have us keep our legislative agenda realistic and very focused. The items that Mr. Barton suggested, other than the tax credits, are all things we can do with CDBG-DR funds, which we have been awarded \$225 Million. Hopefully the “Temporary Pause of Agency Grant, Loan and Other Financial Assistance Programs” Memo does not disrupt that process. Also, it’s unlikely that we will get those kinds of funds from the state legislature, but rather more from the federal government, which we will be putting together another aid package in March. We have been having discussions with our legislators about having revenue loss funding and while she understands that there are so many worthy things we could include in our legislative agenda, the idea of this legislative agenda is to keep it very discrete and big picture.

When Mayor Manheimer asked for public comments, none were received.

Mayor Manheimer said that members of Council have been previously furnished with a copy of the resolution and it would not be read.

Vice-Mayor Mosley moved to adopt a resolution to approve the 2025 City of Asheville Legislative Agenda and to direct the City Attorney to provide the resolution to the members of our legislative delegation. This motion was seconded by Councilman Hess and carried unanimously.

RESOLUTION BOOK NO. 45 – PAGE 300

VII. INFORMAL DISCUSSION AND PUBLIC COMMENT:

Several individuals spoke to City Council about various matters, some being, but are not limited to: need for an affordable housing plan for low income families; urge the City to do what they can to expedite efforts regarding variances for historic structures without expense and delay to property owners; new drugs for mental health; resume boards and commissions; look at Asheville's future through the lens of economic sustainability and the sustainable sector of our local economy; displacement confusion and local housing policy impacts; work with property owners to overcome challenges to build and rebuild in our City; concerns of mass deportation; and need for the City to work with landlords to be less exploit tenants.

Closed Session

At 7:02 p.m., Councilman Hess moved to go into closed session for the following reasons: (1) to prevent disclosure of information that is privileged and confidential, pursuant to the laws of North Carolina, or not considered a public record within the meaning of Chapter 132 of the General Statutes. The law that makes the information privileged and confidential is N.C.G.S. 143-318.10(a)(1). The statutory authorization is contained in N.C.G.S. 143-318.10 (e); (2) To consult with an attorney employed by the City about matters with respect to which the attorney-client privilege between the City and its attorney must be preserved, including, but not limited to, providing instruction to an attorney concerning the handling of a claim. The statutory authorization is contained in N.C. Gen. Stat. § 143-318.11(a)(3); and (3) To consider the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of an individual public officer or employee or prospective public officer or employee; or to hear or investigate a complaint, charge, or grievance by or against an individual public officer or employee. The statutory authorization is contained in N.C. Gen. Stat. § 143-318.11(a)(6). This motion was seconded by Vice-Mayor Mosley and carried unanimously.

At 8:50 p.m., Mayor Manheimer adjourned the closed session.

VIII. ADJOURNMENT:

Mayor Manheimer adjourned the meeting at 8:50 p.m.

CITY CLERK

MAYOR