

Thursday – April 3, 2025 - 11:00 a.m.

Agenda Briefing Worksession - For April 8, 2025, Council Meeting

Present: Mayor Esther E. Manheimer, Presiding; Vice-Mayor S. Antanette Mosley; Councilman Bo Hess; Councilwoman Kim Roney; Councilwoman Sheneika Smith; Councilwoman Sage Turner; Councilwoman Maggie Ullman; Assistant City Manager Ben Woody; City Attorney Brad Branham; and City Clerk Magdalen Burleson

City Council held an agenda briefing worksession to discuss the upcoming and future agenda items. All Council committees will continue to remain on pause as City Council works through post-Helene priorities and goals.

Discussion occurred on the following other update: Capital Projects Budget

At 11:26 p.m., Mayor Manheimer adjourned the agenda briefing worksession.

Tuesday - April 8, 2025 - 3:00 p.m.

Budget & Capital Improvement Program Worksession

Present: Mayor Esther E. Manheimer, Presiding; Vice-Mayor S. Antanette Mosley; Councilman Bo Hess; Councilwoman Kim Roney; Councilwoman Sheneika Smith; Councilwoman Sage Turner; Councilwoman Maggie Ullman; City Manager Debra Campbell; City Attorney Brad Branham; and City Clerk Magdalen Burleson

Budget Worksession

Finance Director Tony McDowell said that the following are the key takeaways from their presentation: (1) Staff has continued to review fiscal year (FY) 26 financial projections and has identified additional opportunities to close the General Fund budget gap; (2) Staff has also applied for the FEMA Community Disaster Loan (CDL) program and is awaiting notification regarding potential award of up to \$5.0M (a) If awarded, Council will need to approve acceptance of the loan; and (b) Staff will provide possible options for how to utilize this additional funding; (3) As requested at the prior work session, staff will provide a multi-year financial analysis for the proposed APD and AFD compensation changes including projections for adding a 4th shift for AFD; (4) Staff has reviewed data related to the compensation options for general employees, and determined that the 3% hybrid scenario would have the most significant impact on lifting existing full-time permanent employees above the full living wage; (5) Staff has prepared a detailed 5-year plan for both the regular Capital Improvement Plan and the \$80M GO Bonds approved by voters in November; and (6) Staff will utilize Council direction at this work session to finalize the Manager's Proposed Budget which will be presented on May 13th - Council will have an additional month after presentation of the Manager's Proposed budget to deliberate before final adoption in June.

Mr. McDowell then gave a recap of the FY26 General Fund revenues vs expenses. Without additional action, the City would need to use \$11.4M in fund balance to balance the budget. This would bring the City's fund balance under 10%. City policy recommends a 15% balance.

He reviewed a recap of the property tax increase (4.65 cents) to maintain a 15% fund balance.

He then gave a FY26 General Fund revenue update as follows: (1) Consultants have completed the City's annual Cost Allocation Plan, which determines how much each Enterprise Fund pays the General Fund for services rendered. - This amount will increase approximately \$500k beyond initial FY26 estimates; (2) Staff has also identified approximately \$400-\$600k in permit fee revenue in the Street Cut Fund reserves which can be utilized as a revenue source for the General Fund; (3) Staff has also made minor updates to other revenues; and (4) **Overall FY26 General Fund revenues estimates have increased by \$900k.**

The FY26 General Fund expenditure update is as follows: (1) The City currently utilizes Opioid revenue, including the Dogwood Grant, to fund 3 staff and some associated operating costs; (2) Staff has determined that 2 firefighter positions on the Community Responder teams could be funded with Opioid revenue in FY26 saving the General Fund about \$170K; (3) It should be noted that this is a short-term savings option, and that additional General Fund dollars will be needed to maintain the program beginning in FY28; (4) After the latest review of vacancies and projecting into next fiscal year, staff recommends adjusting the estimated average vacancy savings in the General Fund, which creates a savings of \$328K; (5) As with the Opioid recommendation on the prior slide this is also a short-term savings strategy since vacancies will likely decrease in future years; and (6) **Overall the opioid and vacancy adjustments will reduce FY26 General Fund expenditure estimates by \$498k.**

Council did not have any questions or concerns about the revenue and expense updates.

Regarding the Community Disaster Loan Program, (1) FEMA's Community Disaster Loan (CDL) Program provides funding to help local governments that have incurred a significant loss in revenue, due to a major disaster, that has or will adversely affect their ability to provide essential municipal services; (2) CDL funds may be used to continue or expand existing essential municipal services to meet disaster-related needs; (3) The standard loan is for five years. However, it may be extended to 10 years depending on circumstances (a) The City will pay interest on the loan based on current interest rates as determined by FEMA; (b) There is the possibility that the loan could be forgiven by Congressional action; (4) Finance staff has been working with FEMA on the City's CDL application for the past few months; (5) FEMA has preliminarily indicated that Asheville may be eligible for \$5M, the maximum loan amount; (6) This amount is subject to change and it may be several more weeks before a final allocation decision is made; (7) With current interest rates at slightly over 4%, The City would pay approximately \$500k - \$1.0M in interest costs depending on the length of the loan payback (5 vs 10 years); (8) If awarded, Council will need to approve accepting the loan; and (9) Opportunities for utilizing CDL funding: Offset General Fund revenue losses and reduce the property tax rate increase in FY26; Offset Water Fund revenue losses in FY25 in order to ensure that debt covenants are maintained; Offset Parking Fund revenue losses in FY25 in order to ensure that full transfer can be made to the Transit Fund; and Challenge: Financial picture in Water and Parking will not be fully known until closer to the end of the fiscal year. The pros are (1) Could be used to either minimize the property tax rate increase or ensure sufficient revenue in the Enterprise Funds (Water, Parking); and the cons are (1) It's a loan with an interest rate, so it would cost the City more in the long run unless Congress takes action to make it forgivable as it has in some other disasters; and (2) It's a one-time revenue source so if utilized in the General Fund, it would not alleviate the need for a property tax rate increase in FY27.

He showed a chart of the property tax increase for 15% Fund Balance w/loan applied of \$1.50 cents. Staff expects to receive notification on the disaster loan application in the next few weeks so no Council direction is currently needed.

Budget Manager Lindsay Spangler provided a follow-up from the second budget worksession as follows: (1) Work Session 2 included discussions about compensation adjustments for both public safety and general employees; (2) Council requested additional

information to provide more context around both the current state of personnel and future impacts; and (3) Since the last work session, staff has received the 4th shift proposal from the Asheville Fire Fighters Association (AFFA).

She then reviewed the public safety adjustments recap as follows: (1) APD supports moving away from their step pay plan to a pay structure that includes a career ladder; (2) Implementing the new APD pay structure will require compression adjustments that create an additional cost of \$1.1M in FY26; (3) Staff has been reviewing two compensation proposals for AFD: (a) Transition from the step plan to a career ladder pay plan, and (b) Implementation of a 4th shift that would allow for each firefighter to work fewer hours; (4) Staff will present a cost analysis for both AFD proposals but after discussions, AFD favors this plan over the new pay plan structure for implementation in the near term; and (5) City staff met with members of the Firefighters Association on Monday and developed a compromise for moving the 4th shift proposal forward. She used a chart to show the APD 5-year projections. The APD pay plan will result in an initial cost of \$1.1M to avoid compression, with smaller adjustments in the outyears. The increase in the outyears is driven by officers becoming eligible to move into new positions - approximately 10-30 officers would be eligible for new positions every year. Outyear projections are preliminary and subject to change.

Ms. Spangler used a chart to show the AFD 5-year projections. Although staff does not anticipate a significant cost in FY26, the Fire pay plan will result in higher outyear costs. In FY26 AFD employees would get a salary increase commensurate with general employees increase if one is given. Every year, employees would be eligible for a 2% minimum increase, with some earning 5% if they achieve an Advanced EMT certification. These increases would be in addition to any general pay adjustments approved as part of the budget. Outyear projections are preliminary and subject to change.

Regarding the Asheville Fire Fighters Association 4th shift proposal, (1) The Firefighters Association (AFFA) has proposed a plan that would add a 4th shift to AFD's schedule, resulting in each firefighter working fewer hours while maintaining the same level of coverage throughout the city; (2) The plan would be phased in over the next five years; (3) If the plan is approved, the first year would establish a 4th shift while having each firefighter work the same number of hours; (4) First year costs as estimated by AFFA, which would be for promotions related to the new shift, would be approximately \$200k; (5) In subsequent years, AFD would phase in the plan by hiring more firefighters each year, gradually reducing the number of hours each firefighter has to work; (6) In total, the proposal would add 86 firefighters, after which each firefighter would achieve a 42-hour work week; and (7) AFFA estimates that the total cost for full implementation of the 4th shift would be approximately \$6.3M - Future property tax rate increases will likely be required to fund the full implementation of this proposal. The pros for the 4th shift proposal are (1) Increased personnel would be available to respond in future disaster events; (2) With each firefighter working fewer hours, they would be exposed less to harmful carcinogens from smoke inhalation; (3) Although the Department is not currently facing retention or recruitment issues, this proposal would help with morale and mitigate potential future retention and recruitment issues; and (4) The hourly rate of each firefighter would be higher. Cons for the 4th shift proposal are (1) Although it increases the hourly pay for each firefighter, it does not increase their annual salary outside of any general increases approved as part of the annual budget; (2) Since the cost cannot be absorbed with current resources, adding 86 firefighters would likely require property tax rate increases as the new employees are phased in; (3) The city is facing financial uncertainty due to the storm and ongoing policy changes on the federal level; and (4) Approving this plan could prevent staffing needs from other departments being addressed and create morale issues.

The recommendation for the 4th shift proposal is (1) City staff supports the 4th shift proposal; (2) City staff and AFFA leadership met on Monday and agreed to a compromise approach; (3) This approach recommends putting in place the structure for the 4th shift (\$205K in

FY26); (4) In FY27, 4-5 additional firefighter positions would be added to the budget, in order to begin operationalizing the 4th shift and reducing firefighter hours worked; and (5) Future Councils and staff will then determine the pace of implementation based on available resources. Pros for the 4th shift proposal recommendations are (1) Puts in place a structure that can be built on in the future; and (2) Is more financially sustainable than the original implementation proposal. Cons are (1) Slows the benefits of adding a 4th shift; (2) Approving this plan could still prevent staffing needs from other departments being addressed and create morale issues; and (3) Recommends adding future FTEs in the FY27 budget.

Ms. Spangler then reviewed the FY compensation options for general employees, showing a current base pay for full-time employees chart. For the Percentage and Hybrid options staff has modeled three different levels of increases: (1) 1.5% across the board increase or 1.5% increase above median and \$870 flat amount below median; (2) 2.0% across the board increase or 2.0% increase above median and \$1,160 flat amount below median; or (3) 3.0% across the board increase or 3.0% increase above median and \$1,740 flat amount below median. The General Fund costs for the Percentage and Hybrid options, the APD pay plan adjustments, and the AFD 4th shift are shown below.

% Increase	Percentage Option	Hybrid Option
1.5%	\$2.35M	\$2.35M
2.0%	\$2.71M	\$2.74M
3.0%	\$3.42M	\$3.53M

The only scenario that significantly decreases the number of people below the full living wage is the 3% hybrid option. There will still be future employees hired after July 1, 2025 whose starting salary will fall below \$48,152. As staff noted at the budget work session, a roughly 19% pay plan increase would be required to permanently shift the City's hiring wages above \$48,152.

She reviewed the chart below for the salary increase and 15% Fund Balance property tax scenarios:

Scenarios	Tax Rate Increase	Average Homeowner Impact (Annual)	Average Homeowner Impact (Monthly)

1.5% Percent & 1.5% Hybrid, APD, AFD 4th Shift	5.18 cents	\$181	\$15.11
2% Percent & 2% Hybrid, APD, AFD 4th Shift	5.36 - 5.37 cents	\$188	\$15.63
3% Percent & 3% Hybrid, APD, AFD 4th Shift	5.71 - 5.77 cents	\$200 - \$202	\$16.65 - \$16.83

Policy Target: 15% requires an estimated 4.00 cent property tax rate increase

This is not a recommendation; it represents example tax increases for fund balance and salary increases.

Assumes average residential tax value of \$350,000 and every 1-cent tax rate increase generates \$2.0M.

She then showed the following chart of salary increases and 15% Fund Balance property tax scenarios with loan:

Scenarios w/Loan	Tax Rate Increase	Average Homeowner Impact (Annual)	Average Homeowner Impact (Monthly)
1.5% Percent & 1.5% Hybrid, APD, AFD 4th Shift	2.68 cents	\$94	\$7.82
2% Percent & 2% Hybrid, APD, AFD 4th Shift	2.86 - 2.87 cents	\$100	\$8.34
3% Percent & 3% Hybrid, APD, AFD 4th Shift	3.21 - 3.27 cents	\$112 - \$114	\$9.36 - \$9.54

Policy Target: 15% requires an estimated 1.50 cent property tax rate increase with CDL Loan included.

This is not a recommendation; it represents example tax increases for fund balance and salary increases.

Assumes average residential tax value of \$350,000 and every 1-cent tax rate increase generates \$2.0M.

Staff recommends moving forward with the 3% hybrid option in the Manager's proposed budget.

City Manager Campbell, along with Finance Director Tony McDowell, Budget Manager Lindsay Spangler, Fire Chief Mike Cayse, and former Fire Chief Scott Burnette, responded to various questions/comments from Council, some being, but are not limited to: has City staff notified organizations receiving strategic operating grant funds that the program is paused; will AFD overtime costs be reduced with the AFD 4th shift; what are the area municipalities that are implementing the 4th shifts; is the scheduling options one reason why the AFDs support the 4th shift proposal; do we have an idea of how many fire fighters are new in the last five years; is there a life cost to not retaining experienced fire fighters; concern retaining fire fighters; what is the implementation time period for other cities more our size; elaborate on morale issues from other

departments if we already know we will have to raise property taxes every year just to add fire fighters every year for the next five years; can we delay implementation in any of the future years in the AFD 4th shifts; how many fire fighters are we adding a year, noting that they are replacing retirements, resignations; etc.; support for adding five fire fighter positions this fiscal year to begin the commitment of implementation of the 4th shift proposal; request to see costs of adding 4-5 fire fighters in FY26; what is the financial budget resiliency at the cost of adding more staff; various questions related to public safety compensation proposals; concern raising property taxes; and do we have any additional revenue updates coming. Those answers not readily available would be provided to Council in a follow-up document.

It was the consensus of Council to support this path forward on compensation (3% hybrid option with APD pay plan, and AFD 4th shift); and the salary increases and 15% fund balance property tax scenario with the loan of an estimated \$1.50 cent property tax rate increase with the CDL loan included.

Capital Improvement Program

Interim Assistant City Manager Jade Dundas provided Council with the following key takeaways from his presentation: (1) Working toward a 10 year capital improvement plan (CIP); (2) Due to the hurricane we had to settle for a well developed and thorough 5 year CIP; (3) Important to consider recovery projects in the context of bond and general fund CIP projects; and (4) Recovery projects will be highlighted but we are still working on the details (especially estimates).

Funding sources include (1) **General Fund** - Most flexible source of funding - Project types include transportation, parks, all facilities, vehicles; (2) **Bond Funding** - Spending limited to the voter approved categories - Affordable Housing; Parks; Public Safety Facilities - new construction and remodel of fire and police stations, land acquisition for facilities, design work; and Transportation - streets, sidewalks, signals, greenways; (3) **Public Assistance (FEMA) Funding** - limited to the reconstruction of assets damaged by the storm, included some resilience and mitigation assistance; and (4) **Other funding sources** - CDBG-DR, HMGP, FHWA, MPO, and other grants will be used to supplement project development

Mr. Dundas said that regarding the FY 2026-30 General Fund CIP development, (1) Financial Assumptions - General Fund CIP budget capacity is \$20 to \$25M per year; (2) Projects pulled from: Past CIPs & requests; Planning Docs - Facility Study, Recreate Asheville, Gap Plan, etc.; and Department Collaboration; and (3) Projects prioritized by: Financial Capacity; Facility Condition; and Community input/preferences.

He then reviewed the FY 2026-30 General Fund Debt and Pay-Go CIP draft chart below:

FIVE YEAR CAPITAL IMPROVEMENT PROGRAM (CIP) BUDGET					
	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Facility Maintenance	\$12,560,000	\$1,751,000	\$9,277,000	\$9,500,000	\$4,304,000
Fleet & Equipment	\$2,990,000	\$3,238,000	\$3,288,000	\$3,589,520	\$3,393,101
Greenways	\$800,000	\$375,000	\$6,000,000	\$0	\$5,500,000

Recreation & Entertainment Facilities	\$50,000	\$1,650,000	\$2,900,000	\$2,000,000	\$6,900,000
Streets & Sidewalks	\$5,769,023	\$15,109,524	\$1,468,000	\$5,035,040	\$1,700,092
GENERAL FUND TOTAL	\$22,169,023	\$22,123,524	\$22,933,000	\$20,124,560	\$21,797,193

General Fund FY26 projects include:

- **Facility Maintenance**
 - General Maintenance and Repair \$1,610,000
 - APR Headquarters \$10,000,000
 - City Hall \$750,000
 - Nature Center \$200,000
- **Fleet & Equipment**
 - Buses \$1,190,000
 - Fire Apparatus and Equipment \$1,800,000
- **Greenways**
 - North RAD (City Match) \$800,000
- **Recreation & Entertainment Facilities**
 - Sweeten Creek Park \$50,000
- **Streets & Sidewalks**
 - Coxe Ave \$2,260,000 (City Match)
 - Patton/College Improvements \$1,115,023
 - Traffic Calming \$203,000
 - Signal Replacement \$775,000
 - South Lexington Ped Imprvmnts. \$150,000 (Design)
 - School Zone Safety \$15,000 (City Match)

He then recapped the 2024 General Obligation (GO) Bond categories of \$20M in housing affordability; \$20M in parks and recreation; \$20M in transportation; and \$20M in public safety facilities.

GO Bond FY 25-26 projects include:

- **Transportation**
 - London Rd Sidewalk Design (FY25) \$250,000
 - Lexington Ave Sidewalk Design (FY 26) \$200,000
 - Street Resurfacing (FY26) app. \$2,500,000
- **Parks and Recreation**
 - Malvern Hills Pool
 - Design (FY25) \$325,000
 - Construction (FY26) \$2,450,000
 - Walton Street Park (FY 26) \$1,000,000
 - Shiloh Center (FY 26) \$360,000
- **Public Safety Facilities**

○ Fire Station 1 Renovation (FY26)	\$680,000
○ Oakley Fire Station 9 (FY25)	\$1,000,000
○ Fire Station 14 Prelim. & Siting Design (FY25)	\$200,000
○ Fire Station 7 Prelim. & Siting Design (FY26)	\$200,000
○ Fire Station 8 Renovation Design (FY26)	\$195,000
○ 970 Haywood Renovation (FY25)	\$450,000

Regarding Helene recovery projects, he explained defining simple projects as follows: Simple projects are straightforward repairs or replacements that follow FEMA's one-for-one restoration requirement. These projects are designed to restore damaged infrastructure to its pre-storm function as quickly as possible, with minimal flexibility for adjustments. The **Characteristics of Simple Projects** are Address safety concerns and/or prevent additional damage; Generally, a one-for-one replacement with minimal or no public engagement; City identified a risk-management strategy for FEMA PA reimbursement; Work can be completed using in-house labor and/or a simple contract; Work performed with no or minimal amount of design; and Minimal opportunity for mitigation. These projects ensure the City can efficiently repair infrastructure while maintaining compliance with FEMA's standardized recovery process.

Simple projects consist of (1) Roof/Envelope Repairs - Thomas Wolfe Auditorium (stand alone); Municipal Building (stand alone); City Hall; Fire Station #11 - Arson Task Force; and Fire Station #2; (2) Greenway Repair - Swannanoa River Greenway (stream bank restoration); Reed Creek Greenway; and Glenn's Creek Greenway; (3) Fencing Repairs/Replacement - Aston Park Tennis Center; Roger Farmer Park; Kenilworth Park; Montford (Tempie Avery) Ballfield Fencing; Eagle St. Parking Lot; Malvern Hills Park (complete); and Weaver Park; (4) Storage Building Repair/Replacement - Thomas Wolfe Cabin storage; and Aston Tennis Center maintenance; (5) Various Standalone Projects - Riverbend Park; Riverside Cemetery; Montford Park / Tennis; Anne Patton Joyce Park; West Asheville Park; Masters Park; Haw Creek Park; Sunset Park; Fire Station #12; Richmond Hill Park; Meadow Park; (6) 8 River Arts Place - Building Renovation; and Grounds repair; (7) Public Works Infrastructure - Roads, stormwater, mudslides; (8) Water Infrastructure - Site damage and small line repair; and (9) Comm Tower Repairs and Replacement. Lists are still under development and projects added as they are identified.

Mr. Dundas then explained defining complex projects as follows: Complex projects require more planning, coordination, and strategic decision-making. Unlike simple projects, these efforts allow for internal and external engagement, providing opportunities to incorporate resilience, mitigation, and design enhancements. The **Characteristics of Complex Projects** are Involve Complex planning, design, contracting and/or public engagement; Potential to strategically combine certain damaged items under one management contract; Have a more complex risk-management strategy for FEMA PA reimbursement; May have constructability challenges; May have potential historical and/or environmental significance; May have mitigation assessment/opportunities; and Might be higher cost. *By identifying projects as complex, the City can take advantage of opportunities to improve infrastructure beyond its pre-storm condition, ensuring long-term resilience and community engagement in the recovery process.*

Regarding recovery project groupings, (1) He reviewed slides (French Broad Riverfront; Swannanoa River; Municipal Golf Course; and Water) showing City assets that were damaged by tropical storm Helene grouped into complex projects; (2) These groupings only list things that will be initially funded using FEMA's Public Assistance (PA) funding program; (3) The PA program has opportunity for mitigation and resilience; (4) "Improvements" will need to be funded using other sources; (5) Grouping assets in this nature helps to create efficiencies related to project management and administration; and (6) Grouping assets in a common geography and/or with similar features is standard practice for PA project grouping.

City Manager Campbell, along with Mr. Dundas, responded to various questions/ comments from Council, some being, but are not limited to: will we be able to show a chart 10-year CIP; can we implement a new bond dashboard; are we missing some great grant opportunities if we have vacancies around grant-writing; there are mitigation strategies involved to restore vegetation; and confirmation that the Municipal Golf Course is using different funds other than funds for business grants.

At 4:53 p.m., Mayor Manheimer adjourned the budget and CIP worksession.

Tuesday – April 8, 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; 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.

I. PROCLAMATIONS:

II. CONSENT AGENDA:

At the request of Mayor Manheimer, Councilwoman Ullman moved to amend the City Council agenda to add to the Consent Agenda a motion amending the 2025-26 City Council meeting agenda to (1) delete the April 17, 2025, Agenda Briefing Workession; and (2) delete the April 22, 2025, City Council formal meeting. This motion was seconded by Councilwoman Roney and carried unanimously.

At the request of Councilwoman Roney, Consent Agenda Item “E” was removed from the Consent Agenda for discussion and/or an individual vote.

- A. APPROVAL OF THE COMBINED MINUTES OF THE AGENDA BRIEFING WORKSESSION HELD ON MARCH 19, 2025, AND THE FORMAL MEETING HELD ON MARCH 25, 2025**
- B. RESOLUTION NO. 25-77 - RESOLUTION TO ENTER INTO A FUNDING AGREEMENT WITH NORTH CAROLINA EMERGENCY MANAGEMENT FOR ALL DISASTER ASSISTANCE FUNDS PROVIDED BY OR THROUGH THE STATE IN RESPONSE TO THE DISASTER TROPICAL STORM HELENE**

Action Requested: Adoption of resolution to enter into a funding agreement with the State of North Carolina, Division of Emergency Management for all disaster assistance funds provided by or through the State in response to the disaster, Tropical Storm Helene.

Background:

- The Major Disaster Declaration made by the President of the United States numbered FEMA DR-4827-NC, Tropical Storm Helene, will provide disaster assistance funds to qualifying applicants.

- Disaster Assistance funds for FEMA Public Assistance and other FEMA programs once obligated are passed to the State of North Carolina, Division of Emergency Management for disbursement to local governments.
- While expedited funding has already been received, this funding agreement is required to ensure timely processing of Request for Reimbursements for FEMA related projects.
- This funding agreement is required to receive both Federal and State portions of disaster assistance.

Vendor Outreach Efforts:

- N/A

Council Goal:

- Financially Resilient City

Committee:

- No prior Committee approval.

Pro:

- Required agreement to continue to receive disaster assistance funding related to Tropical Storm Helene.

Con(s):

- None

Fiscal Impact:

- Agreement is a required step in continuing to receive disaster assistance funding both on a state and federal level. This includes FEMA funding already approved by the council.

Motion:

- Motion to adopt a resolution to enter into a funding agreement with the State of North Carolina, Division of Emergency Management for all disaster assistance funds provided by or through the State in response to the disaster, Tropical Storm Helene.

RESOLUTION BOOK NO. 45 - PAGE 377

C. RESOLUTION NO. 25-78 - RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH APPALACHIAN SITEWORK INC. FOR THE PATTON AVENUE SIDEWALK IMPROVEMENTS PROJECT, AND FURTHER AUTHORIZING THE CITY MANAGER TO EXECUTE ANY CHANGE ORDERS THAT MAY ARISE DURING THE PROJECT UP TO THE CONTINGENCY AMOUNT

Action Requested: Adoption of a resolution authorizing the City Manager to enter into a contract with Appalachian Sitework Inc. in the amount of \$743,339.07, for Patton Ave. Sidewalk Improvements, and further, authorizing the City Manager to execute any change orders that may arise during the project up to the Contingency amount of \$74,333.91 (10%).

Background:

- Funding for Sidewalk, Pedestrian and Safety Improvements along Patton Ave. was approved through a 2016 Bond Referendum.
- The Patton Ave. Sidewalk Improvements project includes the installation of approx. 0.45 miles of sidewalk, as well as the installation of curb-and-gutter, crosswalks, and bus

pads, along Patton Avenue in West Asheville, from its intersection with Louisiana Avenue to its intersection with Druid Drive. [Project page](#)

- This project was initially advertised for Bid in February 2023 (#298-PattonSidewalk-FY23). Not enough bids were received and the project did not move forward.
- This project was then rebid in March 2023 (#298-RebidPatton-FY23), but not enough bids were received and the project did not move forward.
- This project was then advertised for bid again on 02/06/2025, and three (3) bids were received from responsive, responsible bidders on 02/27/2025. The Bidders and Bids are listed below.

T.P. Howard's (Fairview, NC).....	\$955,260.00
Armen Construction (Charlotte, NC).....	\$868,065.00
Appalachian Sitework Inc (Waynesville, NC).....	\$743,339.07

- Appalachian Sitework Inc. was deemed the lowest responsive, responsible bidder, and are therefore being recommended for award.
- Construction Anticipated Start Date: June 2025; Construction Anticipated End Date: April 2026.
- Curb and Gutter work may only be performed at night between the hours of 7 PM and 6 AM.

Vendor Outreach Efforts:

- Staff performed outreach to minority and women owned businesses through solicitation processes that included emailing select MWBE vendors after bid issue, posting on the State's Interactive Purchasing System, and conducting a Pre-Bid meeting with Marcus Kirkman, wherein ABL policy was clearly explained to attendees.
- The recommended Bidder will be utilizing a minority-owned business for Traffic Control, with this participation representing 3.6% (\$27,000) of the Total Bid.

Council Goal(s):

- Transportation and Accessibility
- Connected and Engaged Community
- Thriving Local Economy

Committee(s):

- None

Pro(s):

- This project directly achieves Council goals and resolutions.
- It will provide a safe, accessible pedestrian route where it is *sorely* needed: in an area with high vehicular volume, a history of vehicular accidents, where pedestrians have to cross busy streets, driveways, and walk inches from Patton Avenue to access bus-stops and local businesses.
- The need for a pedestrian route here is made even more evident by a well-worn "desire path", engrained in the mud and turf, in the exact area where sidewalk will be installed.

Con(s):

- During Construction, traffic flow will be impacted along Patton Ave, as well as traffic flow in and out of parking lots that serve commercial businesses.
- The impact is mitigated through timing restrictions for certain construction activities (for example, curb and gutter work can only be performed at night), through the installation of

traffic control devices, and by providing safe, accessible pedestrian access routes through the construction zone at all times.

Fiscal Impact:

- Funding for this contract is already included in the adopted Capital Improvement Program (CIP).

Motion:

- Motion to adopt a resolution authorizing the City Manager to execute a contract with Appalachian Sitework Inc. in the amount of \$743,339.07, for Patton Ave. Sidewalk Improvements, and further, authorizing the City Manager to execute any change orders that may arise during the project up to the Contingency amount of \$74,333.91 (10%).

RESOLUTION BOOK NO. 45 - PAGE 378

D. MONTHLY MUNICIPAL PROPERTY TAX REFUNDS OR RELEASES PER N.C. GEN. STAT. SEC. 105-381

Action Requested: Adoption of City of Asheville property tax refunds and releases for the month of February 2025..

Background:

- Buncombe County currently bills and collects City property taxes
- At the August 22, 2023, meeting, City Council approved an addendum to the existing tax collection agreement with Buncombe County to ensure that it fully conforms to the provisions of Chapter 105 of the North Carolina General Statutes, entitled The Revenue Act.
- As part of that compliance, the City Council must, on a monthly basis, approve all property tax releases and refunds that have been approved by the Buncombe County Board of Commissioners.
- City of Asheville refunds and releases for February 2025 are included in the document.

Council Goal(s):

- A Financially Resilient City

Pro(s):

- Ensures compliance with provisions of Chapter 105 of the North Carolina General Statutes, entitled The Revenue Act.

Con(s):

- None

Fiscal Impact:

- None.

Suggested Motion:

- Motion to adopt City of Asheville property tax refunds and releases for the month of February 2025.

E. MOTION APPROVING THE APPOINTMENT OF PROPOSED SLATE OF DIRECTORS FOR THE ASHEVILLE DOWNTOWN IMPROVEMENT DISTRICT BOARD (THE ENTITY OPERATING THE DOWNTOWN BUSINESS IMPROVEMENT DISTRICT

This item was removed from the Consent Agenda for discussion and/or an individual vote.

F. MOTION AMENDING THE 2025-26 CITY COUNCIL MEETING AGENDA TO (1) CANCEL THE APRIL 17, 2025, AGENDA BRIEFING WORKSESSION; AND (2) CANCEL THE THE CITY COUNCIL FORMAL MEETING ON APRIL 22, 2025

Mayor Manheimer asked for public comments on any item on the Consent Agenda, but received none.

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.

Councilwoman Smith moved for the adoption of the Consent Agenda with the deletion of Consent Agenda Item "E". This motion was seconded by Vice-Mayor Mosley and carried unanimously.

ITEM REMOVED FROM THE CONSENT AGENDA FOR DISCUSSION AND/OR AN INDIVIDUAL VOTE

E. MOTION APPROVING THE APPOINTMENT OF PROPOSED SLATE OF DIRECTORS FOR THE ASHEVILLE DOWNTOWN IMPROVEMENT DISTRICT BOARD (THE ENTITY OPERATING THE DOWNTOWN BUSINESS IMPROVEMENT DISTRICT

Action Requested: Adoption of a motion approving the appointment of the proposed slate of directors for the Asheville Downtown Improvement District Board (the entity operating the Downtown Business Improvement District).

Background:

- City Council passed Resolution 24-119 at their June 11, 2024 meeting which outlined the steering committee/board make-up for the Downtown Business Improvement District. This direction was incorporated into staff's competitive Request for Proposals process to identify an operator for the Business Improvement District and is subsequently being incorporated into the Asheville Downtown Improvement District (ADID)'s process for board appointments.
- More information and background is available on the City's Downtown Business Improvement District project page.
- The slate of directors for consideration follows the representation and make-up requirements outlined in City Council Resolution 24-119 regarding the structure of the Downtown Business Improvement District.
- ADID administered an open call for those interested in serving on the board of directors, which was promoted by the Asheville Downtown Association, Chamber of Commerce and City of Asheville.

Council Goal(s):

- Thriving Local Economy
- Clean, Safe and Healthy Environment

Committee(s):

- The City Council-directed structure of the Downtown Business Improvement District was presented at the Downtown Commission on August 30, 2024 and the Planning and

Economic Development Committee of City Council on September 9, 2024. Board make-up was not explicitly considered for a vote by either of these bodies.

Pro(s):

- Establishment of the steering committee/board will support the timely rollout of services of the Downtown Business Improvement District.

Con(s):

- None

Fiscal Impact:

- This action does not have a fiscal impact on the City.

The names, member type and member affiliations are below (all voting members except where noted):

Larry Crosby, Commercial Property Owner, The Foundry Hotel
Natalie Dierkes, Commercial Property Owner, DMG Property Management
JB McKibbon, Commercial Property Owner, McKibbon Hospitality
Cheryl Antoncic, Suess Commercial Property Owner, Bear's BBQ
Joelle Gali, Business Renter, Dewey Property Advisors
Ashleigh Hardes, Business Renter, Lexington Glassworks
Kyle Samples, Business Renter, La Zoom Tours
Eva-Michelle Spicer, Business Renter, Spicer Greene Jewelers
Dane Barringer, Residential Property Owner, Resident
Kevan Frazier, Residential Property Owner, Resident
Susan Griffin, Residential Property Owner, Resident
Meseret Aitken, Residential Renter, Resident
Gurleen Kaur, Residential Renter, Resident
Karmen Milham, Residential Renter, Resident
Melina Arrowood, Continuum of Care, HCA Health
Nex Millen, The Block, YMI Cultural Center
Scott Fowler, At-Large, BruceMont Communications
Antanette Mosley, Council member, (ex-officio, non-voting)
Ben Woody, (City Manager designee (ex-officio, non-voting)
Tim Love (County Manager designee (ex-officio, non-voting)

Patrick Conant spoke about Council's duty to participate in the appointment process, and felt Council should take their time to fully review all applications and appoint the strongest possible group.

Councilwoman Roney said that the nomination of the ADID board was originally under unfinished business. After Council's agenda briefing, it was moved to the consent agenda. Today, she will give gratitude to Vice Mayor Mosely who will represent Council in the non-voting seat, to the 50 applicants who were willing to serve in this new role, and to the 20 nominees who are anticipated to carry this work forward. We have serious issues in downtown, a neighborhood that is also the economic engine and resource hub of our city, issues including: behavioral health crisis, homelessness, substance use/poisoning, among the highest bike/pedestrian crashes per capita in the state, and economic recovery from Helene as a top priority for our small and local businesses. Additionally, she has heard from more than one ADA board member that the board did not have input on the ADID selections. The board has not been able to give true input on issues that should be board decisions. To maintain consistency with her concern that a business

improvement district is not the right tool for the serious issues we face, she will not be voting to advance the board today, but she remains hopeful that our deep care about our downtown will one day result in finding funding to match the tools we do need.

Vice-Mayor Mosley moved to approve the appointment of the proposed slate of directors for the Asheville Downtown Improvement District Board (the entity operating the Downtown Business Improvement District). This motion was seconded by Councilwoman Ullman and carried on a 6-1 vote, with Councilwoman Roney voting “no.”

III. PRESENTATIONS & REPORTS:

A. REPLACEMENT OF METROPOLITAN SEWERAGE DISTRICT’S CARRIER BRIDGE PUMP STATION

Mr. Hunter Carson, MSD’s Engineering Director, gave a brief background of MSD. He showed a map of the site of the new Carrier Bridge Pump Station (CBPS) in relation to the existing CBPS and the French Broad River Park.

Regarding the CBPS Replacement Project, he reviewed the scope of work, at an estimated cost of approximately 105M. He showed elevation views, along with an architectural rendering. He explained the 60-inch inlet piping and the 36-inch force mains.

Regarding the French Broad River crossings, (1) two “open cut” river crossings will be completed as part of the CBPS Replacement Project; (2) 60” gravity line crossing at Carrier Park; (3) 36” discharge force main crossing at French Broad River Park; and (4) both river crossings will utilize a cofferdam. He then explained the cofferdam construction.

Mr. Carson then showed Council the overall project map

Impacts from Hurricane Helene include (1) Hurricane Helene greatly impacted the French Broad River Park and Carrier Park; (2) MSD has been working with the City of Asheville to speed up construction activities that are in and around the river to coincide with restoration efforts - formalized Memorandum of Understanding dated February 28, 2025; and (3) River crossing at French Broad River Park will be completed first to minimize future disruption of park-goers. He then showed pictures of the French Broad River Park after Hurricane Helene.

Mr. Carson then summarized the construction schedule, noting that the river crossings at French Broad River Park will be completed first; then Carrier Park river crossing second. The river crossings are anticipated to be completed in the first quarter of 2027.

Mr. Carson responded to various questions/comments from Council, some being, but are not limited to: did flood waters get into the electrical controls at the current pump station; if this was working should we build a back-up part somewhere else; concern about this being changed without understanding how it makes it more resilient and safer; and where will the funding come from for the \$105M.

B. BOARDS & COMMISSIONS REALIGNMENT WORKING GROUP

Ms. Elyse Marder, member of the Realignment Working Group (RWG), introduced the following community members who were involved in developing the recommendations: Stacy Anderson, Chair; Alan Escovitz, Vice-Chair; Patrick Conant, Secretary; Ted Figura; Jack Hafeli; Jay Hill; Elyse Marder; Nina Tovish; and Dee Williams.

Ms. Marder then gave a brief introduction of the RWG, which was formed in 2022 in response to a staff-led proposal to radically reduce the number of boards and align the remaining boards with a relevant Council Committee. The RWG (1) conducted and reported findings from a survey of current and former board members; (2) presented survey findings to the City Council Boards & Commissions Committee and City Council; (3) conducted a survey of staff liaisons; and (4) prepared a report detailing our 28 recommendations. The main theme included goal setting, board review; communicating with City Council; technology; training; representation and participation; and board management. To implement these recommendations, they recommend centralizing operational support.

Ms. Marder then went through each of the main themes, along with their recommendations for each.

She said that storm recovery presents a clear opportunity for Council to directly hand down goals that are in alignment with storm recovery efforts. They recognized that staff resources are stretched thin. She said that developing consistent policies and tools will facilitate and empower boards to work with a reduced level of staff support while still adhering to state laws regarding transparency. Their work showcases some of these recommendations put into action.

Councilwoman Roney said that because we have a lot of work ahead, and many hands who want to help, when is our follow up meeting for board officers? Assistant City Manager Ben Woody said that we are meeting with our consultants tomorrow to plan the follow-up Chair/Co-Chair meeting. The follow-up meeting will be in late April or early May.

Councilwoman Roney thanked members of the RWG and clarified that the work previously under Council's Boards & Commissions Committee will now be under a new Council Committee of Policy, Finance, and Infrastructure that is also overseeing boards and equity moving forward in a monthly work session.

Councilwoman Ullman invited the members of the RWG to the follow-up meeting with Chairs and Co-Chairs to see how their recommendations regarding restructuring, goals and ways to collaborate together are progressing.

On behalf of City Council, Mayor Manheimer thanked these talented, professional community members for their time and expertise in providing this report to the City.

IV. PUBLIC HEARINGS:

A. PUBLIC HEARING TO CLOSE AN UNOPENED RIGHT-OF-WAY CONNECTED TO MORNINGSIDE DRIVE BETWEEN COVENTRY CIRCLE AND BREVARD ROAD

RESOLUTION NO. 25-79 - RESOLUTION TO CLOSE AN UNOPENED RIGHT-OF-WAY CONNECTED TO MORNINGSIDE DRIVE BETWEEN COVENTRY CIRCLE AND BREVARD ROAD

Assistant Transportation Director Jessica Morriss said that this is the consideration of a resolution to permanently close an unopened right-of-way (ROW) connected to Morningside Drive between Coventry Circle and Brevard Road. This public hearing was advertised on March 14, 21, 28 and April 4, 2025.

Background:

- North Carolina General Statute § 160A-299 grants cities the authority to permanently close streets and alleys. The statute requires City Council to consider whether the

closure of the Right-of-Way has a negative impact to the public interest and whether the closure would impede access to parcels, utilities, and other public infrastructure.

- Chris Johnson, Finance and Operations Manager for Nicholson & Sun on behalf of the Owner, Kevin Hole LLC has submitted an application requesting to permanently close approximately 208' of unopened alley ROW on the southernmost portion of the alley accessed from Morningside Drive.
- There are no utility conflicts, nor any transportation connectivity opportunities associated with this unopened right-of-way.

Council Goal(s):

- A Well-Planned and Livable Community.

Committee(s):

- Technical Review Committee, December 2, 2024, unanimously recommended approval.
- Multimodal Transportation Commission (MMTC) - Due to the temporary suspension of boards and commissions, the MMTC did not review the request. However, MMTC review is not legally required and the applicant has requested to move forward.

Pro(s):

- There are no utility conflicts, nor any transportation connectivity opportunities associated with this unopened right-of-way.

Con(s):

- None.

Fiscal Impact:

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

Ms. Morriss said (1) Nicholson & Sun, LLC has petitioned for this closure on behalf of the property owner, Kevin Hole, who owns the properties at 99999 Coventry Cir (963810210800000) and 99999 Brevard Rd (963810327200000); and (2) The unopened right-of-way connects to Morningside Drive, however it is only the southernmost portion of the ROW (~208 feet) that the applicant seeks to close. She used a map, plat and pictures to show the closing. She said the Technical Review Committee (TRC) met on December 2, 2024, recommendation was to approve the closure. Due to the temporary suspension of boards and commissions, the Multimodal Transportation Commission did not review the request. However, MMTC review is not legally required and the applicant has requested to move forward.

In response to Councilwoman Ullman, Ms. Morriss said that the Technical Review Committee reviews these closings, with the lens on transportation, utilities, etc.

Mayor Manheimer opened the public hearing at 5:52 p.m., and when no one spoke, she closed the public hearing at 5:52 p.m.

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

Councilwoman Ullman moved to adopt a resolution to permanently close a portion of an unopened right-of-way connected to Morningside Dr, located between 99999 Coventry Cir (963810210800000) and 99999 Brevard Rd (963810327200000). This motion was seconded by Councilwoman Turner and carried unanimously.

V. UNFINISHED BUSINESS:

VI. NEW BUSINESS:

A. RESOLUTION NO. 25-80 - RESOLUTION AUTHORIZING THE CITY STAFF TO SUBMIT THE COMMUNITY DEVELOPMENT BLOCK GRANT - DISASTER RECOVERY ACTION PLAN TO THE U.S. DEPT. OF HOUSING & URBAN DEVELOPMENT

Community Development Division Manager James Shelton said that this is the consideration of a resolution authorizing the City staff to submit the Community Development Block Grant - Disaster Recovery Action Plan to the U.S. Dept. of Housing & Urban Development for review and approval.

Background:

- The US Department of Housing and Urban Development (HUD) has provided the City of Asheville with a direct allocation of Community Development Block Grant - Disaster Recovery (CDBG-DR) funds in the amount of \$225,010,000 to address unmet needs resulting from the effects of Tropical Storm Helene.
- To receive the CDBG-DR funds, the City must submit an Action Plan to HUD that details what our community's ongoing unmet needs are as a result of the disaster and what programs and activities we intend to fund to address those needs.
- The City has engaged in an extensive data analysis and community engagement process to identify those unmet needs.
- Based upon the identified needs, as well as what the community and council have identified as priorities for recovery, a Draft Action Plan was developed and posted for public comment on March 4th.
- Public comment was received for 30 days online, via email, and at 3 in-person public feedback sessions.
- All comments were responded to and attached to the plan, changes were made to the Action Plan according to public comment (in alignment with needs, funding availability, and eligibility within the program) and noted as such in the plan.
- City Council must now authorize staff to submit the Action Plan to HUD for review and approval.

Council Goal(s):

- Clean, Safe, and Healthy Environment
- Connected and Engaged Community
- Financially Resilient City
- Quality Affordable Housing
- Thriving Local Economy
- Transportation and Accessibility
- Well-Planned and Livable Community

Committee(s):

- None. Council committees are suspended following Tropical Storm Helene.

Pro(s):

- By submitting the Action Plan to HUD, the city can begin the process of implementing the programs that are proposed within the plan once HUD approves.
- Approval at this time will allow the city to submit the Action Plan prior to HUD's April 21st, 2025 deadline.

Con(s):

- None

Fiscal Impact:

- City will receive \$225,010,000 in CDBG-DR funds on a reimbursement basis. Funding is already budgeted in the Special Revenue Fund.

Mr. Shelton outlined the following key takeaways from his presentation: (1) Since Helene, the City of Asheville has worked to secure resources from FEMA, the State of North Carolina, and others for the long-term recovery. On January 16, 2025 HUD allocated \$225,010,000 in CDBG-DR funds to the City and directed the City to develop a CDBG-DR Action Plan; (2) The CDBG-DR Action Plan estimates the City's unmet needs and describes how the City intends to use CDBG-DR funding to address those unmet needs. A robust community engagement process informed the plan: (a) Over 325 comments were received throughout the process. Each comment has been responded to and included as an appendix in the plan; and (b) The final allocations, as well as programmatic language, were adjusted to reflect these comments and the feedback received will further inform the implementation of the CDBG-DR Action Plan; (3) At this time, staff is seeking City Council's authorization to submit the CDBG-DR Action Plan to HUD for approval. (a) Best practice is to be intentional and strategic about the programs that we pursue, with a focus on early wins, planning, and long-term resilience. The Plan can be amended as needed; and (b) This Plan will work in concert with the State of NC's CDBG-DR Action Plan for \$1.4B – specifically, recognizing their focus on housing programs and our need to be responsive to economic and infrastructure resilience; and (4) Once the Plan is submitted for approval, we'll then begin planning our implementation for activating these funds into our community for recovery. He then reviewed the CDBG-DR process overview.

The City's Helene recovery priorities survey's takeaways shared in February are (1) Strengthen infrastructure - Focus on water system improvements and climate-adaptive rebuilding; (2) Expand housing solutions - Increase emergency shelter, rent assistance, and affordable housing development; (3) Support economic recovery - Focus on business assistance and workforce stabilization; (4) Enhance food security - Ensure access to essential supplies during crises; and (5) Maintain sustainability focus - Integrate climate resilience into recovery planning.

He then explained the CDBG-DR community engagement sessions (1) Six input sessions throughout February prior to plan development (a) 623 direct comments on our community's ongoing unmet needs; (b) Key things we heard around each of the CDBG-DR categories: (i) Infrastructure improvements: Parks, water system resiliency, roads, enhancing public spaces; (ii) Economic revitalization: Business and economic diversification and support for small businesses; and (iii) Affordable housing: Need to restore and build new housing units; (2) Draft CDBG-DR Action Plan published on March 4th (a) Public comment collected via publicinput.com/cdbg-dr or email for 30 days (March 4 - April 3); and (b) 3 public feedback sessions held in March on Housing, Economic Revitalization; and Infrastructure; and (3) All comments responded to and attached to final Plan - Any changes to Plan as a result of comments are noted as such.

He gave project stats for the public comment period, along with a sample of public comment participants.

Using charts, he explained the alignment with State of North Carolina CDBG-DR Program allocations. Then, using charts, he showed the CDBG-DR Program recommendations and public feedback highlights. The following are proposed allocations in the final plan connection between unmet needs and allocations are in the following program areas: Housing - \$31,000,000; Infrastructure - \$125,000,000; Economic Revitalization - \$52,000,000; Public Services - \$2,000,000, Planning - \$3,759,500; and administration - \$11,250,500. Total \$225,010,000.

He then reviewed the housing public feedback highlights, along with recommendations as follows: (1) Gap funding for the construction and preservation/rehabilitation of affordable multifamily projects - Multi-family projects best positioned to reach deeper levels of affordability; (2) State R&R Program: City will pay for hard costs and State will cover administration cost and time; (3) Projects in City limits are eligible to apply for other State funding programs; (4) Lowered the minimum award to \$500,000, and has added language to the Affordable Multi-Family Housing Construction Program to allow for multiple Notices of Funding Opportunities (NOFOs) to be released, which may have different minimum award criteria and allow for smaller unit developments; and (5) Amount increased by \$2M as a result of public comment. Changes also made to minimum award amounts and partner selection criteria for deeper affordability.

He then reviewed the infrastructure public feedback highlights, along with the recommendations as follows: (1) Water System Improvements - such as floodproofing and infrastructure hardening to prevent service interruptions; (2) Stormwater management - may include constructing or rehabilitating flood control structures and implementing green infrastructure; (4) Parks, recreation, and arts and cultural facility improvement to increase community-building within the city; (4) Affordable housing infrastructure - potential upgrades to water, sewer, and energy systems, as well as site improvements like lighting, sidewalks, and transit access; (5) Commercial district revitalization such as streetscape enhancements, broadband expansion, and public facility upgrades; and (6) Emergency sheltering development & construction.

He then reviewed the economic revitalization public feedback highlights, along with the recommendations as follows: (1) The Revitalization of Flooded Commercial Districts Program will provide comprehensive funding to address the recovery of Asheville's flooded commercial districts. Funding includes, but is not limited to, site development and improvements, improvements to public spaces, facility improvements, flood-proofing, and equipment investments; (2) The Small Business Support Program provides grants and/or loan funds to local small businesses or small business support organizations to target job creation, job retention, and business diversification within the City; (3) The Workforce Development Program addresses an unmet need for skilled labor and specialized training to benefit Asheville's recovery from Helene and rebuilding efforts. This Program may provide funding for construction trade programs, on-the-job training, and other technical skills; and (4) Amount increased by \$2M to respond to public comment.

Regarding public services, (1) Provides funds to public or non-profit organizations to reduce and prevent homelessness in the City - Activities may include rapid-rehousing initiatives and housing counseling services; and (2) Also provides funds to workforce development support organizations to help address barriers to employment within the City - Activities may include funding for paid training programs, transportation and/or child care stipends while receiving training, and other wraparound services.

He then reviewed the planning public feedback highlights, along with the recommendations as follows: (1) the updates to the existing plans may include, but are not limited to: an update to the Wilma Dykeman Riverway Master Plan; updates to the Affordable Housing Plan; a Strategic Plan with recommended updates to the Unified Development Ordinance; neighborhood plans; public works plans, multi-modal transportation planning; and (2) the long-term recovery planning may include: area-specific plans for areas with concentrated damage; infrastructure recovery plans; community connectivity and resiliency plans; housing recovery and resiliency plans; supporting the CoC with emergency shelter planning; and economic recovery and resiliency plans. Each amount increased by \$500,000 in response to public comment.

Regarding mitigation, (1) Strengthening flood resilience and stormwater management - Upgrading stormwater systems, expanding green infrastructure, enhancing floodplain restoration, etc.; (2) Increasing infrastructure resilience - Reinforcing critical infrastructure, enhancing water resiliency, modernizing stormwater infrastructure, etc.; (3) Enhancing housing resilience and community adaptation - Prioritize historically underserved communities with hazard mitigation efforts; and (4) Supporting economic recovery and risk diversification - Diversifying local economy, strengthening financial recovery programs, prioritizing flood mitigation in commercial districts, etc. Mitigation efforts will be woven into implementation.

He then explained how the City Action Plan maintains compliance with HUD guidance.

Councilwoman Roney said that it's unsurprising to her that food security was a top priority for our neighbors. Back in 2021 at the City Council retreat, Councilwoman Smith joined her in pushing to add neighborhood resiliency in our City Council goals and Councilwoman Smith said something about resilience hubs. She wasn't sure what that was. After researching that term, she found resiliency hubs are places in your neighborhood - it can be a spot on your street, the library, a place where you share food and resources - where we share information. It could look like community centers, faith community centers that have solar with back-up batteries, so that we can have emergency response at the neighborhood level. She didn't see it explicitly named in our plan but she hears the threads of it in the input. Our plan is kind of vague because we need to move quickly and we have very specific goals. The resilience hub was what people were doing - they were filling the gap until the government could respond. Also, \$1.1 Billion in needs assessment is a hard number to wrap your mind around, but it's not enough yet it seems like a lot. Among the plans that we have in our community is the climate justice initiative plan and it shows our vulnerability to not only flooding and wildfires, but also landslides. What she heard was please don't let the plan sit on a shelf.

Mr. Shelton responded to Councilman Hess when he asked about child care assistance; and Councilwoman Smith when she asked about assistance for the Gig community - buskers, and people who do not have brick and mortar businesses.

In response to Councilwoman Turner, Mr. Shelton explained that using the funds for capital projects is a best practice as it's very difficult to make investments in businesses that are strictly for operational costs. Giving a grant though HUD programs can be very stringent for disaster recovery investment.

Four individuals spoke to Council in support of the CDBG-DR Action Plan and urged Council to prioritize climate resilience.

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

Councilwoman Turner moved to adopt a resolution authorizing staff to submit the Community Development Block Grant - Disaster Recovery Action Plan to the US Department of Housing and Urban Development for review and approval. This motion was seconded by Councilwoman Roney and carried unanimously.

RESOLUTION BOOK NO. 45 – PAGE 381

B. ORDINANCE NO. 5133 - ORDINANCE ADOPTING THE FISCAL YEAR 2025-26 FEES & CHARGES MANUAL

Budget Manager Lindsay Spangler said that this is the consideration of adoption of an ordinance establishing the fees and charges for FY 2025-26.

Background:

- Staff reviews fees and charges as part of the budget process each year and brings forward recommendations for adjustments early in the process.
- Fees and charges represent a small portion of General Fund revenues but are the major revenue source for Enterprise Funds.
- Fees and charges made up 31% of total budgeted revenue in the current fiscal year.
- As discussed with City Council at the March 11 Budget Work Session, staff is proposing fee adjustments in Water that represent year two of the three-year rate plan phase-in that began in the current fiscal year.
- Outside of Water, staff is proposing only one other fee adjustment, which is the adoption of a rental fee for the Memorial Stadium Track.
- All other fees will remain unchanged in FY 2025-26.
- More detailed and specific information regarding the fee adjustment was provided as part of this report.
- If approved, fee adjustments will become effective July 1, 2025.
- Proposed changes are based on impacts to revenues, customers, and service provision. Typical household impact of the Water fee changes proposed for FY 2025-26 is below:

Bimonthly Usage	Bi-Monthly Bill Increase	FY26 Annual Increase
Residential - 5/8" (8 CCF)	\$4.12	\$24.72
Commercial - 5/8" (84 CCF)	\$32.18	\$193.08
Commercial - 1" (120 CCF)	\$46.81	\$280.86
Manufacturing - 4" (4,992 CCF)	\$2,698.62	\$16,191.72
Manufacturing - 8" (26,306 CCF)	\$16,903.15	\$101,418.90
Wholesale - 8" (18,120 CCF)	\$9,852.03	\$59,112.18

Council Goal(s):

- A financially resilient city

Committee:

- None

Pro(s):

- Provides for cost recovery from those that directly utilize or benefit from the service where appropriate, reducing the financial burden of City services on taxpayers.
- Provides additional revenue to support major infrastructure projects in the Water Enterprise Fund.
- Allows staff to begin communicating fee changes to citizens, customers, and stakeholders so they are aware of changes that will be implemented on July 1, 2025.

Con(s):

- An increase in the cost of city Water services.

Fiscal Impact:

- Impacts for each recommended change are shown in the document provided.

Ms. Spangler outlined the following key takeaways from her presentation as follows: (1) Staff reviews fees and charges as part of the budget process each year and brings forward recommendations for adjustments early in the process; (2) Fees and charges represent a small portion of General Fund revenues but are the major revenue source for Enterprise Funds; (3) Due to the financial impact of Tropical Storm Helene on service users, staff recommends to keep fees and charges changes minimal; and (4) Staff recommendations for FY 2025-26 include: (a) Continuation of the planned water fee increases (year 2 of the 3-year phase in); and (b) An initiation of a fee to rent the Memorial Field Track.

Ms. Spangler then showed a chart of the FY 2024-25 General Fund revenues and the FY 2024-25 Enterprise Fund revenues.

Regarding the water cost of service study, (1) A Water Cost of Service Study was completed in late 2023 that determined the cost of service by functional area, assessed the rate structure, and made recommendations for multi-year rate adjustments; (2) The results of the Study were discussed with the Policy, Finance, & HR Committee in multiple meetings during last year's budget process; (3) Staff recommended a three-year phase-in approach to the proposed rate adjustments as the most efficient, effective and equitable approach for our customers since it will eliminate inequity among customer classes sooner, establish needed funding for the capital program, and preserve the City's debt ratings; (4) City Council adopted year one of the three-year rate adjustments in March 2024 with an effective date of July 1, 2024; (5) Financial Sufficiency - Ongoing rate adjustments are needed to fund a 5-year capital program initially estimated at \$239 million prior to Helene; and (6) Equity / Cost of Service (a) Study found the residential class was subsidizing other customer classes; specifically commercial/manufacturing and wholesale; (b) Therefore, commercial/manufacturing and wholesale customer classes will see higher rate increases relative to other classes; and (c) A 3-year phase-in of the rate adjustments was recommended and shared with system customers during last year's budget process.

The FY 2025 year-one rate adjustment accomplishments are as follows: (1) Issued \$26.9M in Water Revenue Bonds in September for the meter replacement project; (2) Increased pay-go capital funding by \$2.7M in FY25 to continue infrastructure replacement projects; (3) Added a new Project Manager/Engineer position to design and oversee capital projects; (4) Added a Water Communication Specialist (PIO); and (6) Added four new positions for a South District Crew to improve response time for emergency water main breaks and provide better customer service.

The importance of continued rate adjustments are (1) Additional debt issuances are upcoming for projects that are either already underway or planned: (a) \$12.5M - Water Treatment Plant (WTP) Rehab Project; (b) \$75M - WTP treatment enhancements; and (c) \$40M - Mills River Expansion Phase III; (2) Ratings Agencies use metrics such as debt service coverage and reserves to determine ratings for future bonds - S&P has put Water on a "credit watch with negative implications" pending outcome of rate discussions; and (3) The community rated Strengthening Infrastructure as a top concern in the Helene Recovery Priorities survey.

She then reviewed charts of a base rate comparison, the typical customer bill impacts, and the typical user impact.

Regarding the Memorial Stadium track fee, (1) Due to the completion of the new track, the Parks and Recreation Department requests to set a fee of \$15/hour to rent the track - This is expected to lead to approx. \$1,500 in additional revenue; and (2) This fee allows Parks to remain consistent with the way it manages its other resources. Charging a fee will allow them to better manage the utilization of their facility.

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

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

Councilwoman Turner moved to approve an ordinance amending the fees and charges manual for Fiscal Year 2025-26. This motion was seconded by Councilwoman Ullman and carried unanimously.

ORDINANCE BOOK NO. 36 – PAGE 192

C. BOARDS & COMMISSIONS

RESOLUTION NO. 25-81 - RESOLUTION APPOINTING ALTERNATE MEMBERS TO THE BOARD OF ADJUSTMENT

Vice-Mayor Mosley, Chair of the Boards & Commissions Committee, said that this is the consideration of appointing alternate members to the Board of Adjustment.

The term of John Kledis (alternate) resigned, thus leaving an unexpired term until January 21, 2027.

The following individuals applied for the vacancies: Joseph Fitzgerald and James Wornall Jr.

The Chair and the staff liaison recommended to appoint James Wornall as the alternate member.

Councilwoman Turner moved to appoint James Wornall as an alternate to serve the unexpired term of John Kledis, term to expire January 21, 2027, or until James Wornall's successor has been appointed, This motion was seconded by Councilman Hess and carried unanimously.

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RESOLUTION NO. 25-82 - RESOLUTION APPOINTING MEMBERS TO THE CIVIL SERVICE BOARD

Vice-Mayor Mosley, Chair of the Boards & Commissions Committee, said that this is the consideration of appointing members to the Civil Service Board..

The terms of Carol Goins (current Chair) and Carter Webb expire on May 21, 2025. In addition, City Council must appoint a Chair. Carol Goins and Richard Deavereaux are interested in the seat of Chair.

The following individual applied for the vacancy: James Wornall Jr.

The Chair recommended reappointment of Carter Webb.

Councilman Hess moved to reappoint Carol Goins as a member on the Civil Service Board to serve an additional two-year term, term to expire May 21, 2027, or until Carol Goins'

successor has been appointed. This motion was seconded by Councilwoman Roney and carried unanimously.

Councilwoman Turner moved to reappoint Carter Webb as a member on the Civil Service Board to serve an additional two-year term, term to expire May 21, 2027, or until Carter Webb's successor has been appointed. This motion was seconded by Councilwoman Smith and carried unanimously.

Councilwoman Smith to reappoint Carol Goins as Chair on the Civil Service Board to serve a one-year term, term to expire May 21, 2026, or until Carol Goins' successor as Chair has been appointed. This motion was seconded by Councilman Hess and carried unanimously.

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VII. INFORMAL DISCUSSION AND PUBLIC COMMENT:

Several individuals spoke to City Council about various matters, some being, but are not limited to: raise awareness regarding June 1 to 7 free Clinic and Flood Recovery effort entitled "Hope Through the Storm" and request for notifying potential volunteers for the event; advocate for a design change of the I-26 connector project and concern for I-26 flyover and impacts to the East/West Neighborhood; need to reinstate the Urban Forestry Commission; urge Council to take the Realignment Working Group's recommendations seriously; and history of hatred of the Jewish community; consider conservation easements.

VIII. ADJOURNMENT:

Mayor Manheimer adjourned the meeting at 7:31p.m.

CITY CLERK

MAYOR