City of Asheville Staff Report

City Council Meeting Date:

- August 25, 2026

Staff Resources:

- Kate Fehlenberg, CDBG-DR Infrastructure and Planning Programs Lead
- Elma King, CDBG-DR Program Manager

Action Requested:

- Adoption of a resolution authorizing the City Manager to execute Memorandums of Agreement for internal projects for Community Development Block Grant - Disaster Recovery planning and infrastructure funding.

Background:

- The City of Asheville was allocated $225,010,000 in Community Development Block Grant-Disaster Recovery (CDBG-DR) funds from the U.S. Department of Housing and Urban Development (HUD) on January 16, 2025.
- The CDBG-DR Action Plan and Program Policies and Procedures Manuals outline the processes around competitive application processes, scoring criteria, and City Manager authority to approve award recommendations.
- Following competitive internal application processes and presentations to the Policy, Finance and Infrastructure (PFI) Council Work Session in February and April 2026, five projects totaling $2,185,750 have been recommended for award under the CDBG-DR Planning Program, and two projects totaling $30,375,000 have been recommended for award under the CDBG-DR Infrastructure Program. The details of these projects are provided in Exhibit A.
    - A third project under the CDBG-DR Infrastructure Program was also recommended for award to the Water Resources Department for the North Fork Water Treatment Plant rehabilitation effort for an original sum of $89,777,440 in February 2026, which was later reduced to $79,777,440 in June-July 2026 as part of the substantial amendment to the CDBG-DR Action Plan. The authority to sign the Memorandum of Agreement will be pursued at a later date.
    - Additionally, CDBG-DR Infrastructure funding requests pertaining to the Resilience Hubs item will be brought to Council at a later date.
- City staff are seeking Council approval to authorize the City Manager to approve and sign Memoranda of Agreement for the seven projects under the CDBG-DR Infrastructure and Planning Programs as shown in Exhibit A. This approval will allow for the formal award and allocation of $2,185,750 in Planning project funds and $30,375,000 in Infrastructure project funds.

Vendor Outreach:

- N/A

Council Vision 2036 Focus Area(s):

- Well-Planned And Livable Community
- Clean, Safe And Healthy Environment
- Thriving Local Economy

Council Priority Recovery Area(s):

- Infrastructure and Environment
- Economy

Committee(s):

- PFI Council Work Session on February 24, 2026 for the presentation of CDBG-DR Infrastructure Projects.
- PFI Council Work Session on April 28, 2026 for the presentation of CDBG-DR Planning Projects.

Fiscal Impact:

- This action will allow the City to formally allocate a total of $32,560,750 in CDBG-DR funds to critical projects designed to advance the City's recovery efforts. This utilizes federal CDBG-DR grant funds and no local City funds are required.

Suggested Motion:

- Motion to adopt a resolution authorizing the City Manager to execute Memoranda of Agreement allocating CDBG-DR funding to the CDBG-DR Infrastructure and Planning projects identified in Exhibit A.

Attachment(s):

- Resolution with Exhibit A

City of Asheville Resolution Number 26-____

Resolution authorizing the City Manager to execute inter-departmental Memoranda Of Agreement (MOAs) with various internal City departments for identified CDBG-DR Planning and Infrastructure projects, totaling $32,560,750.

WHEREAS, pursuant to N.C.G.S. §160A-17.1 the City is authorized to make contracts for and to accept grant-in-aid from the Federal and State governments and their agencies for constructing, expanding, maintaining, and operating any project or facility, or performing any function, which the City is authorized by general law or local act to provide or perform; and

WHEREAS, the City of Asheville was awarded $225,010,000 in one-time Community Development Block Grant - Disaster Recovery (CDBG-DR) funding in January 2025 following Tropical Storm Helene; and

WHEREAS, following competitive internal application processes, City staff presented CDBG-DR Infrastructure Projects to the Policy, Finance and Infrastructure (PFI) Council Work Session on February 24, 2026, and CDBG-DR Planning Projects to the PFI Council Work Session on April 28, 2026; and

WHEREAS, based on these competitive processes, five projects totaling $2,185,750 have been recommended for award under the CDBG-DR Planning Program, and two projects totaling $30,375,000 have been recommended for award under the CDBG-DR Infrastructure Program, for a total recommended allocation of $32,560,750 as detailed in Exhibit A; and

WHEREAS, the City now desires to enter into Memoranda of Agreement pertaining to the formal award and use of these CDBG-DR Planning and Infrastructure Program funds in the amount of $32,560,750;

WHEREAS, the City now desires to enter into Memoranda of Agreement pertaining to the use of $32,560,750 for identified Infrastructure and Planning programs.

Now, therefore, be it resolved by the City Council of the City of Asheville that:

The CDBG-DR Planning and Infrastructure funding awards, and internal acceptance thereof, as described herein are hereby approved and the City Manager is hereby authorized to execute the internal Memoranda of Agreement to implement the awards under the City's CDBG-DR Planning & Infrastructure Programs shown in the attached Exhibit A, and to execute any other documents necessary to give effect to this resolution.

Read, approved, and adopted this 25th day of August, 2026.

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Esther E. Manheimer, Mayor

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Brad Branham, City Attorney

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Magdalen Burleson, City Clerk

EXHIBIT A:

CDBG-DR Planning & Infrastructure Funding Awards and Memoranda of Agreement Proposed:

Recipient Department & Division	Funding Amount	CDBG-DR Program & Project Title
Housing and Economic Development (HED), Community Development Division	$475,500	Planning, Deaverview Master Plan
Housing and Economic Development (HED), Economic Development Division	$167,750	Planning, Economic Development Strategic Plan
Housing and Economic Development (HED), Homeless Strategy Division	$242,500	Planning, Emergency Shelter Development Plan
Planning and Urban Development (PUD)	$1,200,000	Planning, Comprehensive Plan & Development Regulations Update
City Manager's Office and Finance & Management Services	$100,000	Planning, City of Asheville Strategic Plan Process
Capital and Asset Management (CAM)	$9,000,000	Infrastructure, Azalea Parks & Infrastructure Recovery Project
Capital and Asset Management (CAM)	$21,375,000	Infrastructure, French Broad Riverfront Parks Recovery Project