City of Asheville Staff Report

City Council Meeting Date: September 8, 2026

Staff Resources: Ashley Haire, Transportation Director, Jessica Morriss, Transportation Assistant Director, and Christopher Whitlock, Transit Division Manager

Action Requested: Adoption of a resolution authorizing the City Manager to apply for the Fiscal Year 2026 Federal Transit Administration Low or No Emission Grant Program to construct a new Asheville Rides Transit Operations and Maintenance Facility, and if awarded, accept the funds and sign all necessary documents to effect the grant.

Background:

- The Federal Transit Administration recently announced the opportunity to apply for approximately $589 million in competitive grants for the Fiscal Year 2026 Low or No Emission Grant Program (Low-No Program).
- Eligible projects for the Low-No Program are capital projects and purchases that support the reduction of carbon emissions. One of the types of eligible projects is to construct new public transportation facilities to support low or no emission vehicles, such as operations and maintenance facilities.
- There has been a long-standing need to replace the existing transit maintenance facility at 360 West Haywood Street. The 2021 ART Maintenance Programming Report and Site Analysis Study found that ART's operations already exceed the facility's capacity and that expansion at the existing site is neither feasible nor cost-effective due the age of the building and its current configuration.
- These limitations affect current service delivery by reducing the space available to inspect, maintain, repair, store, and stage buses for scheduled service.
- Without a modern facility, ART will continue to operate within significant physical constraints that limit operational flexibility and make it more difficult to maintain buses in a state of good repair and ensure that vehicles are available for service.
- The 2021 study determined that a future facility would require approximately 6.8 to 13.9 acres, depending on its configuration, and identified the 8.76-acre City-owned property at 224 Louisiana Avenue as a strong candidate for a new transit maintenance facility given its size and that it is located less than three miles from the downtown ART Station, an important consideration in limiting non-revenue travel and associated operating costs.
- The total project has an estimated cost of $60 million, including environmental review, preliminary engineering, community engagement, design, permitting, and construction.
- Therefore, the City will be preparing a grant application for the Low-No Program requesting $48 million in federal funding with a required match of 20%, or $12 million. Securing federal funding is a key next step toward developing a facility that supports reliable service for existing riders while providing capacity for future service and fleet expansion.
- The application will include a scalable,phased plan in the event the fully requested amount is not able to be awarded (this scaling is also an application requirement).
- A significant portion of the required 20% in matching funds has already been included in the City's General Capital Improvement Project (CIP) Fund in Fiscal Years 28 and 29 ($300,000 and $4,800,000, respectively).

- Pursuit of the grant does not authorize final design or construction. If funding is awarded, staff would return to the City Council to budget the grant funds and the remaining match amount in the CIP, and then all future required project approvals.
- The deadline for submitting the grant is September 21, 2026.
- HDR, Inc. has been contracted to assist Transportation staff with preparation of the grant application. HDR, Inc. also prepared the initial 2021 study of the ART Maintenance Garage.

Vendor Outreach:

- Not applicable.

Council Vision 2036 Focus Area(s):

- Transportation and Accessibility
- Well Planned and Livable Community

Council Priority Recovery Area(s):

- Not applicable.

Committee(s):

- Policy, Infrastructure, and Finance Council Committee - December 9, 2025

Fiscal Impact:

- The total project has an estimated cost of $60 million. The grant application request will be for $48 million in federal funding with a required match of 20%, or $12 million.
- A significant portion of the required 20% in matching funds has already been budgeted in the City's General Capital Improvement Project (CIP) Fund in Fiscal Years 28 and 29 ($300,000 and $4,800,000, respectively).
- If grant funding is awarded, staff would return to the City Council to budget the grant funds and the remaining match amount in the CIP.

Suggested Motion:

- Motion to adopt a resolution authorizing the City Manager to apply for the Fiscal Year 2026 Federal Transit Administration Low or No Emission Grant Program to construct a new Asheville Rides Transit Operations and Maintenance Facility, and if awarded, accept the funds and sign all necessary documents to effect the grant.

Attachment(s):

- Resolution

City of Asheville Resolution Number 26-___

Resolution authorizing the City Manager to apply for the Fiscal Year 2026 Federal Transit Administration Low or No Emission Grant Program to construct a new Asheville Rides Transit Operations and Maintenance Facility, and if awarded, accept the funds and sign all necessary documents to effect the grant.

Whereas, the City has authority, pursuant to North Carolina General Statutes section 160A-17.1, to apply for and receive grants from the Federal and state governments and their agencies and to enter into contracts for the administration of said grants; and

Whereas, the Federal Transit Administration announced the opportunity to apply for approximately $589 million in competitive grants for the FY 2026 Low or No Emission Grant Program (Low-No Program); and

Whereas, the City of Asheville has an identified need for a new Transit Operations and Maintenance Facility for its Asheville Rides Transit public transportation system, as described in its 2017 Asheville Rides Transit Master Plan and as detailed in the 2021 Maintenance Programming Report & Site Analysis Study; and

Whereas, the City intends to apply to the Low-No Grant Program to build a new Transit Operations and Maintenance Facility that would be located at 224 Louisiana Avenue. The grant project would include environmental review, preliminary engineering, community engagement, design, permitting, and construction of a new facility to serve existing and future operations; and

Whereas, the grant application would seek federal funding in the amount of $48,000,000, with the City committing a 20% match, or $12,000,000, for a total project cost of $60,000,000; and

Whereas, currently, the City has budgeted a significant portion of the required match in the City's 5-Year General Capital Improvement Program Fund, including $300,000 in FY 2028 for initial preliminary site investigation activities, and $4,800,000 in FY 2029 to begin environmental review, preliminary engineering, community engagement, and design activities; and

Whereas, the City is committed to allocating the additional required matching funds if federal grant funds are awarded through the Low-No Grant Program; and

Now, Therefore, be it resolved by the City Council of the City of Asheville that: the City Manager is authorized to apply for the Fiscal Year 2026 Federal Transit Administration Low or No Emission Grant Program to construct a new Asheville Rides Transit Operations and Maintenance Facility, and if awarded, accept the funds and sign all necessary documents to effect the grant.

Read, approved and adopted this 8th day of September, 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