THE CITY OF ASHEVILLE

STAFF REPORT

Council Meeting Date: March 24, 2026

Subject: Parkside Land Hold for Mixed-use Development

Staff Resources: Chris Corl, Director, Community & Regional Entertainment Facilities
Jannice Ashley, Senior Assistant City Attorney

Action Requested: Adoption of a resolution reserving City owned real property "Parkside" which is bounded by Marjorie Street to the north, Spruce Street to the west, Eagle street to the south and Davidson Drive to the east for up to two years for the purpose of exploring the development of an Arts & Entertainment facility within the reserved area to conduct, as part of this process, meaningful and robust public engagement with the surrounding communities, including but not limited to the Block and East End, and to reserve any final decisions on the use of this property until the City Council has received sufficient information and feedback.

Background:

- The City of Asheville acquired multiple parcels of land in the area known as 'Parkside' beside City Hall to create a single, contiguous City block under a single owner, with the goal of attracting and securing multi-use development on the site.
    - The site comprises approximately 2.43 acres.
    - While the site is directly adjacent to city owned properties that were acquired in the past by Urban Renewal, the parcels that comprise the city-owned property known as 'Parkside'-one parcel acquired in 1929, four in the 1980s, one in 2003 and the final acquired in 2010- were not acquired as part of Urban Renewal.
    - The site has long been used as a city parking lot for staff.
- In 2006, the City Council adopted Resolution 06-217 approving, in part, the continued evaluation of the feasibility of locating a new performing arts hall within a mixed-use development at Parkside.
    - In 2007, the City Council adopted Resolution 07-215, approving, in part and in principle, the design of a facility that includes the key components and quality outlines in concept, either through adaptive reuse or a stand-alone performing arts facility.
    - In 2008, the City Council adopted Resolution 08-179, approving in part, to commit to reserve space for a performance center within the 'Parkside' area, expecting at the time that construction would begin within five years.
        - Led by the non-profit organization, Asheville Area Center for the Performing Arts, the project did not come to fruition at that time.
- From 2009-2020, City staff continued to pursue opportunities to renovate or replace the Thomas Wolfe Auditorium with a more modern, flexible facility.
    - In 2020, a conceptual design was completed and released, with a proposed funding strategy for a renovation of the Thomas Wolfe Auditorium.
    - The COVID-19 pandemic began a month later, pausing the project indefinitely.
- In the summer of 2023, the Thomas Wolfe Auditorium experienced a catastrophic HVAC failure, shutting the venue down for 9 months for repairs.
    - As a result, Arts AVL convened a Thomas Wolfe Task Force to determine the best course of action for the facility and assess the feasibility of renovating or replacing it, while accounting for funding constraints.

        - City Council directed staff to investigate multiple renovation options for the Thomas Wolfe Auditorium, with estimated costs ranging from $105 to $150 Million.
        - In January 2024, City staff engaged with ATG Entertainment to discuss public-private partnership development, which had previously been discussed in 2019 to 2020.
        - In February 2024, after review and input from multiple consultants, the Task Force determined that the investment required to renovate the Thomas Wolfe Auditorium to accommodate Broadway shows did not provide a sufficient return on investment, and a new facility should be investigated.
- In August 2024, staff drafted a Letter of Intent for a development partnership with ATG Entertainment, with a two-year target timeline to assess whether a public-private partnership is financially feasible in Asheville to develop a large-scale arts and entertainment facility.
    - September 27, 2024: Tropical Storm Helene hits WNC, and the project is shifted to a 'hold' status.
- In March 2025, City staff rekindled their relationship with ATG Entertainment.
- In June 2025, the City entered into a Memorandum of Understanding with ATG Entertainment for predevelopment work towards a potential project to develop a large-scale arts and entertainment facility in downtown Asheville. City's financial commitment towards the initial phase of predevelopment work is capped at $80,000.
    - In October 2025, the City Council approved Resolution 25-217 authorizing the City Manager to submit a grant application for a potential arts and entertainment facility to the Economic Development Administration (EDA).
- As support for the EDA Grant, and to continue moving forward through the pre-development process with ATG Entertainment, staff is requesting the City Council commit to hold the land known as 'Parkside' for up to two years while staff and ATG Entertainment determine if a multi-use development on the site, including a large scale arts and entertainment facility is financially feasible.
    - This resolution is not binding, but rather an expression of the Council's intent to work with ATG Entertainment fully developing the concept of a large-scale arts and entertainment facility within the area. This is not a contract, but an expression of intent.
    - During this reservation period, staff and its partners would conduct engagement with the surrounding communities such as the Block and East End, to provide information to the City Council prior to making any final commitments on project development.

Council Vision 2036 Focus Area(s):
- Thriving Local Economy
- Well Planned & Livable City
- Equitable & Diverse Community
- Neighborhood Resilience

Council Priority Recovery Area(s):
- Economy
- Infrastructure

Committee(s):
- None

Pro(s):
- Allows the City to continue work towards a public-private development, which can assist with Economic Recovery
- Showcases to ATG Entertainment and EDA a true intent to develop this project
- Preserves the possibility of development utilizing this unique grant, while providing ample time and opportunity for more community engagement

Con(s):

- Significant staff time across multiple departments will be required as this project progresses.

Fiscal Impact:

- No additional fiscal impact at this time.

Suggested Motion:

- Motion to adopt a resolution reserving City owned real property “Parkside” which is bounded by Marjorie Street to the north, Spruce Street to the west, Eagle street to the south and Davidson Drive to the east for up to two years for the purpose of exploring the development of an Arts & Entertainment facility within the reserved area to conduct, as part of this process, meaningful and robust public engagement with the surrounding communities, including but not limited to the Block and East End, and to reserve any final decisions on the use of this property until the City Council has received sufficient information and feedback.

Attachments:

- Resolution

RESOLUTION NO. 26-_____

RESOLUTION RESERVING CITY-OWNED PROPERTY, KNOWN AS “PARKSIDE” FOR A PERIOD OF UP TO TWO YEARS FOR POTENTIAL FUTURE USE AS A LARGE-SCALE ARTS AND ENTERTAINMENT FACILITY, AND TO DIRECT STAFF TO UTILIZE THIS TIME TO CONDUCT MEANINGFUL AND ROBUST PARTNERSHIP WITH THE SURROUNDING COMMUNITIES IN ORDER TO PROVIDE THE CITY COUNCIL WITH NECESSARY FEEDBACK AND INFORMATION WHILE RESERVING ANY FINAL DECISIONS ON THE USE OF THIS PROPERTY TO A LATER DATE

WHEREAS, the City has the authority, pursuant to N.C. Gen. Stat sec 160A-488, to establish and support public art programs, including arts centers and facilities; and

WHEREAS, the western North Carolina Region has an even increasing demand for live entertainment, and the City has acknowledged the need for a renovation or replacement of the Thomas Wolfe Auditorium; and

WHEREAS, in June 2025, the City entered into a Memorandum of Understanding with ATG Entertainment for predevelopment work towards a potential project to develop a large-scale arts and entertainment facility in downtown Asheville. City's financial commitment towards the initial phase of predevelopment work is capped at $80,000; and

WHEREAS, ATG Entertainment is a viable partner with the potential project and is willing to bring significant capital investment to the project; and

WHEREAS, the City of Asheville has passed resolutions in the past to explore mixed use development with a performance space in the space generally known as ‘Parkside” (RESOLUTION NO. 06-217), and

WHEREAS, ATG Entertainment has determined that the Parkside location is the preferred location for a new arts and entertainment facility, and

WHEREAS, in October 2025, the City Council approved Resolution 25-217 authorizing the City Manager to submit a grant application for a potential arts and entertainment facility to the Economic Development Administration (EDA); and

WHEREAS, the commitment to reserve the Parkside site for a period of up to two (2) years will provide the certainty necessary to continue with the next phase in project planning and predevelopment work, as well as sufficient time to conduct meaningful and robust partnership with neighboring communities prior to making any final decisions on development of the property;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ASHEVILLE THAT:

The City of Asheville hereby commits to reserve the 2.43 acre city-owned property described herein, and known as “Parkside,” as a potential location for a large scale arts and entertainment facility within the area targeted for a multi-use redevelopment project on property bounded by Marjorie Street to the north, Spruce Street to west, Eagle Street to the south and Davidson Drive to the east, for a period of up to two years from the date of this resolution City staff is directed to conduct, as part of this process, meaningful and robust partnership with the surrounding communities, including but not limited to the Block and East End, and to reserve any final decisions on the use of this property until the City Council has received sufficient information and feedback on the potential development. with all pertinent details to be included in a forthcoming joint development agreement between the City of Asheville and ATG Entertainment. In addition, the City Manager is hereby authorized to execute any and all documents necessary to give effect to this resolution, subject to approval by the City Attorney, and compliance with applicable North Carolina law.

Read, approved and adopted this 24th day of March 2026.

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City Clerk Mayor

Approved as to form:

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City Attorney