Thursday – March 19, 2026 - 11:00 a.m.

Agenda Briefing Worksession - For March 24, 2026, Council Meeting

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

Absent: Mayor Esther E. Manheimer

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

Discussion occurred on the Anti-Displacement and Affordable Housing Project Proposal.

At 12:16 p.m., Vice-Mayor Mosley adjourned the agenda briefing worksession.

Tuesday – March 24, 2026 - 2:00 p.m

Budget 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 DK Wesley; City Attorney Brad Branham; and City Clerk Magdalen Burleson

Finance Director Tony McDowell updated Council on the Fiscal Year (FY) 2027 General Fund expense projects as follows: (1) Budget staff instructed departments to keep base operating budget submittals flat compared to current year but unavoidable cost increases are making that challenging; (2) In addition, health care and state retirement costs are increasing in FY27; (3) The City must also move forward with budgeting debt service expenses from the 2024 GO Bond referendum; and (4) *Overall FY27 General Fund base expense estimates, including debt service, are up approximately $16.8M.*

The FY 2027 major expenditure drivers are in the chart below:

Expense Increases	**$ (in millions)**
General Obligation Bonds Debt Service	$6.5
Health Care & Retirement	$5.1
APD Staffing	$1.8
Community Center Security	$1.8
Transit Contract	$0.8

Housing Trust Fund Contribution	$0.5
Fleet Maintenance	$0.5
OPEB Trust Fund Contribution	$0.2

Regarding the General Obligation (GO) bonds, (1) Asheville voters approved $80M in GO Bonds in November 2024 for improvements to Public Safety Facilities, Transportation, Parks, and Affordable Housing; (2) The estimated annual debt service on the bonds is $6.5M; (3) The ballot referendum estimated that debt service on the bonds would require a 2.58 cent property tax rate increase; (4) The City delayed the tax rate increase in fiscal year 2026 due to Helene and the fact that revaluation did not occur; and (5) For fiscal year 2027, staff has included the full debt service and the tax rate increase in the initial budget projections on the following slides.

He then showed charts for the FY 2027 General Fund expense projections (in millions); the FY 2027 General Fund revenue projections (in millions); and the FY 2027 General Fund revenues vs. expenses (in millions). For FY 2027 (in millions), the projected revenues are $179.7; the projected expenses are $193.9; Fund Balance Used projection is $14.2 for a Fund Balance % used of 5.9%.

Budget & Performance Manager Lindsay Spangler, said that regarding FY 2027 General Fund budget balancing strategies, (1) Staff has developed an initial list of General Fund cost saving strategies for FY 2027; (2) Reductions include eliminating some vacant positions; (3) Staff has also identified potential service reductions for discussion; and (4) *Identified a total of approximately $6.9M in initial strategies.* See chart below:

Category	**Recommended**
Efficiencies	$1.0
Eliminate Non-Critical Vacancies	$0.3
Employee Benefits/Incentives	$0.7
Program Pause	$0.5
Reduction to Match Trend	$0.2
Service Reduction	$2.3
Transfer to Other Funds	$1.9
Grand Total	**$6.9**

Budget strategy examples include (1) Efficiencies - Departmental reductions to training, supplies, software, contracted services, etc.; (2) Eliminate Non-Critical Vacancies - Staff reviewed

vacancies that had been open >250 days and targeted certain positions for elimination and/or reallocation based on need; (3) Program Pause - Continue to pause the contribution to the Housing Trust Fund; (4) Reduction to Match Trend - Reduce Neighborhood Matching Grants budget to match historical spend; and Reduce pool maintenance budget while pools are closed for construction; (5) Employee Benefits/Incentives - Pause Quality of Service Award program; and Eliminate 1% 401(k) matching program that was added in fiscal year 2024 (employees still receive 5%); and (6) Transfer to Other Funds (one-time) - Pause transfer to the Harrah's operating fund and replace with HCCA fund balance; and Utilize Transit fund balance to cover increase in Transit contract.

The charts below show service reduction examples:

Reduction	$	Impact
Reduce Community Center Hours to Pre-COVID Levels	$424K	Summer hours would remain the same. Off season hours would decrease by 13%.
Pause Public Art Contribution and Maintenance	$274K	The fund would keep its existing funding but no new contribution next year. Maintenance projects would be delayed.
Reduce Security Contract	$290K	Adjusted security presence at some community centers based on low incident levels.
Reduce Median/Guardrail Maintenance	$141K	Eliminates contract that mows 29,000 ft near guardrails and 20,000 sq. ft. of medians.

Reduction	$	Impact
Eliminate Financial Support for Holiday Events	$98K	Organizations that manage holiday events would need to find additional funds to cover lost revenue from City.
Reduce Litter & Hotspot Cleaning Contract	$36K	30 miles/week cleaned instead of current service levels of 40 miles/week.
Pause AVL Arts Grant Program	$25K	Organizations that hold events on city property wouldn't get grants to cover city fees and charges.

Ms. Spangler, along with Parks & Recreation Director D Tyrell McGirt and Public Works Director Amy Deyton, responded to various questions/comments from Council, some being, but are not limited to: will the reduction of off-season hours at community centers result in job losses; what was the result when staff looked at vacant positions for more than 180 days; what variables were taken into account for the reduction of hours community centers; clarification on the reduction of median/guardrail maintenance; and confirmation that there is money in the Public Art Fund, but that it is planned out for projects.

Ms. Spangler said that regarding compensation, (1) Compensation and benefits are the largest component of the City's budget; and (2) The City has invested significant resources in compensation and benefits over the last several fiscal years. Below is the comp and benefits budget history:

Fiscal Year	Budget	% Increase
2020-21	$ 81,160,359	0.7%
2021-22	$ 88,778,641	9.4%
2022-23	$ 98,242,300	10.7%
2023-24	$ 107,806,392	9.7%
2024-25	$114,453,120	6.2%
2025-26*	$117,363,874	2.5%

Historical compensation adjustments are shown in the cart below:

FY	General Increase	Other
2020-21	0.0%	One-time payment for on-site ($750) and front-line ($1,000) employees (COVID-19)
2021-22	Min of 2.5% or Archer amount	Archer recommended changes to pay plans Additional adjustments to AFD pay plan (Nov 2021)
2022-23	5%	Recruitment & retention incentives for APD (Aug 2022) Additional compression adjustments (Nov 2022) Increased minimum salary to $36,816 (Nov 2022)
2023-24	5%	6% increase for sworn APD
2024-25	4%	Flat dollar increase of $4,053 for beginning on-shift Firefighters; 6.0% increase for sworn APD
2025-26	3%	$1,740 flat increase for those below the median salary Transition to new APD pay structure

Ms. Spangler said that regarding FY 2027 budget compensation adjustments, (1)

General Pay Plan (3% Hybrid): 3.0% increase for staff above the $58,000 median salary; $1,740 flat increase for staff below the median; (2) Police Pay Plan: New pay structure implementation, including compression adjustments. Officers without a compression adjustment receive a one-time 3.0% equivalent amount; (3) Fire Pay Plan: 3.0% increase for all Fire pay plan employees; and (4) Pay Grades: No change. *Overall, the general fund budget included a $3.7M increase in personnel costs (offset with higher vacancy assumption).*

Human Resources Director Emily Provance provided Council compensation strategy considerations which include (1) Accelerate progress toward living wage for full-time staff - Local calculations from Just Economics estimates the living wage to be $50,128 annual salary; (2) Manage pay scales to minimize salary compression; (3) Base recommendations on quantifiable benchmarks: 3.3% per Bureau of Labor Statistics average for state and local government wages (this represents $3M general fund only); pr (4) Develop a multi-year plan to resolve systemic compensation issues, transitioning toward a performance-based pay model.

Compensation structural issues include (1) Current pay lags inflation, which means employees lose purchasing power and the organization loses talent; (2) Relying exclusively on across-the-board increases causes salaries to cluster on a stagnant horizontal line rather than an upward growth curve; (3) Increasing pay grades at the same rate as annual raises compounds structural flaws. This prevents the overall scale from catching up; and (4) To remain competitive, new hires often start at rates near or above those of existing staff which creates friction and negatively impacts morale.

The following scenarios were offered: (1) Scenario #1 - 3.3% across the board salary increase for all permanent employees (a) Simple approach that raises the minimum salary to $41,692 and gives every full-time employee a clear, easy-to-understand raise; (b) Low-maintenance and doesn't add to existing compression; and (c) While it helps move everyone toward market rates, it won't significantly impact hard-to-fill roles, close the gap with competing local employers, or reward top performers; (2) Scenario #2 - Use the same $3.0M cost to distribute dollars equally to all permanent employees (a) Estimated $2,244 increase for every full-time employee; (b) Prioritizes simplicity by raising pay for lowest-paid staff and ensuring every full-time employee earns at least $42,604; (c) May help boost recruitment for entry-level roles; and (d) Easy to communicate, it isn't performance-based and won't close the gap in market competitiveness more than Scenario #1; (3) Scenario #3 - Conduct a salary study in early FY27 and allocate the identified $3.0M in January 2027 to address the most significant pay disparities (a) Study will provide a foundation for addressing the structural issues in compensation structure; (b) $3M will not be enough to fully implement the study's recommendations; (c) Adjustments will create a permanent cost to our budget and because this is a market correction it's probable that not all employees would receive increase; and (d) Internal communication would be important to ensure transparency and understanding; or (4) Scenario #4 - Give staff a 2.5% increase in July and set aside ~$725K to begin addressing critical market disparities after rate study completed (a) Simple approach that provides raise to every full-time employee; (b) Low-maintenance and doesn't add to existing compression; (c) Allows for data-driven adjustments for market disparities; and (d) Doesn't address performance.

There was discussion amongst the Council regarding the different scenarios and the Fire Department 4th shift. Ms. Provance said that staff recommends Scenario #4, and that if a decision is made to increase compensation, HR recommends increasing pay grade ranges by 1.5%.

Ms. Provance, along with Fire Chief Mike Cayse, responded to various questions/ comments from staff, some being, but are not limited to: is there a way to determine the difference of adding 16 firefighters vs. overtime; what is staff's reasoning on their recommendation of Scenario #4; request for side by side comparison on the different scenarios; how many employees do we have that are still under living wage; how many fulltime employees

do we have; how many temporary seasonal employees do we have; do we know what the value is of a 1-cent tax increase; and need to see more information to understand what the impact on the public will be before considering a tax increase.

Ms. Spangler then went into new funding requests (General Fund) (1) Last year, departments were instructed not to submit new funding requests and to keep operating budgets flat; (2) This year, departments were instructed to submit requests, with understanding that funds are very limited - Important to keep track of citywide needs even if they aren't funded this year; and (3) Departments requested ~$7.5M in new funding requests, including 38 new positions.

Regarding new funding requests (Bond related) (1) When the GO bonds were approved, staff indicated the need for additional positions to ensure project success. This was delayed after Helene; and (3) Staff recommends adjusting the tax rate increase for the bond to include 2 positions: 1 Affordable Housing Bond Manager ($99K); and 1 Capital Program Manager for Public Works ($130K).

Regarding the Fire Department 4th Shift (1) 16 Firefighters requested; (2) Total cost of the request $1.4M; and (3) Implementation timeframe: 6 months after approval. Each additional 16 people allows for an improvement towards the progress of the 4th shift. Adding 16 people will allow for an additional debit group to be added. This additional debit group will equate to the following gains: (1) Reduction in hours per week from 52.6 to 50; (2) Increased number of scheduled 24 hour shifts off per year to 12 from 8; and (3) Corresponding increase in hourly rate without an increase in annual salary bringing AFD members closer to hourly living wage.

She then outlined the April 14 worksession topics, along with the budget next steps.

Fiscal Year 2027 Parking Services Proposed Rate Changes and South Slope Expansion

Assistant Transportation Director Jessica Morriss and provided the following key takeaways from her presentation: (1) The purpose of charging fees for public parking is to manage the supply and demand of a valuable public resource so that it can be used efficiently and be available to those who need it; (2) Public parking infrastructure should be managed as a system; changes to certain rates, operations, or policy can affect other aspects of the parking system & its users; (3) Proposed Fiscal Year (FY) 2027 changes were developed holistically, using a methodology that incorporates data-driven demand management strategies, in addition to revenue opportunities; and (4) Revenue generation from parking is not "making a profit"; Additional revenues would likely remain with Parking Services Enterprise to fund continued maintenance.

The methodology and best practices regarding rates are (1) Rates for garages, lots, permits, and on-street metered parking are interconnected and must be viewed as a system rather than individual fees; (2) On-street metered parking spaces are the most convenient spaces & should typically have the highest hourly and daily rates & time limit restrictions to encourage frequent turnover; (3) Garages and lots should be priced lower than metered parking spaces to encourage longer-term parkers to use off-street facilities; and (4) Rate structures should seek to shift demand from overutilized to underutilized facilities to balance demand and optimize public parking resources.

The methodology and best practices regarding occupancy targets are (1) Peak occupancy of 80% to 85% is generally considered optimal within the parking industry. This level reflects high utilization but retains adequate availability for drivers to reliably find a parking space at their desired location; (2) Greater than 85% occupancy is undesirable. Exceeding 85% may discourage return visits if parking availability is perceived as unreliable or difficult to find; and (3)

Waiting lists of greater than 6 months negatively impact residents and commuters who desire the convenience and reliability of having a monthly parking permit.

The methodology and best practices regarding balancing demand are (1) Balancing demand: Rates can be increased at an overutilized facility while retaining (or sometimes reducing) rates at underutilized locations to shift demand to the lower-utilized locations. This approach takes into account whether a viable alternative exists, and adjusts the rates specific to those locations and other facilities where demand could be impacted; and (2) Reducing demand: Rates can be raised to reduce demand for City public parking infrastructure to encourage mode shift or the use of other available off-street parking options not owned by the City. Changes may also seek to encourage a shift from hourly parking to monthly or vice versa.

The goals of parking rate change recommendations are (1) Improve on-street availability during peak *evening* demand 5PM - 8PM; (2) Reduce and shift demand for monthly parking permits at Rankin, Wall, and Biltmore garages. Improve availability, reduce wait times for permits. Shift demand to HCCA garage; (3) Expand on-street metered & permit parking spaces in South Slope; (4) Increase revenues to fund long-term capital maintenance and infrastructure improvement needs in parking facilities; and (5) Reduce losses associated with zero-dollar parking sessions by considering changing the “First Hour Free” to “First 15 Minutes Free” in City public parking garages.

The parking demands driving FY 2027 recommendations are (1) Our data show that there are two daily peak parking demand time periods: 10AM - 2PM and 5PM - 8PM. Currently, on-street metered spaces are free and unrestricted during peak evening demand, resulting in limited availability; (2) Rankin and Wall Street garages have monthly permit waiting lists exceeding two years. Biltmore’s waiting list is more than a year; and (3) Over 20% of transactions in City parking garages generate zero fee due to parking for one hour or less, resulting in a net loss to the City for each transaction. Costs include paper stock, staff time, wear & tear on traffic coatings, and excess circulation with exit/re-entry traffic as parking motorists seek to avoid fees.

Proposed changes - Low Impact (L) are in the chart below:

Proposed Change		**Revenue Increase**
L.1.	Create flat-rate Failure to Pay fee $15	No significant revenue impact
L.2.	Apply the special event rate to lots	No significant revenue impact
L.3.	Establish higher fees for use of space without an approved space closure. $100 & $200 (ADA)	No significant revenue impact
L.4.	Allow new monthly permit spaces to be designated at $30-$50 per month	No significant revenue impact

Explaining the proposed changes - Low Impact (L) are (1) L.1. - Create flat-rate Failure to Pay fee based on the daily max ($15) to invoice customers who are unable to pay when exiting parking garages; L.2 - Apply the special event rate to lots (administrative change); (3) L.3. - Establish higher fees for the use of space without an approved space closure. Rates proposed

are $100 per regular and loading zone space (compared to $25-$45) and $200 per ADA space (compared to $60); and (4) L.4. - Allow new on-street permit spaces to be designated at current rates of $30-$50 during the fiscal year.

Proposed changes - Medium Impact (M) are in the chart below:

Proposed Change	Revenue Increase
M.1. Increase monthly garage permits by $20 at all garages except Harrah's Cherokee Center Garage; and Increase Monthly Lot permits by $5	$75,000 $4,500
M.2. Increase Special Event Parking Fee by $1	$30,000

Explaining the proposed changes - Medium Impact (M) are for M.1. Increase monthly garage permits by $20 at all garages except Harrah's Cherokee Center Garage, and increase lot permits by $5 (1) Waiting lists for permits at Rankin, Wall St, are over 2 years and over 1 year for Biltmore Garage; (2) Monthly lot permits are also proposed to increase slightly due to waiting lists; (3) Harrah's Cherokee Center Garage has excess capacity for more monthly permits; and (4) Goal is to shift demand from high demand locations to Harrah's Cherokee Center Garage. Improve availability and shorten wait times.

Explaining the proposed changes - Medium Impact (M) are for M.2. Increase Special Event Parking by $1 (1) Increasing Special Event Fee from $9 to $10 ($11 to $12 with the Thomas Wolfe Auditorium Fee) will generate $30,000 in additional annual revenues; and (2) Special Event Fee could be considered for a larger increase than $1. Revenue estimates are $30K per dollar increase.

Proposed changes - High Impact (H) are in the chart below:

Proposed Change	Revenue Increase
H.1. Change "First Hour Free" to "First 15 Minutes Free"	$231,000
H.2.(a) Recommended Alternative: *Extend* Parking Meter Hours from 6PM to 8PM H.2.(b) Alternative: *Shift* meter hours to 10AM - 8PM H.2.(c) Alternative: Enforce meters on Sundays	$460,000 $184,000 $384,000
H.3. South Slope Expansion - new request, not a fee change, but would add up to 170 new metered spaces.	$498,000

Explaining the proposed changes - High Impact (H) are for H.1. Consider Changing “First Hour Free” to “First 15 Minutes Free” in Garages (1) 22% of transactions in City public parking garages are less than one hour in duration totalling $308,000 in lost revenue annually; (2) Reducing the 60-minute grace period to a 15-minute grace period is estimated to generate $231,000 annually; and (3) Free transactions result in a net loss for each transaction due to costs associated with paper ticket stock, staff time, wear and tear on garage traffic coatings; also creates excess traffic circulation from drivers who exit/re-enter throughout the day to avoid paying for parking.

Explaining the proposed changes - High Impact (H) are for H.2.(a) Extend Meter Enforcement Hours to 8PM (Recommended Alternative) (1) Meters are currently enforced Mon-Sat, 8AM - 6PM; (2) Garage occupancy data shows two peak parking times during the day from approx 10AM - 2PM and 5PM - 8PM; (3) The most convenient, highest-demand parking spaces (on-street metered spaces) are currently free with no time limit restrictions during evening peak demand hours, resulting in limited availability; and (4) Extending hours to 8PM would significantly improve parking convenience and availability downtown during evening hours.

Explaining the proposed changes - High Impact (H) are for H.2.(a) Extend Meter Enforcement Hours to 8PM (1) *Costs: $273,690 for first year & $151,690 for future years for additional staff and equipment - *Note: There is a cost overlap with the South Slope expansion request. Both requests include two new half-time Parking Enforcement Officers (PEOs) and one full-time supervisor. However, if both were implemented, the request would be for two full-time PEOs and one full-time supervisor; and (2) Revenues: $460,000 annually ($320,000 from meters & $140,000 from citations).

Explaining the proposed changes - High Impact (H) are for H.2.(b) Alternative: Shift Meter Enforcement Hours to 10AM - 8PM (1) Same number of enforcement hours per day, but aligns enforcement hours with higher demand and would improve parking availability during evening hours; and (2) Not enforcing from 8AM - 10AM could negatively impact loading, construction, and business operations with vehicles allowed to park overnight until 10AM; (3) Costs: Same as extending hours. Loading zones, permit parking, and other on-street restrictions would still be enforced beginning at 8AM; and (4) Revenues: $184,000 annually ($128,000 from meters & $56,000 from citations).

Explaining the proposed changes - High Impact (H) are for H.2.(c) Alternative: Enforce meters on Sundays (1) *Costs: $273,690 for first year & $151,690 for future years for additional staff and equipment - *Note: There is a cost overlap with the South Slope expansion request. Both requests include two new half-time Parking Enforcement Officers (PEOs) and one full-time supervisor. However, if both were implemented, the request would be for two full-time PEOs and one full-time supervisor; and (2) Revenues: $384,000 annually ($267,000 from meters & $117,000 from citations).

Explaining the proposed changes - High Impact (H) are for H.3. South Slope Expansion (1) Not a fee change; up to 170 new metered spaces & permit spaces would be added; (2) New requests for the South Slope meter expansion project include additional enforcement staff and equipment, and budget authorization to purchase new meters, and contract for design, striping, and installation; (3) Costs: $463,190 for the first year, and $166,190 for ongoing. There is a cost overlap with extending meter hours. If both implemented, request is for two full-time PEOs rather than two half-time officers & total cost would be $531,860 for the 1st year and $234,860 per year in future years; and (4) Revenues: $498,775 annually ($383,775 from meters & $105,000 from citations, $10K permits),

The conclusions are (1) The fee changes are intended to work as a system and are meant to target a number of objectives related to better-managing parking assets; (2) The Low (L)

impact changes are largely administrative and have little to no revenue generation or impact to residents or visitors; (3) The Medium (M) impact changes are expected to generate limited revenue, but will help reduce wait lists in garages, however monthly permit holders will be affected; and (4) The High (H) impact changes would generate larger amounts of revenue for the Parking Fund, providing for investments in parking infrastructure, however they will have larger financial impacts on downtown parking users.

Staff recommends adopting all of the proposed Parking Services fee changes presented, as well as approving the South Slope Expansion "new request." Staff also recommends that Council adopt the following: (1) Proposed Low-Impact changes (L.1., L.2., L.3., L.4.); (2) Proposed Medium-Impact changes (M.1., M.2.); and (3) Proposed High-Impact changes (H.1., H.2.(a)., H.3. with extended enforcement hours).

She then showed a chart of the proposal; request type & impact; estimated annual revenue/costs; and operating costs for the first year/ongoing.

Discussion was held throughout the presentation regarding the different impacts of the proposed rate changes.

City Manager Wesley, along with Finance Director Tony McDowell, Ms. Spangler and Ms. Morriss, responded to various questions/comments from Council, some being, but are not limited to: do we know the parking habits of locals vs. tourists; concern of reducing first hour free parking; do we know how many permit holders are using spaces vs. non-permit holders; are we planning to make the $950,000 budget transfer from the Parking Fund to Transit; request for side by side comparison of revenues/expenses for proposed changes; reasoning why Slope Slope is recommended for meters and not Biltmore Village, Biltmore Park or Haywood Road; concern that South Slope businesses are anxious about the 2-year road work; and request to see a long-range strategy for transit.

. Mayor Manheimer adjourned the budget worksession at 3:48 p.m.

Tuesday – March 24, 2026 - 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 DK Wesley; City Attorney Brad Branham; and City Clerk Magdalen Burleson

PLEDGE OF ALLEGIANCE

Mayor Manheimer led City Council in the Pledge of Allegiance.

Mayor Manheimer read a statement regarding Chamber decorum.

I. PROCLAMATIONS:

A. PROCLAMATION PROCLAIMING MARCH, 2026, AS "PROCUREMENT MONTH"

Mayor Manheimer read the proclamation proclaiming March, 2026, as "Procurement Month" in the City of Asheville. She presented the proclamation to Purchasing Director Amy Patterson, and other Purchasing staff.

B. RECOGNITION OF BRENDA GRIFFIN - RECIPIENT OF THE ORDER OF THE LONG LEAF PINE AWARD

Mayor Manheimer was pleased to award Brenda Griffin, Business Services Specialist I in the Finance Department, the Order of the Long Leaf Pine Award.

C. PROCLAMATION PROCLAIMING MARCH, 2026, AS "SOCIAL WORK MONTH"

Councilman Hess read the proclamation proclaiming March, 2026, as "Social Work Month" in the City of Asheville. He presented the proclamation to several local social workers, who thanked City Council for this recognition.

D. PROCLAMATION PROCLAIMING APRIL 11, 2026, AS "ARBOR DAY IN THE RIVER ARTS DISTRICT"

Councilwoman Roney read the proclamation proclaiming April 1, 2026, as "Arbor Day in the River Arts District" in the City of Asheville. She presented the proclamation to Planning & Urban Design Director Stephanie Dahl, representing the Urban Forestry Commission, and others, who briefed City Council on some activities taking place during the day.

II. CONSENT AGENDA:

A. APPROVAL OF THE COMBINED MINUTES OF THE AGENDA BRIEFING WORKSESSION HELD ON MARCH 6, 2026, AND THE FORMAL MEETING HELD ON MARCH 10, 2026

B. RESOLUTION NO. 26-52 - RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH RESPONDER SUPPORT SERVICES, LLC, BEGINNING APRIL 1, 2026, TO PROVIDE BEHAVIORAL HEALTH COUNSELING SERVICES TO EMPLOYEES AND THEIR FAMILIES - RESOLUTION BOOK NO. 46 - PAGE 272

Background:

- The City of Asheville released an RFP soliciting proposals from licensed behavioral service providers to offer embedded and individual counseling services to City employees and their eligible family members.
- RSS, the City's current provider of these services, was again selected as the most qualified pursuant to City contracting and RFP policies.
- The City's current contract for these services with RSS expires 3/31/2026.
- The new contract would begin 4/1/2026 and remain in place through 3/31/2027, with two (2) one-year optional renewal periods, for a total of 3 years of service, if exercised.
- The initial term is priced at $339,440. The amount for the first renewal term, if exercised, is capped at $397,144, and the second renewal term, if exercised, is capped at $464,658, bringing the contract total to an amount not to exceed $1,201,242 for all 3 years.

Motion:

- Motion to adopt a resolution authorizing the City Manager to execute a contract with Responder Support Services, LLC (RSS) to provide embedded and individual counseling services to City public safety employees and their family members.

C. RESOLUTION NO. 26-53 - RESOLUTION AUTHORIZING THE CITY MANAGER TO APPLY FOR GRANTS IN THE PARKS AND RECREATION

TRUST FUND 2026 IN THE STATE OF NORTH CAROLINA, AND AUTHORIZING THE CITY MANAGER TO ACCEPT FUNDS IF GRANTED, AND TO EXECUTE ALL DOCUMENTS, AS APPROVED BY THE CITY ATTORNEY, TO USE AND MANAGE THE FUNDS FOR THE WALTON STREET PARK PROJECT - RESOLUTION BOOK NO. 46 - PAGE 273

Background:

- The State of North Carolina has allocated funding to the Parks and Recreation Trust Fund for eligible uses for local governments.
- The North Carolina Parks and Recreation Trust Fund (PARTF) provides matching grants to local governments to assist with public park and recreation projects, pursuant to G.S. 143B-135.56.
- The Parks and Recreation Trust Fund (PARTF) awards will be selected by the NC Parks & Recreation Authority in August 2026.
- Prioritization will be given to applicants from qualifying counties designated by the US Dept. of Housing & Urban Development as most impacted and distressed counties from Hurricane Helene. Buncombe County is a qualifying county.
- The application deadline is May 1, 2026.
- A 1:1 match is required for awarded projects, with a $500,000 maximum request requirement. FEMA or other grant funds may be used for the match.
- The Walton Street Park project is budgeted in the Capital Improvement Plan (CIP) and funded by the City of Asheville 2024 General Obligation Bond program. If awarded, the PARTF grant will allow the City to recoup a portion of these funds.
- The anticipated project period is November 1, 2026 to October 31, 2029.
- If awarded, Council will approve all applicable procurements.
- It is the intent to apply for funding to support improvements to Walton Street Park.

Motion:

- Motion to adopt a resolution authorizing the City Manager to: apply for grants in the Parks and Recreation Trust Fund (PARTF) 2026 from the State of North Carolina; accept the funds if awarded; and execute all documents, as approved by the City Attorney, necessary to use and manage the funds for the Walton Street Park project.

D. RESOLUTION NO. 26-54 - RESOLUTION AUTHORIZING THE CITY MANAGER TO INCREASE THE EXISTING CONTRACT WITH ENVISIO SOLUTIONS INC. FOR STRATEGIC PLANNING AND PROJECT MANAGEMENT SOFTWARE - RESOLUTION BOOK NO. 46 - PAGE 274

Background:

- The City originally entered into a three-year contract with a not to exceed amount of $134,024 with Envisio Solutions, Inc., on March 12, 2024.
- The original contract included only limited capabilities as a pilot to support the Organizational Work Plan, and the City moved to expand capabilities in October 2025 to support additional strategy and performance reporting and departmental work plan management.
- The expanded service increased total three-year contract costs by $13,344, resulting in a new three-year cost of $147,368.
- This requested action would provide the additional contract authority to cover the full three-year cost, and funding is available within the Finance Department's existing FY 2026 budget.

Motion:

- Motion to authorize the City Manager to amend the existing contract with Envisio Solutions, Inc. for strategic planning and project management software by increasing the total three-year cost to $147,368.

In response to Councilman Hess, Mayor Manheimer said that we are required to award bids to the lowest responsible bidder and our efforts to require that our contractors pay a living wage was taken away from us.

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

Councilwoman Ullman moved for the adoption of the Consent Agenda. This motion was seconded by Councilwoman Roney and carried unanimously.

III. PRESENTATIONS & REPORTS:

A. MANAGER'S REPORT - PARKS RECOVERY PROJECTS

Parks & Recreation Director D. Tyrell McGirt provided Council with a brief summary of the Parks Recovery Projects. His key takeaways are (1) The Infrastructure Recovery Board (IRB) has provided input on community engagement, prioritized project themes, and provide strategic feedback to the PFI Committee and City Council for the two riverfront park recovery projects; (2) Consultants integrated feedback from the first phase of community engagement and the IRB to produce diverse design concepts and themes for public evaluation; and (3) The IRB has established key factors to help consultants synthesize Phase 2 public engagement feedback into a single, unified design concept for each riverfront park recovery project.

Regarding Azalea parks recovery, based on the main themes that emerged during the first phase of public engagement including - integrating flood resiliency and river ecosystem health with new recreational amenities, restoration of previous amenities, connectivity and safety, and nature education - two initial framework concepts have been created for the future of the Azalea parks and greenways. Concept 1 - restore, protect, connect. Concept 2 - reposition, elevate, connect.

Regarding the French Broad Riverfront parks recovery, building off of the feedback gathered during the first phase of public engagement, three initial framework concepts have been created for the future of the French Broad parks and greenways. Concept 1 - Reveal the River; Concept 2 - Activate Asheville. Concept 3 - Community Canvas.

IRB discussion for Azalea Parks recovery was "what factors must the design professionals consider when creating a single recommended design concept for each park that integrates features and amenities from each theme?" - Flood Resilience and Risk Mitigation; Fiscal Planning and Lifecycle Costs; Programming and Site Activation; and Natural Systems and Connectivity.

IRB discussion for the French Broad Riverfront was "what factors must the design professionals consider when creating a single recommended design concept for each park that integrates features and amenities from all three themes?" Themes that rose to the top included Flood Resilience and Infrastructure; Natural Systems and Ecology; Programming, Site Activation, and Community; Access and Connectivity; Aesthetics and Public Art; and Economic and Fiscal Planning.

Next steps include May 5 - infrastructure project updates for water, public works and transportation. July (TDB) is for unified design concept review and feedback for Azalea parks recovery project; and the French Broad Riverfront parks recovery project.

City Council discussion surrounded what, if any, considerations or factors are missing from the engagement. Council felt that we need to shine a light on what works; possibly some history on the damages at the park; considerations from the Urban Land Institute; close the engagement with the three groups of income & housing, race & ethnicity, and age; and before and after user experience.

IV. PUBLIC HEARINGS:

V. UNFINISHED BUSINESS:

VI. NEW BUSINESS:

A. ORDINANCE NO. 5206 - ORDINANCE ADOPTING THE FISCAL YEAR 2027 FEES & CHARGES - ORDINANCE BOOK NO. 36 - PAGE 412

Budget and Performance Manager Lindsay Spangler said that this is the consideration of an ordinance adopting the Fiscal Year 2026-2027 Fees & Charges.

Background:

- Staff reviews fees and charges as part of the budget process each year and brings forward recommendations for adjustments early in the process.
- In FY25-26 fees and charges represent 12% of General Fund revenues but make up the majority of revenue in Enterprise Funds (75%).
- Last year, departments were not asked to submit updates to fees and charges to limit the impact on the community after Helene. The only major adjustment was to continue with Year 2 of the 3-year water rate adjustment.
- Fee adjustments are being proposed in the following funds: general, capital, stormwater, water, transit, and Harrah's Cherokee Center Asheville.
- Fees are primarily being recommended to be adjusted to help address operational and capital needs.
- More detailed and specific information regarding the fee adjustment for each service was provided to City Council and is attached to the ordinance.
- If approved, fee adjustments will become effective July 1, 2026.
- Proposed changes are based on impacts to revenues, customers, and service provision. Typical household impact of major fee changes proposed for FY 2026-27 is below:

Fee	Bi-Monthly Bill Increase	FY24 Annual Increase
Solid Waste	$ 4.00	$ 24.00
Stormwater (Tier 2)	$ 1.08	$ 6.48
Water (6 CCFs/month)	$ 6.11	$ 36.66
Total	**$ 11.19**	**$ 67.14**

Council Goal(s):

- A financially resilient city

Council Priority Recovery Area(s):

- Economic Recovery

Committee:

- The fees were initially reviewed by Council during a budget work session on March 10, 2026.

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 help balance the FY 2026-27 budget.
- 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, 2026.
- Helps provide revenue needed to address significant maintenance and operational needs.

Con(s):

- An increase in the cost of city services.

Fiscal Impact:

- Impacts for each recommended change are shown in Attachment A, which is attached to the ordinance.

Budget & Performance Manager Lindsay Spangler provided Council with the fees & charges background (1) the fees & charges manual is a formal record of what the City charges for services: (2) Council adopts changes in the spring for the next Fiscal Year (FY), and those changes are used to project revenue impact; and (3) last year, departments were asked not to submit update to the fees and charges to limit the impact on the community after Helene - the only major adjustment was to continue with Year 2 of the 3-year water rate adjustment.

She then reviewed the FY 2025-26 General Fund revenues, along with the FY 25026 Enterprise Fund revenues.

Ms. Spangler then reviewed the recommended fee changes for (1) Solid Waste - $18.00 to $20.00 (recommended fee for increased disposal cost as a result of market changes due to Tropical Storm Helene; increase in disposal costs and tipping fees, particularly in yard waste since the storm; County is no longer providing solid waste rebate; and fee is below the average charged by municipalities across North Carolina, some of which also charge for additional services such as brush and bulky item collection; (2) WNC Nature Center admission fees - City resident $2; non-City resident $3 (estimated annual revenue increase of approximately $213,355) and is consistent with history of raising rates approximately every 5 years, per industry standards; (2) Street closure fees - fees to temporarily close right-of-way will be restructured to include differential rates for sidewalks, bike lanes, proximity to downtown etc - new fees will incentivize shorter, less disruptive closures with approximately $40,000 additional revenue. Summary of General Fund revenue increases is $1,100,985.

She reviewed a chart of recommended stormwater changes. This recommendation represents a 7.5% increase, to minimize costs to ratepayers. Previous rate studies have emphasized the need for annual increases to reflect inflation, operational needs, and capital projects.

Regarding water cost of services 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 - Study found the residential class was subsidizing other customer classes; specifically commercial/manufacturing and wholesale; (2) 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; and (3) City Council has already adopted the first two years of the three-year rate adjustment plan. The importance of continued rate adjustments (1) Allows the system to keep up with rising costs to continue providing existing services; (2) Provides funding for critical maintenance of water capital infrastructure - $250+ million in capital improvements expected over the next five years; (3) Ratings Agencies use metrics such as debt service coverage and reserves to determine ratings for future debt issuances; and (4) Additional rate increases will continue after FY27. She showed a rate comparison, along with a chart of typical customer bill impacts, and a chart of single family residential user impact.

She said the typical residential household impact for solid waste, stormwater (tier 2) and water (6 CCFs/month) will be an annual increase of $67.14; or bi-monthly bill increase of $11.19.

Regarding the parking fund, there are no Parking Fund changes as part of today's vote. At the March 24 worksession, Parking staff presented various options for increasing parking fees and expanding services. If Council approves changes then, revenues and expenses can be adjusted as part of the budget adoption.

Councilwoman Roney reminded the public that they can go to the public library and rent a zoom pass to get into the WNC Nature Center, along with other places, free of charge. In addition, City Council is working hard on making sure that everyone is paying their fair share for the water bills.

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

Councilwoman Smith moved to approve an ordinance amending the fees and charges manual for Fiscal Year 2026-27. This motion was seconded by Councilwoman Roney and carried on a 6-1 vote, with Councilman Hess voting "no."

B. RESOLUTION NO. 26-55 - 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 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 - RESOLUTION BOOK NO. 46 - PAGE 275

Community & Regional Entertainment Facilities Director Chris Corl said that this is the consideration 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 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.

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.

Mr. Corl provided the following key takeaways from his presentation: (1) Staff has identified the City-owned "Parkside" property as a potential site for a mixed-use development anchored by an Arts & Entertainment facility; (2) "Parkside" property has been identified for mixed-use development dating to the 1980's with the final assemblage of the land complete with the intent to assist with development of a performing arts center; (3) A Communication and Engagement plan is being developed to ensure community concerns and aspirations are

incorporated throughout the process; (4) Early community input will help shape the right partnerships through a request for qualifications. These partnerships should ensure the project fits the site and respects nearby historic and cultural areas like The Block and East End/Valley Street; (5) Meaningful and robust partnership with the surrounding communities is required; and (6) Securing an additional financial partner will be critical to the project's viability.

Giving a brief history, Mr. Corl said (1) Community interest in replacing or modernizing the Thomas Wolfe Auditorium (TWA) dates back to the 1980s; (2) Multiple efforts to renovate or replace TWA over the past 20+ years have been unsuccessful; (3) Analysis indicates that the level of restoration required for TWA is less cost-effective long term than constructing a new facility; (4) The City has signed a Memorandum of Understanding with ATG Entertainment with the intent 'explore the feasibility of developing a new 2,500+/- seat arts and entertainment facility in downtown; (5) ATG Entertainment an internationally known private operator of entertainment venues managing operations across 72 venues worldwide; (6) Post-Helene Economic Development Administration (EDA) grant opportunities may create additional funding streams for this potential project; and (7) The City-owned "Parkside" site has been considered for mixed-use development multiple times since the 1980s.

Regarding the site, it is a total of seven parcels, totalling approximately 2.43 acres. The properties are not Urban Renewal parcels; however, they are directly adjacent to urban renewal property and located in an area impacted by urban renewal. The potential space use (site massing) is 300+ space parking garage; space for a public safety station (fire); ~2,500 seat main performance hall; rehearsal / education center spaces; and workforce development workshop and footprint.

He then showed draft site massings of Concept 1A from the spring of 2024. Potential space use (site massing) is an opportunity with additional developers for retail; gallery; restaurant; museum; educational; community; and other.

Mr. Corl then went through the next steps of why now. It (1) allows process with ATG to move expeditiously; (2) will strengthen EDA grant application; and (2) if awarded, funds will support pre-construction work - site survey; geo-tech; utility relocation; and initial conceptual design and construction documents.

Regarding next steps, (1) update information and FAQs posted to project page - encourage those interested in this project to sign up for updates on the project page; 92) incorporate community feedback to inform a Request for Qualifications (RFQ) for additional development partner(s); and (3) Communication & Engagement Plan overview presented to Economy Recovery Board - feedback received and will be integrated into plan.

Initial identified stakeholder groups include: Arts AVL; Asheville Downtown Association / ADID; Asheville Independent Restaurants; Asheville Symphony; The Block Collaborative; Chamber of Commerce / Economic Development Coalition; Eagle Market Street Development Corp.; East End / Valley Street neighborhood; Explore Asheville; LEAF; Legacy Neighborhood Coalition; Local Performing Arts orgs (Wortham, ACT, etc.); Mt Zion Church; People's Place AVL; and YMI.

The Communication & Engagement Plan Phase 1 objectives (stakeholders) are (1) Project status update - Where we are and what we are requesting input on at this time; (2) Identify concerns and excitements (a) Top items these groups like/love about the site; and (b) Top priorities and concerns these groups have about the site; (3) Feedback will be utilized to create parameters; and (4) Utilize identified feedback from stakeholders to inform content of RFQ to be issued to solicit additional development partner(s) in the project.

In response to Vice-Mayor Mosley, City Attorney Branham said that staff has continued to receive information to edit the original resolution up until the meeting. We have changed the word “engagement” to “partnership” in order to hopefully capture what the Council and the Block and East End/Valley Street have requested. Partnerships will include, not only The Block and East End/Valley Street, but all the initial identified stakeholder groups.

Mr. Corl responded to Councilwoman Turner when she asked if he had looked at other sites and if the site massing for the potential uses are too much.

As a performing arts professional, Councilwoman Roney wants our community to have nice things, but was concerned about the lack of enthusiastic support from the community. By revising the resolution wording to partnerships seems like there will be more equity at the table - that decisions will be made together. She hoped that in the next two years, relationships will deepen and more trust built.

Vice-Mayor Mosley, who grew up in the East End area noted that urban renewal is a lived experience for her. She recognizes that change is inevitable and has deep gratitude for people who carry that history and refuse to give up hope. She hoped the community would trust her enough to speak on their behalf at the table as well.

Councilwoman Roney moved to adopt a resolution reserving City owned real property known as “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, and to create and utilize, as part of this process, meaningful and robust partnerships 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. This motion was seconded by Councilwoman Smith .

Nine individuals spoke in opposition of reserving the “Parkside Property” for various reasons, some being, but are not limited to: partnerships do not include any Asheville natives; concern of the location; who is the Center for; why only 300 parking spaces; will the property be sold or leased; move the site to south Asheville; beginning in the 1950s and 1960s the City enacted a devastating practice: (1) these homes were labeled “substandard”; (2) investment for repairs and improvements was out of reach because Black homeowners largely could not obtain credit; and (3) buildings were condemned and removed, clearing and devaluing the land; the City must ensure that any project claiming to celebrate this community leaves that community present, visible, and economically viable when it’s done; recommendation that the land hold vote not move forward unless it is accompanied by a formal, binding commitment to bringing The Block and East End community to the table; The Block and East End/Valley Street must be present at every table where plans are being made and decisions formed - with meaningful participation in shaping the project’s scope, design, and benefits; how can this project move forward with the Reparations Commission recommendations; we want to keep The Block and Eagle Street as is; and don’t exclude under-represented areas; fire station not a good fit in the Performance & Art Facility.

Councilwoman Smith felt she was hearing confusion of what the community wants. In her heart she thinks we need to find a different location; however, she also wants to give our leaders time to do their due diligence.

In response to Vice-Mayor Mosley, Jefferson Ellison explained the community’s stand. At their March 11 community engagement, with 51 attendees, there was a lot of distrust about the process. People wanted more information; however, they were told that they can’t get those answers without the land hold and the time to get those answers. Again, the community does not

trust the process and has questions/concerns; however, apparently the only way to get those responses is through the land hold process.

Mayor Manheimer said that adoption of the resolution is the vehicle that will get us to a place with more answers through partnership discussion.

City Attorney Branham clarified the motion, noting that some elements were added to address the concerns. One is that there is a direct requirement that staff not only engage, but enter into partnerships with all stakeholders - including The Block and East End/Valley Street to get the feedback needed, noting that all final decisions are reserved until City Council has received that information and feedback from them.

In response to Councilwoman Turner, Mr. Corl said that he has looked at several other locations, but his direction was to find land that we didn't have to pay for. Perhaps through the process of community engagement, we might steer away from this site.

In response to Councilman Hess, Mr. Corl felt that there will be plenty of unbooked space for local groups or community members in the new facility.

When Councilman Hess asked about if there would be opportunities for child care or local art galleries in the new facility, Mr. Corl said that anything is possible but those things would need to be in the Request for Proposals and we would have to find the right partners.

In response to Vice-Mayor Mosley, Mr. Corl explained how community partners can obtain partial ownership.

The motion made by Councilwoman Roney and seconded Councilwoman Smith carried unanimously.

C. RESOLUTION NO. 26-56 - RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A FOUR-YEAR CONTRACT WITH RATP DEV FOR OPERATIONS AND MAINTENANCE OF THE ASHEVILLE RIDES TRANSIT FIXED-ROUTE TRANSIT SYSTEM - RESOLUTION BOOK NO. 46 - PAGE 277

Assistant Transportation Director Jessica Morriss said that this is the consideration of a resolution authorizing the City Manager to execute a four-year contract with RATP Dev for operations and maintenance of the Asheville Rides Transit fixed-route transit system.

Background:

- The City of Asheville contracts the operations and maintenance of the Asheville Rides Transit (ART) fixed-route transit system.
- In 2025, the City of Asheville issued a request for proposals (RFP) for the operations and maintenance of ART for four years with two renewal options of two years each.
- The RFP evaluation committee was composed of seven people, including one external evaluator, a representative from the French Broad River MPO, and representatives from the City's Finance Department, the City Attorney's Office, and the City's Transportation Department.
- The City received four proposals in response to the RFP.
- The following table provides the evaluation scores and total proposal costs for each offeror:

Offerors	Evaluation Score	Proposed Cost

Vendor 1	74	$120,317,255
Vendor 2	67	$134,579,138
Vendor 3	49	$124,706,170
Vendor 4	49	$113,111,200

- After review of the proposals, the evaluation committee came to a consensus in awarding the RFP to the offeror with the highest evaluation score, following a process standardized by the City's Purchasing Division and explained in the RFP document.
- RATP Dev has been selected as the contractor to provide operations and maintenance services for ART and will begin operating under the new contract on July 1, 2026.
- There are several new key features of the contract, including the following:
    - Addition of new, full-time key personnel that will be instrumental to improving operations and customer service, including the following:
        - Crisis Counselor
        - Customer Service Manager
        - Human Resources Manager/Recruiter
    - New software and technology for reporting, service development, and contract compliance/oversight
    - New and strengthened performance measures
        - Higher goals for on-time performance
        - New liquidated damages to mitigate instances of buses departing earlier than scheduled times
        - New liquidated damages for customer complaints not responded to within 24 hours
        - New liquidated damages to reduce instances of supervisors operating routes due to driver shortages
        - Increase in liquidated damages for improper appearance and cleanliness of ART facilities and bus stops

Vendor Outreach Efforts:

- N/A, this is a federally funded contract

Council Goal(s):

- Transportation and accessibility

Council Priority Recovery Area(s):

- People
- Infrastructure & Environment

Committee(s):

- PEDE Committee presentation, 3/17/2026 - Motion was made to forward contract to Council; however, the motion failed due to lack of a second. Two members of the Committee were present.

Pro(s): Approval of the contract will ensure uninterrupted service.

Con(s): The cost of the annual contract will increase. This increase has been incorporated into the budget.

Fiscal Impact:

- The total four-year contract amount is $54,899,942. If both two-year options are exercised, the total contract amount would be $120,317,255.
    - Total contract amount:
        - Base Contract:
            - Year 1: $12,671,301
            - Year 2: $13,309,046
            - Year 3: $14,102,049
            - Year 4: $14,817,546
        - Option 1:
            - Year 1: $15,370,405
            - Year 2: $15,948,574
        - Option 2:
            - Year 3: $16,657,664
            - Year 4: $17,440,670
- Funding for this contract will be budgeted in the Transit Fund beginning in FY 2026-27 (Year 1).

Ms. Morriss provided the following key takeaways from her presentation: (1) The current Asheville Rides Transit (ART) fixed-route Operations and Maintenance contract ends June 30, 2026; (2(An Request for Proposals (RFP) process to select a vendor for the next contract was conducted and a vendor has been selected (a) There were 4 proposals received; (b) A selection committee comprised of 7 individuals evaluated the proposals; and (c) The selected vendor is RATPDev; and (3) The new contract term begins July 1, 2026.

The Asheville Rides Transit (ART) is operated under a turn-key Operations and Maintenance Contract. The current contract, which began in 2017, was awarded to RATPDev. The current contract term is (1) Contract length originally set at four base years and two 2-year option years for a total of eight years; (2) Contract was extended to a ninth year in FY 2026 due to staffing resources and impacts from Helene; and (3) Contract term ends on June 30, 2026.

Regarding the ART Operations & Maintenance (O&M) contract, (1) In October 2024, the Transportation Department contracted with Kimley-Horn and Associates (KHA) to support staff with the procurement process for the next ART Operations and Maintenance Contract; (2) KHA assisted with developing the Request for Proposals, reviewing adjustments to contractual requirements, and facilitating the vendor selection process; (3) A 7-member RFP Evaluation Committee was formed, comprised of: One external evaluator (outside transit expert); A representative from the French Broad River MPO; and Representatives from the Finance Department, the City Attorney's Office, and the Transportation Department; (4) Transit staff incorporated new requirements and standards into the RFP (that are also included in the contract) which are meant to: Address current and/or ongoing issues that have not been remedied under the current contract; Provide clarity or definition around responsibilities of the contractor vs. the City; Improve and/or strengthen accountability and reporting by the contractor to the City; and Increase corporate support for local needs, including project management of special projects to aid City staff, shared use of software, etc.; (5) New and strengthened contract performance measures include: (a) Higher goals for monthly on-time performance (80%, was 72%); (b) New Liquidated Damages: For early departures (in addition to missed trips); If supervisors/dispatchers are used to operate routes due to driver shortages; and If a customer complaint is not responded to within 24 hours; and (c) Increase in Liquidated Damages for improper appearance and cleanliness of all ART facilities and bus stops; (6) New full-time staffing positions: (a) Crisis Counselor - will primarily work at Transit Center; work with the customer service manager and team, as well as security team to assist riders and de-escalate situations;

and connect riders in need with resources in the community; (b) Customer Service Manager - oversees the customer service team; and (c) Human Resources Manager/Recruiter - on-site recruiter to ensure a steady flow of applicants for all ART positions; and collaborate and engage with the community; and (7) New software and technology for reporting and contract compliance and oversight, including (a) allowing City use of a route scheduling and service planning software called Optibus; (b) allowing City use of service performance and project management software; and (c) new onboard safety tracking technology and camera system.

Proposals received a rating between 0 - 5 for each item falling under the following categories: Key Personnel and Organizational Structure; Management of Operations; Safety; Asset Management; Customer Service and Marketing; Transition Plan; and Qualifications and Experience. She then reviewed the ART RFP evaluation process.

Regarding vendor selection, (1) Received 4 proposals by the December 31 deadline; (2) Only 1 offeror received a technical proposal rating above the 70 point threshold required to advance to Phase 2 of the evaluation process; (3) Offeror Scores:

- Vendor 1: 74 points Proposed Cost: $120,317,257
- Vendor 2: 67 points Proposed Cost: $134,579,138
- Vendor 3: 49 points Proposed Cost: $124,706,170
- Vendor 4: 49 points Proposed Cost: $113,111,200; and

(4) After review of the proposals, the evaluation committee came to a consensus in inviting the vendor with the highest evaluation score to interview. The evaluation committee conducted oral interviews with the qualified offeror(s) to discuss contractual obligations and address committee questions related to the proposal. Staff then entered into negotiations with the selected offeror to finalize the contract details.

Regarding the new contract, (1) The selected vendor is RATP Dev; (2) Total four-year contract amount is $54,899,942. If both two-year options are executed, the total contract amount would be $120,317,255; and (3) Annual contract amount: Year 1: $12,671,301; Year 2: $13,309,046; Year 3: $14,102,049; Year 4: $14,817,546; Option Year 1: $15,370,405; Option Year 2: $15,948,574; Option Year 3: $16,657,664; and Option Year 4: $17,440,670.

Next steps include (1) Tonight - March 24: City Council considers authorizing City Manager to execute contract with RATPDev to operate and maintain the ART system; (2) By March 27: Staff issues Notice of Award; (3) By April 6: Execute Contract; (4) Begin “Transition” - includes hiring and onboarding of new positions as needed, implementation of new software programs, submission of new required compliance deliverables, etc.; and (5) July 1: Contract goes into effect.

In response to Councilwoman Roney, City Attorney Branham said that his staff always negotiates, to the extent we are able, a termination provision. We also always include a nonappropriation clause, so if Council doesn’t include funding for the contract in the annual budget, then the contract will terminate.

Councilwoman Roney felt that the new full-time staffing positions are needed and they should improve everyday lives.

Two individuals spoke in opposition to this contract, one asked that we focus on how we can work with Buncombe County over the next four years and have a consistent revenue source for transit.

In response to Mayor Manheimer, City Attorney Branham explained that bus drivers and mechanics are part of the unions and the City of Asheville does not have the legal authority to negotiate with them. Therefore, we must engage a third party contractor to employ them.

Councilwoman Turner and Councilwoman Ullman hoped that in the next four years, we can figure out how to handle our transit better.

Upon inquiry of Councilwoman Roney, City Attorney Branham said that staff will negotiate into the new contract regular reporting back on performance.

Councilwoman Ullman moved to authorize the City Manager to execute a four-year contract with RATP Dev in the amount of $54,899,942 for the Operations and Maintenance of the Asheville Rides Transit fixed-route transit system. This motion was seconded by Councilwoman Roney and carried on a 4-3 vote, with Vice-Mayor Mosley, Councilwoman Smith and Councilwoman Turner voting “no.”.

VII. INFORMAL DISCUSSION AND PUBLIC COMMENT:

Several individuals spoke to City Council about various matters, some being, but are not limited to:various concerns about Biltmore Village’s lack of recovery following Tropical Storm Helene, i.e., no street lights; storm drainage, hazardous tree removal, sidewalks damaged, right-of-way maintenance plan, etc.; need for mobile pay on ART buses; true cost of parking; and are other areas able to join in the partnership in the “Parkside” exploration.

In response to Biltmore Village, Assistant City Manager Ben Woody said that they have met with representatives from Biltmore Village and they provided their questions in writing to City staff. They have asked for a lot of information and the City is committed to following up with a response to their questions. We have identified this as a priority and will be responsive. At Mayor Manheimer’s request, Mr. Woody said that he would provide the information Biltmore Village sent to the City to City Council.

Primary Election Results - City of Asheville - March 3, 2026

The abstract containing the primary election results by contest held on March 3, 2026 is available in the City Clerk’s Office.

VIII. ADJOURNMENT:

Mayor Manheimer adjourned the meeting at 8:27 p.m.

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CITY CLERK MAYOR