



VILLAGE OF MARVIN

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Village of Marvin Vehicle Tag Fee FAQs

What is a Vehicle Tag Fee?

North Carolina General Statute (NCGS § 20-97) authorizes municipalities to levy an annual municipal vehicle tax upon any vehicle in the corporate limits up to \$30/year, which must be used for the overall purpose of street maintenance for public roads that are not in the State highway system.

How much is the Village proposing for the Vehicle Tag Fee? What are other municipalities charging?

The ordinance adopted set a \$25/vehicle fee. Other places were assessed leading up to the adoption of this per vehicle/year fee which included the following: Waxhaw \$25; Monroe \$30; Matthews \$25; Concord \$30; Charlotte \$30; Wingate \$25; and Kannapolis \$30. Other small towns in Union County were also reviewed, but in municipalities that do not maintain their own roads (such as Weddington and Wesley Chapel), no such fee exists or is needed.

What about “Powell Bill” revenues; shouldn’t that cover everything!?

The Village began taking over roads in 2006; since that time, revenues have estimated from approximately \$50k per year to \$147k at current. Since the inception of entering the road business, previous Councils and the current Council have understood Powell Bill revenues alone are not enough to cover the needs of the entire Village of Marvin roadway system (which includes 16 miles of public roads/thoroughfares not within the State system, sidewalks, greenways, sidewalks, culverts, curb/gutter, bridges, storm drainage systems, etc.). Over the years, the cost to maintain the Village’s roadway system have changed drastically due to various reasons: projected estimates on projects varied from actual costs incurred; additional projects have been added; increased demands on greenway expansion; new streets have been added; and cost overruns associated with major projects which will inevitably get worse with today’s inflation rates. To put in perspective, the Village entered an agreement with NCDOT in 2018 for the New Town/Marvin Road roundabout which has increased almost \$2M over 4 years! Through no fault of the Village, this project has been delayed several times, but the Village is still responsible for 50% of cost overruns that will be witnessed next year. While Powell Bill Funding may be enough to cover the minimal service needed on Village roads; it is not enough to cover large projects planned in the near future such as Providence widening project; New Town/Marvin Road Roundabout; or any of the \$20.5M plans in the 2020 Greenway Master Plan (one project of which the Village just recently received a \$1.7M, 60/40 split grant to implement).

Is this fee permanent?

No. Village Council put a two (2) year sunset on the fee, which is set to expire on June 30, 2024, unless expressly extended by a vote of the Council.

What about those of us that are on NCDOT roads? How can you help us?

For those of you that are in the statewide system, we will continue to work with NCDOT on a schedule to turn those roads over to the Village as soon as possible! There is no question that NCDOT's standards for maintenance are much lower expectations of Marvin residents. NCDOT struggles with prioritizing and funding residential streets as they are competing with other County/State projects that impacts greater populations. While we understand, we also know the quality, aesthetics, and safety of our residents' roads and sidewalks is vital to our goal. Rest assured, we maintain constant contact with NCDOT representatives to get as many State maintained roads out of their system and into ours as fast we they can; we have even negotiated a financial commitment to incentivize them further. At some point soon, your non-Marvin roads will be Marvin roads and will be maintained at Marvin standards; until that officially happens, we are in an uncomfortable waiting period. In addition, the Village Council is currently assessing the possibility (with voter support) of obtaining a General Obligation Bond in effort to take over all State roads within the Village of Marvin boundaries to pay for resurfacing at today's dollars. Continued assessment, exploration, and negotiations will be ongoing to see what realities the Village and NCDOT can work out.

What is Marvin's property tax rate in comparison to other Union County towns? Why not just increase property taxes?

The Village of Marvin takes pride in knowing it offers the lowest tax rate in Union County when comparing municipalities with like services (disclaimer: there are others that have actual lower tax rates, but they do not have the same services as Marvin). The following are tax rates within Union County per \$100 valuation: Marvin \$.06; Monroe \$.50; Wingate \$.34; Marshville \$.49; Waxhaw \$.38; Indian Trail \$.185; Stallings \$.186; municipalities where services exclude roads: Weddington \$.048; Lake Park \$.19. Marvin could increase the tax rate one cent to equate to the same level of revenue (\$147k); however, the financial impact to individual property owners would vary depending on the value of their home. The vehicle tag fee is a uniform fee that is consistent for everyone AND allows the sunset for the fee to expire whereas a tax decrease would take additional action from the Council or a future Council.

How much total revenue will this bring and what will it be used for?

The fee will be used to generate funding to pay for necessary maintenance to the Village's roadway system. The proposed \$25/vehicle fee will bring in an estimated total of \$284k (among the two-year period) before the fee sunsets in 2024. To put in perspective, that's only enough to pay for the Village's estimated overages for the New Town/Marvin Road Roundabout; this does not even include the \$220k the Village has already committed to this project. The total revenue projected to be received during this period will not fund every project needed; however, it will put a dent into the most immediate needs over the next few years.

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