

East Grand Rapids Street and Sidewalk Millage FAQs

Why is a street and sidewalk millage on the May 2015 ballot?

The City's streets received an average rating of fair (5.1 out of 10) on the Grand Valley Metro Council's Pavement Surface Evaluation and Rating (PASER) scale in 2013 – before last year's winter left the roads in even worse shape. Road funding from the State is not keeping pace with the rising costs of asphalt, concrete, salt and construction expenses. At this rate, 95 percent of City streets will be rated in poor condition by 2025 with an average rating of 2.3. Any road rating below 3 is considered in very bad shape and in need of replacement. The City maintains 47.2 miles of road and 80 miles of sidewalk. At the current funding levels, it will take 20 years to evaluate and repair needed sections of sidewalk. A Streets and Sidewalks Citizen Task Force studied the City's road conditions and funding recommended a 10-year, 2.0 mill dedicated street and sidewalk millage that would begin July 1, 2015.

What would an increased millage pay for?

This additional property tax would generate \$1.2 million annually for street and sidewalk improvements. The City proposes the following improvement plan:

- Perform maintenance on streets that only require routine and preventative maintenance to increase the lifespan of roads that are in good condition
Cost = \$35,000 to \$150,000, depending on the year and condition of the roads
- Continue to maintain streets in poor condition through pothole patching, spray patching and skip patching, when and where appropriate
Cost = \$60,000
- Resurface an average of a half-mile of major streets (high-volume) annually over 15 years
Cost = \$250,000
- Resurface an average of two miles of neighborhood streets annually over 15 years
Cost = \$500,000 to \$700,000
- Removal and replacement on major streets that have little to no service life remaining and require reconstruction
Cost = Dependent on federal funding and the associated required local match
- Removal and replacement on neighborhood streets that have little to no service life remaining and require reconstruction
Cost = \$500,000 and will vary year to year
- Replace traffic signals at one intersection annually
Cost = \$65,000 per year
- Construct, maintain and replace sidewalks
Cost = \$200,000 per year

How much would this millage cost me?

If the City levies 1.23 mills, the owner of a home with a marketable value of \$300,000 (taxable value \$150,000) would pay an additional \$184 in property taxes annually for 10 years. If the City levies 2.0 mills, the cost would be \$300 per year.

To determine your cost, review your current *Notice of Assessment, Taxable Valuation, and Property Classification* and multiply by .002, or go to <http://tinyurl.com/kcluwwj>.

Calculate Your Cost

To determine the additional property taxes you would pay, find your 2015 Taxable Value, then use the chart below. Your Taxable Value can be found on your recent "Notice of Assessment, Taxable Valuation, and Property Classification" or online at www.eastgr.org under Property Information.

_____ x .00123 = _____	_____
2015 Taxable Value	Amount of additional property taxes if the State sales tax increase AND the EGR millage proposal both pass.
or	
_____ x .002 = _____	_____
2015 Taxable Value	Amount of additional property taxes if the State proposal fails but the EGR proposal is approved.

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If a millage increase were approved, when would it take effect? When would additional road improvements begin?

If approved, the increased millage would be effective on the July 2015 summer tax bill. Road improvements would be included in the Fiscal Year 2015-2016 budget and begin in Summer 2015.

What is the City's current budget for roads and sidewalks?

The City transfers \$1 million of property tax revenue to supplement State funding for street and sidewalk construction and maintenance and operational expenses, including patching and snowplowing. The total budget for these expenditures annually is \$1.7 million.

I understand the State also is proposing a road millage. Why not wait until after the State vote?

The City has been waiting for the State to increase road funding for several years. The longer the City waits, the more costly it will be to fix the streets and sidewalks. If approved, the State ballot proposal to increase the Michigan sales tax would be used partly for road funding. It would provide less than 1.0 mill of additional revenue – not enough to prevent further decline in the City's street and sidewalk conditions. This decline would affect safety and aesthetics. Poor road conditions can lead to depressed home values, unsafe driving conditions and damage to other City resources and infrastructure.

How will the City proposal be impacted by the statewide vote?

The East Grand Rapids ballot proposal will tie to the State proposal, allowing the City to collect 1.23 mill if the State proposal passes or 2.0 mills if the State proposal fails.

Why aren't the taxes I pay enough?

Only 30 percent of the taxes you pay stays with the City, and state and federal road funding is not keeping pace with the increased costs of maintaining our streets to safe and acceptable levels. The City continues to do more with less, however, the lack of road funding is starting to show as street ratings decrease.

If my neighborhood street recently was repaved or repaired, would this millage increase still benefit me?

Yes. It will give the City additional funds to use to maintain your street moving forward while simultaneously maintaining other roads throughout the City that are part of the connected street system you drive daily.

What is the average life expectancy of a roadway?

Properly designed, constructed and maintained, an asphalt or composite roadway should have an expected service life of at least 20 years, while a concrete road should have an expected service life of 30 years or more.

What if the millage is not approved?

Without maintenance, East Grand Rapids' streets will continue to deteriorate. In 10 years, only 5 percent of City streets would be rated good or fair, or an overall PASER rating of 2.3. Once a road has nothing salvageable, it must be rebuilt – which is far more costly than performing immediate maintenance and minor repairs. The ongoing decline of City roads and sidewalks would result in a significant fall in safety and aesthetics. Poor road conditions can lead to depressed home values, unsafe driving conditions and damage to other City resources and infrastructure.