

Who will adopt North Carolina's abandoned roads?

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The issue of orphan roads has been brewing under the radar for years in North Carolina, but with the state's surging growth in population, that may not be the case for much longer.

Randal O'Toole, public policy analyst and former senior fellow for the Cato Institute looks at the problem in a <u>report</u> commissioned by the John Locke Foundation entitled "Finding a Home for Orphan Roads."

By definition, an orphan road has no clear owner and is not maintained by any state or local government.

Such roads exist in some subdivisions with homeowners' associations or road maintenance agreements, but O'Toole points out many do not. That results in headaches for homeowners on what maintenance needs to be done and who should foot the bill.

He also points out that many people buying homes are unaware of this situation, as the North Carolina Real Estate Commission does not include that information in their disclosure forms.

North Carolina is among five states in which most non-city local governments don't have their own road departments.

According to O'Toole, it would make sense for developers to deed the roads to the states, but this is unlikely for two reasons.

First, when cities or counties don't expect roads to be turned over to them, they are less likely to demand that roads be built to specific standards, leaving the roads in a condition <u>not up to</u> <u>standards</u> for the state to take them over from a developer.

North Carolina Department of Transportation (NCDOT) requires that roads have a density requirement of "at least two occupied residences for each one-tenth of a mile" of road and at least four occupied homes for road segments that are less than two-tenths of a mile long, certain

minimum widths, have sufficient drainage, both pavement and subsurface must be of certain minimum depths and be in good condition. Many orphan roads don't qualify under those conditions.

Second, counties rely on revenue from property, sales, and income taxes, which would increase with new development. Generated revenue would provide funds to counties for road maintenance.

NCDOT, on the other hand, mainly gets its revenue from federal and state fuel taxes, vehicle registration fees, and tolls. That revenue is less likely to increase due to new rural development or in proportion to the increase in costs the roads could impose on the state. Many orphan roads don't contribute that much to the gas tax because they have very little traffic, with most being in rural areas.

O'Toole says that also raises another problem.

Significant auto traffic keeps asphalt pavement compacted, which can reduce maintenance costs. Many orphan roads do not receive enough traffic to do so and will have higher-than-average maintenance costs.

This leaves NCDOT without the revenue to maintain the roads, causing them to either let them deteriorate or do less maintenance on roads elsewhere in the state highway system.

It has resulted in hundreds of miles of rural roads and streets in North Carolina that aren't maintained by any government, with many being abandoned by developers with no clearly deeded owners, essentially leaving them "orphan roads."

O'Toole said resealing an asphalt street every seven to ten years could cost about \$2.50 per square foot. In a typical subdivision, the streets may be 30 feet wide, and homes may have 50 to 100 feet of frontage on the streets. If homes are on both sides of the streets, costs would range between \$1,875 and \$3,750 per homeowner. If part of the development has shared roads with no homes fronting on them, the cost of sealing the roads would also have to be divided up among the homeowners. If streets have deteriorated due to neglect, costs may double or quadruple when maintenance or repair finally does take place.

He cites an area in Harrisburg, a northeast suburb of Charlotte, as an example.

A subdivision known as Holcomb Woods has homes under five years old. To the northwest of the subdivision is an older neighborhood with roads the state maintains. Although many of the homes in this neighborhood are more than 30 years old (indicating the streets are older), the streets are in better condition than those in Holcomb Woods.

O'Toole wrapped up his report with some recommendations on how to fix the problem with orphan roads.

- 1. The North Carolina Real Estate Commission, in consultation with NCDOT, should revise its real estate disclosure forms to inform potential buyers of properties served by private roads of the condition those roads are in and what kind of maintenance the property owners will be expected to contribute to.
- 2. The state legislature should give counties the option, if they don't already have it, of taking over the maintenance of secondary and local roads within their jurisdictions and collecting property taxes or assessments to pay for the maintenance.
- 3. The state legislature should also require that owners of properties served by private roads be a part of homeowner associations that will maintain the roads or write road maintenance agreements with the support of at least 75% of other property owners indicating what kind of maintenance will be done and what proportion of the cost of such maintenance each property owner would be expected to contribute.
- 4. The state legislature should authorize NCDOT to charge assessments to property owners served by local roads maintained by the state. Ideally, NCDOT would be able to charge all such property owners, but it should at least be allowed to charge owners served by roads that are now private and want the state to take over maintenance of those roads.