

AGENDA 9-8-08

**VILLAGE OF DEXTER**

ITEM L-6

8140 Main Street Dexter, MI 48130-1092  
MEMO

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To: President Keough and Council Members  
From: Courtney Nicholls, Assistant Village Manager  
Date: September 8, 2008  
Re: Cityhood Frequently Asked Questions

The included frequently asked questions list was compiled from the questions asked prior to the Town Hall meeting by the Citizens for Responsible Government and the questions that were asked at the meeting. The answers are a hybrid of Trustee Semifero's responses, responses that were given at the meeting and staff research. A draft of the questions and answers was distributed to the City Study Committee at the end of July for their feedback, which has been included in the document.

Also included is an update on current cityhood expenses and an update on the boundary survey.

# Village of Dexter

## Cityhood Frequently Asked Questions

### Growth & Development

**How will cityhood affect Dexter's growth; will it lead to a transition away from its status as a bedroom community?**

Becoming a city will not affect Dexter's growth or the nature of the community. Decisions related to development density and composition are ultimately made by the Council which is the case for a Village or a city.

**Will cityhood mean having to develop more low income housing?**

No statutory requirement exists that would require additional low income housing if the Village becomes a city.

**What affect will becoming a city have on expanding the business park as a research/manufacturing center to increase revenues? How will it affect the retail businesses in view of the development of Jackson Avenue as a main strip for businesses in Scio Township?**  
Becoming a city will not affect the Dexter Business and Research Park. Any proposed expansion would require agreements with Scio Township and any associated landowners regardless of whether Dexter is a village or city.

The retail businesses along Jackson Rd are there regardless of whether the Village becomes a city or not. The development of the entire Jackson Rd corridor presents a significant threat to the retail in Dexter. Dexter becoming a city will have no impact on this situation, except that current and future business owners within the Village would not have to pay township taxes if the Village becomes a city.

**Can a city annex without property owner consent or must the property owner request annexation? Would the City of Dexter have an easier time annexing property than the Village of Dexter?**  
Council has taken the position that any annexation requests be initiated by property owners.

As a village, Dexter must send its annexation requests through the Washtenaw County Board of Commissioners. The Board of Commissioners has taken the position that they will not get involved in boundary disputes. As a city, Dexter would send annexation requests through the State Boundary Commission, bypassing the County.

An annexation petition to the Boundary Commission can be initiated in three ways

- resolution of a city council
- by the owners of at least 75% of the land proposed for annexation
- by at least 20% of the registered voters residing in the territory proposed for annexation

If the petition is filed by the City Council a hearing is held by the Boundary Commission. The law calls for specific notification requirements, by certified mail, to the affected property owners. If the Boundary Commission votes to allow the annexation the affected homeowners (as long as there are more than 100 in the area to be annexed) have a right of referendum, which would allow the affected residents to vote on whether or not they wish to be annexed. (Michigan Compiled Law 117.9)

**How would potential growth affect the demand for water and sewer—aren't we already running the sewer plant at full capacity and have a need for an additional well for drinking water?**

There is no growth associated with the Village becoming a city. The City Study Committee specifically recommended that the current Village boundaries be maintained should cityhood be pursued, and that is what is being surveyed at this time.

The sewer plant is not at full capacity. In fact, the sewer plant normally runs at levels far below its full capacity. The problem the system currently has is peak flows associated with rain events due to inflow and infiltration (I & I) into the sewer system, primarily from the portion of the Village bounded by Main, Jeffords, Broad, Grand, and Baker. Currently when it rains, some portion of the storm water (which does not need to be treated) goes into the sanitary sewer system and has to be treated by the sewer plant. In general, the more rain that falls, the more water that is being unnecessarily treated. This is being addressed in two ways - reducing I & I and planning for an equalization basin. The equalization basin is storage for incoming sewer flow mixed with storm water, which will be used to reduce the peak flow to the sewer plant by holding the wastewater until the sewer plant can treat it. This will allow all of the existing plant capacity to be utilized more efficiently. In fact, it has been estimated that a very large number of residential equivalent units (REUs) of sewage treatment capacity is going unused on a daily basis because of the I & I problem. These improvements are required by the Michigan Department of Environmental Quality regardless of whether or not Dexter becomes a city.

The same goes for the new well being explored. The current wells were anticipated to supply all currently planned development within the Village. Additional use has led to, during extremely high usage times (summer days when there is a large amount of irrigation), peak demand being higher than what the current wells can supply, when one well is taken out of service (firm capacity). For the peak demand, it was estimated by the Village engineers that the two additional wells being proposed would be needed to supply the ultimate needs of the currently planned development. Increasing our current water supply is required by the Michigan Department of Environmental Quality regardless of whether or not Dexter becomes a city.

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## **Boundary Issues**

**Will the new city boundaries mean the loss of the high school?**

The high school property is currently covered by a 425 agreement with Scio Township. At the end of that agreement, per Scio Township's request at the time the 425 was negotiated, the high school property will revert to the township. It was covered by this 425 so water and sewer could be provided and so cost sharing could be put in place with the high school for police and fire services. The expiration of the 425, in 2050, will result in the loss of the high school property from the Village unless the current agreement is extended or a new agreement is reached.

**Will the new well be outside of the city limits and how will that affect Dexter's cost for water?**

A review of the Village and the surrounding area identified the High School property as the closest suitable location for a new well. This new well will be outside of the Village boundaries but within an area currently covered by a 425 agreement whether Dexter becomes a city or remains a village. Whether or not the well is within the boundaries of the city/village will have no impact on the costs for water.

**What properties, if any, will the village annex to square the boundaries in order to become a city?**

There is no plan to annex any properties into the Village to become a city. The boundaries recommended by the City Study Committee are the current Village boundaries and that is what is being surveyed at this time.

**Does the city's boundary have to be squared? What exactly does the law say regarding this and what does squared mean for the boundaries?**

The law does not indicate that the boundaries are required to be squared. The boundaries recommended by the City Study Committee are the current Village boundaries and that is what is being surveyed at this time.

**How will the boundary process impact the 425 agreements & Bates Farms?**

The proposed boundary does not include Bates Farms. The existing Act 425 Agreements will remain in place. The 425 agreement with Webster Township includes a provision for Dexter to pay the Township a set millage rate for 12 years after becoming a city.

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### **Police/Fire Services**

**Will Dexter be required to have its own police & fire department, or will we be paying more for police services to the county?**

Becoming a city would not automatically change the Village's police and fire services. The Village currently contracts with the County for police services as this is the most cost efficient way to provide services to the Village at this time. Council asked the Village manager to investigate a police department for the Village and it was determined that it would be more expensive and would carry greater liability for the Village than the current arrangement with the County sheriff. Fire services will continue to be provided by the Dexter Area Fire Department. One significant difference is Village residents would not be paying for police and fire services twice - once to the township and once to the Village.

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### **Administrative Costs & Duties**

**Will the Village have to take responsibility for issuing dog tags?  
Washtenaw County will continue to issue dog tags.**

**What will cityhood mean in terms of administrative cost to run the city i.e. Mayoral and Council salaries? Where will the revenues come from to pay for these costs?**

There is no difference for administrative costs with becoming a city. The administration of a city would be set the same way the administration has been set for the Village. The proposed city would continue the same fiscally responsible policies that have resulted in us being so financially successful to date. Of course, that direction would be given by whatever legislative body might be formed. There are a number of forms of governments available for a city, including a form very close to that of the current Village. The form would be up to the Charter Commission.

There are two additional responsibilities for a city: assessing and elections. The Village used to run elections and there was no discussion when this service went to the townships that there was an impact on the Village. Assessing can be done as a contracted service, as is done by many surrounding

communities. Currently Village residents pay for these services to the township through total taxes that far exceeds what the services actually cost.

**If Dexter became a city, would the DDA and Planning Commission's powers be reduced and the council vote to follow the pattern of other cities to have a central office/person coordinating planning in conjunction with the business community? What would this cost?**

The DDA would be unchanged under a city and the Planning Commission's powers and duties would be set by the charter as developed. The Planning Commission and DDA work effectively and would not have to change. There is no reason to change the "power" of either board. The Village currently has a central planning person - Community Development Manager, Allison Bishop.

**Will we have a city inspector for homes and businesses to assess taxes, construction development, health (restaurants)? Are there costs involved?**

There is no reason this would change from the way it is currently handled; a Village could have an inspector as well as a city. The cost of a contracted assessor would be about \$35,000, per the City Study Committee. Scio Township collects approximately \$300,000 per year from the Village in taxes to provide us with elections and assessing. The health and building inspections currently required would continue through the County and their associated inspectors. This is not a cost to the Village or a possible city. The services are paid by fees.

**Would it be necessary to hire an experienced city manager and staff to replace our current village manager and staff to run the daily operations of the city?**

There is no difference between a city and village except as would be specified by the charter. The current village manager and staff are capable of handling the additional responsibilities of managing assessing and assisting the Clerk in running elections.

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## **Taxes / Property Values**

**Would the Village consider asking the voters to pass a green space millage?**

Dexter would consider putting a green space millage before its voters.

**How long will the tax reduction for citizens truly last? Haven't Chelsea taxes jumped? Aren't Chelsea residents and businesses unhappy with cityhood? What makes you think you won't have to raise taxes for services?**

Taxes in a city or village are driven by the services provided. If the Village provides more services, taxes would have to increase. There is no causation between being a city and higher taxes. There is causation between services and taxes. For instance, Barton Hills provides very little in services and only levies 10 mills. The taxation level is also related to the fiscal decisions made by the local government. How the Village handles long term items such as salaries, health care, retirement benefits, etc., will drive the costs.

**What will cityhood do my property values?**

Becoming a city versus a village has no direct impact on property values. It is possible, if taxes levied are lower by not paying township taxes, the value of the house could increase.

What will be done to insure that older persons with limited incomes won't be compelled to move because of the potential increases in taxes, as has happened in places such as Ann Arbor and other cities?

There is no plan to increase taxes. Villages can levy as high a tax burden as a city under current law. Ann Arbor taxes increased because of increased services and increased property values and taxes based on those property values. Becoming a city does not impact property taxes. Proposal A and the Headlee Amendment currently limit the increase in property taxes on a statewide basis.

**Will there be a city income tax, how is income tax levied?**

The law allows a city to levy an income tax, upon approval of the city's voters. The City Charter can be drafted without a city income tax. The residents must vote to impose a city income tax.

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## Community Activities / Tourism

**How will cityhood change our community with its small town celebrations such as Dexter Daze, the Ice Cream Social, etc.?**

Becoming a city would have no effect on these community celebrations. These events are not organized by the Village.

**Aren't we drawing more interest from bicycle clubs and other tourist related groups as a village than we would as a city? Why aren't we seeking to expand this tourist related revenue base instead of offering what Ann Arbor and the cities east of Dexter are offering?**

Most people in and out of the Village refer to it as a "city" already. Many people do not realize there is a difference. There is no difference for tourists to the community whether the Village becomes a city or not.

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## Legal Requirements

**When will the state requirements for cityhood reach fruition?**

There is no definite timeline to cityhood. This process can take a number of years to complete.

**When will the village complete all the requirements for cityhood and submit them for state approval? Will we be allowed to vote before or after state approval on whether or not we want to become a city?**

There are a number of opportunities for community input through the process which includes the issue coming before the voters. The state does not approve a village becoming a city - the people of the Village will decide whether or not the Village becomes a city. The state only makes sure the process is followed as is required by law.

**When specifically in the process do residents get to vote?**

There is a 45-day referendum period after the State Boundary Commission declares the petition legally sufficient. There is an opportunity to vote again when citizens petition to be on the Charter Commission and again when the Charter Commission completes the Charter and the Charter is on the ballot.

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## Charter

**Who will write the new charter? And who will make the appointments for the candidates to be voted on to write the charter?**

A Charter Commission elected by the residents of the Village would write the charter. Candidates for a charter commission (and if a charter was approved, candidates for a city council) follow the same process as any other elected position. This means any resident of the Village can get a petition, obtain signatures, and file to be a candidate.

**How do amendments to the Charter occur?**

Reviews and amendments to the Charter require a Charter Commission review, recommendation and placement on the ballot for adoption or rejection by registered voters. Charter changes always come back to the vote of the people.

**Will the city have partisan elections?**

The current Village Council is not interested in changing to partisan elections. This issue would be addressed in the Charter by the Charter Commission.

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## General Concerns

**How many members of the study committee are from the Westridge Subdivision and what was the vote on the report? How many Council members live in Webster Township?**

Three of the 18 members of the Study Committee are from Webster Township and the final vote was 16-1 in support of the final city study report. Two of the 7 members of Village Council are from the Westridge Subdivision. The original 18-member study group is from all over the Village. Each Council member asked individuals to participate. One member passed away during the study group's work.

**It is said that a city is more respected than a village. Paul Bishop was effective in village management to get the state government to approve an industrial park and we have grown to the point that we have. Respect comes with the ability to negotiate and present an idea for the future. It is nice to say cityhood, but what exactly does it mean for to Dexter to become a city? What are the council's ideas for the future once we become a city, and what are the ideas for Dexter's future of those who want to keep it a village?**

For the Village to become a city it means, legislatively, that the city would be a recognized governmental entity to the state. The Village falls under the township in the current hierarchy. There are no specific plans that would be put into motion specifically if the Village becomes a city.

**Can you tell me why I should support cityhood?**

The community will decide through an election whether or not the Village should become a city. Like any other ballot issue, it is up to the individual to make a decision based on how they view the issue.

Cityhood Expenses

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Expense	Awarded/Incurred Date	Total Contract	Amount Spent
Attorney Fee - Preparation and Presentation to City Study Committee	8/21/2006		\$1,650.00
City Study Committee - Open House Notice Publication	2/15/2007 & 2/22/07		\$45.00
City Study Committee - Meeting Room Rent for Final Presentation	3/5/2007		\$115.00
David Rutledge	11/26/2007	\$3,000.00	\$388.57
OHM - Boundary Survey Steps 1 & 2	2/25/2008	\$10,000.00	\$9,998.50
OHM - Boundary Survey Steps 3 & 4	5/12/2008	\$19,500.00	\$14,584.50
<b>Total Spent as of September 8, 2008</b>			<b>\$26,781.57</b>



# Memo

**OHM**  
Engineering Advisors

**To:** Donna Detling, Village Manager

**From:** Christopher Lamus, P.S.

**Date:** July 22, 2008

**Re:** The Village of Dexter Boundary Project Update: Steps 3 & 4

Steps 3 & 4 of the Boundary Survey of the Village of Dexter were approved in May, 2008, and included an additional \$19,500 of work to be completed as we work towards the determination of the Boundary for the Village of Dexter. At this time, OHM is in the process of performing necessary research and fieldwork, including:

1. Contacting the Railroad in order to obtain existing Valuation Maps depicting Railroad Right of Way. The deeds listed on the Valuation Maps have been obtained. These will be used to help determine the location of the right of way. ✓
2. Contacting the Washtenaw County Road Commission in order to obtain existing alignment information for Baker Road, Shield Road, Joy Road & Island Lake Road. This information was used to locate existing road alignment monuments. The found monuments have been located using GPS measurements. ✓
3. Existing Land Corner Recordation Certificates were researched for existing section corners necessary for the establishment of section lines. The found section corners have been located using GPS measurements. ✓

We are currently reviewing this data and combining it with the existing parcel descriptions included in the document received from the State of Michigan Office of the Great Seal describing the Village of Dexter limits. We are also in the process of researching various surveys performed throughout the area that may aid us in resolving the areas previously mentioned where discrepancies may exist.

We anticipate that 75% of the field work has been completed. We have not completed accurate mapping of the Huron River portion of the Boundary at this time due to the dense tree cover. We will be waiting until after the leaves have fallen from the trees to complete this work, which will allow us to use GPS surveying for this portion of the work.

*Only remaining item per Chris on  
September 3  
to be complete end of Nov/early Dec*

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Chris Lamus

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