

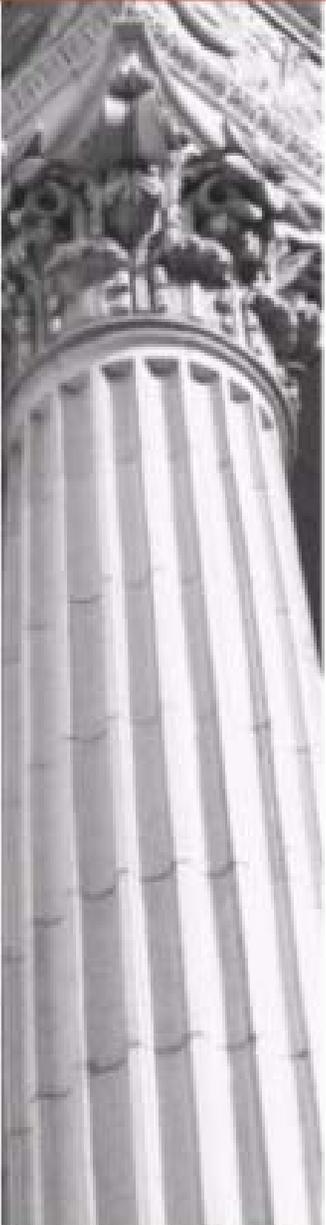


Consolidation of the Village of Onekama and Onekama Township??

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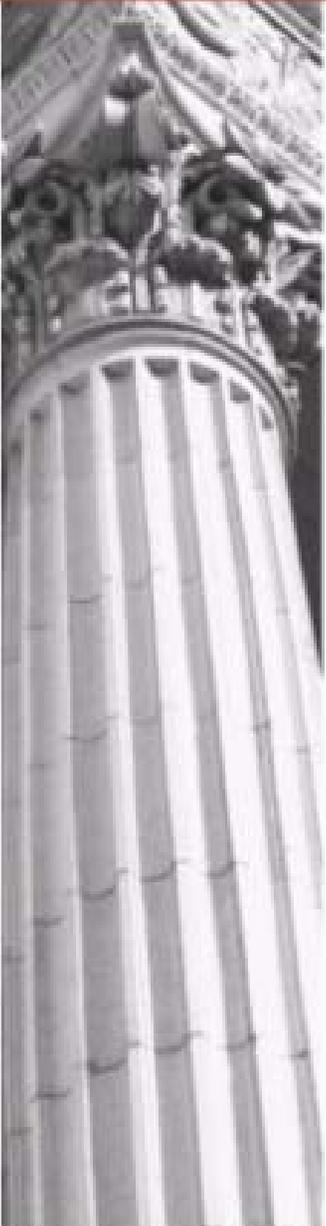
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Citizens Research Council of Michigan

- Founded in 1916
- Statewide
- Nonpartisan
- Private not-for-profit
- Promotes sound policy for state and local governments through factual research
- Relies on charitable contributions from Michigan foundations, businesses, organizations, and individuals



Shared Public Services Initiative (SPSI)

What is it?

- Provides access to consulting services to build a business case, communication strategies and implementation plan
- Provides a dynamic web site of tools and a Statewide Shared Public Services Catalog
- A sustainable program: program administration and fiduciary oversight provided through the Michigan Municipal League Foundation (MMLF)



Driving Principles

- **Planning & Development Regions, ISDs, and Local Governments/School Districts**
 - own the effort
 - identify the service(s) to be shared
- **Advisors/MMLF will assist, as requested by regional entities, in preparing the business case(s) and implementation plan(s) through use of consulting services**
- **Local Governments will make “go or no go” decision**
- **To provide 50% of the cost for consulting services**
- **Implementation is the responsibility of the local governments**



Resources

- **Funding for each project will be shared by**
 - State
 - Local governments and schools
 - Foundations
- **It provides for**
 - Facilitation
 - Development of the business case
 - Implementation plan
 - Communications plan
- **Administered through the Michigan Municipal League Foundation**

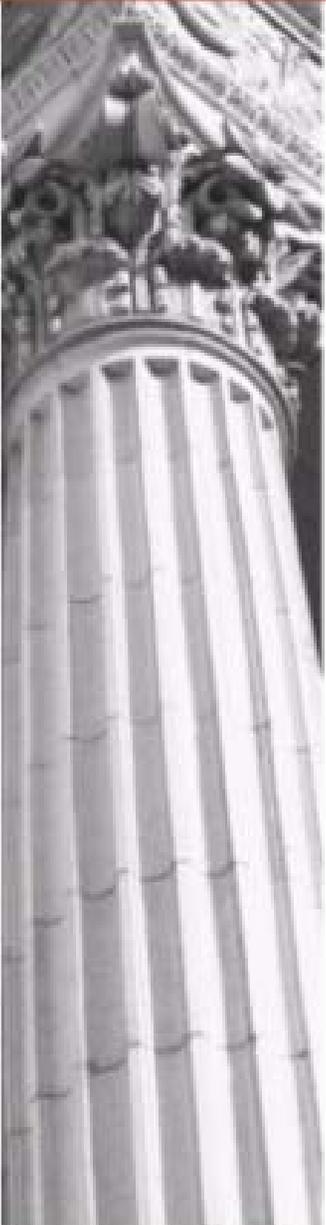


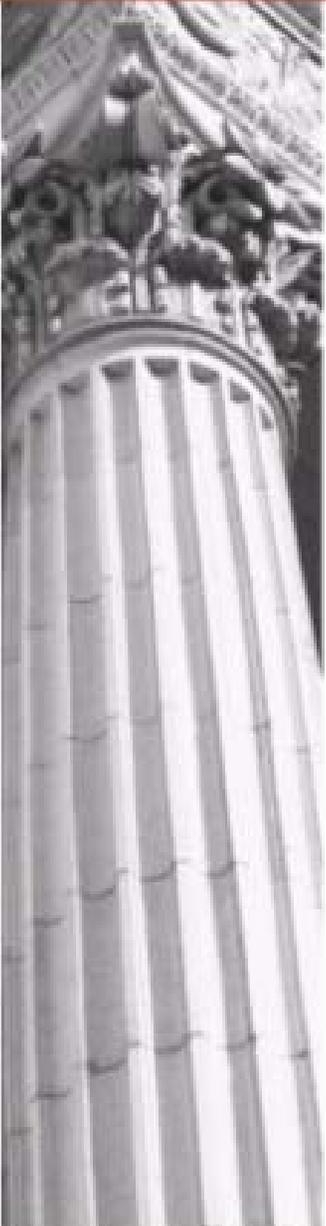


Fundamentals of Local Government in Michigan

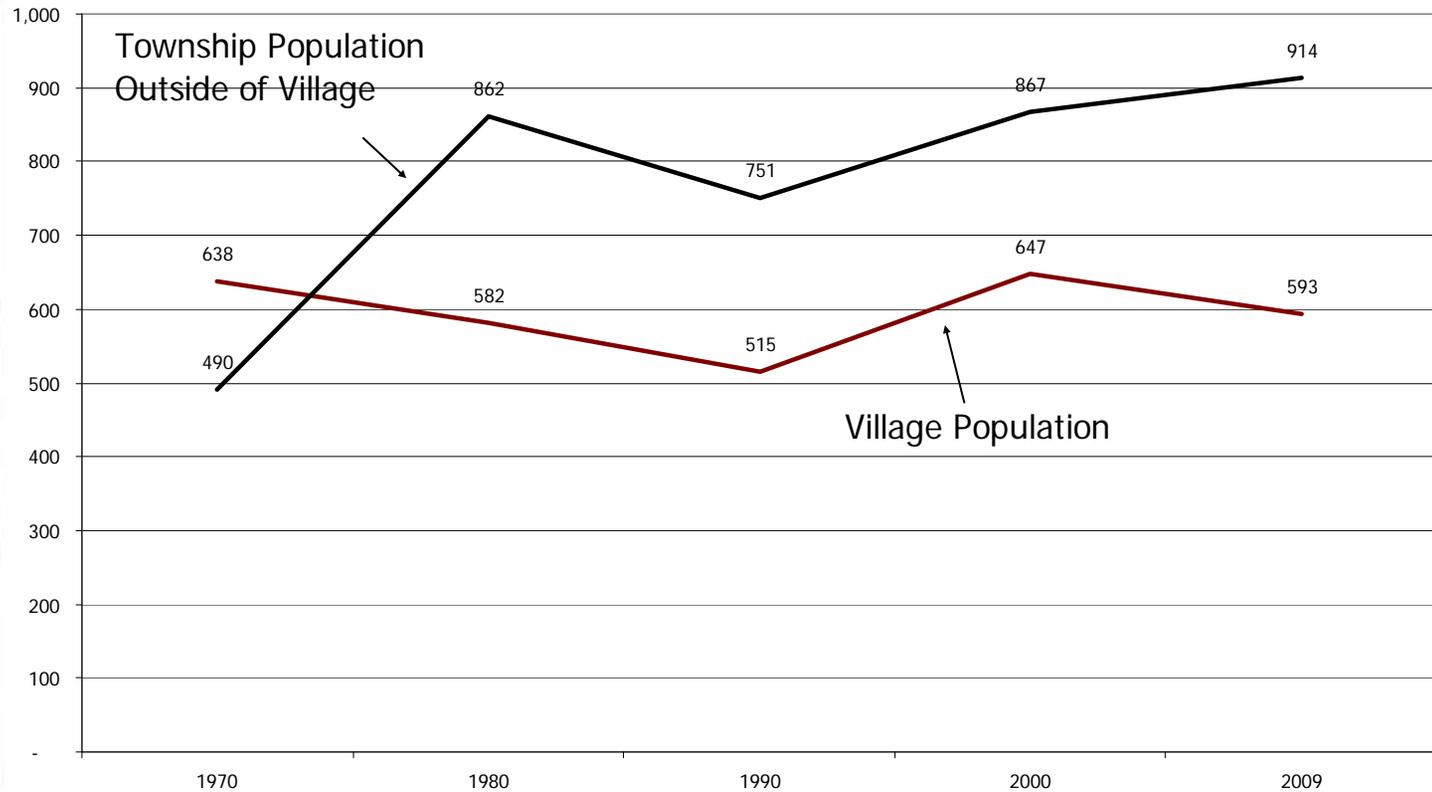
- **Counties**
- **Cities**
- **Townships**
- **Villages**

- **Special Authorities**
- **School Districts**





Population





Onkama Master Plan identified consolidation as an action that should be considered

Options for Onkama

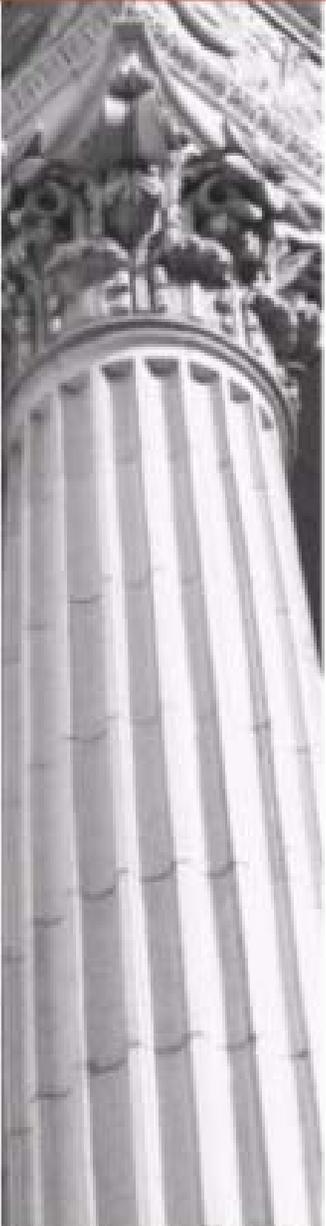
Incorporate
as a **City**

Disincorporate
Village to leave
only the **Township**



Michigan History with Local Government Consolidations

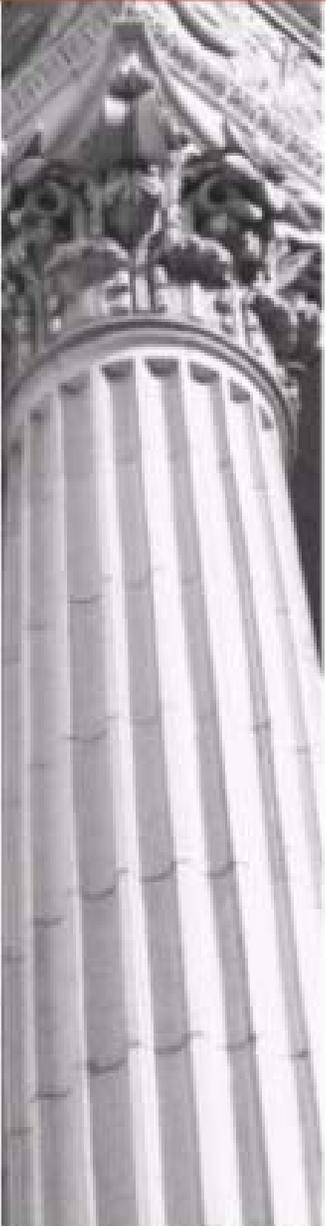
- Never had a village disincorporate
- Battle Creek – 1960s
- Iron River
 - 2 cities & 1 village
 - Approved by voters in 1999
- Grand Blanc City and Township
 - Not unlike Onkama on bigger scale
 - City voters defeated in 2005

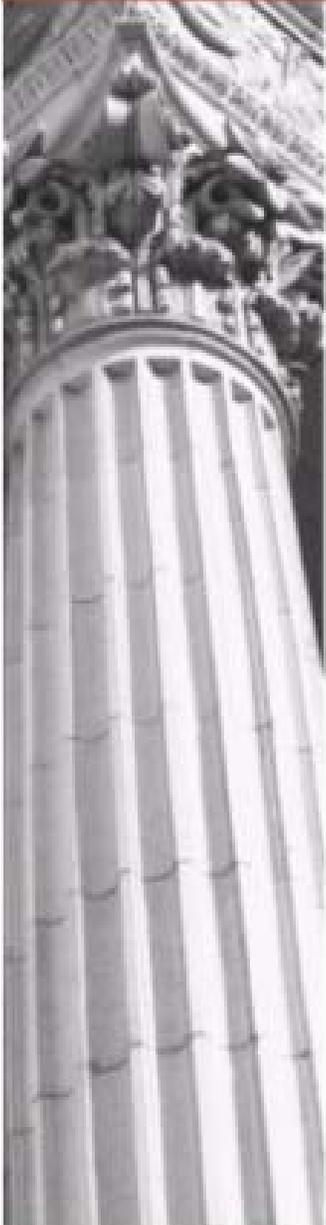




Two Questions from First Forum

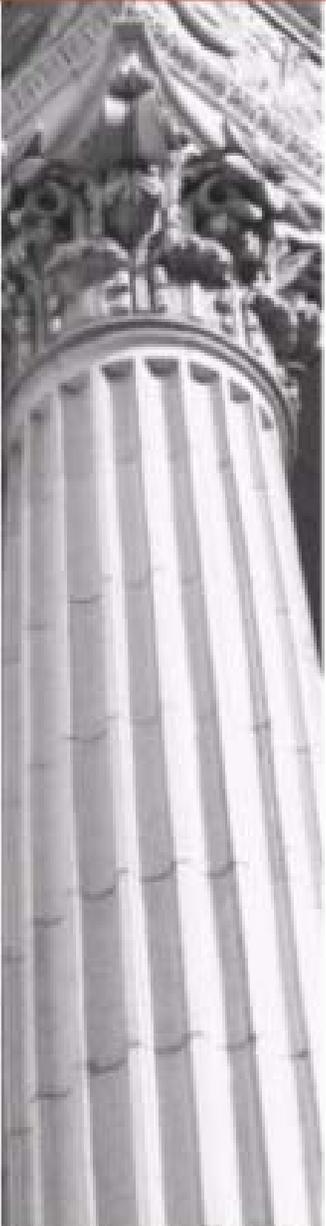
- **What are the potential benefits of a consolidation involving the Village and Township that need to be better understood?**
- **What are the potential problems or negative impacts involving a consolidation involving the Village and Township that need to be better understood?**





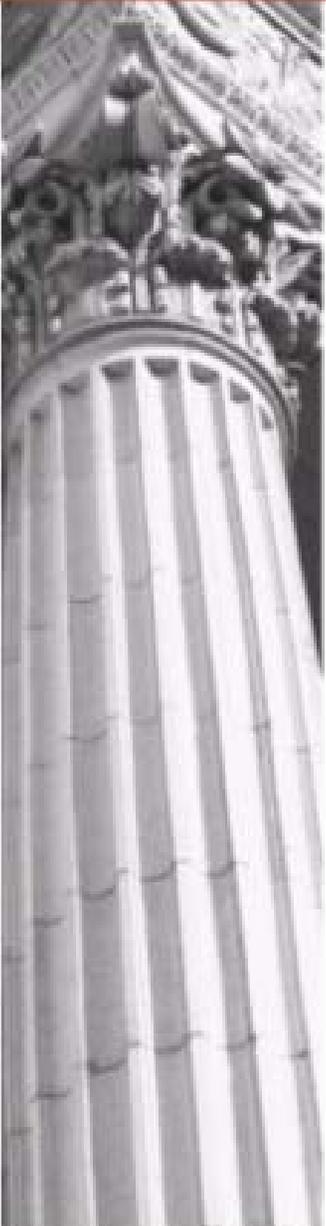
Potential Benefits - Cost

- Cost savings
- Eliminate double taxation
- Greater efficiency
- No duplication
- Economies of scale
- By economizing, we will have more resources for improvements
- Improved services
- Overall reduction of millage
- Improved bond rating for loans and grants
- Reduced government costs: facilities, elections, staff and time
- Pooled resources allows projects to be achieved by one governmental unit that could not be achieved by two
- Efficient use of talent



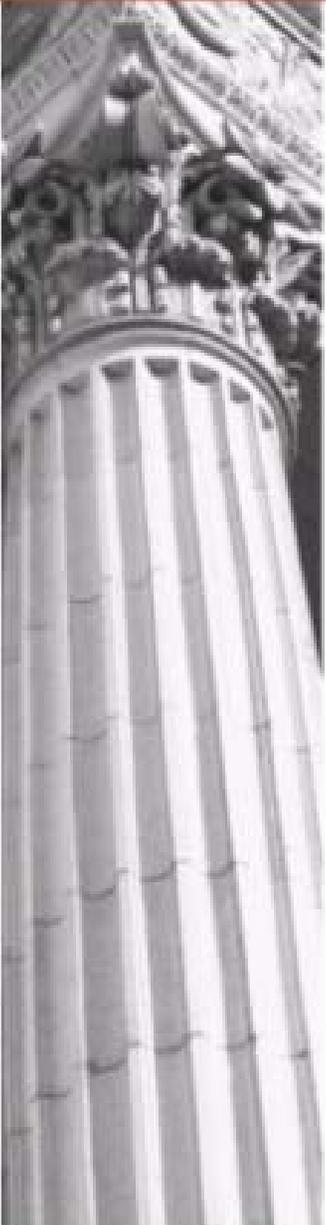
Potential Benefits - Simplicity

- Less confusion
- Improved access to government
- More efficient zoning/planning – more focus
- Improved community relations and outreach
- Improved communication
- Unified vision for growth
- More accountability
- One-stop shopping
- One place to find community information
- Consistency of ordinances and land use
- Reduced conflicts of purposes



Potential Benefits - Stature

- Improved, more focused marketing opportunities, including branding
- Able to recruit people to serve in a more focused way in a community of relatively small size
- Greater feeling of “community” and unity
- Greater population = greater political clout
- Allows community focus for economic development, M-22 corridor, trails and parks



Potential Benefits - Other

- **Stimulus for township-wide sewer?**
- **Well-positioned with joint master plan, joint planning commission and development of community ordinance**
- **Leverages state focus and direction, including potential incentives supported by new Governor**



Potential Problems – Merger Costs/Issues

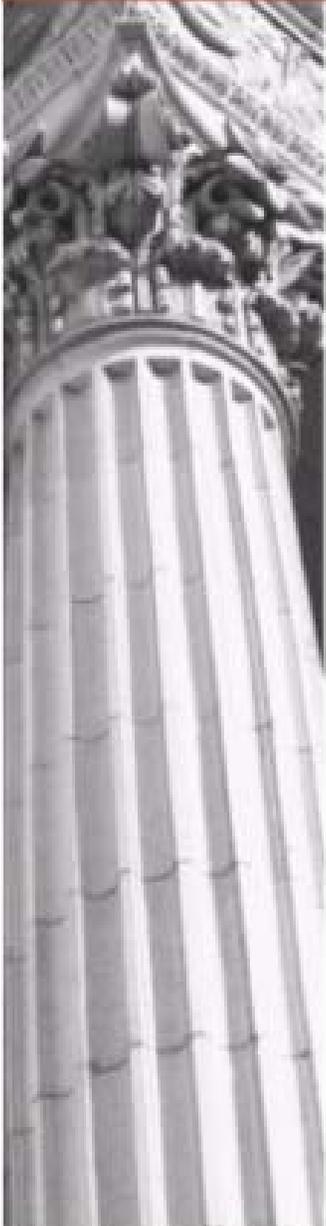
- Transaction/administrative costs of consolidation – legal and otherwise
- Cost of restructuring
- Legal roadblocks
- Bondholder consent
- Excess government property
- Empty buildings
- People will lose jobs
- Fear of change
- Public “buy-in”
- Supermajority vote re: village property
- Easier to be absorbed by even larger governmental entities
- Need to identify how a public vote on this works – will it disadvantage the village that has fewer voters?
- This may not be legal
- It would be difficult to reverse this if it does not work





Potential Problems – Merger Costs/Issues

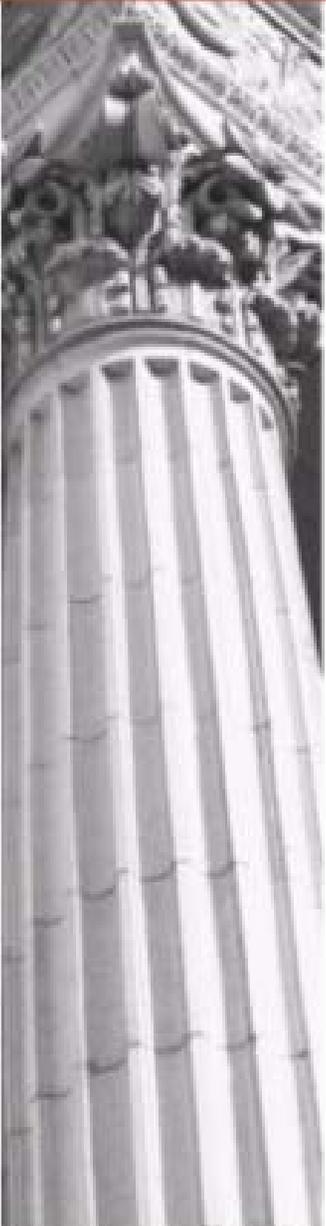
- Will the village have a separate vote from the township regarding a merger question if this moves to a vote of the people?
- Would a vote of the people be counted as a simple majority determining the outcome of a super majority, such as the village law requiring for the removal of village parks from village ownership?
- Will there be a feasibility study including projected costs for the location of an addition, east end or west end, to Farr Center?
- Will there be a five year business plan and projected property tax millage changes?
- Over a year ago, I was asked by several government leaders my opinion on consolidating our two governments. At the time, I responded by saying I would need to see a complete and detailed list of pros and cons of such a merger before I could deliver an informed opinion on the matter. To date, I have never received or seen such a list. Will I and the rest of the citizenry of the village and township receive such a list in a timely manner? I believe such a list is elementary and should be evaluated before embarking down the merger path.





Potential Problems – Cost of Consolidated Government/Taxes

- Tax increase for township residents?
- Increased labor costs for same services provided now?
- Larger government
- Increased taxes
- Increased financial burden
- What happens to the Village millage?
- The real savings don't amount to what is anticipated
- Fewer grants for the village





Potential Problems – Identity/Accountability

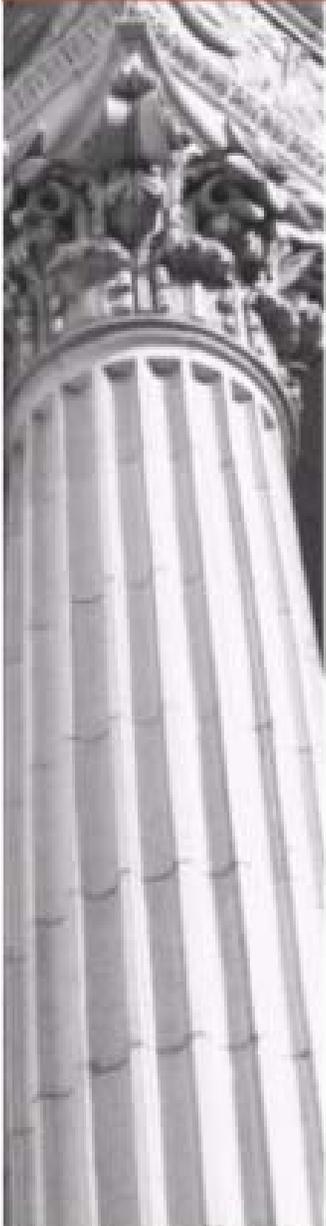
- Loss of village identity
- Loss of control
- Loss of autonomy/independence
- Balance of representation
- Complicates the distinction between rural and urban
- Loss of uniqueness
- Over- or inappropriate development





Potential Problems – Village Services

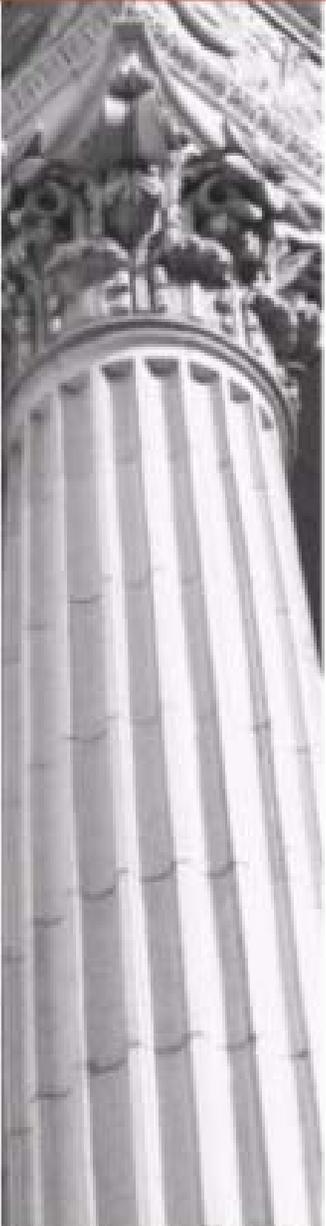
- Village maintenance person will lose job and/or control
- We will have to learn to do things differently. Road maintenance, service loss (?) and park management...
- Loss of library and senior meals
- Loss of services
- Loss of control of Farr Center
- Farr Center could possibly revert in ownership
- Loss of village park control





Potential Problems – Sewers

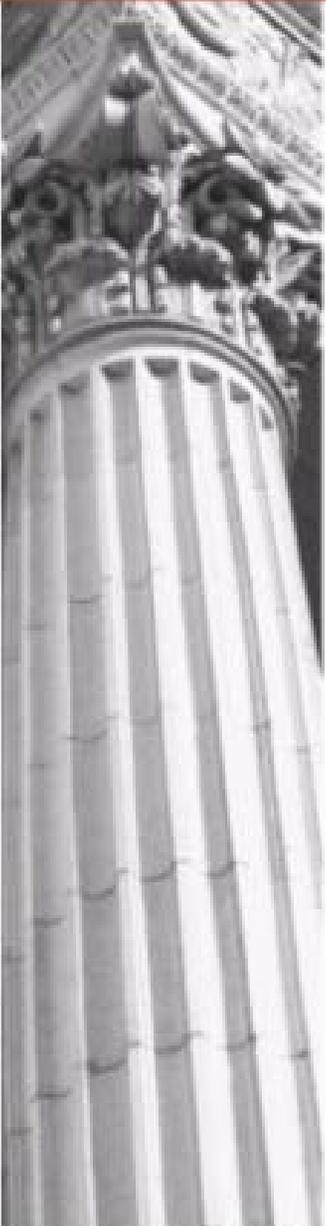
- Does rating of bonds for sewer change if municipality changes?
- Loss of control over sewer and the investment in the sewer by the village
- How will sewer development in the township impact village residents financially?





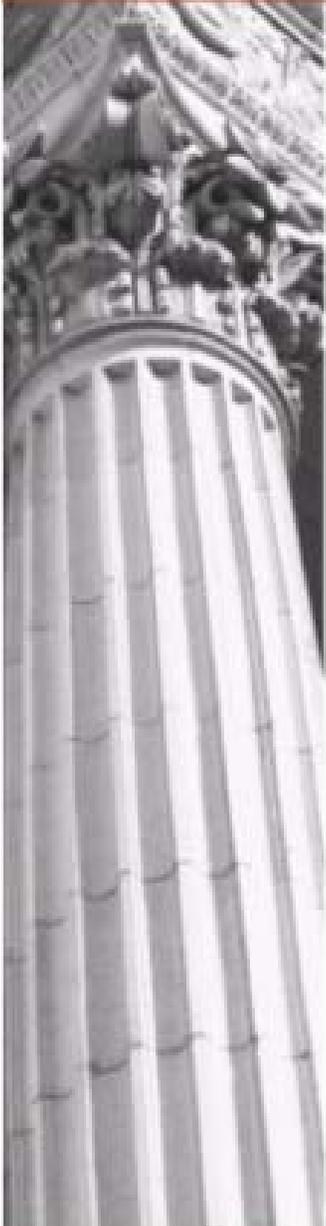
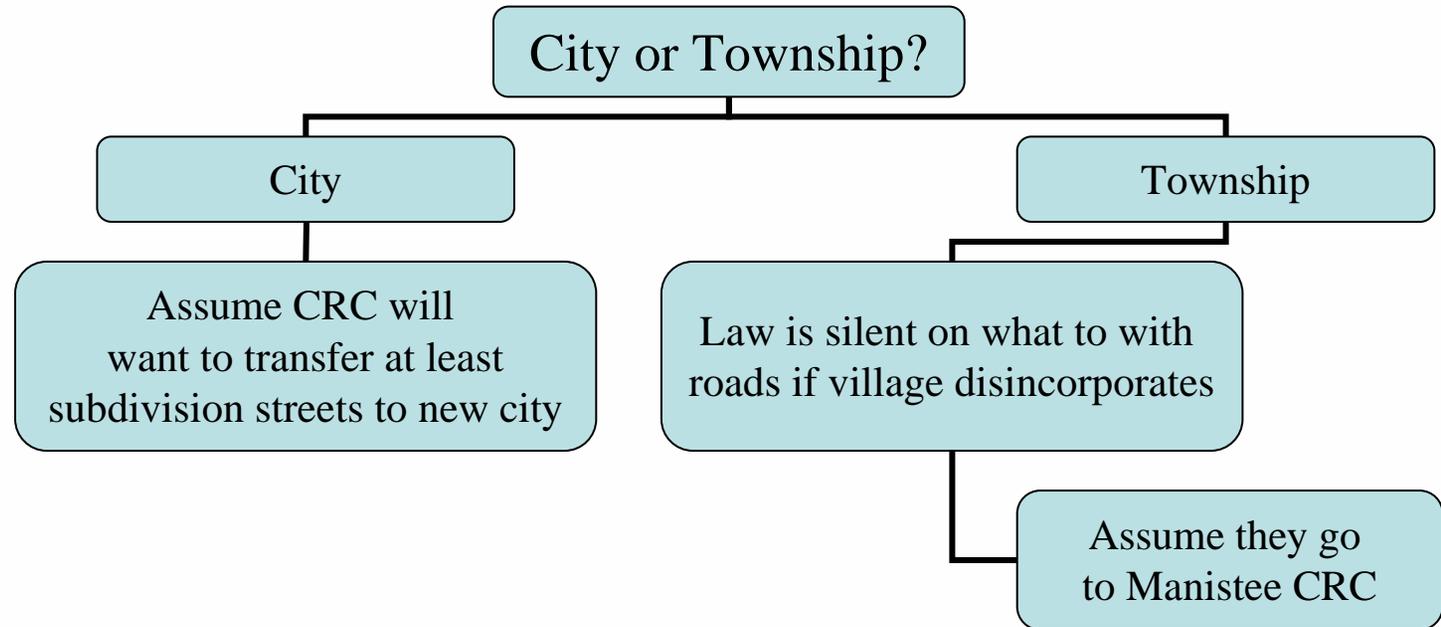
Potential Problems – Roads

- Lack of maintenance for village roads
- Village assets vs. township assets – equity if the two are consolidated
- Increased workload for township offices, including roads and maintenance



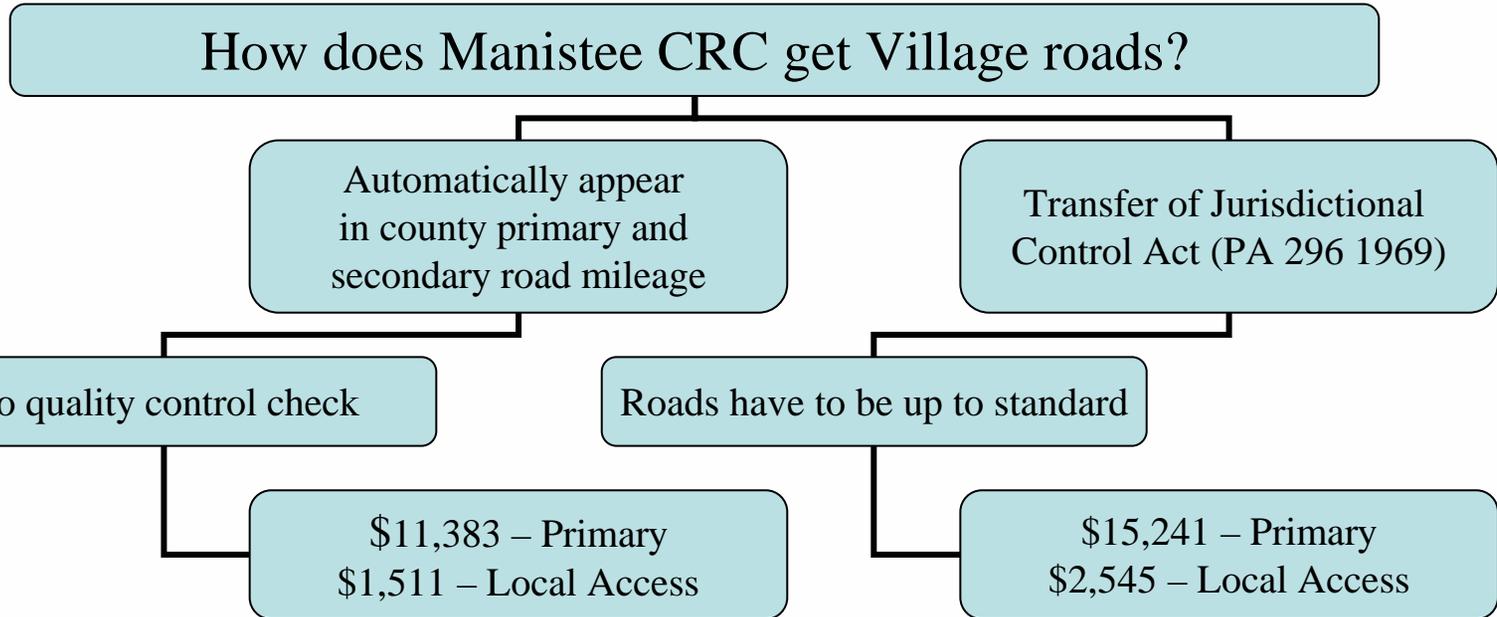


Roads





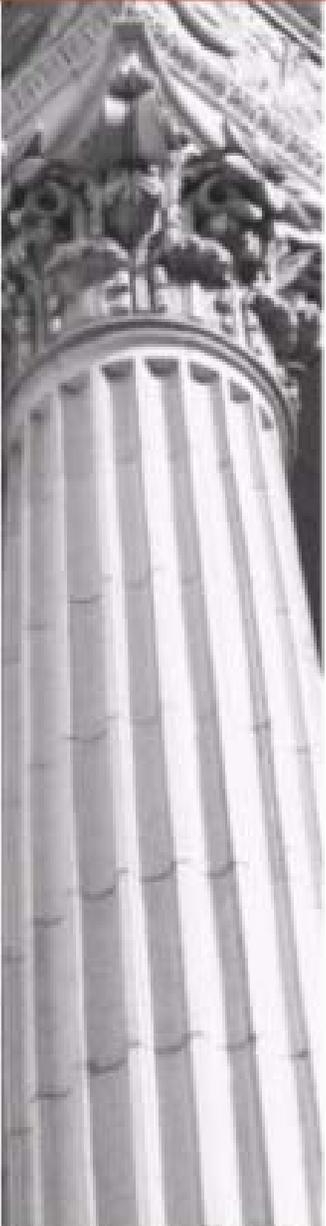
Roads

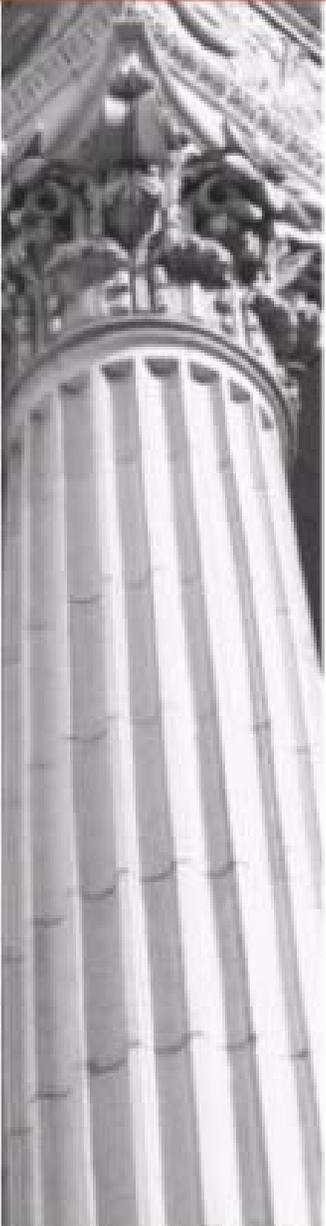




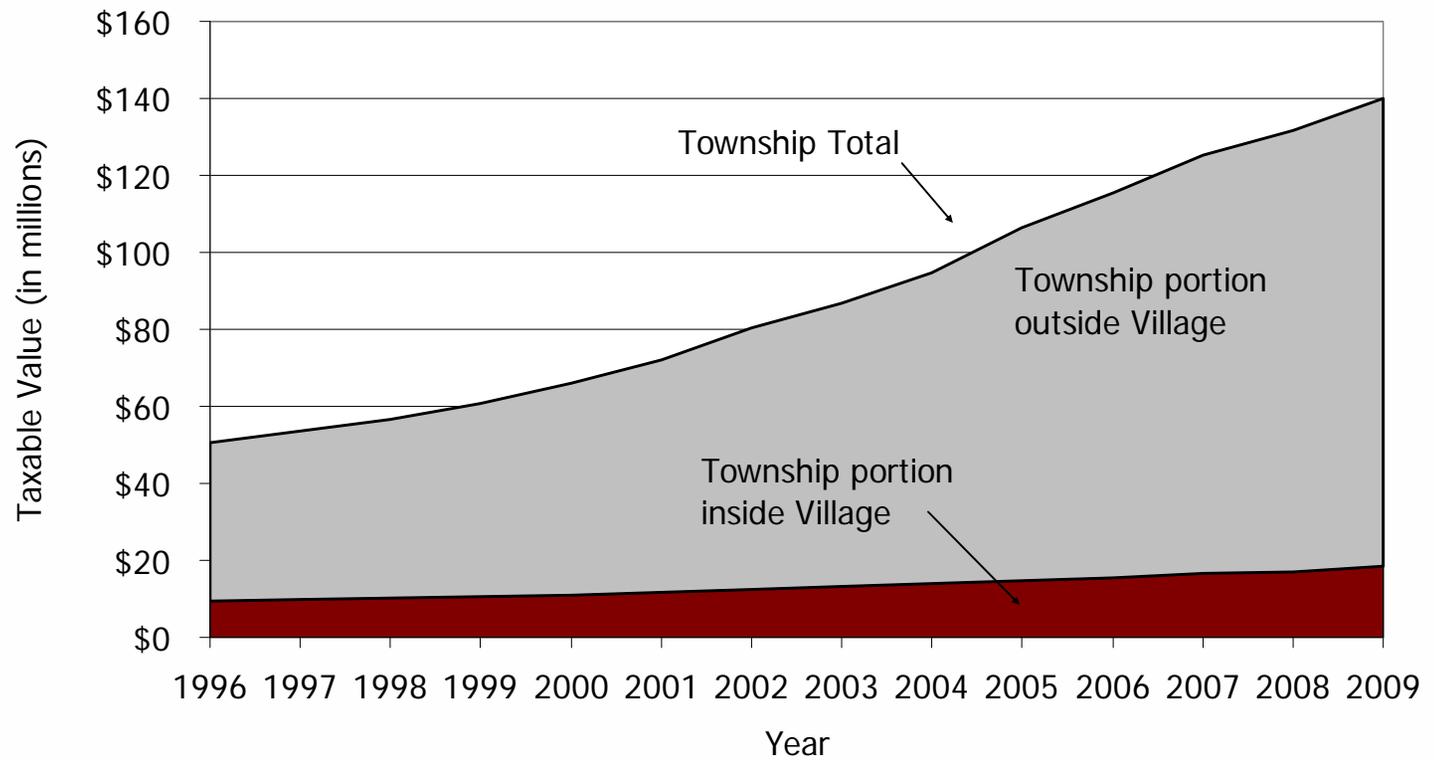
Roads – Snow Plowing

- **Manistee County Road Commission**
 1. Major Roads US-31, M-22, etc.
 2. Primary Roads
 3. Subdivision Streets
- **Flint Township Pilot Project**
 - Subdivision Streets
 - 4 inches snow or more
 - Private contractor





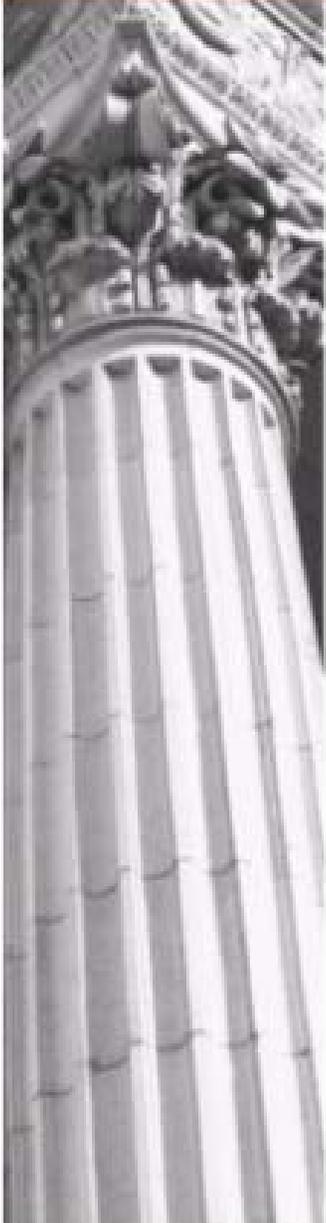
Tax Base





Issues that state law says a disincorporation study should address

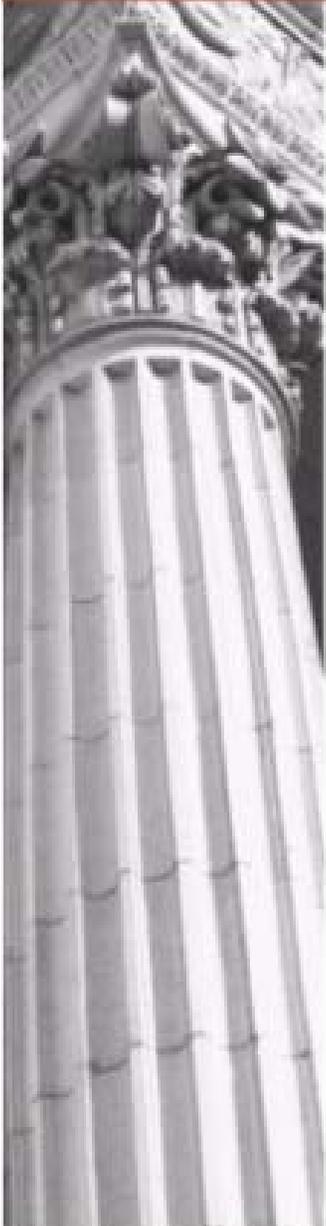
- method for dealing with land use planning and zoning within the village
- payment of indebtedness of the village
- disposition of the village's real and personal property and other assets
- disposition of all public records of the village
- the transfer or termination of village employees
- jurisdiction over the village's roads, sidewalks, and any public easements, including street lights and snow removal
- jurisdiction over traffic control
- provision for any special assessments within the village

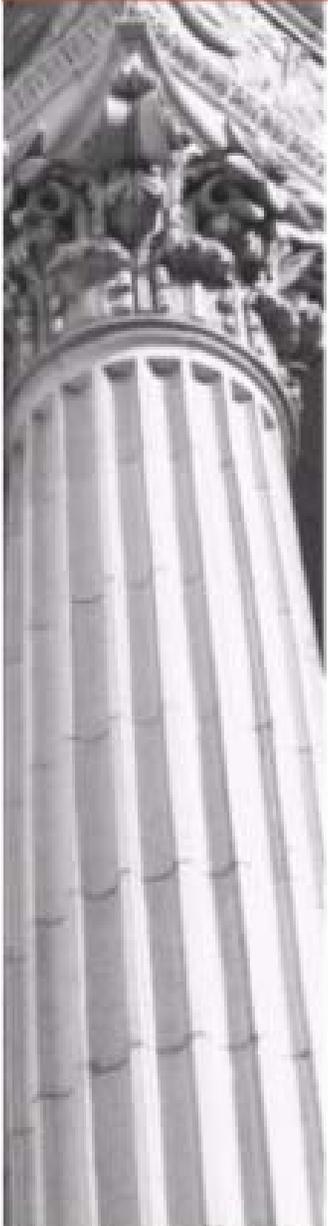




Issues the study will address (continued)

- the transfer or termination of public utilities and public services of the village
- the regulation or orderly transfer of responsibility for any special districts
- provision for any authorities that the village has established or in which the village is a member
- findings as to the fiscal impact of dissolution upon the township and the residents of the village
- a process for resolution of any disputes that may arise in the process of disincorporating
- the effect disincorporation may have on property values, public service levels and costs, and local property tax rates





Thank You for your attention

Questions

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