

## **A BRIEF REVIEW OF THE VILLAGE OF PENTWATER MICHIGAN CITIZEN COMMITTEE STUDY OF INCORPORATION FROM VILLAGE TO CITY**

### **Submitted By:**

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**Purpose:** The purpose of this limited review of the May 2023 Pentwater City Feasibility Study (Feasibility Study) conducted by A Citizen Advisory Committee is to:

- Comment on the relevance of the process employed by the Feasibility Study.
- Discuss the relevance of the questions raised and the adequacy of responses.
- Identify other questions that might be addressed.
- Determine whether a detectable bias exists in any part of the study.
- Identify any other relevant points that might be raised.

This analysis does not address the accuracy of data used and identified within the Feasibility Study. This analysis is not intended to critique the Feasibility Study as opposed to identifying other factors and questions that may be useful to citizens preparing for a potential decision related to incorporation.

**Overview:** This is a well-written and sensibly organized study. The prose is easy to track and will be useful to citizens seeking a greater level of understanding of the factors involved in transitioning from Village to City form in Michigan. The study reflects studies used by at least one other Village that has attempted to transition-Manchester, Michigan. Compared to the successful Manchester Citizens Study (November 2023), the Pentwater Feasibility Study is much more thorough and better identifies incorporation processes and impacts.

Nonetheless, Citizens of Pentwater may wish to seek more specific information in some key areas before casting a potential future vote. Any study of this nature can be strengthened with more in-depth analysis. As a forum for informing potential voters, it is suggested that this study be strengthened by addressing the following questions.

### **Potential Questions that Could be Addressed:**

#### **1. Results of Feasibility Study Site Visits.**

On page 4 and Appendix B (p. 28), the Feasibility Study identifies 8 Villages that have successfully transitioned to City incorporation. Future voters would be well served to know if these communities experienced an increase, decrease, or no change in their total taxes after incorporation. Correspondingly, were there changes in services and service levels? Analysis of this kind may help voters determine their choices.

#### **2. Tax Impacts and Taxpayer Implications.** It could be asserted that this section of the study will be a focus for most potential readers. The impacts of taxes and fees on homeowners and the respective municipal organizations will play a significant role in the City incorporation question. This section (Section IV, pp. 10-14) needs greater elaboration and detail. The scenario utilizes a home valued at \$200,000. It is fine as far as it goes. The study needs to identify likely scenarios

involving estimated ranges for the Library, Cemetery, and other potential services. Indeed, critics will quickly focus on these and other services and costs with their own numbers. Identifying likely and reasonable numbers and scenarios before the inevitably intense debate will be key to the validity of this Feasibility Study. Similarly, the discussion on the Tax Rate Limits (C, p14) could be expanded to the Pentwater experience. Will it be necessary for the newly incorporated City to use all 20 mills? What would be the millage rate if the new City just provided the services that citizens now receive?

3. **Public Services Costs and Other Considerations.** The Feasibility Study does a good job of outlining the services that would and would not be impacted by city incorporation. Similar to the previous discussion related to the Library and Cemetery, the public services currently under intergovernmental agreements, especially the Transfer Station and Pentwater Lake Improvement Board, could use more in-depth discussion. The future arrangements for these would be unclear. What do best and worst-case scenarios look like under incorporation? What would the taxpayer burden be? The no impact, no change services discussed in this section will probably be a moot point in a future discussion. Citizens, however, will be interested in any changes that would impact them due to incorporation.

4. **Current Service-Cost Sharing between the Village and the Township.**

One question not addressed in the Feasibility Study was whether Village or Township residents were carrying an equal share of the services costs within the community. More specifically, on a per-taxpayer basis, was there an unequal distribution of costs per service to residents in either group? This could be a useful question to pursue on a per-service or total services provided basis.

5. **Is The Feasibility Study biased?**

The Feasibility Study shares a great deal of factual-informational content. It does a good job of identifying service/tax areas not impacted by incorporation. And it identifies areas that are in question-related to impacts. The study does not appear to be “biased.” However, there is an area where bias seems to appear. Section VII, page 20, identifies 12 advantages of city status compared to five disadvantages. It could be suggested that there are more than five disadvantages. For example, developers often prefer building in townships due to lower tax rates, regulations, and impact fees. More thought might be given to the disadvantages side of the discussion.

### **Concluding Observations**

As noted previously, this is a well-written and organized study. It follows a pattern used in other communities. Still, it does an especially good job of outlining the incorporation steps and process. As in a feasibility study, there are always more questions to ask than time will allow. The intent of these observations were to identify some of the other questions that citizens might ask during the incorporation process.

**Attachment:** Biography

## **Lewis G. Bender, Ph.D.**

Dr. Lewis Bender is a Professor Emeritus at Southern Illinois University Edwardsville. Lew has researched and taught various courses related to management and supervision.

He is a specialist in helping teams and organizations to become more effective and efficient. His primary research focuses on organizational teams and the factors and variables that impact team processes and effectiveness. He conducts seminars and workshops for leadership and operational teams across the U.S. and Canada.

Dr. Bender received his Ph.D. from the University of Georgia (1977), his Master's degree from Wayne State University (1973), and his baccalaureate from Grand Valley State University (1971).