VILLAGE OF DEXTER

8140 Main Street • Dexter, Michigan 48130-1092 • (734) 426-8303

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March 19, 2012

State Boundary Commission
Office of Land Survey and Remonumentation
PO Box 30254
Lansing, MI 48909

Re: SBC Docket #10-I-2
Proposed City Incorporation of the Village of Dexter
Village Rebuttal Letter

Dear Boundary Commissioners:

Thank you for the opportunity to respond to the information regarding the Village's incorporation petition that was gathered during the 30 day public comment period between January 17, 2012 and February 16, 2012. We are very pleased that only 3 emails were received by your office expressing concerns over our incorporation petition during the 30 day public comment period. We have reviewed the information posted on your website and offer the following responses for the Boundary Commission's consideration:

Response to the letter from Erin McKillen dated February 16, 2012

Ms. McKillen's letter offers a simple opposing position, but does not provide any reasons. We understand that some people may feel this way, but without knowing why she opposes the idea of incorporation, we are unable to offer a specific response other than we hope she knows that very little will change in terms of the services provided to all residents if the incorporation is successful.

Response to the letter from Richard and Barbara Fisher dated February 13, 2012

1. The Village currently provides services to the residents that are commonly found in a city, including police protection, fire and rescue services, and trash/compost/recyclable collection, and water and sewer services. All of these services are paid for solely by the 4,067 Village residents through Village taxes. The Townships, as they both stated in their questionnaires, do not provide services to our residents beyond those required by State Law (elections, assessing and taxing for other jurisdictions). Village Council has held the millage rate constant since 2006 at 13.5562. During this time, Council has had the ability to raise the millage rate by up to 1.1 mills but has chosen to keep it constant, even as taxable values were lowering revenue. Village Council does not need to become a City to raise taxes, they could do so now, but have chosen not too. The allowable millage rates for the City will be set by the Charter Commission and finally determined by the residents when they vote to adopt the Charter.

2. Currently as a Village, we already have some control over growth and annexation issues. If a property owner wants to be annexed into the Village today, the process requires that the petition be considered by the Washtenaw County Board of Commissioners, not the Township. The Village's pursuit of Cityhood is not a means to circumvent any process and is not at all tied to annexation or growth. If the Village were to become a City, future petitions for annexation would be considered by the State Boundary Commission. No layer of authority over an annexation petition is being removed; it is just handled by a different government body.
3. The process of pursuing incorporation began in 2006. Over the past five years, approximately $50,000 has been spent on the process. $38,000 of this was spent to create an accurate Village Boundary Map, which had not been done since the new subdivisions were added into the Village over the past 15 years. This is an average of $10,000 per year for a project that is expected to save our residents $250,000 annually in township taxes. All information on the cost has been publicly stated at several Council meetings, Town Hall meetings and is available on the Village website. We feel we have been very open in communicating all information and will continue to do so.

Response to the letter from Susan Betz dated January 25, 2012

In the Boundary Commission's August 18, 2011 motion to find the Village's petition legally insufficient, one of the stated reasons was concern about a lawsuit due to the disagreement between the Village and Webster Township about the proposed city boundary. The Village had "drawn in" additional land in an attempt to form a contiguous boundary without separating one part of Webster Township from another. This solution was not acceptable to Webster Township and the Commissioners encouraged us to find a solution that was amenable to all parties. Though the decision of the Director of Licensing and Regulatory Affairs to find the petition legally sufficient with the boundaries proposed in the petition meant that we were no longer required to find an amenable solution, the Village decided to continue to meet with Webster Township. After the meetings between both the Village and Township and with the Boundary Commission staff, a solution (alternate boundary) that was acceptable to the Village and the Township was discovered. This solution was introduced and presented to the Boundary Commission at the meeting in November 2011, discussed at several Village Council meetings, and presented again (formally with Webster Township) at the Public Hearing on January 17, 2012. It was very important to the Village to work together with our neighbor to find a boundary that would not create unnecessary ill will between the Village and Township. Though the Village and the Township worked together to determine this boundary, no signed agreement on this issue exists between the Village and Township. The new proposed boundary is a recommendation based on the Boundary's Commission suggestion that we find an acceptable solution; the Boundary Commission makes the final determination of the city boundary. We are asking that the Boundary Commission accept the alternate proposed boundary as presented at the January 2012 Public Hearing.

In April of 1997, the Village of Dexter and Webster Township signed a 425 Agreement that allowed certain pieces of land in the Township to be conditionally transferred into the Village upon the request of the property owner. To date, the Westridge of Dexter Subdivision and the Cedars of Dexter community have been conditionally transferred. In accordance with the terms of the 425 Agreement, the Village is required to pay the Township 1.5 mills times the taxable value of the property covered under the 425 Agreement for a period of twelve years once it incorporates as a city.

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The proposed tax decrease that has been described to the residents was first presented by the City Study Committee and is outlined in their 2006 report. This report has been distributed at several public meetings and is available on the Village's website. The decrease in taxes will result from of the fact that residents and businesses will no longer have to pay taxes to either Webster or Scio Township if Dexter becomes a City. The City Study Report estimated that the City cost of providing the new services (elections and assessing) could be covered for less than 0.25 mills, which is less than the current taxable amounts paid to the Township today. The current tax rates for the Townships are 1.446 for Scio Township and 2.7721 for Webster Township. The conclusion was that the cost of providing the new services as a City would actually represent an overall savings to our taxpayers.

Throughout this nearly 6 year process, the Village of Dexter has used several methods to keep the public informed. The Village website has extensive information that is updated regularly that outlines the steps that the Village has taken. Village newsletters, which are delivered to each residence and business 3 to 4 times each year, have contained articles about the process. Town Hall meetings were held in June 2008 and June 2009 with cityhood as the advertised topic. Postcards were mailed to each residence and businesses advertising these meetings. Subsequent town hall meetings have been held with time at the end for any questions at which time cityhood has been brought up. The public hearing by the Boundary Commission was also held within the Village so that the residents could attend. We are confident that we have done everything within our means to answer questions and keep the public informed as we have worked through this process. It is the goal of the Village to find ways to provide services more effectively and efficiently for all of our taxpayers and incorporating as a city would be an achievement toward fulfilling that commitment to our taxpayers.

Review of Township Questionnaires
We have reviewed the criteria questionnaires for incorporation submitted by Scio Township and Webster Township. Neither Township questionnaire expressed any opposition to the Village's proposed incorporation. We know that the proposed alternate boundary is acceptable to both Townships.

Thank you for this opportunity to express our viewpoint on the above items. Please contact us directly at (734) 426-8303 if any additional information would be helpful to your deliberation.

Sincerely,

Shawn W. Keough
Village President

CC: Mr. Kevin O'Brien, P.S., Office of Land Survey and Remonumentation
Ms. Courtney Nicholls, Village of Dexter