

Michigan Townships Association



MICHIGAN TOWNSHIPS ASSOCIATION

A Response to:

*“A Bird’s Eye View of Michigan
Local Government at the End of the
Twentieth Century”*

*Originally Published by the Michigan Municipal League
Foundation June 1999 and Which was Written by
Citizens Research Council of Michigan*

Preface

As part of its *Symposium on the Future of Local Government*, the Michigan Municipal League Foundation commissioned several “working papers” that analyzed trends and offered critiques of Michigan local governments at the turn of the millennium.

One “working paper” entitled *A Bird’s Eye View of Michigan Local Government at the End of the Twentieth Century* was written by staff of the Citizens Research Council of Michigan. This paper advocated for three major changes in Michigan local government:

1. Reduce the number of local governmental units;
2. Introduce single executive positions in the structure of some levels of local government;
3. Sort out the powers of local government.

Rather than a scholarly and objective analysis of the structure, or roles of cities, villages, counties, school districts and townships, “*Bird’s Eye*” is a “Bull’s Eye” value-laden indictment of township government. It offers little empirical evidence in support of its arguments; it champions home rule cities without question as the preferred form of government for urban areas and county government as superior to township government for providing services in rural areas. These sweeping conclusions are made with no data or analysis of the relative cost of services provided by these entities.

The Michigan Townships Association agreed to collaborate with the Michigan Municipal League Foundation’s *Symposium on the Future of Local Government* in the belief that an objective, nonpolitical analysis and critique of all current forms of local government in Michigan could ensure that Michigan’s citizens continue to enjoy excellent local government into the next millennium.

We believe that the quality and economy of services provided by townships speak for themselves. The Michigan Townships Association believes that the unsupported assertions and arguments raised in “*Bird’s Eye*” should not go unchallenged. In defending the viability of townships, MTA does not wish to impugn cities, counties or school districts, although the Citizens Research Council could have added to the quality of the discourse on the future of local government by making the same effort to analyze the other units of government as they did townships. However, applying the same type of broad brush characterizations that “*Bird’s Eye*” leveled at townships would be equally unfair to the many cities, counties and school districts as well.

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Why Townships Exist in Michigan

The township form of government is a relatively recent development in local governance. Township governments were widely adopted in the upper Midwest states that were part of the Northwest Ordinance of 1787. The twenty or so states that recognize the township form of government were generally admitted to statehood in the early to mid 1800's, the exception being Pennsylvania which was one of the original thirteen colonies.

A handful of other states admitted to the Union in the decade prior to and immediately following the Civil War, retained the township form of government to a limited extent, while states in the far west generally opted for stronger county government rather than forming townships to provide local services.

Townships Under Scrutiny

Local government reform movements that followed World War II have advocated consolidation of local governments into large regional entities and centralization of local government service delivery. These movements have seen little success, except for a handful of mergers or consolidations that have occurred around the county. Academics and advocates of municipal government have questioned the continued viability of the township form of government in Michigan and in other states. Sparsely populated prairie states have diminished the role of their townships over time, but larger states in the Midwest have retained strong townships. The Michigan Constitutional Convention of 1963 affirmed the continuation of townships and actually expanded their powers. Still, questions of the viability of township government continue to arise, albeit infrequently, from the academic community and from advocates for cities.

An extensive critique of townships in Michigan is offered in a "working paper" entitled "*A Bird's Eye View of Michigan Local Government at the End of the Twentieth Century*," commissioned by the Michigan Municipal League Foundation in June 1999. The paper is one of a series developed by the MML Foundation for a symposium on the future of local government in Michigan, held in Midland, Michigan in the same month. "*Bird's Eye*" was written by the staff of the Citizens Research Council of Michigan, a 501-C(3) organization that develops papers on various topics related to state and local government.

The following is the Michigan Townships Association's response to the issues presented in this "working paper":



A Rebuttal to

*A Bird's Eye View of Michigan Local Government
At the End of the Twentieth Century
written by Citizens Research Council of Michigan*

Statements contained in “*Bird's Eye*” are in italics, and the Michigan Townships Association’s rebuttal follows in normal typeface.

“Local government has been affected by economic and social changes, but it has been remarkably resistant to change as well . . . Despite the advances in communications and transportation, the geographic area of most local governments in Michigan continues to reflect the distances horses could travel in a day.” (Page 1)

The reference here is to the standard geographic size of most townships, which is six miles by six miles. The common understanding is that townships as governmental entities were generally configured to this size to accommodate travel by horseback. The inference is that, original township and county boundaries no longer serve a useful purpose.

Most governmental boundaries, including the United States’ northern boundary with Canada and Michigan’s borders with Wisconsin, Ohio and Indiana also have no relevance in the twentieth century to the provision of government programs and services. The fact that these borders were created about the same time as township borders has not generated an outcry to annex or transfer land with our neighboring states. Current city borders resulted from population densities occurring when each city incorporated, and have little relevance to current population densities or to the economical and efficient provision of municipal services.

These traditional borders may have lost their original relevance, but they have served to guide the in-migration of new residents who preferred a particular community’s values, amenities or tax rates. Traditional boundaries have created a sense of identification, of belonging to, and ownership of a particular area in its residents.

There are mechanisms in law for townships to be consolidate with each other, or to create new townships from existing ones, if the affected citizens agree. There is, however, no statutory mechanism for adjusting boundaries between cities to reflect changing circumstances and economical provision of services.



“In looking at local government in Michigan from the perspective of a century’s development, four aspects stand out:

- ❑ *Michigan has a large number of local units. The number of school districts has declined dramatically, but the number of special districts has risen and the number of townships has remained essentially stable.*
- ❑ *The structures of many local governments, particularly townships and counties, reflect nineteenth century emphasis on a diffused executive function.*
- ❑ *Powers once exercised exclusively by cities in dealing with urban services are now being exercised by townships as the creation of new cities through incorporation has largely come to an end and efforts at annexation and consolidation have been frustrated.*
- ❑ *Although the property tax remains the mainstay of finance for general-purpose local units, a shift toward state funding has become evident. Many local units, including most townships, find that more than half their revenues derive from state aid raising the question of whether such subsidization may promote the retention of uneconomic units of government. (Page 1)*

Our response to these points are as follows:

- ❑ *“Bird’s Eye” points out that Michigan ranks 14th among the 50 states in the number of local units. However, considering that Michigan ranks 8th among the 50 states in population and ranks 22nd in land area, the number of units of governments seems proportional to need.*
- ❑ *It is true that counties and townships have a diffused executive function in comparison with cities. However, the assumption of the paper is that a strong executive is the preferred model for all communities and for all types of local governments. They apparently intend the reference to the “nineteenth century emphasis” to suggest that anything that is old must no longer be of any value.*



The advantage of a diffused executive function is that it requires more consensus building in administrative matters, which results in decisions that reflect various community viewpoints. Counties can opt for an executive model if preferred, but interestingly few have done so. Public administrators generally prefer the strong executive model, but residents are often uncomfortable with placing too much power in one person.

- There are still significant differences between cities and townships as to the scope of services offered, their governance styles and the costs to residents of their services. The scope of services that townships are authorized to provide, however, has not changed significantly in the last fifty years. The impetus for townships to incorporate into cities in the past was not from the inability of townships to provide services, but to fend off an annexation attempt from an adjacent city. It is undoubtedly true that laws protecting township boundaries from annexation have brought to an end the creation of new cities. The option of incorporation as a city remains available to townships, and many urban township citizen committees have studied and rejected the option of incorporation. The preference of residents to remain as a township should be respected.

The Township Perspective on Annexation:

Former Albuquerque Mayor David Rusk has become well known nationally as an advocate of regional government. In his book "Cities Without Suburbs," Rusk advances the argument that if a city cannot annex adjacent land, it suffers economically and socially. Many city officials have found his argument persuasive. However, if one examines the cities with "inelastic" boundaries that he uses to illustrate his point, one finds that they are predominantly older cities dependent on declining heavy industries such as automobiles and steel. The distress of these "rust belt" cities is much more likely to result from the decline of their primary industries, than from their inability to annex land from neighboring jurisdictions.

Liberal annexation laws may make sense in states where county governments are providing minimal services to unincorporated areas, but annexation laws in Michigan simply pit townships and cities in a "win-lose" war. The gains to the city are at the expense of the township. Annexation laws also minimize the ability of property owners and residents in the area to be annexed to decide in which jurisdiction they choose to live.

Counties and townships cannot simply take land area from an adjacent entity to bring in more revenue. Annexation subsidizes inefficiency and fiscal irresponsibility by giving cities a "safety valve" when budgets get tight. Annexations provoke bitter fights that scar intergovernmental relations for decades following the skirmish.

The Michigan Townships Association position on annexation recognizes that annexations should occur when proponents build a consensus of support within the city, the township and the area proposed to be annexed. Annexation laws should require an affirmative vote in each of these areas for an annexation to occur.



- State funding has become more important as a revenue source for all types of local governments, none more so than schools. However, the question of whether state shared revenues promote the retention of uneconomic units of government lacks any supporting evidence. While it is probably true that state shared revenues reduce the need for higher property taxes, there is no reason to assume that the subsidy occurs only in townships. It is also probably true that, on average, townships derive a larger proportion of their revenues from state shared revenues than is the case for cities. However, this results from the statutory and constitutional limitations on township authority to levy property taxes compared with cities.

The allegation that state shared revenues subsidize uneconomic units of governments is a question that should be directed at cities more than townships. A recent series of articles in *The Detroit News* found that townships were generally much more economical than cities in terms of the cost of providing services. Until recently, the formula for distributing state shared revenues explicitly rewarded governmental units that levied higher than average local taxes. Therefore, state shared revenues have historically been a disincentive for cities to reduce local taxes and the cost of services. The legislature recently adopted a new formula for distributing state shared revenues, and while “relative tax effort” has been eliminated, a proxy indicator that serves the same purpose was implemented. Cities, simply by virtue of their form of governance, receive more state shared revenues on a per capita basis than all but the largest townships.

One characteristic of Michigan local government is the large number of units with a small population. Only 76 of the 1,241 [sic] Michigan townships have a population of 10,000 or more. The other 1,166 townships have a population of about 2,100 people. It is not clear how efficient government can be with such a small population base. While the geographic area of townships are fairly uniform, with a low population density, the tax burden cannot be spread among a wide number of taxpayers as is possible in more populated units. Additionally, with fewer residents receiving government services, economies of scale available to more populated units are not available to these units. (Page 12)

This statement reflects the “bigger must be better” bias. The fact that small townships operate on far less property tax millage

should be ample documentation that efficiency does not result from

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being bigger. Larger entities develop expensive bureaucracies to deliver services, while smaller townships rely on part-time officials and volunteers and focus on providing essential community services rather than trying to be everything to everybody. It is true that some rural townships struggle to make ends meet when state and federal lands comprise up to 80% of the total township land area and there are relatively few citizens. However, the governmental services required in rural areas are of a much smaller scope than those of more densely populated areas.

Economies of scale are much more characteristic of utilities such as water and sewer systems required in populated urban areas than for basic services required in rural areas. However, smaller entities have embraced intergovernmental contractual arrangements to reduce the costs of services through economies of scale while maintaining a sense of community ownership over those services.

Two hundred eighty one cities and villages (approximately 49% of the total) also have a population of 2,100 or less. Does “*Bird’s Eye*” contend that simply because they are cities and villages, that they are more efficient than townships of the same size? We believe that hard data would indicate otherwise.

At the time many of the local governments were established, the responsibilities of local government were fairly uncomplicated and untrained elected officials could quickly acquire the necessary skills to perform the government services. As government has taken on additional responsibilities, the tasks have become more complicated, therefore having small governmental units for the sake of representation is losing its value. (Page 12)

Why is most of the development in Michigan occurring in townships?

Quality of Life. Most people prefer to live in less densely populated areas. Students attending schools serving townships generally perform better on standardized tests and there is a perception that the schools are safer. Crime rates are generally lower in townships.

Taxes. Townships are limited by state law in how much property taxes they can levy compared with cities. Townships cannot levy income taxes. The scope of services a township can offer is more limited than is the case for cities, so townships focus on high quality basic services. Township officials strive to “live within their means.”

Accessible. Township residents often feel a great sense of ownership over their township government. Elected officials are accessible and the absence of bureaucracies enables elected officials to quickly resolve issues. Township board meetings are less formal and more inviting for citizen participation.



State and federal mandates have made all aspects of local government administration more complex. However, smaller governmental units have made exemplary strides in keeping abreast with the increasing complexity of the tasks they are expected to provide. Local officials have consistently shown a willingness to attend educational programs, embrace new technology and develop creative solutions to new challenges. The increasing complexity of the tasks does not diminish their value “for the sake of representation.”

... With several officials elected to each of the levels of government, this large number of governmental units adversely affects the ability for voters to monitor the contribution of any single elected official. (Page 13)

It would undoubtedly be true that eliminating elected offices would make those fewer remaining offices—and the persons holding those offices—more visible. However, governmental entities would lose the specialization and expertise that each of these officials bring to office. School boards, for example, were created because of the need for specialization in educational policy that was difficult for municipal officials to achieve given the scope of their other duties. Eliminating elected offices and replacing them with appointed officials does nothing to enhance the ability of the public to monitor the performance of that service—it only reduces the public’s ability to hold officials accountable. Consolidating governmental entities reduces the influence that an individual citizen or group will have on the provision of services, resulting in further alienation of citizens from government.

Proposed Reforms (page 13)

- ❑ ***Eliminate village government.*** While the continued viability of villages is a worthy topic to consider, the “working paper” infers that the villages will retain a home rule charter, meaning that they should simply convert to cities. As an alternative, some villages should simply dissolve and return to full township jurisdiction.

- ❑ ***Eliminate distinction between cities and townships.*** Townships have long been subject to scrutiny, and have evolved to meet the changing needs of their citizens. Townships are more viable today than they were thirty or sixty years ago.



Conclusions reached by a particular critic of township government in the 1930's, quoted in *"Bird's Eye,"* have no relevance today. While township residents have the option of incorporating as a city, none have chosen to do so for almost twenty-five years. Dissolving townships into counties is not feasible given the current county structure. Counties have no expertise to provide fire protection, and many volunteer fire departments would not survive county control and supervision. Counties would need to establish new administrative functions to perform the localized services that townships currently operate with part-time officials and volunteers. Zoning and other land use decisions would be made by governmental officials who have no proximity to the issue and would likely have no grasp of local preferences. Political pressures to provide uniformity of service levels throughout the county would result in increased costs and inefficiencies in the provision of services. The accountability and connection between citizen and government provided by township government would be lost. A unique service currently provided by a particular township would likely not retain any political support from elected officials representing other parts of the county if the county were forced to assume responsibility.

- ❑ ***Provide more services on a county-wide basis.*** People still need face-to-face communications and consultation with local officials. The belief that "transportation and communication advances" eliminate the need for townships as separate units of government reflects a disdain for the personal attention to local issues that citizens deserve from their elected officials. Travel to the county seat to conduct business is a hardship to persons who do not live within its immediate proximity. County services will not have the same sense of community ownership that is possible through township services.

C. Revising Archaic Governing Structures (page 21)

"Even though the constituencies served by local governments have undergone tremendous changes and the breadth of services demanded from local government has expanded greatly, little has been done to make the structure of local government more efficient

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or effective.”

The statement rests on the contention that efficiency and effectiveness can only be achieved through state government mandates on local government structure. It ignores the efforts of elected and appointed officials to serve their constituents and the ability of local officials to adapt state law to meet local needs. The ballot box for elected officials, and the unemployment line for appointed officials, are time-honored incentives to find ways to make local government better serve its constituents. Constituencies and the demand for services may evolve over time, satisfaction with local government remains high.

“Further exacerbating this issue has been the granting to villages and townships additional powers, such as enhanced taxing authority and greater boundary protection for townships. These additional powers have allowed villages and townships to survive in urban areas. While providing many of the same services as cities, many villages and all townships continue to operate with governing structures better suited to rural areas.” (Page 22)

Again, the implicit assumption made by this statement is that the strong mayor form of government is the only form of government appropriate for urban areas. The strong mayor form of government offers advantages in urban areas that have divisive constituencies and strong internal political pressures. However, the powers of a supervisor in a charter township have proven sufficient for efficient management in urban townships. It does not follow that a strong mayor form of government necessarily results in more efficiency and effectiveness. The quality of decision-making will determine whether services are efficient and effective. Having a manager or elected executive also diminishes the necessity to obtain a consensus on issues.

III. Powers of Local Government (page 22)

The Overlapping Nature of Local Government

.. Villages and townships have gained some of the powers previously reserved only to cities. Rather than perpetuating a system in which increases in population density and greater demands for local government services cause a community to incorporate as a city, these changes have granted authority to villages and town-

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ships to perform many of the same services that had made cities unique . . . Rather than clearly delineating the powers and authority of each type of government, more than one type of government has been granted the same powers . . . Often no level of government has the legal authority adequate to cope with urgent community needs. This impairs overall local freedom to deal with vital affairs; the whole becomes less than the sum of its parts. (Pages 22-23)

The obvious bias toward cities aside, why does the “*Bird’s Eye*” assume that every growing community needs a city’s higher taxing powers, a city’s administrative structure, and that its citizens want their local government to possess the broad powers of a home rule city?

Given the broad powers of cities and other general purpose units of government, it would be highly unusual to hear a complaint that from a governmental entity that it lacked the legal authority to cope with an urgent community needs. Service deficiencies usually arise from insufficient financial resources.

The overlapping nature of local government does result in some confusion among citizens as to what governmental entity is responsible for resolution of a particular problem or issue. However, multiple jurisdictions allow for varying service levels to respond to local needs. The Michigan Department of State Police, for example, provides a minimal police presence throughout the state; county sheriff departments augment State Police resources in areas where the State Police cannot adequately protect. Likewise, city, village and township police departments target law enforcement resources in localities where required due to population density, crime incidence or high motor vehicle traffic.

. . . Cities, villages, townships, school districts, intermediate school districts, and special authorities all are authorized to provide some of the same services counties are authorized to provide, including: parks and recreation programs; water and sewerage services; solid waste disposal; planning and zoning; airports; port facilities; libraries, hospitals; and economic development efforts. Although the county is often the level of government best suited to provide many of these services because its wide geographical area creates a regional orientation, the ability of local levels of government to

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provide these services usually predominates. The result is often struggles for power, overlap in the delivery of services, and inefficiency in the utilization of tax dollars. (Pages24-25)

“*Bird’s Eye*” asserts that a regional base that counties can provide is often the most appropriate “orientation” for local services. This may be true if the county is relatively homogeneous in service needs and demands, but this is normally not the case. Within an area as geographically large as a county there are varying levels of needs and wants for particular services, yet when a county provides a service to one area there will be political pressure to provide the service elsewhere in the county. In some circumstances, counties can and do provide some services more efficiently and effectively than the cities, villages and townships in that particular county may be able or willing to do. However, the broad assertion that counties are often best suited to provide services is unsupported by theory or data.

C. *Sorting Out Local Government Powers* (page 27)

If cities were the only units delivering local government services to urban areas, there would be no need to vest duplicative powers in villages and townships. If the townships or counties were the only levels of government delivering services to rural areas, there would be little need to vest duplicative services in any other level of government. (Page 28)

As a prescription for rationality of government powers, this statement is nonsense. The premise offered is that there are entirely different services required in “urban” areas compared to “rural areas.” Is fire protection an urban or a rural service? Which type of area is entitled to parks and recreation programs? Is a rural area experiencing contaminated water not entitled to a municipal-type water system? If septic systems are failing, must an area incorporate as a city to have a sewer service? Should we make libraries available only to city residents? Or, if residents in part of a city use wells and septic tanks, should that area automatically revert back to a township?

What are “urban areas” and “rural areas?” How are “suburban” or developing areas to be governed? Suburban and rural residents need or want many services enjoyed by urban residents, but to a

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differing level than that offered by cities. Why it is troubling to “*Bird’s Eye*” that townships provide many of the same services as cities? Is it the assumption that somehow the public is better served if a city provides services instead of a township? Why does “*Bird’s Eye*” presume that if townships were prohibited from offering the same services as cities, more areas would be forced to incorporate as cities, and that would somehow be good?

Cities do have powers to provide some programs and services that townships cannot, such as social services, community health, and roads. If township residents want to have these types of services available at a local, rather than at a county level, they can pursue cityhood, and be willing to pay the additional taxes that go along with cityhood. The services that state laws empower townships to do are necessary to address basic health, safety and welfare concerns. Depriving township residents of essential services as an inducement to cityhood is tantamount to blackmail.

IV. Finances of Local Government

...Very few local units are large enough – in population, area, or taxable resources – to take advantage of economies of scale in solving current and future problems. (Page 28)

If economies of scale were the key to providing economical local government services, the City of Detroit would have the lowest property taxes in the state. However, not all services have infinite economies of scale. Some services such as police and fire protection have increasing costs after reaching a particular size or service area. However, to take advantage of economies of scale, many local governments enter into contracts to provide local government services in multiple units.

State aid originated in Michigan as a means of compensating local governments for taxes collected at the state level that either were formerly collected at the local level or that preempted local collection of that tax. However, over the years it has grown into the role of supplementing the reduced property revenues resulting from the tax limitations and of enabling local governments to keep property tax rates lower than they otherwise might have been.

It is misleading to imply that state shared revenues are not used as originally intended. Popular support for the income tax and sales tax was based on the fact that local governments would share in the

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revenues derived. State shared revenues are accomplishing precisely what voters originally intended them to do—supplement local government budgets to reduce the burden on property taxes and/or to enhance services.

Negative Consequences of State Aid

. . . State aid may have allowed individual units of government to exist longer than they could if left to their own resources. Absent state aid, many local governmental units would not have sufficient resources to adequately deliver the services demanded of them. Under these circumstances, local governmental units would be forced to annex newly populated areas and consolidate with neighboring units to create greater economies and to allow them to more efficiently utilize the resources available to them. (Page 32)

“*Bird’s Eye*” appears to be advocating removing state shared revenues from small cities, rendering them unable to provide adequate services from their residents, thus forcing those cities to annex property from adjacent townships. Is the detrimental economic impact to the township resulting from annexation of no concern? Is a city’s ability to annex township property to subsidize its inability to operate within its fiscal constraints good public policy? The availability of increased property tax revenues from annexation is a disincentive to a city to exercise fiscal control.

C. Local Government Finance by Level of Government (page 33)

Revenue sharing . . . *Because revenue sharing payments are sufficient, or nearly sufficient to fund township services, nine townships and two villages do not levy any property taxes at all and 215 townships and two villages levy less than one mill. (Page 34)*

The implication is that townships receive too much revenue sharing. “*Bird’s Eye*” reports that on average 42 percent of total township revenues are derived from state shared revenues, but they do not report figures for cities and villages. However, it is likely true that a larger portion of a typical township budget is funded from state shared revenues compared with cities and villages, because townships are much more restricted in the amount of property taxes they can levy. Townships cannot also levy income taxes as can cities.

“Is a city’s ability to annex township property to subsidize its inability to operate within its fiscal constraints good public policy?”



Townships do not receive state gas and weight tax revenues as do cities and villages. Low property taxes are a result of these limitations and fiscal restraints exercised by townships.

***Ad Valorem Special Assessments** . . . Rather than imposing these assessments based on frontage, or another measure of the benefiting property, they are levied on the value of the property. Bending the meaning of benefit to the property. . .(Page 34)*

The Michigan Supreme Court, in *Dixon Road Group v. Novi* opined that “benefit” to properties to be special assessed had to relate to the increase in valuation to that property resulting from the improvement financed by the special assessments. An ad valorem special assessment complies with the court ruling better than a front footage basis advocated in “*Bird’s Eye*.”

V. Finances in the 21st Century

***State Aid** . . . For state taxpayers dollars to be used effectively and efficiently, the distribution of those dollars must direct the greatest funding to those local units with the greatest needs. (Page 39)*

The 1998 amendments to the state shared revenues formula were predicated on the assumption of the Legislature that the old formula, ostensibly based on “need” as measured by a community’s relative tax effort, rewarded inefficiency and mismanagement. The new formula tries to allocate state shared revenues on a more equitable, per capita basis.

***The Future** . . . With the competition that local governments face for resources, the best chance for success might be to strengthen their hands by combining with other units.*

For consolidation to work, it needs to originate from the “bottom up.” That is, residents and policymakers in adjacent communities need to recognize that they have the same vision, and that the resulting entity would be more efficient than the two entities operating independently. However, many communities, even those immediately next to each other, have different values and preferences for local government services. Policies that would force communities to consolidate absent a locally-recognized need would run roughshod over the sense of community identity that has evolved over the generations in every Michigan locale. If local residents are willing to tax themselves at



a sufficient level to maintain services, why would the authors of “*Bird’s Eye*” presume to impose their values for bigger, centralized government on others who do not share their views on local government?

“*Bird’s Eye’s*” advocacy of consolidation would require a state law that would allow for easy abolition of the charters of cities and villages to accomplish a consolidation involving those units, assuming of course that the advocacy of consolidation applies to smaller cities and villages as well as townships.

Conclusion

The Michigan Townships Association’s involvement in the Michigan Municipal League Foundation’s Symposium on the Future of Local Government was predicated on assurances that the symposium would examine a broad range of local government issues. “A Bird’s Eye View of Michigan Local Government at the End of the Twentieth Century” was represented to be an analysis of the current state of local governments in Michigan in relation to the topics covered at the Symposium – structure, sustainable communities, leadership, financing, and technology.

For some reason, “Bird’s Eye” lost sight of its mission and became an indictment on township government. It fails to provide analysis on the general state of Michigan local government. It seldom wanders beyond its central theme, which is that it would be great for cities if townships went away.

Are residents and businesses abandoning the inner cities? “*Bird’s Eye’s*” solution is the city should just annex their new homes and businesses back into the city. This reminds one of a line from The Eagle’s *Hotel California*: “You can check out any time you like, but you can never leave.”

How to make cities more attractive to residents and industry? Make sure that any areas outside a city boundary cannot provide services necessary for development. Taxes too high in cities? They will not seem so high if homeowners and businesses have no choice except to move to another city that levies the same taxes. If city taxes appear too high in comparison to township taxes, eliminating townships equals problem solved.

We have not attempted in this response to elaborate in detail on



why Michigan residents increasingly prefer to live in townships. Suffice it to say, township residents have grasped what “*Bird’s Eye*”’s authors have missed. Township government is economical, responsive, accountable and accessible.

It is great that the city form of government has found devoted supporters in the authors of “*A Bird’s Eye View of Michigan Local Government at the End of the Twentieth Century.*” The opinions they espouse can be expected to arise in a discussion on the future of local government. We do not believe that it is in the spirit and intent of the symposium that their views are the only opinions allowed to be aired, but by being so prominently featured in an official symposium “working paper” unfortunately gives their viewpoint a forum that other views do not enjoy.

Nevertheless, the symposium’s planning committee intention was to stimulate discussion. We hope that our response to “*Bird’s Eye*” fulfills that intention.

CRITERIA FOR DECISION:
**TOWNSHIP FORM OF LOCAL
GOVERNMENT OR CITYHOOD?**



As a proponent of local control, the Michigan Townships Association takes no position whether a community should organize its local government as a city or as a township. Cities and townships offer differing levels of service options and taxation levels. Some factors that should be considered include:

1. Desired scope of services: As a home rule entity, cities can offer a broad array of services, such as social services and road improvements and maintenance. Cities can perform any functions that state law does not prohibit. Townships, like counties, are a statutory form of government. Townships can perform those functions that state legislation has authorized. Townships can provide a wide range of local government services, but have limited authority to provide social services. Townships may expend funds to support road maintenance and improvements, but state laws assign legal responsibility for roads to county road commissions.

2. Taxation: To support a broader scope of enhanced services, cities can levy up to twenty mills on taxable property (\$20 of property tax for each \$1,000 of property value). Cities can include millage limitations in its charter, which voters can amend at an election. Cities can also levy income taxes. State law authorizes charter townships to levy no more than ten mills, which except under limited circumstances must be approved by the voters. General law townships may levy approximately one mill, and may levy additional mills with voter approval up to a limit established in the state Constitution.

3. Road funding: Cities and village receive some of the gas and weight tax collected by the state to help defray the cost of municipal street maintenance and improvements. Townships do not receive gas and weight tax funds; instead, road commissions who take care of roads in townships receive these monies. In most cities the revenues received from the state do not cover the cost of taking care of municipal roads, so additional local taxes must be collected to subsidize road related expenses. Cities may take control over roads within its jurisdiction from the county road commission, but the city obtain road commission consent to relinquish its control over roads within the city. Townships over 40,000 population can assume control over roads within its jurisdiction and receive a portion of the state gas and weight tax funds, provided that the township



levies at least one mill for road purposes.

4. Governing structure: Cities can adopt a variety of optional structures for the city legislative body, including provisions for a mayor with veto power over council decisions, or a weak mayor with a city manager. Cities may elect council members on a nonpartisan or partisan basis, and can choose to either have elections by wards, at-large representation, or a combination of the two. State laws define township governing structure in state law. Every township must have an elected supervisor, clerk treasurer and two or four trustees. The duties of these officers are provided in state law as well, and the township board has very limited authority to alter these duties. Townships can employ a professional superintendent or manager to oversee the day-to day operations of the townships. In charter townships that do not employ a superintendent or manager, the supervisor is responsible for daily activities.

Territorial integrity: Cities have greater protection against annexation than is the case for townships. Lands within a city can be detached and returned to the township by the consent of a vote of residents in the area subject to a detachment and the remainder of the city. Charter townships that chartered before 1978, and also other charter townships that provide certain municipal services are protected against an annexation initiated by an adjacent city. However, a petition signed by twenty percent of the residents in a prescribed area can initiate a referendum to annex. The state boundary commission has limited jurisdiction over boundaries involving a charter township that complies with the annexation exemption criteria. General law townships can experience annexations initiated by a resolution of an adjacent city. If the township disputes the annexation, the state boundary commission adjudicates the annexation question. If more than 100 persons reside in the area subject to annexation, the residents may petition for a referendum on the annexation.

Land use authority, ordinance powers: Townships and cities have comparable powers to regulate land use and adopt ordinances to protect the health, safety and welfare of the community.

Summary: In communities where residents want local taxes to be limited by constitution and state law, and where there is a need for basic governmental services, the township form of government has proven



able to provide efficient, quality basic local government services. In communities where residents need a broader scope of services and wish to have a higher taxation level than that allowed in townships, the city form of government should be considered.

