

Pros and Cons of the Village of Sparta becoming a City

Pros of Becoming a City

Governmental Control & Structure

- Full political and administrative control over local matters
- No longer subject to township decisions or priorities
- One unified local government instead of two (township + village)
- Ability to write your own city charter to customize governance
- By having voter approved charter, state of Michigan has less influence over local decisions. Improves local control.
- Maintain own voter registration records
- Greater authority and independence in scheduling elections, city controls timing, format, and what is on the ballot locally (this is mostly at the discretion of the township now)
- Millages and other elections decided only by city voters, eliminates the possibility of city voters voice being drowned out by voters in the township outside the city
- Simplified voting and tax administration (one place for both)
- All locally elected officials making decisions for the city will be required to live in the city
- Small-town identity and feel will be maintained under new governmental structure

Financial Advantages

- Elimination of township taxes and potential double taxation
- City retains the 1% property tax administration fee currently paid to the township (which covers most of the costs for new administrative requirements)
- All local millage tax are controlled by the city & flow in directly
- More financial flexibility to fund city-specific needs
- Ability to cap or adjust millage rates in charter
- Eliminates City's Exposure to Township lawsuit and financial liabilities

Political Influence & Identity

- Cities often gain more respect and clout with county, state governments, and federal government
- Perception of stability can attract investment and economic development
- Greater autonomy leads to more community-driven decisions
- Clarifies governmental authority to residents and businesses
- Annexation process governed by State Boundary Commission instead of County Board of Commissioners, making it more administrative and less political.
- 425 Agreements still possible where they make sense.
- No need to change boundaries as part of transition

Service Coordination

- Services can be streamlined and aligned more directly with city needs
- Existing joint service contracts (like fire board) can remain intact or be modernized/reviced, other services can be curtailed at the voter's discretion

Assessment & Tax Administration

- City appoints its own assessor and board of review
- More control and accountability to the city in property assessment
- Taxes can be used entirely for city-determined purposes
- Shared township assets within new city boundaries can be retained by township through negotiations with the new city, if the township would like to retain certain assets it can negotiate with the city on the split.
- City decides what assets it is interested in, and then negotiations with the township on the split, the City doesn't have to take assets it doesn't want
- Current tax assessment will carry over to the city, Headlee amendment stays in place, property does not come uncapped.

Cons of Becoming a City

- Residents can no longer run for township elected offices, only city offices
- May need to withdraw from some joint authorities (depending on negotiation)
- Pushback likely from township during transition
- Need to recruit residents to serve on boards such as the Board of Review (Village already does this for others boards)
- Costs for legal counsel during and after the transition, transitioning governance and services is a difficult, multi-step process
- Could result in challenging process for the division of shared assets with the township (no formal state-led process to do so, must be worked out locally or in court)

Observations from other Cities

- Other recent cities that transitioned saw no significant disruptions post-transition
- Taxes decreased in some cases after assessing was controlled by the city, in many cases overall millage rates were reduced short & long term.
- Centralized services made things easier for residents (payments, questions, voting)
- Maintained small-town identity despite becoming a city
- City status did not require boundary changes unless chosen