

STATEMENT ON MY POSITION REGARDING THE TRANSFER OF COBO HALL TO A REGIONAL AUTHORITY

On Tuesday, February 24, 2009, I voted against the resolution to reject the transfer of Cobo Hall to a Regional Authority. I do not believe this is the best deal for the City of Detroit and I certainly do not agree with the process of negotiations that took place in reaching this legislation. However, at this time, there is no question that Cobo Hall must be renovated and expanded in order to maintain its current level of business, and more importantly, to attract future conventions. There was no strong voice to create a cohesive proactive position from Council prior to the passage of this Act. Based on the information presented prior to my vote, I strongly believe the transfer of Cobo Hall to a Regional Authority is the only way to complete the necessary renovations and expansion, as well as to have a positive impact on employment in Detroit. At the time of the vote, no one had presented, recommended nor provided any alternative plans or options to maintain the Cobo facility.

Today the City of Detroit faces a \$300 million structural deficit. Over the next several months, City Council will have to make difficult decisions that are vital to the quality of life for the citizens of Detroit. I cannot justify spending an average of \$15 million each year on Cobo Hall with a projected \$200 million costs in repairs when those funds can be used in other areas, such as public safety, transportation, public works, and more importantly, jobs. In addition, the losses from Cobo Hall are projected to be \$179 to \$206 million over the next 30 years.

Public Act 554 2008, Senate Bill 1630 to transfer Cobo Hall to the Regional Authority includes \$279 million in savings toward renovations and expansion. Further, this transfer will result in the savings of \$500 million creating the ability to sell bonds based on a twenty-four year extension of the state-level hotel and liquor tax, currently targeted to expire by 2015. The City of Detroit does not have the revenues. Currently the possibility of identifying alternative funding for the renovations and expansion has not been secured.

The rate of unemployment in the City of Detroit continues to rise. We are all concerned about the rapid increase in the loss of jobs and closing of small businesses in the City. In addition to the Convention Center, the renovation and expansion of Cobo Hall will bring business and revenue to the City of Detroit. We have several new hotels and small businesses waiting for customers. If Cobo Hall loses business, our local businesses will also suffer.

The limited ability of maintaining this facility with no identified resources is not in the best interest of the citizens of Detroit. Many citizens have voiced strong feelings of wanting to hold on to Cobo Hall, a jewel in the City of Detroit. "We are not ready to let go of yet another important and defining institution in our City. In recent years we have lost important assets in

our City: the DIA, Historical Museum and the Detroit Zoo, just to name a few.” As an advocate for the citizens of Detroit, my record speaks to my **No** vote on many of these issues. However, because of the economic crisis that is defining our times, I truly believe the Regional Authority is the only option we have to save the Cobo Hall Convention Center thereby maintaining jobs in the private and public sector in the City. We cannot afford for Cobo Hall to turn into another Ford Auditorium. I will not waiver on my commitment to always vote in the best interest of the city and citizens of Detroit.

It is unfortunate that the deal negotiated in Lansing did not include the Legislative body when the Legislation clearly states that the Detroit City Council has forty-five days to reject the transferring of Cobo Hall to the Authority. The decision leading for exclusion has created stagnated division. The greater disdain is the impact of how this issue has deviated the focus from the greater problems currently facing the City of Detroit. How do we eliminate a \$300 million deficit?

Currently, it has been stated that the Stimulus package funds are to be dispersed to states for the usage of infrastructure and projects shovel ready within 90 to 120 days. Further, it will be the discretion of the Governor and State Legislative body to oversee and determine the allocation of these dollars. Both branches have clearly voiced their position that no monies will be distributed for the Cobo facility. Once again, Detroit City Council was not involved in the proposal submitted for these funds.

In conclusion, I will continue to vote in the best interest for the citizens of Detroit who placed a great deal of faith in me. As a leader allowed by the people to serve as a voice on the Detroit City Council, facing the challenge of standing alone many times but standing firm, I will continue to represent each of you to the best of my ability. I will seek the facts, research the City Charter, and make choices based on the findings that protect you and our great city.