

Thursday, April 9, 2009

Cockrel to appeal Cobo decision as officials debate what killed deal

David Josar, Christina Stolarz and Darren Nichols / The Detroit News

Detroit -- The breakdown in negotiations over the transfer of Cobo Center to a regional authority was over the city's desire to secure purchasing preferences, according to Oakland County officials.

Purchasing wasn't the issue, according to Detroit City Council President Monica Conyers, who said the deal fell apart over whether the city could regain ownership of the facility.

Meanwhile, Detroit Mayor Kenneth Cockrel Jr. has said the city plans to file an appeal, which could be as soon as today, of a Wayne County judge's decision that appeared to kill the deal..

[javascript:void\(0\);](#)"It's not something you can afford to play Russian roulette with," he said at a press conference. "This is not about who is right and wrong ... it is about the future of Cobo Center."

Oakland County Deputy Executive Bob Daddow said Detroit city officials wanted to steer vendor contracts to the city -- an issue that led the Oakland County representative on the five-member authority, Mike Carroll, to vote against the deal.

"Purchasing preferences are exactly how they got in trouble before," Daddow said. "People who are friends and family wind up having advantages. The legislation says everyone in the region stands on equal footing for contracts. We felt the legislation was appropriate."

The judge who tried to broker a deal between the City Council and the mayor's office sided with the council, killing a plan to transfer Cobo Center to a regional authority that would have paved the way for \$288 million in renovations. Wayne County Judge Isidore Torres declared that Detroit Mayor Kenneth Cockrel Jr.'s veto on the council's vote against Cobo was illegal.

The council had voted against the Cobo plan, which state legislators had developed. Cockrel, who supported the plan, vetoed the council's vote. Council then sued Cockrel, saying he did not have the right to veto its vote.

After the ruling, Conyers said she hopes Gov. Jennifer Granholm can again convince state lawmakers to draft new legislation that would address what the council had wanted.

"We want this to be about regionalization," she said.

Earlier, Granholm said she does not believe the political will exists to revisit the issue.

Conyers, as well as David Whitaker, legal counsel for council, also said negotiations broke down over a plan that the council embraced in which the Cobo Regional Authority would "sell back" Cobo Center to the city, similar to the arrangement that exists for the Detroit Zoo and the DIA.

Conyers said one of the five regional authority members opposed the plan, but said she did not know which one.

"We would still own the property," she said.

The number of members on the authority would not have been increased, but an advisory committee of local citizens would help guide them in their decisions, she said.

However, Daddow said that "it is absolutely not true" that someone from the authority voted to kill a lease deal. He said he was in the room during the closed session that the authority had on the lease deal this morning. He said they were all on board with the deal that involved the city selling Cobo to the authority for \$20 million and the authority selling it back to the city for \$1 and then the city entering into a lease agreement with the authority for \$1.

State lawmakers created the authority to oversee the property, which was to be transferred to the authority April 20.

Torres and the parties had been meeting behind closed doors for about two weeks.

The mayor's office had no immediate response.

Torres called the parties into the courtroom around 1:15 p.m. and told them he was going to side with the council. A copy of his ruling was not immediately available.

Earlier in the day, the City Council met in a closed-door session to discuss the case in which the council had asked Torres for an injunction.

"For once, we were all in agreement," Conyers said.

Council member Kwame Kenyatta said he was pleased with the decision, but it now pushes the issue back to square one. He plans to draft a resolution urging Cockrel to request an earmark from U.S. Sen. Carl Levin, D-Detroit, to renovate Cobo.

"My initial reaction is I don't think he had a choice but to rule in the council's favor," Kenyatta said. "The legislative process was violated when the mayor vetoed when he didn't have the authority to veto. (Now) we're back to where we were. (The ruling) leaves us with Cobo Hall with no funding sources to expand or renovate at this time. The question now is whether the mayor can convince the other parties to come to the table and negotiate something."

cstolarz@detnews.com (313) 222-2650