



Dear Friends,

Over the last year, the hottest topic of conversation, both financially and politically speaking, has been the Chapter 9 bankruptcy of Detroit and what it means to all of us. One thing of which I am sure: something this bad must never be allowed to happen to any city in Michigan again. For the record, Detroit is \$18 billion in debt, of which \$3.5 billion is owed to citizens who have pensions. These numbers are unsustainable.

It has always been my top priority to keep the citizens I represent fully informed, and I will not make any exceptions now. Nor will I pull any punches. Let us understand something: This was the most unusual, even curious, bankruptcy proceeding that I have ever watched unfold. I am in complete disagreement with most of the proceedings because I think that they were jammed through the judicial process without enough creative thinking outside the box. **This is why I voted no.**

First, I would like to talk about the so-called “Grand Bargain”, which by no means was a grand bargain for us, the taxpayers. Basically, what this amounted to was a combination of charitable donations, concessions from the pensioners and unions, the Big Three and a \$195 million donation from the state. On a very personal note, for the life of me, I can’t see any reason why the state had to put the taxpayers on the hook for \$195 million. They had nothing to do with what happened to Detroit. And after all, we are talking about a city government which has done nothing but snub its nose at the rest of the state for over 40 years.

I mentioned above that these proceedings seemed unusual and curious to me. I say this because there was no liquidation of assets. Absolutely none! The emergency manager for Detroit told all of us in the State Senate that Detroit was “assetless”. Well, I disagree. The fact is, at the start of the liquidation, there was sure to be very strong political push back from the status quo in Detroit. These are tough decisions that have to be made when a city the size of Detroit lets itself sink into an \$18 billion debt.

Detroit and Paris, France have about the same amount of land mass. The only catch is that Paris has 2½ million residents, while Detroit has only 675,000 residents. That is almost four times the population and probably four times the tax revenue. Bottom line: Detroit has to become much smaller. I say give the bordering cities like Grosse Pointe, Warren and Southfield the option to purchase large swatches of northern Detroit. These cities could then be turned into economic empowerment zones. It would be a great revenue stream for Detroit.

Let’s talk about Belle Isle and its tremendous revenue potential. I am glad that Belle Isle is now a state park, but let’s face it, for the last 40 years it has been basically left to rot by the government of Detroit. Right now, Belle Isle should be a recreational megastar, complete with a hotel/casino resort, marinas, restaurants and shops, hiking trails and a small golf course. People from all over the state would flock to Detroit. It should be a major revenue source to a city that is cash-starved. It is just a shame.

Continued on back

***“I AM WORKING FOR YOU!”***

Office: 517-373-7670 • Toll-Free: 866-229-4211

senjbrandenburg@senate.mi.gov • www.SenatorJackBrandenburg.com

I would be remiss if I did not talk about the Detroit Institute of Arts (DIA) and its collection of art. I have thought all the way through this process that the pensioners were merely used as pawns just to protect the DIA and its art. I appreciate art as much as anyone, but art is not like gold. It does not guarantee our currency. Taxpayers own that art; it does not belong to the DIA or the city. It should be fair game for sale, to pay down the city's debt.

The culture and the mentality of Detroit must change. The city must stop resisting change. You could pump all kinds of economic steroids into that city and it would not help unless the people in the city government embrace change. This must happen, and I think my reasoning is fair and sound. Any comments that you might have, please contact me.

In closing, I would like to say that I think that Detroit can be a great city again. However, there are many complex issues that the city is going to have to work its way through. This will not happen overnight. I want to be part of the process that will help make Detroit great again. It is my pleasure and my honor to serve as your State Senator.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jack Brandenburg". The signature is stylized with a large, sweeping initial "J" and "A".

Jack Brandenburg  
State Senator - District 11