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Consent plan calls for quasi EM

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Mayor Dave Bing will get an emergency manager of sorts with a different title under the [financial](#) stabilization agreement the state sent to the Detroit City Council on Thursday.

The state's new plan sidesteps the emergency manager law by proposing a new "program management director" position to shepherd reforms of city services with the advice of a Financial Advisory Board.

But whether that will be an effective setup to solve Detroit's problems is unclear.

"It's not a Band-Aid, it's more like lifesaving surgery," said longtime public policy observer Craig Ruff, a senior fellow at Public Sector Consultants, who reviewed the plan late Thursday. "There are plenty of powers that are vested in the City Council and mayor that remain in place; what happens, however, is that both the mayor and the council must live within financial means."

A proposed nine-member Financial Advisory Board would have final say on contracts over \$250,000. Gov. Rick Snyder and state Treasurer Andy Dillon would appoint four members; Bing, two; and the council, two. A ninth member would be chosen by Bing and Snyder, subject to confirmation by the council.

Bing would retain more power than previous consent pacts, but the council's traditional power of the purse would be diminished.

Council members could not spend more than the Financial Advisory Board projects the city will collect in [taxes](#) and fees each year under a revenue-estimating process similar to one the state uses to set its annual budget.

Bingham Farms turnaround management expert James McTevia called the plan a "political [solution](#)" designed to keep most sides happy. But McTevia said he doesn't think the decentralized decision-making will work.

"It sounds to me like an ineffective way of resolving some very serious financial difficulties that the city is facing," McTevia said. "I fail to see how this is going to change Detroit's continued spiral into bankruptcy."

The five board members not directly appointed by Snyder or Dillon would have to form a majority to overrule the state.

Ruff called the latest proposal "significant progress" between Detroit and the state. "It allows the state to assist the city in managing its finances," he said.

Within 37 days of the agreement taking effect, Bing would have to appoint a manager with experience in complex governmental restructuring or running a local governmental entity with an annual operating budget of \$250 million or more.

Bing would be able to choose from a panel of three candidates agreed to by him and Snyder.

The project manager would negotiate union contracts and the Financial Advisory Board would approve them.

The plan gives the mayor the power to remove the program management director, but only with approval of the council and the Financial Advisory Board.

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