



My memo to Jefferson County, a community poised for growth and success (opinion from Lee R. Bogdanoff)

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By Lee R. Bogdanoff

Jefferson County's bankruptcy is now officially behind it. Although I was heavily involved along with others in the legal strategies that helped the County reach this milestone, this is not a legal memo. Rather, I want to share some observations as an outsider who came to admire this place and its people. Mark this personal but not confidential.

The Place. The first impression as your plane descends on a clear day is the rolling grass and green-topped trees. The weather can be a challenge here but this lovely green blanket is a nice way to welcome a visitor.

Birmingham is striking in a different way. The old buildings have been preserved. They are quaint and become more interesting the higher up you look. There are actually things to do inside those places, and people are justifiably proud of the revitalized downtown with its share of fine dining. The surrounding neighborhoods are family oriented and picturesque. This is a nice place to live.

The People. I joke that everybody knows everybody here, and it's almost true. The people are friendly and genuine. The local bar is strong, with lawyers every bit as talented as their counterparts on either coast. And say what you will about their predecessors, but the County's current officials are highly dedicated. I have received the 3 a.m. emails, and I have seen the exhaustion and stress on their faces, too many times to think otherwise. If you think they lack courage, allow me for starters to introduce you to Commissioner Sandra Little Brown.

Breaking New Ground. Jefferson County could have easily become a semi-permanent casualty of the financial catastrophe that struck our nation and, coupled with fraud and self-dealing, manifested of all places in the Jefferson County sewer system. Abandoned by Montgomery and left to fend for themselves, the citizens and their leaders rolled up their sleeves. They ejected the receiver and stood up against multiple 25% sewer rate increases. They had the gall to envision and then effectuate an unprecedented municipal financing to bank a nearly \$1.5 billion creditor write-off, while insisting on fully self-funding capital expenditures over the next decade for the citizens' benefit –something unheard of in municipal financings.

The end result was nearly \$400 million more in creditor concessions than in the aborted pre-petition "deal."

It is no wonder that much of the municipal finance establishment has tried to put a negative spin on what

the County did here. Do not believe the criticisms of the armchair quarterbacks. What matters most is the final score, and by any fair measure the people of Jefferson County prevailed.

A Bright Future. 2013 is a year of remembrance and transition. Martin Luther King wrote his Letter From Birmingham Jail 50 years ago in April, and this is the year Jefferson County put its bankruptcy in the rear view mirror. The former lifts our spirits to this day. The latter is an episode that most people would sooner forget. The reality is that Jefferson County is much more than just a destination for civil rights tourism or the place where a large public bankruptcy happened. It is a nice spot with special people.

There is no denying that this region's racial past is still part of the present and that challenges remain. Step inside the quaint old buildings of Birmingham and you may notice an overabundance of restrooms located close to one another. Ponder a moment and you realize these are fossils from the time of segregated facilities. It is no surprise that people here sometimes struggle to find the right mix of remembering and moving on. But with a highly educated and industrious population and progress on many fronts, including in the area of race relations, Jefferson County is poised for growth and success. Be proud of this place and wear that pride on your sleeves. Embrace your past but remind people that the future is squarely in your hands. Write your own new chapter for the 21st century. Don't let anyone write it for you anymore.

I will return someday to show my family around and to visit the friends I made during my short time here. I will look up and see the Appalachians as they softly fade, and I will mix again among the folks who go to football on Saturday and church on Sunday.

Mr. Bogdanoff served as one of the lead lawyers in the Chapter 9 bankruptcy. He lives and works in Los Angeles.

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