

Detroit/Wayne County Port Authority Public Dock and Terminal – Summary of Project

Project Background and Summary

The Port of Detroit is the second largest Customs port of entry in the country, in terms of value of goods traded, and the City of Detroit is the third largest city on the entire St. Lawrence Seaway system. The Port of Detroit is also the only remaining major port that does not have a modern public dock and terminal on its waterfront.

The Detroit/Wayne County Port Authority (DWCPA) played a major role in rejuvenating the Great Lakes cruising industry, which has been dormant in Detroit since 1967. Throughout the Great Lakes, cruising has reemerged as a viable and growing market. Similar projects have been implemented in neighboring cities such as Chicago, Cleveland, Toledo, Milwaukee, Duluth, Toronto, Windsor and Green Bay, with strong economic impact realized. In order to restore Detroit's reputation as a tourist destination within the global market, the DWCPA set out to establish regular liner service to the Port of Detroit. The *C. Columbus*, in October of 1998, became the first cruise ship to dock in Detroit in over 30 years. Overwhelming support of this initiative came from numerous government agencies, local media and, most importantly, metro Detroit citizens.



The *C. Columbus* has already made multiple visits to the Port of Detroit. It carries over 425 passengers and crew and can contribute over \$150,000 in economic impact per visit.



The DWCPA helped facilitate the visit of the U.S. Kingfisher, a naval mine-sweeper, to Detroit in 2001. It's visit brought thousands of Metro Detroit citizens to downtown Detroit for a tour.

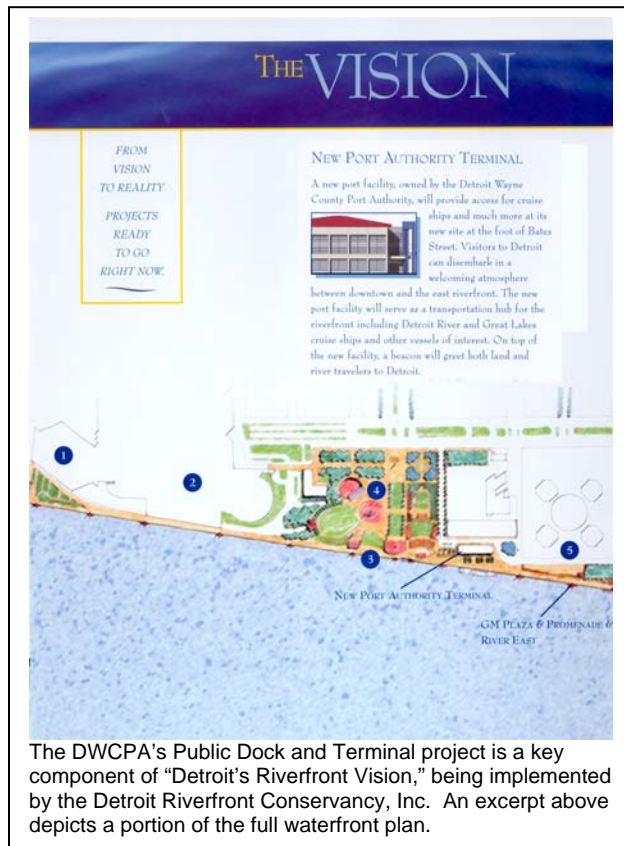
The DWCPA proposes to build a Public Dock and Terminal facility located at the foot of Bates Street in downtown Detroit, adjacent just to the southwest of General Motors (GM) Wintergarden. The facility is designed to not only harbor and attract cruise ships, but also any other transient vessels visiting our city. Vessels such as naval frigates, historical tall ships, racing yachts, tour boats and dinner cruisers all need a place to dock. Without this facility, the DWCPA is unable to negotiate the visits of any of these historical, educational and entertainment vessels.

The DWCPA will use \$7.5 million in federal and state appropriations derived from the Transportation Equity Act for the 21st Century (TEA-21). The federal portion of this grant (\$6 million) was obtained by Senator Carl Levin through a specific legislative earmark. It was Senator Levin’s vision to see greater public access on the downtown Detroit riverfront. This, combined with the DWCPA objective of developing a new state-of-the-art Public Dock and Terminal facility, brought this project to fruition. The DWCPA was also awarded a \$3 million Clean Michigan Initiative, Waterfront Redevelopment Grant, to fund land acquisition and infrastructure improvements.

The Public Dock and Terminal project is part of a larger vision, anchored by a three-mile “Riverwalk,” which includes portions of the State of Michigan, Department of Natural Resource’s first urban state park. Additional projects include GM’s “River East,” project, an eclectic combination of mixed-used buildings and entertainment options, just to the east of the DWCPA’s proposed location. The Public Dock and Terminal project will be a significant and identifiable mark on the eastern waterfront that will facilitate visitors to our region and citizens alike.

Viability of the Project and Waterfront Redevelopment Plan

The Public Dock and Terminal project greatly benefits from being apart of a strong partnership of public and private interests devoted to redeveloping the downtown Detroit waterfront. Led by the City of Detroit and GM, the vision of linked greenways from Joe Louis Arena to Belle Isle’s MacArthur Bridge, was to “accelerate natural market forces for economic development,” incorporating Detroit’s rich riverfront heritage. The DWCPA’s Public Dock and Terminal project will help restore Detroit’s maritime history, by facilitating vessel traffic, and visitor space, along the downtown riverfront.



Specifically stated in the mission of the Detroit Riverfront Conservancy, responsible for crafting the vision for the eastern waterfront, the new DWCPA facility helps “encourage water transportation systems,” and “provides optimal connectivity and access,” a key principle to the overall plan. The Public Dock and Terminal is a key objective of the group.

\$50 million worth of work has already been completed from this vision by the City of Detroit and GM for a riverfront promenade, stretching from Joe Louis Arena to the foot of Bates Street, and two new parking decks. Approximately \$300 million in committed project funding awaits,

including our project. Additional projects include “Tri-Centennial State Park & Harbor,” by the State of Michigan, \$70 million in investment by GM for their “Rivereast” project, and \$150 million by the City of Detroit to relocate three sets of cement silos. The Kresge Foundation has contributed \$50 million in challenge grants for other various projects.



Local economic impact and community redevelopment

The Public Dock and Terminal will have significant positive impacts on the waterfront, the City of Detroit and surrounding region. Specifically, the DWCPA has developed four main benefits that are expected:

A) Enhanced Public Access

The proposed facility will provide citizens and visitors a direct linkage to the downtown waterfront. This will be a public building and dock, developed with public funding. The facility is directly incorporated into the “Detroit Riverfront Vision,” a master plan that states greenways and public access as its cornerstone.

Steps are already being taken to incorporate the finished pedestrian promenade, and proposed extension, through the Public Dock and Terminal facility. Due to slight grade changes at the site, the dock and terminal has been identified as a transition point, which will facilitate unimpeded pedestrian flow.

Visitors to the facility will have a wealth of options to consider. To the southwest is Hart Plaza, Cobo Hall/Arena, Joe Louis Arena, all within walking distance via the pedestrian promenade. Adjacent to the facility is GM’s Wintergarden and Renaissance Center World Headquarters. Taking up three blocks to the northeast will be GM’s “Rivereast,” project that will provide numerous types of dining and entertainment options. Further northeast is Chene Park amphitheater, Stroh’s Riverplace and the UAW/GM’s new headquarters.

B) Tourism

As chair of the Tall Ships Committee, a part of the Detroit Tercentennial celebration, the DWCPA, as did others, witnessed over 2.5 million people visit the waterfront to tour the historical tall ships. This event, combined with visits by the *U.S. Kingfisher*, *C. Columbus*, etc., prove that citizens and tourists alike, will provide vitality to the waterfront if given the appropriate attractions and entertainment/recreational options. The Public Dock and Terminal facility will provide a focal point for all waterborne attractions by providing them a place to dock and have the vessel serviced.

A founding member of the Great Lakes Cruising Coalition, the DWCPA takes part in aggressively marketing and advertising the Port of Detroit as a port of call for visiting cruise ships touring the Great Lakes. Since 1997, cruise ships have been a part of the summer shipping season. The *C. Columbus* brought in over 1200 German passengers and crew in 1998 and 1999 with three visits to Detroit. Provided the Port Authority establishes a suitable facility for this cruise ship, the *C. Columbus* will continue to make Detroit a port of call well into the next century. Additional international cruise liners have expressed interest in visiting and docking in Detroit provided an adequate dock and terminal facility are constructed. This presents an obvious expansion of the international tourist market so vital toward business growth and entertainment venues in Metropolitan Detroit.

C) Employment

Opportunities for job creation will result from the services of vessel, need for transportation services calling on the site, dining and lodging needs, retail expenditures from visitors, and other business opportunities that may need to utilize the facility.

Besides complementing existing efforts toward marketing international tourists, a significant economic benefit has been studied. Based upon what the Port Authority believes are reasonably conservative assumptions, it is possible to say that the direct impact in Detroit for one visit by the *C. Columbus* was in excess of \$110,000 or approximately \$152 per passenger. This estimate should be somewhat higher to account for the spending on shore tours from Windsor that went to Detroit. Of the 13 ports surveyed who received a visit by the *Columbus*, Detroit ranked third in total benefit behind Chicago and Toronto. The estimate includes:

- Shore tour spending
- Discretionary spending while in port
- Transit costs for passengers to get to and from the ship
- Hotel and food costs for passengers on pre and post programs

This estimate doesn't include spending by the ship on fuel, fresh water, garbage disposal, sewage pump-out, victualling, etc. A further exclusion has been on spending by the crew, but we do know that every crew member would have spent money during the shore leave on entertainment and purchases. Further the estimate doesn't include institutional costs paid by the ship that would have included:

- Pilotage
- Towing
- Berth and harbor dues
- Agency fees
- Other service fees

Tours are scheduled to the Henry Ford Museum and Greenfield Village, and along the way there are numerous stops at local eateries and restaurants. Detroit will be able to use this public dock to capture a tourism niche that many other American cities lack.

4) Private Commitments

\$50 million worth of work has already been completed from the City's riverfront vision by the City of Detroit and GM for a waterfront promenade, stretching from Joe Louis Arena to the foot of Bates Street, and two new parking decks. Approximately \$300 million in committed project funding awaits, including the DWCPA's proposed project. Additional projects include "Tri-Centennial State Park & Harbor," by the State of Michigan, \$70 million in investment by GM for their "Rivereast" project, and \$150 million by the City of Detroit to relocate three sets of cement silos. The Kresge Foundation has contributed \$50 million in challenge grants for other various projects.

Public Access/Views to the Waterfront

The Public Dock and Terminal, within its name, incorporates public access and views as a foundation for its programming. The facility will be built directly on downtown Detroit's riverfront.

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The proposed redevelopment plan for the Detroit riverfront includes turning Hart Plaza into a park-like area. (Computerized image courtesy of the Detroit Riverfront Conservancy, Inc.)

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A three-mile pathway from Belle Isle to Joe Louis Arena is to be included in a major revival of the Detroit riverfront.

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