



Detroit/Wayne County Port Authority (DWCPA)

Mission and Priorities for 2010 Accomplishments from 2009

Mission: To promote commerce and recreation throughout the Port of Detroit; to enhance tourism and provide unique experiences throughout the Great Lakes; and to implement creative economic development strategies that draw investment to the waterfront.

Priorities:

1. Promote, grow and enhance the greater port community, with particular emphasis at the Port of Detroit, a Port Authority-owned general cargo facility
2. Market and implement creative structured financing solutions using the DWCPA's bonding capacity for fixed assets that comply with our enabling legislation
3. Understanding that sound economic development includes recreational opportunities, habitat restoration, environmental stewardship and brownfield redevelopment, continue seeking ways to improve regional Detroit
4. Finalize and begin operations of the Public Dock & Terminal at the foot of Bates Street, and adjacent to the General Motors World Headquarters, on the downtown Detroit waterfront, which will ultimately create new maritime activities for the citizens of Detroit and Southeast Michigan
5. Address homeland security gaps throughout the Port of Detroit by making strategic investments, offering specialized training, and facilitating greater coordination and communication across all stakeholders within the maritime domain

2009 Accomplishments

Public Dock & Terminal Project



2009 saw considerable progress on the DWCPA's new Public Dock & Terminal building on the downtown Detroit waterfront. The \$22 million project was thrust into the spotlight thanks to a \$7 million ARRA funded Ferry Boat Discretionary Grant announced by U.S. Secretary Ray LaHood this past Fall of 2009 on site in downtown Detroit. The DWCPA anticipates the terminal to be complete in the first quarter of 2010, with the off-shore wharf coming online in the Fall of 2010. Discussions have been underway on establishing water taxi/ ferry service for the facility, as well as visits from Great Lakes cruise ships in 2011.

U.S. EPA Brownfield Program



The DWCPA, through formalized partnerships with the City of Detroit Department of Environmental Affairs and Wayne County's Brownfield Redevelopment Authority, continues to lend technical assistance to developers of brownfield projects throughout Detroit and Wayne County. To date, almost \$1 million has been spent and/or obligated leveraging over \$500 million in private investment. Projects have been a diverse mixture of high-end, market-rate condos to community-based, affordable housing.

Users of Program:

- Southwest Housing – multiple projects highlighted by Piquette Square for homeless vets
- Focus:HOPE – \$10m community revitalization plan for Oakman East neighborhood
- Globe Building – Market-rate condos adjacent to State Park leveraging \$200K City cleanup
- Power of Green Housing – innovative housing project using old shipping containers
- Hantz Farms – Urban agriculture initiative on Detroit's northeast side

Port of Detroit – Fourth Full Season



2009 marked the fourth full year of operations at the Port of Detroit Marine Terminals, at the foot of Clark Street in southwest Detroit. 2008 saw 48 vessels, from over one half dozen countries, call on the Port of Detroit resulting in approximately 300,000 tons of steel products (400,000 including Ecorse). A challenging economy led to a slight decrease in tonnage in 2008, however efforts by the DWCPA to invest in capital infrastructure that would allow for a diversification to our cargoes could lead to increased commerce over the years ahead. The DWCPA awaits a decision on ARRA TIGER grants calling for over \$20 million in investment that would either renovate or construct the appropriate infrastructure that would allow for the movement of containerized cargoes, and/or agricultural products.



U.S. DHS Port Security Grants



In 2008, the DWCPA was named Fiduciary Agent for all Port Security Grant funding throughout the Port of Detroit. In April of 2008, the DWCPA began developing a Port-Wide Risk Assessment that will guide all investment over a five year period throughout the Port of Detroit. Interviews were conducted system wide with government agencies and private sector operators to develop a series of priorities. Finalization of the plan will occur in early 2010.

U.S. Department of Commerce, Economic Development Administration



The DWCPA, in partnership with the Council of Development Finance Agencies (CDFA), was awarded a Planning Grant from the U.S. Department of Commerce, Economic Development Administration to create an Overall Economic Development Plan for the DWCPA. CDFA is a national, member-driven organization comprised of bond issuing entities from across the country. This strategic plan was finalized in 2009 and will be adopted by the DWCPA Board of Directors in early 2010.

Detroit River – Hydrokinetic Energy Project



The DWCPA, in partnership with the Detroit Riverfront Conservancy, NextEnergy and the University of Michigan School of Naval Architecture and Marine Engineering, spent most of 2008 pursuing support for the first demonstration/ pilot of the Vortex Hydro Energy hydrokinetic energy system. Together, the partnership was awarded \$1.6 million by the U.S. Department of Defense for the pilot demonstration in 2010. Potential locations were studied and determined in 2010. Further, the DWCPA brokered numerous meetings with the environmental community and appropriate regulatory agencies in order to receive permitting in 2010.

MDEQ, Coastal Management Program



The DWCPA was granted an award from the Michigan Department of Environmental Quality's, Coastal Zone Management Program, to create an educational and interpretive display along the downtown Detroit Riverfront. Working through the University of Michigan School of Architecture, a state-of-the-art projection system will be installed within the first floor of the new Public Dock & Terminal. Messaging delivered via the system will educate and inform visitors to the facility, and those walking the riverfront outside, of unique projects and investments taking place throughout the Great Lakes system.

Great Lakes Cruising, Ferry and Other Transient Vessels



The DWCPA will continue to be the leading agency within Michigan actively promoting and marketing Detroit and Wayne County as a port of call for the various cruise ships within the Great Lakes system, in large part due to its role chairing the Great Lakes Cruising Coalition. Additional efforts have been made to establish ferry service from its future headquarters facility. Other vessels such as tall ships, dinner boats and potentially eco-tourism charters are being targeted, as well.

Greater Detroit Foreign Trade Zone



The DWCPA will continue to administer the Greater Detroit Foreign Trade Zone (GDFTZ) program. The GDFTZ provides a competitive advantage to companies involved in international trade through deferral, reduction or elimination of U.S. Customs duties. Through cooperative efforts with public and private organizations, these advantages are used to attract and retain businesses which create employment and economic activity in Southeast Michigan.

Michigan Port Collaborative



Ports throughout the State of Michigan converged on the State of Michigan's capitol to begin formalization of a state-wide port collaborative consisting of coastal communities from Monroe to Marquette. The collaborative would advocate policy and attract investment to our state's ports from both federal and local sources. The DWCPA was asked to Chair the Interim Steering Committee, in its efforts to legally formalize an incorporated entity to carry out the above mission. There are approximately 92 port communities throughout the State of Michigan, with over half attending the October conference.

ARRA MDEQ Clean Diesel



The DWCPA applied and was awarded \$400,000 by the Michigan Department of Environmental Quality (MDEQ), through their Michigan Clean Diesel Initiative (MCDI). This funding was made possible by the U.S. Environmental Protection Agency (EPA), through the American Recovery and Reinvestment Act (ARRA), to retrofit eight diesel engines on aerial lift equipment owned by Nicholson Terminal & Dock Co., and to retrofit diesel engines on a tugboat, ferry and two generator sets at Waterfront Petroleum, both located within the Port of Detroit. The DWCPA hopes the program is a model for other companies doing business at the Port of Detroit, which ultimately reduces harmful emissions within the adjacent communities.

Goals and Potential Projects in 2010

Structured Financing Program Growth

The DWCPA will seek to enhance its structured financing program in 2010 through better coordination and communication with the Detroit Economic Growth Corporation, Wayne County Economic Development and the Michigan Economic Development Corporation. More targeted outreach will occur to the greater port and maritime community for potential capital asset financing in support of greater cargo diversification, equipment upgrades and portfield redevelopment. Additional research and education will continue on the DWCPA enabling legislation, and ways to make it more effective at attracting investment to the City of Detroit and surrounding community.

Port of Detroit Enhancement and Retrofitting for New Economy Industries

The DWCPA will continue to pursue funding to enhance its general cargo facility in southwest Detroit. Funding was secured in the fiscal year 2010 federal Transportation bill to revitalize a functionally obsolete rail spur into the port, which will allow for the eventual movement of various bulk, agricultural and containerized cargoes. This investment could potentially allow for the movement of alternative energy components too big to be moved by truck. Additional investment is being sought to retrofit a vacant ten-story warehouse on site in order to accommodate agricultural commodity storage. Additional investments include, but are not limited to the relocation of entry points from Scotten to Clark Street, warehouse improvements and seawall repair work.

Public Dock & Terminal Operations Plan

The DWCPA has begun outlining an Operations and Marketing Plan for its new Public Dock & Terminal facility. Discussions are ongoing for a potential ferry and water taxi service. More than 5,000 healthcare workers cross the border daily to fulfill duties within the local hospitals of metropolitan Detroit. Such dedicated service could realize significant cost-saving for local hospitals, but also fulfill the need for redundancy at the port should a major breach in border security occur. Additionally, the DWCPA will seek to book excursions either coming to, or departing from, its new facility by cruise ships. There are 120 vessels in the world that are small and narrow enough to traverse all fifteen sets of Great Lakes/St. Lawrence Seaway locks. Further, due to an anticipated presence by U.S. Customs and Border Patrol, a small-boat inspection facility will be established for those residents seeking to cross the border into Canada by vessel.

U.S. EPA Brownfield Program

The DWCPA applied for a \$1 million Revolving Loan Fund to be used in conjunction with their targeted neighborhood revitalization effort. A replenishing of the Brownfield Assessment program will also be requested. Partnerships will continue with the City of Detroit Department of Environmental Affairs and Wayne County Brownfield Redevelopment Authority. A quarterly working group has been established that also includes the MDEQ and representatives from U.S. EPA in order to form a more coordinated approach by the region to draw investment in brownfield redevelopment initiatives.

Expansion of Regional Foreign-Trade Zones

2010 will bring continued administration and implementation of the Greater Detroit Foreign Trade Zone (GDFTZ). The GDFTZ program erases duties paid by companies who are importing parts from various foreign countries overseas. The end product is taxed once, rather than multiple times, if the end product uses parts from various overseas companies.

Homeland Security

The Port of Detroit was elevated in risk assessment by the U.S. Department of Homeland Security in fiscal year 2008. This elevation translates to an annual appropriation to the Port of Detroit, through the DWCPA, who will act as Fiduciary Agent for the Port Security Grant Program. The DWCPA will assist the U.S. Coast Guard, Ninth District, and the many other stakeholders who comprise the Area Maritime Security Committee, in spending their allotment of federal funding on initiatives developed from the Risk Mitigation Plan expected to be finalized in early 2010. The initiatives include a combination of training and capital investment throughout the Port of Detroit. Further, the DWCPA will play a critical role in brokering improved communication across the multiple federal, bi-national and local security agencies, in order to better incorporate the maritime community into existing security initiatives.

Short-Sea Shipping

The DWCPA, with its many partners through the maritime community at the Port of Detroit, will seek out opportunities for short-sea shipping growth at the Port of Detroit. Short-sea shipping utilizes the deeper ports of the upper-St. Lawrence Seaway System to bring in larger containerized traffic that can be off-loaded to barge. Barge traffic can more easily navigate the shallower waters of the system, while maintaining size requirements to transit the fifteen sets of locks throughout the St. Lawrence Seaway System. The DWCPA, and the American Great Lakes Ports Association, believe there to be potential for growth of our port facilities by encouraging such intermodal, and shipping, connections.

Michigan Port Grant Assistance Program

The DWCPA, in collaboration with the soon-to-be-established Michigan Port Collaborative, seeks to create a dedicated grant and loan program specific to ports. The DWCPA and its partners would assist the State of Michigan in updating the inventory of all public and private port terminals, including an identification of those that are defunct or operational, which would allow for a comprehensive plan for integration into the existing transportation network. Further, by re-establishing a more current database, identification can be made as to where the opportunities are to capture alternative energy cargoes and/or short-sea shipping opportunities. Currently, there are no specialized loan and/or financing programs that would allow private or public terminal operators an ability to update equipment and handling to attract next generation shipping activities.

Regional Representative on Important Transportation Policy Initiatives

- **U.S. Coast Guard, Southeast Michigan Area Maritime Security Committee**
The Port of Detroit, Area Maritime Security Committee, and their executive bodies, provide the Federal Maritime Security Coordinators (FMSC) with advice on identification and mitigation of threats, serve as a link between law enforcement agencies and ship and marine terminal operators to communicate threat information and change Maritime Security levels (MARSEC) to respond to threats, and assist the FMSC with maintenance of the Area Maritime Security Plan (AMSP). The DWCPA serves on the Executive Committee.
- **Waterborne Transportation Action Group (Detroit Regional Chamber)**
This group was formed by the Detroit Regional Chamber to advocate for transportation policy and infrastructure improvements that will enhance the overall business climate and quality of life in the Detroit region. This select group of key transportation and business stakeholders, which includes the DWCPA, seeks to formulate a comprehensive strategy to establish the Detroit region as a viable Midwest multi-modal transportation center that is competitive in the global marketplace.
- **SEMCOG – Ann Arbor to Detroit Rail Study**
The Southeast Michigan Council of Government (SEMCOG) Ann Arbor to Detroit Rapid Transit Alternatives Analysis Study is one of the key transit planning efforts underway in Southeast Michigan. The study will examine rapid transit options in the Southeast Michigan area along a 50-mile-long, five-to-ten mile-wide corridor extending from west of Ann Arbor to downtown Detroit including the Metro Airport area. The DWCPA serves on the Steering Committee, comprised of representatives from counties and municipalities along the corridor, and other private and public agencies providing input during the study.
- **NBEST (Detroit Regional Chamber)**
The DWCPA also participates on the Northern Border for Economic Security and Trade (NBEST), a bi-national coalition of public and private-sector stakeholders, created by the Detroit Regional Chamber, dedicated to improving efficiency at our Canadian border crossings.
- **U.S. Army Corps of Engineers Great Lakes Navigation Study**
The DWCPA provides input, information and contacts for this unique bi-national study to determine current baseline information for environment and engineering features and economic conditions of the Great Lakes St. Lawrence Seaway System. The study will evaluate the social, environmental and economic impacts of future investments to operate and maintain the existing navigation system, but also looks at ways to improve and enhance the current infrastructure.
- **American Great Lakes Ports Association (AGLP)**
The American Great Lakes Ports Association (AGLP) is an organization representing the interests of the public port authorities on the U.S. side of the Great Lakes. The organization works to inform and influence public policies, primarily at the federal level, that foster maritime commerce and related employment in the Great Lakes region. The DWCPA has represented the Southeast Michigan area since its inception in the late 1970s.

- **Southeast Michigan Coastal Zone Committee (U.S. Coast Guard)**
The DWCPA was recently asked to serve on the Coastal Zone Committee of the U.S. Coast Guard, which will look at several policy initiatives that affect security and infrastructure along our waterfront. One such issue is the introduction of the Transportation Worker Identification Credential (TWIC), a credentialing system for maritime workers who require unescorted access to secure areas of port facilities and vessels regulated under the Maritime Transportation Security Act.
- **Detroit/ St. Clair River Working Group**
This working group, which includes representatives from the DWCPA, focuses on the St. Clair River–Lake St. Clair–Detroit River Corridor, and the many issues affecting its health ranging from fishing, to recreational boating, and from drinking water to commercial navigation.
- **Great Lakes Maritime Task Force**
The Great Lakes Maritime Task Force was founded in November of 1992 to promote a strong U.S.-Flag Merchant Marine on the Great Lakes. Its labor/management membership comprise representatives from the domestic and international trades and encompasses carriers, maritime unions, longshoremen, shipyards, dredging companies, terminal operators, and port authorities, including the Detroit/Wayne County Port Authority. The Great Lakes Maritime Task Force is dedicated to increasing all kinds of trade on the Great Lakes to promote job creation.
- **Transportation Research Board**
The Transportation Research Board (TRB) is a division of the National Research Council, which serves as an independent adviser to the federal government and others on scientific and technical questions of national importance. The National Research Council is jointly administered by the National Academy of Sciences, the National Academy of Engineering, and the Institute of Medicine. The mission of the Transportation Research Board—one of six major divisions of the National Research Council—is to promote innovation and progress in transportation through research. The DWCPA provides input and information in various capacities with this research group.