



HOUSE of REPRESENTATIVES

STATE OF MICHIGAN

Appropriations Requests for Legislatively Directed Spending Items

1. The sponsoring representative's first name:
Tyrone
2. The sponsoring representative's last name:
Carter
3. The cosponsoring representatives' names. All cosponsors must be listed. If none, please type 'n/a.' A signed letter from the sponsor approving the co-sponsorship and a signed letter from the member wishing to co-sponsor are required. Attach letters at question #9 below.
Rep. Linting
4. Name of the entity that the spending item is intended for:
Detroit- Wayne County Port Authority
5. Physical address of the entity that the spending item is intended for:
130 E. Atwater, Detroit MI 48226
6. If there is not a specific recipient, the intended location of the project or activity:
n/a
7. Name of the representative and the district number where the legislatively directed spending item is located:
Joe Tate, District 9
8. Purpose of the legislatively directed spending item. Please include how it provides a public benefit and why it is an appropriate use of taxpayer funding. Please also demonstrate that the item does not violate Article IV, S 30 of the Michigan Constitution. The proposed spending will create actionable plans for the redevelopment of over 1,000 acres of vacant and under utilized former industrial waterfront property located in Wayne Count, MI and attract new industries, jobs, economic activity, and reshoring of manufacturing. As a result, this use would not violate Article IV, S 30 of the Michigan Constitution, because we are not using public money or property for local or private purposes.

9. Attach documents here if needed:

Attachments added to the end of this file.

10. The amount of state funding requested for the legislatively directed spending item.

2500000

11. Has the legislatively directed spending item previously received any of the following types of funding? Check all that apply.

["None"]

12. Please select one of the following groups that describes the entity requesting the legislatively directed spending item:

Local unit government

13. For a non-profit organization, has the organization been operating within Michigan for the preceding 36 months?

Not applicable

14. For a non-profit organization, has the entity had a physical office within Michigan for the preceding 12 months?

Not applicable

15. For a non-profit organization, does the organization have a board of directors?

Not applicable

16. For a non-profit organization, list all the active members on the organization's board of directors and any other officers. If this question is not applicable, please type 'n/a.'

n/a

17. "I certify that neither the sponsoring representative nor the sponsoring representative's staff or immediate family has a direct or indirect pecuniary interest in the legislatively directed spending item."

Yes, this is correct

18. Anticipated start and end dates for the legislatively directed spending item:

October 2025-April 2027

19. "I hereby certify that all information provided in this request is true and accurate."

Yes

Port of Detroit Comprehensive Economic Development Planning: Maritime Property Repurposing and Modernization

Grant Request: \$2,500,000

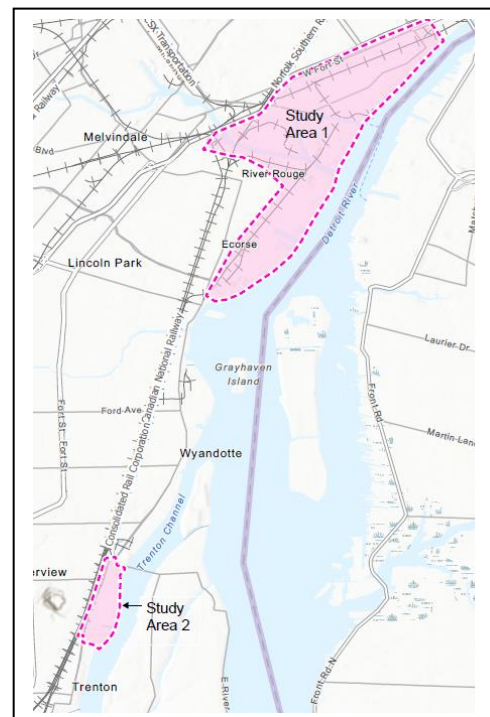
The Detroit/Wayne County Port Authority (“Port Authority”) will undertake a comprehensive economic development planning project focused on identifying job-creating, logistics, manufacturing and mobility-related uses for vacant, or underutilized maritime/industrial properties located in the Port of Detroit (the “Project”), as described below. In undertaking the Project, the Port Authority will collaborate with municipal planning agencies, business groups, property owners and communities within and adjacent to the Port of Detroit. It will include the following tasks: 1) surveying available vacant or underutilized properties within the Port of Detroit; 2) conducting market research to identify new maritime and industrial markets for the available properties; and 3) seeking consensus among municipal planning agencies to establish action steps and budgets for proposed alternative uses of the properties. The planning document will allow for this area to present a clear path for funders and stakeholders for development. It is important in this current atmosphere to have these steps in place to differentiate our area and projects to be successful.

Project Location

The Port Authority’s jurisdiction encompasses a 32-mile stretch of the Detroit River between Lake St. Clair and the Monroe/Wayne County border as well as the 4 miles of navigable Rouge River which feeds into the Detroit River. This area comprises what is known as the Port of Detroit. The Port of Detroit includes one public general cargo dock owned by the Port Authority and approximately 18 privately owned and operated terminals.

Not long ago, the Port of Detroit included well over 35 marine cargo terminals. However, within the last 10 years more than half of those terminals have ceased operating and three of the largest import terminals have closed or significantly reduced maritime activity including the following:

1. US Steel – Zug Island (329 acres*)
2. US Steel – River Rouge (210 acres*)
3. US Steel – Ecorse (373 acres*)
4. DTE Energy – River Rouge Power Plant (107 acres*) (*acreage, approximate)
5. Former McLouth Steel Site (380 acres*)



Detroit/Wayne County Port Authority
Port of Detroit Comprehensive Economic Development Planning:
Maritime Property Repurposing and Modernization

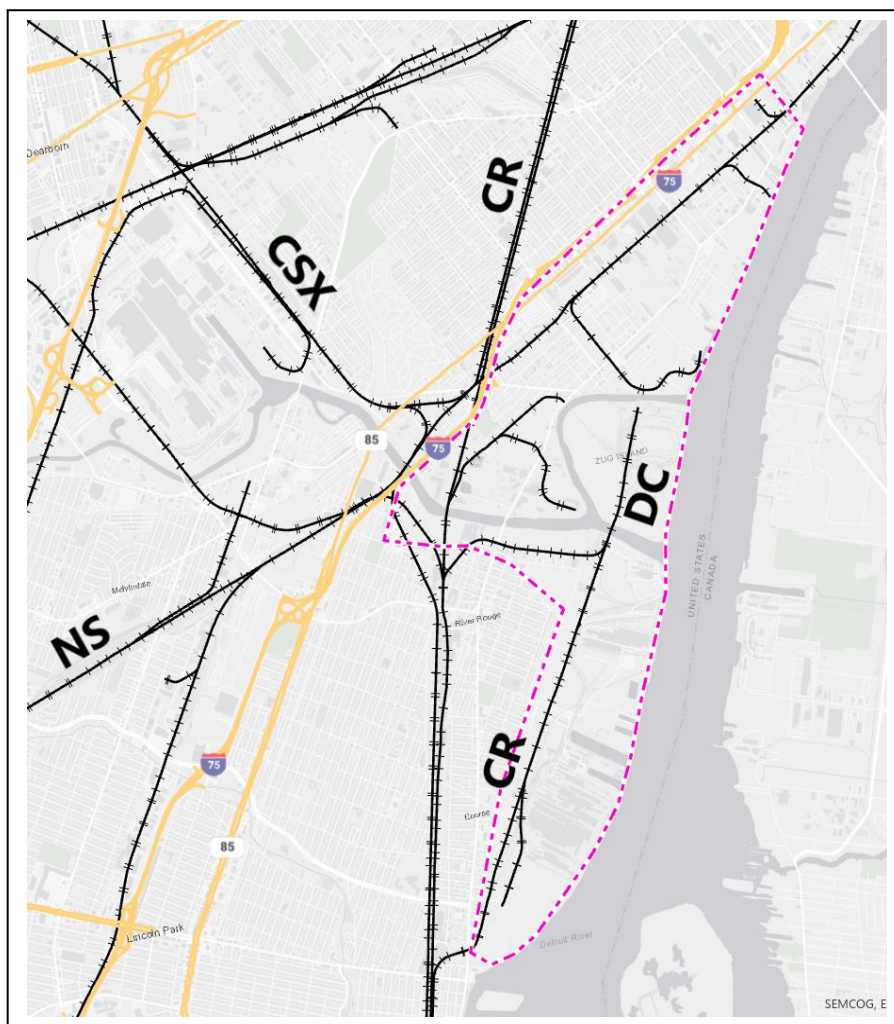
These five sites alone comprise over 1,300 acres of waterfront land with deep water frontage suitable for large cargo and ocean-going ships, and were previously used as marine terminals. There are many other former marine terminals no longer in use, sitting vacant and/or underutilized that could bring the total land available to over 1,800 acres.

Potential for Economic Development

The decline in port utilization has created opportunities for repurposing land for a range of uses, including multi-modal logistics (truck, train and maritime), warehousing, light manufacturing, industrial production, sub-assembly work, alternative fuel bunkering and agricultural exports, among other things.

Logistics has certainly been a major area of growth in our region. In 2021, there were over 160,000

logistics jobs in the region, with a growth of 197% in the last five years, with estimates of 8% growth annually.ⁱ The Michigan Economic Development Corporation (“MEDC”) predicted a tripling in logistics business by 2040.



Located on an international border, with miles of deep-water port access, adjacent to three US interstate highways and three Class I railroads, and within a one-day drive to over 180 million people, the Port of Detroit is ideally situated to become the location for a multi-modal hub for a wide array of goods, raw materials, fuel, agricultural products, bulk cargo and heavy

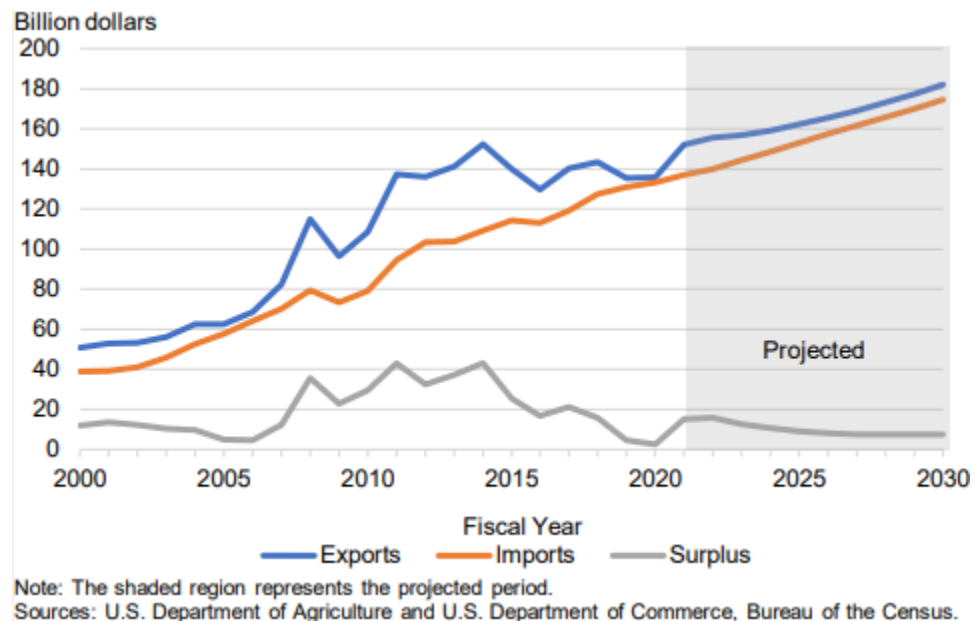
equipment. As far back as 2015, the MEDC identified the Port of Detroit region as ideally situated for development of such a hub. Its report, titled “Logistics and Supply Chain Study” concluded:

Detroit/Wayne County Port Authority
Port of Detroit Comprehensive Economic Development Planning:
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“Michigan, in fact, is capable of bringing to market in Detroit a trade, logistics, and industrial center with a premier international crossing, a modern intermodal facility offering a selection of carriers, three interstate highways, and 1,000 acres or more of ready land in the midst of a major metropolis. This hub would offer a package of assets that one rarely sees anywhere across the United States. It would alter developers’ view of this region and would contribute mightily to the ongoing reinvention of Michigan.”ⁱⁱⁱ

Re-shoring of industrial production is also a potential area of growth. A 2024 survey of manufacturers indicated that 69% have started to reshore supply chains, and 94% of those that have reshored reported positive results.ⁱⁱⁱ

The Port Authority believes there is strong potential for an agricultural port terminal in Detroit to help Michigan farmers and agribusinesses reach international markets. The US Department of Agriculture has projected that US exports of agricultural products are expected to grow at a steady rate of 2% annually through 2030.



In 2024, the Great Lakes and St. Lawrence Seaway transported 6.2 million metric tons of grain, which was a 4.2% increase from the previous year. Agricultural products make up about 40% of all cargo traversing the Seaway. Despite Michigan’s strong and growing exports of agricultural produce, there exists no marine export facility for agricultural products in the state, and Michigan farmers utilize rail and trucks to reach marine ports in Ohio, the Atlantic coast and the Gulf.

Detroit is a key mid-point for ships as they move throughout the Great Lakes. This large area available for redevelopment will allow for us to move from mainly a fueling stop to a focal point for the movement of goods across modes. The investment of a second international bridge only

increases the ability for this area to redevelop and create an economic engine in an area that needs jobs and investment for its continued revitalization.

The potential return on investment for a future intermodal and logistics center in the Port of Detroit is tremendous. The MEDC's logistics study concluded:

Development of the [transportation, logistics and industrial] District in Detroit will generate 15,000–22,000 estimated new long-term jobs in Michigan, of which 6,000–8,000 will be direct employment in metropolitan Detroit. Another 12,000 short-term construction jobs will be generated at peak development. Michigan will need to invest \$400 million to \$530 million up front in public funds to produce these jobs, out of a total public-private investment of \$1.6 billion to \$2.2 billion. The value added to Michigan's economy will be \$11 billion to 15 billion, which will considerably exceed the investment and promise a healthy return. This return is not guaranteed—any more than the return on most investments is guaranteed — but this report's recommendations offer a realistic prospect of achieving it.^{iv}

Project Budget and Deliverables

The Port Authority is committed to delivering realistic, practical results through this economic development project. Below is an outline of the Project tasks, with preliminary budgets and deliverables.

Task	Budget	Deliverables
Land Survey	\$350,000	List of available properties, ownership, features, advantages, challenges (environmental).
Market Research	\$800,000	Thorough analysis of markets to support alternative uses of properties, including logistics, warehousing, manufacturing, alternative fuels, agriculture, and others.
Collaboration and Engagement	\$500,000	Engagement with all local governments and planning departments, business groups, and residents to gain consensus around alternative uses.
Action Plan Development	\$700,000	Following land survey and along with final phase of collaboration, this will be the penultimate deliverable, including detailed action steps, with budgets and identification of responsible parties.

Executive Summary

Proposal: \$2.5 million planning grant request by the Detroit/Wayne County Port Authority to undertake an economic development study to develop actionable steps to convert over 1,000 acres of former industrial water-front property into job-creating new industries – light manufacturing, logistics, maritime cargo terminals.

Opportunity: Three former steel plants, a shuttered power plant and dozens of other small industrial and maritime sites sit vacant and located within the Port of Detroit, adjacent to the Gordy Howe International Bridge, three interstate highways, an international border and along the Detroit and Rouge River, with deep-water access capable of serving ocean-going ships. The Michigan Economic Development Corporation commissioned a study that identified this area as primed for repurposing as an intermodal, logistics and industrial hub, capable of generating over 15,000 new jobs and \$15 billion in economic activity. This study would build on and update the MEDC study and develop consensus across municipal planning agencies around a set of action steps to capitalize on this opportunity to create new industries and jobs.

Deliverables:

- Comprehensive land survey of available properties
- Market research and identification of new industries
- Consensus of recommendations on implementation steps and budgets

ⁱ Detroit Regional Partnership, <https://www.detroitregionalpartnership.com/drp-launches-interactive-logistics-industry-story-map/>

ⁱⁱ “Logistics and Supply Chain Asset Study,” Michigan Economic Development Corporation, (2015), at Sec. 5-9.

ⁱⁱⁱ “Covid is Fading, But Reshoring Isn’t,” Forbes Magazine, Jan. 25, 2024.

^{iv} “Logistics and Supply Chain Asset Study,” Michigan Economic Development Corporation, (2015), at Sec. 7-1.