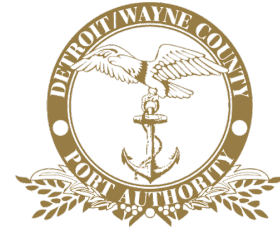


To: City Council President Mary Sheffield
City of Detroit, City Council

From: Mark Schrupp, Executive Director
Travis Jackson, Finance Director
Detroit/Wayne County Port Authority



Date: March 28, 2023

Re: Responses to Council President Mary Sheffield's Questions Related to the Detroit/Wayne County Port Authority FY2024 Budget Request

Please find below responses to your questions sent on March 23, 2023, regarding the Fiscal Year 2024 Proposed Budget for the Detroit/Wayne County Port Authority (the "Port Authority").

1. Question 1: How many employees does the Port Authority have? How many vacancies?

Answer: The Port Authority has 4 full-time employees – Executive Director, Port Operations Director and Facility Manager. We have one vacant position – Business Development Manager.

2. Question 2: How much of a subsidy will the Detroit Port Authority receive from Wayne County for FY 2023?

Answer: \$250,000

3. Question 3: Does the Port Authority donate event space to community groups? If so, how often and what is the process?

Answer: The Port Authority waives the standard room charge of \$3,500 for non-profit and community groups. Food and other services, if needed, are billed by the catering company, Continental Catering and Events, LLC. We average approximately 10-15 non-charged events annually. Groups contact the Port Authority directly, or are referred by Board Members and we work with Continental to reserve the date and coordinate usage.

4. Question 4: What commercial and recreational activities were planned along the 32 mile stretch from Lake St. Clair to the Wayne/Monroe County border in FY23? What activities are planned for FY24?

Answer: The Port Authority's commercial and recreational activities along the Detroit River occur at two locations – our General Cargo Dock, located at 4461 W. Jefferson in Detroit, and our Cruise Ship Dock, located at our headquarters at 130 E. Atwater, respectively.

Responsibility over the General Cargo dock are delegated to the Ambassador Port Company (“APC”) pursuant to a Master Concession Agreement. APC has subcontracted management of the dock to Nicholson Terminal and Dock Company. Nicholson has advised us that they expect to receive approximately 400,000 tons of cargo in 2023, consisting of steel slabs, steel and aluminum coils and cement. It’s too early to tell for 2024, but a similar figure is likely, as long as the economy holds at the same level.

The Port Authority’s Cruise Ship dock is scheduled to receive 67 cruise ships and 16 dinner cruise ships in 2023. A copy of our cruise ship schedule is attached. We expect 2024 to have a similar total, provided the economy stays strong.

The Port Authority also plans to host three Port Days celebrations in 2023. In May, in coordination with Visit Detroit, we will host a Cruise Ship event open to the public while a cruise ship is docked. The date has not been determined. We will also host a Port Day focused on our decarbonization planning work, educating people about climate change and how the port terminals can help reduce their carbon emissions. Lastly, we will partner with cruise and cargo ship companies and other maritime-related businesses to host a Port Day focused on maritime employment. The date has not been set.

The remaining parts of the Detroit River along Wayne County and the City’s border are owned by private and other public entities. which are not under the Port Authority’s control. Here is a non-exclusive list of activities we are aware of for 2023:

Commercial Activity:

- Approximately 20 privately-owned terminals operate along the Detroit and Rouge Rivers and receive a variety of bulk cargo used in manufacturing and road products. The operators are not required to provide the Port Authority with reports of their activities. However, through conversations with individual terminal operators, the Port Authority believes that there will be significant imports of road-building materials to support the increased infrastructure and construction projects occurring in Metro Detroit.
- The Port Authority has commissioned an economic impact study that will provide estimates of total tonnage shipped, types of cargo, number of jobs directly related to cargo activity and dollar value of the goods and services through the terminals. The most recent economic impact study performed in 2018 is attached and provides a good summary of the commercial activity within the Port of Detroit.

Recreational Activity

- The Grand Prix Returns to downtown, with views from the river. (June 1-4).
- The Ford Fireworks. (June 26th). <https://theparade.org/ford-fireworks/>

- **The River Front Conservancy** operates the Riverwalk along the Detroit River from just west of the Belle Isle Bridge to Huntington Place and has a number of events planned for 2023 including:
 - Rain Barrels on the Riverfront (April 29th)
 - Sturgeon Day (May 6th)
 - Detroit Riverfront Run (June 10th)
 - Monthly Pack Walks with Canine to Five.
 Visit: <https://detroitriverfront.org/things-to-do> for more information.

- The Aretha Franklin Amphitheatre has a full schedule of events for 2023 including:
 - Concerts: Incognito and Mike Phillips (June 7th), Patrice Rushen (June 14th), Rahsaan Paterson (June 21st), Spyro Gyra & Bob Baldwin (June 28th) and many more.
 Visit: <https://thearetha.com/calendar/>

- **The Detroit Princess** offers regular cruises for individuals, small and large groups from May through October. Lunch, dinner and sunset cruises are available for booking at <https://www.detroitprincess.com/home-page-1.php>.
- **Diamond Jack's River Tours** provides regular sight-seeing public and private tours along the Detroit River from May-September. <https://diamondjack.com/sightseeing-tours.html>

The foregoing activities will occur primarily during the Port Authority's Fiscal Year 2023, which ends on September 30th. Many of them will occur during the City's Fiscal Year 2024. The Port Authority expects the Cruise Ship activity to increase in 2024, though our schedule is still in development.

5. Question 5: How will the Port Authority use the \$250,000 from the City of Detroit

Answer: The Port Authority is requesting \$300,000 each from the City and Wayne County and \$600,000 from the State of Michigan for our FY2024 budget, which begins on 10/1/2023. We intend to use the funds to cover staff and facility expenses, engaging consultants for business development and grant activity, and planning for our future new port facility. Attached is our FY 2024 proposed budget.

6. Question 6: How many dollars did the Authority receive from the State of Michigan in FY23?

Answer: \$500,000

7. Question 7: Did the Port Authority receive any American Plan Rescue Act dollars?

Answer: No.

Detroit/Wayne County Port Authority's 2023 Schedule of Cruise Ships and Dinner Cruises

Date:	Ship 1	Ship 2
<u>May</u> 1 st 8 th 9 th 10 th 15 th 21 st 22 nd 28 th 30 th 31 st	Viking Octantis (8am-2pm) Infinity (5:30pm-11pm) Viking Octantis (noon-6pm) Ocean Navigator (8am-6pm) Viking Octantis (8am-2pm) Ocean Voyager (8am-6pm) Ocean Navigator (7am-6pm) Ocean Navigator (8am-6pm) Viking Polaris (8am-2pm) Pearl Mist (6am-1pm) May Total: 9 cruise ship docking days; 1 dinner cruise	
<u>June</u> 3 rd 6 th 7 th 8 th 10 th 14 th 20 th 21 st 26 th 29 th	Grand Prix Ocean Voyager (8am-6pm) Viking Polaris (noon-6pm) Ocean Voyager (8am-6pm) Ovation (noon-4pm) Viking Polaris (7am – 4pm) Viking Octantis (noon-6pm) Ovation (5:30pm- 10pm) Viking Octantis (8am-2pm) Pearl Mist (7am-8pm) June Total: 9 cruise ship docking days; 3 dinner cruises	Ocean Voyager (7am-6pm, cargo dock) Ovation (5:30pm-10pm) Ocean Voyager (7am-6pm)
<u>July</u> 6 th 7 th 8 th 12 th 13 th 14 th 18 th 20 th 24 th 25 th 26 th 31 st	Pearl Mist (7am-1pm) Ocean Navigator (7am-6pm) Ocean Voyager (7am-6pm) Viking Polaris (7am-4pm) Ocean Navigator (8am-6pm) Ocean Voyager (8am-6pm) Viking Octantis (noon-6pm) Infinity (7pm-10:30pm) Viking Octantis (8am-2pm) Ocean Navigator (7am-6pm) Ocean Voyager (7am-6pm) Ocean Navigator (8am-6pm) July Total: 12 cruise ship docking days; 3 dinner cruises	Ovation (5:30pm-10pm) Ocean Explorer (7am-10pm) Ovation (5:30pm-10pm)

<u>August</u> 1 st 3 rd 4 th 5 th 8 th 11 th 12 th 13 th 16 th 17 th 18 th 19 th 23 rd 25 th 26 th 30 th 31 st	Viking Octantis (noon-6pm) Ovation (5:30pm-10pm) Pearl Mist (7am-8pm) Ocean Explorer (7am-6pm) Viking Octantis (7am-4pm) Pearl Mist (7am-10pm) Ocean Navigator (7am-6pm) Ocean Voyager (7am-6pm) Ovation (5:30pm-10pm) Ovation (5:30pm-9:30pm) Ocean Navigator (8am-6pm) Ocean Voyager (8am-6pm) Ocean Explorer (8am-6pm) Ovation (6:30pm-10:30pm) Pearl Mist (7am-8pm) Ocean Navigator (7am-6pm) Ocean Voyager (7am-6pm) August Total: 15 cruise ship docking days; 5 dinner cruises	Ocean Voyager (8am-6pm) Ocean Explorer (8am-6pm) Ovation (5:30pm-10pm)
<u>September</u> 2 nd 4 th 6 th 8 th 9 th 10 th 12 th 14 th 18 th 19 th 20 th 21 st 22 nd 24 th 25 th 28 th 29 th 30 th	Viking Polaris (7am-6pm) Viking Octantis (8am-4pm) Ocean Voyager (8am-6pm) Le Dumont D'Urville (7am-8pm) Ovation (6:30pm-11:30pm) Ocean Navigator (7am-6pm) Viking Octantis (noon-6pm) Le Dumont D'Urville (7am-8pm) Ovation (5:30pm-9:30pm) Ocean Voyager (7am-6pm) Le Bellot (noon-overnight) Le Bellot (overnight-noon) Le Dumont D'Urville (7am-8pm) Ocean Voyager (8am-7pm) Hamburg (8am-7pm) Le Dumont D'Urville (7am-8pm) Le Bellot (noon-overnight) Le Bellot (overnight-noon) September Total: 17 cruise docking days; 4 dinner cruises	Ovation ((5:30pm-10pm) Infinity (5:30pm-9:30pm) Ovation (5:30pm-10pm) Ocean Navigator (8am-6pm)
<u>October</u> 4 th 5 th 6 th	Le Bellot (noon-overnight) Le Bellot (overnight-noon) Ocean Voyager (7am-6pm)	Le Dumont Du'Urville (7am-8pm)

11 th	Hamburg (8am-7pm)	
	October Total: 5 cruise ship docking days	

Season Totals

67 cruise ship docking days

16 dinner cruises