

# **Gaining Community Benefits: The Detroit Intermodal Freight Terminal**

## **Status of the Detroit Intermodal Freight Terminal**

The geography and historical development of Southwest Detroit resulted in a close and contentious array of land uses. Residential areas developed in the shadow of the Ford Rouge Complex. Throughout the community, heavy and light industry are located adjacent to parks, schools, and homes. The interstate highway system, as well as rail lines, encircle Southwest Detroit. Like other urban neighborhoods that developed as a result of industrialization, we are in the midst of a transformation.

- The Detroit Intermodal Freight Terminal (DIFT) project at Livernois Junction Yard was proposed by the Michigan Department of Transportation (MDOT) following a 1992 directive by the Michigan State Legislature to evaluate and recommend strategies to promote intermodal transportation in southeast Michigan.
- The proposed DIFT became an official project in early 2001 when the feasibility analysis commenced.
- In 2002, following the conclusion of the feasibility assessment, the DIFT project moved into an Environmental Impact Statement (EIS) evaluation – a requirement for the use of federal funding. Several project alternatives have been evaluated that range from “no action” – meaning no governmental investment and oversight - to a 1,200 acre intermodal terminal facilitating 16,000 trucks per day.
- The Draft Environmental Impact Statement (DEIS), which reports on the impacts of three project alternatives, was released in May, 2005.

*The proposed DIFT has now been discussed and evaluated for 14 years. With the release of the DEIS, the Southwest Detroit community has a renewed opportunity to engage in discussion and negotiation regarding the DIFT proposal.*

## **Why Engage MDOT and Industry**

Livernois Junction Yard has existed in Southwest Detroit for more than a century. It is a 300 acre railroad parcel that has not been well maintained or properly stabilized within its neighborhood context for decades. The deleterious condition of Livernois Junction Yard has not appreciably improved during the past four years of planning for the DIFT project. The roads surrounding the yard are in disrepair, the area under the unlit and eroding viaducts flood during rainstorms, and the truck traffic is a constant public safety hazard. The perimeter and surface area inside the yard is not paved, which means that a tremendous amount of dirt and dust is strewn throughout residential areas. The pollution generated by truck traffic and the unpaved surface are contributing factors to poor air quality. The “improvement project” implemented last year focused almost exclusively on configuration changes inside the rail yard. The improvements along the Livernois frontage are far from adequate and are an illustration of “worst practices” in appropriate buffering and property maintenance. A new truck gate located at the intersection of West Vernor, Waterman, and Dix reflects poor urban planning: truck traffic on the main neighborhood commercial corridor dangerously undermines vehicular and pedestrian safety, it strongly challenges the reconnection of the east and west ends of the West Vernor neighborhood commercial corridor, and hampers revitalization efforts.

The condition of Livernois Junction Yard must not be permitted to fester and encroach unabated for another extended and undeterminable period of time. The unpredictability associated with the DIFT project and the future development of the rail yard has persisted for more than 15 years undermining significant public and private investment in the communities surrounding the rail yard. Industrial-sized junk yards and underutilized lands are immediately adjacent to Livernois Junction Yard. Moreover, the railroad owners have no intention to leave Livernois Junction Yard – the rail lines that run through and intersect in this yard are active and lucrative. Intermodal freight is the fastest revenue growing sector of the rail industry. Changing the use of this land is not a realistic option.

*If no action is recommended on the proposed DIFT, then private sector actions will determine the fate of Livernois Junction Yard. If past practice is the most accurate prediction of future practice, then the condition and maintenance of the rail yard will not change. The railroads will not invest in the necessary infrastructure to buffer the property, repair the viaducts, or remove the West Vernor, Dix, and Waterman truck gate. Furthermore, given the City's fiscal situation, the opportunity to secure funding for the roads, sidewalks, lighting and other public infrastructure will be lost for an untold number of years if not forever.*

The freight market will dictate how and at what level the rail yard will operate. While the overall economic climate may cause slower growth in some years, all of the forecasts indicate steady increases in intermodal freight transportation. The rail yard will continue to be used whether there is government involvement and investment or not. Southwest Detroit will continue to get the trucks – with or without adequate infrastructure. Moreover, private acquisition and use of land for transportation related businesses will continue to encroach upon residential and local business areas without regulation. “No action” on the DIFT project equals more of the same or worse.

## **Community Negotiations**

*Negotiation provides an opportunity to ensure that transportation land uses are accommodated by adequate infrastructure support and result in concrete economic benefit and value to Southwest Detroit.*

Perhaps with the exception of limited congestion relief, transportation infrastructure, in and of itself, does not generally result in tangible community benefits. Most urban communities do not actively court wider highways, additional roads and bridges, and increased traffic because of their negative consequences. Likewise with the proposed DIFT project. Southwest Detroit did not seek out a project that will further burden its land use and quality of life by increasing its support of transportation infrastructure that predominantly supports the economy of Southeast Michigan and not the Southwest Detroit economy. The negative impacts of the proposed project will accrue to the local community while the lion's share of any benefits go to the region – unless we work together to reverse this equation.

Southwest Detroit's greatest strength lies in its residents – in their diversity and their passion. The DIFT project represents a renewed opportunity for Southwest Detroit and the Michigan Department of Transportation to integrate local economic and community development with transportation infrastructure investments. Missing from traditional transportation projects has been a coordinated strategy for business development, job expansion, protection of community

assets, and proper mitigation planning. Meaningful economic benefit would better calibrate the overall negative consequences of transportation infrastructure. The economic potential associated with these projects is strong if they are properly designed and coordinated, implemented and enforced, the community fully participates, and negative impacts are mitigated. Also missing from transportation projects is a comprehensive package of quality of life and community development benefits.

## **A Community Benefits Agreement**

*A Community Benefits Agreement (CBA), developed and negotiated between community representatives and MDOT is proposed for the Detroit Intermodal Freight Terminal project.*

A Community Benefits Agreement (CBA) is a legally enforceable contract between a developer and community groups that becomes part of the developer's agreement with the city. CBAs set forth benefits that the developer will provide to the community as part of the development project. In exchange for the benefits provided in CBAs, community groups promise not to oppose the development in courts and to support proposed projects before government bodies and the community.

## **Possible CBA Benefits**

- Environmental improvement and mitigation, such as noise reduction measures, anti-pollution controls, traffic abatement, adequate storm drainage or mitigation of unwelcome impacts from the development.
- Local economic development strategy associated with freight transportation such as distribution and logistics centers.
- Job and wage programs, such as living wage guarantees, job training programs, local hiring, or guaranteed union positions.
- Infrastructure improvements such as roadways and rail viaducts repaired, lit and maintained.
- Perimeter land around the entire yard appropriately buffered and landscaped, designed as a nonmotorized, shared-use pathway, and incorporated into the emerging community greenway network.
- Community involvement, such as designating a community liaison, allowing regular community input, or setting up neighborhood monitoring structures.
- A maintenance fund for improvements.
- Comprehensive and cumulative impact analysis of the transportation projects proposed for location in Southwest Detroit.
- Health impact analysis of transportation infrastructure expansion.

If community organizations, public officials, residents, businesses, and other interested parties can come together for long-term negotiations with a developer, a CBA will turn the Livernois Junction Yard from a source of blight, pollution, and traffic to one of prosperity and improved infrastructure. The inclusiveness of the CBA process would help build and strengthen Southwest Detroit's diverse population and the enforceability of a legal contract would encourage parties to the CBA to monitor and ensure the CBA is followed.

## **Next Steps**

A Working Group for the DIFT CBA has been established and is open to all members of the Southwest Detroit community. The Working Group is committed to the following:

- Participation and commitment will be as broad as possible – neighborhood associations, faith-based groups, development corporations, business associations, residents, property owners, etc.
- The process for discussing and developing a CBA will be open and transparent.
- There will be regular and open communication between the parties negotiating the CBA and those signed on to the CBA approach
- The CBA will be negotiated in good faith with MDOT and other implementing partners.

A process for coordinating CBA negotiations is being worked out at this time by the Working Group. Anyone interested in participating in the Working Group or updates related to the Working Group's progress can contact Karen Kavanaugh, Public Policy Director, Southwest Detroit Business Association at 842-0986 extension 26 or .