

# **Detroit/Windsor Border Update**

## **Part I-Detroit River International Crossing Study**

**The economic security of two great trading partners, the United States and Canada, depends on an efficient border-crossing network on the Detroit River**

Can our region afford to lose 150,000 jobs? How about more than \$13 billion in annual production?

The answer is clearly no. Yet that's precisely what the Detroit-Windsor region faces if no improvements are made by 2030 to border-crossing capabilities in the Detroit River area, according to a 2004 study commissioned by the Border Transportation Partnership.

Twenty-five years might seem like a long time, but the challenge we face is here and now. Statistics Canada, for example, recently revealed that the number of same-day car travelers from the United States in July tumbled to its lowest monthly level on record, the byproduct of a number of factors including the 9/11 terrorist attacks, spiraling gasoline prices, confusion over new passport requirements and perceptions about border backups and hassles.

Sobering statistics like those form the backdrop for the bi-national Detroit River International Crossing (DRIC) Study, which will assess the environmental impact of a new or expanded Detroit River crossing and its associated roadway connections on both sides of our northern border. Originally, the study considered three locations for a new border crossing: Downriver Area, Central Area and Belle Isle Area. In October 2005 the study area was narrowed to the Central Area.

The process now continues to the next stage – an environmental review by the Michigan Department of Transportation. MDOT is preparing a Draft Environmental Impact Statement with input and participation from a number of agencies representing the United States, the State of Michigan and Canadian and Ontario governments. Other participating agencies include members of the Border Transportation Partnership formed in 2003 to conduct a comprehensive assessment of mobility needs in the Detroit-Windsor border-crossing region, the Federal Highway Administration (U.S.), the Ontario Ministry of Transportation and Transport Canada.

### **Moving goods, moving people**

The purpose of the Detroit River International Crossing project is two-fold:

1. Provide for the safe, efficient and secure movement of people and goods across the U.S./Canada border in the metropolitan Detroit-Windsor area.
2. Support the mobility needs for national and civil defense.

From a purely economic point of view, the study is critical. The United States and Canada have the largest bilateral trading relationship in the world. In 2004, the total U.S. trade with Ontario alone was \$407 billion. Approximately 28 percent or \$113.3 billion of surface trade passes between the United States and Canada at the Detroit-Windsor border. As a direct result of NAFTA and similar trade agreements, the volume of U.S./Canada trade is expected to continue to increase at the annual rate of 11 percent.

This flood of goods and services currently flows across the Detroit River at four points in the Detroit-Windsor area: the Ambassador Bridge, the Detroit-Windsor Tunnel, the Detroit-Canada Rail Tunnel and the Detroit-Windsor Truck Ferry.

## **How the study works**

Given the importance of our shared border to our national and state economy, and the need for the smooth and efficient flow of trade, the DRIC Study is charged with reviewing and recommending border alternatives that:

- Provide additional crossing capacity to meet long-term demand.
- Improve system connectivity to enhance the flow of people and goods.
- Improve operations and processing capability.
- Provide reasonable and secure crossing options in the event of incidents related to trade flow or national security.

The DRIC study will examine both bridge and tunnel options along with such collateral issues as potential plaza sites and freeway interchange locations on each side of the Detroit River. “The study has been very thorough in its investigation, to protect communities, the environment, ensure proper traffic flows and, very basically, to make smart decisions,” said Richard E. Blouse Jr., president and CEO of the Detroit Regional Chamber. “We are pleased, though, that the options for a crossing corridor have been narrowed, and that the process is beginning a next chapter. Our economy -- including businesses and jobs -- depend on decisions made through the DRIC process.”

A number of other factors will also come in to play, of course, and many of them are virtually certain to provoke intense debate and controversy. These include such issues as maintaining air quality, protecting neighborhoods and cultural resources, improving regional mobility and protecting the environment.

Ultimately, the DRIC Study process will result in development of a recommendation for the preferred border-crossing alternative, and the result is likely to affect our region for generations to come.

## **Bottom line: \$800 per vehicle**

While an offshore shipment of 4,000 vehicles is required to give 24-hour advance notice and endure a single security check prior to rolling off a ship and proceeding to various North American dealerships, U.S.- and Canadian-produced vehicles will have crossed the Canada-U.S.

border an estimated seven times during production, with finished vehicles crossing the border one truckload at a time. The automotive industry in North America is so integrated that the production of 4,000 vehicles in North America may involve over 28,200 customs transactions. The bottom line is that these additional reporting, compliance and delay costs translate into an estimated \$800 per vehicle.

### **How you can get involved**

The Detroit River International Crossing Study began in March 2005 and runs through December 2007. Key opportunities for public input and involvement are listed in the timeline at the bottom of the page. For questions about the DRIC Study process and how you can get involved, contact Mohammed Alghurabi, DRIC project manager, MDOT at (517) 373-7674 or e-mail: [alghurabim@michigan.gov](mailto:alghurabim@michigan.gov).

The Detroit Regional Chamber will continue to seek and provide input in the process through its committee volunteers with the Chamber's latest initiative, Transportation Central. For more information, contact Claudia Berry at (313) 596-0329 or e-mail: [cberry@detroitchamber.com](mailto:cberry@detroitchamber.com).

### **Key DRIC Study dates**

Study Kickoff	April 2005
Alternatives Definition	June 2005
Study Meeting: Scope/Process/Issues	August 2005
Alternatives Evaluation	December 2005
Alternatives Selection	March 2006
Context Sensitive Design 1	April 2006
Community Impact Assessment 1	May 2006
Context Sensitive Design 2	June 2006
Community Impact Assessment 2	July 2006
Context Sensitive Design 3	August 2006
DEIS Available for Review	December 2006
DEIS Public Hearing	January 2007
Recommended Alternative	December 2007

*This material was researched and written for the Detroit Online by Claudia Berry and Lisa Katz of the Detroit Regional Chamber's Government Relations group.*

## **Part II-New Federal Passport Requirements**

**It's a case of national security vs. economic security, but the new federal passport law threatens your pocketbook – and your business**

If you've never heard of the Western Hemisphere Travel Initiative or WHTI, get ready for some bad news. It means that by Jan. 1, 2008, a passport or other secure, accepted document will be

needed to re-enter the United States from the Caribbean, Bermuda, Panama, Mexico . . . and Canada.

Yes, Canada. And yes, it applies to all travelers, including U.S. citizens. Make no mistake about it: This is going to have a down-arrow impact on our pocketbooks – and our businesses – here in the Detroit-Windsor metropolitan area, home to the busiest crossing points between the United States and its No. 1 trading partner.

The requirement has sparked considerable concern over economic development in the Detroit/Windsor and Port Huron/Sarnia areas. Many worry that requiring a passport or similar document, which would include an additional cost and several week wait-time per person, could reduce spontaneous visitors to the border. It also could make life more difficult for those who like to visit restaurants, relatives, vacation homes, shopping centers, sporting events, trade shows and other attractions in their neighbor country.

Annually 1.7 million Michiganders visit Canada, with an economic impact of more than \$474 million, and 1 million Canadians travel to Michigan, with an impact on the state's economy to the tune of more than \$166 million. This translates into roughly \$1 billion every two years, not counting enormous volumes of commercial trade traditionally associated with the region's border crossings.

### **One alternative: 'passport lite'**

Rather than requiring everyone to obtain a passport, which costs around \$100 per person and can take as long as eight weeks, the U.S. Department of Homeland Security and Department of State have proposed an alternative. Border residents and others could apply for a border identification card -- sometimes called "passport lite" -- which, while cheaper than an actual passport, still would require similar documentation and wait times.

Currently, only 40 percent of Canadians and 20 percent of Americans have passports. By 2008, all others who wish to cross the U.S. border will need either to ante up for a passport, apply and pay for other existing pre-clearance programs (like NEXUS or FAST) or obtain the new ID card. Each member of a household desiring to cross the border will need the additional documentation, translating into several hundred dollars per family.

It's the cost and inconvenience that concerns economic developers, who fear people simply will choose not to head for the border. Reductions in such travel in the aftermath of the 9/11 terrorist attacks already have resulted in hundreds of millions in losses for area businesses.

Michigan's Secretary of State, Terri Lynn Land, is currently exploring the possibility of integrating some passport requirements into new federal drivers license requirements passed last spring through the federal REAL-ID Act. This alternative to WHTI requirements could mean fewer hurdles and less cost for many travelers.

The bottom line, though, is that businesses need to prepare for a dramatic change in the functionality of U.S. and Canadian relations, and it is not clear the extent to which thinking on

national security will trump economic security. So far, the balance does not appear favorable, and businesses and residents along the border stand to lose big.

### ***May I see your passport, please?***

Under a new law stemming from the 9/11 Commission, by Jan. 1, 2008, travelers to and from the Caribbean, Bermuda, Panama, Mexico and Canada will be required to have a passport or other secure, accepted document to enter or re-enter the United States. The requirement, known as the Western Hemisphere Travel Initiative (WHTI) will affect all people, including U.S. citizens, entering the United States from countries within the Western Hemisphere, including those at land borders who do not currently possess valid passports.

*This article was prepared for the Detroit Online by Lisa Katz of the Detroit Regional Chamber's Government Relations group. For more information on this new policy, contact Lisa Katz at (313) 596-0460 or e-mail: [lkatz@detroitchamber.com](mailto:lkatz@detroitchamber.com).*

## **Part III-A Tribute to Kevin Weeks**

### **Kevin Weeks leaves Detroit with a record of accomplishment**



The Detroit Region bid farewell to a good friend and community leader in August when Kevin Weeks became director of field operations for U.S. Customs and Border Protection within the Department of Homeland Security in Long Beach, Calif.

Prior to this assignment, Weeks had served as director of field operations in Detroit with responsibility for all air, land and marine operations along the U.S.- Canadian border in Michigan. In this position, he directed over 1,000 employees, and was responsible for the Ports of Entry in Detroit, Port Huron, Sault Ste. Marie, Grand Rapids, Battle Creek and Saginaw/Bay City. Together, these ports process over \$600 million in Canadian imports daily, most of which are related to the U.S. automotive industry.

The Port of Detroit is also home to the Ambassador Bridge, the busiest commercial border crossing in the nation where inspectors process over 6,500 trucks each day using the latest in non-intrusive screening technology. Denise Crawford is serving as acting director of field operations in Detroit until a permanent replacement for Weeks is named.

In the aftermath of Sept. 11, 2001, terrorist attacks, the Detroit Regional Chamber established the Northern Border for Economic Security and Trade (NBEST) to address the horrific traffic backups and delays that were having a devastating impact on business, trade, work and recreational travel, tourism and the general quality of life of the region. NBEST is a bi-national coalition of public and private-sector stakeholders with the shared mission to advocate for necessary improvements at our Michigan/Ontario border crossings (see end of this article for a

description of NBEST). The Chamber's vision is a safe and secure border that enables the seamless and efficient flow of people and goods between two great trading partners.

Weeks was an active member of NBEST, serving as a valuable resource in Chamber efforts to make immediate and long-term improvements at the border. He and his team partnered with the Chamber to regularly conduct border updates and briefings with key stakeholders. We co-hosted press conferences to launch NEXUS and FAST in Detroit, and we convened informational meetings to provide input on developing border policies, including US Visit and the Western Hemisphere Initiative.

"We will miss Kevin's leadership and support in addressing critical issues at our border," said Chamber President and CEO Richard E. Blouse Jr.

Weeks began his federal career in 1975 as an import specialist in Buffalo, N.Y. He has also served as the U.S. Customs Port Director in Chicago and the Northern Border Staff Officer at U.S. Customs Headquarters in Washington, D.C. As a result of his distinguished career, he was accepted into the U.S. Department of Homeland Security Senior Executive Service in 2003.

Weeks is a native of Boston and a graduate of Northeastern University where he received a Bachelor of Science degree in criminal justice.

### ***What is NBEST?***

Northern Border for Economic Security and Trade (NBEST) is a bi-national coalition of public and private-sector stakeholders with a mission to pursue these objectives at Michigan/Ontario border crossings:

1. Increase staffing levels to ensure the safe and efficient operation of our Michigan/Ontario border crossings.
2. Accelerate and expand the use of technology, including NEXUS and FAST, to expedite the flow of low-risk people and goods cross-border.
3. Identify and advocate for infrastructure improvements necessary to support the existing and future demand for passenger, truck and rail traffic that travels through our borders.
4. Streamline and better coordinate border management practices among the various federal agencies, as well as between the United States and Canada.
5. Educate and inform the community about our shared Michigan/Ontario border, priority issues to be addressed, and programs available for low-risk travelers.

*For more information about NBEST and the Chamber's border issues, contact Claudia Berry, senior director, Government Relations at (313) 596-0329 or e-mail: [cberry@detroitchamber.com](mailto:cberry@detroitchamber.com).*

# Part IV-Glossary of Terms

## ***A glossary of border terms and links for more information***

### **NEXUS**

The [NEXUS Highway program](#) allows members -- U.S. citizens/resident aliens and Canadian citizens/permanent residents -- to clear customs and immigration using dedicated lanes. The NEXUS Highway identification card is read to verify participants' membership in the program. The inspection officer then makes a decision on the admissibility of the vehicle and travelers.

### **ACE**

The [Automated Commercial Environment](#) (ACE) is the new U.S. trade-processing system designed to consolidate and automate border processing to significantly enhance border security. ACE is part of a multi-year U.S. modernization effort that will replace a number of trade processing systems, including FAST (listed below), and give Customs and Border Protection (CBP) automated tools and better information to decide -- before a shipment reaches U.S. borders -- what cargo should be targeted or expedited based on risk.

### **C-TPAT**

The [Customs-Trade Partnership Against Terrorism](#) (C-TPAT) is a voluntary government-business initiative to build cooperative relationships that strengthen and improve overall international supply chain and U.S. border security. To better secure and facilitate the flow of goods into the United States, Customs and Border Protection (CBP) will verify that agreed security measures have been implemented and work to implement supply chain security best practices. C-PAT is a prerequisite for participation in FAST (listed below).

### **FAST**

The [Free and Secure Trade \(FAST\) program](#) is a joint Canada-U.S. initiative that supports moving pre-approved eligible goods across the border quickly and verifying trade compliance away from the border. FAST is a harmonized commercial process offered to pre-approved importers, carriers and registered drivers, whose shipments will be cleared into either country with greater speed and certainty, and at a reduced cost of compliance.

**\*The above material appeared as a series in the December 2005 issue of the Detroit Regional Chamber's Detroiter magazine.**