

Date: January 7, 2004

To: HCMA Forum Participants

From: Social Services/Non-Profit/Housing Interest Group

Re: Cost-Benefit Analysis of the Proposed Park Sites

The interest group representing social services, non-profit and housing concerns is currently debating the strengths and weaknesses of the four metropark proposals with regards to the goals of our member organizations. This interest group is composed of members from MOSES, Habitat for Humanity, the Community Foundation of Southeastern Michigan and the Family Independence Agency of Wayne and Livingston Counties. Before outlining the costs and benefits for each proposal it is necessary to determine the common ground these organizations share in judging the potential proposals.

Common Ground Between Member Organizations

Although there are differences between these groups, they share some universal philosophies and goals. The foremost concern with all of these groups is to improve the well-being of those most disadvantaged economically and socially. Thus, these plans will be evaluated by criteria such as: whether the park helps Detroit residents, the impact it has on property values, accessibility (both geographically and economic), displacement of low-income families, impact on local economic growth, long-term success and political feasibility. This list is not the exhaustive set of decisive factors but rather a sample of relevant issues that affected the decision-making.

Historic Fort Wayne

The proposal to create a regional park at Fort Wayne has several positive aspects. First and most importantly, this interest group believes that the residents of the adjacent Delray community will benefit economically from an increase in property values as well as a stimulated local business market. Not only will this lead to new job creation as firms enter the area, but existing stores will also receive a jolt in business. This economic promotion will occur concurrently with increased educational activities, as the closed down charter school may be reopened and other Metro Detroit schools begin taking field trips to explore this historic landmark. Also, Detroit Edison has expressed interest in transferring some of its property for the use of a new metropark. Lastly, several non

profit organizations have signaled the desire to use some of the buildings at the site to promote their causes.

There are, however, negative aspects to the Fort Wayne site. For example, there are serious questions as to the long-term success of a fee-based metropark in a very disadvantaged area. Also, some of the poorer residents of Delray may be displaced if property values rise. Furthermore, economic growth may stagnate due to the fact that many of the local residents would not have the capital to spend in new businesses if they were to arise. Finally, compared to the other proposals, the region around Fort Wayne has low population density so fewer residents would directly feel the economic impact.

State Fairgrounds

The biggest benefit of this proposal is its location on the borders of Oakland, Wayne and Macomb counties. This has three advantages. First, it will be relatively easy to pass this proposal because a large number of Michigan residents are located near it. Secondly, its proximity to both rich and poor communities will lead to more frequent cross-cultural exchanges than predicted for the other sites. Third, this location near the affluent Oakland County will insure that the site receives adequate funding because admission fees will not be an issue for many visitors. There will be economic advantages to local residents due to increased property value and business growth. There are also educational benefits from this plan as the grounds can be used to teach agricultural issues; with educators coming from Michigan State's superb agricultural college as well as regional farmers. Lastly, because of revenues from the annual state fair it seems very unlikely that a metropark there would run into economic problems.

All the same, this proposal has weaknesses too. There will be a displacement of low-income people as property values rise. It is also not on a greenway and it does not have aquatic access. Also, this proposal does not help the poorest of the poor. In fact, many of the residents benefited from the plan will be some of the wealthier members of the region.

West Riverfront

There are various strengths to the Riverfront proposal. First, it has important political support, not only from local leaders but also from prominent members of the political elite such as Senator Carl Levin. It will also lead to noble environmental efforts

to clean up many contaminated sites along the riverside. In addition, it will likely have a great economic impact on the adjoining neighborhoods as property values rise and new businesses spring up to serve the desires of strolling residents.

However, there is a downside to this proposal. First, low-income communities will not benefit as directly from this proposal as they would from other proposals. Next, it will take huge sums of money for the environmental cleanup, thus other ideas will have to be sacrificed. Additionally, this area might not be accessible at certain times due to security concerns. Finally, the current plan is broken into three separate stages, so it might be a while before any benefits are realized.

Belle Isle

The costs greatly outweigh the benefits of a metropark on Belle Isle. Nevertheless, the possibility of bringing suburbanites back to Detroit might bring much needed capital and prestige. Other benefits include the comparatively low amount of people that would be displaced and the amount of park infrastructure that already exists. In addition, because Belle Isle is already a popular leisure destination its potential for long-term failure is small.

However, the negative aspects of this plan overshadow these benefits. First and foremost, there is a potential problem with political feasibility. Residents might not want to pay for access that once was free and might be reluctant to cede control over the island, as evidenced by the fact that similar plans have been rejected in the past. Additionally, it would have little positive economic impact for the neighboring residents, as they will see a comparatively small increase in property values and local business. Lastly, Detroiters already use this park extensively and refurbishing the area might not be necessary.

Conclusion

All of these proposals have certain strengths and weaknesses associated with them, and this interest group is not yet able to definitely determine which proposal is best. However, some suggestions appear better than others and the order they were presented in this paper coincides with the current order of preference of this interest group. Nevertheless, this preference is not yet solidified and will require further information and lobbying before it becomes concrete.