

INFORMATION BULLETIN

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SUBJECT: Major Canada-US bridge project obtains final permit

SOURCE: Alexander Panetta, The Canadian Press, 6/3/14

A major Canada-U.S. infrastructure project has cleared its last regulatory hurdle with the granting of a permit for a new bridge between Detroit and Windsor, Ont.

That permit from the U.S. Coast Guard was the last one required for a bridge in the busy corridor that handles one-third of all Canada-U.S. trade.

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The agency didn't waste any time issuing it after getting the go-ahead from a U.S. court. It went out on the same day, Friday, that the Circuit Court in Washington, D.C., rejected an attempt to block it.

This latest move ends an early phase of the project to build the New International Trade Crossing. The next step involves securing funding for a U.S. customs facility, along with acquiring land on the American side.

Gary Doer, Canada's ambassador to the U.S., expressed delight over the latest developments.

"We now have the presidential permit, signed off on by nine (federal) agencies in the U.S. We have the Coast Guard approval and the court case dismissed," Doer said in an interview.

“We continue to work on taking the agreement we have with Michigan and moving forward on the completion of this project, but there’s obviously still work to do on the customs plaza.”

The Canadian government is already picking up the tab for nearly 95 per cent of the project, and is awaiting American financing for the portion of the bridge that would belong to the U.S. federal government.

There have been rumours in recent weeks about different potential financing models for the remaining \$250-million (U.S.) of the roughly \$4-billion project – including whether the funding void in Washington can be filled by the Canadian government or a public-private partnership.

Canada’s official line, for now, remains that it’s wrong to expect one country to pay for another’s customs facility.

But a simple glance at trade statistics illustrates how the issue might be more urgent to one national government than the other. More than 75 per cent of Canada’s merchandise exports went to the U.S. last year, while less than 20 per cent of American exports went the other way.

That makes the 85-year-old Windsor-Detroit bridge – and its replacement – a top infrastructure priority for Canada.

The project is like a “four-legged” stool involving the state of Michigan, the White House and two legislative bodies, Doer quipped.

Until last week, there was a fifth leg.

That’s when the Washington, D.C., District Court denied a request for an injunction against the Coast Guard permit, made by the private company that owns the existing Ambassador Bridge.

That private company, owned by Detroit’s Moroun family, says it’s in a race against governments on both sides of the border to build a replacement for the aging Ambassador Bridge. Having waited years for its own permits, it has tried using the court system to slow down the publicly funded project. The company accuses its public rival of receiving unfair advantages.

The Ambassador Bridge Co. declined to comment Tuesday, as it had not yet seen the Coast Guard navigational permit.

But Michigan’s governor applauded the latest development.

“It’s welcome news,” said Ken Silfven, a spokesman for the Republican governor, Rick Snyder.

“The NITC is all about jobs for families on both sides of the border, and the U.S. Coast Guard’s approval of our permit application is a key step in this process.”

The project has been progressing since it received a presidential permit from the U.S. State Department in April 2013. Last fall, it also received a permit from the Michigan Department of Environmental Quality, while the Canadian government began making soil-sample borings to help determine the foundation design for the bridge’s main span, its approach span and the interchange structure.

“One of the next significant steps will be land acquisition, which is expected to begin in earnest this year,” he said.

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