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## TOM WALSH: Cash will flood into riverfront

### Kresge Foundation joins in \$500-million outpouring

December 12, 2002

This time, there's money.

That's what's different, and so exciting, about today's rollout of a grand vision for Detroit's riverfront. After decades of big talk and dashed dreams downtown, this time there's money: \$500 million in public and corporate and foundation funds pledged to the effort.

The Kresge Foundation will announce today a \$50-million grant -- by far the largest in Kresge's history -- to fund and maintain a 3-mile Detroit RiverWalk pathway stretching from Joe Louis Arena to Belle Isle.

John Marshall III, president of the foundation created by retailing pioneer Sebastian Kresge in 1924, will discuss Kresge's unusual gift during an elaborate news briefing this morning. Detroit Mayor Kwame Kilpatrick, General Motors Corp. executive Matt Cullen and New York urban designers will spell out other aspects of the plan to change the face of Detroit's pockmarked riverfront.

"This is the most transformational public project we're likely to see," says Marshall, who has a lot of experience with public projects. Kresge Foundation has assets of \$2.4 billion and last year made 164 grants totaling \$111 million, for projects ranging from a hospice in Savannah, Ga., to Focus: HOPE and a new YMCA in Detroit.



**Tom Walsh**

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The scope of the riverfront vision is vast. It includes a new state park with a harbor; a new port facility for cruise ships and sightseeing vessels; and a plaza, promenade and retail development near GM's Renaissance Center headquarters. Eventually, the expectation is that hundreds of new housing units will surround the public spaces along the Detroit River.

"It's all about people living here," Marshall says. "Detroit could become a destination city again, as it was early in the auto days."

The RiverWalk -- where people will be able to walk, run, bike or in-line skate -- links all elements of the riverfront vision together, making the Kresge gift something of a linchpin for the project.

The foundation will actually pay out the \$50 million in a series of five grants over five years. And Kresge has challenged the Detroit community to come up with a matching grant of \$25 million, to endow a conservancy that will maintain the RiverWalk for years and schedule events and programs to attract people to the river.

By dispensing the \$50 million in pieces, Marshall says, "it creates a reward for accomplishing one part and keeps the carrot out in front so the process keeps moving."

Marshall expects the \$25-million challenge grant to be raised from companies, foundations and individuals. Detroit Renaissance, the powerful group of chief executives, will recommend it to the corporate sector. "And GM, obviously, is leading by example," Marshall says.

The challenge grant is a key to creating a conservancy that would keep the RiverWalk clean, safe and vibrant long after the initial excitement of building it has receded. The Kresge Foundation has funded other conservancies for Central Park in New York and for projects in Louisville, Ky., and St. Louis, but never anything on this scale.

Kresge's biggest gifts to date had been for \$18 million, and those were spread among many

recipients. Marshall says the largest gift he can recall for a single public project was for a \$3-million grant for the Statue of Liberty restoration that Lee Iacocca headed.

Marshall says the new riverfront vision is so promising "because of the kind of partnership we have this time. And nobody owns it. That's the beauty of it."

Matt Cullen, GM's general manager of economic development and enterprise services, and Derrick Miller, Kilpatrick's chief administrative officer, were the cochairs of the task force that brought the project to this point. But it's unclear who will be responsible for executing it over time.

The key partners are:

- General Motors Corp., which is doing a massive renovation of the Renaissance Center, is bringing EDS Corp. downtown to Tower 500. It plans to build a parking deck, health club and retail space east of its headquarters.
- The State of Michigan, which is doing \$140 million worth of work on I-375 and roads along the river, plus building the 23-acre Tri-Centennial State Park.
- The City of Detroit, which is nearly done with a deal to relocate the concrete silos near Chene Park. The city is also building a parking deck and planning for public use of the old Uniroyal site near Belle Isle.
- The federal government, which will help fund seawall improvements and a new Port Authority terminal at the foot of Bates Avenue, where tour ships can dock.

The partnership came together, informally at first, after several key people saw an opportunity when the plan to locate casinos on the river fell apart. Lots of land had already been assembled, there was a new mayoral administration and some desire by foundations - - Kresge in particular -- to identify a major project that would have enormous, lasting impact on the city.

The first meetings with just a few people took place in February or March, organized by Cullen. Miller was an early participant, along with Marshall.

The first meetings, Cullen says, "were five or six people tossing around ideas. Then we'd meet once a month and eventually it evolved into weekly meetings of 100 people, with a subcommittee structure."

By September, when Kilpatrick announced creation of a 34-member task force and asked for a vision statement in 90 days, "it was time to become visible," Cullen says. "And that allowed us to be even more inclusive, to hear from all the stakeholders and from the community."

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