



DETROIT TRANSPORTATION CORPORATION

TO: Council Member Angela Whitfield-Calloway
CC: peter.rhoades@detroitmi.gov
FROM: Robert Cramer, CEO, Detroit Transportation Corporation
DATE: March 21, 2025
RE: Budget questions for the Detroit Transportation Corporation

1. *The DTC is conducting a long-term study regarding the possible expansion of the People Mover. What is the status of the study? Does the study include an expansion of the People Mover to Detroit Metro Airport? What is the estimated release date of the study?*

DTC has secured \$800,000 from MDOT to conduct a System Plan that will evaluate possible projects, and their impacts and benefits for the City, including adding/moving stops, expanding the track area, or other improvements. The Plan will not result in one single project nor a final funding approval but will provide projects and possible funding solutions. DTC Board approved AECOM through an RFP process, and the contract is awaiting final MDOT approval before a projected study start time of April 2025.

2. *The DTC allows advertising on the People Mover. What is the estimated amount of revenue from advertising? What are the plans to expand the advertising? Will DTC allow advertising on the supporting structures to increase revenue? Can the advertising responsibility be outsourced through a concession contract?*

Ridership and visibility are indicators which attract advertisers, and the People Mover has worked over the past year to boost both, with community events, stories in the media, sponsorships, partnerships and wrapped trains; FY revenues to date total \$257,000.

DTC is moving forward with expanded opportunities, including leveraging the digital screens and electronic station kiosks, which are programmed to accommodate advertiser messages. Also, in consultation with city departments (BSEED/DPW) we are developing a potential plan and pricing for several of the People Mover's supporting structures (columns) to expand advertising inventory, which we hope to roll out CY25.

Throughout our history, advertising responsibilities have been executed both in-house and via contract. As the People Mover has continued to raise its profile, outsourcing expands the potential for DPM to engage a wider range of local, regional and national advertisers.



3. *How long can the DTC maintain the free ride policy?*

The current program has been extended by the DTC Board of Directors through at least the end of CY 2025 and will consider the future of the fare program in July 2025. Due to the fact that resuming fare collection with modern payment would require a \$5,000,000 capital investment (which would be at least a five-year break-even on fare revenue), the logistics and cost of resuming fares is much more challenging than keeping fares free. We will continue to work with Priority or other partners in the future based on interest and value for those sponsors.

Thank You.

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