



**PORT OF OAKLAND
SEAPORT**

OCTOBER 2019

MARITIME e-NEWS



CenterPoint Landing groundbreaking

Port of Oakland and CenterPoint Properties break ground on \$60 million project

Construction milestone for state-of-the-art Seaport Logistics Complex

The Port of Oakland and CenterPoint Properties broke ground on CenterPoint Landing, a key component of the Seaport Logistics Complex. CenterPoint Landing will be a 460,000 square-foot logistics facility located at the site of the former Oakland Army Base. The Port said the facility will enhance logistics in the region by reducing truck travel times, distance and cost, and provide living-wage jobs for Oakland residents.

"We're transforming this area into a logistics hub with excellent rail and highway access," said Port of Oakland Maritime Director John Driscoll. "This project enhances the Port's reach as a global gateway."

On October 11, the Port and CenterPoint
continues on page 3

Harbor Facilities Department keeps the Port humming

Meet Harbor Facilities Manager Bill Morrison who leads a team of 47 Port employees.

Bill Morrison Port of Oakland experience: 22 Years

Responsibilities: Bill Morrison facilitates and manages the maintenance programs for the Port-owned and responsible assets within the Maritime and Commercial Real Estate areas; he leads the teams that respond to emergency Port infrastructure maintenance needs on land and in Port waterways for maritime tenants.

Experience as a diver in the U.S. Navy and at a shipyard, a brief stint in the tech world as a computer network engineer, and a lengthy dedication to the maritime industry at the Port of Oakland, have shaped Bill Morrison's career. It took off when he was a civil service diver and rigging supervisor at Mare Island Naval Shipyard in the San Francisco Bay Area. It was Bill Morrison's depth of training and skill in the

continues on page 2



Bill Morrison

Harbor Facilities Manager Bill Morrison from page 1

Navy and at the shipyard that led him to the Port, first joining the dive team, becoming its leader and finally taking on the role of Manager of Harbor Facilities.

"Harbor Facilities plays an integral role in keeping Port-owned assets healthy through routine preventative maintenance programs," said Bill Morrison. "This results in little to no impact to the business operations within the maritime area for the Port, which means ships and cargo can keep moving."

Harbor Facilities crews inspect, maintain and repair: roadways and terminal yards; Port building roofs; interior and exterior building infrastructure in the maritime area; storm water and sanitary systems; electrical, water distribution and backflow systems; rail and grade crossings; fire alarm and suppression systems; landscaping in Port parks; and Port vehicles and equipment.

A unique aspect of the Harbor Facilities group is its in-house

expert dive team, which performs underwater inspections and maintenance of the below deck and underwater substructures like piles, sheet piles and quay walls. The Port dive team also conducts waterside inspections of fenders, bollards and navigational aids.



"I'm proud of our crews," added Bill. "Our teams complete 4,800 work orders annually."

Maritime business at the Port of Oakland has grown steadily over the last few years. The increase places additional strain on the Port's infrastructure. The bigger demands on Port assets requires Bill to determine whether to alter and/or increase frequency of each maintenance routine.

Mr. Morrison summed up the motivation for the Harbor Facilities teams, "At the end of the day our highest priority is to keep the Port's business continuity flowing."

Port of Oakland loaded container volume up 3.1 percent YTD

Loaded imports up 3.5 percent outpacing last year's volume

Port of Oakland loaded container volume from January through September increased 3.1 percent compared to the same period in 2018, according to data released today. The Port said that despite a dip last month, loaded exports are outpacing last year's numbers.

Loaded imports are up 3.5 percent and loaded exports are up 2.7 percent compared to the same January-September period in 2018.

The Port attributed this growth to continued demand for imports of goods to satisfy the demand from consumers in the strong regional economy of Northern California. Export volumes also continue to grow as U.S. shippers find new markets outside of China.

"We're encouraged that our loaded containers are showing strong growth," said Port of Oakland Maritime Director John Driscoll. "We remain cautious but optimistic that we can maintain this cargo volume performance through the rest of the year."

Oakland's grand total container volume is up 1.3% in the first nine months of 2019 compared to the same period in 2018. This is due to lower volumes of empty containers being repositioned from the U.S. back to Asia. Ocean carriers are moving less empty containers because Oakland's imports and exports are returning to a 50/50 balance after last year's surge of loaded imports. The Port of Oakland is unique on the U.S. West Coast because it has a balanced import/export ratio.

Port of Oakland operating income up 4.1 percent in FY 2019

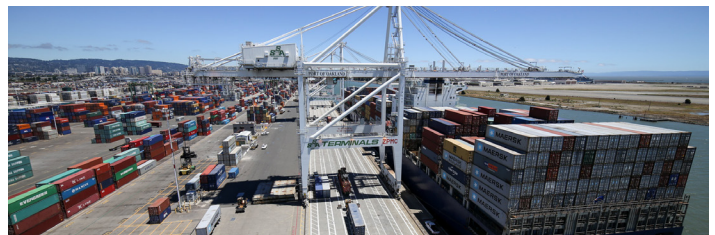
Growth in rents, airport traffic, container volume boosts revenue 4.2 percent

Operating income at the Port of Oakland increased 4.1 percent in Fiscal Year 2019, according to figures just released. The Port reported operating income of \$66 million for the year on operating revenue of \$397 million. The Port said its operating income was at an all-time high.

FY 2019 operating revenue increased 4.2 percent while operating expenses grew by 5.1 percent, the Port said. It attributed revenue growth largely to three factors:

- A 5.8 percent increase in container volume at the seaport;
- A 1.9 percent boost in passenger traffic at the Port's Oakland International Airport; and
- Increased space rent in the Port's commercial real estate holdings.

Maritime revenue increased 7.2 percent in FY 2019, the Port said. It added that Commercial Real Estate revenue grew 4.3 percent while Aviation revenue was up 1.8 percent. The Port said personnel costs of \$118.6 million accounted for the biggest portion of operating expenses during the year.



Seaport Logistics Complex from page 1

celebrated the start of construction on CenterPoint Landing with their community partners. Guest speakers included Oakland Mayor Libby Schaaf, Oakland City Councilmember Lynette McElhaney, and Port Commission President Ces Butner. The event was hosted by CenterPoint Senior Vice President of Development William Lu.

CenterPoint's \$60 million project will anchor a logistics campus planned for about 180 acres at the decommissioned Oakland Army Base. CenterPoint will construct and manage the first building at the campus. The Port inherited the property 15 years ago and has been planning for its use since that time. CenterPoint plans to lease the building to tenants engaged in cargo transportation or logistics.

The facility will be built to LEED standards and be prepped for electric vehicle charging stations. The project also involved a groundbreaking jobs policy that prioritizes employing workers from nearby neighborhoods to work in living-wage warehouse jobs. The policy includes priority consideration for disadvantaged workers along with a ban on asking applicants about prior criminal offenses.

The Seaport Logistics Complex is in the heart of the Port, off Maritime Street, near Oakland's Outer Harbor. It's being developed right next to the Port's \$100 million rail yard.

CenterPoint said the project would also provide sustainable and economic benefits including:

- eliminating truck trips resulting in reduced waste and construction traffic;
- implementing measures to enhance future warehouse working life and safety such as enhanced indoor air quality;
- allowance for rooftop solar panels; and
- using environmentally sustainable construction materials and methodologies.



"You know that we have a saying around here, which is 'Public land for public good'. And as one of the largest swaths of public land... in our city, Revive Oakland is very proud to have worked alongside the Port, alongside CenterPoint, to ensure that this public land development results in public good in the form of real economic opportunity for our people."

Jahmese Myres, Interim Executive Director,
East Bay Alliance for a Sustainable Economy (EBASE)
and Director, Revive Oakland Coalition



"We are a working-class city. We are always going to be a world class port city and that is what this project is about."

Oakland Mayor Libby Schaaf



"One of the things that I have to say about this project - is that there was opportunity ...(for)...getting more West Oakland residents at this job site, not only in construction but in the (permanent) jobs."

Margaret Gordon, Co-Director,
West Oakland Environmental Indicators project (WOEIP)



"I can't think of any other Port in America that has this much land right next to the port... It's valuable... We were able to bring these businesses here and remember the community we serve...We made sure that this unique jobs opportunity that we have, that we did it in a responsible way."

Port Commission President Cestra 'Ces' Butner

continues on page 4



"In every way this project and the... lucky business that will ultimately lease it, have come into Oakland at just the right time. We are truly living into America's promise. This is the work of our generation."

Councilmember Lynette Gibson McElhaney



"Through discussions (with CenterPoint Sr. V.P. William Lu and team) about jobs and how to build value out here, this new idea came up... It's the Port's requirement that these buildings be solar ready. But the developers don't always have a reason to put solar up there (on the roof)... We are exploring building a community-owned solar energy company (West Oakland Renewable Power)...Hoping we wind up putting about four megawatts of photovoltaic solar on the roof of this building."

Brian Beveridge, Co-Director,
West Oakland Environmental Indicators Project (WOEIP)



"It is with great pride that I stand here today to celebrate the ground-breaking of the Seaport Logistics Center at the Oakland Seaport. But really, we're here to celebrate community members and everybody else who not just made this project happen but made this project better."

William Lu, Senior Vice President,
CenterPoint Properties



"They (CenterPoint Properties) are building something so amazing, over 400,000 square feet of warehouse space, cross dock facilities. I can't imagine the economic drive and the opportunity and career pathways that are going to come out of here. I could be a warehouse worker or an 18-wheeler driver or go to imports/exports. These opportunities are real and CenterPoint is right by our side."

Joyce Guy, Executive Director,
West Oakland Jobs Resource Center (WOJRC)

