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June 17, 2016

Via Electronic Mail Only

Diane Heinze
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Re: United Parcel Service Parking Lease; Item 2.5 on the June 23, 2016
Board Meeting

Dear Ms. Heinze:

Thank you for your response to our comments submitted on behalf of the Citizens League for Airport Safety and Serenity (“C.L.A.S.S.”) regarding the proposed License and Concession Agreement between the Port and United Parcel Service (“Parking Lease”) within the Oakland Airport Business Park. We appreciate your willingness to meet and facilitate our review of the Development Permit application for the proposed modifications and expanded use of the existing United Parcel Service (“UPS”) Pardee Facility to improve efficiency and increase through-put (“Pardee Facility Modifications”). Based on our phone conversations, meetings, and review of the Port’s draft Parking Lease with UPS and the Pardee Facility Modifications application, we remain concerned regarding staff’s reliance on an exemption from CEQA for the Parking Lease and failure to consider the inextricably linked UPS expansion activities. As explained in more detail below, this Project’s potential impacts trigger the need for comprehensive and integrated CEQA review.

Based on our review of historic leases by UPS of the parking area at Swan Way and Doolittle Drive, it is our understanding that UPS has formerly leased that site for a few months at a time, largely for seasonal use. This pattern of use is evidenced by former leases extending from November and December to January, such as was the case in 2013 and 2015. Moreover, this pattern of historic use was corroborated by UPS Real

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Estate representative, Kevin Stoelting. Telephone conversation between Mr. Stoelting, Ms. Heinze and Ms. Borg on June, 6, 2016. The current lease proposal differs from that pattern in that it would change the use from short-term to long-term and it would expand the use from seasonal to year-round.

In addition, based on review of the application documents associated with UPS' Pardee Facility Modifications, it appears that the proposed modifications will result in potentially significant environmental impacts. First, the project proposes to construct a 12,300 square foot building to house truck washing and maintenance, which is a significantly larger facility than the 3,000 square foot existing area for these activities. See Site Plan dated April 14, 2016. Second, the site plan indicates that the modifications include 10-12 "new outbound doors", which we understand to be new bays to accommodate additional trucks. The new building and the new outbound doors will serve to increase the facility's capacity to receive more trucks, which will in turn result in increased truck traffic. This increase in truck traffic and corresponding increases in emissions must be evaluated under CEQA.

Furthermore, the Development Permit Application materials Ms. Borg was given to review included no information on the facility modifications that will take place on the interior of the existing facility. The application did, however, include a technical report indicating that weight "loads for the complex structures are unknown" and the modifications would include construction of "deep foundations for the proposed platform structure". Kleinfelder Report, May 4, 2016 at pages 1 and 22. These statements imply that the proposed modifications are substantial and may include changes in equipment that would accommodate a substantial increase in capacity. For instance, UPS may be contemplating installation of upgraded sorting equipment, which could vastly increase throughput in the facility. Such an increase in capacity would likely translate to increases in truck traffic and air quality impacts, which must be analyzed under CEQA. In addition, while staff has indicated that UPS currently processes ground operations at the Pardee Facility, based on the information provided to date, we cannot rule out the possibility that this facility would process air cargo and result in increased flights over Alameda.

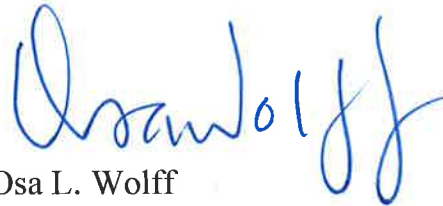
Taken together, the extended use of the parking area along with the Pardee Facility Modifications, appear to indicate a significant increase in use. Based on the information shared by Port staff to date, we believe that staff does not yet have a complete understanding of the scope of the proposed changes. Therefore, as expressed in our letter dated June 9, 2016, we request that the proposal to grant the Parking Lease be postponed until such time as the Pardee Facility Modifications are more fully described and staff performs environmental review of the whole project under CEQA.

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Thank you again for considering our views. We appreciate staff's responsiveness and ongoing cooperation with the community. If you have any questions or comments, please do not hesitate to contact us or C.L.A.S.S..

Best Regards,

SHUTE, MIHALY & WEINBERGER LLP



Osa L. Wolff



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cc: Matt Pourfarzaneh, President, C.L.A.S.S.