



**Danny Wan**  
Acting Executive Director

August 1, 2019

California Trucking Association  
Harbor Trucking Association  
International Longshore & Warehouse Union – Local 10  
Pacific Merchant Shipping Association

**Re: Howard Terminal and Turning Basin Planning Process**

Dear Maritime Stakeholders:

Thank you for your letter dated July 23, 2019 titled, “Request for Clarification Regarding Present Usage of Howard Terminal”. As I am writing this letter, the Port is taking actions to enhance communications with the tenants, operators and other stakeholders in the Port maritime areas relating to the Howard Terminal planning process. These include stakeholder meetings, the launch of a website containing the most updated public information on the planning and regulatory processes, and Port communications. I intend to keep you informed and engaged as the planning process for the proposed ballpark and mixed-used development (“Project”) proceeds, as well as the evaluation on the feasibility of an expanded Inner Harbor Turning Basin (“Turning Basin”) moves forward.

Directly answering the essential question in your letter, the Board of Port Commissioners (“Board”) **has not taken final action** on the Project. The only action the Board has taken is to approve a “Term Sheet” for further exclusive negotiation with the Oakland Athletics (“Oakland A’s”), outlining the conditions precedent to and potential transaction terms for the proposed Project. The Term Sheet reserves to the Port an approximately 14-acre portion of the Howard Terminal (50 acres) for the potential expansion of the Turning Basin, should studies underway determine that such Turning Basin is needed and feasible. It also envisions a buffer zone area between any proposed residential uses and adjacent seaport activities and requires a comprehensive transportation and circulation plan, among other items. Another important condition of the Term Sheet is the negotiation of measures to assure compatibility between the proposed Project uses and seaport operations of the Port (“Seaport Compatibility Measures”), developed in consultation with our seaport and maritime stakeholders and the Port. And, of course, the City of Oakland must first amend the General Plan of the City to permit the proposed Project use after the adoption of an environmental impact report pursuant to the California Environmental Quality Act.

The Board’s decision to continue negotiating with the Oakland A’s was a culmination of years of exploring the productive use of Howard Terminal after the last container terminal operator requested termination of its lease for Howard Terminal in 2013. Since 2013, the Port identified and engaged with interested parties for potential long-term tenancies associated with vessel loading/unloading operations, but these discussions did not materialize into leasing arrangements for a variety of reasons. As a result, Howard Terminal is currently being used for deep water vessel layup berthing, truck and container parking/depot operations, trucking companies, training of longshore workers by the Pacific Maritime Association, and similar ancillary logistics services that support Port operations. During the Board’s year-long investigation of the suitability of the proposed Project,

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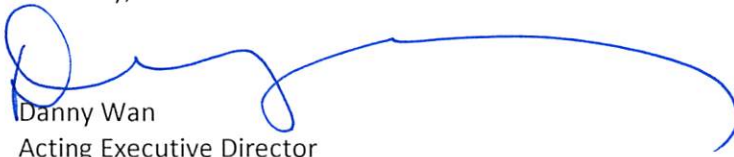
the Board considered various factors, including the constrained location of the Howard Terminal and its separation from any adjacent Port-owned maritime terminal acreage to the west due to the existence of a privately-owned recycling facility, a major rail line to the immediate north and the existing Jack London Square mixed-use commercial development to the east. As you are aware, Howard Terminal is not suited to handle today's mega-container cargo ships. Additionally, the enlargement of the Turning Basin to accommodate the growing size of the ships that call at other marine terminals in the Seaport would reduce both the available berthing space and backlands capacity of the Howard Terminal. As noted above, the Term Sheet provides for the enlargement of the Turning Basin.

As our Board President noted in his May 15 letter to our maritime business partners, the Seaport is indispensable to the Port, the region and the State of California. It is appropriate to note that, in the last ten years, the City and the Port committed to the continued expansion of the Port maritime and logistics operations and to support industry jobs by choosing to convert all 300+ acres of the former Oakland Army Base to maritime, logistics and warehousing related uses (with the exception of some open-space and public space amenities), including cargo terminals, potential new deep-water terminals, and rail facilities. The City of Oakland, as a lead agency in the Oakland Army Base reuse process, adopted the former Oakland Army Base EIR that examined a maritime operation that would handle 4 million+ TEU throughput. Not only are the Port and the City committed to the continued vitality of the maritime operations and preservation of maritime-related jobs, the Port, with the support of the City, plans to continue to invest in congestion relief and efficiencies at the Seaport to realize the planned 4 million+ TEU throughput at the Port, including:

- Nearly **half of a billion dollars** of mostly Alameda County tax-payer funded investment into the realignment of 7<sup>th</sup> Street to relieve maritime street congestion and to improved security and efficiencies in the maritime operations area;
- Further activation (already activated) and utilization of the Outer Harbor intermodal railyard;
- Completion of the 280,000-square foot cold storage and transload Cool Port facility;
- Continued development of 180+ acres of the former Oakland Army Base for warehouse, distribution and related uses;
- Expansion of the Ports second largest terminal, TraPac, that doubled in size and functionality; and
- Construction of CenterPoint's transloading and warehouse center.

As you are also aware, we have commenced the process to engage in further consultation with Seaport stakeholders regarding Seaport Compatibility Measures, and look forward to continuing these discussions with you in the weeks ahead. I hope this letter serves to clarify the Port's position and the Project's status with respect to the Howard Terminal site as you requested in your July 23, 2019 letter. Please feel free to reach out to me to discuss this matter further.

Sincerely,



Danny Wan  
Acting Executive Director