

Oakland Board of Port Commissioners



July 8, 2019

San Francisco Bay Conservation and Development Commission ("BCDC")
Seaport Plan Advisory Committee
c/o Linda Scourtis, Coastal Planner

Re: Regional Cargo Forecast and Terminal Capacity Study

Dear Members of the Committee:

We are writing regarding the San Francisco Bay Area Seaport Plan: Regional Cargo Forecast and Terminal Capacity Study that was presented to and considered by, the Seaport Planning Advisory Committee on June 27, 2019 ("Forecast Study"). The Port of Oakland supports approval of the Forecast Study to serve as a basis of the Commission's review of the Seaport Plan designation.

In May of this year, the Oakland Board of Port Commissioners ("Board") voted to unanimously approve execution of an Exclusive Negotiation Term Sheet with the Oakland Athletics ("Oakland A's"), setting forth the terms and pre-conditions upon which the Board will consider entering into real estate agreements for the development of the Howard Terminal ("Term Sheet") for a mixed-use project which includes a new Oakland Athletics ballpark ("Project"). The Board approved the Term Sheet after over a year of due deliberation about, among other things, measures to assure compatibility between the Project and Port maritime operations (i.e. reservation for turning basin; transportation and maritime compatibility measures). The Term Sheet requires the Oakland Athletics to pursue various land use entitlements and regulatory approvals for the project, including a Seaport Plan amendment by BCDC, to remove the current Port Priority Use designation from the Howard Terminal site.

The Board's decision to continue to negotiate 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. Because of the relatively short berthing space, the shallow depth at berth (42 feet compared to 50 feet at other cargo ship terminals), smaller acreage of backlands available at the terminal, and the constrained location of the Howard Terminal within the greater seaport due to its separation from any adjacent Port owned marine terminal acreage to the west due to the existence of a privately owned recycling facility (Schnitzer Steel), a major rail line to the immediate north and the existing Jack London Square mixed-use commercial development to the east, the Howard Terminal is not suited to handle today's mega-container cargo ships. Moreover, due to the possible need to enlarge the Middle Harbor turning basin to accommodate the growing size of the terminal cargo ships that call at other marine terminals in the seaport, Howard Terminal may potentially be the site for excavation to expand the turning basin water area, if determined feasible. Such enlargement of the turning basin would further limit the capacity at Howard Terminal for cargo terminal operations.

The Port is committed to cooperating with BCDC by supplying any requested data and technical information intended to facilitate the approval of the Forecast Study. In this spirit, Port staff submitted numerous comments both in writing and in oral testimony, which consist of additional technical details and iteration of terminal use scenarios for consideration of the preparer of the Forecast Study. The Port submitted its comments with the understanding that BCDC's consultant will determine whether the comments are relevant to their forecasting assumptions that serve the unique policy need requested by BCDC. Furthermore, any Port staff comments that were provided should be considered in light of the

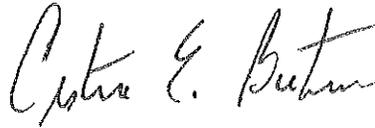
Board's own due diligence regarding the possible uses at Howard Terminal (described in the previous paragraph) and the unanimous Board approval of the Term Sheet in May of 2019 to continue negotiations with the Oakland A's. The Port staff comments are not intended to be construed as disagreements with the Forecast Study report conclusions nor as the Port of Oakland's opposition to the approval of the Forecast Study by both the Seaport Planning Advisory Committee and the Bay Conservation and Development Commission.

Given the complexity of the proposed ballpark project at Howard Terminal, the Port urges BCDC to move forward with its process of analysis and policy determination regarding a possible Seaport Plan amendment(s) to remove the Port Priority Use designation from the Howard Terminal site, and solicit the input of the many stakeholders that have expressed interest in this policy consideration. The BCDC consultant's draft Forecast Study reasonably serves as a basis for the BCDC's consideration and we recommend approval of the Forecast Study.

Thank you for your consideration.



Christopher Lytle
Executive Director



Cestra Butner
President