



# PORT OF OAKLAND

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September 17, 2020

Agriculture Transportation Coalition  
American Waterways Operators  
California Trucking Association  
Customs Brokers and Forwarders Association of Northern California  
GSC Logistics  
Harbor Trucking Association  
International Longshore and Warehouse Union - Local 10  
International Organization of Masters, Mates & Pilots  
Matson  
Pacific Coast Council of Customs Brokers and Freight Forwarders  
Associations  
Pacific Merchant Shipping Association  
Quik Pick Express, LLC  
SSA Terminals  
Transportation Institute  
Union Pacific Railroad  
Western States Trucking Association

**RE: Update Regarding Seaport Compatibility Measures**

Dear Waterfront Stakeholders:

Thank you for your July 17, 2020, letter to me regarding Seaport Compatibility Measures ("SCMs") for the proposed ballpark mixed-use development on Howard Terminal ("Project"). I want to also personally thank you for your collaborative engagement with the Port of Oakland ("Port") in formulating SCMs. While I can appreciate that you may think that there has been no recent activity on developing SCMs, I want to assure you that is not the case. As further described below, the Port has been actively engaging in a deliberative process and informing the City of Oakland ("City"), the Project proponent, and other regulatory agencies with respect to formulating and planning for the SCMs.

LEGAL-655023181-33995

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As directed by the Board of Port Commissioners ("Board"), a key component of the Port's efforts with respect to the proposed Project has been engagement with maritime industry stakeholders about the SCMs. We appreciate that the stakeholders participated in the numerous meetings and discussions before the COVID-19 pandemic took hold of the Port's operations and focus. Please be reassured that we intend to circle back to those stakeholders to describe the intensive efforts and progress we have made in including SCMs as part of the proposed Project.

Much of the efforts have been focused on providing informational and technical assistance to the City to consider SCMs as part of its Project analysis under the California Environmental Quality Act ("CEQA") and associated transportation and land use planning initiatives the City has undertaken. The City is working on the draft environmental impact report ("DEIR") for the proposed Project.

CEQA provides the primary legal and procedural framework for dissemination and public review of the components of the proposed Project and their potential environment impact as well as the feasible mitigation of those impacts. The Port anticipates that issuance of the DEIR will include elements of proposed SCMs and will trigger a wide-ranging public review of the adequacy of the environmental analysis and mitigations. In addition, the release of the DEIR will allow other regulatory and permitting agencies, including the Bay Conservation and Development Commission, the State Lands Commission, and the Port (in its regulatory capacity), to consider actions under their respective jurisdiction, including assuring compatibility of the Project with seaport operations and uses.

In addition to efforts taken to date to include feasible SCMs in the proposed Project and as part of the CEQA analysis, I want to again assure you, as former Port Executive Director, Chris Lytle, and former President and current Commissioner of the Board, Cestra "Ces" Butner, confirmed in their May 16, 2019, letter to customers, the Port's 5-year strategic plan calls for continued volume growth into the next decade. I want to confirm the Port's commitment again here that the Port remains fully committed to that objective and that the Port highly values input from its maritime and waterfront stakeholders. Accordingly, the Port appreciates the prior stakeholder input on the proposed SCMs and looks forward to continued engagement by the stakeholders as to different elements of the Project prior to any approvals for the Project's myriad regulatory and permitting tracks and associated schedules.

Appended to this letter is a summary of the history of the Port's consideration of the proposed Project, the maritime stakeholder engagement process, and actions taken to date to process stakeholder input and to plan for and implement SCMs. The appendix provides background as well as responses to certain points raised in your July 17, 2020, letter. It is my hope that this letter and the appendix

provides the context for re-engaging the maritime stakeholders and to prepare for the general public review of the DEIR and potential permitting of the proposed Project.

Very truly yours,



DANNY WAN  
Executive Director

APPENDIX  
Background and Responses

I. SCMs

a. Genesis of SCMs: Exclusive Negotiation Term Sheet for Howard Terminal

The Board unanimously approved the Exclusive Negotiation Term Sheet for Howard Terminal ("ENTS") between the Port and the Athletics Investment Group LLC d/b/a the Oakland Athletics ("Oakland A's") dated May 13, 2019, which included as Attachment D a description of categories that will guide the negotiations regarding SCMs, and will seek to avoid potential incompatibilities. Attachment D of the ENTS further provided that the outcome of the negotiations between the Port and the Oakland A's will be reflected in any Option Agreement and other negotiated transaction documents, subject to the permitting and regulatory jurisdiction of all applicable state, federal, and local agencies. Attachment D of the ENTS further provided that the Port will consult seaport and maritime stakeholders regarding such measures.

b. Consultation with Seaport and Maritime Stakeholders

As you know, consistent with its commitment to consult with seaport and maritime stakeholders regarding SCMs, the Port spearheaded several meetings to solicit concerns and ideas for SCMs from stakeholders who represented a range of interests, including shipping companies, terminal operators, truck companies, rail, labor, and beneficial cargo owners. While your July 17, 2020, letter only mentioned the November 5, 2019, SCM Conference, I summarize below that the Port conducted other SCM meetings, in addition to other ongoing efforts:

- August 20, 2019: a small-group meeting, held at the Port with ten stakeholders participating;
- September 5, 2019: small-group meeting, held at the Port with ten stakeholders participating;
- October 2, 2019: meeting with the Mayor of Oakland and City of Oakland planning and transportation staff, held at SSA offices with 17 stakeholders participating;
- October 3, 2019: SCM Roundtable as part of the Agriculture Transportation Coalition ("AgTC") workshop, held at the Oakland International Airport, with approximately 50 stakeholders participating; and
- November 5, 2019: SCM Conference, held at the Waterfront Hotel with approximately 60 stakeholders participating.

**c. Development of SCMs**

**i. Memorandum: Seaport Compatibility Measures  
Conference: Summary of Maritime Stakeholder Feedback  
dated December 19, 2019 ("SCM Memo")**

The Port used the feedback from the first three above-referenced meetings to develop a framework of the primary issues to be addressed at the SCM Conference, organized into three main topic areas: Maritime Navigation and Safety; Site Planning; and Truck Movement and Safety. At the SCM Conference, stakeholders reviewed and commented on this framework and brainstormed potential SCMs that could address these issues. The framework and feedback for each of the three topic areas were summarized in the SCM Memo dated December 19, 2019, which is posted on the Port's public website under the Howard Terminal "microsite."

**ii. Synthesizing the SCM Memo and Identifying the  
Domicile of the SCMs**

In developing the SCM Memo, the Port has been engaged in a deliberative process of evaluating how to address all of the feedback received from the seaport and maritime stakeholders. For example, some of the proposed concepts described in the SCM Memo can potentially be addressed in the DEIR for the proposed Project. The Port, as a Responsible Agency for the proposed Project under CEQA, has had numerous deliberative discussions with City staff about including some of these SCM concepts and ideas into the DEIR since the City is the Lead Agency for the DEIR under CEQA.

As your letter notes, there have been some delays in the City's release of the DEIR. I surmise that part of the delay was due to the COVID-19 pandemic and associated health orders that make in-person meetings regarding public engagement problematic. I understand the City has been going to great lengths to ensure robust and transparent public engagement on the DEIR. I also believe that another aspect of the delay in finalizing the DEIR for public review is to ensure that the DEIR appropriately addresses the very concerns raised by maritime and waterfront stakeholders. Finally, although the Port is not a party to the highly publicized lawsuit concerning the Project, I would surmise that that lawsuit may also be contributing to the delay of the release of the DEIR.

And while the Port has not yet seen or received the DEIR, Port staff has had numerous deliberative discussions with City staff regarding potential Project-related infrastructure improvements in the maritime area to ease traffic congestion and related issues as well as numerous other potential enhancements in the maritime area that can possibly proceed regardless of the Project.

In addition, consistent with the terms of the ENTS, the Port has been in discussions with the Oakland A's over the proposed SCMs that would be included in the appropriate real estate documents if the Project were to move forward after the Project receives the necessary CEQA and other permits and approvals. The robust and transparent CEQA public process over the DEIR will undoubtedly address some of the SCMs and influence the Port's and Oakland A's discussions. In fact, unless and until the City Council has certified the EIR and the Port Board has taken corresponding actions would the Port consider approving the Project real estate documents with the Oakland A's that would contain the SCMs. Given the delays in the release of the DEIR, any such City Council and Port Board action on the proposed Project (including any approval of the SCMs by the Port Board) is many months away.

Finally, your July 17th letter suggests that the Project is facially incompatible with heavy industrial maritime operations. The ENTS, however, endeavors to balance the proposed Project with current and future maritime operations by calling for the negotiation of SCMs, as well as transactional measures such as buffering in the areas west of Myrtle Street to shield existing industrial uses from any future residential uses within the proposed Project site.

## II. Additional Projects Showing the Port's Commitment to the Seaport

Since your letter indicated it was imperative that the Port demonstrate its commitment to the success and growth of the Port and its maritime operations, I wanted to highlight again the recently made or expected to be made investments by the Port, its tenants, and stakeholders.

The May 16, 2019, letter from Messrs. Butner and Lytle, a copy of which is posted on the Port of Oakland website, summarized the following investments made over the past approximate five years by the Port, its tenants, and stakeholders:

- A new \$100 million rail yard;
- A \$60 million expansion at our second-largest marine terminal;
- Nearly \$50 million to heighten or purchase new cranes at the largest terminal;
- More than \$500 million to improve Port traffic flow and separate rails from roads (this is an estimate of the future proposed GoPort Project that is currently under design);
- The \$90 million Lineage Cool Port Oakland; and
- The \$52 million first phase of the Seaport Logistics Complex at the former Oakland Army Base.

These proposed maritime-related projects show the Port's ongoing commitment to the growth and success of its maritime business, which includes extensive monetary investment.

The Port remains committed to both the public engagement process associated with the SCMs and to the future growth and success of the Port's maritime operations. That public engagement process is being done in conjunction with other planning, evaluation, and approval processes that will inform the ultimate outcome of the SCMs and the guidance they provide in negotiations. The Port seeks your continued collaborative engagement in all aspects of the proposed Project, including the SCMs and the CEQA review process, as we share a common commitment to the continued success and growth of the Port's maritime operation.