EAST OAKLAND STADIUM ALLIANCE

September 30, 2019

Director Kate Gordon
Office of Planning and Research
1400 10th Street
Sacramento, CA 95814

RE: Oakland A's AB 734 Application (ID# 20190827), Supplemental Application "Exhibit K – Employment Projections for Oakland Waterfront Ballpark District Project at Howard Terminal"

Director Gordon,

This letter is submitted on behalf of the ***East Oakland Stadium Alliance***, a coalition of Oakland community leaders, businesses and labor organizations which favor the reconstruction of a stadium for the Oakland A's at the team's current location in East Oakland and oppose the location of a new stadium at Howard Terminal in West Oakland. (https://www.eastoaklandstadiumalliance.com)

We specifically submit these comments to rebut and refute the Oakland A's claimed "employment projections" in their AB 734 Application, Supplemental Application, and Supplemental Exhibit K.

The Governor can certify a project for environmental review streamlining under AB 734 only if findings regarding specific metrics and conditions can be made. The first condition required is that the project must increase employment through the creation of high-wage and skilled jobs (§21168.6.7 (d)(1)):

> The project creates high-wage, highly skilled jobs that pay prevailing wages and living wages, provides construction jobs and permanent jobs for Californians, and helps reduce unemployment.

It is the obligation of the Oakland A's to provide the Governor with the evidence necessary to make findings that this project will create jobs and reduce unemployment.

It is obvious that under both the original Application and Supplemental Application the Oakland A's have failed to provide any meaningful evidence upon which these findings could be based:

- The A's initial Application ignored all of the requirements of section (d)(1) except to say that it agreed to pay construction workers prevailing wages. (App., pg. 11)[1] The A's Application did not provide any evidence of how it would create high-wage or highly skilled jobs, how many construction or permanent jobs it would create, or how the project would reduce unemployment. The Application entirely omits any conversation or evidence to support any of these points that it needed to address.

[1] However, even this proposed compliance metric is incomplete, as the A's Application refers to an "Exhibit F" but no Exhibit F exists online or is made available to the public. This omission is not corrected by the Oakland A's in their Supplemental Application.

- The A's Supplemental Application barely addresses this question, (Sup. App., pg. 8) and defers to the "A's Jobs Letter" (Sup. Exhibit K) as its only evidence. On further inspection, this Letter also provides virtually no evidence of any permanent non-construction jobs.

  The A's Letter creates a table which includes numbers for jobs claimed. However, with no citations to any literature upon which the A's relied for an assumption, no basis of these numbers in any economic development methodology, and no references to any site- or project-specific studies which were conducted on behalf of the A's, this is not evidence. There is no specific citation or study for construction jobs either, although there is a reference to a projection from a contractor, but none of those projections are included with the Letter or anywhere in the Application either.

  The Letter contains no indication of how anyone is to conclude whether the jobs created are "high wage" or "highly-skilled" from these employment projections.

  The Letter includes no evaluation of how this would "help reduce unemployment." Unemployment is a concept which requires evaluation of relative outcomes, but the Letter does not evaluate employment or unemployment in comparison to any other outcomes. The Letter does not evaluate the project versus a no-project alternative, which is especially important given the fact that over 80% of all of its employment claims are tied to taking credit for officeworker jobs that would presumably simply happen in some other office building had these not been created. (see below) The no-project alternative would also confirm that there is no improvement in unemployment with the Stadium itself - because the project does not create new baseball-related jobs, it just moves them out of East Oakland.

  The Letter certainly does not evaluate employment or unemployment with respect to the project's real potential negative impacts on the thousands of jobs related to Seaport operations that it could potentially disrupt.

In short, aside from one table in a letter written by the A's themselves, the Oakland A's have provided virtually no evidence to support the required jobs and employment outcomes required by AB 734.

<u>The A's Jobs Letter Inappropriately Claims Credit for Over 6,000 Office Jobs Which the A's Are Not Creating</u>

The lack of inclusion of a methodology, facts, or details of the A's claimed jobs number is significant in large measure because their claim of creating 6,667 jobs is obviously wrong. Clearly, the A's Application is attempting to take credit for job creation in the office spaces of their project that are the result of the operations of tenants.[2] These are jobs that will be created or exist independently of which office buildings wherein these businesses decide to operate, and no one should conclude that these businesses and jobs would not exist but for the creation of these office spaces by the Oakland A's.

To the contrary, once constructed, the A's are merely the landlords of these office buildings, and therefore, the only actual permanent jobs that the A's can take credit for creating are those related to the management and maintenance of those office spaces. Assuming that the Oakland A's management of their proposed 1.5 million square feet of office space is about as intense as their management of 3.0 million square feet of residential space, that would yield an additional 94 jobs, not 6,667. Given this reduction the A's claim of a net increase of 7,748 jobs created should be reduced by 6,573, yielding a new

[2] We presume that the A's employed a simple methodology to achieve this number of starting with 1.5 million square feet, dividing that by an estimated ratio of 225 square feet per employee and thus winding up with 6,667

net job creation of only 1,175. As such, the A's letter represents a significant inflation of their claimed jobs by approximately 700%.

This question of development displacement is significant for AB 734 analysis with respect to employment. One must evaluate the question of whether or not the A's project can take credit for the creation of the jobs, not whether or not the actual creators of these jobs have chosen to lease property for their employees at this location. The A's Jobs Letter fails to recognize this and conflates the running of a for-lease commercial real estate entity (leasing, management, maintenance for the buildings) with the creation of the jobs performed by the office workers inside the buildings themselves.

As noted by the Study (see below), to be additive the Oakland A's must demonstrate that this development truly CREATES these jobs in these office buildings, instead of just providing new space in which these office workers are completing their tasks. Again, it is impossible to tell from the A's Jobs Letter, because it includes no details, no methodologies, and no citations for its numbers. (see above)

This must be corrected prior to any findings are made in order to meet the high thresholds set by AB 734 regarding the creation of jobs and reduced unemployment.

In contrast to the lack of evidence submitted by the Oakland A's in support of its alleged job figures, the East Oakland Stadium Alliance has recently commissioned an Economic Impact Study to examine the risks posed by the Oakland A's project. This Study, entitled "*Impacts of the A's Howard Terminal Stadium on the Port of Oakland Operations and Economics Final Report*" (attached)[3] concludes that the A's project poses conflicts with industrial uses which "cumulatively represent a threat to the long-term competitiveness and viability of the Oakland Seaport." (pg. 19)

The Economic Impact Study concludes that the Oakland A's project puts at risk some of the existing 27,000 jobs directly and indirectly linked to the Port of Oakland and some of the 500,000 jobs statewide related to the Port's operations.

This conclusion is directly relevant to the findings required under AB 734. Under a comprehensive analysis of unemployment and high-wage job creation outcomes, key components of findings for paragraph (d)(1) raise this simple conclusion: if the Oakland A's project results in direct and downstream job losses in the logistics sector in excess of those created by the stadium, then there is an increase in unemployment. This is not an unlikely scenario given the immense scope and scale of the economic benefits of the seaport to hundreds of thousands of California workers, and how these eclipse even the most rosy of estimated potential, local economic benefits of the A's project.

As highlighted by the Study:

- "cargo moving via the Seaport supports almost 500,000 related jobs throughout the state of California, with the total economic value related to the Seaport measured at $60.3 billion." (pg 2)

- "11,400 people are employed directly as a result of activity at the Oakland Seaport. These employees received about $641 million in wages in 2017, with annual salaries averaging about $56,275. Another approximately 16,300 jobs (indirect and induced) are supported by the activity at the Seaport resulting in an additional $333 million in wages and $1.5 billion of re-spending and local consumption." (pg 2)

[3] We apologize for the late submission of this Study and comments, however this updated and revised version was only just made Final on September 12, 2019.

- "the marine terminal is being used for maritime services, including for chassis, container, equipment, and truck staging, transloading and devanning loads, and allowing shorter truck trips to load and unload vessels. ... This capacity is very helpful to the efficiency of the Port, enhancing off-peak travel, and diminishing truck traffic, congestion, and emissions in surrounding neighborhoods." (pg 3)

- "Moreover, Howard Terminal may be needed for future growth of maritime activities and it is one of a very limited number of deep-water marine terminal sites in the Bay Area, making it difficult if not impossible to replace." (pg 3)

- "The proposed project presents numerous conflicts with maritime industrial uses at the Oakland Seaport. Collectively, these conflicts could undermine the competitiveness of the Seaport, and threaten its long-term viability as an operating container port." (pg 4)

The Study notes that the threat of the A's stadium undermining competitiveness is in a larger market context for future intermodal cargo growth. While the Port of Oakland has been growing its throughput and revenues over the last several years, it has nonetheless "lost market share to other ports" and, as a result, "[s]ince 2010, the Port of Oakland has slipped from being the fifth busiest port to eight, falling behind the Port of Virginia and the Port of Houston." (pg 9)

The Study quotes a recent report by the Port of Oakland, released earlier this year, that lays out the strategy for how the Port can grow its volumes and retain its market share (pg. 11):

> "As noted in the Martin report, 'For the Port's marine terminals to continue to increase its economic contribution to the Bay Area economy as well as the state, it is important for the Port to grow its ocean carrier service, and to work to expand its cargo throughput and associated maritime activity. In order for the Port of Oakland Seaport to grow its business, it is critical that the Port continually invest in and/or encourage terminal upgrades in order to accommodate container volume growth. Along with the expansion of marine terminals, it is equally necessary to enhance and improve the efficiency of intermodal facilities and rail connections in order to increase the Port's intermodal share of West Coast container traffic and stimulate distribution center development near the Port's marine terminals.'"

The Study identifies that the Oakland A's project moves the Seaport in the opposite direction of the Port's own recommendations for how to sustain economic growth. The A's project removes marine terminal assets that could accommodate future container volume growth. The A's project poses threats to the efficiency of existing intermodal and rail services. And, the A's project stymies development of distribution centers and other intermodal support infrastructure near the Port itself.

The only conclusion to draw from the evidence and existing reports is that the Oakland A's project will exacerbate the competitiveness pressures that already face the Port of Oakland.

The Port is an economic engine that finds itself in a delicate balance. With an economic reach to over 500,000 Californians' jobs, if the Port's volumes are off by only 1% as a result of the disruptions caused by the A's project, that has the potential of disrupting up to 5,000 jobs downstream.

Such a potential job disruption would more than offset any positive job gains estimated by the creation of the A's project. This is especially true given the A's over-evaluation of their jobs impacts, which attributed over 80% of their claimed jobs to the development of commercial office space, as discussed above, on a basis that is clearly wrong.

As noted by the Study, in evaluation of project estimated economic impacts, any such number is truly speculative and "significantly overstates the potential economic benefits of the Howard Terminal development" because it is an analysis which is "failing to distinguish what development would be truly additive as compared to displacing development that could occur elsewhere in Oakland." (pg. 16)

In conclusion, given the myriad issues with the jobs number proffered by the Oakland A's in their original Application and their Supplemental Application, there is no evidentiary basis for any of the exaggerated claims by the A's or for the findings regarding Job Creation to be made by the Governor as required by AB 734.

We appreciate your consideration of these comments. Please feel free to contact any of our member organizations with any questions or to contact our economic consultants for follow-up on the Study.

Sincerely,

East Oakland Stadium Alliance

enclosure

The Economics of Land Use

Final Report

Impacts of the A's Proposed Howard Terminal Stadium on the Operations and Economics of the Oakland Seaport

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September 2019

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1. INTRODUCTION AND SUMMARY OF FINDINGS

The Oakland Seaport plays a vital role in the local, regional and statewide economy. Serving as the primary intermodal exchange point of goods for Northern California, its operations are crucial to the businesses and households it serves through a balanced mix of imports and exports. With two on-site rail yards, 6 container terminals, and the ability to transfer goods between ship, truck and rail transport, the Oakland Seaport is the third largest port on the West Coast and one of the most efficient in operations. Over the last two decades, shipping has increased by almost 70 percent, and the Seaport has the potential to grow its business for years to come if it can continue to expand upon its efficiencies and ability to handle larger container vessels.

The Oakland A's baseball team has proposed a new ballpark and mixed-use project for the Howard Terminal, a 50-acre shipping terminal located at the eastern end of the Seaport. The introduction of the Stadium Mixed-Use Project to the Port ecosystem raises serious questions about the compatibility of a major sports/recreational facility, thousands of new residential units, a hotel, retail and commercial and other uses with adjacent maritime and industrial activities.

This report examines trends in the maritime industry and the role of the Oakland Seaport as a vital part of that goods movement ecosystem. It then describes the Ballpark and Mixed-Use project proposed for Howard Terminal by the Oakland A's, what it means for the Howard Terminal itself, as well as the numerous conflicts the Project will create for operations at the Oakland Seaport. The purpose of this analysis is to provide a clear perspective of the value and importance of the Oakland Seaport, and to highlight the myriad issues that are raised by the prospect of using Howard Terminal for a very dense, mixed-use development rife with inherent conflicts with the operational requirements of the Seaport.

Summary of Findings

The Maritime Industry and the Oakland Seaport

- The Oakland Seaport is vital to the commerce of northern California and generated $160 million in operating revenue in FY2018.[1] This represents 42 percent of the revenues for the Port of Oakland, which also includes the Oakland Airport and a Commercial Real Estate division. The Oakland Seaport is the third largest port in California, and eighth largest in the nation.

- The Port of Oakland holds the Seaport land in trust for the State under the State Tidelands Trust and is bound by law to utilize the land for maritime uses and uses that promote public access and enjoyment of the waterfront. Trust land cannot be sold in fee, but can be developed for Trust-consistent uses on ground leases not to exceed 66 years. Residential uses cannot be built on Trust land.

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[1] "By the Numbers." *Port of Oakland*, 2019, www.portofoakland.com/year-review-2018/by-the-numbers/.

- The Oakland Seaport primarily serves the greater northern California region, but also reaches national markets. About 80 percent of outgoing containerized goods originate in the Bay Area and northern California, and about 85 percent of containerized imports are consumed in the region.
- As detailed in a recent economic impact study, about 11,400 people are employed directly as a result of activity at the Oakland Seaport. These employees received about $641 million in wages in 2017, with annual salaries averaging about $56,275. Another approximately 16,300 jobs (indirect and induced) are supported by the activity at the Seaport resulting in an additional $333 million in wages and $1.5 billion of re-spending and local consumption.
- Local businesses received $2.2 billion of revenue from providing services to the ocean cargo activity at the Seaport. As a result of this cargo activity, a total of $281 million of state and local tax revenue was generated.
- The cargo moving via the Seaport supports almost 500,000 related jobs throughout the state of California, with the total economic value related to the Seaport measured at $60.3 billion.
- Goods movement through US Ports is a significant component of the national economy and has been expanding significantly over the last several decades. Cargo throughput over the last 17 years increased 74 percent in California ports, including a 69 percent increase in the Oakland Seaport.
- Nevertheless, during that time, Oakland Seaport lost market share to ports that had better positioned themselves to take advantage of changes in maritime industry, dropping from fifth to eighth busiest port in the nation. For Oakland Seaport to remain competitive and continue to contribute to the local and regional economy, it will need to take steps to expand its cargo throughput and related maritime activities.
- Significant investments have been made by the Oakland Seaport in recent years, including raising gantry cranes to serve larger vessels, procuring additional cranes, consolidating operations to make them more efficient, and extending gate hours, in some cases as late as 3 a.m., to reduce congestion and wait time for truck movements.
- Investments have also been made to improve environmental sustainability, with hybrid, near-zero-emission cargo handling equipment, cleaner fuels and engines for trucks, tugs and ships, and expanded use of shore power for ships docked at the terminals. In 2018, the Oakland Seaport plugged in more ships to shore power while at-berth than any other port in the world.
- A critical element for the long-term competitiveness of the Port is the ability to handle the much larger container ships that are increasingly the maritime industry norm. Higher cranes and larger turning basins are necessary to service these ships. It is critical to be able to turn these large ships around in the shipping channel to properly align them with the terminals.
- The crucial Inner Harbor Turning Basin is adjacent to the Howard Terminal, and it is likely that a portion of the Howard Terminal will need to be demolished in order to widen the turning basin. This portion of the Terminal overlaps with the proposed Oakland A's Ballpark and Mixed-Use Project, and potentially brings them into direct conflict.

- The Howard Terminal has a long history of industrial use going back to the beginning of the 20th Century. Many of these uses left various toxic substances in the soil. The existing deed restriction imposed by the State Department of Toxic Substances Control (DTSC) provides that the only use for the property that does not present an unacceptable threat to human safety or the environment is when the site is capped and undisturbed in its current use as a marine terminal, and housing and other specified development on this site are explicitly prohibited. These contaminants would have to be remediated and the deed restriction would need to be eliminated or modified for new development to take place on the site.

- While Howard Terminal's ship-to-shore gantry crane capacity is not currently operational, the marine terminal is being used for maritime services, including for chassis, container, equipment, and truck staging, transloading and devanning loads, and allowing shorter truck trips to load and unload vessels. These functions are in addition to the Terminal's use as a training facility and as a location for temporary vessel berthing. This capacity is very helpful to the efficiency of the Port, enhancing off-peak travel, and diminishing truck traffic, congestion, and emissions in surrounding neighborhoods.

- Moreover, Howard Terminal may be needed for future growth of maritime activities and it is one of a very limited number of deep-water marine terminal sites in the Bay Area, making it difficult if not impossible to replace.

The Oakland A's Proposed Ballpark and Mixed-Use Project

- In May of 2019, the Port of Oakland entered into a non-binding Term Sheet and four-year Exclusive Negotiating Agreement (ENA) with the Oakland A's to explore the feasibility of a new ballpark and adjacent residential and commercial uses on the Howard Terminal site.

- The proposed development program includes: a 35,000-seat baseball park; up to 3,000 residential units, 1.5 million square feet of office space; and 270,000 square feet of retail, commercial and civic uses; a 3,500-seat performance center; a 400-room hotel; and a network of public open spaces.

- This very substantial amount of non-maritime, non-ballpark uses would be sandwiched between the ballpark, an active rail line, the current Inner Harbor Turning Basin, and Schnitzer Steel, a 24/7 metals recycling facility, and would overlap with areas designated as potentially required for the expansion of the Inner Harbor Turning Basin.

- The Oakland A's have stated that their project would be entirely privately financed. It is apparent that they are relying on revenue generation from ancillary development to finance much of the cost of the project, despite the enormous challenges of entitling and marketing the aggressive land use program that has been proposed. The City's support of special state legislation for creating a tax increment financing district for the project (SB 293 (Skinner)) suggests that the City does intend to invest tax revenues in this project.

- A recent report on the proposed development at Howard Terminal confirmed that only a small portion (approximately 7%) of the economic impact of the development directly comes from the new ballpark, with about 85% of the economic impact due to office development

and the balance from residential and other mixed uses.[2] This report significantly overstates the potential economic benefits of the Howard Terminal development as it ignores the economic activity associated with the current stadium, does not distinguish what development would be truly additive as compared to displacing development that could occur elsewhere in Oakland, and does not account for the potential significant negative economic impacts on the Seaport operations discussed below.

- The project faces substantial hurdles to entitlement, including; approvals by the State Lands Commission on consistency with the Tidelands Trust, or approval of land swaps to free portions of the site from the Trust; a finding by the Bay Conservation and Development Commission of consistency with the San Francisco Bay Plan; elimination or modification of the current deed restriction and certification of site remediation by DTSC; certification of a Final EIR by the City of Oakland; adoption of CEQA findings by the Port Commission; and approval of an amendment to the City's General Plan.

- In the event the project is found to be financially feasible, achieves all of its entitlements, and goes forward, it has the potential to create a myriad of conflicts with the operations of the Oakland Seaport.

Potential Conflicts Between the A's Ballpark Mixed-Use Project and the Operations of the Oakland Seaport

- The proposed project presents numerous conflicts with maritime industrial uses at the Oakland Seaport. Collectively, these conflicts could undermine the competitiveness of the Seaport, and threaten its long-term viability as an operating container port. Potential conflicts are outlined below.

- As shown in the land use diagram attached to the ENA, portions of the Howard Terminal site are designated as "maritime reservation" or "variant lands", indicating they are likely essential or may be needed for the expansion of the Inner Harbor Turning Basin. The design, approval, and financing of an expanded turning basin is a complex and time-consuming exercise which requires numerous permits and approvals from state and federal authorities, and once approved is likely to take a number of years to fund and complete.

- Yet, the ENA Term Sheet sets limits on the time frame in which the Port can elect to utilize this portion of the site for the expansion of the basin—10 years for the maritime reservation land, and 5 years for the variant lands, from the initial Term Sheet approval date, not ultimate agreement on the project. The potential expiration of the Port's ability to use this land to expand the turning basin and additional costs to reacquire these lands could jeopardize the expansion. If the turning basin is not expanded, the Seaport's ability to

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[2] "Economic Impact of Howard Terminal Developments." *Bayareaeconomy.org*, Bay Area Council Economic Institute, May 2019, www.bayareaeconomy.org/files/pdf/Howard_Terminal_Methodology_2019.pdf.

handle larger vessels at the OICT and other terminals would be severely limited, threatening the competitiveness of the Oakland Seaport to serve these larger vessels.

- Howard Terminal currently serves as a staging area for container loads that are being distributed to truck, train, or ship loading. This function increases the efficiency of the Seaport, and reduces truck traffic and environmental impacts in surrounding neighborhoods. This functionality would be lost if the Terminal is developed with the A's proposed project.
- Residential, office, hotel and other non-maritime uses are incompatible with the adjacent Schnitzer Steel operations, as well as trucking and shipping activities at nearby marine terminals. To the extent that conflicts with these uses impair the industrial and maritime uses at the Seaport, there are no comparable sites in the Bay Area where the maritime uses could go. The loss of industrial and maritime jobs at the Port would likely be permanently irreplaceable.
- Location of a ballpark and ancillary uses on the Howard Terminal would cause numerous transportation, land use, and maritime operational conflicts, and result in substantial safety and health risks.
- About 40 trains per day pass the Howard Terminal on the Union Pacific tracks, and assembly of trains in the UP and BNSF railyards routinely back up into Jack London Square. These rail movements will inevitably create auto and pedestrian conflicts as A's fans attempt to get to the ballpark, and other residents and employees cross the rail line to access residential and commercial uses.
- The Embarcadero is one of only three access points for trucks servicing the Seaport. Heavy congestion and modal conflicts are likely to result as truckers, private autos, Uber/Lyft drivers, buses, and pedestrians converge on limited roadway. This congestion will impact the efficiency of the Seaport, and create higher risks of accidents and injuries.
- Light pollution from the ballpark could interfere with ship docking during night games. Docking is controlled by independent Bar Pilots, who are very conservative in undertaking any risks with ship berthing. International shipping is not subject to being timed to avoid such conflicts so ships might be required to anchor in the Bay overnight, increasing costs, or shipping lines could choose other ports to avoid the risk of such conflicts.
- To the extent that ballgames or other activities on the Howard Terminal site attract kayakers or small crafts to the area, boaters could be endangered by ship movements, or conversely, ship movements could be disrupted.

2. THE MARITIME INDUSTRY AND THE OAKLAND SEAPORT

The Port of Oakland was established in 1927 as an independent department of the City of Oakland. It has evolved to encompass three underlying divisions: the Seaport, Airport and Commercial Real Estate businesses. As of fiscal year 2018, the Port had operating revenue of $381.0 million, operating expense of $317.6 million and net operating income of $63.4 million. In terms of Port sources of funds, aviation revenues account for 43 percent, maritime revenues are 33 percent, commercial real estate revenues are 4 percent, and the remaining revenues are attributed to grants, interest income and other facility charges.[3] The Oakland Seaport is an important source of revenue for the Port of Oakland, and a vital conduit for commerce serving the greater Northern California region.

Oakland Seaport

The Seaport division of the Port includes a total of 1,300 acres of seaport operations, which includes 6 marine terminals, 33 ship-to-shore cranes, and 21 shipping lines.[4] The Seaport moves more than 2.4 million twenty-foot equivalent units (TEUs) annually, qualifying it as the nation's eighth busiest container port,[5] and 76 globally.[6] It is the third largest port on the west coast, after the very large, nation-serving ports of Los Angeles and Long Beach.

Figure 1 is a map of the Oakland Seaport and the adjoining neighborhoods of West Oakland. Port land is principally granted lands held in trust for the State of California subject to oversight via the State Lands Commission. Like on other urban waterfronts, the Port of Oakland is a grantee which serves as a trustee for the land and is free to lease it for maritime and waterfront uses, consistent with the Tidelands Trust. The Tidelands Trust preserves waterfront land in California for maritime uses, as well as those uses which promote public access and enjoyment of the waterfront.

The Port of Oakland is classified as a "landlord" port. As such, it finances, builds and maintains terminal infrastructure and provides major capital equipment, and leases improved terminals to

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[3] "By the Numbers." *Port of Oakland*, 2019, www.portofoakland.com/year-review-2018/by-the-numbers/.

[4] "Your Port, Your Partner." *Oakland Seaport*, www.oaklandseaport.com/.

[5] U.S. Department of Transportation, Bureau of Transportation Statistics, Port Performance Freight Statistics Annual Report to Congress 2018 (Washington, DC: 2018). https://doi.org /10.21949/1502601

[6] *Lloyd's List One Hundred Ports 2018*. Maritime Intelligence, 2019, *Lloyd's List One Hundred Ports 2018*, transportationstore.informa.com/wp-content/uploads/woocommerce_uploads/2018/09/LL-Top-Ports-sampler.pdf.

operators for marine shipping activities.[7] In response to the Great Recession, maritime activities at the Port have been consolidated to be more efficient, creating high demand for space to accommodate future expansion as the economy has been recovering. Currently active terminals and their operators include:

- Oakland International Container Terminal, operated by SSA Marine
- Matson Terminal, operated by SSA Marine
- TraPac Terminal, operated by TraPac
- Everport Terminal, operated by Everport Terminal Services

In addition to these marine terminals, there are two active intermodal railyards in the Seaport, one operated by Burlington Northern Santa Fe (BNSF) and another by Union Pacific. Additional facilities include a cold-storage warehouse recently built on the former Army Supply Center land that came to the Port after its closing in the BRAC process, as well as former military warehouses dating back to WWII that are still in use. The City of Oakland also received a part of the former Army Supply Center which houses additional logistics uses. The Howard Terminal, which is discussed further later in this report is under a number of short-term leases and serves as an important staging area for truck operations serving the port, as well as a training site for ILWU longshore workers. On the waterside, there are two turning basins, which are critical to Port operations as areas for turning around the ships coming in to dock at the marine terminals.

Unlike the ports of Los Angeles and Long Beach, which serve the wider U.S. economy through an overwhelmingly large volume of imports distributed widely throughout the United States, the Oakland Seaport is in relative import-export balance and serves a more local catchment due to proximity to producers in California's Central, Napa and Salinas Valleys. According to estimates from an economic impact report for the Port of Oakland, nearly 80 percent of the containerized cargo exported via the Seaport originates in the Bay Area and Northern California. Additionally, 85 percent of the containerized imports are estimated to be consumed in the region. These imports are primarily consumer retail products such as beverages, furniture, glassware, and sound and television equipment.[8] For export containers, key commodities include beverages and wine, cereal, and food products such as frozen beef, fresh vegetables, fruits and nuts. In terms of scale, the Seaport moves 97 percent of all US wine shipped to China.[9] The Oakland Seaport is a crucial link in the cool supply chain for California agricultural exporters, which allows fresh produce to be shipped in an unbroken refrigerated chain from field to final destination. According to Port staff, Oakland also is the best west coast port for productivity, as measured by

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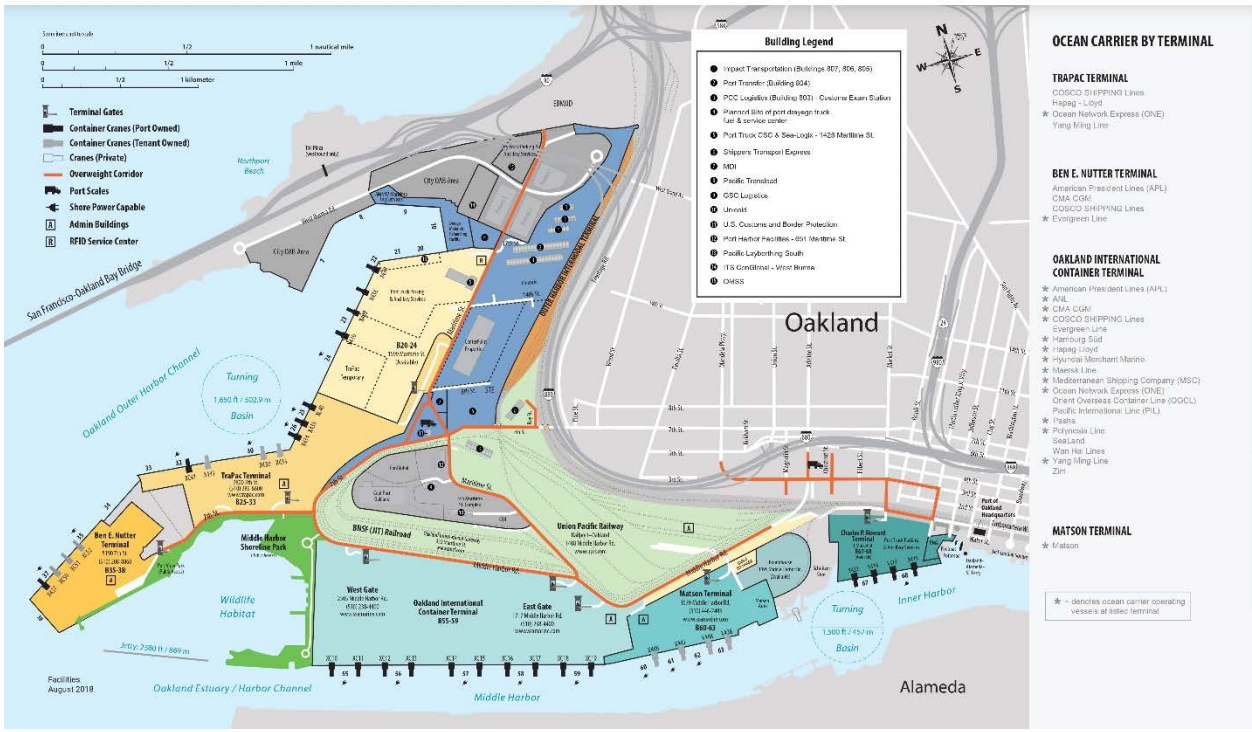
[7] U.S. Department of Transportation, Bureau of Transportation Statistics, Port Performance Freight Statistics Annual Report to Congress 2018 (Washington, DC: 2018).

[8] Martin Associates. *The Economic Impact of the Port of Oakland*. Port of Oakland, 2018, *The Economic Impact of the Port of Oakland*, www.portofoakland.com/wp-content/uploads/Economic-Impact-Report-2019-FULL-REPORT.pdf.

[9] Dupin, Chris. "U.S. Farm Products Targeted by Chinese Tariffs." *American Shipper*, 6 Apr. 2018, www.americanshipper.com/news/us-farm-products-targeted-by-chinese-tariffs?autonumber=71015&infrom=left.

moves per hour per crane, and maintains a very balanced import/export operation. In contrast, Los Angeles and Long Beach Ports are heavily weighted to imports, primarily from China and other parts of Asia.

Figure 1 Seaport Facilities



In addition to its vital role in northern California commerce, the Port generates significant jobs and economic benefits for Oakland and the region. As detailed in the 2017 economic impact study conducted by Martin Associates, 11,393 direct jobs were generated by the cargo handled at the marine terminals.[10] These direct jobs include jobs with the ILWU, truckers serving the marine terminals, rail crew, yardmen and dispatchers moving the containers by rail to and from the marine terminals, terminal operators, steamship agents, freight forwarders, chandlers, warehouse operators, container repair and leasing companies, pilots, tug operators, and other maritime trades. Many local and national trucking firms serve the marine terminals, as do numerous individual owner/operators. The 11,393 individuals directly employed as a result of activity at the Oakland Seaport received $641 million in wages and salaries, for an average annual salary of $56,275. Beyond these direct jobs, approximately 16,300 indirect and induced jobs are further supported through the Seaport activity, for a total of 27,732 jobs across all categories. The effects on personal income and local consumption from these direct, induced and indirect sources totals to nearly $2.5 billion. Looking more broadly across the state of California, the cargo moving via the Seaport supports almost 500,000 related jobs, with the total economic

[10] Martin Associates. *The Economic Impact of the Port of Oakland*. Port of Oakland, 2018, *The Economic Impact of the Port of Oakland*, www.portofoakland.com/wp-content/uploads/Economic-Impact-Report-2019-FULL-REPORT.pdf.

value related to the Seaport measured at $60.3 billion. Due to this value of the Oakland Seaport, local businesses received $2.2 billion in direct business revenue, resulting in $281 million of state and local tax revenue generation.

Cargo Shipping Trends

The movement of goods into and out of U.S. ports is a significant component of the national economy. The San Francisco Bay Area goods movement system supports global supply chains and regional industries. Over the past 17 years, the major California ports have seen a dramatic increase in cargo throughput growth and associated goods movement. Waterborne foreign container trade cargo processed at California's primary ports, measured in "Twenty Foot Equivalent Units" (TEUs), increased by more than 74 percent over this period.[11] However, as shown in **Figure 2,** this cargo growth has not occurred uniformly across California's ports. The Port of Los Angeles is the most significant port in the United States and throughput there has increased dramatically in absolute and percentage terms since 2000. In the Bay Area, the Port of San Francisco has seen dramatic declines in shipping since the industry's transition to containerized goods movement in the 1960s, and has very little maritime shipping activity remaining.

As shown in **Figure 3,** trade at the Port of Oakland grew 69 percent between 2000 and 2017, from approximately 989,000 TEUs to nearly 1.7 million TEUs in 2017. As detailed in the Martin economic impact study, while the Port of Oakland forecasts steady growth in future years it faces competition from other West Coast ports, growing local congestion, community opposition to industrial development, and environmental concerns. In recent years, the Port of Oakland has lost market share to other ports which have better positioned themselves to take advantage of evolving trade patterns. The recently expanded Panama Canal has influenced cargo activity in the Eastern United States and Gulf Coasts. Since 2010, the Port of Oakland has slipped from being the fifth busiest port to eighth, falling behind the Port of Virginia and the Port of Houston.

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[11] The Twenty Foot Equivalent Unit is a standard unit of cargo capacity that refers to a 20-foot-long intermodal container. Data from the US Department of Transportation, Maritime Administration, U.S. Waterborne Foreign Container Trade by U.S. Customs Ports (2000 - 2017), Total Trade - Loaded Containers Only.

Figure 2 California Major Ports Import-Export Activity (TEUs), 2000-2017

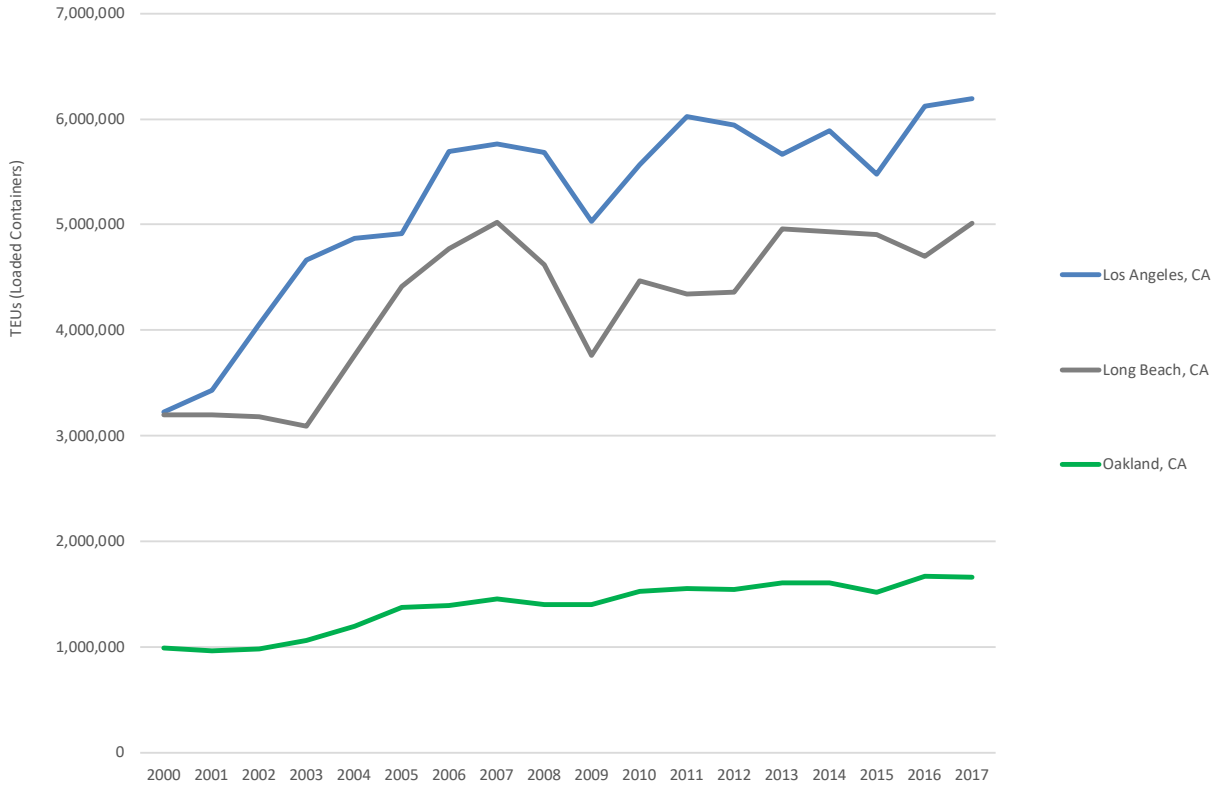

Figure 3 Growth in Shipping in California Ports

				2000-2017		2010-2017	
California Ports	**2000**	**2010**	**2017**	**Change**	**% Change**	**Change**	**% Change**
Long Beach, CA	3,203,555	4,466,075	5,009,490	1,805,935	56%	543,415	12%
Los Angeles, CA	3,227,743	5,570,485	6,189,161	2,961,418	92%	618,676	11%
Oakland, CA	988,773	1,526,030	1,666,100	677,327	69%	140,069	9%
Port Hueneme, CA	9,344	24,446	72,089	62,745	671%	47,644	195%
San Diego, CA	12	51,339	65,343	65,331	532442%	14,004	27%
San Francisco, CA	35,918	20	62	-35,856	-100%	42	207%
Total	**7,465,346**	**11,638,395**	**13,002,245**	5,536,900	74%	1,363,850	12%

Development and Improvement of the Oakland Seaport

As noted in the Martin report, "For the Port's marine terminals to continue to increase its economic contribution to the Bay Area economy as well as the state, it is important for the Port to grow its ocean carrier service, and to work to expand its cargo throughput and associated maritime activity. In order for the Port of Oakland Seaport to grow its business, it is critical that the Port continually invest in and/or encourage terminal upgrades in order to accommodate container volume growth. Along with the expansion of marine terminals, it is equally necessary to enhance and improve the efficiency of intermodal facilities and rail connections in order to increase the Port's intermodal share of West Coast container traffic and stimulate distribution center development near the Port's marine terminals."

There have been a number of recent upgrades implemented at the Port to yield increased efficiency and capacity. These have included raising gantry cranes at Oakland International Container Terminal (OICT) to be able to serve larger vessels calling at the port. On top of this investment, SSA, the terminal operator, plans to purchase four more cranes to further expand capacity and further solidify their position as the Port's busiest terminal. Another improvement has been the extending of longer gate hours at more terminals, providing widespread operational relief.

TraPac marine terminal added a new full-service night gate for harbor truckers, accelerating cargo flow and reducing wait time for trucks. The night gate is open from 6:00 p.m. to 3:00 a.m. Monday through Thursday. A new night gate at the SSA Marine terminal at OICT began operations in 2018 as well. The night gate is designed to accommodate steady cargo growth over the next decade. As a result of night gate operations, truck transaction times are reported to be down to an average of 60 to 90 minutes.[12]

The California Air Resources Board granted $9 million to the Port of Oakland for clean cargo equipment, including five zero-emission yard trucks to shuttle containers within the Matson marine terminal operated by SSA. The Port of Oakland also continues to build up its clean energy infrastructure. According to the Port, use of shoreside electricity at berth reached an all-time high of 78 percent of container vessels visiting Oakland in July 2018. While connected, vessels switched off diesel engines that typically power onboard systems during port stays.[13]

In addition to expanding hours of operation, and adopting environmental improvements, the future success of the Oakland Seaport depends on the ability to accommodate ever larger container ships. **Figures 4 and 5** below illustrate changes in maritime shipping at the Oakland Seaport. **Figure 4** shows that cargo volumes have gone up, even as the number of carriers stayed about the same, and the number of terminals decreased. This correlates with the almost tripling in size of the largest container ship handled, from 8,000 TEUs to 21,000 TEUs. **Figure 5**

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[12] "Port of Oakland Doing More Work at Night than Ever Before." *Port of Oakland*, 4 Apr. 2018, www.portofoakland.com/press-releases/port-oakland-work-night-ever/.

[13] "Port of Oakland Shore Power Use Hit All-Time High Last Month." *Port of Oakland*, 31 Aug. 2018, www.portofoakland.com/seaport/port-oakland-shore-power-use-hit-time-high-last-month/.

shows how cargo volumes have changed over the last six years and are projected to continue to grow as the recovery from the economic collapse of 2018 continues. **Figure 6** illustrates the trend toward larger vessel size in the maritime shipping industry as a whole.

Figure 4 Changes in Cargo Handling at Oakland Seaport

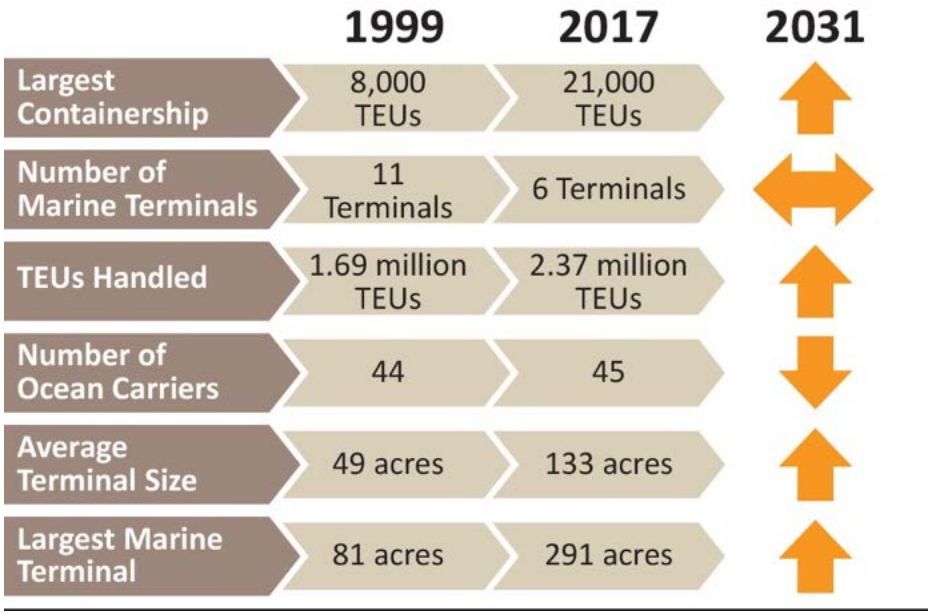


Figure 5 Historic and Projected Container Volumes in Oakland Seaport

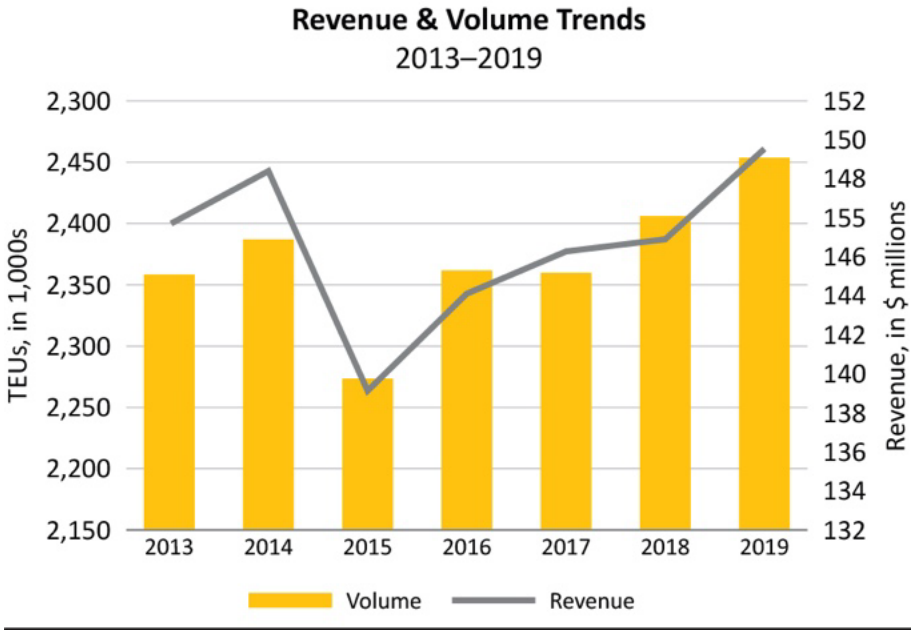
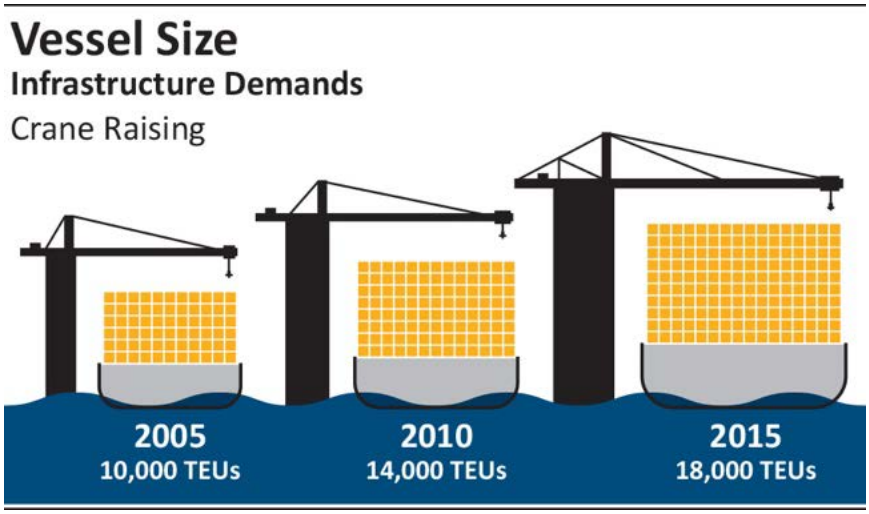


Figure 6 Trends in Container Vessel Size



Howard Terminal: Role in Growth of Oakland Seaport

Howard Terminal is a 50-acre site owned by the Port of Oakland. Separated from the rest of the seaport by Schnitzer Steel to the west, it is also bordered by the UP railroad and Embarcadero West to the north, a power plant and Clay street to the east, and the Inner Harbor to the south. Adapting to the trend toward larger container ships in order to sustain Oakland Seaport's productivity will require expanding the inner harbor turning basin to allow these larger vessels to be turned and serviced at OITC and other port terminals. This expansion likely will require demolition of a part of the Howard Terminal given the narrow width of the Oakland Estuary. Thus, Howard Terminal is a key element of maintaining the viability and growth potential of the Oakland Seaport in the years ahead.

The Port is fully aware that their future depends on increasing efficiencies and expanding capacities, with land in the area a very finite resource. Current trajectories put the Port at needing to expand to Ports America by 2030 to 2035, and by 2040 they would need to be utilizing Howard Terminal or fill land for further growth. While it is currently being utilized for maritime uses not dependent on the ship-to-shore gantry cranes, there has always been strong interest in maintaining Howard as an intermodal marine terminal, and it has demonstrated its value in this role in the past.

According to Port staff, Howard Terminal remains suitable for vessel loading/unloading activities given its deep-water berths access to a wide and deep-water federal navigation channel, and relatively square geometric configuration. However, because of its relatively small size (50.3 acres) relative to other modern container terminals, older container gantry cranes, and limited room for expansion, Howard Terminal is not desirable for loading and unloading of the larger container ships that call the Port. Therefore, Howard Terminal is better suited to container operations for smaller vessels that currently call other terminals; bulk operations; break-bulk operations; and ro-ro operations. However, it currently serves an important role in staging of container loads, increasing the efficiency and throughput at other terminals.

History of Site

Howard Terminal has been an active industrial site since 1900, when the Terminal was used as a private railway station and coal storage area. It stayed private until it came under Port jurisdiction in 1978. Before its development as a container terminal, Howard Terminal has accommodated a number of industrial activities, including oil storage tanks, a manufactured gas plant, a briquette plant where compressed charcoal blocks were made, a coal tramway, an asphalt paving plant and a blacksmith.[14] Consequently, the site has several generations of toxic materials under its asphalt surface. The existing deed restriction encumbering the site imposed by the DTSC provides that the only use for the property that does not present an unacceptable threat to human safety or the environment is when the site is capped and undisturbed in its current use as a marine terminal, and housing and other specified development on this site are explicitly prohibited. Development of the site would require remediation of contaminants and elimination or modification of the deed restriction.

Current Use

Marine terminal operations under SSA Terminals were formerly located on the site until they relocated to a larger site in 2014. Since that time, Howard Terminal has been serving a number of different purposes through several separate leases. One of these is as a storage and staging area for trucks moving goods within the Port. Having this location adjacent to the major active marine terminals as well as rail and truck transport operations serves an important purpose, as it allows trucks a central location to stage loads, reducing travel time, emissions, and truck traffic in the areas of West Oakland adjacent to the Port. This also increases the capacity of independent truckers to move goods quickly and at off-peak travel times, which increases their income because they are paid by the load.

The Pacific Maritime Association (PMA) also leases a portion of the Terminal. The principal business of the PMA is to negotiate and administer maritime labor agreements with the International Longshore and Warehouse Union (ILWU). The Howard Terminal site serves as a training facility for these union maritime jobs, facilitating certification of maritime workers for longshore jobs of various types.

Development of the Howard Terminal for the A's Stadium and housing, office and other uses would displace these port-related functions and impact the efficiency of Port operations. Furthermore, the development of the site for non-port uses would have a number of additional impacts on the Port that could threaten its competitiveness and viability over the long term. This point is expanded upon in Section 4 of the report.

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[14] Veklerov, Kimberly. "Oakland A's Ballpark Plan: Howard Terminal's Industrial Past Poses Challenges." *San Francisco Chronicle*, San Francisco Chronicle, 15 Feb. 2019, www.sfchronicle.com/bayarea/article/Howard-Terminal-s-industrial-past-poses-13618156.php?psid=rJiY.

Figure 7 Aerial View of Howard Terminal

3. THE OAKLAND A'S PROPOSED PROJECT

The Oakland A's have been exploring the possibility of building a new stadium for a number of years, first engaging with the Port of Oakland regarding interest a potential baseball stadium development at the Howard Terminal site in 2014. After early termination of a pervious Exclusive Negotiating Agreement (ENA) with the Port, the A's entered into a new four-year ENA in May of 2019. The ENA includes as an attachment a Term Sheet, which specifies key business terms and principles that will be incorporated in the final agreements. The land use program for the site, which accompanies the ENA are shown in **Figure 8** below. The uses include the following:

- A new open-air waterfront multi-purpose Major League Baseball ballpark with a capacity of up to 35,000-persons that will serve as the new home to the Oakland A's, including a 'green roof' that would provide public access on non-game days with views of the Bay;
- Up to 3,000 residential units, 1.5 million square feet of office, and up to 270,000 square feet of mixed retail, cultural and civic uses that would be developed in blocks throughout the Project site west of the ballpark;
- An approximately 3,500-seat performance center;
- An approximately 280,000 square-foot 400 room hotel; and
- A network of public open spaces located throughout the site that would connect the pedestrian and bicycle network along the Oakland waterfront to the site, and would provide two large-scale open spaces.

This is a very substantial amount of non-ballpark development, located between the stadium and active Port maritime operations.

According to an Economic Impact Report published by the Bay Area Council, the non-ballpark uses delineated above would in fact be the main drivers of impact at Howard Terminal, yielding 93 percent of the cited yearly increase in output. [15] Referencing $902 million of total increase in output, with the ballpark contributing $65 million of this, the Bay Area Council's analysis significantly overstates the potential economic benefits of the Howard Terminal development as it ignores the economic activity associated with the current stadium, failing to distinguish what development would be truly additive as compared to displacing development that could occur elsewhere in Oakland.

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[15] "Economic Impact of Howard Terminal Developments." *Bayareaeconomy.org*, Bay Area Council Economic Institute, May 2019, www.bayareaeconomy.org/files/pdf/Howard_Terminal_Methodology_2019.pdf.

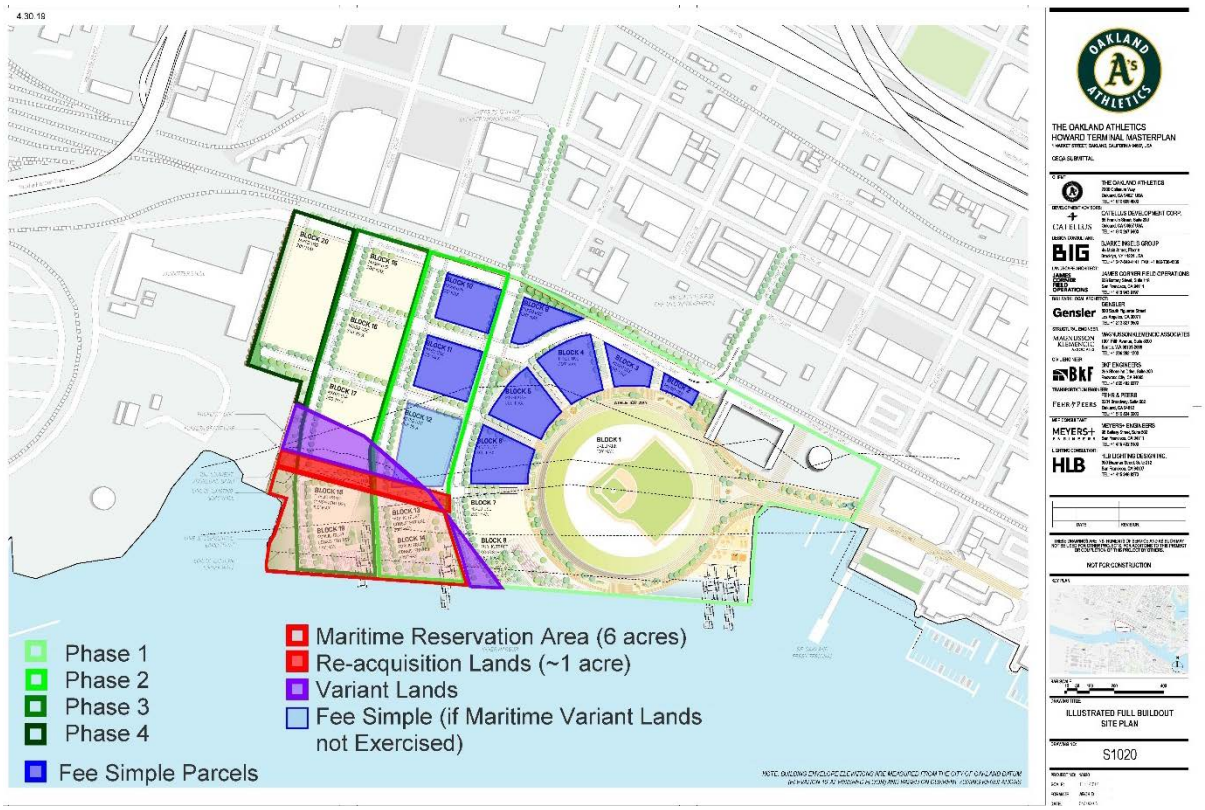
Additionally, the new development is immediately adjacent to Schnitzer Steel, a 24/7 metals recycling facility, and proximate to the Port's largest marine terminal, all of which generate the significant noise, day and night, light, air quality, truck, train and other environmental impacts that are characteristic of heavy industrial operations. While the Port of Oakland controls much of this industrial property, Schnitzer Steel and Union Pacific Railroad own their sites in fee and have invested substantial capital in equipment, machinery, environmental controls, and infrastructure.

There are many regulatory and process hurdles to be overcome before this development can be approved, including sign-off from the State Lands Commission that the uses are consistent with the Tidelands Trust or authorizing land swaps to free portions of the site from the Trust; approvals from BCDC on consistency with the San Francisco Bay Plan; elimination or modification of the current deed restriction and certification of site remediation by the DTSC; certification of an Environmental Impact Report, adoption of the CEQA findings by the Port Board of Commissioners; and approval of amendments to the City's General Plan, among others.

The A's have indicated that their project will be 100 percent privately financed. Among the costs the A's have stated they will finance privately are:

- Remediation of the site;
- Raising of the site to protect against sea level rise;
- Construction of all backbone, horizontal infrastructure;
- Construction of the ballpark and related open space improvements;
- A gondola system connecting the 12th Street BART station with the site;
- Environmental Impact mitigation measures required as a result of CEQA analysis; and
- Entitlement and Pre-development costs.

Figure 8 Oakland A's Proposed Ballpark and Mixed-Use Development



Private financing of all of these costs would be extremely challenging, if not impossible, under the best of circumstances. Adding to that challenge is the extra construction costs necessary to build on pilings that will be piercing contaminated soils. Just as important, the market demand for the proposed uses may be impacted by the adjacent industrial and maritime uses that produce noise, light, and train and truck traffic that are incompatible with residential and office uses. Also, as shown in the diagram, a portion of the site, designated as Maritime Reservation and Variant Lands, very well may be needed for the expansion of the Inner Harbor Turning Basin, further reducing the revenue producing potential of non-stadium uses on the site.

It is evident from the Term Sheet that the A's are depending on generating substantial revenues from non-stadium development on the site to pay for these other costs. One of the key business terms identified in the Term Sheet is that proceeds from the long-term lease or sale of these non-stadium properties would go first to the A's to pay them back for these costs, plus a return on investment that remains to be negotiated. The Port's share of any additional revenues after this priority return to the A's would be subject to a split between the Port and the A's that also remains to be negotiated. While neither the A's nor the Port have released a pro forma illustrating the financial feasibility of the Project, the economics seem daunting and it is difficult to imagine the Port receiving much if any revenue from the land disposition.

4. POTENTIAL CONFLICTS BETWEEN THE A'S BALLPARK AND MIXED-USE DEVELOPMENT AND THE OAKLAND SEAPORT

The project proposed by the A's entails numerous conflicts with maritime and industrial uses at the Port. To the extent these conflicts cannot be adequately mitigated, they cumulatively represent a threat to the long-term competitiveness and viability of the Oakland Seaport. Likely conflicts are enumerated briefly below.

1. Provisions in the Term Sheet for the acquisition of portions of the Howard Terminal site needed for expansion of the Turning Basin could jeopardize the potential to accomplish the expansion, putting maritime operations at the Oakland International Terminal and the Matson Terminal at risk, and threatening the long-term viability of the Port of Oakland.

    - The term sheet imposes time limits on the Port's ability to elect to use portions of the Howard Terminal site for expansion of the Inner Harbor Turning Basin, including 10 years for the Maritime Reservation lands, which comprise a six-acre portion of the Terminal that likely is essential to the expansion of the turning basin, and 5 years for additional Variant Lands that may prove to be needed to adequately expand the turning basin. Given the lead time for engineering, permitting and financing the expansion of the turning basin, these time frames may obviate the potential to accomplish the expansion, putting the ability of the Port to service larger ships permanently at risk, and jeopardizing the viability of the Port as a whole.

    - The additional provision to allow reacquisition of a portion of the site that may already have been developed as part of the A's mixed-use plan would require the Port to reimburse the A's for any horizontal infrastructure built on the site. This provision would apply to the Reacquisition Lands for 10 years, and to the Variant Lands for 5 years. Bearing the cost of reimbursing the A's for infrastructure that has been built would increase the cost of reacquiring these lands, and potentially could have disruptive effects on the horizontal infrastructure serving the remainder of the site.

    - The need for and feasibility of expanding the turning basin will be studied by the Port, and the Port will request a feasibility and scoping study by the United States Army Corp of Engineers. It is anticipated that the Army Corp study would take 3 to 5 years to complete after commencement of the ENA. If the study takes 5 years, it will exceed the 4-year term of the ENA. The lack of a completed study during the course of the ENA would make execution of transaction documents during that time frame risky in terms of the ability to adequately plan for expansion of the turning basin.

2. Howard Terminal is currently used for staging of containers, reducing truck movement times and distance, and corresponding traffic in surrounding communities, and improving the productivity of independently owned truckers serving the Port. Redevelopment of the terminal would displace this use and its benefits to maritime activities and the environmental quality of surrounding West Oakland neighborhoods.

3. The introduction of residential and office uses immediately adjacent to industrial and maritime uses presents a host of conflicts that are likely to diminish the viability of such uses at the Port, where there are no comparable alternatives for such activities in the Bay Area. These conflicts, however avoidable or unreasonable, unexpected or previously mitigated, may materialize in numerous forms ranging from public nuisance litigation, inability to obtain EIR approvals for future port projects, future city or Port general planning and zoning exercises, to complaints to regulators against standard and normal industrial operations.

4. The most obvious conflict would be between high end residential towers being built immediately adjacent to Schnitzer Steel, whose 24-hour operations involve shredding auto bodies and moving scrap metal, which generate significant noise and other impacts.

5. The loading and unloading of ships, with attendant noise and light impacts, also are incompatible with adjacent residential uses.

6. The loss of industrial and maritime jobs at the Port would likely be permanently irreplaceable.

7. Location of a ballpark on the Howard Terminal would cause numerous transportation, land use, and maritime operational conflicts, and create numerous safety and health risks.

    - Approximately 40 trains per day pass the Howard Terminal daily. Additionally, assembly of trains in the Union Pacific and BNSF rail yards back up past the terminal and along the Embarcadero. Inevitably, these rail operations will come into conflict with auto and pedestrian movements to the ballpark and ancillary uses.

    - Railroads are federally regulated and schedules are dictated by national goods movement and passenger train schedules. Thus, it would be virtually impossible to alter the scheduling of these movements to mitigate interference with game day crowds, or pedestrian or auto trips generated by the residential, office, hotel, retail, and recreational uses proposed in the A's development. Because of this the UP railroad and California Public Utilities Commission have already advised the A's development that their current site plan is incompatible with their existing right of way due to a lack of vehicle-crossing grade separations.

    - The Embarcadero is one of three truck access points to the Port. The heavy congestion and traffic conflicts generated by the A's project would severely impact this access for port-related trucking.

    - The proposal to fence off a portion of the Embarcadero and close it to auto and truck traffic would further impede needed access, and could likely shift truck traffic to Third and Fifth Streets.

    - Modal incompatibilities and thus increased risk of accidents will be inevitable, as truckers, bicycles, Lyft/Ubers, buses, and vehicles converge on limited roadway.

    - The increased pedestrian and train conflicts is likely to result in an increase in fatal accidents as pedestrians attempt unsafe crossing to get to a ballgame or other activity on the site.

- Light pollution from night games at the ballpark could interfere with ship docking. Determination of the safety of docking is determined by independent Bar Pilots, who will be very conservative in their assessment of the risk associated with turning and docking ships. Like train movements, shipping is not subject to being timed to avoid conflicts with game days.
- To the extent baseball games or other activities on the site attract kayakers or small crafts to the area, small boaters could be endangered by ship movements, or alternatively, ship movements could be disrupted to avoid conflicts with such craft.

The removal of Howard Terminal from Port jurisdiction and subsequent development of the Stadium Mixed Used Project would jeopardize operations at the Port of Oakland in a variety of ways in the short and long term. The ballpark alone will present numerous conflicts related to transportation and pedestrian safety. Introducing residential, commercial, and recreational land uses into a heavily industrial zone will result in many more incompatibilities for interests on both sides of the table are inevitable. Cumulatively, these conflicts threaten the long-term competitiveness of the Oakland Seaport, and its viability as a working port.