

San Francisco Bay Conservation and Development Commission

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June 2, 2020

TO: Seaport Planning Advisory Committee
FROM: Linda Scourtis, Ports and Oil Spill Prevention and Response Program Manager
(415/352-3644; linda.scourtis@bcdc.ca.gov)
SUBJECT: Draft Minutes of the May 11, 2020 Seaport Planning Advisory Committee Meeting

1. **Call to Order and a Statement by the Port of Oakland.** The meeting was called to order by Chair Halsted at 9:35 a.m. It was held online via Zoom.

Committee Members or Alternates present were Chair Anne Halsted, BCDC; Brandon Chapman, Port of Redwood City; Andrea Gardner, Port of Oakland; Captain Lynn Korwatch, Marine Exchange; David Lewis, Save the Bay; Jim McGrath, BCDC; Cameron Oakes, Caltrans District 4; Kara Vuicich, Metropolitan Transportation Commission; Kristine Zortmann, Port of Redwood City; Jim Triplett, Amports Benicia; and Brendan O’Meara on behalf of Andre Coleman, Port of San Francisco.

Not present was Jim Matzorkis, Port of Richmond.

Staff in attendance included Planning Director Jessica Fain, Ports and Oil Spill Prevention and Response Program Manager Linda Scourtis, Waterfront Planner Katharine Pan, and Coastal Program Analyst Cody Aichele-Rothman.

Ms. Aichele-Rothman stated that a quorum was present.

Chair Halsted introduced Danny Wan, Executive Director of the Port of Oakland, who reported on how the Port and its consolidated operations have been impacted by the COVID-19 pandemic.

In March the Port hosted the Grand Princess cruise ship – the first time it had hosted such a vessel. Although not designed with the necessary infrastructure or berth to perform cruise ship operations, in 48 hours the Port mobilized for this state and federal humanitarian mission. This included relocating impacted tenants, installing fencing and barricades, demarcating ingress and egress through the seaport, and adjusting the surrounding property entrances and security systems. Airport staff established a 24-hour emergency operations center. The operations went on for several days.

Staff and resources have been strained to the limits, but are completely dedicated to providing and continuing the essential government functions and services on behalf of responders and residents. Executive Director Wan expressed appreciation to frontline workers who include those at the airport and seaport moving goods through the supply chain.

**SEAPORT PLANNING ADVISORY COMMITTEE MINUTES
MAY 11, 2020**

The lessons the pandemic have taught us are that we must expect unpredictability and we must understand that flexibility, versatility, and cooperation among all segments of our institutions will be the key to sustainability.

Executive Director Wan stated that the pandemic has blown out many economic and business planning models they have looked at. He has asked many experts the questions, what will happen to us? What does our future hold? The number of different answers he gets equals the number of experts he asks.

The Port of Oakland is largely a self-funding institution. It does not receive local tax revenues for daily operation. Its funding for operations swings with the level of business it gets. Lately, business has taken a wild drop. However, the Port cannot simply shut down and stop the cash bleed. They must continue to function as an essential infrastructure. They rely on lease payments from tenants and customers, airport passenger fees, seaport terminal operators' leases, and other concession revenues to maintain their infrastructure of finances.

The impact of the crisis has been unprecedented for many of the Port's business partners. The global supply chain has also been heavily impacted with an uncertain future ahead.

The Port's immediate focus has been the safety of its workers and operators. The next concurrent focus has to be to stabilize the Port's internal finances. This includes canceling all travel, freezing all Port hires, and reducing/eliminating discretionary spending. Most important, the Port is reprioritizing its capital project efforts to bare bones essential needs.

Activity and business forecasts are troubling. Airport volume is at barely 5% of normal passenger load. Some aviation experts are predicting a different normal rather than a rebound. No one knows how many years we will be facing this.

As a consolidated airport/seaport authority, including a commercial real estate visitor-serving destination such as Jack London Square, the dramatic and sudden loss of revenue in two of the Port's three business lines has created a significant hardship. The Port has not discovered the full economic depth.

The question that many are asking is not when we will return to normal, but what the normal will be.

The seaport has remained operational, but cargo volumes continue to drop. A bright spot is that exports remain healthy, but frozen food exports are uncertain as meat packing plants are shutting down.

The Port projects operating revenues for fiscal year '20-'21 to drop anywhere from 15-20%. However, uncertainty surrounds the trajectory of the health emergency. Short-term and long-term forecasts for the Port are at best an educated guess.

The Port's lands are public lands that answer to the State Lands Commission and BCDC. Many sister state agencies use their lands for public purposes. Further, reliance on operating revenue to sustain essential public service infrastructure operations during times of emergency may not be a financially sustainable model.

Another lesson learned is that we need flexibility and cooperation. Airports may have to be reinvented, seaports may see fundamental shifts in supply chain, and visitor-serving industries may have to redefine their customer base. Some Port activities that generated revenues to support public use operations may no longer be available or feasible. There will have to be some flexibility for the Port to generate revenue through innovation and find new technologies in new ways that benefit the public.

Executive Director Wan asked the Commission to remain flexible and work with them to find innovative ways to accomplish mutual purposes and support the Port as they continue to serve the public during this emergency.

2. Member Comments and Approval of the December 5, 2019 Draft Minutes. Mr. McGrath commented that the airline industry seems to be the most problematic of the three lines of revenue for the Port, in terms of how it bodes for long-term changes. The rebound of the consumer-driven market – which is the basis of most of the seaport's activities – is perhaps a little more certain than that of travel. Executive Director Wan responded that before the crisis hit, the airport was actually reaching capacity – it was doing very well. Now, the airport and travel-related industries are going to have to find what they will look like after this. On the seaport side, however, the import/export industry has already faced trade uncertainties in terms of supply chain and foreign policy. The Port of Oakland is fortunate to be a regional port serving a local consumer base, as well as its agriculture industry and frozen foods industry, so it has been somewhat insulated from some of the megatrends. Still, 15 percent of ship sailings have been cancelled over the next few months.

Chair Halsted provided instructions to the Committee and the public regarding participation in the Zoom meeting.

MOTION: Mr. McGrath moved to pass the Minutes of the December 5, 2019, meeting; seconded by Mr. Lewis. There were no suggestions for changes or amendments. Chair Halsted deemed the Minutes unanimously adopted.

Chair Halsted invited any Committee Member who had engaged in any ex-parte communications on the topics at hand to report them accordingly. There were none.

3. Introduction and Presentation on Cargo Forecast. Waterfront Planner Katharine Pan summarized the information in the staff report on the Seaport Plan provided to the Committee.

The goals of the Seaport Plan are as follows:

- To ensure the vitality of the Bay's port system.
- To maintain and improve the environmental quality of the Bay.
- To ensure efficient use of waterfront resources and regional transportation systems.

- To reserve shoreline areas to accommodate future cargo growth for minimizing the need for new Bay fill.

One of the Plan's tools for accomplishing these goals are the Port Priority Use Area Designations, which designate areas determined necessary for current and future port development.

The Seaport Plan needs to be updated for the reasons below:

- The plan uses Cargo Forecasts that expire in 2020.
- Since the Plan was updated in 2012, some policies may be outdated.
- Consistency needs to be checked with new Bay Plan policies.
- There have been a number of requests to change port priority use and terminal designations.

Last January BCDC initiated two amendments, BPA 1-19 (general) and BPA 2-19 (Oakland A's), to start the process.

The update process involves five steps:

1. Background studies have been completed including an updated Cargo Forecast.
2. An Alternatives phase will consider potential land use configurations and big-picture policy proposals.
3. Drafting the updated Plan.
4. Conducting an Environmental Assessment.
5. Hearings and Adoption.

The purpose of the Cargo Forecast is to act as a basis for the Plan's policies and designations. The Draft Cargo Forecast was prepared by the Tioga Group and Hackett Associates. It covers a period of time through 2050 and includes a demand forecast and terminal capacity estimate.

At the December staff meeting, Mercator International, the consultant for the Oakland A's, presented a review of the terminal capacity forecast as well as their own version of the forecast, to demonstrate that adequate capacity will be available to meet the projected demand in 2050. Staff was directed to further vet the Draft Cargo Forecast container terminal estimate in comparison to Mercator's.

Since December the BCDC consultants have prepared a new draft of the Cargo Forecast dated April 30. None of the major conclusions in the forecast have changed.

Staff has asked the consultants to assess the potential impacts of the pandemic on cargo trends. BCDC received a comment letter from the Oakland A's and their consultant; BCDC's consultants provided a letter responding to their concerns.

At present, staff believes that the draft demand forecast is still usable. The forecast assumes that there will be economic fluctuations to account for unpredictable events such as the pandemic. Currently there are no clear indications of what significant long-term impacts on cargo flows will be.

Ms. Pan explained the numbers in the Draft Cargo Forecast analysis, which translates the projected cargo volumes into the terminal acreages needed to handle them using the capacity estimates.

Ms. Pan highlighted two revisions made to the forecast since December 5:

- It incorporates the Port's actual ro-ro export figures, which are higher, and includes separate productivity scenarios for exports.
- A new section illustrates the concept that a container terminal will likely find it more cost-effective to increase its throughput capacity with horizontal expansion onto available land, before implementing vertical efficiency improvements.

Staff obtained outside reviews from two Oakland terminal operators (SSA and Everport) and two academic peer reviewers (Dr. Asaf Ashar and Dr. James Fawcett). Ms. Pan highlighted the main takeaways from the reviews:

- In terms of methodology, the Draft Cargo Forecast used a benchmarking approach while Mercator took a terminal-by-terminal approach.
- Both used a combination of factors to provide estimates that account for their peaks and valleys in cargo flows to arrive a sustainable capacity rather than maximum capacity.
- The peer reviewers found the Draft Cargo Forecast to be adequate for large scale regional planning purposes.
- While the two approaches taken by the consultants were different, they actually achieved similar results for the various storage capacity calculations. The primary difference between the two reports isn't methodology per se or the implied storage capacity at the terminals; rather, it is assumptions pertaining to dwell time and operating days.
- Terminal operators indicated that Mercator's assumptions of 360 working days a year and dwell times of five days were not realistic for terminal operators at Oakland due to low returns on investment and outside factors such as the availability of customs, labor, and trucking over weekends. SSA suggested that 250 working days and 5.6 days of dwell time are better assumptions for planning purposes. (Ms. Pan pointed out that productivity around working days and dwell times could increase over the next 30 years.)
- Staff needs to consider how conservative or aggressive to be in their assumptions around future productivity.

- The reviewers stated clearly that they found the Mercator estimate to be too aggressive.

Ms. Pan displayed a graphic for helping to contextualize the draft cargo estimate.

Mr. Lewis had asked if land has ever been added to the Seaport Plan's port priority use areas in the past. BCDC staff found five instances in which land was added.

During the process of reviewing all the information, staff identified a number of policy implications. Some considerations for accepting the Cargo Forecast are:

- The issue of whether the forecast should be more conservative or aggressive in estimating cargo capacity and throughput capabilities.
- The issue of how to think about planning for 2050. The Draft Cargo Forecast does project a tight margin for meeting future cargo needs – closer than we have had to consider before.
- The issue that Mercator raised of additional capacity that could be provided by other sites in the region, including those outside BCDC's jurisdiction. BCDC would need to be able to ensure the availability of these sites to meet cargo-handling needs.

Also regarding policy implications, some considerations for map and policy development are:

- Ancillary uses are essential to port function; how can we ensure that adequate land is available in the right places to support those uses?
- We need to think comprehensively about the impacts that port use may have on surrounding communities – traffic, air quality, noise, and safety, as well as the ripple effect that decisions about land use within the port priority use areas can have.
- Port priority use additions and transfers have been a tool for maintaining or increasing port priority use capabilities.

4. Member Questions and Discussion. (Dan Smith of the Tioga Group and Daniel Hackett of Hackett Associates were available for questions.)

Captain Korwatch asked about lay berths as an ancillary issue. Ms. Pan replied that lay berths had not been a strong piece of analysis in either of the reports. However, it is a serious concern when it comes to doing cost-benefit analyses in terms of how operations may change in the future. Captain Korwatch voiced the concern that in designating berths for other uses, we will lose the opportunity to retain lay berths. Deep draft berths are few and far between in San Francisco.

Mr. Smith stated that the issue had been touched on briefly in the report; the Port of Oakland staff had pointed it out as a prior use of Howard Terminal. There has also been some lay berth activity at the Port of Richmond. It is a difficult thing to predict. The report does include a berth utilization analysis that concludes that if we have fewer berths at Oakland than at present, in peak periods the berth capacity could get very tight; that would imply a lack of opportunity for lay berthing.

Mr. Lewis noted that the Fawcett peer review was the only one that was blind. Ms. Pan responded that after the initial contact, Dr. Ashar had googled BCDC and found all the information before he received the blind report. He did his best to be objective. The only one who was fully blind in the process was Dr. Fawcett.

Mr. Lewis asked if the blind report should be given more credence. Ms. Pan answered that it did not seem necessary; in talking to them, neither seemed to have strong views toward the teams that worked on the reports. She noted that Dr. Ashar had worked with the Tioga Group in the past. However, he did not seem to have changed his review because of information he had that Dr. Fawcett did not have.

Mr. Lewis asked if staff had received any input that they and the consultants had not had a chance to respond to. Ms. Pan answered that they had not so far; the comments posted on the website were the ones they have received to date.

For the upcoming discussion, Mr. McGrath requested the map of the Port of Oakland terminals that had been displayed during the December meeting (Exhibit 92-93). It shows the full layout of the Port, including the acreages and proximity.

5. **Public Comments.** Chair Halsted called for public comments.

Scott Taylor, President and CEO of GSC Logistics, which handles about 12% of all the import merchandise at the Port of Oakland, was very troubled by the Mercator Report. It is impractical for terminals to operate 24/7. Anyone can make these numbers come out any way they want them to using this type of logic. It makes no sense to reduce our capacity for essential services to make room for nonessential services (sports) that could be located elsewhere.

Bill Dow opposed having the A's at Howard Terminal for three reasons. Condominiums, hotels, and ball stadiums interfere with port activities, and there is only so much area that can be used for the ports; the Oakland A's can rebuild their stadium in the current location; and condominiums do not work well next to industrial areas such as a port – the residential areas object to the industry and start to want to change it.

Andy Garcia, Chairman of the Board at GSC Logistics, pointed out that the Port of Oakland sits at a strategic location. From the Port, containers are loaded and shipped across rail to the East Coast. In years past, the Howard Terminal supported tens of thousands of automobiles coming into the Port from overseas as well as automobiles destined to go overseas. This landmass has a unique strategic value to companies such as Tesla. It would be a disservice not only to the Port, but also to manufacturing efforts of companies including Tesla, to change the usage of Howard Terminal to something other than import and export of automobiles.

Mike Jacob, Pacific Merchant Shipping Association (PMSA), stated that the industry is currently struggling to deal with a dynamic situation. PMSA had submitted extensive comments in December. Mr. Jacob noted that Mercator had originally stated that the Port does not need as much acreage because it can densify its operations; however PMSA had pointed out that

there really isn't the capital capacity in the current system to support this kind of densification. Given the variability of our current environment, PMSA does not think it reasonable for Mercator to draw the conclusion that as a result of the COVID crisis there is a higher capacity for more capital intensity from the marine terminal sector.

Susan Ransom, SSA Terminal in Oakland, stated that the bottom line to all this is the significant assumption that the terminal operators are willing to put out a billion dollars to go automated. This discussion on having the ballpark involves so much more than the congestion, travel into the city, etc. Overall it is the terminal operational cost that is not going to be reachable.

Evey Hwang, President of the Customs Brokers and Forwarders Association of Northern California, expressed concerns about the ballpark. She asked not to fast track the evaluation of this essential area of the Port. The risks are even greater as to the expense and the infrastructure needs. As evidenced by the COVID situation, if we have another pandemic, we will have an empty stadium and a very expensive shelter-in-place at the luxury condominiums. We need to secure and further the sustainability of this maritime business. The reality has changed from the time of the existing report made months ago, and more scrutinizing is necessary – maybe a new report.

Steve Rothberg, Mercator International, stated that the charter they were provided with was not to formulate policy for the Port of Oakland. Instead, they were trying to assess what might be achievable in terms of terminal throughput capacity (especially container traffic) for the Port of Oakland by the year 2050, taking into account technological improvements manifested at ports in different parts of the world. Mr. Rothberg recognized the current uncertainties. In terms of traffic demand, he felt that there will be a significant economic recession that will take a very long time to pull out of. It will impact the long-term traffic gross.

Weston LaBar, CEO of the Harbor Trucking Association, reiterated that they oppose any change from maritime uses to other uses. They do think that there is going to be growth on the West Coast, and they have been actively working with all the seaports to create a West Coast gateway strategy. Repurposing maritime land is short-sighted, mostly because it is impossible to create new maritime land. It is a great idea to look at alternatives that may allow for moving more cargo with a smaller geographical footprint. However, they are very costly and capital-intensive for the people being asked to essentially change their business operations and invest so the Oakland A's can build a stadium. This is unfair to the people who are there using the Port for its intended purpose: maritime goods movement. Mr. La Bar added that in considering automation as an alternative, the State of California currently is looking into whether it will allow automation because of impacts to the workforce.

Daniel Smith, Tioga Group, stated that the issue pertaining to the container capacity calculations is not so much automation – it is whether you can reduce the dwell time of containers from 5.5-6.3 days to 5 days. He stated that the largest driver of Mercator's estimate is their assumption that the terminals are going to work 360 days/year rather than 250, and that terminals would work weekends and those days would be just as productive as weekdays.

The terminal operators should be able to give feedback on whether or not that is realistic. The other issue is COVID's impact on cargo volumes. When Tioga forecasts, they use long-term trends. Tioga's comments (Exhibit 4) in the packets include a diagram showing the cargo history at Oakland since 1998 which includes recovery from two recessions. In terms of the Port of Oakland's vulnerability which was mentioned by Mercator, in 2020 to date, the Port's cargo is up rather than down. It is much less vulnerable to import drops than other ports on the West Coast, which Mr. Smith explained.

Jim Leonard, Mercator International, commented on a misperception about the capacity analysis that they had put forward. Containers do sit on terminals 360 days/year, so the capacity for them to store containers is determined as such. In calculating dwell time, Mercator accounts for all days on the terminal, not just when the gates are open. In matching the capacity to store containers on the terminal to the demand, they have to use the same 360 days/year for both numbers. The concern about the 250 operating days versus the 360 days is misplaced. Mr. Leonard also pointed out that their analysis is not based on automating the terminals. Oakland can become a highly focused, high density operation by taking the steps to maximize what it can do with the property it has. Mercator had based its estimated future capacities on what other terminals in the world are already doing.

Derik Andreoli, Mercator International, referenced Tioga's Exhibit 4. He listed trade events that had happened in the referenced time span. He also explained why Tioga's assertion that the GDP takes recessions into account is demonstrably false.

Committee Member Andre Coleman, Port of San Francisco, stated that Brendan O'Meara would be participating in the meeting on his behalf.

MOTION: Mr. Lewis moved to close the Public Hearing; seconded by Mr. Triplett. Chair Halsted deemed the Public Hearing closed.

6. **Break.** Chair Halsted designated a five-minute break.

7. **Committee Discussion.** Chair Halsted stated that the main goal of this discussion was to prepare the Committee to vote on whether it could adopt the Draft Cargo Forecast as written, or with specific requested adjustments. She emphasized that no individual changes to the Seaport Plan Priority Use Area Designations were being considered at this time.

The discussion questions posed by staff were as follows:

a. Is the Draft Cargo Forecast approach and methodology acceptable to the SPAC for long range planning?

b. Is the April 30, 2020, Revised Draft Cargo Forecast acceptable as-is? If not, what specific final revisions should be made?

c. Which of the Draft Cargo Forecast's capacity estimates for each type of cargo should BCDC use in moving forward with the Seaport Plan update? How can we resolve any concerns with these estimates?

d. Should other potential sites be considered in estimating available terminal acreage, including areas in port priority use areas not currently in use or planned for port operations, areas in BCDC jurisdiction outside of port priority use areas, and areas outside of BCDC jurisdiction and outside of port priority use areas?

Mr. McGrath felt that the Committee needed to distinguish between capacity and cargo projections. They also needed to consider separately and explicitly the importance of feasibility.

Mr. Lewis was very pleased with the forecast and agreed with Mr. McGrath that it is worth exploring the feasibility of some of the logistical suggestions.

MOTION: Mr. Lewis moved adoption of the staff recommendation; seconded by Mr. McGrath.

The discussion continued.

Mr. Lewis complimented staff on their exhaustive review and the reassessment after soliciting outside perspectives, which strengthened the document. He was encouraged by the alignment of most of the results here – the direction of the long-range forecasts with variability offered in the results. He pointed out that prior long-range forecasts have been pretty accurate over time. This has all resulted in his confidence in the consultant's report and recommendations, reinforced by Executive Director Wan's report of near-term uncertainty about the future especially with the virus and the trade considerations. That should reinforce our reliance on the long-term forecasts prepared by consultants and staff. Mr. Lewis also noted that the Committee is not being asked today to decide about any changes in port priority use areas, but the uncertainty about the long-term capacity needs would argue against making short-term decisions that would reduce the berthing and logistics capacity.

Ms. Pan stated that should there be agreement on the Cargo Forecast, staff will probably take the rest of the month to finalize the document. They will follow up with a briefing to the Commission in June. Over the summer they will go through the alternatives, then draft a plan with some policies for late fall/winter. In winter/spring of 2021 staff will have something to bring to the Commission.

Mr. Triplett addressed discussion question #4. Speculation about potential sites outside BCDC jurisdiction should not be considered in planning – it is highly speculative to presume that someone might develop a site and absorb any portion of a cargo flow without the money already being committed.

Ms. Gardner addressed the first three questions, reminding the Committee that in July 2019, the Port of Oakland Executive Director and the President of the Board submitted a letter to BCDC noting that at that time, we thought that the consultants' draft forecast study was a reasonable basis for the Committee's consideration. They had recommended approval of that forecast study. Now that there has been more work and more analysis, that position is even stronger. They continue to think that the study serves as a reasonable basis and they recommend approval. Their main interest is ensuring that a future plan preserves some flexibility and adaptability for the Port given the current uncertainty.

Mr. McGrath provided some background which came from his previous role as Environmental Manager at the Port of Oakland for 16 years. He described the changes in port priority use during that time and the changes in the maritime and geography area. Prior to his tenure at the Port beginning in 1990, the Fleet Industrial Supply Center Oakland (FISCO) – the Oakland Naval Station – was closed partly because they realized that for military purposes you could utilize a modern port, and it was in their interest to modernize the port. The next thing that happened was the closure of the Oakland Army Base. Reconfiguring that area with maximally efficient backland and proper alignment created capacity without having to put in 140 acres of fill.

Mr. McGrath continued that all these terminals are not perfect in terms of maximum efficiency. In the Inner Harbor and Outer Harbor there are long stretches with good amounts of backland; you can maximize the throughput. All terminals are not equal and do not need to be. In calculating maximum theoretical capacity, we need to realize that not every shipping company has the same equipment, just as not every route has the same equipment. The lion's share of cargo is going to be transported through very large container ships. For many years Howard Terminal was the location of Mattson.

Mr. McGrath offered conclusions regarding the question of COVID and consumers. Exhibit 1 in the Tioga response is extremely important: it indicates that the U.S. GDP growth is a very chaotic function. No one knows the degree to which it will come back. Likewise we do not know how selling bonds for a baseball stadium will pan out. Mr. McGrath noted that consumer spending accounts for 70% of the country's consumer growth. The U.S. is still a very strong manufacturer with 18.2% of the world's goods. The cost of shipping is a minor element compared to labor. In terms of economic development, history tells us that we will weather this storm. The driver is consumer product, which comes through our terminals.

Regarding feasibility, Mr. McGrath did not hold the conclusion that the theoretical capacity that can be constructed is a feasible capacity. If you begin to increase the cost of transport by increasing the amount of movement and storage of boxes and stacks, you also increase labor cost, labor disputes, and air quality impacts. It puts pressure on the Port of Oakland and the shippers to minimize those areas, to be efficient, and to use clean equipment. That is a significant constraint on the idea of perfect feasibility.

Mr. McGrath stated that operating more hours per day has been tried and has shown to be less efficient. It raises costs because of the nature of existing labor contracts and raises issues with uses of the Port for other purposes on weekends.

Mr. McGrath raised the issue of the great costs and limited ability to access capital at this time. He did not foresee capital being readily available for improvements and efficiency in the near term. We should be cautious here, and we should be very clear that part of our mission is to make sure that we have done what was necessary to provide both a balance on preserving enough area so we can prevent unnecessary fill, and also to allow that fill if it is truly necessary.

Mr. Oakes commented regarding other potential sites that should be considered in estimating available maritime terminal acreage. The Committee should consider the infrastructure behind the terminal systems and the infrastructure needed to move these cargoes, particularly rail and highway. The Antioch corridor, for example, is currently not recognized as part of the national highway freight network.

Chair Halsted stated that she appreciated the level of interest and concern that has gone into this analysis. Staff has been diligent in following through with the Committee's requests, as well as trying to get as close as they can to the truth. The short-term picture is likely to be seriously depressed, but we cannot assess the long-term picture at this point. Given the Committee's significant role in conserving water-oriented commerce, which can't be replaced, Chair Halsted felt that the staff report is the better course at this point. It will allow for the Port of Oakland to have as much flexibility as they need. Should conditions change a year or two from now, we can take a different course. However, right now we cannot predict that there will be a radical change from the course depicted in the staff report. Chair Halsted endorsed supporting the staff report.

Ms. Pan read the Motion: "To accept the April 30, 2020, Draft Cargo Forecast as is, with the exception of minor edits and formatting by staff and consultants, for the purpose of informing long-term regional-wide policy and planning in the Bay Area Seaport Plan Update."

Mr. O'Meara asked about the term "minor edits." Did that include specifics on accurate acreages of facilities? Ms. Pan confirmed it would not include any major change to the conclusions and findings of the report. Mr. O'Meara stated that he wanted to make edits to the acreages of the facilities in the forecasts.

VOTE: Voting Aye were Committee Members McGrath, O'Meara, Zortmann, Vuicich, Triplett, Gardner, Lewis, Korwatch, and Halsted. Voting Abstain was Committee Member Oakes. The motion carried with nine Ayes and one Abstention.

8. Discussion of Next Steps. Ms. Pan stated that staff would take a couple of weeks to finalize the Draft Cargo Forecast. The Commission will receive a briefing on the forecast and plan update process on June 4, 2020.

She added that staff has been working on a community outreach process to assess environmental justice impacts of the Seaport Plan update. Staff hopes to present this to the Committee at the next meeting.

At the next meetings (in summer and early fall), staff will go over alternatives of land use and policy proposals. Staff will be looking for direction on types of alternatives they need to be evaluating. Staff will then come back and talk through the evaluation, with the goal of arriving at a preferred alternative. Using that, staff will draft a plan for the Committee to review. They will do an assessment of that per regulations, which involves a CEQA-equivalent process to do an Environmental Assessment. Staff will take all that information to the Commission with a preliminary recommendation for adoption. After that they will formulate a final recommendation in winter or spring 2021.

Chair Halsted specifically thanked Ms. Scourtis, Ms. Aichele-Rothman, Ms. Fain, and Ms. Pan for organizing this project and continuing to hold forth in fairness to all the parties involved.

9. Adjournment

MOTION: Mr. McGrath moved to adjourn; seconded by Mr. Triplett. There were no objections.

Chair Halsted adjourned the meeting at 11:51 a.m.