

March 24, 2006

TO: Commissioners and Alternates

FROM: Will Travis, Executive Director (415/352-3653 travis@bcdc.ca.gov)
Jeffrey Blanchfield, Chief Planner (415/352-3654 jeffb@bcdc.ca.gov)

SUBJECT: Staff Report and Preliminary Recommendation Regarding Proposed Bay Plan Amendment No. 1-06, That Would Delete Port Priority Use Area in Oakland From the San Francisco Bay Plan and the San Francisco Bay Area Seaport Plan
(For Commission consideration on May 4, 2006)

Preliminary Recommendation

The staff preliminarily recommends that the Commission approve the application of Central Station Land, LLC and BUILD West Oakland, LLC to amend the *San Francisco Bay Plan* and the *San Francisco Bay Area Seaport Plan* by adopting attached proposed Resolution No. 06-01 that would delete the port priority use area designation from approximately six acres of land on the east side of Interstate 880 in Oakland between West Grand Avenue on the north, 17th Avenue extended to the Interstate 880 Frontage Road on the south, Wood Street on the east and the Interstate 880 Frontage Road on the west as illustrated in Figure 1, page 3 of the proposed resolution.

Proposed Bay Plan and Seaport Plan Amendment

Central Station Land, LLC and BUILD West Oakland, LLC, (the applicants) have applied to the San Francisco Bay Conservation and Development Commission (BCDC) to amend the *San Francisco Bay Plan* (Bay Plan) and the *San Francisco Bay Area Seaport Plan* (Seaport Plan) by deleting the port priority use area designation from approximately six acres of land in Oakland east of Interstate 880 and bounded on the north by West Grand Avenue, on the east by Wood Street, on the south by 17th Avenue extended to the Interstate 880 frontage road, and on the west by the Interstate 880 Frontage road (see Figure 1, page 3).

Background. In 2000, the Oakland Base Reuse Authority (OBRA) and the Port of Oakland (Port) applied to BCDC to amend the Bay Plan and the Seaport Plan (Bay Plan Amendment No. 4-00) by removing the port priority use area and marine terminal designations from approximately 189 acres of the Oakland Army Base (Army Base) (about one-half of the Army Base) that was being closed by the U. S. Department of Defense. At that time the entire Army Base was designated a port priority use area in the Bay Plan and Seaport Plan. Both plans provided that should the Army Base no longer be needed by the military, the facility should be evaluated for port and related industrial development. As part of the Army Base closure process, OBRA prepared a base reuse plan that recommended that 189 acres, the area that it and



the Port requested be deleted from port priority use, be transferred to the City of Oakland for development (the Gateway Redevelopment Area) and that the remainder of the Army Base, approximately 184 acres, be transferred to the Port of Oakland for port use.

The transfer of the 184 acres to the Port would enable the Port to expand and reconfigure its existing and planned marine terminals and relocate and reconfigure its planned Joint Intermodal Terminal (JIT) in a more efficient manner than then possible. The ability of the Port to expand and reconfigure its terminals and the JIT would permit the Port to increase its future container cargo throughput capacity from approximately 24 million metric tons of cargo provided for in the Seaport Plan, to approximately 24.5 metric tons, an increase of 500,000 metric tons over the expected cargo capacity for the Port in the year 2020, the Seaport Plan forecast horizon.

During BCDC's public hearing on the amendment application, truck operators who transport container cargo to and from the Port requested that additional land be reserved for trucking and port ancillary uses at or adjacent to the Army Base and the Port to serve their needs. The Port and OBRA agreed to each provide 15 acres of additional land specifically for port ancillary uses related to trucking. OBRA designated in its base reuse plan a 15-acre site—the Baldwin property—on the former Army Base for trucking use. The Port identified approximately 22 acres of land underneath the elevated portion of Interstate 880 and adjacent parcels east of the freeway and north and south of West Grand Avenue that it would seek to acquire the appropriate property interest in to permit trucking use, including portions of the historical train station property at 16th Street and Wood Street. The lands identified by the Port, approximately 22 acres, exceeded the amount of land the Port had agreed to designate—15 acres—by seven acres. In 2001, in approving OBRA's and the Port's Bay Plan and Seaport Plan application, the Commission designated the 15-acre Baldwin property and the 22 acres identified by the Port as port priority use areas in addition to retaining the port priority use designation on the 184 acres of the Army Base to be conveyed to the Port (see Figure 1).

The Applicants' Reasons for Requesting the Plan Amendment At about the same time as the port priority use area amendment was being considered by BCDC, the applicants were purchasing approximately 27.5 acres east of Interstate 880 and south of West Grand Avenue, including the historic train station, known as the Wood Property. This acreage included six of the 22 acres identified by the Port and designated as a port priority use area by BCDC. Since that time, the applicants, who now own the property, have received entitlements from the City of Oakland to develop the property—the Wood Street Project (the project)—with 1,500 units of housing, commercial uses and open space. In addition, the project will include the rehabilitation and preservation of the historical 16th and Wood Street train station. The applicants have applied to BCDC to delete the port priority use area from the six acres of the Wood Property designated a port priority use area so that the applicants may proceed with the project (see Figure 1).

The applicants point out that with the proposed deletion of the six acres, at least 16 acres of the 22 acres identified by the Port for trucking use and designated a port priority use area by BCDC would remain designated port priority use for port-related trucking. Consequently the commitment of the Port to identify 15 acres of land in the vicinity of West Grand Avenue and Wood Street would still be met and the commitment of OBRA and the Port to cumulatively identify 30 acres for trucking use would continue to be met. Approximately 31 acres will remain designated as port priority use in the Bay Plan and the Seaport plan for port-related trucking use.

Proposed Specific Changes to the Bay Plan and Seaport Plan

The Bay Plan and the Seaport Plan maps and the Seaport Plan Oakland priority use boundary description would be changed by the proposed amendment. Figure 1 shows the specific change that would be made to Bay Plan Map 4 and Map 5, and to Seaport Plan Figure 4: Port of Oakland Port Priority Use Area. The Seaport Plan Oakland priority use area description would be changed as follows with the strikethrough language deleted from and the underlined language added to the boundary description:

Oakland

North Boundary: Wake Avenue from its intersection with West Grand Avenue easterly and extended east to the east side of the Interstate 880 right-of-way; hence north along the east side of the Interstate 880 right-of-way to Surryhne Street; hence easterly along Surryhne Street to Wood Avenue Street.

East Boundary: ~~Wood Avenue Street south to 20th Street West Grand Avenue; hence southerly along westerly along West Grand Avenue to the intersection of the southerly boundary of West Grand Avenue with the westerly boundary of the Wood Street Project as described and analyzed in the Final Environmental Impact Report for the Wood Street Project dated February 7, 2005 (SCH 2004012110; hence southerly along the westerly boundary of the Wood Street Project to 10th Street extended; hence westerly along 10th Street extended to the Interstate 880 right-of-way; hence southerly along the Interstate 880 right-of-way to the intersection with the Union Pacific Railroad right-of-way; hence southerly along the right-of-way until the intersection of the right-of-way with Clay Street.~~

South Boundary: Clay Street extended to the shoreline.

Staff Analysis

Section 66602 of the McAteer-Petris Act requires the Commission to designate certain shoreline areas for water-oriented uses, including ports. These areas are designated on the Bay Plan maps as port priority use areas. As required by Section 66602, the Bay Plan must make adequate provisions for suitable locations for port uses to minimize the necessity for future Bay fill to create new sites for these uses. Port priority use areas are reserved for regional maritime port use and include within their premises marine terminals and directly ancillary activities such as container freight stations, transit sheds and other temporary storage, ship repairing, support transportation uses including trucking and railroad yards, freight forwarders, government offices related to the port activity, chandlers and marine services. The Bay Plan provides (Ports Policy 3, page 44) that port priority use areas should be protected for the port uses described above. The Bay Plan further provides (Ports Policy 1, page 43) that port planning and development should be governed by the policies of the Seaport Plan. The Seaport Plan provides (Cargo Forecast Policy 4, page 7) that:

[d]eleitions of the port priority use and marine terminal designations...should not occur unless the person or organization requesting the deletion can demonstrate to the satisfaction of the Seaport Planning Advisory Committee that the deletion does not detract from the regional capability to meet the projected growth in cargo. Requests for deletions of port priority and marine terminal designations should include a justification for the proposed deletion, and should demonstrate that the cargo forecast can be met with existing terminals.

Deletion of the six-acre area from the Oakland port priority use area as proposed by the applicants would not detract from the regional capability to meet the Seaport Plan projected Bay Area and Port of Oakland cargo forecast. The additional 37 acres of land (15 acres set aside

by OBRA and the 22 acres identified by the Port) added by BCDC to the Oakland port priority use area in 2001 are not designated as marine terminals and were not included in the calculation of the Port of Oakland's forecast 2020 cargo throughput capability. Therefore the deletion of the six acres as requested by the applicants would not detract from the regional capacity to meet the Port of Oakland's and the region's projected growth in cargo by 2020. Moreover, deletion of the six acres designated in the Seaport Plan for port priority use for trucking and port ancillary uses would leave more than 30 acres designated in the Seaport Plan for such uses. Consequently the six acres the applicant requests BCDC delete from the Bay Plan and the Seaport Plan can be deleted without detracting from the Port of Oakland's and the region's capability to meet the 2020 cargo forecast and the amount of additional land designated for port ancillary uses for port-related trucking in 2001 will be met.

Seaport Planning Advisory Committee Recommendation

Before BCDC and the Metropolitan Transportation Commission (MTC) consider proposed plan amendments, they are reviewed by the Seaport Planning Advisory Committee, which forwards its comments and recommendations to the parties to be taken into consideration in each agency's separate decision-making process. Because the proposed amendment is minor in nature, the proposal and staff report were mailed to each member of the Seaport Planning Advisory Committee for individual member review and comment rather than schedule a meeting to review the application. The staff received one comment on the proposed application from the Committee and the Committee member expressed "no objections" to the proposed amendment.

Environmental Assessment

This Environmental Assessment describes the potential environmental impacts of the proposed Bay Plan and Seaport Plan amendments at a programmatic level and concludes that there will be no significant adverse impact on the environment brought about by the deletion of the port priority use area from the six-acre portion of the Wood Street Project. In May 2005, The City of Oakland, as lead agency for the Wood Street Project, certified the Final Environmental Impact Report regarding the project adopting a Statement of Overriding Considerations.

Potential environmental impacts associated with deleting the port priority use area from the six-acre portion of the Wood Street Project include overall land use, traffic and air quality.

Land Use. The Wood Street Project would alter existing land use patterns in the surrounding area from primarily industrial to primarily urban residential, commercial, mixed-use and live/work uses. The City of Oakland General Plan and zoning code have been amended changing the previous industrial designation of the Wood Street Project property, including the six-acre portion of the project designated as port priority use area, to residential and commercial use. Therefore the current port priority use designation in the Bay Plan and the Seaport Plan (port use is generally an industrial use designation in county and city General Plans and zoning codes) is in conflict with Oakland's General Plan and zoning code. Deletion of the port priority use designation would eliminate the inconsistency in land use designations between the Bay Plan and Seaport Plan and the Oakland General Plan and zoning code. Deletion of the port priority use are would allow the Wood Street Project to proceed consistent with the City of Oakland's land use development laws and policies.

Traffic. Traffic to and from the six-acre port priority use designated portion of the Wood Street Project would increase if the site were developed for residential and commercial uses in comparison with its use for port-related trucking use. Traffic at local street intersections would increase, but not substantially. Similarly, traffic would be added to the surrounding freeway system, but would not substantially effect the freeway system operation. An increase in ridership on AC Transit buses and on Bay Area Rapid Transit System (BART) trains can be

expected, however the level of increase would not result in a significant impact to AC Transit or BART ridership. However, increased transit ridership on BART at the nearby West Oakland BART Station would increase during peak commute hours and an increase in the passenger waiting time at the fare gates would reach a point that the impact would be considered significant. The City of Oakland has required the applicants to participate in efforts to provide adequate fare gate capacity at the West Oakland BART station including the applicant's sharing the cost of adding one or more fare gates at the station to accommodate the increased transit rider peak hour use thereby mitigating the increased peak hour passenger demand at the station. The Wood Street Project, in combination with other new projects in the area, would cause signalized intersections to operate at unacceptable levels of service. The City of Oakland has required the applicants to contribute their fair share of funding to signal and intersection improvements to bring the signalized intersections to an acceptable level of service and to participate in a transportation demand management program to reduce single-occupancy automobile use at the project.

Air Quality Impacts. The Wood Street Project would reduce the motor vehicle emissions that could be expected from the development of industrial uses at the six-acre site as provided for in the Bay Plan and the Seaport Plan. Operational emissions associated with industrial (port priority uses) and commercial uses would be greater than with residential and limited commercial uses that would be developed in the Wood Street Project. Therefore the deletion of the port priority use area would not have a significant adverse impact on air quality.

Response to Comments

The Commission has received one letter regarding the proposed Bay Plan amendment, from Steve Lowe, Vice President Economic Development, West Oakland Commerce Association (WOCA) dated January 25, 2006. In his letter Mr. Lowe expressed WOCA's support of the proposed Bay Plan amendment and urged the Commission to remove the port priority use area designation from the Bay Plan and the Seaport Plan. The staff is in agreement with the comments of Mr. Lowe and has recommended that the Commission approve the Bay Plan amendment application and delete the approximately six-acre property east of Interstate 880 and south of West Grand Avenue designated a port priority use area in the Bay Plan and Seaport Plan.

SAN FRANCISCO BAY CONSERVATION AND DEVELOPMENT COMMISSION

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Resolution No. 06-01

Adoption of Bay Plan Amendment No. 1-06 Deletion of Port Priority Use Area in Oakland

Whereas, Government Code Section 66652 states that “the Commission at any time may amend, repeal and adopt a new form of, all or part of the *San Francisco Bay Plan*” and that “such changes shall be consistent with findings and declarations of policy” contained in the McAteer-Petris Act; and

Whereas, the San Francisco Bay Conservation and Development Commission: (1) on February 16, 2006, approved a Descriptive Notice of the proposed Bay Plan amendment and set a public hearing date for April 20, 2006; (2) on February 17, 2006, distributed the Descriptive Notice and notice of the public hearing to all agencies, organizations, and individuals interested in the proposed amendment; (3) on March 24, 2006 rescheduled the public hearing date to May 4, 2006 and distributed a public notice of the rescheduled hearing and the staff report and preliminary recommendation to all agencies, organizations, and individuals interested in the proposed amendment; (4) on May 4, 2006, held a public hearing to receive public comments on the proposed amendment, staff report and preliminary recommendation and closed the public hearing at the conclusion of the public comments; (8) on May 4, 2006 voted on the staff’s final recommendation that did not change from the preliminary recommendation; all in accord with the requirements and procedures set out in Government Code Section 66652 and the California Code of Regulations, Sections 11000, 11001, 11002, and 11003; and

Whereas, the Commission has considered all written comments received and oral comments presented at the May 4, 2006 public hearing and the staff has responded to those comments; and

Whereas, the amendment is consistent with the findings and declarations of policy contained in Section 66602 of the McAteer-Petris Act in that the Commission determined in approving Bay Plan Amendment No. 4-00 that the Port of Oakland should identify 15 acres of land adjacent to the Port for port ancillary uses for port-related trucking, the Port identified 22 acres for such use, and this amendment, which would delete approximately six acres of the 22-acre site, would leave approximately 16 acres of land designated for port ancillary uses for port-related trucking as identified by the Port of Oakland and therefore there will future need to fill the Bay for to create new sites for these uses; and

Whereas, deletion of the six-acre area from the Oakland port priority use area would not detract from the regional capability to meet the Seaport Plan projected Bay Area and Port of Oakland cargo forecast because the land designated for port ancillary uses for port-related trucking is not used in the calculation of the Port of Oakland’s container cargo throughput and therefore the deletion of the approximately six-acre area is consistent with Seaport Plan Cargo Forecast Policy 4; and



Building San Francisco Bay Out

Whereas, the San Francisco Bay Conservation and Development Commission has evaluated the environmental impact of amending the *San Francisco Bay Plan* and the *San Francisco Bay Area Seaport Plan* by deleting the port priority use area designation from the approximately six-acre property in Oakland east of Interstate 880 bounded on the north by West Grand Avenue, on the east by Wood Street, on the south by 17th Avenue extended to the Interstate 880 Frontage Road, and on the west by the Interstate 880 Frontage Road under the Commission's functional equivalency regulations authorized by Public Resources Code Section 21080.5, and finds that there will be no significant adverse impacts on the environment brought about by the amendment; and

Whereas, the amendments to the *San Francisco Bay Plan* and the *San Francisco Bay Area Seaport Plan* regarding the deletion of the approximately six-acre port priority use area from the Bay Plan and Seaport Plan enacted by this resolution are intended to be a revision of the Commission's coastal management program for the San Francisco Bay segment of the California coastal zone as approved by the U.S. Department of Commerce under the federal Coastal Zone Management Act of 1972, as amended.

Now, Therefore, Be It Resolved That, the San Francisco Bay Conservation and Development Commission hereby adopts Bay Plan Amendment No. 1-06 which:

1. Amends *San Francisco Bay Plan* Plan Map 4 and Plan Map 5, and *San Francisco Bay Area Seaport Plan* Figure 4: Port of Oakland Port Priority Use Area, by deleting the port priority use area designation from the approximately six-acre property in Oakland east of Interstate 880 bounded on the north by West Grand Avenue, on the east by Wood Street, on the south by 17th Avenue extended to the Interstate 880 Frontage Road, and on the west by the Interstate 880 Frontage road as shown on Figure 1 Area Deleted From the Oakland Port Priority Use Area below.

2. Amends the *San Francisco Bay Area Seaport Plan* Priority Use Boundaries as follows with the strikethrough language deleted from and the underlined language added to the boundary description:

Oakland

North Boundary: Wake Avenue from its intersection with West Grand Avenue easterly and extended east to the east side of the Interstate 880 right-of-way; hence north along the east side of the Interstate 880 right-of-way to Surryhne Street; hence easterly along Surryhne Street to Wood Avenue Street.

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South Boundary: Clay Street extended to the shoreline.

Be it Further Resolved That, the San Francisco Bay Conservation and Development Commission authorizes the Executive Director to make minor, non-substantive editorial changes to this Resolution, in particular to comply with the determinations of the Office of Administrative Law in its review of the Resolution under the California Administrative Procedures Act.

We certify that this resolution was adopted by a vote of ___ "yes" votes, ___ "no" votes and ___ abstentions at the Commission meeting held May 4, 2006 at Oakland, California.

Executed on this _____ day of _____, 2006 at _____,
California

R. SEAN RANDOLPH
Chair

Executed on this _____ day of _____, 2006 at San Francisco, California.

WILL TRAVIS
Executive Director