



**PORT OF OAKLAND**

# ***Partnerships in Capital Projects***

**AAPA Facilities Engineering Seminar and  
Expo**

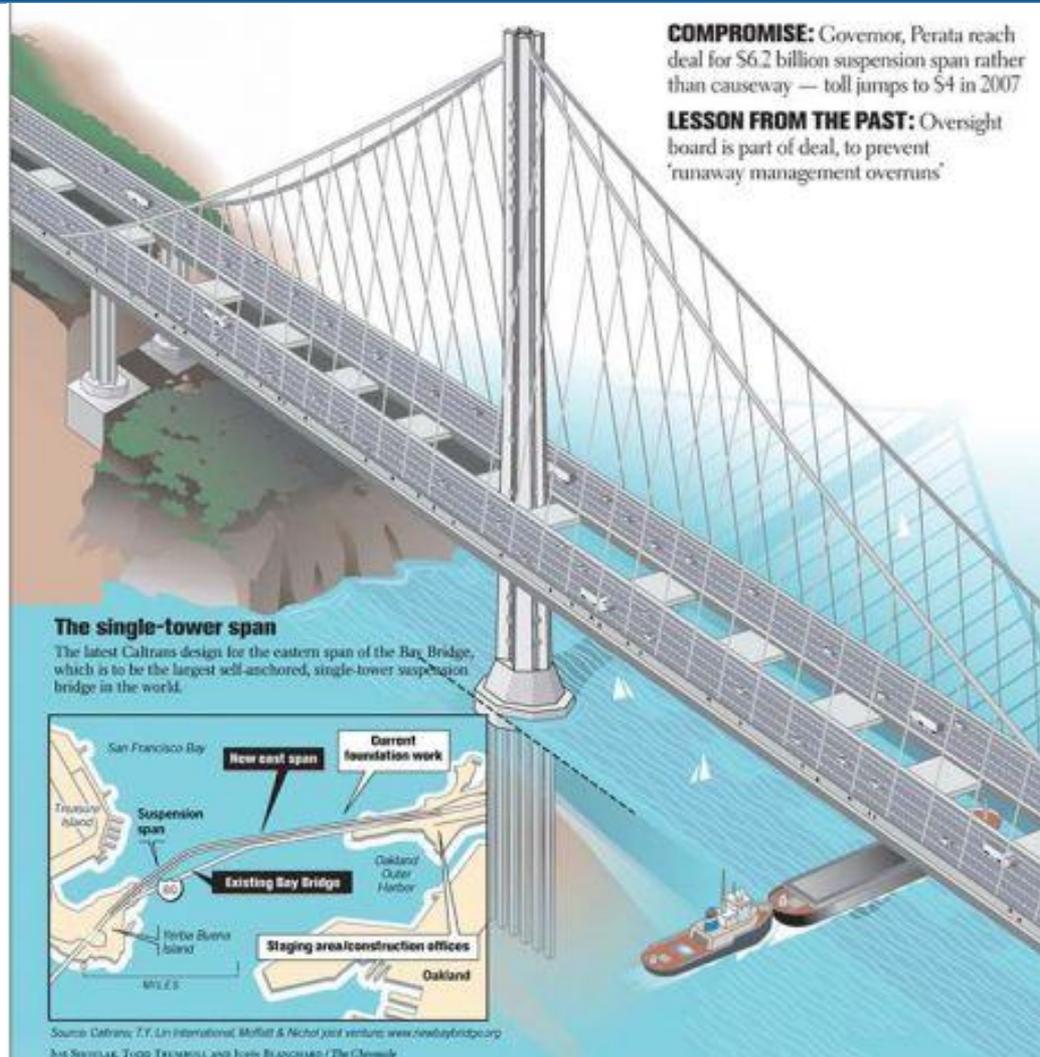
**November 6-8, 2013**

# There are Old Ways and New Ways of Doing Things



**Fore Front: New Oakland – San Francisco Bay Bridge**  
**Background: Old Oakland – San Francisco Bay Bridge**

# There are Old Ways and New Ways of Doing Things



**COMPROMISE:** Governor, Perata reach deal for \$6.2 billion suspension span rather than causeway — toll jumps to \$4 in 2007

**LESSON FROM THE PAST:** Oversight board is part of deal, to prevent 'runaway management overruns'

### The single-tower span

The latest Caltrans design for the eastern span of the Bay Bridge, which is to be the largest self-anchored, single-tower suspension bridge in the world.



Source: Caltrans, Z.Y. Lin International, Hillfall & Nichol joint venture; [www.newbaybridge.org](http://www.newbaybridge.org)  
 JIM SEVILLAK, TODD TREUMBLE AND JOHN BLANCHARD / The Chronicle

# AGENDA

**Northern California Maritime Overview.**

**Port of Oakland Overview.**

**A New Marine Terminal Model**

**Oakland Public Private Partnership Project.**

**Q and A.**

# Northern California Maritime Overview

## Oakland

Container, CRE

## San Francisco

Cruise, CRE, Ship Repair

## Benicia

Ro-ro

## Redwood City

Cement, Dry and Liquid Bulk, Bulk Scrap

## Richmond

Dry and Liquid Bulk, Petroleum, Ro-ro,  
Breakbulk/Project



# Northern California Maritime Overview



# Port of Oakland Overview

## AVIATION



## CRE

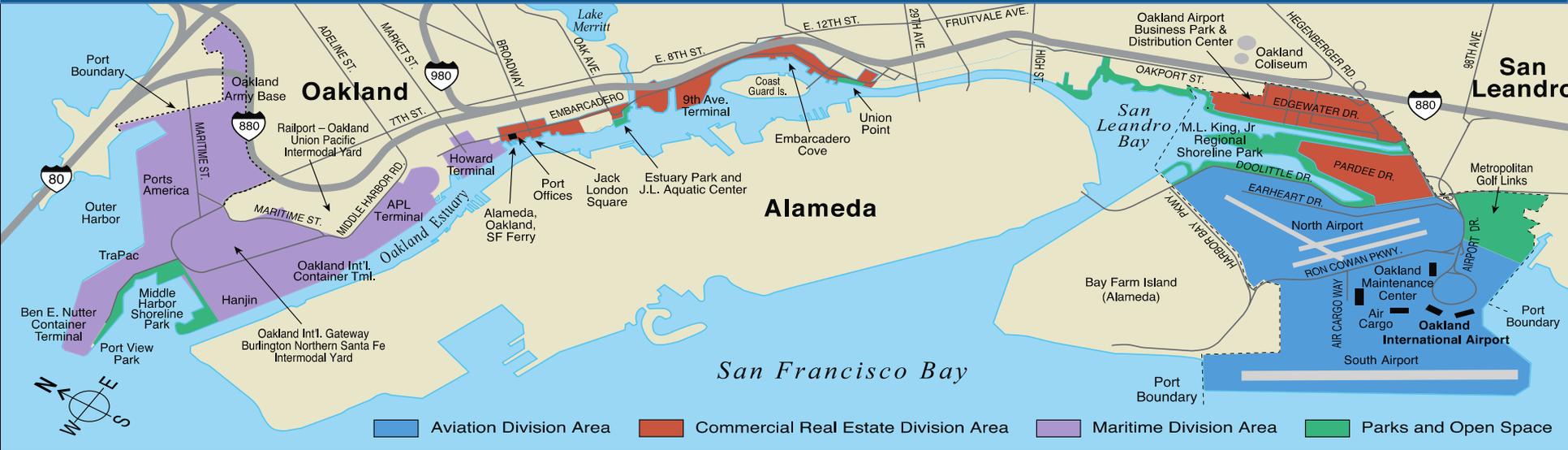
(Commercial Real Estate)



## MARITIME



# Port of Oakland Overview



- Led by Board of 7 Commissioners appointed by Mayor
- 5<sup>th</sup> largest in U.S., 45<sup>th</sup> largest in world

## 5 container terminals

- 30 post-Panamax and super-post Panamax cranes
- 20 berths, 4.5 miles of dock
- Average depth of 50 feet MLLW

# A New Model for Terminal Management



## Public-Private Partnership with Long-term Horizon

- Innovative agreement with Ports America, largest stevedoring and terminal operator in U.S.

**50-year concession agreement for 4 berths**

**\$2.5 billion investment by Ports America over life of agreement;**

**\$60 million upfront**

**NPV \$700 million to Port**



# Building the Future, Today



**Transform the former Oakland Army Base into a world class warehousing and logistics center**

- **Approx. 360 Acres of redevelopment**
- **\$1 billion+ investment**
- **City-Port-Private Sector partnership**
- **Port acreage = 168 acres for new logistics facilities**

# Oakland Army Base Port Development Program



The Oakland Army Base (OAB), a 360 acre military supply depot built during World War II, was shuttered by the Base Realignment and Closure (BRAC) Commission in 1993 and transferred to the City of Oakland and Port of Oakland

The Port sought improved rail infrastructure and preferred the OAB lands adjacent to the Union Pacific mainline which runs adjacent to the eastern boundary of the former base. The City of Oakland considered numerous redevelopment options for the waterfront and northern portion of the former OAB, ranging from a casino, a film center, an auto mall, retail and industrial uses.

# Oakland Army Base Port Development Program



After considering a wide range of options the City of Oakland decided to develop land with trade related facilities and paid for a Master plan to be developed they partnered with Prologis, Inc. and California Capital & Investment Group (CCIG)

In April 2011, the City led a joint planning effort along with the Port for a master planned development of both the Port and City owned OAB lands. The plans include a new intermodal rail terminal, a new bulk marine terminal, 30 acres of truck parking and service areas, 2 million square feet of new warehousing space, and a new recycling center.

# Oakland Army Base Port Development Program

To build these new facilities, numerous infrastructure needs were identified, including a new roadway and utility network, a grade separation for the new intermodal rail terminal, soil stabilization, and environmental remediation work. The total development cost is estimated at approximately \$1.2 billion.



# Oakland Army Base Port Development Program

## Funding for Phase 1

Responsibilities between the Port and the City are divided into five separate segments with corresponding funding plans, permitting, and delivery methods.

Description	Total Cost*	Port*	City*	Private*	TIGER*	TCIF*
Remediation		\$11,400	\$5,700	\$5,700		
Rail Access Improvements and Manifest Yard	\$74,600	\$5,000	\$3,800			\$65,800
City Site Prep and Backbone Infrastructure	\$247,241		\$45,000	\$25,900		\$176,341
Recycling Facilities	\$46,600			\$46,600		
City Trade % Logistics Facilities	\$99,400			\$99,400		
Unit Train Support Yard	\$20,000	\$5,000			\$15,000	
<b>Total*</b>	<b>\$499,241</b>	<b>\$15,700</b>	<b>\$54,500</b>	<b>\$171,900</b>	<b>\$15,000</b>	<b>\$242,141</b>

(\* \$ in thousands)

### Port Project Schedule Estimated Milestones:

Dates	Description
June 2015	Substantial completion of Rail Access Improvements and Manifest Yard
September 2015	Substantial Completion of Unit Train Support Yard

# OBJECTIVES

**Aggressively grow new cargo activity, jobs, and revenue through the Port of Oakland, while improving the environment.**

**Plan new logistics and intermodal facilities to attract major customers to Oakland serving both regional and inland markets.**

**Work with key cargo owners, railroads and ocean carriers to attract more cargo to/from points east of Denver.**

**Maximize utilization of existing assets prior to full development.**

# 2012 MASTER PLAN

- **Envisioned new 360-acre port industrial district**
- **Joint planning effort between the City of Oakland, Port of Oakland, Prologis, California Capital Group from April 2011-June 2012.**
- **City of Oakland studied environmental impacts in 2002 and updated their findings with an Initial Study / Addendum, published in June 2012.**
- **California Capital Group led planning effort, including a multidisciplinary team of engineers, architects, planners and scientists**

# PORT-CITY COLLABORATION

## Weekly Project Team Meetings:

- Project Management Team (CEDA Staff, Developer, Port)
- Engineering & Technical Team (Public Works, Developer's Designers, Port Engineering)

## Monthly Port-CEDA Planning Staff Coordination:

- Hosted by the City, Organized by Port's Director of Commercial Real Estate

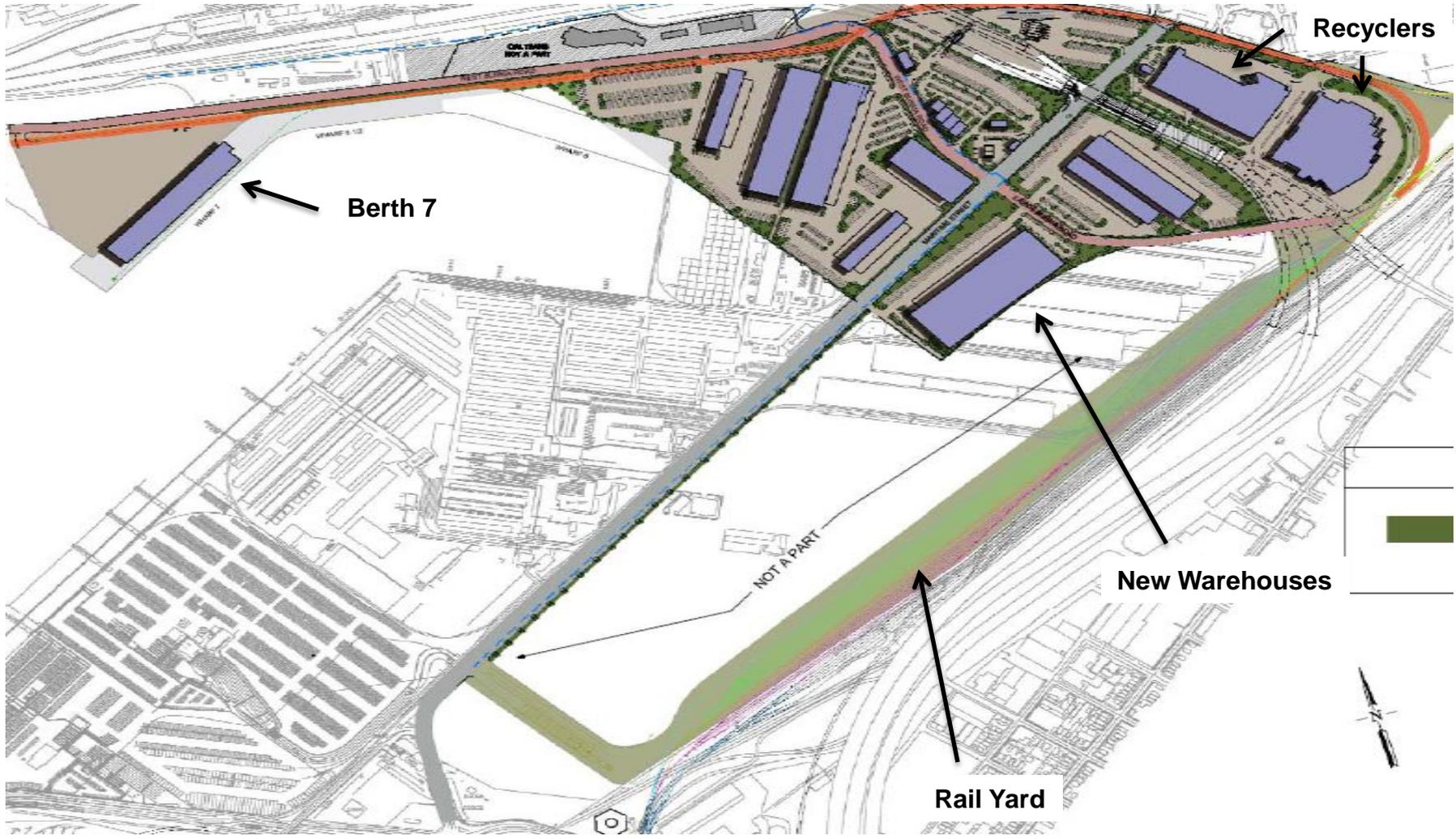
## Monthly OAB Ombudsmen Meetings:

- Resolve any issues not resolved at the staff level

## Agreements

- OAB Amended and Restated Memorandum of Agreement (2006, City & Port)
- OAB Amended and Restated Cost Sharing Agreement (2012, City & Port)
- TCIF Amended Baseline Agreement (2012, City, Port, Caltrans, CTC)

# CITY DEVELOPMENT



# PHASE 1 PORT RAIL YARD

## Based on 2012 Master Plan

- New Lead Track from Union Pacific mainline
- New Storage Yard
  - Unit Train Storage: 29,000 feet (8 tracks averaging 3,625 ft)
  - Manifest Car Storage: 10,800 feet (5 tracks averaging 2,160 ft)
- Design Criteria
  - 2 unit trains per day (2 in, 2 out)
  - Daily manifest car service for warehousing, transload customers
  - Rail capacity to be shared among Port and City customers
- Future Expansion Potential
  - Designed to support a proposed container terminal to the west
  - Designed to avoid existing warehouses in the short term
- Rail Yard to be built under two separate construction contracts
  - Manifest Yard and Lead Track via Design-Build Contract
  - Support Yard via Design-Bid-Build Contract



# NEXT STEPS

1. Port and City need to negotiate Rail Access Agreement
  - Railroads expressed their strong preference for a single operator
  - Port selected Anacostia after receiving 7 proposals from qualified firms
  - City team proposes to self-perform with Oakland Global Rail Enterprises
2. Railroad Coordination
  - Union Pacific continues to review the proposed design and operations
  - BNSF Railway and Port working on access provisions from UP mainline
  - Both railroads excited about the project
3. City Tenant Relocations
  - Board of Port Commissioners will consider a new “no notch” proposal for interim leasing on June 13th (second reading on June 27th)
  - If approved, tenants could begin improvements shortly thereafter
  - Consideration of lease agreement for Truck Parking and Ancillary Maritime Support Services
4. Phase 2 Development
  - 7th Street Grade Separation subject to funding availability
  - New Intermodal rail terminal and logistics warehouses subject to space availability, market opportunity and infrastructure needs

# QUESTIONS?

