

## Bay Area Council -HCBF Off-Port Impact Study Contract

This Consulting Agreement (“Agreement”) is made and entered into as of [ ] by and between the Harbor Community Benefit Foundation, a California nonprofit public benefit corporation (“HCBF”) and the Bay Area Council, on behalf of the Bay Area Council Economic Institute (“BAC” or “BACEI”), each a “Party” and referred to collectively as the “Parties.”

**RECITALS**

**WHEREAS**, the Operating Agreement of the TraPac Memorandum of Understanding (“TraPac MOU”) Section VI.A calls for “an initial study of off-Port impacts, consisting of an analysis of off-port impacts on health and land use in Wilmington and San Pedro. The land use analysis will take in consideration the applicability of the California Air Resources Board [CARB] April 2005 study, “Air Quality and Land Use Handbook: a Community Health Perspective”, and any applicable study updates from CARB; and

**WHEREAS**, the TraPac MOU specifies that the “land-use analysis will take into consideration the applicability of the California Air Resources Board’s (CARB) April 2005 study “Air Quality and Land Use Handbook: A Community Health Perspective”, including relevant CARB study updates, if applicable; and

**WHEREAS**, HCBF desires to hire a contractor to perform a land use study of the off-port impacts from operations in and near the Port of Los Angeles (“Port”) on land use in the communities of Wilmington and San Pedro in Los Angeles County, California; and

**WHEREAS**, BAC has assembled a multi-disciplinary team of experienced and qualified economists and researchers capable of performing said land-use study.

**AGREEMENT**

**NOW, THEREFORE**, in consideration of the foregoing recitals and the mutual promises, representations, warranties, and covenants hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

**I. SERVICES AND SCOPE OF WORK**

**A. Services.** BAC hereby agrees to render to HCBF, as an independent contractor of HCBF, the services (the “Services”) described in the Off-Port Impact Study: Analysis of Off-Port Impacts on Land Use and Health at the Port of Los Angeles: Abridged Scope of Work, as revised February 20, 2012, attached hereto as Exhibit A (the “Scope of Work”). BAC’s performance of the Scope of Work shall not exceed the Fees & Rate Schedule (“Fees and Rate Schedule”), attached hereto as Exhibit B, without prior written approval of HCBF. BAC further acknowledges and agrees that any services it performs outside the Scope of Work shall not be compensable under this Agreement.

**B. Taxes, Assessments, and Fees.** BAC, at its sole cost and expense, shall furnish all services, personnel, materials, equipment, subsistence, transportation and all other items necessary to perform the Scope of Work.

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**C. Subconsultants.** The Scope of Work identifies employees of BAC and subcontractors who will perform the Services and BAC's obligations under this Agreement. Such Services and the obligations of this Agreement, whether undertaken by BAC or third-parties with whom BAC has contracted ("Subconsultants"), are and shall remain the responsibility of BAC. BAC has the sole right to engage, manage and exercise control over subcontracts in accordance with the carrying out of its services and scope of work. Should BAC make any change or reassign Subconsultants in any manner inconsistent with the current Subconsultant assignments described in the Scope of Work, BAC shall notify HCBF in writing of such a change or reassignment within ten (10) days. BAC acknowledges and agrees that this Agreement creates no rights in Subconsultants with respect to HCBF and that obligations that may be owed to Subconsultants, including, but not limited to, the obligation to pay Subconsultants for services performed, are those of BAC alone. In the event of an audit, upon written request of HCBF, BAC shall supply within ten (10) days of such request copies of all agreements between it and its Subconsultants. For the purposes of this Agreement, the use of such Subconsultants by BAC shall not be deemed an assignment in derogation of Section XI.F hereof.

## II. TERM AND TERMINATION

**A. Term.** The effective date of this Agreement ("Effective Date") shall be the date of its execution by the Executive Director of HCBF upon authorization of the Board of Directors of HCBF. As indicated in the Fees, Rates, and Delivery schedule, Exhibit B anticipates a period of twenty-two (22) weeks for completion of the Services. Allowing for a reasonable contingency period, the term of the performance (the "Term") will be for a period not to exceed thirty (30) weeks from the Effective Date.

**B. Termination.** Each Party shall each have the right to terminate this Agreement without cause upon thirty (30) days written notice to the other Party. In the event of a termination without cause by HCBF prior to completion by BAC of all services described in this Agreement, HCBF shall pay only for any electronic reports completed and delivered to HCBF as specified in Exhibits A and B. A Party may also terminate this Agreement for Cause (the "Terminating Party") at any time immediately upon written notice to the other Party (the "Nonterminating Party") in accordance with the provisions of Section XI.B. For purposes of this Agreement, "Cause" shall mean that the Nonterminating Party or any of its officers, directors, employees, or Subconsultants (collectively, "Representatives") has (i) committed an act of willful misconduct or gross negligence against the Terminating Party, or (ii) a Nonterminating Party or its Representatives has committed a material breach of its obligations under this Agreement. In the event of a termination for Cause, the Terminating Party shall not have any further obligations hereunder except as specifically provided in this Agreement.

## III. INDEPENDENT CONTRACTOR

**A. Independent Contractor.** BAC, in the performance of the work required by this Agreement, is an independent contractor and not an agent or employee of HCBF. BAC shall not represent itself as an agent or employee of HCBF and shall have no power to bind HCBF in contracts or otherwise. The manner in which BAC shall render services to HCBF will be within BAC's sole control and discretion, subject to the terms of this Agreement. In

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rendering services for HCBF, BAC may, in its sole discretion, decide to use the services of its own employees or Subconsultants. HCBF will not supervise or instruct any employees or Subconsultants whom BAC decides to retain to perform these services. In addition, BAC has the sole right to discipline or reassign any employees or Subconsultants whom it elects to hire to perform its consultancy duties. HCBF shall effect no withholdings from the compensation payable to BAC hereunder, and BAC shall be solely responsible for all state and federal income, payroll and other taxes, social security, disability, and all other assessments related to the compensation and the Services provided hereunder.

**B. Conflict of Interest.** During the Term hereof and pursuant to the TraPac MOU, BAC agrees that it will not enter into other contracts or perform any work without the prior written permission of HCBF where work may conflict with the interests of HCBF or interfere at all with BAC's performance of the Services or its obligations hereunder. BAC has the right to accept research projects that do not present a conflict with the nature, timing, and scope of this Agreement.

**C. Notice to Subconsultants.** If BAC chooses to have its employees or Subconsultants assist in performing its obligations under this Agreement, BAC agrees to notify such employees or Subconsultants of all its obligations under this Agreement, and BAC warrants to HCBF that those persons will comply with this Agreement in performing the consultancy services. BAC shall be responsible for the breach of this Agreement by any of its Subconsultants.

### IV. COMPENSATION AND PAYMENT

**A. Compensation.** In consideration for performance of the Services, BAC shall receive the compensation described in Exhibit B to this Agreement.

**(a) Funds Directed Toward the Public Benefit.** BAC acknowledges and agrees that Services performed under this Agreement are being paid for with funds directed toward the public benefit, and, therefore, BAC shall, and shall direct any Subconsultants to, scrupulously adhere to principles of moderation, frugality, and cost consciousness in the performance of their obligations hereunder.

**B. Payment Procedure.** HCBF shall make all reasonable efforts to promptly process invoices after receipt of an itemized invoice submitted by BAC to HCBF based on the receipt of specified deliverables in Exhibit B, the Fees and Rates Schedule. HCBF shall not pay interest or finance charges on any outstanding balance(s).

**(a)** BAC shall submit invoices to HCBF on a monthly basis following the Effective Date of this Agreement for Services performed during the preceding month. Costs must be identified on each invoice by line item and budget category in accordance with the actual costs incurred in the performance of this Agreement and in accordance with the rates in Exhibit B, and each invoice must be signed by an authorized representative of BAC certifying that the expenditures claimed represent actual allowable expenses for committed effort and work performed under this Agreement.

**(b)** As described in the Scope of Work, Appendix B – Sample Local Hire Monthly Report, BAC shall submit with each invoice a monthly report including the total

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number of staff and consultants employed during the reporting period including the number of Local Hires, as well as their zip codes of residence.

(c) BAC must include on the face of each itemized invoice submitted for payment its Taxpayer Identification Number, as required at Section XI.C of this Agreement. No invoice will be processed for payment by HCBF without this number shown thereon. All invoices shall be approved by HCBF prior to payment.

(d) BAC shall submit appropriate supporting documents with each invoice. Such documents may include provider invoices, electronic progress reports, and final reports. Upon request by HCBF in the event of an audit, BAC shall provide all documents reasonably required to determine whether amounts on the invoice are allowable expenses under this Agreement.

(e) For payment and processing, all invoices should be mailed to:

Harbor Community Benefit Foundation  
Attn: Mary Silverstein, Executive Director  
150 West 6th Street, Suite 100B  
Los Angeles, CA 90731

**V. REIMBURSEMENT OF EXPENSES**

BAC will be reimbursed for expenses as outlined in Exhibit B. This invoice will reflect the total accumulated expenses by detailed line item, subject to the following:

**A. Approval Required.** BAC shall not incur any expense that exceeds One Thousand Dollars (\$1,000) without the prior express written approval of HCBF.

**B. Reimbursable Expenses.** Reimbursable expenses shall include:

(a) Messenger service. Where appropriate, documents should be transmitted via email. Reimbursable expenses shall be limited to actual costs for messenger service;

(b) Facsimile transmission. As a proponent of green business practices, HCBF does not encourage facsimile transmissions. In the event BAC sends a facsimile to Subconsultants or other project participants, BAC shall not bill HCBF for any expense related to facsimile charges beyond BAC's actual net costs for long distance telephone charges actually and reasonably incurred by BAC for the sending of facsimiles. BAC shall indicate in its invoices the number of pages transmitted via facsimile together with the related cost of each charge. BAC shall attach the appropriate receipts, invoices or proof of any expenditure for its charges for facsimiles; and

(c) Travel, Mileage, Parking. BAC shall describe in detail in its billings any travel expenses incurred by BAC, and shall provide evidence in a form satisfactory to HCBF of said expenses. Only coach fare shall be reimbursed for travel. Meal reimbursement shall be limited to: \$ 75 per day. BAC shall provide a detailed log of any mileage incurred, to be reimbursed at the rate of \$0.555 (or the federal rate at the time the expense is incurred)

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per mile. Requested reimbursement for parking fees must be accompanied by an original receipt. Copies and/or electronic submissions will not be accepted. HCBF reserves the right to audit all travel, mileage and parking expenses. All travel expenses outside the County of Los Angeles shall be subject to HCBF's prior written approval.

**Non-reimbursable Expenses.** Non-reimbursable expenses shall include:

- (a) Staff time or overtime for performing secretarial, clerical, or word processing functions;
- (b) Charges for time spent complying with audits or billing inquiries from HCBF;
- (c) Charges for work performed which is not in the Scope of Work. Such work shall not be compensable hereunder;
- (d) Expenses that are considered to be part of general overhead, including, but not limited to, administrative time, calendaring, setting up files, indexing, word processing, air conditioning, equipment rental, office supplies, meals, snacks, beverages, seminars, books, or association dues, etc.; and
- (e) Time spent for travel.

## VI. INDEMNIFICATION AND INSURANCE

**A. Indemnity for General Liability.** BAC represents that it has the qualifications and ability to perform the Services in a professional manner, and it shall exercise due care in the discharge of its responsibilities and deliverables under this contract. Failure to do so shall constitute a material breach of this Agreement. BAC shall be solely responsible for the professional performance of the Services, and shall receive no assistance from HCBF. To the greatest extent permitted by law, BAC shall indemnify, defend, and hold harmless HCBF and its officers, directors, employees and agents, as well as the City of Los Angeles, from and against any claims, demands, losses, costs, expenses, obligations, liabilities, damages, recoveries, and deficiencies that HCBF may incur or suffer that result from, or are related to, any breach or failure of BAC or its Representatives to perform, or any negligence of BAC or its Representatives in performing, any of the Services or the representations, warranties or covenants contained in this Agreement. However, in no circumstances shall BAC incur any liability, nor shall BAC's indemnity and defense obligations be, for such claims, demands, losses, costs, expenses, obligations, liabilities, damages, recoveries, and deficiencies in excess of the coverage limits of insurance as required in this Agreement Section VI.C. General Liability Insurance, Section VI.E. Automobile Liability Insurance, and Section VI.G. Professional Liability.

**B. Intellectual Property.** BAC warrants that it has good title to all designs, plans, reports, specifications, drawings, schematics, prototypes, models, inventions, and all other information and items made during the performance of the Services ("Deliverables"), and the right to assign Deliverables to HCBF free of any proprietary rights of any other party or any other encumbrance. BAC agrees to indemnify HCBF and any of its officers or agents, as well as the City of Los Angeles from any damages, costs, or expenses in law or

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equity from infringement or alleged infringement of any patent, trademark, service mark, or copyright that may arise from the use by HCBF of any Deliverables or other materials supplied by BAC in the performance its obligations hereunder.

**C. General Liability Insurance.** BAC shall procure and maintain in effect throughout the Term of this Agreement, without requiring additional compensation from HCBF, Commercial General Liability insurance for its operations, including but not limited to bodily injury and property damage, personal and advertising injury and products & completed operations, in an amount not less than One Million Dollars (\$1,000,000) each occurrence and Two Million Dollars (\$2,000,000) annual aggregate. BAC Commercial General Liability insurance shall not contain limitations or exclusions for contractual liability assumed under "insured contracts" or liability arising out of acts of BAC Subconsultants. The liability insurance provided by BAC shall contain a severability of interest clause and shall provide that any other insurance maintained by HCBF shall be excess of BAC insurance and BAC insurance shall be primary. In all cases, regardless of any deductible or retention, said insurance shall contain a "duty to defend" provision. BAC shall provide an endorsement to its Commercial General Liability insurance naming HCBF, its boards, officers, agents, and employees each as an additional insured for BAC ongoing operations and its completed operations. Such liability insurance policy shall also provide, by endorsement, that its liability underwriter shall provide HCBF advance written notice of any cancellation, termination or expiration of not less than 30 days; 10 days for non-payment of premium.

**D. Waiver of subrogation** BAC hereby agrees to waive all rights of subrogation it may possess, or any rights of subrogation which may pass to, or be possessed by, its Commercial General Liability insurance underwriter(s) or its excess Commercial General Liability insurance underwriters for the payment of any claims.

**E. Automobile Liability Insurance.** BAC shall procure and maintain at its expense and keep in force at all times during the Term of this Agreement Business Automobile Liability insurance for all owned (if any), hired and non-owned vehicles in an amount not less than One Million Dollars (\$1,000,000) combined single limit for bodily injury and property damage. Each policy shall provide additional insured status in favor of HCBF, its board, officers, agents, and employees.

**F. Workers' Compensation.** BAC shall certify that it is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code. BAC shall comply with such provisions before commencing the performance of any other obligations under this Agreement. BAC shall submit a certificate of Workers' Compensation insurance for statutory limits and Employer's Liability insurance in amounts not less than One Million Dollars (\$1,000,000) each accident or disease prior to commencing any work under this agreement.

**G. Professional liability.** BAC shall provide and maintain, at its sole expense, professional liability (errors and omissions) insurance protecting BAC against allegations of wrongful acts arising from its professional activities under this Agreement. BAC's professional liability insurance shall provide a limit of insurance of not less than One

Million Dollars (\$1,000,000) combined single limit. If BAC provides this professional liability insurance on a "claims made" policy form, such policy form shall maintain a "retroactive date" not later than the Effective Date of this Agreement and such "retroactive date" shall be maintained until at least one (1) year following the completion of Services under this Agreement.

**H. Copies of Policies.** BAC shall provide to HCBF certificates of insurance and all required policy endorsements prior to commencing any activities hereunder and again thirty (30) days prior to the natural expiration of any required insurance policy. HCBF shall have the right to request a full copy of each original policy required herein and BAC shall provide such policy copies within ten (10) business days of such a request by HCBF at the expense of HCBF.

**I. Modification of Coverage.** HCBF, at its discretion, based upon recommendation of independent insurance consultants to HCBF, may increase or decrease amounts and types of insurance coverage required hereunder at any time during the Term hereof by giving thirty (30) days' prior written notice to BAC.

**J. Accident Reports.** BAC shall report in writing to the Executive Director of HCBF within fifteen (15) calendar days after it, or its Representatives, have knowledge of any accident or occurrence involving death of or injury to any person or persons, or damage in excess of One Thousand Dollars (\$1000.00) to property, occurring in the course of performing the Services by BAC or its Representatives. Such report shall contain to the extent available (1) the name and address of the persons involved, (2) a general statement as to the nature and extent of injury or damage, (3) the date and hour of occurrence, (4) the names and addresses of known witnesses, and (5) such other information as may be known to BAC or its Representatives.

## **VII. RECORDKEEPING AND AUDIT RIGHTS**

BAC shall, for three years following the termination of this Agreement, keep and maintain full, complete and accurate books of accounts and records of the services performed under this Agreement in accordance with generally accepted accounting principles consistently applied, which books and records shall be readily accessible to, and open for inspection and copying, at the expense of HCBF, its auditors or other authorized representatives, at the premises of BAC by, HCBF, its auditors or other authorized representatives. BAC's failure to comply with this Article VII shall constitute a material breach of this Agreement and shall entitle HCBF to withhold any payment due under this Agreement until such breach is cured.

## **VIII. OWNERSHIP OF INTELLECTUAL PROPERTY**

BAC agrees that all Deliverables, as well as data sets, data files, and research as specified in the Scope of Work, Appendix D "Data Sets," shall be assigned to HCBF as its sole and exclusive property. On HCBF's request, BAC agrees to assist HCBF, at HCBF's expense, in obtaining patents or copyrights for such Deliverables, which assistance shall include the disclosure of all pertinent information and data, the execution of all applications, specifications, oaths and assignments, and all other instruments and papers that HCBF shall

deem necessary to apply for, and to assign or convey to it, its successors and assigns or nominees, the sole and exclusive right, title and interest in such Deliverables. Upon request by HCBF, BAC shall obtain written assurances from its employees and Subconsultants of their agreement to these terms.

#### **IX. CONFIDENTIALITY**

BAC agrees, for itself and on behalf of its Representatives, both during and after the Term, not to use or disclose, and to maintain in strict confidence, any Confidential Information, except only to the extent that such information enters the public domain through no action of BAC, was known to BAC prior to its disclosure to BAC by HCBF, or as otherwise required by court order. "Confidential Information" shall mean any information about HCBF, its clients, their respective products, services, technology, procedures, plans and any other confidential or proprietary matters disclosed to BAC during the course of the performance of this Agreement.

#### **X. RESOLUTION OF DISPUTES**

Except, as provided otherwise by applicable law, BAC and HCBF hereby agree that any controversy, dispute or claim arising out of or relating to this Agreement shall first be settled through good faith negotiation. If the dispute cannot be settled through negotiation, it shall be submitted to binding arbitration administered by the American Arbitration Association, or other mediation service agreed to by the BAC and HCBF. In addition to agreeing to the American Arbitration Association's rules or the rules of another agreed-upon mediation service, the Parties agree:

**A. Claims.** The claims covered by this Section X. include but are not limited to: breach of contract or covenant, whether express or implied, torts, including but not limited to defamation, fraud, intentional interference with contractual relations, discharge in violation of public policy, or intentional or negligent infliction of emotional distress; discrimination, including, but not limited to, race, sexual harassment, pregnancy, sexual orientation, religion, national origin, age, jury, military, marital status, physical or mental disability or medical condition discrimination;

**B. Initiation of Arbitration.** Once either Party determines that efforts at good faith negotiation have failed, within 60 days of notifying the other Party of this determination, either Party may initiate arbitration proceedings by submitting to the American Arbitration Association, or other agreed-upon mediation service, a written demand for arbitration listing the name and contact information for both Parties, along with a copy of this Agreement, and providing the other Party a copy of the written demand;

**C. Fees and Costs of Arbitration.** If arbitration is initiated, the Parties agree initially to evenly divide all forum fees and all fees and expenses charged or incurred by the arbitrator and any other expenses that would not have been incurred if the case were litigated in the judicial forum having jurisdiction over it. Each Party shall pay her/its own attorneys' fees, witness fees, and other expenses incurred by the Party for her or her own benefit.

At the conclusion of the arbitration, the arbitrator may award to the prevailing Party, if any, the costs and attorneys' fees reasonably incurred by the prevailing Party in connection with



the arbitration.

If the arbitrator(s) determines a Party to be the prevailing Party under circumstances where the prevailing Party won on some but not all of the claims and counterclaims, the arbitrator(s) may award the prevailing Party an appropriate percentage of the costs and attorneys' fees reasonably incurred by the prevailing Party in connection with the arbitration.

**D. Arbitrator Selection.** This Agreement does not provide for the pre-selection of a specific arbitrator. A neutral arbitrator will be selected according to the normal rules and procedures of the American Arbitration Association, or other agreed-upon mediation service;

**E. Discovery.** The arbitrator will determine the appropriate scope of discovery as governed by the normal rules and procedures of the American Arbitration Association, or other agreed-upon mediation service, and will in any case be sufficient to permit each Party to fully investigate and present their claims and defenses;

**F. Place of Arbitration.** The arbitration will be conducted within thirty (30) miles of the offices of HCBF, or as otherwise mutually agreed to by the Parties;

**G. Written Decision.** The arbitrator will provide all Parties with a written decision that details the arbitrator's findings of law and fact, as well as the arbitrator's reasoning in making those findings. The arbitrator is expressly authorized to award either Party any and all remedies to which either Party would otherwise be entitled under state or federal law, as if the matter were brought in a civil court of competent jurisdiction;

**H. Binding Judgment.** Judgment on any award made by the arbitrator may be entered in any court having jurisdiction. The Parties each expressly waive the right to a jury trial, and agree that the arbitrator's award shall be final and binding on the Parties, provided that any award shall be reviewable by a court of law to the fullest extent allowed by law, including for any error of law by the arbitrator;

**I. Severability and Survival.** If any provision of this Section X is adjudged to be void or otherwise unenforceable, in whole or in part, such adjudication shall not affect the validity of the remainder of the Agreement. The dispute resolution provisions of this Section X shall survive the termination of the independent contractor relationship between HCBF and BAC; and

## **XI. MISCELLANEOUS**

**A. Earnings Assignment Orders; Notices of Assignments.** BAC and any Subconsultant shall fully comply with all applicable state and federal employment reporting requirements for BAC or Subconsultant's employees. BAC and any Subconsultant shall certify that its respective principal owner(s) are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignments applicable to them personally. BAC and any Subconsultant will fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignments in accordance with Cal. Family Code

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Sections 5230 et seq. BAC and any Subconsultant will maintain such compliance throughout the Term of this Agreement.

**B. Notices.** In all cases where written notice is to be given under this Agreement, service of notice shall be deemed sufficient if said notice is deposited in the United States mail, postage prepaid. When so given, such notice shall be effective from the date of mailing of the same. For the purposes hereof, unless otherwise provided by notice in writing from the respective Parties, notice to HCBF shall be addressed to:

Harbor Community Benefit Foundation  
Attn: Mary Silverstein, Executive Director  
150 West 6th Street, Suite 100B  
Los Angeles, CA 90731  
Email: mary@hcbf.org

And notice to BAC shall be addressed to:

Bay Area Council Attn: Jon Haveman  
201 California Street, Suite 1450  
San Francisco, CA 94111  
Email: jhaveman@bayareacouncil.org

**C. Taxpayer Identification Number (“TIN”).** The Internal Revenue Service (“IRS”) requires that all consultants and suppliers of materials and supplies provide a TIN to the Party that pays them. BAC declares that its authorized TIN is reflected in the signature block of this Agreement. No payments will be made under this Agreement without a valid TIN.

**D. Governing Law; Venue.** This Agreement and any resolution of disputes arising out of or relating to this Agreement shall be governed by and construed in accordance with the laws of the State of California, without reference to the conflicts of law, rules and principles of such State. The Parties agree that that any arbitration brought under this Agreement shall be conducted under the procedures described in Section X. and shall be held within thirty (30) miles of the offices of HCBF, or as otherwise mutually agreed to by the Parties. Any other actions or proceedings arising in connection with this Agreement shall be tried and litigated exclusively in the State or Federal courts located in the County of Los Angeles, State of California, in the judicial district required by court rules.

**E. Amendments.** This Agreement may be amended only by a written agreement of the Parties.

**F. Assignment.** Neither Party may assign this Agreement or any of its rights hereunder, in whole or in part, without the prior written consent of the other Party. Any purported assignment in violation of the foregoing will be void *ab initio*. This Agreement shall be binding upon, and shall inure to the benefit of, BAC and HCBF and their permitted successors and assigns.

**G. Integration.** This Agreement contains the entire understanding and agreement between the Parties hereto with respect to the matters referred to herein. No other

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representations, covenants, undertakings, or prior or contemporaneous agreements, oral or written, regarding such matters which are not specifically contained, referenced, or incorporated into this Agreement by reference shall be deemed in any way to exist or bind either of the Parties. Each Party acknowledges that it has not been induced to enter into the Agreement and has not executed the Agreement in reliance upon any promises, representations, warranties or statements not contained, referenced or incorporated into the Agreement. The Parties acknowledge that this Agreement is intended to be, and is, an integrated agreement.

**H. Severability.** Should any part, term, condition or provision of this Agreement be declared or determined by any court of competent jurisdiction to be invalid, illegal or incapable of being enforced by any rule of law, public policy, or city charter, the validity of the remaining parts, terms, conditions or provisions of this Agreement shall not be affected thereby, and such invalid, illegal or unenforceable part, term, condition, or provision shall be treated as follows: (a) if such part, term, condition or provision is deemed by such court to be immaterial to this Agreement, then such part, term, condition, or provision shall be deemed not to be a part of this Agreement; or (b) if such part, term, condition, or provision is deemed by such court to be material to this Agreement, then the Parties shall revise the part, term, condition, or provision so as to comply with the applicable law or public policy and to effect the original intent of the Parties as closely as possible.

**I. Waiver.** A failure of either Party to enforce the Agreement upon a breach or default shall not waive the breach or default or any other breach or default. All waivers shall be in writing.

**J. Force Majeure.** Neither Party shall be liable for failure to perform or delay in performing its obligations under this Agreement, and shall not be deemed to be in breach of its obligations hereunder, if and to the extent and for so long as such failure or delay in performance or breach is due to natural disaster, wars, strikes, labor disputes, or other cause beyond the reasonable control of such Party.

**K. Counterparts.** This Agreement may be executed in any number of counterparts, each of which will be an original, but all of which together will constitute one fully executed agreement.

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IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date set forth above.


Bay Area Council  
(BAC)


By:   
Printed Name: Kenneth R. Regalia  
Title: Chief Financial Officer

Harbor Community Benefit Foundation  
(HCBF)

By: \_\_\_\_\_  
Mary Silverstein  
Executive Director

Bay Area Council  
Taxpayer ID# 23-7325853

By:   
Printed Name: R. Sean Randolph  
Title: President and CEO,  
Bay Area Council Economic Institute  
(BACEI)

By:   
Printed Name: Jon Haveman  
Title: Chief Economist

# EXHIBIT A

## **OFF-PORT IMPACT STUDY** ***ANALYSIS OF OFF-PORT IMPACTS ON LAND USE*** ***AT THE PORT OF LOS ANGELES***

### **ABRIDGED SCOPE OF WORK**

The Bay Area Council Economic Institute and  
Harbor Community Benefit Foundation

Revised: December 12, 2011  
Revised(JH): February 20, 2012  
Revised March 15, 2012

## ***Consultant Identification***

Bay Area Council Economic Institute  
201 California St, Suite 1450, CA 94111

Project Manager: Jon Haveman  
Phone: 415-946-8723  
Fax: 415-981-6408  
Email: JHaveman@BayAreaCouncil.org

## ***Project Scope***

This scope of work spells out strategies for:

1. Documenting the sources of potential off-port impacts;
2. Establishing the existence, or non-existence of these impacts through established statistical and survey methods; and,
3. Future research into the off-port impacts of Port activity.

## ***Introduction***

The Bay Area Council Economic Institute (BACEI) has assembled a multi-disciplinary team of experienced and widely renowned economists and researchers in response to the current RFP. Each member was carefully selected based on the valuable specialization and relevant expertise they contribute. The team will be led by the Institute's Chief Economist, Jon Haveman, one of the state's most recognized and widely published experts on the economics of seaports and port-related labor market and impact issues. Dr. Haveman also has vast experience with the myriad of policy issues related to California ports and trade.

Specifically, Dr. Haveman's port related work has included conducting economic impact analyses of programs at California's largest ports. Dr. Haveman was the lead author and investigator on two exhaustive, high-profile economic impact analyses of proposed Clean Trucking Programs (CTP) at the Ports of Los Angeles and Long Beach, and the Port of Oakland. The William and Flora Hewlett Foundation commissioned the report for the Ports of Los Angeles and Long Beach, while the Port of Oakland project was the result of a highly competitive RFP bid process, in which Dr. Haveman was awarded the contract. Both reports involved in-depth evaluations of port trucking operations, a thorough analysis of the long- and short-term costs and benefits of implementing the CTP, the likely effects on labor and the environment, public policy implications, potential pitfalls, probable timelines, and feasibility issues.

For the current RFP issued by the NRDC and administered by Harbor Community Benefit Foundation (HCBF), Dr. Haveman will be joined by a number of leading academics and technical specialists. They include Dr. Kristen Monaco, a Professor of Economics at California State University, Long Beach and an authority on survey creation, administration, and analysis;

and Nathan Strout, Technology Manager, and Serene Ong, GIS Analyst, both from the University of Redlands' Redlands Institute and both experts in the areas of data inventory, mapping products, geodatabases, distribution of GIS data, cartography and visualization, online web map publishing, current and new GIS technologies, and spatial analysis. Full descriptions of all team members' expertise are included in subsequent sections of this proposal.

### ***Technical Approach***

The movement of goods from one place to another is vital to the growth and smooth functioning of any economy. Goods move on the ground, in the air, and on the high seas, both within and between countries. Goods movement for the purposes of international trade makes use of all three modes and has been an important contributor to U.S. growth throughout history. By far the largest category of U.S. international trade is waterborne.

The Port of Los Angeles combined with the Port of Long Beach constitutes the largest single maritime port in the United States. With up to 15 million container moves in a year, the complex is among the largest such facilities in the world. In addition to containers, the port provides services to a wide variety of other water-based activities. These activities range from cruise ships to fishing vessels and oil tankers.

As it provides such a significant variety and magnitude of services, the Port has the potential to impact the local communities in some very significant ways. In particular, the services provided require significant use of lands, both on the port and off. This precludes the use of these lands for other economic activities and because of its footprint, may well provide a blight on adjacent properties and other nearby market participants. A second, well documented, impact off of the port is the health impact of emissions. The emissions from ships, trucks, trains, and other equipment necessary for the movement of goods in and around the port have been until recently relatively lightly regulated. As a highly concentrated mobile source of pollution, ports and the equipment necessary for their functioning have not received the emissions scrutiny that has historically been saved for fixed sources of pollution.

### ***Documenting the Sources of Potential Off-Port Impacts***

This part of the study is designed to provide baseline data on land use in Wilmington and San Pedro to serve as a foundation for subsequent analysis concerning potential effects from Port operations. The land-use analysis will take into consideration the applicability of the California Air Resources Board (CARB) April 2005 study "Air Quality and Land Use Handbook: A Community Health Perspective", including relevant CARB study updates, if applicable. The primary outputs from this activity include a comprehensive list of activities and entities in and around the ports that are:

1. Directly attributable to and necessary for port operations;
2. Indirectly attributable to port operations; and,
3. Not related to port operations.

This comprehensive list of entities will also be presented graphically using graphical information systems, in particular, ArcGIS. These activities will be displayed at the parcel level. Parcel level shape files (for use with ArcGIS) will be obtained from the LA County Assessor's office.<sup>1</sup> These files also come with information on the permitted uses of each parcel.

These shape files are the starting point for identifying current land use patterns in San Pedro and Wilmington. Data from the Assessor's office will identify very specific uses for each parcel.<sup>2</sup> These data indicate residential, commercial, and public use, with highly detailed distinctions within each category. This alone will allow us to significantly narrow the parcels that are linked to port activity, either directly, or indirectly.

Once the set of parcels is identified that may potentially be linked to port activity, we will follow a multiple step process of identifying which of these are directly linked and indirectly linked to port activity. First, we will communicate with the port. This communication should provide at a minimum, identification of the following:

1. Off-port lands that are owned and operated by the port for goods movement purposes and the activities that take place on those lands;
2. Off-port lands controlled or intended to be owned by the port for public use, including but not limited to parks, recreation areas, and community buildings.
3. Off-port lands that are occupied by schools, clinics, and community centers impacted by port operations.
4. A subset of off-port lands that are occupied by businesses directly related to port operations, e.g., rail yards, customs brokers, bonded warehouses, etc.;
5. A subset of off-port lands that are occupied by businesses indirectly related to port operations, e.g., oil refineries and warehouses; and,
6. An indication of the types of businesses that are located in San Pedro or Wilmington and are related to port activities, e.g., truck repair services.

This information, obtained from port staff, will be augmented by our collective professional expertise as seasoned economists with a significant track record of port related research. This expertise will allow us to expand on the information provided from the Port in items 2-4 to develop a comprehensive list of entities that should be identified as directly or indirectly linked to port activity. In particular, our experience can lead us to sources of specific businesses that are directly related to port activity, such as customs brokers and bonded warehouses.

In particular, having identified a set of off-port activities that are directly or indirectly linked to port activity, input-output relationships will identify secondary businesses that may have a larger presence in the study area than would occur but for Port activity. Input-output techniques

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<sup>1</sup> The data to be acquired are described here:

<http://assessor.lacounty.gov/extranet/outsidesaes/localroll.aspx>

<sup>2</sup> See: [http://www.parcelquest.com/use\\_codes/pdf/LosAngeles.pdf](http://www.parcelquest.com/use_codes/pdf/LosAngeles.pdf) for a complete listing of the Los Angeles Use Codes.



provide a roadmap to relationships between industries. Of particular relevance to this exercise, they indicate products and services that are used by one economic activity – an activity directly related to port functioning – and other activities. This exercise will aid in the identification of industries that are indirectly related to port activities and augment the span of activities that are identified as potential sources of off-port impacts.

Having identified the types of businesses that are directly and indirectly related to port activity, the National Establishment Time Series (NETS) provides an indication of their location within the study area. In particular, the NETS identifies businesses in industries that are directly or indirectly linked to Port activity and provides the geographic information necessary to identify the parcel in which they are located.<sup>3</sup>

These businesses will then be included in the comprehensive list of activities directly and indirectly associated with port activity. The contents of this list will be incorporated into a set of graphical depictions and/or maps that identify not only the locations of these establishments, but their intensity of potential land use impact.

The deliverables for this element of the project will include a document that outlines the methods used to identify port related activities, a list of the occupants of parcels that contain port related businesses or entities, and a map or set of maps and graphical depictions of their locations. All such deliverables will include ArcGIS shapefiles with metadata and Google Earth .kml files. Lands owned and operated by the Port, lands occupied by activities directly related to port activity and those indirectly related to port activity will each be separately identified in the maps. In conjunction with the results from the next section, it will be possible to identify and depict the intensity of the land use impact.

### ***Establishing the Existence of Land Use Impacts***

The Port and related activities can have a wide variety of impacts on the local community. Identifying the sources of impacts and determining their intensity is a complicated process. The first step in measuring the impact of port related land use is in identifying the set of impacts as expressed by members of the local community. Such impacts include, but are not limited to, sources of visual blight, auditory nuisance, functional inconvenience, or issues of safety and health.

Examples of visual blight include container cranes towering over the end of a residential street, a terminal extending into what was previously a blue water view from a private residence, or a stack of containers across the street from a private residence. Auditory nuisances include the rumbling of trucks or trains carrying containers. Functional inconvenience includes port related traffic on study area streets, having to wait at rail crossing, or the dislocation of services from the region. Identifying the full set of land use impacts necessarily involves communicating directly with members, both residential and commercial, of the local community.

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<sup>3</sup> See: [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=1022962](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1022962) for more information on the NETS database.

This proposal includes a survey of members of the local communities in the study area as providing a baseline indication of the land use impacts of port activity. With this baseline in hand, specific types of impact can be studied and the intensity of the land use implications evaluated. Accordingly, impacts will be identified and measured through:

1. A survey of and town hall meetings including residential and non-port related commercial community members;
2. A study of port land use impacts on local demographics;
3. A study of port land use impacts on local residential real estate values; and,
4. A study of port land use impacts on local business development.

Each of these reports is discussed below. Health impacts are explicitly excluded as they are covered in a separate research agenda being pursued by the HCBF.

### Survey and Town Hall Meetings

The project calls for the collection of baseline data in Wilmington and San Pedro to serve as a foundation for subsequent analysis concerning potential effects from port operations. The primary means for collecting these data will be through a survey of local community residents and businesses. This survey would be augmented by information from two additional sources. First, two town hall style meetings will be held, one each in Wilmington and San Pedro. At these meetings, information regarding our findings would be presented and feedback solicited. Second, interviews from videos collected by CAL-EPA between 2004 and 2007 regarding off-port impacts will be consulted.<sup>4</sup>

The survey would be designed to elicit information as to the nature of and the significance of the land use impacts by the port on the local community (**See Appendix A - Sample Survey**). Key negative impacts to be examined through the survey include, but are not limited to: aesthetics, light and glare, noise, vibration, traffic, air quality, and public safety and health. Key positive impacts to be examined include, but are not limited to: jobs, tourism, dining and shopping, travel opportunities, enhanced walkways, and port festivities.

The survey is designed to provide specific evidence of positive and negative impact(s) from specific port related activities. In particular, address information for the survey respondent and the source of the impact identified is collected. With their address in hand, the proximity of the respondent to the offending land use can be obtained. This survey will provide significant insight into the land use impacts of particular aspects of port activity. Surveying a large number of people on a wide geographic basis will provide a comprehensive picture of land uses and their impacts.

The research team will work with local community groups to access their members/constituents at regular meetings, church services, or other local events. The local groups we will target include:

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<sup>4</sup> An example of such a meeting is: <http://www.arb.ca.gov/gmp/comments/mar05ltrs.pdf>. Videos will be requested from ARB and screened for references to off-port impacts.

- Churches
- Boys and Girls Clubs
- Little League
- Jaycee Foundation
- Neighborhood Associations

As survey data are being collected, we can map the addresses of the respondents to ensure they correspond to the areas identified in the GIS study as being the most impacted by off-port activity. We can also compare the basic demographic data to the 2010 Census block level data to ensure that our sample is representative of the area. If necessary, we will target areas that appear to have low coverage. BACEI will obtain approval for systematic sampling plans before conducting any surveys.

A survey of this type comes with significant benefits over more conventional research methods. In particular, it is possible to link the respondent directly to a potential source of impact. It is further possible to obtain a measure of the magnitude of the impact. Such surveys are also subject to significant shortcomings. In particular, there are impacts that are not easily or accurately discerned by local residents. Such impacts include the effects on local demographics, the effects on economic development, and the effects on local residential real estate values. Although residents may perceive that there has been an impact, but it may well be the result of other forces. Accordingly, we propose to study them separately.

**Important Aspects of the Survey** – The survey is a comprehensive inquiry into the effects of port activity. The effects that will be reported and discussed are not limited to those categories specified above. The categories above are those that are the least likely to be captured through a survey. Other effects include, but are not limited to, those associated with health, visual blight, and noise pollution. To the extent possible, results from the survey’s will be compared to findings from the noise study that the HCBF is also pursuing. This will help to verify the accuracy of the survey results.

The survey is intended to be comprehensive and representative. To that end, both the location at which the survey is administered and the location of the residence/business of the individual will be geo-coded and displayed visually. Surveying will continue until there is a relatively uniform distribution of survey responses throughout the entire study area.

In performing this survey, a heavy reliance will be made on using surveyors that are from the local population. The assistance of a temporary employment service will be retained and some 20-30 individuals will be sent out into the field to collect and tabulate (through computer entry) the results of the surveys. BACEI acknowledges that local job creation is a high priority for HCBF. As such, BACEI agrees to employ no less than 50% of the project’s temporary employees from the communities of Wilmington and/or San Pedro, “Local Hires”. As an addendum to each monthly invoice, BACEI shall provide a monthly report of the total number of

staff and consultants employed during the reporting period, including the number of Local Hires, as well as their zip codes of residence (**Appendix B - Sample Local Hire Monthly Report**).

### Local Demographics

The motivation behind this element of the study is to establish the extent to which land use associated with port activity has an impact on the demographics of the region. The potential impact arises through two primary avenues: the general desirability of the study area, and the availability of jobs in the region. If the activities of the Port have a negative influence on either avenue, the likely outcome would be to reduce the socio-economic status of the average resident in San Pedro and Wilmington. Lower socio-economic status is indicated through lower levels of education, higher proportions of minority groups, reduced average household incomes and increased general rates of unemployment and poverty.

The report will track socio-economic conditions in the study area between 1990 and 2010. Given the long period of time, it will be necessary to appeal to a variety of different data sources. The Census Public Use Microdata files from 1990 and 2000 provide information on age, gender, race/ethnicity, occupation and earnings. These data are derived from a 5% sample of the “long form” of the decennial census and due to the large sample sizes allows us to construct a data set solely of those individuals living in the San Pedro-Wilmington area with enough observations to make statistically valid inference on the population of this area.

This data will be supplemented with the smaller, annual American Community Survey (also collected by the Census department). The variables measured are identical to the decennial Census, and with data available through 2010, the Census and ACS data allow us to analyze changes in demographic characteristics, jobs and earnings of the residents of Wilmington-San Pedro over a nearly 20 year period.

Rather than simply focusing on the jobs and earnings of the residents of Wilmington-San Pedro, it is important to analyze the jobs available in the area (employing residents and non-residents alike). This analysis can be conducted using data from the Longitudinal Employer-Household Dynamics data. These data are compiled from various sources (including unemployment insurance data) and combine individual and employer information to link the location of jobs with the location of the individuals employed in those jobs. This information can be used in a variety of formats, including graphic representations of jobs data. For example, the attached file presents the locations of jobs in trade, transportation, and public utilities in zip code 90731 (San Pedro)

By combining these three sources, we will analyze long-term trends in demographics, jobs, and earnings of residents in the San Pedro-Wilmington Area to examine the underlying relationship between port-related activity and changing outcomes for the residents of these neighborhoods.

The Census block level data from 1990, 2000, and 2010 will allow us to examine the dynamics of demographic changes in San Pedro and Wilmington. To compare these areas to the demographics of areas that do not face off-port impacts, we will use the 1990 Census data to

identify demographically similar communities in the Southern California region that are located further from the port and examine how their demographics have changed over the same 20 year period.

BACEI will obtain approval for any research techniques it employs for the local demographics studies prior to any implementation of such techniques.

These detailed demographic data will also provide data for the health impacts analysis, as needed.

#### Residential Real Estate

Movements in home prices can result from a wide variety of different sources. Changes in local demographics, changes in local economic activity, or a host of other sources can be credited with influencing residential real estate values. This study will endeavor to disentangle these various causes of home price changes and pull out the portion that is due to the proximity to or the impacts of port activity.

The period 1988-2009 is one of dramatic movements in home prices. As such, it is a particularly good period for evaluating the causes of changing values. The period of analysis includes both the development of a massive housing bubble and the bursting of the same bubble. Accordingly, we will evaluate changes in home prices both on the way up and on the way down. It is also a period during which port activity increased markedly, and the off-port impacts, to the extent that they exist also increased. One significant example is the completion of Pier 400 in 2000.

Having collected the data for the mapping exercise and from the survey, it is possible to develop strong correlates to port impacts. In particular, to the extent that the survey reveals significant impacts from a particular source, the proximity of residences to that source can be used and the specific impact measured. In most cases, however, it will not be possible to discern the impact of specific sources of impact, but a general indication of the extent to which home prices have been negatively influenced by port activity will be possible.

The data come from DataQuick, and provide details on homes located on each parcel of residential property in the study area. The details include the sales price for each sale of the residence, the configuration of the house, including numbers of bedrooms, bathrooms, and square feet. With these data in hand for all of Los Angeles County, we can compare home price changes across regions of the county, accounting for regional differences in demographics and levels of economic activity.

#### Local Business Development

Port activity can significantly influence local business or economic development in a region by affecting the desirability of locating a business in the study area. For some types of business, those directly or indirectly involved in port activity, growth at the port will provide increased incentive to locate near the port. For others, the pollution, traffic, and other land use effects of port activity can negatively affect the desirability of locating near the port.

Through the efforts described above to ascertain the land uses that are directly and indirectly attributable to port activity, we will have a set of industries that fall in either of these categories. The effects on local business development can then be measured by evaluating births and deaths among establishments in these industries vis a vis establishments in other industries. These births and deaths would be correlated with births and deaths in similar industries elsewhere in Los Angeles County and California a whole, as well as the Metropolitan Statistical Areas as defined by the U.S. Census Bureau (MSA's) and by neighborhood as defined by the LA Times. It is expected that those industries related to port activity will experience fewer deaths over time and more births and conversely that those not related to port activity will experience more deaths and fewer births.

The data to be used in this project stem from the National Employment Time Series (NETS). This dataset provides information on location, size, sales, and other aspects of every business establishment in the United States. For the purposes of this study, we will merely use the data that are available for California. The data span the period from 1990 through 2008 (possibly 2009). As such, there is a sufficient time element to the data to strongly correlate births and deaths in various industries in a location as small as the study area. The data also provide highly detailed information on primary economic activity of the establishment, facilitating the categorization of each establishment into the port or non-port related categories.

A necessary component of this activity will be figuring out when the activities on parcels contributing the most significantly to negative land use or pollution impacts were put in place. Annual container counts will proxy for the overall land use impact of the port.

The methodology to be employed in this study consists of standard multivariate models of establishment or firm survival. As with the evaluation of real estate values, the impact of the port will be measured by the proximity of a particular business to parcels in the study area with a potential port related land use impact as revealed in the initial mapping exercise or in the survey data. Other correlates with firm survival include the changing demographics of the region and the prosperity of similar establishments in the broader California economy.

The firm level analysis will be augmented by an evaluation of changes in employment patterns in the study area. Through a special request from the California Employment Development Division (EDD), we will obtain detailed industry level employment data for the study area going back 20 years.

Methods employed include simple cross tabulations and an evaluation of the types of economic activity that is prospering or failing in the region, relative to the activities prosperity in the Los Angeles Metropolitan District, throughout California, to the MSA's, and to Los Angeles neighborhoods.

The deliverable for this project will be a report estimated to be up to 50 pages, inclusive of tables and charts, that provides evidence on the impact of port related activities of [establishment level



firm survival] in the study area as well as general employment trends in the area and how these trends correlate with port activities.

### Secondary Data Validation

In research of this type, validation of secondary data sources is extremely difficult. These data go back through time and there are many aspects of their contents that are not readily verified. There are, however, certain aspects that can be verified, and where other reputable organizations have not undertaken this verification/validation, we will endeavor to do so.

With respect to the NETS data, the Public Policy Institute of California has an extensive research program that makes use of these data. They have also verified the data contents against Federal sources of similar data and have found that they match up well. Verification will also be sought with respect to the recent information in the data. In particular, local residents will be retained to verify the addresses, and to the extent possible the employment, for a random set of establishments that are identified in the data.

With respect to the DataQuick data, there is relatively little to be done with regard to validation/verification. These data go back through time. However, there are aspects of these data that can be checked, and we will endeavor to do so. Public records of home sales are available through Zillow.com. Our efforts will include, but not necessarily be limited to, search Zillow.com for sales prices for a large number of randomly selected residences and comparing the results with values in the DataQuick data. The individuals hired for this purpose will be from the local community. In addition, BACEI will obtain approval for the data validation methodology, including land use designations, to be used before conducting any secondary data validations.

More generally, statistical methods that account for potential errors in the data will be used. Errors in the data will be problematic only to the extent that there is a systematic relationship between the errors and the off-port impacts of port activity. Such a relationship seems unlikely.

### ***Synthesis and Suggestions for Future Research***

Through the course of the land use analysis, gaps in our understanding of the impacts of port activity will present themselves. Through this effort, as well as by appealing to studies of land use impacts elsewhere in the relevant literatures, a final study will provide:

1. A synthesis of the results gleaned from the basic research described above
2. A discussion of the gaps in our understanding to date, and,
3. guidance and suggestions for how future land use and public health studies might be conducted .

### ***Overall Deliverables***

This proposal provides for a set of reports that provide a baseline evaluation of port related activity and its impact on the San Pedro and Wilmington communities. The deliverables include up to seven separate reports, including the following:

1. A graphical display of on and off port activities, including those directly related to port activity, indirectly related to port activity, and those not related to port activity, including the location of public schools, health clinics, public parks, and community centers, (GIS). A primary consideration of this product will be accessibility for a lay audience;
2. The results of a survey of study area community members providing an indication of particular hot spots of land use impacts (Survey);
3. An evaluation of the effect of port activity on the demographics of the region (Demographics);
4. An evaluation of the effect of port activity on home prices in the region (Real Estate);
5. An evaluation of the effect of port activity on business and economic development in the region (Economic Development); and,
6. A report synthesizing the results obtained through this research and suggestions for future research (Future Research).

These reports will be delivered in electronic form only and will include ArcGIS shapefiles with metadata and Google Earth .kml files.

In accordance with the Operating Agreement of the TRAPAC Memorandum of Understanding, Section VI, the Off-Port Impact Study reports shall be presented by BACEI, in collaboration with HCBF, to the Trade, Commerce and Tourism Committee of the Los Angeles City Council.

### ***Achieving Specific Goals***

The research outlined above is designed to be responsive to the RFPs articulated goals. In particular, the overarching goals are:

1. The study will make an initial evaluation of whether and to what extent existing operations in or near the port have direct effects on Wilmington and San Pedro residents.
  - a. Each piece of the research above is designed to add to our understanding of the off-port impacts. The survey addresses the easily identifiable impacts while the demographic, real estate, and business portions address the hidden, or less discernable, off-port impacts.
  - b. A final piece will summarize and synthesize the results of each of the independent studies and propose future research.
2. The study will collect baseline data in Wilmington and San Pedro to serve as a foundation for subsequent analysis concerning the potential effects from port operations.
  - a. This is the focus of each activity described above.



3. The land use study will include the following:
  - a. Assessment of the physical footprint, including port tenant operations
    - i. Comprehensive maps will be produced detailing the location of port activities.
    - ii. Data will be collected from the port that will provide for a description of tenant operations.
  - b. Baseline maps
    - i. This will be a primary focus of initial research efforts.
  - c. Subsets of Baseline maps
    - i. Three categories will be mapped. Parcels with activities directly related to port activity, activities indirectly related, and other residential and commercial activities, to include public schools, health clinics, parks, and community centers.
    - ii. Where relevant, maps of subsets of the study area, or highlighting a subset of activities, will be produced.
  - d. Narrative analysis
    - i. The maps and their evolution over time will be described in some detail, both in the absence of a discussion of their impact and in the context of their likely impact on study area businesses and residents.

## ***Project Management***

### ***Schedule for Completion and Integration of Services***

The studies described in the Technical approach above can be pursued largely in tandem. However, the results of the survey, GIS, and demographic exercises are necessary inputs into the real estate and business and economic development studies.

Breaking the survey timeframe into weeks, results in a period of **approximately 22 weeks**. Projects under the RFP will be developed according to the following schedule:

- GIS:
  - Data gathering: weeks 1-6
  - Map production: weeks 7-10
  - Report: weeks 9-14
- Survey/Town Hall Meetings
  - Data gathering: weeks 1-8
  - Data processing: weeks 9-11
  - Report generation: weeks 12-14
- Demographics
  - Data gathering: weeks 1-4
  - Data analysis: weeks 5-8
  - Report generation: weeks 9-11
- Real Estate
  - Data gathering: weeks 1-4 (and as available from 1-3 above)
  - Data analysis: weeks 5-16
  - Report generation: weeks 17-20
- Economic Development
  - Data gathering: weeks 1-4 (and as available from 1-3 above)
  - Data analysis: weeks 5-16
  - Report generation: weeks 17-20
- Future Research
  - Report generation: weeks 19-22

### ***Project Procedures for Schedule and Cost Control, Document Production, and Response Time***

Dr. Haveman has demonstrated his ability to manage highly complex projects and large, multi disciplinary teams through its successful work for the Port of Oakland and Ports of Long Beach and Los Angeles. For the current RFP, Project Manager Jon Haveman will again provide hands on management throughout the full cycle of the project. Dr Haveman will apply Haveman Economic Consulting best practices to ensure that proper oversight and adherence to schedules and budget are maintained at all times. These include regular team meetings, weekly reviews by the project manager of schedules and budgets, timeline goal setting, regular updates to the client, a content review and vetting process for all deliverables, and specific time built into the review process to allow for copyediting and proofreading.

BACEI is committed to preserving the environment and will produce all documents related to the project in the most environmentally friendly manner possible. This will include using electronic formats whenever possible, and printing on a minimum of 30% recycled FSC-certified paper.

As part of the overall management of the project, and to ensure prompt response time, Dr. Haveman will maintain regular contact and have full access to all team members – including personal phone numbers and emails. An updated team contact form will be distributed to all team members to ensure each member can be reached promptly. As project manager, Dr. Haveman will ensure that the channels of communication between team members and with the client are kept open and free flowing. Dr. Haveman will also ensure that response time to any and all client requests occur in a timely manner either by himself or by the relevant team member.

### ***Project Organization/Personnel***

Following are brief descriptions of the role each member of the BACEI team will play under this RFP. Included are both staff of BACEI and all sub-consultants. Note that team members experience and expertise are described in the next section of this proposal. Additionally, full resumes and CVs are included in the appendix to this proposal.

- 1. Dr. Jon Haveman, Vice President and Chief Economist, BACEI** – Dr. Haveman will serve as project manager on this RFP. He will be responsible for overseeing all aspects of the data collection, management, analysis, and production of final deliverables. In addition, he will provide methodological expertise and will be heavily involved in writing the reports for each of the non health related aspects of the project.
- 2. Patrick Kallerman, Research Associate, BACEI** – Patrick Kallerman will provide research and analytical support for the entire project.
- 3. Dr. Kristen Monaco, Professor of Economics, California State University at Long Beach** – Dr. Monaco will serve as the lead on the demography component under the RFP, with primary responsibility for data gathering, analysis, and assisting with drafting of the demographic report. She will also assist on the survey component including instrument development, data processing, and drafting of the survey report.
- 4. Issi Romem, Independent Consultant** – Issi Romem will provide research and analytical support for the entire project, but will provide particular expertise in the effects on housing prices.
- 5. Nathan Strout, Technology Manager, Redlands Institute, University of Redlands** – Mr. Strout will provide technical expertise in the creation of the data inventory, analysis, and mapping products. He also will provide project oversight and assist in defining the specific tasks required to achieve the end products.
- 6. Serene Ong, GIS Analyst, Redlands Institute, University of Redlands** – Ms. Ong will be responsible for data inventory and management, including the creation of the

geodatabase, mapping and spatial analysis, and development of the mapping products to support the final project report. She also will be responsible for regular communications and coordination with the project team.

### ***Team Qualifications and Experience***

BACEI is uniquely qualified to provide the economic and technical consulting services being sought by the Natural Resources Defense Council. As discussed in detail in the introduction of this proposal, Dr. Haveman's work includes economic impact analyses of port related programs, including two major assessments of clean trucking programs at California's largest seaports – the Ports of Los Angeles, Long Beach, and Oakland. In addition to his very specific and current experience with ports and port programs, his work includes economic analyses for cities' general plans, revenue and economic forecasting for regions and industries, employment and labor analyses, public policy analyses, industry cluster analyses, reports on industrial land use, and expert testimony. Current and past clients include the Port of Oakland, the City of Oakland, the Bay Area Economic Forum, The Bay Area Council Economic Institute, the Natural Resources Defense Council, the County of Monterey, the PGA Tour, and the Los Angeles Area Chamber of Commerce.

Dr. Haveman's familiarity with California goes beyond the aggregate and includes an intimate knowledge of the state's vastly different regions. This localized understanding allows us to add critical nuance and relevance to our analysis of programs and operations within particular regions. Dr. Haveman has conducted substantial research on the Los Angeles region, including publishing an annual book on the Los Angeles economy that extensively covers the region's demographics, environment, business activity, and quality of life. This has given him a distinct understanding of the regional labor market, local economy, and demographic environment in which the Port of Los Angeles operates.

**Dr Jon Haveman** – Dr Haveman is an economist and a widely renowned expert on seaports and their related impacts. In addition, Dr. Haveman is an expert in regional economies and local economic development. Prior to joining the BACEI, Dr. Haveman was a founding principal of Beacon Economics. He was previously the Director of the Economy Program at the Public Policy Institute of California and has been a Senior Economist with the President's Council of Economic Advisers under then President Bill Clinton, an Economist with the Federal Trade Commission, and held a faculty position in the Business School at Purdue University. A prolific author, Dr. Haveman has published extensively on transportation and security issues at California's seaports, business outsourcing, and trade in technology products. He also has a lengthy record of publishing articles in the areas of labor and international economics and a work history related to private asset accumulation. He is routinely contacted by the media to discuss his work and has testified at numerous federal and state government hearings on issues related to seaport activity and security, technology trade, and local economic development. Dr. Haveman received his PhD and M.S. in Economics from The University of Michigan and his B.S. in Economics from the University of Wisconsin.

**Dr. Kristen Monaco** – Dr. Monaco is a widely recognized expert on labor economics with 15 years of experience in survey creation, administration, and analysis. She has been the recipient of numerous grants and authored numerous publications related to demographic analysis. She has also published extensively on the wages, characteristics, and working conditions of port truck drivers; port labor issues; port infrastructure; and the effects of port deregulation. Dr. Monaco specializes in transportation economics and the intersection between industrial structure and labor markets. Among her many research grants have been grants from the Port of Long Beach and METRANS Transportation Center – a U.S. Department of Transportation University Transportation Center. She is the Associate Director of the 'Master of Arts in Global Logistics' program at California State University Long Beach and a Research Associate at Georgia Institute of Technology's 'Trucking Industry Program.' Formerly, she was an Assistant Professor of Economics at the University of Wisconsin, Eau Claire, and served as co-editor of *Contemporary Economic Policy*. Dr. Monaco received her PhD and M.A. in Economics from the University of Wisconsin, Milwaukee, and her B.A. in Political Economy from Michigan State University.

**Patrick Kallerman** - Patrick Kallerman is a Research Associate at the Council's Economic Institute where he works in close cooperation with the Institute's Chief Executive Officer and Chief Economist on a wide variety of economic policy issues. Before joining the Institute, Patrick was a consultant with Accenture in San Francisco where he collaborated with a variety of businesses and governments to achieve their maximum potential. He has worked as a Research Assistant at California State University, Long Beach, tracking and analyzing imports through the ports of Los Angeles and Long Beach. He was also a Research Assistant at the Office of Economic Research where he assisted in developing the annual report: "Regional Economic Forecast for Southern California and its Counties". Patrick holds a degree in Economics from California State University, Long Beach.

**Issi Romem** – Mr. Romem is currently a PhD student at the University of California, Berkeley. He is specialized in the fields of labor economics and econometrics, and is currently working on projects in urban, labor and real estate economics. Prior to his doctoral studies Mr. Romem was a research assistant at the Hebrew University's Falk Institute for Economic Research in Israel where he worked on empirical projects in the economics of education, and he has served as a communications officer in the Israeli Air Force. Mr. Romem is expected to complete his PhD in May of 2012. He received an M.A. in economics with distinction from the Hebrew University and a B.A in economics, also with distinction, from Tel Aviv University.

**Nathan Strout** – As Technology Manager, Mr. Strout is responsible for technology innovation and application development, including oversight of the Institute's technology team for project work and professional development. He has worked on more than 20 projects, providing technical leadership in the development of geodatabases, analysis and editing of spatial data, and distribution of GIS data and products, including online applications. Mr. Strout holds a B.A. in Environmental Studies and is completing an M.S. in GIS through the University of Redlands, for which he teaches a programming class. He has completed extensive training in ESRI ArcGIS

software and programming, has received several awards for his cartographic products, and regularly presents at ESRI User Conference and other GIS venues.

**Serene Ong** – As GIS Analyst for the Redlands Institute, Ms. Ong has a professional background and demonstrated expertise in GIS data capture, creation, editing, processing, analysis, cartography and visualization, and online web map publishing. She also researches current and new GIS technology, tests new GIS applications, provides technical support to other GIS projects and University faculty and staff in their GIS work, and prepares documentation and presentation materials. Ms. Ong holds a B.S. in Business and Finance and a major in Wildlife Biology, and is completing her M.S. in GIS at the University of Redlands. She has completed multiple training courses in ESRI ArcGIS software and programming languages.

## ***Appendices***

***A: Sample Survey***

***B: Sample Local Hire Report***

## **Appendix A –SAMPLE Survey of Residents in the Study Area**

The questions below are intended to gather information about the impacts of port activities on the residents of San Pedro and Wilmington. The data (including addresses) are confidential and no identifying information will be used in reports or presentations.

1. What is the address of your residence? If you wish, you may simply include the major cross streets nearest your residence.

- a. Street address \_\_\_\_\_

- b. City and Zip \_\_\_\_\_

2. How long have you lived at this address?

\_\_\_\_\_ years

3. What is the zip code of your prior address?

\_\_\_\_\_ zip

4. Was your prior address located in Wilmington or San Pedro?

No

Yes. How long did you live at your prior address?

\_\_\_\_\_ years

5. Do you rent or own your residence?

Rent

Own

The next series of questions are intended to gather information on how port-related activities directly impact you and your family, both positively and negatively. The Ports of Long Beach and Los Angeles are the nation's largest container ports and generate a great



deal of transportation activity related to imports, exports, and tourism. Some of the activities and business related to the ports include, in no particular order, cruise ship arrivals/departures, trucking services, railroads, Ports of Call restaurants and shops. truck repair, warehousing, truck parking yards, diesel fueling stations, jobs at the ports and terminals, and more.

6. Do you feel these activities and/or business affect you in a negative way?

Yes

No (please skip to question 8, page 3)

7. In the table below, list the two activities and/or businesses that, in your opinion, have the most negative impact on you and respond to the questions in the table.

	Activity/Business	
Name and Address (please list address only for specific businesses)		
What is the nature of the impact? (circle all that apply)	<ul style="list-style-type: none"> <li><input type="checkbox"/> Aesthetics</li> <li><input type="checkbox"/> Light and glare</li> <li><input type="checkbox"/> Noise</li> <li><input type="checkbox"/> Vibration</li> <li><input type="checkbox"/> Traffic</li> <li><input type="checkbox"/> Safety</li> <li><input type="checkbox"/> Other(please list) _____</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Aesthetics</li> <li><input type="checkbox"/> Light and glare</li> <li><input type="checkbox"/> Noise</li> <li><input type="checkbox"/> Vibration</li> <li><input type="checkbox"/> Traffic</li> <li><input type="checkbox"/> Safety</li> <li><input type="checkbox"/> Other(please list) _____</li> </ul>
One a scale of 1-5, where 1 is very mild and 5 is very severe, what is the magnitude of the impact?		
Is this impact severe enough to make you consider moving? (please circle one)	Yes      No	Yes      No
How much would you be willing to pay to eliminate this negative impact?		

8. Do you feel port-related activities and/or businesses affect you in a positive way?

Yes

No (skip to Question 11)

9. Please list and describe the two businesses and/or activities related to the port that positively impact you the most.

	Activity/Business	
Name and Address (please list address only for specific businesses)		
What is the nature of the impact? (circle all that apply)	7. Aesthetics, such as the walking paths on Harbor Blvd 8. Jobs 9. Tourists 10. Personal Travel 11. Port Festivities 12. Restaurants and shops – Ports O Call 13. Other(please list) _____	14. Aesthetics  15. Jobs 16. Tourists 17. Personal Travel 18. Port Festivities 19. Restaurants and shops – Ports O Call 20. Other(please list) _____
One a scale of 1-5, where 1 is very mild and 5 is very severe, what is the magnitude of the cumulative impact?		

10. For each business or activity listed above, briefly describe the nature of its positive impact \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

11. Are you or is anyone in your household currently employed by any of the following?

Please check all that apply

- a. Port of Los Angeles/Port of Long Beach
- b. Any of the container terminals at the ports
- c. A trucking company servicing the ports
- d. Railroad
- e. Warehouse located in Southern California

The following questions are intended to ensure that we are obtaining data that is representative of the residents in the area. They are optional, but will greatly help us to ensure that our survey covers the local area.

12. Are you male or female?

Male

Female

13. What racial/ethnic category(ies) below best characterize you?

- Hispanic
- White
- Black
- Asian/Pacific Islander
- Native American
- Other \_\_\_\_\_

14. What is your age? \_\_\_\_\_ years

15. How many people live in your household? \_\_\_\_\_ people

16. What is your total household income?

- \$0 - 14,999
- \$15,000 - 24,999
- \$25,000 - 49,999
- \$50,000 - 74,999
- \$75,000 - 99,999
- \$100,000 or more

17. Are there other comments you would like to share with us regarding the impacts of the ports on you or your neighborhood?

Thank you for participating in this survey. For a summary of survey results please contact XXXXXXXXXX.

## Appendix B – SAMPLE LOCAL HIRE MONTHLY REPORT

Project: Off Port Impact Study

Consultant: BACEI

Reporting period - month ending \_\_\_\_\_

[Month, day, year]

Report of all workers, Staff and Consultants, dedicated to above project

	Total	Local Hire
Number of permanent staff (BACEI)		
Number of temporary hires (BACEI):		
Number of permanent sub-consultants:		
Number of temporary hires (sub consultants):		
Total Number during reporting period:		

List all Zip Codes for Local Hire :

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Definitions:

Local Hire: staff and consultants who currently reside in Wilmington and/or San Pedro zip codes

Temporary Hire: workers, either full time or part time, who commenced employment during the project and are not anticipated to be retained beyond the completion of this project.

Permanent: workers, either full time or part time, who commenced employment prior to the project

## EXHIBIT B

### Fees & Rate Schedule

- **Documenting the Sources of Potential Off-Port Impacts:** **\$46,226**

  - Data gathering: weeks 1-6 50% Progress Payment (20,450)
  - Map production: weeks 7-10 100% Progress Payment (20,450)
  - Hard reimbursable costs (Assessor data and travel – Not to exceed \$5,326)
  
- **Establishing the Existence of Land Use Impacts** **\$190,000**

  - Survey/Town Hall Meetings \$87,500
    - Data gathering: 50% Progress Payment (36,750)
    - Data processing: 100% Progress Payment (36,750)
    - Hard reimbursable costs (Hall expenses and travel –Not to exceed \$14,000)
  
  - Demographics \$13,500
    - Data gathering: 50% Progress Payment (6,750)
    - Data analysis: 100% Progress Payment (6,750)
  
  - Real Estate \$59,500
    - Data gathering: 50% Progress Payment (17,250)
    - Data analysis 100% Progress Payment (17,250)
    - Hard costs (Real Estate Data – Not to exceed \$25,000)
  
  - Economic Development \$12,500
    - Data gathering: 50% Progress Payment (6,250)
    - Data analysis 100% Progress Payment (6,250)
  
- **Electronic Report Production** **\$52,750**

  - Graphical Depiction of Sources: weeks 9-14 \$9,000
  - Survey Results: weeks 12-14 \$9,000
  - Demographics: weeks 9-11 \$10,000
  - Home Prices: weeks 17-20 \$9,000
  - Economic Development: weeks 17-20 \$9,000
  - Future Research Suggestions: weeks 20-22 \$6,750
  
- **Total Project Cost:** **\$288,976**

Notes: Progress payments will be due upon submission of intermediate progress reports.  
 Hard costs are to be reimbursed monthly, upon submission of receipts.  
 Electronic reports: payments are due upon submission and approval of each final report.  
 100% Progress payments contingent upon receipt of all data sets, data files and research.

## ***Hourly Rate Schedule***

<b>Name</b>	<b>Position</b>	<b>Hourly Rate</b>
Jon Haveman	Vice President and Chief Economist, BACEI	\$300
Kristen Monaco	Professor, CSULB	\$250
Graduate Student	CSU-Long Beach	\$50
Patrick Kallerman	Research Associate, BACEI	\$125
Issi Romem	Independent Consultant	\$125
Serene Ong	GIS Analyst, University of Redlands	\$50
Nathan Strout	Technology Manager, University of Redlands	\$90
Local Hire	(Budgeted amount:)	\$25

\*Local Hire: Residents from Wilmington and/or San Pedro Zip Codes.