SCOPE OF WORK

ALH Economics understands that environmental documentation for the proposed Inglewood Basketball and Entertainment Center for the LA Clippers ("arena complex" or "Project") is currently being prepared by Environmental Science Associates ("ESA"). Community-based concerns have arisen during the process that the Project could cause gentrification in the neighborhoods near the arena site. In the interest of preparing comprehensive environmental analysis, ALH Economics has been requested to conduct analysis to address this concern. Accordingly, the following scope of work has been prepared, to result in research and analysis that can be included in the Project's environmental documentation. The proposed work tasks will include the following:

Task 1. Project Briefing and Coordination

In this task ALH Economics will coordinate with City of Inglewood representatives, ESA, and other Project team members to solidify a thorough understanding of the community-based concerns about potential gentrification associated with the arena complex. We will review all materials submitted to the City of Inglewood demonstrative of the community concerns and review the planned scope of work to ensure the study process and outcome will best address these concerns.

Task 2. Area Reconnaissance and Profile

ALH Economics will conduct field work and reconnaissance of the neighborhoods immediately surrounding the Project site. The purpose of this reconnaissance will be to gain familiarity with the surrounding mix and orientation of land uses to best understand the community concerns about gentrification, including both residential and commercial gentrification. The land uses will be characterized by type of real estate, general age, and pricing relative to the City of Inglewood as a whole. This will be accomplished through visual observation as well as discussion with City of Inglewood representatives and real estate professionals familiar with the areas.

The area of concern will be defined by census tract, to support the compilation of descriptive demographic and housing data, which will then be compared to the City of Inglewood. Data will be extracted from the American Community Survey in American Fact finder for the most recent time period available (e.g., 1-year, 3-year, or 5-year estimates). Data points to be extracted will include population and household counts, population age distribution, average household size, household income distribution, population racial composition, population workforce stqtus, resident educational attainment, housing tenure, age of housing, housing units by number of units in structure, and cost of housing. Other data points can be added as deemed desirable and available. The data for the area of concern will be compiled to present an overall profile, which will then be compared to the City of Inglewood. If warranted, similar data points will be obtained from Environics Analytics, a national economic and demographic data resource with historic 2010 data from the U.S. Census and estimated and modeled data for 2018, as well as future 5-year projections. All of the demographic and housing data will provide a quantitative profile of the area of concern, to supplement the impressions from the area reconnaissance.

Task 3. Literature Review

There is a growing literature on gentrification, primarily residential gentrification but also increasingly commercial gentrification as well. ALH Economics will review the state-of-the-art literature on gentrification, focusing on definitions of gentrification, identified causes of gentrification, and analytical approaches to identifying and measuring gentrification. The locus of the current research on residential gentrification is the UC Berkeley Urban Displacement Project, which also has ties to UCLA. Therefore, this task will focus on reviewing and summarizing some of the studies produced by this academic node, including case studies in the LA region, among other sources. Most particularly, this task will focus on determining if there are any generally accepted approaches to assessing the potential for gentrification to occur, and if the effects associated with gentrification can be tied to specific development projects.

Task 4. Case Study Analysis

In this task ALH Economics will Identify 3 case studies within the past 5-10 years of communities with new sports or other entertainment venues in locations as similar as possible to the proposed Inglewood arena complex site, and research information on subsequent area land use and economic changes, including interviews with local government and non-profit representatives familiar with the areas in an effort to determine the extent to which changes are believed to be associated with these venues, and the nature of these changes, including if they do or do not exemplify gentrification pursuant to prevailing definitions of gentrification. This will include review of the book "Major League"

Winners: Using Sports and Cultural Centers as Tools for Economic Development," by Mark S. Rosentraub, 2010 as a potential resource for case study identification and preliminary case study information.

Task 5. Prepare Study Conclusion

Based upon the preceding tasks, ALH Economics will determine if there are sufficient literature and case study findings to provide insight into assessing the potential for development of the new arena complex to cause gentrification in Inglewood, especially the areas most proximate to the new arena complex. The demographic and real estate profile of the surrounding areas will be heavily considered in the determination of this finding.

Task 6. Report Preparation

ALH Economics' findings and conclusions will be presented in a fully documented report. This report will be submitted to you electronically in draft form, and will be finalized upon receipt of a consolidated set of comments. The final report will be provided to you electronically, and will be suitable for inclusion in the environmental documentation for the Project.