

Harbor Commissioners Vote to Approve Economic Development Proposal

September 5, 2024



“Crescent City is a failing community based in part to a welfare mentality.” (Harbor Commissioner Rick Shepherd).

In an effort to stimulate desperately needed revenue for the beleaguered Crescent City Harbor, commissioners voted unanimously to partially fund a \$30,000 Federal Emergency Management Agency (FEMA) grant designed to attract new business and establish a viable harbor vision.

Ad Hoc Commissioners Rick Shepherd and Wes White reported their meeting with Commercial Real Estate Development Enterprises (CREDE) and underscored no Harbor funds would be utilized for the grant proposal in the wake of massive long-term debt for the next decade. The dim economic outlet has been caused by the loss of the arbitration hearing involving the now vacated Fashion Blacksmith tenancy and repayment of the Dept. of Agriculture debt for Tsunami repairs, years back. Debt service is almost \$800,000 over the next nine years.

Commissioners voted to allocate \$10,000 to economic consultant CREDE.

With the initial approval, CREDE will seek to develop an effective economic strategy and vision for the Harbor Front project. Managing Director Steve Opp will head the CREDE team as an extension of the Crescent City Harbor District (CCHD).

The menu of deliverables is extensive and formidable in developing a plan to turn around the impending consequences of unsuccessful efforts to improve the economic outlook, to address the bleak long-term debt service facing the Harbor and how best to utilize existing real estate to sustain the Crescent City Harbor and benefit the public.

The commission gingerly placed its big toe in the cold harbor water, with the partial payment counter-offer, proffered by Commissioner Rick Shepherd. His candid remarks about the on-going demise of the Harbor reflected his observation that Crescent City / Del Norte County is a failing / welfare community based on its adherence to a welfare economy. "I welcome the professionals at CREDE who can help us develop our Harbor. Let's see what CREDE can do. I recommend (to my colleagues) the commercial real-estate firm bill us monthly so we don't fall into wasting precious grant funding," a direct reference to the failed Solar Partners experience and its principal Alex Lemus. The other commissioners embraced the Ad Hoc team and concurred. Several members of the public also voiced their approval of consultant CREDE.

The 5-0 vote to utilize the entire \$30,000 contains a no condition cancel clause if the CCHD is dissatisfied with the deliverables. The consultant is now developing a Feasibility/ Highest and Best Use Assessment, over the next 90-120 days.

Four of the five candidates seeking to fill the three harbor commissioner vacancies attended Tuesday's meeting.