

**TERMINATION AGREEMENT
REGARDING
TRI-AGENCY ECONOMIC DEVELOPMENT AUTHORITY**

This Termination Agreement (the “**Agreement**”) is entered into effective as of the last date signed (the “**Effective Date**”), by and between the County of Del Norte (“**County**”), the City of Crescent City (“**City**”), and the Crescent City Harbor District (“**District**”), who are collectively referred to herein as the “**Member Agencies**” of Tri-Agency Economic Development Authority, a California Joint Powers Authority (“**Authority**”).

RECITALS

- A. The Authority was formed by the Member Agencies pursuant to the authority granted under that certain Joint Powers Agreement dated December 9, 1975, as amended by that certain Joint Powers Agreement dated October 28, 1997 (“**JPA Agreement**”); and
- B. The intent of the Joint Powers Agreement, as amended, was to form a joint powers organization for the implementation and execution of the Del Norte County Economic Development Action Plan and Strategy pursuant to the Special Economic Development and Adjustment Assistance program enacted by Congress in 1974, as well as for the implementation and execution of the Del Norte County Strategic Plan and other economic development programs; and
- C. The Authority’s economic development activities were stymied for over a decade following a default on a USDA Rural Development loan that was used to assist small local businesses that were unable to obtain financial assistance through customary means (bank loans, etc.); and
- D. On October 25, 2022, the City, County and District all agreed to contribute money to the Authority to pay off the balance of the USDA loan; and
- E. On September 27, 2023, a local resident filed a lawsuit against the Authority alleging various violations of law pertaining to public agencies and the way in which they conduct business (the “**Litigation**”); and
- F. In response to the Litigation, the Authority hired legal counsel and subsequently incurred \$7,370.00 in legal expenses through August 12, 2024 with continued expenses to incur until the matter is resolved; and
- G. On June 11, 2024, at a joint meeting of the City, County, and District, the County and the District both passed motions to mutually terminate the Authority and to share costs of litigation, dissolution, and other outstanding liabilities equally among the Member Agencies; and
- H. On June 17, 2024, at a regular meeting of the Crescent City City Council (“**City Council**”) the City Council voted to mutually terminate the Authority pursuant to Section 8.03 of the JPA Agreement, and to share costs of litigation, dissolution, and other outstanding liabilities equally among the Member Agencies; and

- I. The JPA Agreement, which provides for mutual termination upon the agreement of all Member Agencies (see § 8.03), requires that all liabilities of the Authority must be paid prior to dissolution, however the JPA Agreement does not state how said liabilities are to be apportioned among the Member Agencies; and
- J. The Member Agencies desire to terminate the JPA Agreement, dissolve the Authority, and split all liabilities and obligations of the JPA pursuant to the terms and conditions set forth herein.

NOW, THEREFORE, the Member Agencies hereby agree as follows:

1. Incorporation of Recitals. The Member Agencies hereby affirm the facts set forth in the Recitals above. Said Recitals are incorporated into this Agreement by this reference.
2. Termination of JPA Agreement. Pursuant to Section 8.03 of the JPA Agreement, the Member Agencies agree that the JPA Agreement will terminate in accordance with the terms of this Agreement as of September 16, 2024 (“**Termination Date**”), subject to adjustment as set forth in Section 3.
3. Transition Period. Prior to termination, the Authority will continue to operate for the sole purpose of winding up its affairs, including paying attorney fees for the Litigation, closing the Authority’s bank account, conducting meetings if necessary to vote on actions necessary to accomplish termination, etc. (“**Transitional Activities**”). It is contemplated that all Transitional Activities will be completed prior to the Termination Date. In the event that the Transitional Activities cannot be completed prior to the Termination Date, then the Termination Date may be extended up to ninety (90) days with the written confirmation of each of the Member Agencies with the concurrence of their respective legal counsel.
4. Book and Records. The books and records of the Authority will be archived and stored by County for a period of five (5) years following the Termination Date or such longer period as may be required by applicable law. County has agreed to serve as a depository only and the Member Agencies agree that County will have no ongoing obligations with respect to the maintenance of such books and records following dissolution.
5. Dissolution of the Authority. Prior to the Termination Date, the Authority will make such filings as are necessary with the California Secretary of State and the State Controller to formalize the dissolution of the Authority.
6. Costs and Liabilities. The Member Agencies hereby agree to split equally amongst themselves the following unpaid costs and liabilities upon dissolution of the Authority:
 - i. Legal fees to Robert N. Black pertaining to the Litigation through its resolution.
 - ii. FY 23-24 and FY 24-25 Audits.
 - iii. Any other necessary ordinary business expenses associated with winding up the affairs of the Authority.
7. Assets. On the Termination Date, it is anticipated that the Authority will own zero assets. The small amount of funds that the Authority currently has in a bank account will be spent prior to dissolution paying any outstanding liabilities. If at any time in the future, an asset of the

Authority is discovered, then the Member Agencies agree to liquidate that asset and distribute the proceeds equally among the Member Agencies.

8. No Additional Funding; No Liability. In no event will any Member Agency be obligated to provide any additional funding for the operation or termination of the Authority other than those committed to in this Agreement. The Member Agencies agree that the terms of Section 8.03 of the JPA Agreement remain in full force and effect and will survive the termination of the JPA Agreement.

9. Future Claims. In the event that any third party makes a claim against the Authority or the Member Agencies following the Termination Date, the Member Agencies agree to meet and confer with respect to any such claim and mutually agree on the appropriate action to be taken to protect the Member Agencies.

10. Notices, Demands and Communications Between the Parties. Any notice to be given or to be served upon any of the Member Agencies hereto in connection with this Agreement must be in writing and shall be deemed to have been given and received: (i) when personally delivered; (ii) two (2) days after it is sent by Federal Express or similar overnight courier, postage prepaid and addressed to the Party for whom it is intended, at that Party's address specified below; (iii) three (3) days after it is sent by certified or registered United States mail, return receipt requested, postage prepaid and addressed to the Party for whom it is intended, at that Party's address specified below; or (iv) as of the date of electronic mail transmission addressed to the Party for whom it is intended, at that Party's electronic mail address specified below subject to written verification of receipt by the receiving party, and provided that an original of such notice is also sent to the intended addressee by means described in clauses (i), (ii), or (iii) within two (2) business days after such transmission. Either Party may change the place for the giving of notice to it at any time by written notice to the other Party as provided herein.

If to City: City of Crescent City
Attn: City Manager
377 J Street
Crescent City, CA 95531

If to District: Crescent City Harbor District
Attn: Harbormaster
101 Citizens Dock Rd.
Crescent City, CA 95531

If to the County: Del Norte County
Attn: Chief Administrative Officer
981 H Street, Ste. 210
Crescent City, CA 95531

11. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which when taken together shall constitute one and the same instrument. Signatures may be delivered electronically and shall be binding upon the Member Agencies as if they were originals.

12. Mutual Cooperation; Further Actions and Instruments. Each of the Member Agencies shall cooperate with and provide reasonable assistance to the other to the extent

contemplated hereunder in the performance of all obligations under this Agreement and the satisfaction of the conditions of this Agreement. Each Member Agency agrees to perform any further acts and to execute and deliver any documents which may be reasonably necessary to carry out the provisions of this Agreement.

13. Waiver. No delay or omission in the exercise of any right or remedy of a non-defaulting Party on any default shall impair such right or remedy or be construed as a waiver. Either Parties' consent or approval of any act by the other Party requiring its consent or approval shall not be deemed to waive or render unnecessary its consent to or approval of any subsequent act of the other Party. Any waiver by either Party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Termination Agreement.

14. Rights and Remedies are Cumulative. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the Member Agencies are cumulative and the exercise by either Member Agency of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other Member Agencies.

15. Legal Counsel. Each Member Agency acknowledges that: (i) it has read this Agreement; (ii) it has had the opportunity to have this Agreement explained to it by legal counsel of its choice; (iii) it is aware of the content and legal effect of this Agreement; and (iv) it is not relying on any representations made by the other Party or any of the employees, agents, representatives, or attorneys of the other Member Agencies, except as expressly set forth in this Agreement.

16. Severability. In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder.

17. Binding Effect. The terms of this Agreement shall inure to the benefit of, and shall be binding upon, each of the Member Agencies and their respective successors and assigns.

18. Authorized Representatives. The person or persons executing this Agreement on behalf the County, City, and District warrant and represent that they have the authority to execute this Agreement on behalf of that Member Agency and that they have the authority to bind that Member Agency to the performance of its obligations hereunder.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

CITY OF CRESCENT CITY

ATTEST:

Dated: _____

Robin Altman, City Clerk
City of Crescent City

By: _____
Blake Inscore, Mayor

APPROVED AS TO FORM:

Martha D. Rice, City Attorney

COUNTY OF DEL NORTE

ATTEST:

Dated: _____

Samantha Burtch, Clerk of the Board
County of Del Norte

By: _____
Dean Wilson, Chair of the Board of
Supervisors

APPROVED AS TO FORM:

Jacqueline Roberts, County Counsel

CRESCENT CITY HARBOR DISTRICT

ATTEST:

Dated: _____

Tim Petrick, Harbormaster
Crescent City Harbor District

By: _____
Harry Adams, President of the Harbor
Commission

APPROVED AS TO FORM:

Ruben Duran, General Counsel