

RESOLUTION NO. 2026-19

A RESOLUTION OF THE CRESCENT CITY HARBOR DISTRICT APPROVING A HOIST AND DOCK LEASE WITH DANDY FISH COMPANY, INC. AND LONG FISHERIES INC. FOR 100 NEPTUNE WAY; AUTHORIZING FINALIZATION AND EXECUTION WITH NONSUBSTANTIVE CHANGES; AND ADOPTING A STANDARD FORM HOIST AND DOCK LEASE WITH AUTHORITY FOR DISTRICT COUNSEL TO ADAPT IT FOR OTHER HOIST OPERATORS

WHEREAS, the Crescent City Harbor District ("District") is an independent special district organized and existing under Sections 6000 et seq. of the Harbors and Navigation Code, and the Board of Harbor Commissioners ("Board") is the legislative body of the District; and

WHEREAS, Harbors and Navigation Code sections 6074 and 6078 authorize the District to lease property and take actions necessary and convenient to the exercise of its powers, subject to applicable law and restrictions governing District property; and

WHEREAS, the District and Dandy Fish Company, Inc., a California corporation, and Long Fisheries Inc., an Oregon corporation (collectively, "Tenant"), propose to enter into the Hoist and Dock Lease presented as Exhibit "A" (the "Lease") for continued fish offloading and processing at 100 Neptune Way, Crescent City, California; and

WHEREAS, the Lease provides for a five-year term beginning November 1, 2026, and ending October 31, 2031; initial monthly rent of \$3,000 per hoist, totaling \$6,000 for two hoists, with annual adjustments under Section 4.7 beginning November 1, 2028; additional poundage fees under the District's Fee Schedule; tenant-maintained property and pollution insurance; and joint and several liability of the two tenants for all obligations under the Lease; and

WHEREAS, the Board desires to approve the Lease and authorize the CEO/Harbormaster, with District Counsel's approval as to form, to finalize and execute it with nonsubstantive changes that implement the Board's approval without changing the approved business terms or material rights and obligations; and

WHEREAS, the Board also desires to adopt the general form of the Lease, excluding its transaction-specific content, as the District's Standard Form Hoist and Dock Lease for use and adaptation by District Counsel for leases with Caito Fisheries, LCZ Unloaders, and other hoist operators, to promote a fair and consistent lease structure across competing lessees; and

WHEREAS, a consistent lease structure should provide comparable legal protections and obligations for similarly situated operators while allowing differences justified by the premises, facilities, operations, term, or other relevant circumstances, subject to applicable law and the Board's approval authority; and

WHEREAS, the authority delegated by this Resolution is administrative, legal, and technical in character, is governed by the standards and limitations stated herein, and does not delegate the Board's legislative or policy-making functions.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF HARBOR COMMISSIONERS OF THE CRESCENT CITY HARBOR DISTRICT THAT:

ARTICLE I. GENERAL PROVISIONS

Section 1.1. Recitals. The foregoing recitals are incorporated into this Resolution by this reference.

Section 1.2. Exhibit. Exhibit "A" is the 19-page Hoist and Dock Lease between the District, Dandy Fish Company, Inc., and Long Fisheries Inc., revised October 9, 2026.

Section 1.3. District Counsel. "District Counsel" means the attorney or law firm appointed by the Board as general counsel to the District, acting through an attorney designated by that attorney or firm.

ARTICLE II. APPROVAL AND EXECUTION OF THE LEASE

Section 2.1. Approval of Lease. The Board hereby approves the Lease in substantially the form presented as Exhibit "A," including its annual rent adjustments and revised tenant property and pollution insurance requirements, together with the other business terms and allocation of responsibilities stated therein. These substantive revisions are included in the Board's approval of the exhibit. This approval satisfies the Board-approval condition in Section 1.1 of the Lease. The CEO/Harbormaster is authorized to finalize and execute the Lease on behalf of the District, subject to District Counsel's approval as to form and the limitations of this Article.

No further Board action is required for execution of a Lease that complies with this approval.

Section 2.2. Nonsubstantive Finalization.

- (a) District Counsel and the CEO/Harbormaster are authorized, without further Board action, to make nonsubstantive changes necessary or appropriate to complete the Lease, correct clerical or drafting errors, eliminate inconsistencies, clarify language without changing its substantive effect, and conform the document to the Board's action. Such changes may include formatting, numbering, cross-references, citations, administrative contact information, signature information, the actual date of execution, and descriptions or exhibits that accurately document the premises and rights already approved by the Board.
- (b) A change is nonsubstantive only if it does not change a Board-approved business term or materially alter a party's rights, obligations, or allocation of responsibility, liability, or risk. Further Board approval is required for a substantive change affecting the actual identity of either tenant; the premises, number of hoists, exclusive-use areas, or permitted use; rent, including its adjustment formula or timing, fees, credits, deposits, or other economic terms; commencement or expiration dates or duration; renewal, extension, or holdover rights; the disposition of the existing right of first refusal; or the material rights and obligations concerning maintenance, improvements, casualty, indemnification, insurance, default, termination, assignment, or surrender. Completing the execution date does not authorize changing the term or rent commencement provisions.
- (c) A change that materially alters the approved transaction requires Board approval even if proposed to comply with law or to increase protection of the District. The broader authority to adapt the Standard Form for future leases under Article III does not enlarge the authority to change the Lease approved by this Article.

Section 2.3. Approval as to Form and Execution Records. District Counsel's approval as to form of the final Lease shall be obtained before execution and retained in the lease file; that approval may be documented by signature or electronic mail. The CEO/Harbormaster shall confirm the tenants' authorized signatures and administrative information, retain the final executed Lease and a record of changes from the Board-approved exhibit, and obtain the insurance documentation required by the Lease when due. Before execution, District Counsel shall confirm that any consent,

acknowledgment, or evidence of authority necessary to implement Section 1.2 of the Lease concerning the existing right of first refusal has been obtained.

Section 2.4. Administration and Amendments. The CEO/Harbormaster is authorized to administer the Lease in accordance with its terms and existing District authority and, with District Counsel's approval as to form, to execute written amendments limited to nonsubstantive changes meeting Section 2.2. Each amendment shall be signed as required by Section 12.13 of the Lease. This authority does not permit the waiver of accrued rent or other amounts due, the release of either tenant from liability, or a material amendment without further Board approval. Exercise of a right expressly provided by the Lease remains subject to the District's applicable approval requirements.

ARTICLE III. STANDARD FORM HOIST AND DOCK LEASE

Section 3.1. Adoption and Scope of the Standard Form.

- (a) The Board approves the general form of the Lease in Exhibit "A," read without Lease-Specific Content, as the District's Standard Form Hoist and Dock Lease ("Standard Form"). The Standard Form shall be the starting point for proposed new or replacement hoist leases with Caito Fisheries, LCZ Unloaders, and other hoist operators. It applies to hoist and associated dock or shoreside premises leases; it does not establish a standard form for unrelated categories of District leases.
- (b) "Lease-Specific Content" means content that varies with a particular transaction, including tenant identities and organizational forms; notice and signature information; prior and interim lease history; premises descriptions, maps, buildings, land area, hoists, truck pits, and access or exclusive-use areas; initial rent, fees, deposits, commencement and expiration dates, the first rent adjustment date, duration, and permitted uses; and any separately approved allocation of operational responsibilities.
- (c) Lease-Specific Content also includes Recital D and Section 1.2 concerning the limited right of first refusal held by Alaska Ice Seafoods Inc., doing business as Fathom Seafood, and the portion of Section 2.4 granting Dandy Fish Company, Inc. authority to resolve disputes between the cotenants. Those provisions are specific to the approved transaction and are not general provisions to be carried into other leases. Joint and several liability provisions shall ordinarily be retained for a multiple-tenant lease, subject to Section 3.3, and may be conformed for a single-tenant lease without releasing an existing obligor.

- (d) Within sixty (60) days after adoption of this Resolution, District Counsel, in consultation with the CEO/Harbormaster, shall prepare a master Standard Form using blanks or bracketed placeholders for Lease-Specific Content and appropriate optional provisions for different premises or tenancy arrangements.
- (e) The annual rent adjustment method in Section 4.7 of the Lease and the tenant insurance requirements in Sections 2.6 and 7.2 shall be retained as the Standard Form baseline, subject to the Board's authority under Section 3.3. Transaction-specific initial rent and the first adjustment date may be completed as Lease-Specific Content; that authority does not permit a departure from the adjustment method or a material change in the insurance requirements without Board approval.

Section 3.2. Delegation to District Counsel and CEO/Harbormaster.

- (a) District Counsel, in consultation with the CEO/Harbormaster, is authorized to prepare and negotiate proposed hoist leases on the Standard Form. Proposed business terms and material departures may be developed for presentation to the Board; this authority to prepare and negotiate does not itself authorize their approval or execution.
- (b) Subject to Section 3.3, District Counsel may approve the following modifications without separate Board approval of the form ("Permitted Modifications"):
 - (1) Complete Lease-Specific Content consistently with the business terms approved by the Board or under a separate, applicable delegation of authority.
 - (2) Conform provisions to applicable federal, state, or local law, judicial or administrative decisions, permits, or funding requirements, and remove or revise provisions that do not apply to the premises, operations, or tenancy.
 - (3) Adapt insurance terminology, forms, and endorsements to the relevant risks and policy types, in consultation with the CEO/Harbormaster, while preserving the material coverage and protections required by the Standard Form and the Board's approval.
 - (4) Negotiate legal, administrative, and technical refinements that District Counsel determines are appropriate to the transaction, consistent with the District's interests and the fairness standards in Section 3.4, and do not constitute a Reserved Modification or materially alter the business terms approved by the Board.

- (5) Make provisions more protective of the District, provided the change is consistent with Section 3.4 and does not affect a matter reserved to the Board; and correct clerical, drafting, formatting, numbering, cross-reference, and citation errors.
- (c) District Counsel shall exercise independent professional legal judgment within the limits of this Resolution. District Counsel's written determination that a change is permitted, together with the CEO/Harbormaster's concurrence, may be relied upon to finalize the document, but does not enlarge delegated authority or replace any required Board approval. Approval as to form shall be obtained before execution and retained in the lease file.

Section 3.3. Matters Reserved to the Board.

- (a) The Board retains approval of each future lease and its business terms except to the extent separately and expressly delegated under existing District authority. Business terms include the tenant, premises and rights granted, permitted use, rent and other charges, the rent adjustment formula and timing, deposits or security, credits or abatements, commencement and expiration dates, duration, renewal or extension rights, and material District expenditures or obligations.
- (b) The following departures from the Standard Form ("Reserved Modifications") require express Board approval:
 - (1) A limitation or cap on a tenant's liability to the District; a material waiver, reduction, or narrowing of tenant indemnification or defense obligations; an obligation for the District to indemnify or defend a tenant or another person; or release of an existing tenant or other obligor from liability.
 - (2) A material change in required insurance coverage, limits, duration, allocation of responsibility, or protections for the District, including additional-insured, loss-payee, primary-coverage, and waiver-of-subrogation protections where applicable.
 - (3) A material shift to the District of responsibility or cost for maintenance, repair, improvements, dredging, environmental compliance, casualty, restoration, or surrender, or a material reduction in a tenant's corresponding responsibilities.
 - (4) A material restriction of the District's inspection, default, termination, enforcement, or assignment-consent rights, or a material expansion of a tenant's termination or continued-possession rights.

- (5) A new right of first refusal, priority to lease other facilities, purchase option, renewal or extension option, or exclusivity beyond the specifically approved premises and use rights.
 - (6) Binding arbitration; governing law other than California law; or a requirement to litigate outside Del Norte County.
 - (7) Any other material departure that changes a Board-approved policy or materially alters the economic terms, property rights, or allocation of risk approved by the Board.
- (c) A Reserved Modification may be approved as part of the Board's approval of the particular lease or amendment if it is identified and explained in the staff report. No separate Board action on the master Standard Form is required for an expressly approved transaction-specific departure. A legal-compliance modification that also falls within this Section shall be presented to the Board for approval before execution.

Section 3.4. Fair and Consistent Lease Structure. The Standard Form shall promote comparable protections and obligations among similarly situated hoist operators. Differences in proposed leases shall rest on documented, relevant circumstances, such as premises size, location and condition, number and capacity of hoists, facilities and access provided, permitted operations, duration, and allocation of maintenance or other responsibilities. Material departures and material differences in economic terms or obligations among comparable operators shall be identified and explained in the staff report for Board consideration. This policy does not establish an automatic right to identical rent or other terms for different premises or operations. All leases shall comply with applicable law, including nondiscrimination requirements and any public-trust or legislative-grant restrictions applicable to the property.

Section 3.5. Effect on Future Approvals and Existing Leases.

- (a) Unless the Board expressly provides otherwise, its subsequent approval of a hoist lease on the Standard Form shall authorize the CEO/Harbormaster to finalize and execute that lease, with District Counsel's approval as to form, using the approved business terms, any Reserved Modifications expressly approved by the Board, and Permitted Modifications under Section 3.2, without further Board action.
- (b) Adoption of the Standard Form does not approve or award another lease, authorize occupancy or use of District property by another operator, appropriate funds, amend an existing lease, create rights in a prospective tenant, or enlarge the contracting or expenditure authority of the

CEO/Harbormaster. Existing leases remain governed by their terms unless lawfully amended or replaced. A departure approved for one lease does not automatically amend the Standard Form or another lease.

Section 3.6. Maintenance and Review. District Counsel shall maintain the master Standard Form and incorporate Permitted Modifications of general application. Each master revision shall bear a version number and date and be recorded in a change log. Revisions of general application shall be reported in writing to the Board at a regular meeting within sixty (60) days. District Counsel and the CEO/Harbormaster shall review the Standard Form at least once every two (2) years and present recommended material changes to the Board. Transaction-specific adaptations shall be retained in the individual lease file.

ARTICLE IV. GENERAL

Section 4.1. Environmental Review.

- (a) The Board finds that approval of the Lease is categorically exempt from the California Environmental Quality Act ("CEQA") under State CEQA Guidelines section 15301 (Class 1, Existing Facilities). The Lease continues fish offloading and processing at the existing buildings, two hoist areas, truck pit, and associated premises at 100 Neptune Way, involving negligible or no expansion of existing use. This Resolution does not approve new construction or expansion of use. Based on the record before it, the Board finds that none of the exceptions in State CEQA Guidelines section 15300.2 applies.
- (b) Adoption of the Standard Form and the delegation of authority, standing alone, are organizational and administrative activities that do not authorize a physical change in the environment and are not a project under State CEQA Guidelines section 15378(b)(5). A future lease, physical work, or proposed expansion remains subject to any required CEQA review before its approval. Nothing in this Resolution exempts future activities from applicable environmental or permit requirements.

Section 4.2. Applicable Law and Existing Authority. This Resolution shall be implemented consistently with applicable law, restrictions governing District property, the District Bylaws, and other controlling Board actions. Except for the authority expressly granted herein, it does not alter existing contracting, expenditure, or approval authority.

Section 4.3. Severability. If a provision of this Resolution or its application is held invalid, the remaining provisions and applications that can be given effect without the invalid provision or application shall remain in effect.

Section 4.4. Effective Date. This Resolution shall take effect immediately upon adoption.

**APPROVED, ADOPTED AND SIGNED this 14th day of October, 2026,
by the following vote, to wit:**

AYES: _____

NOES: _____

ABSENT: _____

ABSTAIN: _____

Rick Shepherd
Chair, Board of Harbor Commissioners
Crescent City Harbor District

ATTESTED:

Gerhard Weber
Secretary and Commissioner, Board of Harbor Commissioners
Crescent City Harbor District

EXHIBIT "A"

HOIST AND DOCK LEASE

**BETWEEN THE CRESCENT CITY HARBOR DISTRICT, DANDY FISH
COMPANY, INC., AND LONG FISHERIES INC.**

[Download]

[https://www.ccharbor.com/files/39ce5d8b7/Hoist and Dock Lease Revised 2
026.10.09.pdf](https://www.ccharbor.com/files/39ce5d8b7/Hoist_and_Dock_Lease_Revised_2026.10.09.pdf)