



Special Meeting

Board of Harbor Commissioners of the Crescent City Harbor District

Chair Rick Shepherd, Vice Chair John Evans

Commissioner Gerhard Weber, Commissioner Dan Schmidt, Commissioner Annie Nehmer

www.ccharbor.com

AGENDA

Date: Wednesday, January 14, 2026

Time: Open Session: 12:50 p.m.

Place: 101 Citizens Dock, Crescent City, CA 95531 and via Zoom Webinar

TO WATCH (via online) <https://us02web.zoom.us/j/6127377734>

TO LISTEN (via telephone)

Dial (669) 900-6833, please enter 612-737-7734# when asked for a meeting ID. or, one tap mobile: +16699006833,,6127377734#

MOMENT OF REFLECTION: *Any prayer, invocation, or similar moment of reflection that may be offered before the start of a Board Meeting is a voluntary offering by a private resident or invited guest; has not been previously reviewed or approved by the Board of Harbor Commissioners or District staff; should not be considered an endorsement of any particular religion or belief by the Crescent City Harbor District or its officials, as the beliefs, viewpoints, and content are personal to the speaker; and no participation by any person in attendance is required. A list of volunteers is maintained by the Crescent City Harbor District office, and interested persons should contact the Secretary of the Board for further information.*

REGULAR SESSION:

1. Preliminary Items

- a. Call to Order
- b. Roll Call
- c. Pledge of Allegiance
- d. General Public Comments

The general comment period is provided for subjects not included on the agenda but within the subject matter jurisdiction of the District. Each person is limited to a maximum of 3 minutes of speaking time. The Board may not take action on non-agendized matters. In order to preserve meeting decorum and the nature of general public comments, the Board and staff should not respond to statements or questions, but may make themselves available after the meeting.

2. **Approve a 3-month lease agreement between the Crescent City Harbor District and: Long Fisheries Inc., Dandy Fish Company, Inc., and Fishermen’s Catch, Inc.**

3. **MEETING ADJOURNMENT**

*Adjournment of the Board of Harbor Commissioners will be until the next meeting scheduled for **Wednesday, January 14, 2026**, at 1 p.m. The Crescent City Harbor District complies with the Americans with Disabilities Act. Upon request, this agenda will be made available in appropriate alternative formats to person with disabilities, as required by Section 12132 of the Americans with Disabilities Act of 1990 (42 U.S.C. §12132). Any person with a disability who requires modification in order to participate in a meeting should direct such request to (707) 464-6174 at least 48 hours before the meeting, if possible.*

Pursuant to Government Code Section 54957.5(b)(1), the Crescent City Harbor District has designated its main office, located at 101 Citizens Dock Rd, Crescent City, CA, as the location available for public inspection of agendas and related writings under consideration by the Board of Harbor Commissioners. If the office is locked, please contact the Harbor Patrol at (707) 954-8341 (available 24 hours), and a patrol officer will promptly provide access for you to review the materials.

SHORT TERM HOIST AND DOCK LEASE

This lease (“**Lease**”) is executed as of January 15, 2026 (“**Effective Date**”), by and between the Crescent City Harbor District (“**Landlord**”), a special district organized pursuant to the California Harbors and Navigation Code, and (i) Fishermen’s Catch, Inc., a California corporation; (ii) Dandy Fish Company, Inc., a California corporation; and (iii) Long Fisheries Inc., an Oregon corporation and a wholly owned subsidiary of Fathom Seafood (collectively, “**Tenant**”). References to “**Tenant**” shall mean each named tenant individually and all tenants collectively, jointly and severally.

RECITALS

A. Landlord is a special district organized pursuant to the California Harbors and Navigation Code and owns and operates certain harbor facilities located at 100 Neptune Way, Crescent City, California.

B. Landlord previously entered into a lease dated September 1, 2021, with Fishermen’s Catch, Inc. for use of certain hoist and dock facilities within the Crescent City Harbor District.

C. Following expiration of the initial term of the prior lease, and to the extent Fishermen’s Catch, Inc. continued in possession thereafter, such occupancy was at most on a month-to-month basis, and Landlord commenced discussions and proceedings concerning termination of such occupancy and the future use of the Premises.

D. By action of its Board of Harbor Commissioners, the Crescent City Harbor District granted Alaska Ice Seafoods Inc., doing business as Fathom Seafood, a limited right of first refusal with respect to the next available hoist space(s), up to two, pursuant to a written notice dated February 7, 2025, which right is separate from and independent of this Lease and remains subject to its stated terms, conditions, time limitations, and District approvals.

E. Landlord and the parties desire to enter into a new, short-term lease to allow limited continued commercial fishing operations at the Premises while Landlord evaluates future use of the property and facilities.

F. The parties acknowledge and agree that this Lease is intended to be a temporary, transitional arrangement only, for a fixed term, with no right of renewal or holdover, and that possession of the premises must be surrendered upon expiration in accordance with the terms of this Lease.

G. The parties further acknowledge that, upon the full execution of this Lease, the prior lease between Landlord and Fishermen’s Catch, Inc. is terminated as set forth herein, and that all rights and obligations of the parties with respect to possession and use of the premises shall thereafter be governed solely by the terms of this Lease; provided, however, that nothing herein is intended to waive, terminate, or otherwise impair the limited right of first refusal described in Recital D, which shall not be construed to create any right of renewal, extension, holdover, or continued possession.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, Landlord and Tenant agree as follows:

1. Termination Of Prior Lease; Outstanding Rent; Condition Precedent.

- 1.1 Board Approval; Condition Precedent. Notwithstanding any provision of this Lease to the contrary, this Lease shall be subject to and conditioned upon approval by the Board of

Harbor Commissioners of the Crescent City Harbor District. Landlord shall have no obligation to execute or perform under this Lease unless and until such approval is obtained. If Board approval is not granted, this Lease shall be null and void, and neither Landlord nor Tenant shall have any further rights or obligations hereunder, except as expressly stated with respect to payment of Outstanding Rent under the Prior Lease.

- 1.2 Termination of Prior Lease. Upon the full execution of this Lease, that certain Lease dated September 1, 2021, by and between Landlord and Fishermen's Catch, Inc. (the "**Prior Lease**"), is hereby terminated and of no further force or effect. Fishermen's Catch, Inc. acknowledges and agrees that no rights of renewal, extension, holdover, or continued occupancy under the Prior Lease survive the Commencement Date. Except as expressly stated in this Section 1, this Lease constitutes the sole agreement between the parties with respect to the Premises. Except as expressly stated herein, termination of the Prior Lease shall not waive claims for damage, indemnity, or other obligations that expressly survive termination.
- 1.3 Outstanding Rent Under Prior Lease. Fishermen's Catch, Inc. acknowledges and agrees that rent and poundage fees in the total amount of \$14,364.33 is past due and owing to Landlord under the Prior Lease, representing unpaid rent for the months of November 2025, December 2025, and a portion of January 2026 and poundage fees in the amount of \$5,786.33 (the "**Outstanding Rent**"). Fishermen's Catch, Inc. shall pay the Outstanding Rent in immediately available funds no later than January 15, 2026.
- 1.4 Condition Precedent to Landlord's Execution. Payment of the Outstanding Rent by Fishermen's Catch, Inc. is a condition precedent solely to (i) Landlord's agreement to enter into this new tenancy relationship with Fishermen's Catch, Inc., and (ii) any joinder of Fishermen's Catch, Inc. as a Tenant under this Lease. Failure of Fishermen's Catch, Inc. to pay the Outstanding Rent shall not affect the validity or enforceability of this Lease as between Landlord and the other Tenants, and Landlord may execute and deliver this Lease to Dandy Fish Company, Inc. and Alaska Ice Seafoods Inc. d/b/a Fathom Seafood notwithstanding such nonpayment. Fishermen's Catch, Inc. further covenants and agrees that it shall not interfere with, disrupt, obstruct, or delay Landlord's performance under this Lease or the other Tenants' lawful access to and use of the Premises, including without limitation any operations, ingress/egress, deliveries, utilities, and equipment reasonably necessary for the other Tenants' use and enjoyment of the Premises. Fishermen's Catch, Inc. shall not assert, record, or pursue any claim of right to possession under this Lease, and acknowledges that it has no right to occupy the Premises by virtue of this Lease unless and until it pays the Outstanding Rent. Fishermen's Catch covenants that it shall not engage in any 'self-help' or other conduct intended to prevent or impair the other Tenants' use and enjoyment of the Premises; and it shall not assert any claim that this Lease renews, extends, reinstates, or otherwise preserves any rights that Fishermen's Catch, Inc. may have asserted under any prior lease or arrangement. Nothing in this Section shall be construed as a waiver, release, or compromise of Landlord's claims, rights, or remedies against Fishermen's Catch, Inc., including in any pending unlawful detainer or related action, all of which are expressly reserved.

2. **Basic Terms**

2.1 Leased Premises. The leased premises ("**Premises**"), located at 100 Neptune Way, Crescent City, California consisting of all of the following:

- (a) Two small buildings (“**Building**”) of approximately 400 square feet;
- (b) A surrounding area (“**Surrounding Area**”) of two boundaries totaling approximately 17,415 square feet;
- (c) The exclusive use of the two (2) hoist areas (“**Hoists**”) ;and
- (d) The exclusive use of the truck pit included in the Lease Area.

2.2 Rental. The monthly rental is: \$6,000.00. Each Tenant shall be individually (not jointly) responsible for 1/3rd for the monthly rental amount. Landlord may pursue remedies as to any individual Tenant that fails to pay its 1/3rd share of the monthly rental amount.

2.3 Rent Commencement Date. Upon the later to occur of (i) January 15, 2026 or (ii) approval of this Lease by the Board of Commissioners of the District.

2.4 Use. Fish offloading and processing. To the extent of any disagreements between the Tenants as to the shared use and operation of the Leased Premises, the parties shall meet and confer in good faith to resolve the dispute. If the parties cannot agree following efforts to meet and confer, it is understood that Dandy Fish Company, Inc. shall have the unilateral right to resolve the dispute.

2.5 Term. Three months, concluding at 11:59 on April 14, 2026.

2.6 Tenant's Insurance. Tenant shall furnish public liability property damage insurance, fire and casualty insurance, pollution legal liability insurance, and worker's compensation insurance pursuant to Section 6 with the following limits: \$2,000,000 per person and \$2,000,000 per occurrence public liability and \$2,000,000 property damage.

2.7 Joint and Several Liability. Except as expressly stated in Section 2.2, above, regarding payment of the monthly rent, each Tenant is jointly and severally liable for all obligations under this Lease, regardless of which Tenant occupies or uses any portion of the Premises.

3. Premises, Use, Compliance with Laws

3.1 Leased Premises. Landlord hereby leases to Tenant and Tenant hires from Landlord on the terms, conditions and covenants hereinafter set forth the premises of the Crescent City Harbor District listed in Section 2.1 (the "**Premises**"). Tenant acknowledges that neither Landlord nor any agent of Landlord has made any representation or warranty with respect to the condition of the Premises or with respect to the suitability of either for the conduct of Tenant's business. The taking of possession of the Premises by Tenant shall establish that the Premises and the Building were at such time in satisfactory condition and that Tenant has accepted the condition of the Premises and the Building in their "as-is" condition.

3.2 Term. The Term of this Lease shall be as set forth in Section 2.5 unless terminated pursuant to Section 5.

3.3 Use. Tenant shall use the Premises only for the purpose specified in Section 2.4 and shall not use the premises for any other purpose without prior written consent of Landlord thereto.

3.4 Compliance with Law. Tenant shall, at its own cost and expense, conduct its business on the Premises in accordance with all applicable federal, state, county and municipal statutes, ordinances,

rules and regulations.

(a) Tenant shall, at its sole cost and expense, comply with the State Water Resources Control Board Order NPDES No. CAS000001, *National Pollution Discharge Elimination System General Permit for Storm Water Discharges Associated with Industrial Activities*, as it currently exists or may hereafter be amended or reissued (the "**Industrial General Permit**"). Tenant shall keep itself and all subcontractors, staff, and employees fully informed of, adequately trained in, and in compliance with all local, state, and federal laws, rules and regulations that may impact, or be implicated by the Use the Premises authorized by Section 3.3, including, without limitation, all applicable provisions of the Federal Water Pollution Control Act (33 U.S.C. § 1251 *et seq.*); the California Porter-Cologne Water Quality Control Act (Water Code § 13000 *et seq.*); and any and all regulations, ordinances, policies, or permits issued pursuant to any such authority.

(b) Failure to comply with the Industrial General Permit may be a violation of federal and state law. Tenant hereby agrees to indemnify and hold harmless Landlord, its officials, officers, agents, employees, and authorized volunteers from and against any and all claims, demands, losses, or liabilities of any kind or nature which Landlord, its officials, officers, agents, employees, and authorized volunteers may sustain or incur for noncompliance with the laws, regulations, ordinances, Industrial General Permit, and other regulatory mechanisms referenced in this Section arising out of or in connection with Tenant's use of the Premises in accordance with Section 7.

(c) In addition to any other remedy provided herein for a default, Landlord reserves the right to terminate this Lease for a violation this Section and to defend any enforcement action or civil action brought against the Landlord for Tenant's failure to comply with any applicable water quality law, regulation, or policy. Tenant hereby agrees to be bound by, and to reimburse the Landlord for the costs associated with, any settlement reached between the Landlord and any relevant enforcement entity. This Section survives Termination of the Lease.

3.5 Hazardous Materials. Tenant may operate its business so long as the use or presence of Hazardous Materials is strictly and properly monitored according to all applicable governmental requirements. As a material inducement to Landlord to allow Tenant to use Hazardous Materials, defined below, in connection with its business, Tenant agrees to deliver to Landlord prior to the Commencement Date a list identifying each type of Hazardous Materials to be present on the Premises and setting forth any and all governmental approvals or permits required in connection with the presence of Hazardous Materials on the Premises ("**Hazardous Materials List**"). Tenant shall deliver to Landlord an updated Hazardous Materials List at least once a year and shall also deliver an updated list before any new Hazardous Materials are brought onto the Premises or on or before the date Tenant obtains any additional permits or approvals. In connection with any Hazardous Materials utilized by Tenant on the Premises, Tenant shall be responsible, at its sole cost and expense, for making any necessary modifications or Improvements either to Premises or Tenant's equipment as required by applicable laws, or any governmental agency, Landlord's insurance company, Landlord's lender(s), Landlord's consultant(s), or prospective purchaser(s). Tenant will, at its sole cost and expense, promptly upon receipt of written notice from Landlord complete such Improvements. If such work is not promptly undertaken and completed, Landlord shall have the right, but not the obligation, to complete such work and to charge such amounts to Tenant as additional Rent under this Lease.

(a) Hazardous Materials and Hazardous Materials Laws Defined. The term "**Hazardous Materials**" shall mean those substances (i) defined as "hazardous substances," "hazardous materials," "toxic substances," "hazardous wastes," "extremely hazardous wastes" or "restricted hazardous wastes;" (ii) stated to be known to cause cancer or reproductive toxicity; or (iii) defined in similar terms

as matters which are hazardous to the environment under (a) the laws of the United States, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq., the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq., the Federal Water Pollution Control Act, 33 U.S.C. Section 1317 et seq., and the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq., (b) the laws of the State of California including, without limitation, Sections 25117 and 25316 of the California Health and Safety Code, and (c) any of the regulations adopted and publications promulgated pursuant to said laws described in (a) and (b) above, all as they may be amended from time to time ("**Hazardous Materials Laws**").

(b) Compliance With Hazardous Materials Laws. Tenant at Tenant's sole cost and expense, shall comply (and cause sublessees to comply) with all Hazardous Materials Laws pertaining to any Hazardous Materials which are used, generated, stored or disposed on, under or about the Premises by Tenant, its sublessees and invitees, or other persons and entities that are under the control of or at the direction of Tenant.

(c) Tenant's Indemnity Obligations. Tenant shall indemnify, defend, and hold Landlord harmless from and against all claims, demands, actions, damages, liability, and expense including all foreseeable and unforeseeable consequential damages, directly or indirectly arising out of the use, generation, storage or disposal by Tenant, its sublessees, and invitees of any or all of them, of Hazardous Materials, including, without limitation, the cost of any required or necessary repair, clean up or detoxification and the preparation of any closure or other required plans, to the full extent that such action is attributable, directly or indirectly, to the use, generation, storage or disposal of Hazardous Materials.

3.6 Homeland Security. Tenant shall, at Tenant's sole cost and expense, comply with all laws and regulations, including, but not limited to, those of the United States Coast Guard and Landlord applicable to the Crescent City Harbor District insofar as they pertain to Tenant and Tenant's use of the Premises.

3.7 Harbor Regulations. This Lease is subject to the rules and regulations governing the operation of the Crescent City Harbor District. Such rules and regulations and such changes as may subsequently be made or added thereto are incorporated herein by reference.

3.8 Inspection. Landlord or its duly authorized representative shall have the right to enter the Premises at reasonable times during business hours to inspect the condition or the operations of Tenant conduct thereon.

3.9 Inspection by Certified Access Specialist. Landlord discloses that the Premises have not undergone inspection by a Certified Access Specialist as referenced in California Civil Code Section 1938 subsection (e) which provides: "A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises." Pursuant to the foregoing Section 1938(e), Tenant acknowledges and agrees that, if Tenant wishes to have the Premises inspected by a CASp: (i) Tenant must notify Landlord on or before the date when Tenant executes this Lease pursuant to the election below; (ii) the inspection will be at Tenant's sole

cost and expense; (iii) the inspection must be scheduled through Landlord and in coordination with the Building's property manager; (iv) any repairs or modifications necessary to correct any violation of construction-related accessibility standards that is noted in the CASp report shall be Tenant's responsibility; and (v) Tenant must provide a copy of the CASp report to Landlord on completion.

4. Rent

4.1 Rent. Tenant shall pay Landlord in advance without notice, demand, or setoff, a monthly rental during the Term hereof in the total amount determined at the rates specified in Section 2.2 for the area leased (the "**Rent**"). All Rent is payable in advance on the first day of each month. If the Term of this Lease commences on a day other than the first day of the month, Rent for the first month of the Term shall be pro-rated.

4.2 Late Charge. Tenant acknowledges that late payment by Tenant to Landlord of Rent or other charge will cause Landlord to incur costs not contemplated by this Lease. If any installment of Rent, or any other payment due to Landlord, due from Tenant is not received by Landlord within five (5) days after such payment is due, it shall be considered late, and Tenant shall pay to Landlord an additional sum of the greater of \$100 or 6% of the overdue amount as a late charge. The parties agree that this late charge represents a fair and reasonable estimate of the costs that Landlord will incur by reason of late payment by Tenant. Acceptance of any late charge shall not constitute a waiver of Tenant's default with respect to the overdue amount or prevent Landlord from exercising any of the other rights and remedies available to Landlord.

4.3 Taxes. Tenant shall pay, before the same become delinquent, all taxes assessed upon the Premises, appurtenances or improvements thereto or upon any interest of Tenant therein. Tenant hereby recognizes and understands that this Lease may create a possessory interest subject to property taxation under California Revenue and Tax Code Section 107.6, and that Tenant may be subject to the payment of property taxes levied on such interest. Any such imposition of a possessory interest tax shall be a tax liability of Tenant solely, and shall be paid for by Tenant; and any such tax payment shall not reduce any Rent due to Landlord. Tenant shall also pay all interest and penalties any government entity assesses for late payment of any possessory interest taxes that this Lease requires Tenant to pay. Tenant shall within a reasonable time after written notice from Landlord give Landlord reasonable proof that Tenant has paid any possessory interest taxes that this Lease requires Tenant to pay. Nothing herein shall prohibit Tenant from the right to challenge any assessment of possessory interest tax in accordance with the procedures set forth by the taxing authority and where applicable withhold any overcharge by such taxing authority until the disputed matter is resolved. Landlord is a non-taxable entity and any taxes assessed against the Property as a result of Tenant's occupancy shall be Tenant's responsibility.

4.4 Utilities. Landlord is not obligated to furnish utilities or services to the Premises. Tenant shall pay for all utilities and services supplied to said Premises including all installation and connection charges. If utilities or services are furnished by Landlord for use of Tenant, Tenant shall on demand reimburse Landlord for the cost thereof attributable to Tenant. In no event shall Landlord be liable to Tenant for any failure or interruption of any utilities or other services being furnished to the Premises, and no such failure or interruption shall entitle Tenant to abate payment of Rent or to terminate the Lease.

4.5 Refuse Collection and Janitorial Service. Tenant shall provide, or obtain, a refuse collection service for the Premises at Tenant's sole cost and expense. Tenant shall provide janitorial service to the Premises at Tenant's cost and expense if Tenant desires such services.

4.6 Poundage Fees. The monthly Rent payable under this Lease does not include any poundage fees for product offloads that may be assessed against Tenant pursuant to the provisions of Landlord's Fee Schedule.

5. Termination

5.1 Termination. This Lease shall terminate on the date said written notice of termination is served on Tenant in the manner provided by Section 12.1 of this Lease.

5.2 No Holdover. Tenant shall have no right to occupy the Premises after expiration of the Term. Any possession after expiration shall be unlawful and shall not create a tenancy of any kind, including month-to-month or tenancy at sufferance, notwithstanding acceptance of rent or delay in enforcement.

6. Remedies Upon Default

6.1 Events of Default. The following shall constitute an "Event of Default":

(a) Monetary Default. Except as otherwise provided herein, should Tenant default in the performance of any covenant or provision herein with reference to the payment of Rent or other payment of money or the furnishing of the public liability and property damage insurance required by Section 7, and such default continues for five (5) days after service on Tenant of a written notice from Landlord of such default, or

(b) Non-monetary Default. Should Tenant default in the performance of any other covenant or provision herein other than payment of money, other than those stated in subsections (c) and (d) below, and such default, if curable, is not cured within thirty (30) days after service upon Tenant of a written notice thereof from Landlord, or, if not curable within thirty (30) days, a cure is not commenced within fifteen (15) days and diligently prosecuted to completion.

(c) Insolvency, Receivership or Bankruptcy. It shall constitute an Event of Default under this Lease and Landlord, at its option and upon giving written notice of termination to Tenant, may immediately terminate this Lease if any of the following events occur:

- (i) The appointment of a receiver to take possession of all or substantially all of the assets of Tenant;
- (ii) A general assignment for the benefit of creditors by Tenant;
- (iii) The filing of a petition in bankruptcy by or against Tenant and the Lease is not assumed with approval of the Bankruptcy Court within the time prescribed by the Bankruptcy Code;
- (iv) Any other action taken or suffered by Tenant because of insolvency.

6.2 Landlord's Remedies.

(a) Upon an Event of Default, Landlord may terminate Tenant's right of possession of the Premises and may recover all of the following from Tenant:

- (i) The worth at the time of award of the unpaid Rent which had been earned

at the time of termination;

(ii) The worth at the time of the award of the amount by which the unpaid Rent, which would have been earned after termination until the time of award, exceeds the amount of such rental loss that Tenant proves could have reasonably been avoided;

(iii) The worth at the time of the award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided;

(iv) Any other amount necessary to compensate the Landlord for all the detriment proximately caused by Tenant's failure to perform its obligation hereunder or which in the ordinary course of things would be likely to result therefrom, including any costs incurred by Landlord to cure any default by Tenant in the performance of any obligation hereunder.

(b) None of the Landlord's rights herein specified upon an Event of Default by Tenant shall prejudice any other legal remedies available to Landlord other than those herein enumerated and the remedy described by Civil Code section 1951.4 is available to Landlord.

6.3 No Waiver. Efforts by Landlord to mitigate the damages caused by Tenant's breach of this Lease shall not waive Landlord's right to recover damages under this Section 6. For the purpose of Section 6.2 above, the following shall not constitute a termination of Tenant's right to possession:

- (a) Acts of maintenance of preservation or efforts to relet the property.
- (b) Appointment of a receiver upon initiative of Landlord to protect Landlord's interest under the Lease.

6.4 Re-entry. Upon an Event of Default of Tenant not cured within the time specified in Section 6.1 or if Tenant vacates or abandons the premises, Landlord shall have the right to re- enter the Premises, take corrective action as needed, and take possession thereof with or without terminating this Lease upon giving notice of re-entry required by law

6.5 Remedies Cumulative. All of Landlord's rights, privileges and elections or remedies are cumulative and not alternative, to the extent permitted by law and except as otherwise provided herein.

7. Indemnification and Insurance

7.1 Indemnification. Tenant agrees to indemnify, defend (with counsel selected by Landlord at Tenant's expense), protect and hold harmless Landlord, its employees, agents, officers, legal counsel, assigns, public officials, any successor or successors to Landlord's interest in the Premises and any future owners of the Premises to whom this Lease is assigned (hereinafter collectively referred to as the "Indemnitees") from and against all claims, actual damages (including but not limited to special and consequential damages), punitive damages, injuries, costs, response costs, remedial costs, losses, demands, debts, liens, liabilities, causes of action, suits, legal or administrative proceedings, interest, fines, charges, penalties and expenses arising out of any damage to any person or property occurring in, on, from or about the Premises, except for any acts of gross negligence or willful misconduct by Indemnitees. Indemnitees shall not be liable to Tenant for any damage by or resulting from any act or negligence of any other tenant of property adjoining the Premises or by the owner or occupant of any adjoining or contiguous property. The preceding provisions shall not be construed to relieve any Indemnitee from any liability Indemnitees may have to Tenant, or third persons, by reason of the California Government Claims Act

or resulting from any liability resulting from the gross negligence or willful misconduct of Indemnitees.

7.2 Insurance.

(a) Tenant shall furnish to Landlord a certificate of insurance, duplicate policy, or other evidence satisfactory to Landlord that Tenant has obtained the insurance required by Section 2.6. Each policy shall also provide for at least thirty (30) days' written notice by the insurer to Landlord prior to the cancellation thereof. If such insurance is to be cancelled, Tenant shall promptly notify Landlord of such proposed cancellation. All insurance obtained by Tenant pursuant to this Section shall be with a company licensed by the Insurance Commissioner of the State of California to do business within the State of California and shall have financial and policy holder Best ratings of no less than A-VIII. All insurance shall name Landlord, its Board of Harbor Commissioners, its officers, agents and employees as additional insured in such policies, and shall include a waiver of subrogation in favor of Landlord.

(b) Waiver of Subrogation. The parties release each other, and their respective authorized representatives, from any claims (for damage to any person or to the Premises and/or the building in which the Premises are located, and to the fixtures, personal property, Tenant's improvements, and alterations of either Landlord or Tenant in or on the Premises and/or the building in which the Premises are located) that are caused by or result from risks which are insured against under any insurance policies carried by the parties and in force at the time of any such damage and to the full extent of any proceeds paid under said policies.

(c) Public Liability Insurance. Tenant shall carry and maintain in full force during the Term of this Lease an insurance policy for public liability and property damage in an amount not less than the amount set forth in Section 2.6 insuring any liability arising, or alleged to arise, on account of the death or injury to any person, or loss or damage to property occurring on the Premises, or as a result of the activities of Tenant on or off the Premises, or resulting from the use of the premises by Tenant under this Lease, or resulting from the negligence or intentional acts of Tenant, its employees, agents, or contractors. The public liability and property damage insurance policies obtained by Tenant pursuant to this paragraph shall be primary policies and any public liability and property damage insurance carried by Landlord shall be excess and noncontributing.

(d) Fire and Casualty Insurance. Except for fixtures, trade fixtures, or personal property installed or placed on the Premises by Tenant, fire and extended coverage casualty insurance on the Premises shall be the sole responsibility of Landlord. However, no use except that which is expressly provided in this Lease shall be made of the Premises nor acts done which will increase the existing rate of fire or extended coverage insurance on the Premises or any part thereof, nor shall Tenant sell or permit to be kept, used or sold in and about said premises any article that is prohibited by the standard form of fire insurance policy. Tenant shall, at Tenant's sole cost and expense, comply with any and all requirements pertaining to the Premises of the insurance company providing the fire insurance with a standard extended coverage casualty endorsement covering the Premises. Fire and extended coverage casualty insurance on fixtures, trade fixtures or personal property installed or placed on the Premises by Tenant shall be the sole responsibility of Tenant at Tenant's sole cost and expense.

(e) Pollution Legal Liability. At all times during the Term of this Lease, and for sixty (60) months following the termination of this Lease, the Tenant shall maintain Pollution Legal Liability insurance. Tenant's employees, agents, and contractors, who have a reasonable probability of coming into contact with hazardous materials, shall be adequately trained to comply with and shall

comply with all laws and regulations relating to the care and protection of the environment for the duration of the term of this Lease.

(f) Worker's Compensation Insurance. At all times during the Term of this Lease, including, Tenant shall maintain or cause to be maintained with regard to its employees, Workers' Compensation Insurance as required by law.

8. Maintenance and Alterations

8.1 Repair and Maintenance. Tenant shall keep the Premises in good condition and repair and free from dirt and accumulation of waste. Tenant at its own cost and expense shall repair any damage to the interior of the Premises, including, but not limited to windows, doors, glass, floor coverings, HVAC system, electrical equipment and plumbing and sprinkler systems, if any; and any damage to the exterior of the Premises (including parking area, roof and structural members) resulting from Tenant's use of the Premises under this Lease including any damage to the piles and common loading dock from the use of the hoists.

8.2 Installations, Alterations and Improvements. Tenant shall not make any alterations, additions, improvements or changes to the Premises without the prior written approval of Landlord. All fixtures installed on the Premises (other than all trade fixtures) shall immediately become a part of the realty and belong to Landlord and shall not be removed therefrom by Tenant without the prior written consent of Landlord to such removal.

Tenant may, at Tenant's own cost and expense, install or place such furniture, equipment and machinery or other personal property in or upon the Premises as may be necessary for Tenant's use of the Premises for the purpose for which they are leased. Tenant shall have the right to remove any furniture, equipment and machinery, or other personal property (including without limitation, all trade fixtures) installed or placed in or upon the Premises at Tenant's own expense at any time prior to the expiration or termination of this Lease. In the event of termination of this Lease on less than thirty (30) days' notice as provided in this Lease, Tenant shall have a reasonable time not to exceed thirty (30) days from the date of service of the notice of termination to make such removal. All personal property not removed by Tenant following the expiration or termination of this Lease within the time allowed for removal shall be deemed abandoned by Tenant and may be used or disposed of by Landlord in the manner prescribed by law without any liability to Tenant therefor. Such abandonment shall in no way reduce the obligation of Tenant to make restoration under Section 9.2 of this Lease.

In the event that during the Term of this Lease any alteration, addition or change of any nature to the Premises or to any portion thereof is required by law, regulation or rule (other than a law, regulation or rule of Landlord), the same shall be made by Tenant at Tenant's own cost and expense.

Before making any alteration, addition, improvement or change to the Premises with the prior written consent of Landlord, Tenant shall obtain all approvals and permits as may be required by law, including but not limited to, those of the California Coastal Commission. All such permits and approvals shall be obtained by Tenant at Tenant's sole cost and expense. Tenant also agrees that if any construction projects on the Premises are paid for by Landlord's funds, including offsets, then such construction projects will comply with the same legal requirements applicable to the Landlord (including, but not limited to, competitive bidding requirements, prevailing wage requirements, and public works bonding requirements.)

9. Surrender, Restoration, Holdover

9.1 Surrender. Upon expiration of this Lease or its prior termination, Tenant shall quietly and peacefully vacate the Premises and surrender possession thereof to Landlord.

9.2 Restoration. Prior to the expiration of this Lease (and only to the extent directed by Landlord) Tenant shall restore the Premises to the condition in which received, ordinary wear and tear excepted, or to such improved condition as may have resulted from improvements made thereon by Landlord or Tenant. In the event this Lease is terminated on less than thirty (30) days' notice, Tenant shall be allowed a reasonable period of time not to exceed thirty (30) days from the date of service of the notice of termination within which to complete restoration.

10. Assignment and Subletting

10.1 Assignment and Subletting. Tenant shall not permit the Premises to be occupied or used by any person other than Tenant, its agents and employees without Landlord's prior written consent to such operation or use. This Lease may not be assigned nor the Premises sublet by Tenant without the prior written consent of Landlord, which shall not be unreasonably withheld. Tenant shall not be released from any obligations under this Lease due to any assignment or subletting.

11. Destruction of Premises, Condemnation

11.1 Destruction.

(a) Total Destruction. In the event the Premises or a substantial portion thereof are destroyed by any cause so as to render the premises unfit for purposes designated in Section 2.4, or if the Premises are so badly damaged that they cannot be repaired within thirty (30) days from the date of such damage, either party may terminate this Lease by giving to the other party a written notice of termination served in the manner provided by Section 12.1 of this Lease. After such notice of termination has been given, Rent shall be prorated to the date Tenant actually vacates the Premises.

(b) Waiver of Civil Code Sections. Tenant waives the provisions of California Civil Code Section 1932(2) and California Civil Code Section 1933(4) with respect to any destruction of the Premises.

(c) Tenant's Fault. Notwithstanding anything herein to the contrary, if the Premises or any other portion of the property in which the Premises are located is damaged by casualty resulting from the fault, negligence, or breach of this Lease by Tenant, Rent shall not be diminished during the repair of such damage and Tenant shall be liable to Landlord for the cost and expense of the repair and restoration of the property caused thereby to the extent such cost and expense is not covered by insurance proceeds.

12. Miscellaneous

12.1 Notice. All notices required herein shall be served by personal service or by registered or certified mail, or by nationally recognized overnight delivery services. Notices shall be addressed as follows:

(a) Notice to be served on Landlord shall be sent to Landlord addressed to Crescent City Harbor District, Attn: CEO/Harbormaster, 101 Citizens Dock Road, Crescent City, California 95531.

(b) Notice to be served on Tenant shall be sent to Tenant addressed to Tenant at the address shown on the signature page.

(c) The date of service of any notice shall be deemed to be 24 hours after the date such notice is deposited in the United States mail or with such overnight delivery service.

12.2 Liens. Tenant shall promptly discharge or cause to be discharged any valid lien, right *in rem*, claim or demand of any kind (except one in favor of Landlord) arising or existing with respect to the Premises or for materials or equipment furnished therefor or for any part thereof. If the same is not promptly discharged by Tenant, Landlord may discharge the same and Tenant shall immediately reimburse Landlord the cost thereof.

12.3 Failure to Insist on Compliance. Landlord's or Tenant's failure to take advantage of any default or breach of covenants on the part of the other party or to insist upon the performance of any terms, covenants and conditions of this Lease shall not be a waiver or relinquishment of such party's right to the future performance of such terms, covenants or conditions. Tenant's or Landlord's obligations with respect to such future performance shall continue in full force and effect. No custom or practice which may develop between the parties in the course of administering this Lease shall be construed to waive or lessen the right of either party to insist upon the performance by either of any term, covenant or condition hereof.

12.4 Successors in Interest. The terms, covenants and conditions contained herein shall apply to and bind the successors and assignees of all the parties hereto.

12.5 Attorney's Fees. If either party employs an attorney or attorneys to enforce the provisions hereof, the prevailing party (whether by negotiation, settlement or suit) shall be paid his reasonable attorney's fees by the non-prevailing party.

12.6 Amendments, Changes or Additions to Statutes. Whenever reference is made in this Lease to any provision of law such reference applies to all amendments, changes and additions now or hereafter made to such provisions.

12.7 Time. Time is of the essence of this Lease.

12.8 Non-discrimination. In conducting Tenant's activities on the Premises, Tenant must not unlawfully discriminate against employees or applicants for employment or for services or segregate any person or group of any member of the public on account of sex, sexual orientation, marital status, age, race, color, creed, national origin, ancestry, medical condition or physical handicap in the leasing, subleasing, renting, transferring, use, occupancy, or enjoyment of the premises. Tenant must abide by the Federal Civil Rights Act of 1964 and all amendments thereto, and all administrative rules and regulations issued pursuant to the Act

The foregoing provision includes, but is not limited to, the following: employment upgrading, demotion, transfer, recruiting, recruitment advertising, layoff or termination, rates of pay or other forms of compensation, selection for training, including apprenticeship. Tenant shall post notices provided by the State of California or the United States of America or its local government representative setting forth the provisions of this non-discrimination clause in conspicuous places available for employees and applicants for employment.

Tenant shall insert the foregoing provision in all contracts entered into by Tenant in the performance of any work permitted under this Lease except contracts for standard commercial supplies or raw materials.

12.9 Tenant's Representations and Warranties. Tenant hereby represents and warrants as follows:

(a) Tenant has full right, power and authority to execute, deliver, and carry out the terms of this Lease and all documents and agreements necessary to give effect to the provisions contained in this Lease.

(b) Neither Landlord nor any agent or employee of Landlord has made any representation, promise, or warranty except as expressly set forth in this Lease.

12.10 Captions. The captions of this Lease are not a portion of the substantive terms hereof.

12.11 Signs. Tenant shall not erect, install, or make any signs on the Premises without the prior written consent of Landlord thereto. Landlord will not unreasonably withhold its consent to the erection or installation of signs stating the name of Tenant's business of reasonable dimensions and decor.

12.12 Estoppel Certificate. Tenant shall execute and deliver to Landlord within ten (10) days of request a commercially reasonable estoppel statement. Landlord and Tenant intend that any estoppel statement delivered pursuant to this Section may be relied upon by any mortgagee, beneficiary, purchaser or prospective purchaser of the building or any interest therein and failure to execute and return such estoppel shall be a material breach of the Lease.

12.13 Integration. This lease is the final agreement between Landlord and Tenant with regard to the Premises and supersedes all prior agreements (oral/or written), negotiations or representations. This lease may only be modified in writing, approved by Landlord's Board of Harbor Commissioners or CEO/Harbor Master, as applicable, and signed by both Landlord and Tenant. Nothing in this Lease shall be deemed to modify, impair, or extinguish any right of first refusal previously granted by Landlord to Alaska Ice Seafoods Inc. d/b/a Fathom Seafood, which shall survive expiration or termination of this Lease according to its terms.

12.14 Authorized Representatives. Each of the persons whose signature is subscribed hereto warrants that he or she has the proper authority to execute this Lease on behalf of Landlord or Tenant as appropriate.

12.15 Force Majeure. If performance by a party of any portion of this Lease is made impossible by any prevention, delay, or stoppage caused by strikes, lockouts, labor disputes, acts of God, inability to obtain services, labor, or materials or reasonable substitutes for those items, government actions, civil commotions, tsunami, pandemic, fire or other casualty, or other causes beyond the reasonable control of the party obligated to perform, performance by that party for a period equal to the period of that prevention, delay, or stoppage is excused. Either party shall have the right to terminate this Lease in the event of Force Majeure for a consecutive six (6)-month period.

12.16 Choice of Law. This Lease shall in all respects be governed by the laws of the State of California.

12.17 Subordination. Without the necessity of any additional document being executed by Tenant for the purpose of effecting a subordination, this Lease shall be and is hereby declared to be subject and subordinate at all times to: (a) all ground leases or underlying leases which may now exist or hereafter be executed affecting the Premises and/or the land upon which the Premises are located; and (b) any mortgage or deed of trust which may now exist or be placed upon the land upon which the Premises is situated, or said ground leases or underlying leases, or Landlord's interest or estate in any

of said items which is specified as security. Notwithstanding the foregoing, Landlord shall have the right to subordinate or cause to be subordinated any such ground leases or underlying leases or any such liens to this Lease. If any ground lease or underlying lease terminates for any reason or any mortgage or deed of trust is foreclosed or a conveyance in lieu of foreclosure is made for any reason, Tenant shall, notwithstanding any subordination, attorn to and become the Tenant of the successor in interest to Landlord provided that Tenant shall not be disturbed in its possession under this Lease by such successor in interest so long as Tenant is not in default under this Lease. Within ten (10) days after request by Landlord, Tenant shall execute and deliver any additional documents evidencing Tenant's attornment or the subordination of this Lease with respect to any such ground leases or underlying leases or any such mortgage or deed of trust, in the form requested by Landlord or by any ground landlord, mortgagee, or beneficiary under a deed of trust, subject to such nondisturbance requirement.

12.18 Counterparts. This Lease may be executed in several counterparts and all documents so executed shall constitute one Lease, binding on all of the parties hereto, notwithstanding that all of the parties did not sign the original or the same counterparts.

[signatures on following page]

LANDLORD: Crescent City Harbor District

TENANT: Fishermen’s Catch, Inc.; a California corporation

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: _____

Address for Notices:

TENANT: Dandy Fish Company, Inc., a California corporation

TENANT: Alaska Ice Seafoods Inc., a corporation, doing business as Fathom Seafood

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: _____

Address for Notices:

Address for Notices:

