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TIM PETRICK
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October 17, 2023

Honorable Jared Huffman
United States House of Representatives
1527 Longworth House Office Building
Washington, DC 20515

Subject: Congressionally Directed Spending Requests to Support the Crescent City Harbor District

Dear Congressman Huffman,

We are reaching out on behalf of the Crescent City Harbor District (CCHD). Recent events have significantly challenged the District's fiscal stability, affecting not only our operations but the constituents who rely on CCHD facilities and amenities. We urgently request your assistance and thoughtful consideration of the following matters.

Challenges Posed by Federal Policies

We find ourselves ensnared by multiple federal policies and agencies, significantly impacting our ability to generate revenue and sustain our operations. Foremost among all issues is the closure of the coastal fisheries that sustain our commercial fishing fleet and serve as the principal draw for sport fisherman. These closures are due in large part to mismanagement by the National Marine Fisheries Service.

Most notably, the closures have targeted salmon and quillback rockfish. This has led to a mass exodus of paying slip renters, relocating to Oregon and central California harbors to avoid the northern California fishery closures. Our harbor, once bustling and vibrant, is now facing unprecedented vacancies. This situation has severely diminished our revenue stream.

Additionally, the recent decommissioning of the U.S. Coast Guard station in Crescent City has inadvertently caused further financial strain on CCHD. The consequent lack of available USCG emergency response has made commercial and recreational boaters less inclined to rent slips in our harbor. We have noticed them choosing alternative harbors perceived as more secure, due to closer availability of USCG emergency response. We are working to address this issue by standing up a Harbor Patrol that is similarly trained in emergency response, but this initiative has been stalled due to a lack of funding for a patrol boat and related equipment.

Dredging Permit Delays and Business Impacts

An especially aggravating issue for our local community has been the delay in obtaining a crucial dredging permit from the U.S. Army Corps of Engineers (USACE) under section 404 of the Clean Water Act and section 10 of the Rivers and Harbors Act. CCHD has made steadfast and conscientious efforts to secure this permit over the course of many years now. For example, looking just at the last 18 months, CCHD has expended over \$100,000 for consultant services, sent over 2,600 emails, made over 300 phone calls, and utilized over 600 hours of CCHD staff time. This represents only a small sample of recent efforts. The complexity and length of this permitting process underscores the pressing need for Congressional intervention to streamline the process not just for CCHD, but for all potential dredge permittees.

The lack of dredging not only hindered our ability to maintain our harbor but also inadvertently left CCHD unable to meet its contractual obligations to harbor tenants. Notably, the Fashion Blacksmith boat service and repair facility won a multimillion-dollar state court judgment against CCHD due to a lack of required dredging. We made every conceivable effort to support Fashion Blacksmith, and keep them operational. However, despite our diligence and determination, the intricate and burdensome permitting process proved insurmountable, preventing us from fulfilling our commitments on dredging, and leading to the permanent closure of Fashion Blacksmith. This will further reduce rental income to CCHD, and create extra burdens on fishermen who will need to travel to alternative repair facilities.

Tsunami Impact and Lingering Financial Strain

Exacerbating these challenges, the lingering effects of a 2011 tsunami loom large. The devastating tsunami wreaked havoc on CCHD's marina infrastructure, resulting in a staggering \$50 million worth of damage, and the deposition of an overwhelming 150,000 cubic meters of sediment. In order to partially fund recovery efforts, CCHD secured a USDA Disaster Relief Loan in the amount of \$5.5 million in 2012. This loan was pivotal in catalyzing the reconstruction process.

While CCHD was able to rebuild core components of the harbor's infrastructure to tsunami resistant specifications, substantial areas of the harbor await repair. Compounding this challenge is the financial burden of the USDA loan, which continues to overshadow reconstruction endeavors. CCHD's capacity to service this loan has been significantly weakened by the myriad challenges outlined earlier. Factors such as the fishery closures, an exodus of slip renters, persistent dredging issues leading to a multi-million dollar court judgement, and broader macroeconomic declines have collectively strained our financial resources.

Congressionally Directed Spending

As you know, Congress or its committees may use formal vehicles to provide funding instructions to federal agencies. These formal vehicles include laws (i.e., appropriations acts) or House, Senate, and conference reports. These instructions are often referred to formally as "Congressionally Directed Spending Requests," and colloquially as "earmarks." In light of the daunting challenges facing CCHD, resultant in large part from federal policies beyond our influence or control, we respectfully urge your assistance in seeking federal funding support through these means.

Congressional earmarks may now stand as the vital lifeline preserving the fiscal solvency of CCHD. As a cornerstone supporting our local fishing industry, CCHD's financial health is intertwined with the economic vitality of our community. Without such pivotal intervention, the very lifeblood of our local economy is at risk.

We firmly believe that the considerable impediments we currently face are temporary, and with your valued support, the Crescent City Harbor District will once again flourish, contributing positively to the local economy and community. We sincerely thank you for considering our plea in these trying times and remain hopeful for a favorable resolution. We are available at your earliest convenience to discuss this matter further and provide any additional information required.

Yours sincerely,

Board of Harbor Commissioners
of the Crescent City Harbor District