

Tri Agency Work Plan Spring 2023

The following work plan of the Tri-Agency Economic Development Authority (the “Tri-Agency”) is focused on the Del Norte Comprehensive Economic Development Strategy (CEDS), the Crescent City Economic Development Strategic Action Plan (CCEDSAP), the Crescent City Harbor Strategic Plan (CCHDSP), and Community Economic Resiliency Fund (CERF) Pilot Program with funding to be initiated during the 2023/24 fiscal year. In partnership with the University of California Cooperative Extension, Economic Development position hired for Del Norte, Trinity and Humboldt Counties, the Agency and staff to be hired will work cooperatively to implement goals of the CEDS, CCEDSAP, CCHDSP and CERF Program to continue the positive momentum needed so all businesses and community succeed.

Del Norte Economic Development Vision

The Del Norte economic vision for over ten years has been.

“To develop a sustainable economic base by retaining, expanding and attracting new business by balancing the needs of both the business and residential communities while considering the effects of economic development on the environment of our unique redwoods and coastal community.” (CEDS, 41)

The TEAMS acronym provides categories for economic development and the CEDS provides specific goals outlined below to reach them. (CEDS 41) Research into maximizing Del Norte's value from OFWs would support many of these goals.

- **T: Transportation, Technology, Tourism**
- **E: Education, Environment**
- **A: Agriculture, including Forestry and Fishing**
- **M: Manufacturing, Medicine**
- **S: Small Business and Sovereign Nation (DNATL) Success** (CEDS 41)

Goal 1: Diversify the regional economy to include technology-based firms, light manufacturing and health care enterprises that provide living wages to local workers.

Goal 2: Promote successful tourism industry expansion.

Goal 3: Support expansion of sustainable agricultural, forestry and fishery products. **Goal 4:** Invest in improving and maintaining a comprehensive transportation network that meets the needs of local industry, commuters and visitors.

Goal 5: Enhance education, workforce training, housing and healthy lifestyle opportunities in the County to support existing residents and businesses as well as the workforce of the future.

Goal 6: Create a thriving small business environment which fosters entrepreneurship and innovation. (CEDS 41)

Staffing needs (Priority 1)

As budgeted, the Tri-Agency will hire an Economic Development Director to help implement the agencies Workplan. The Tri-Agency efforts and handle day to day activities and meeting logistics. Funding for this position could come from the CERF Pilot Program funds if Del Norte is awarded funds from this grant. A full-time staffer to conduct economic development research and community outreach is critical to success. Some meeting logistical duties that this position would cover will ensure Brown Act compliance and communication with the community. Recipes 1B and 1C of the Crescent City Economic Development Strategic Action Plan (CCEDSAP) call for a city economic development coordinator position and an economic development council which are roles this position and Tri-Agency can fill. Revitalizing Tri Agency is recipe 1P in the CCEDSAP and this road has already been started down with the resolving of the USDA debt.

Tri Agency will hire a grant writer to use grant opportunities open to the Tri-Agency. Funding for this position could come from the CERF Pilot Program funds if Del Norte is awarded funds from this grant. As a JPA with the City Harbor and County Tri Agency can apply for a wide variety of grants which makes it an obviously centralized point to route applications through. Grant writing is a complicated process and the greatest odds of success tend to come with professional grant writers. Grant funding opportunities were listed as by the CEDS SWOT analysis as a key opportunity and this position will support realizing that opportunity. (CEDS 37)

Tri Agency should hire a research assistant to aid the above positions, specifically on wind energy. Funding for this position could come from the CERF Pilot Program funds if Del Norte is awarded funds from this grant. Given the close relationship of Tri Agency with UC Cooperative Extension they would a natural choice for a research assistant. This position will be critical for boots on the ground work and data analysis to support tri agency work.

Wind Energy Research Needs and Justification (Priority 2)

Leases for offshore floating wind farms (OFWs) have been sold in Humboldt and Morrow Bay totaling over \$750. Studies show that Del Norte has some of the fastest sustained offshore wind, and our harbor makes us even more attractive to offshore wind developers. (Schatz)

Strong justification for Tri-Agency advancing our wind power knowledge can be found in the Comprehensive Economic Development Strategy (CEDS) and CCEDSAP. Using the SWOT

analysis shows that wind energy leverages assets of the community and addresses liabilities. Our Strengths of port and airport make us attractive for long term O&M jobs, there is potential for living wage job creation addressing a weakness in the community and OFWs leverage the opportunity for more green energy production. (CEDS, 3-4) Finally OFWs help mitigate downsides to fishermen with 1-time payments to the fleet and bring the possibility of helping reverse the trend of falling income levels. (CEDS, 5)

The CEDS states “economic diversification should be a key objective for Del Norte County.” (CEDS, 39) OFWs would add an industry cluster outside of the main clusters identified in the CEDS to diversify our local economy. OFWs also have the possibility to diversify our power source if cables are landed here.

Wind energy contributes to a sustainable economic base because of its long timescale and possibility for long term O&M jobs and ongoing payments for land leases or landing fees. As a green energy project being constructed almost certainly out of view of the shore this project preserves our environment and viewshed.

Using the TEAMS acronym OFWs support the T with increases in local Technical capacity and E with CBA money going toward career Education and Environment as it would provide vast amounts of green energy. (CEDS, 41)

OFWs directly address goal 1.2- leverage resources to create green energy production. (CEDS 42) While not directly addressing goal 3.4 and 4.5-complete the harbor sea wall and improve harbor facilities OFWs could provide landing fees and lease payments to the harbor to allow them to pay for more improvements.(CEDS, 44) Potential CBA benefits are aimed at technical and vocational education addressing goal 5.1 and 5.2- development and expansion of technical training in k-12 and adult education settings.(CEDS, 45)

Wind Energy Focus Areas

Del Norte County and its citizens have various ways of benefiting from this project, firstly community benefit agreements (CBAs). These are agreements between the developer and the community, currently a CBA of 30% of the lease price with specific allocations is being enforced and BOEM but anything above that and details on allocation are up for negotiation with no assurances from BOEM. CBA negotiation strategy and CBA structure are key areas for Tri-Agency to better understand and research to get ahead of the curve on.

Transmission and landing will be important areas for Tri-Agency to study to get the most benefit for Del Norte and to facilitate easy installation. With legal and physical restrictions on

most transmission corridors this agency has an opportunity to influence where transmission will be directed. There is possibility for landing fees or discounted power which could provide ongoing benefits for Del Norte.

An overarching economic impact analysis of wind energy on Del Norte would be a research project of great undertaking but could have very useful results. The better we can quantify the impacts of wind power the more efficiently we can direct our efforts to the highest impact causes. A study of what industries, for how long and how great an impact wind power will have on the local economy can shape how we negotiate with wind developers and help show wind powers value to the local community.

Works Cites

Schatz - Del Norte County Offshore Wind Preliminary Feasibility Assessment Final Report May 2021 <https://tethys.pnnl.gov/sites/default/files/publications/Del-Norte-County-Offshore-Wind-Preliminary-Feasibility-Assessment.pdf>