October 31, 2011

Mr. Dan Wolford  
Chairman  
Pacific Fishery Management Council  
7700 NE Ambassador Place, Suite 101  
Portland, Oregon 97220 – 1384

Re: Lender Safe Harbors

Dear Chairman Wolford,

The Central Coast Sustainable Groundfish Association is a Cooperative Fish Marketing Association based in Morro Bay, California which currently has nine members active in the Trawl IFQ fishery. As you know, our members have worked very hard this year to adapt to the new IFQ program. We are working cooperatively with the Council and other fishery stakeholders to develop a Risk Pool to manage constraining species, as well as innovative and more cost effective monitoring alternatives.

As the first year of the program comes to a close, we are thinking ahead about how to keep our ports viable and our fishermen profitable in the Trawl IFQ fishery. In order to sustain and grow their businesses and the local industry, some of our fishermen will likely purchase permits and/or quota shares (QS), upgrade their vessels and modify their gear. These kinds of investments require financing, some of which may be secured through the use of QS as collateral.

We are aware that the Council is considering safe harbors for lenders at its November meeting, so we are writing in support of the California Fisheries Fund's request for a safe harbor. We believe the California Fisheries Fund serves as a valuable alternative financing source to the fleet, proving most supportive to smaller operators and new entrants. Please consider language that would allow for a safe harbor exception for the California Fisheries Fund.

Thank you for your consideration.

Sincerely,

Roger Cullen  
President  
Central Coast Sustainable Groundfish Association Inc.  
1555 8th Street  
Los Osos, California 93402
October 31, 2011

Mr. Dan Wolford  
Chair, Pacific Fishery Management Council  
7700 NE Ambassador Place, suite 101  
Portland, Oregon 97220

SU: Trawl rationalization trailing amendments, Safe Harbors for Lenders

Dear Chairman Wolford:

I am writing on behalf of the City of Morro Bay to urge your support for creating Safe Harbors for all potential lenders in the trawl Rationalization program, including non-profits such as the California Fisheries Fund. As the first year of the program comes to a close, we are thinking ahead about how to keep our port viable and our fishermen profitable in the West Coast Trawl program. In order to sustain and grow their businesses and the local industry, some of our fishermen will likely purchase permits and or Quota Shares (QS), upgrade their vessels or modify gear. These kinds of investment will require financing, some of which may be secured through the use of QS as collateral.

We believe the California Fisheries Fund serves as a valuable alternative financing source to the fleet, especially smaller operators and new entrants. Please consider language that would allow for a Safe Harbor exception for the California Fisheries Fund.

Thank you for your consideration.

Sincerely,

Rick Algert
October 28, 2011

Mr. Dan Wolford, Chairman
Pacific Fishery Management Council
7700 NE Ambassador Place, Suite 101
Portland, Oregon 97220

Re: Lender Safe Harbors, Agenda E.7

Dear Chairman Wolford:

I am writing on behalf of the City of Monterey, a community that is committed to retaining and growing its commercial fishery economy, and heritage. As you know, we have worked to adapt to the new IFQ program this year, encouraging local fishermen to be innovative to stay viable through this change.

As the first year of the program comes to a close, we are thinking ahead about how to keep our port viable and our fishermen profitable in the IFQ fishery. In order to sustain and grow their businesses and the local industry, some of our fishermen will likely purchase permits and/or QS, upgrade their vessels, and modify their gear. These kinds of investments may require financing, some of which may be secured through the use of QS as collateral.

We are aware that the Council is considering safe harbors for lenders at its November meeting. The City of Monterey is writing in support of the concept of broadening the types of lenders to include some types of not-for-profit organizations. The California Fisheries Fund (CFF) is such a potential lender, as the CFF serves as a valuable alternative financing source to the fleet, proving most supportive to smaller operators and new entrants. Please consider language that would allow for a safe harbor exception for organizations such as the CFF.

Thank you for your consideration.

Sincerely,

Steve Scheiblauer
Harbormaster
City of Monterey, CA
October 24, 2011

Mr. Dan Wolford  
Chairman  
Pacific Fishery Management Council  
7700 NE Ambassador Place, Suite 101  
Portland, Oregon 97220-1384

Re: Lender Safe Harbors

Dear Chairman Wolford:

As you know, members of our local Fort Bragg, California groundfish fleet have worked very hard this year to adapt to the new IFQ program, going so far as to collaborate and work cooperatively with other small port communities to develop a risk pool for managing overfished species. As a result of this innovative management tool, we have demonstrated the ability to look beyond old customs and have transitioned into forward thinking fishermen.

As the first year of the program comes to a close, we are thinking ahead about how to keep our port viable and our fishermen profitable in the IFQ fishery and once again we seek innovative and progressive solutions. In order to sustain and grow their businesses and the local industry, some of our fishermen will likely purchase permits and/or QS, upgrade their vessels and modify their gear. These kinds of investments require financing, some of which may be secured through the use of QS as collateral – a somewhat unconventional source to conventional lenders, which is all the more reason to look beyond typical financial institutions.

We are aware that the Council is considering safe harbors for lenders at its November meeting, so we are writing in support of the California Fisheries Fund’s request for a safe harbor. While it makes sense to exempt banks and credit unions from the control rule, we believe the California Fisheries Fund will serve as a valuable alternative financing source to the fleet, proving most supportive to smaller operators and new entrants. Please consider language that would allow for a safe harbor exception for CFF.

Thank you for your consideration.

Sincerely,

Michelle Norvell  
Fort Bragg, CA