

STAFF REPORT

Consent Agenda Item

DATE: March 16, 2026

TO: Honorable Mayor and Council Members

FROM: Amy Nilsen, City Manager

SUBJECT: **Approve the Amended and Restated Joint Powers Agreement with the Redwood Region Economic Development Commission**

STAFF RECOMMENDATION:

Staff recommends that the City Council:

1. Approve the Amended and Restated Joint Powers Agreement (JPA) with the Redwood Region Economic Development Commission (RREDC); and
2. Authorize the City Manager to execute the JPA on behalf of the City of Fortuna.

BACKGROUND:

RREDC is a long-standing regional economic development agency formed in 1977 by Humboldt County and its incorporated cities, including the City of Fortuna, along with community services districts and other public agencies.

The original JPA has been amended nine times between 1978 and 1992 and no longer reflects today's economic landscape, governance needs, or regional partnerships.

In 2025, RREDC convened an Ad-Hoc Joint Powers Agreement Committee to evaluate the existing JPA and recommend updates. The committee reviewed the JPA on June 5, 2025, identifying sections that required modernization to reflect current economic development practices and regional realities.

On January 26, 2026, the RREDC Board discussed the draft amended and restated JPA and formally requested all member agencies, including the City of Fortuna, to place adoption of the new JPA on their governing board agendas prior to the March 23, 2026, RREDC Board meeting.

DISCUSSION:

The draft Amended and Restated JPA incorporates significant changes developed through the Ad-Hoc Committee process and legal review, including:

1. Modernizing Recitals and Purpose
 - Recitals have been updated to be more forward-looking and to emphasize multi-agency regional collaboration, sustainable and equitable economic development, and improved coordination.

- The revised purpose acknowledges RREDC’s expanded role beyond Humboldt County, enabling participation in regional initiatives such as cross-county economic development and tribal partnerships.

2. Clarifying Governance and Membership

Key amendments include:

- Allowing participation by public agencies located partly or wholly within Humboldt County or adjacent counties.
- Streamlining meeting requirements: Instead of monthly meetings, the Commission must now meet at least four times annually, with scheduling placed in the bylaws rather than the JPA.
- Updating attendance expectations and clarifying consequences of non-participation.

3. Updating Administrative and Financial Provisions

- The draft clarifies the annual budget adoption deadline (before June 30), replacing an outdated requirement for a March preliminary budget and May adoption.
- The Agreement reorganizes definitions, adds clarity to powers and limitations, and updates financial and audit requirements in compliance with state law.

4. Legal Consistency and Structural Clean-Up

- The revised JPA consolidates multiple amendments into a single coherent document.
- It includes updated guidance from RREDC legal counsel regarding definitions, membership, powers, and compliance with the Government Code.

As one of the founding members of RREDC and an active participant in regional economic development, the City of Fortuna’s adoption of the updated JPA is critical to ensuring:

- Continued representation on the RREDC Board of Directors;
- Eligibility for participation in loan programs, grant projects, and economic development initiatives;
- Alignment with updated regional economic development strategies.

The City’s approval is required for the new JPA to be fully enacted. RREDC has requested that all members complete their approval process prior to the March 23, 2026, Board meeting.

FINANCIAL IMPACT:

There is no immediate fiscal impact associated with approving the amended and restated JPA. The City’s ongoing participation includes staff time and council representation on the RREDC Board, which is already part of routine operations.

RECOMMENDED COUNCIL ACTION:

Approve the Amended and Restated Joint Powers Agreement (JPA) with the Redwood Region Economic Development Commission (RREDC); and authorize the City Manager to execute the JPA on behalf of the City of Fortuna. Consent agenda vote.

ALTERNATIVES TO STAFF RECOMMENDATIONS:

1. Approve the JPA (Staff Recommendation)

- Ensures continued membership and voting authority within RREDC.
- 2. Request Modifications
May delay regional approval and require returning the item to Council.
- 3. Decline to Approve
Would jeopardize the City's membership status and participation in RREDC programs.

ATTACHMENTS:

- Attachment RREDC JPA