DANA POINT BOATERS ASSOCIATION | PO BOX 461, DANA POINT, CA 92629-0461
PHONE: 949-485-5656 | WEBSITE: https://danapointboaters.org

June 20, 2026

Orange County Board of Supervisors
400 W Civic Center Dr.
Santa Ana, CA 92701

Re: Slip Rate Pricing and the Proposed new 66-Year Leases for Dana Point Harbor

Dear Chair Chaffee and Supervisors,

We respectfully request your support for inclusion of the slip rate pricing policy, as proposed by Supervisor Foley at your June 23rd meeting, in the new 66-year lease with Dana Point Harbor Partners (DPHP).

As you know, Dana Point Harbor is Granted Tidelands, thus, it is subject to the Public Trust Doctrine. Orange County, as Trustee, has thirteen fiduciary duties as outlined in Public Resources Code 6009.1: https://codes.findlaw.com/ca/public-resources-code/prc-sect-6009-1/

Public Resources Code 6009.1 is very clear that a trustee of granted tidelands cannot delegate their fundamental fiduciary duties. Under the Public Trust Doctrine, trustees are legally prohibited from transferring the administration of the trust or delegating core decision-making responsibilities that they can reasonably be required to perform personally.

Section 11.9 of the Master Lease appears to violate the duty of Orange County to not delegate to others by giving the lessee, DPHP the authority to set slip rates. It reads in part: “Said prices will be “market rate” pricing as reasonably determined by Lessee; provided, however, that in all events such prices shall be consistent with the limitations on pricing as mandated by the Tidelands Grant”.

The Orange County Real Estate office that oversees the lease has interpreted Section 11.9 to mean that Dana Point Harbor Partners (Lessee) has unfettered discretion to determine the “Market Rate”. To the extent the rates are actually above market rates, the rates violate California Constitution Article 16, Section 6 “gifting provisions” which prohibits public agencies, including the County, from making a gift of public property funds to any individual, association, or corporation. Just as it is illegal to charge below true market rates to “gift” to boaters, in this case, the County is “gifting” to Dana Point Harbor Partners by allowing them to charge rates in excess of market rates to increase their own profits, at the expense of the Public.

The “Market Rate” studies used by Dana Point Harbor Partners to justify large slip rate increases do not include any analysis of what marinas compete with one another, which has allowed them to cherry-pick high-cost, non-competing marinas, while excluding lower-cost marinas that do compete and represent the vast majority of marinas in Southern California.

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Per the Agenda Staff Report from the June 23rd Agenda Item S94Z, the total revitalization will cost $705 Million with the marina and drystack portion totaling $209 Million which is 29.6% of the total cost. But 71.9% of the projected 66-year revenue of $2.2 Billion will come from the marina and drystack.

Conversely, the commercial core and hotel components will cost $496 Million, which is 70.4% of the total cost and only produce 28.1% of the revenue. So, it appears the burden to pay for most of the project falls on the backs of public boaters. One could safely argue that the boaters are subsidizing the commercial core and the hotels.

Before the master lease was signed, Dana Point boaters received a 2.8% County rate increase in July 2018. DPHP then raised slip rates by 26% to 95% in 2021, depending on slip size, followed by average increases of 7.9% in 2024, 9% in 2025, and another 9% in 2026. The Partners have also announced that slip rates will increase by 9% annually for the next several years. We estimate that these large increases have driven approximately 800 boaters out of the harbor, limiting coastal access to wealthier individuals.

Dana Point Marina is supposed to be a public marina not a private, for-profit entity. It is supposed to pay for itself, but it was never intended that the majority of the revenue to support the commercial core and hotels should come from slip fee revenue. Yet, certain public officials continue to repeat the false mantra that “the boaters are being subsidized”. One reality is that the boating population in the marina is rapidly evolving into an enclave for the County’s wealthier residents, as long-term slip renters either sell their boats or flee for much less expensive slips in Long Beach or San Diego. Another reality is that public officials have started to view the slip fees as an indirect profit center to subsidize other operating costs not related to the Harbor.

We respectfully request that slip rate pricing protection be explicitly included if you vote to approve a 66-year lease, which ultimately will be a 74-year lease, because of the 8 years which have expired on the existing lease.

Sincerely,

Anne Eubanks
President