

Report
on the
Dana Point Harbor Oversight Advisory Committee Meeting

May 21, 2024

by

Dennis Parks, Secretary

The committee meeting this past Tuesday was originally scheduled for May 1st but was postponed due to the unavailability of several presenters and committee members. With all the key parties present, the meeting started with Christian Gagne, the Dana Point Harbor Oversight Manager for the County of Orange, providing the committee with a consolidated list of questions submitted by the public to Supervisor Foley's home page regarding the announced slip rate increase by the Dana Point Harbor Partners. Rather than consume time with a discussion of the individual questions at this meeting, Mr. Gagne advised that his office would formulate answers to the questions asked and provide them to the committee at the next meeting and also have them posted on the Supervisor's home page under the Dana Point Harbor tab for the public to view.

Next on the agenda was an overview of the Dana Point Harbor Partners rationalization of their slip rate increase presented by Kelly Rinderknecht, Dana Point Marina General Manager and Brian Ward (representing the DPHP). The power point presentation covered the rate increase specifics, several graphs representing the residence location of current slip tenants and those on the marina wait list. In addition, the presentation showed the marinas used in determining the "market" used by the DPHP to calculate their rate increase. All of the marinas cited in the presentation are in Orange County consisting primarily of those in Newport Harbor.

Robert Lanagan, DPHOAC Chair, then made a presentation challenging the basis that the DPHP used to determine "market" citing that the DPHP are required by the terms of their lease with the county to determine slip rates subject to the following: "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". Mr. Langan then pointed out that on this basis the "market" should be determined by more than the Orange County marinas but all marinas in the Southern California Tideland Grant geography which includes marinas from Ventura to San Diego.

Questions were then asked and answered by both parties with Mr. Ward stating that the DPHP are in compliance with the terms of their lease and as such are able to determine the "market" used to calculate/justify their slip rates and that the increases scheduled for June 1st are on the books. He explained that the slip rate increases are necessary to support the investment level required for the ongoing harbor revitalization. However, he then stated that their intention now and going forward is NOT to bring Dana Point Harbor slip rates up to the Newport Beach level but rather to achieve and maintain a competitive position somewhere below the Newport Beach facilities.

Because of the disagreement regarding the definition of the "market", Supervisor Foley committed to funding a study, that would incorporate additional variables other than just Orange County marinas, to be used for evaluating future slip rate increases as projected in the DPHP 5 Year Plan. The Orange County Real Estate Department was then tasked with determining what the marina "market" should consist of for the study as well as the other demographic data that should be included. A presentation of their findings would then be made to the committee at the next meeting before launching the study.

Several additional presentations were made before the meeting was adjourned. The Orange County Parks department reported on the status Sailing and Event Center space planning project and the DPHP on their plans for the Dana Point Harbor yacht clubs. The details of these reports can be read in the meeting minutes (dated 5/21/24) which will be posted on Supervisor Foley's homepage at <https://d5.ocgov.com/> under the new DANA POINT HARBOR REVITALIZATION drop down menu.