



## LISA A. BARTLETT

ORANGE COUNTY BOARD OF SUPERVISORS  
SUPERVISOR, FIFTH DISTRICT

ORANGE COUNTY HALL OF ADMINISTRATION  
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September 21, 2021

Anne Eubanks  
DPBA President  
Dana Point Boaters Association  
P.O. Box 461  
Dana Point, CA 92629-0461

Dear Ms. Eubanks,

Thank you for your recent letter of September 8 and the information you provided via email pertaining to the Dana Point harbor slip rate increase. Staff has reviewed the information and shared it with Dana Point Harbor Partners ("DPHP"). Attached is a copy of a letter received from DPHP, the County's master lessee, in response to various statements and assertions made by the Dana Point Boaters Association ("DPBA") in communications over the past several weeks.

The County is cognizant that you may not support the slip rate increases, but recognizes the increases are both consistent with the terms of the Tidelands Grant, and necessary to support the forthcoming revitalization of Dana Point Harbor, which will benefit all users of the harbor. Having spoken with County staff and DPHP, I believe they have addressed, on more than one occasion, the issues raised in your correspondence. While I understand you may not concur with their assessment, please know that County staff have worked closely with DPHP throughout this process and verified that the proposed rate increase is within the market rates, not only for Orange County, but also for Southern California. Additionally, staff and County Counsel has reviewed both the lease with DPHP as well as the Tidelands Grant and confirmed there is no conflict with any provision of those two documents, as outlined in the attached letter.

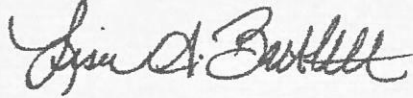
DPHP state that they anticipated this rate increase and it is necessary to finance the long-awaited revitalization of Dana Point Harbor.

With regard to future communications related to these rate increases, I respectfully request you contact DPHP and the Marina directly. While you have previously been in direct contact with the County, future communications should be addressed and sent to DPHP and Joe Ueberroth ([Jueberroth@bellwetherfinancialgroup.com](mailto:Jueberroth@bellwetherfinancialgroup.com)), with a copy to my office as well as James Campbell, CEO Real Estate ([james.campbell@ocgov.com](mailto:james.campbell@ocgov.com)).

Ms. Anne Eubanks  
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Again, thank you for taking the time to share your concerns with me.

Sincerely,



Lisa A. Bartlett  
Supervisor, Fifth District

Attachment (1) September 20 Letter from Bellwether Financial Group

cc:

Andrew Do, Chairman of the Board of Supervisors  
Doug Chaffee, Vice Chairman of the Board of Supervisors  
Katrina Foley, Supervisor, Second District  
Donald Wagner, Supervisor, Third District  
Frank Kim, County Executive Officer  
Thomas Miller, CEO Real Estate  
James Campbell, CEO Real Estate  
DPBA Board of Directors  
DPBA Advisors  
Joe Ueberroth, DPHP



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Lisa Bartlett  
Supervisor, 5th District  
County of Orange  
333 West Santa Ana Blvd.  
Santa Ana, CA 92701

September 20, 2021

Dear Supervisor Bartlett,

The Dana Point Harbor Partners ("DPHP") is in receipt of the letter from Dennis Winter of the Winters Law Firm to the County Council, County of Orange dated August 31, 2021, as well as a subsequent letter with similar allegations.

The following is the information we have regarding their allegations, which show that DPHP is not in violation of our Lease with the County, or the County's Tidelands Grant from the State of California ("Tidelands Grant"). Our Master Lease and the Tidelands Grant, not a prior policy adopted in 2001 by the Board, are the controlling documents for DPHP's operation of Dana Point Harbor. We have worked closely with County staff on this matter, and they have verified our compliance throughout this process.

- We presented our methodology to the County as required by the Lease (which requires that the slip fees be market rate). Our process and market surveys were extensive, and after conducting meetings and providing the supporting data to County staff, we received their full support.
- As set forth below, we surveyed not only the Orange County but the Southern California markets.
- The new rates are at the low end of our market as we presented to you and the County staff. As discussed, the market for Dana Point Harbor is within the Orange County Coastal marinas.
- Approximately 90% of our tenants come from Orange County and the majority of the rest comes from Riverside County, which does not have coastal marinas.
- For informational purposes, we provided the County with a rate comparison that included marinas from San Diego through Los Angeles (the Southern California market to which opponents of the slip increase have referred). The comparison showed that the new rates fall squarely within this market as well. Based on this, there is no basis for the claim that the slip fees are non-market or unreasonable or violate the Lease in any way.
- The assertion that the rates are in the violation of the Tidelands Grant has been thoroughly vetted by my staff and by County staff. The claim is baseless.
  - The purpose of the Tidelands Grant is to facilitate commerce and ensure that revenues are reinvested in the Harbor.
  - No government agency has supported this assertion. The complaints have also been made to the California Coastal Commission and State Lands Commission who have not supported the complaints nor engaged in the issue.
  - There is no provision in the Tidelands Grant that restricts the ability to charge market rates and in fact, it could be a violation of the Tidelands Grant if public funds are used to subsidize rent for boat slips as this may discriminate amongst certain boaters.



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- The claim that DPHP has refused to even discuss the increase with the Boaters Association or any boaters is false:
  - We met for over two hours with the Boaters Association board prior to the announcement of the rate increase. Every board member was present except for Victoria Winters, the spouse of Dennis Winters referred to above.
  - Not a single time since the announcement of the rate increase has any member of the Boater Association reached out to DPHP requesting a meeting or called to discuss the rates or anything else for that matter.
  - My team has talked to most of our 2,400 boat tenants regarding the rate announcement as well as hundreds of individuals on the waitlist. The response from most of our tenants has been supportive, as our boating community cannot wait for the new marina and understands that rate increases are necessary as we revitalize the harbor. We all know that the marina is decades past its useful life.

From an operational perspective, the rate increase has not caused any noticeable turnover. Our tenant cancelations over the last 3 months are less than the turnover we experienced over the same period last year. In addition, our waitlists have grown since we communicated the rate increases. It is hard to imagine that the marina would continue to be 100% full with growing waitlists if the rates were unreasonable and/or non-market. Some of our waitlists have Orange County residents who have been waiting over 20 years.

Lastly, we can not stop anyone from filing a lawsuit no matter how frivolous it might be, but to date, DPHP has not been served a lawsuit from the boaters or even contacted by a lawyer, as referenced in Winters letter. We remain ready and able to work with the County and interested parties to improve the harbor experience and feel that our continued partnership will ensure a successful revitalization of the harbor or County residents to enjoy for decades.

It you or the County staff require any more information or perspective from me or my team, please do not hesitate to reach out.

Sincerely,

Joe Ueberroth  
Founder & President  
Bellwether Financial Group