



# DANA POINT HARBOR ADVISORY BOARD

The Voice of Our Community

DANA POINT HARBOR ADVISORY BOARD | 14 MONARCH BAY PLAZA #244, DANA POINT, CA 92629

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October 5, 2018

Mat Miller  
Chief Real Estate Officer  
County of Orange  
333 West Santa Ana Blvd.  
Santa Ana, CA 92701

Mr. Miller,

On behalf of the Dana Point Harbor Advisory Board, let me express our appreciation to you and your team for facilitating our public review of the materials submitted by Dana Point Harbor Partners during this pre-lease option period. We have reviewed and will continue to analyze the materials provided to us so far, and we await additional documents owed during the option period. To provide your team and Dana Point Harbor Partners with sufficient time to review and respond to our comments on the option period materials, we will submit our feedback in phases as our team develops it. Following is our first set of comments, questions and requests in response to the materials received so far. We expect to provide you with additional commentary as we continue our review of the materials.

## **Boat Slip and Dry Storage License Agreements**

1. The boat slip and dry storage license agreements do not describe how possessory interest tax (PIT) will be paid and by whom. Will DPHP pay PIT as the master lease holder? Will PIT be passed through to the tenants as a line item on their slip/storage invoices? Or will marina tenants be responsible for paying PIT directly to the County as they do now?
2. Will partnerships be allowed to initiate *new* slip and dry storage license agreements? DPHAB recommends that up to three equal partners be allowed to *initiate* an agreement, however additional partners cannot be added once the agreement is executed; partners may be removed. If partnerships are not allowed, how will inheritance be handled when a vessel is demonstrably co-owned at the initiation of the agreement, but the single licensee of record passes?
3. How will after-hours access be provided to owners of vessels in dry storage? A management plan should be available that describes how owners can arrange access to their vessels after-hours.
4. Parking availability and vessel-to-parking ratios are not described in the license agreements. Is this forthcoming in the parking management plan? A parking management plan should describe parking to vessel ratios, boater parking access control and parking locations relative to assigned boat slips.

5. Dry boat storage and smaller vessel wet slip liability insurance requirements are increased substantially over current minimum requirements and exceed industry trends. Why? Will existing tenants be required to increase their coverage? DPHAB recommends keeping current minimum insurance requirements.
6. License agreements state “vessel owner must maintain a minimum of 20% interest in vessel and an interest in vessel equal to or greater than that of all other parties”. How will this be verified at initiation of agreement and routinely thereafter? A reliable means of validating vessel ownership must be implemented.
7. Attachment B, #7 – What is an “appropriate size” vessel? What is the minimum length allowed in a given slip size? Will it be a defined percentage of total slip length?
8. Attachment B, #7 – States that a vessel’s beam may not be greater than 90% of the total slip width. How is this measured? Total vessel beam, or beam at the waterline? What about existing tenants with allowances for beams wider than 90% of slip? How will they be accommodated in the new marina? Exceptions should be made for existing tenants up to 95% of the slip width unless doing so creates a specific hazard.
9. Attachment B, #7 – States that a vessel’s permissible overhang may extend to 10% of the total slip length. How will existing tenants in slips less than 30’ and with overhangs up to the presently-permitted three feet be accommodated in the new marinas? Will they be allowed to continue with a 3-foot overhang, or will they be reassigned to a larger slip?
10. Attachment B, #15 – States drying clothes is not permitted. What about towels or bathing/wet suits after swimming? Allowances should be made for non-laundering drying of swim gear.
11. Dry storage agreement states that signs are not permitted in the dry storage facility. May a boat owner display a “for sale” sign on their vessel? DPHAB believes an exception should be allowed for reasonably-sized “for sale” signs to be displayed on vessels.

### **Waitlist Policy**

1. Waitlist policy states that applicants may not appear on more than one waitlist. Clarification requested. DPHAB believes one individual should be allowed on more than one *size category* waitlist. An applicant may be waiting to acquire a boat based on which slip size becomes available first. This is especially important as long as waitlist durations are measured in years.
2. Waitlist policy states that a new applicant must sign the log book within 5 days. DPHAB recommends 30 days.
3. Will there be a slip transfer request and waitlist policy? How will relocation requests be processed in a fair and balanced manner? DPHAB requests a transfer policy similar to the waitlist policy.
4. DPHAB requests information on how the waitlist and slip licensees of record will be audited to ensure the integrity of the waitlist and slip assignments and to avoid prohibited slip transfers. DPHAB requests a publicly-available list with applicant name, application date, and slip size(s) requested, as well as a list of slip licensees of record, slip assignment date, and vessel name and description.

### **Transition Policy**

1. Transition policy provides that a vessel may be assigned to a new slip prior to activation of utilities. DPHAB requests a reasonable time limit for utilities activation after a vessel is assigned to a slip in the event activation of utilities is delayed. Some vessels do not tolerate extended periods without supplied power.

## **Marina Conceptual Plan**

1. Clarification requested on designation of “sail boat slips”. Will sailing vessels be permitted to occupy slips not specifically designated as “sail boat slips.” DPHAB assumes this designation is utilized to provide for a subset of narrower slips, but does not restrict sailing vessels to these designated slips. Is that correct?
2. The marina conceptual plan does not show the existing dry boat and equipment storage area associated with tenants of the Sailing and Events Center, specifically where the outrigger canoes and Sea Scouts equipment is located. Where is this in the new plan? DPHAB believes a storage area of similar size and location be described in the plans, and further that the existing lease premise exclusions for the SEC include this storage area so that the occupancy arrangement remains directly with the County (OC Parks).

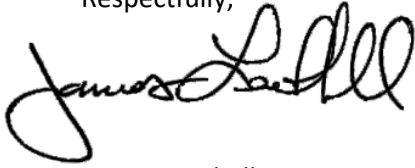
## **Retail Lease Template**

1. DPHAB requests the plan for how rents will be formulated during construction.

## **Other**

1. DPHAB requests a detailed slip rate policy that describes how slip rates will be formulated and communicated to tenants, when and how rates increases are implemented, how increases are communicated to tenants.

Respectfully,



James Lenthall  
Chair, Dana Point Harbor Advisory Board

## **Distribution:**

Mat Miller – Chief Real Estate Officer, County of Orange

Stacy Blackwood – Director, OC Parks

James Dinwiddie – Senior Policy Advisory, 5<sup>th</sup> District Supervisor Lisa Bartlett