

OFFICIAL RECORD SUBMISSION: REQUEST FOR DUE DILIGENCE TO: Orange County Board of Supervisors **FROM:** Lisa Hazelton **DATE:** June 23, 2026 **RE:** Required Due Diligence Regarding Agenda Item S94Z (Dana Point Harbor Master Ground Leases)

SUMMARY OF CONCERNS: The Board of Supervisors is currently considering the approval of 66-year Master Ground Lease agreements for the Dana Point Harbor Revitalization Project. This item (S94Z) was added to the agenda at the last possible moment, with stakeholders and the public denied meaningful opportunity to review the final contract terms. Furthermore, this multi-billion-dollar privatization of public tidelands was entirely absent from the agenda of the Dana Point Harbor Oversight Advisory Committee (DPHOAC) during their most recent public meetings in 2026.

THE FAILURE OF OVERSIGHT: The County's own stated commitment to transparency relies on the DPHOAC serving as the "central hub" for community engagement and oversight. However, the committee's February 4, 2026 minutes confirm that no substantive briefing or review of the final S94Z lease package was provided to the committee members. By bypassing the committee, the Board has effectively rendered its own oversight mechanism a facade, prioritizing "fluff" and operational minutiae while finalizing a 66-year binding legal commitment behind closed doors.

THE REQUEST:

1. **Explain the Procedural Bypass:** Provide a formal justification for why the S94Z lease package was not presented to the Dana Point Harbor Oversight Advisory Committee for review and recommendation prior to being placed on the Board's agenda.
2. **Independent Audit of Terms:** Halt the approval of these 66-year leases until an independent, third-party audit is conducted to ensure the "market rate" slip pricing methodology in Section 11.9 (and related sections) is not self-dealing and remains in strict compliance with the Tidelands Grant and the Public Trust Doctrine.
3. **Public Disclosure of Negotiations:** Provide a detailed accounting of all negotiations regarding the "Memorandum of Understanding" (Attachment E) for the OC Sailing & Events Center, specifying the intended criteria for these future negotiations and how the public's interest in this facility will be protected.

RESPONSE REQUIRED: Pursuant to the Board's fiduciary duty to the taxpayers of Orange County, I respectfully request a formal written response to this submission. I request that the Board acknowledge receipt of this submission and provide a substantive response regarding the specific actions the Board intends to take on each of the three requests listed above.

Please direct all correspondence to: Lisa Hazelton Email- lhazelton@pm.me

"The Board has a fiduciary and moral duty to perform basic due diligence before finalizing a 66-year privatization of a public asset. Proceeding without the review of the Oversight Committee and without adequate public notice is a fundamental failure of governance."