

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF BOARD GOVERNED COUNTY SERVICE AREAS
AND RECORD OF ACTION**

April 21, 2026

FROM

NOEL CASTILLO, Director of Public Works – Special Districts

TERRY W. THOMPSON, Director, Real Estate Services Department

SUBJECT

Amendment to Revenue License Agreement with Rotary Club of Lake Arrowhead for Use of a Storage Shed in Lake Arrowhead

RECOMMENDATION(S)

Acting as the governing body of County Service Area 70 D-1:

1. Find that approval of Amendment No. 1 to revenue license Agreement No. 20-57 with the Rotary Club of Lake Arrowhead, for use of 1,312 square feet of storage space, is an exempt project under the California Environmental Quality Act Guidelines, Section 15301 – Existing Facilities (Class 1).
2. Find that approval of Amendment No. 1 to revenue license Agreement No. 20-57 with the Rotary Club of Lake Arrowhead, for use of 1,312 square feet of storage space serves a public purpose by meeting the social, health, and public service needs of the County pursuant to California Government Code section 26227.
3. Approve **Amendment No. 1 to revenue license Agreement No. 20-57** with the Rotary Club of Lake Arrowhead to:
 - a. Continue the non-exclusive use of approximately 1,312 square feet of storage space, located northeast of State Highway 173 and Torrey Road (Assessor's Parcel Number 0330-011-36-0000) in Lake Arrowhead.
 - b. Extend the term for three years, from May 1, 2026 through April 30, 2029.
 - c. Approve total additional revenue in the amount of \$3,545, which includes \$1,313 for the permitted holdover period of January 28, 2025 through April 30, 2026, and \$2,232 for the extended three-year term.
 - d. Increase the total revenue license agreement amount by \$3,545, from \$3,000 to \$6,545.
4. Direct the Real Estate Services Department to file the Notice of Exemption in accordance with the California Environmental Quality Act.

(Presenter: Terry W. Thompson, Director, 387-5000)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Promote and Fulfill the Countywide Vision.

Operate in a Fiscally-Responsible and Business-Like Manner.

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). The total revenue to be received by County Service Area 70 D-1 (CSA 70 D-1) under Amendment No. 1 (Amendment) to License Agreement No. 20-57 (License) for the three-year extension is \$3,545, which includes \$1,313 in holdover fees and \$2,232 in extended term fees. Expenses associated with the Notice of Exemption, administrative costs, and California

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Environmental Quality Act (CEQA) fees will be funded by CSA 70 D-1 (1301351408). Adequate appropriation and revenue have been included in the CSA 70 D-1 2025-26 budget and will be included in future recommended budgets.

Year	Annual Fee
*January 28, 2025 – April 30, 2026	\$1,313
May 1, 2026 – April 30, 2027	\$720
May 1, 2027 – April 30, 2028	\$744
May 1, 2028 – April 30, 2029	\$768
Total Fee	\$3,545

*Permitted Holdover period

BACKGROUND INFORMATION

The recommended action will amend the existing License to extend the term with Rotary Club of Lake Arrowhead (RCLA), formerly Arrowhead Rotary Club, from May 1, 2026 through April 30, 2029, for the use of approximately 1,312 square feet of storage space within CSA 70 D-1, located northeast of State Highway 173 and Torrey Road (Assessor’s Parcel Number 0330-011-36-0000) in Lake Arrowhead (Property), for storage of equipment. The License extension provides for the use of storage space of equipment used in public service activities, provides on-going revenue for the CSA 70 D-1 and supports the social, health, and public service needs of county residents by supporting the Rotary’s efforts of servicing the needs of County residents.

On January 28, 2020 (Item No. 56), the Board of Supervisors (Board) approved the five-year License with Arrowhead Rotary Club, in the amount of \$3,000. The original term of the License was for a period from January 28, 2020 through January 27, 2025.

This Amendment will update the name of the Licensee to Rotary Club of Lake Arrowhead and will extend the License for non-exclusive access to the Property. The Amendment extends the term for the period of May 1, 2026 through April 30, 2029, following a permitted month-to-month holdover period from January 28, 2025 through April 30, 2026. The permitted month-to-month occupancy was due to continued negotiations and discussion regarding CSA 70 D-1’s long-term operational plans. All other terms and conditions of the License remain the same.

The project to approve the Amendment was reviewed pursuant to CEQA and determined to be categorically exempt under Section 15301 – Class 1 Existing Facilities because the proposed Amendment is to continue use of an existing storage facility with no expansion of use beyond that previously authorized. Accordingly, no further action is required under CEQA.

Summary of License Terms

Licensee: Rotary Club of Lake Arrowhead

Location: Northeast of State Highway 173 and Torrey Road (Assessor’s Parcel Number 0330-011-36-0000) in Lake Arrowhead

Size: Approximately 1,312 square feet

First Extended Term: Three-years

Options: None

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Rent: Monthly: \$60
Yearly: \$720
*Low-range for comparable facilities in the Lake Arrowhead area per the competitive set analysis on file with the Real Estate Services Department (RESD)

Late Fees: \$25 administrative fee per late payment, plus 1.5% simple interest per month on overdue amounts

Annual Increases: Approximately 3%

Improvement Costs: None

Custodial: None

Maintenance: None

Utilities: None

Insurance: The Certificate of Liability Insurance, as required by the License, is on file with RESD

Holdover: Upon expiration of the term, if permitted by Lessor, the License shall continue on a month-to-month term upon the same terms and conditions which existed at the time of expiration

Right to Terminate: 30 days written notice

Parking: None

PROCUREMENT

California Government Code section 26227 authorizes the County to grant the use of real property to private entities for programs that serve a public purpose by meeting the social, health, and public service needs of the County and the general public.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (John Tubbs II and Aaron Gest, Deputies County Counsel, 387-5455) on March 9, 2026; Special Districts (Henry Mac, Division Manager, 389-8822) on March 12, 2026; Purchasing (Ariel Gill, Supervising Buyer, 387-2070) on March 6, 2026; and County Finance and Administration (Mathew Dalton, 387-5005, and Eduardo Mora, 387-4376, Administrative Analysts) on April 3, 2026.

(CM: 840-266-0977)

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Record of Action of the Board of Supervisors
Board Governed County Service Areas

APPROVED (CONSENT CALENDAR)

Moved: Joe Baca, Jr. Seconded: Curt Hagman
Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: April 21, 2026



cc: RESD - Thompson w/agree
Contractor - RESD w/agree
File - w/agree

CCM 04/24/2026