



## REPORT TO CITY COUNCIL

**To:** Honorable Mayor and Members of the City Council

**From:** Jason Simpson, City Manager

**Prepared by:** Gina Gonzalez, Director of Economic Development and Leg. Affairs

**Date:** January 27, 2026

**Subject:** **Right of Entry Agreement and License between the City of Lake Elsinore and the Lake Elsinore Yacht Club**

### **Recommendation**

Approve and authorize the City Manager to execute a Right of Entry Agreement and License with the Lake Elsinore Yacht Club for the use of City property to operate the Lake Elsinore Yacht Club, in such final form as approved by the City Attorney. [Click or tap here to enter text.](#)

### **Background**

The City of Lake Elsinore is committed to encouraging and promoting public recreational activities at Lake Elsinore and enhancing the public's access to lakefront experiences, while also enhancing water-based programming in Lake Elsinore as noted in the city's Dream Extreme 2040 Plan and the Lake Elsinore Action Sports Industry Plan (2026). The Lake Elsinore Yacht Club (the "Yacht Club") operates a program that would provide recreational, educational, and social activities to both its members and the community at large.

To support increased public programming and activation of the lakefront and the lake, the City and the Yacht Club have negotiated a Right of Entry Agreement and License ("Agreement") that achieve the city's goals, by allowing the Yacht Club to operate from a designated area of City-owned property extending to the waters of Lake Elsinore, as depicted in Exhibit A (the "City Parcel") at Elm Grove Beach. The city has determined that the uses proposed under the Agreement will not interfere with public access and will contribute to the general public's use and enjoyment of the lake, consistent with the City's recreational plans for Lake Elsinore.

## Discussion

The Agreement authorizes the Yacht Club to operate approved educational, recreational, and community-serving activities from City-owned lakefront property at Elm Grove Beach, extending to the waters of Lake Elsinore, while maintaining public access to the shoreline and ensuring compliance with City policies, safety requirements, and operational oversight. The Agreement is structured as a license (not a lease) and provides a one-year initial term, with options for two (one-year) extensions, allowing the City to oversee performance and ensure continued alignment with public access and recreation objectives, contingent upon the Yacht Club being in compliance with all terms and not in default at the time of extension.

### Permitted Uses and Community Benefit

Under the Agreement, the Yacht Club may conduct programming and services that support the City's goal of expanding public recreational opportunities on the Lake and near the lakefront, while also adding vitality and additional activation near the city's Downtown Main Street.

Permitted uses include, but are not limited to:

- Social and community events and classes
- Recreational sailing opportunities for the general public, including instruction and water safety education
- Organizing competitive races and events in accordance with the city's special events procedures, etc.
- Rentals of both City-owned watercraft (kayaks and paddleboards) and Yacht club watercrafts, with instruction related to those rentals with a 25% revenue split of city owned watercraft rentals
- Temporary use items during operations such as signage, shade sails, tables, chairs, and flags (in compliance with City procedures)
- Sale of merchandise and limited sales of pre-packaged food and beverages (subject to applicable laws) for members when yacht club is operating only, in accordance with applicable laws

### Site Conditions, Public Access, and Operational Requirements

The Agreement contains detailed conditions related to site management, access, and maintenance, including:

- No permanent structures are permitted; only temporary shade structures and relocatable equipment are allowed
- The Yacht Club must keep the area free of trash and debris at all times and may not use the City's trash cans; Yacht Club operations must provide their own trash service
- The Yacht Club may store sailboats on-site (24/7) but may not allow other overnight storage loading/unloading
- Public cross-access along the shoreline must be maintained, and any cordoned-off areas must end five feet before the waterline

(Subject Matter 1- 4 words only). Do Not add date or page numbering)

- No obstructions may be placed in the waters of Lake Elsinore, and equipment must be relocated if threatened by rising water levels

#### Dock Use and Safety Measures

The Agreement provides for Yacht Club access to a dock located at 500 E. Lakeshore Drive, including exclusive access during Yacht Club events and use. The dock will include signage restricting fishing when reserved for Yacht Club use. The Yacht Club will not access the exclusive fishing dock near this location as well. (signage already posted).

The Agreement also includes safety and risk management provisions requiring the Yacht Club to:

- Secure City-owned watercraft and replace any stolen City-owned watercraft at market value
- Require users of City-owned watercraft to sign a liability release and waiver acceptable to the City
- Maintain required insurance coverage (including general liability, automobile liability, and workers' compensation, as applicable)
- Indemnify and defend the City for claims arising out of Yacht Club operations and use of the site

#### City Improvements and Support

As part of the Agreement, the City will undertake certain improvements intended to support safe and effective recreational use of the site, including:

- Installation of picnic tables, a fire pit
- Installation of a new dock and lockable gate (as applicable)
- Redirection of cameras to improve visibility of stored vessels and dock activity
- Relocation of City-owned kayaks and paddleboards to the dock area for use in the program from Launch Pointe (not being utilized) to the south end of the lake (Elm Grove Beach) for use and rentals

#### License Fee and Revenue Terms

The Agreement includes a \$5,000 annual license fee, with flexibility for the first-year payment to assist in the operation start-up. Additionally, since the City Council has made lake activation and action sports a priority in the Dream Extreme 2040 plan, there is an in-lieu option where the license fee can be utilized for the sponsorship of two lake activation sailing events on the lake aimed at providing more activity on the south end of the lake, in accordance with the city's special event procedures. The city retains the ability to approve or disapprove of both the flexibility of the payment option or the in-lieu options in the agreement at any time.

#### Enforcement and Oversight

(Subject Matter 1- 4 words only). Do Not add date or page numbering)

The Agreement provides the City with inspection rights and enforcement tools, including the ability to suspend operations if the City determines that requirements are not being followed or public safety is being endangered. Default provisions include termination rights and remedies for nonperformance, including automatic default for repeated issues.

### **Fiscal Impact**

Approval of the Agreement is expected to have minimal fiscal impact beyond staff time associated with administration and oversight, the cost of relocation of city equipment to the City's parcel for the Yacht Club operations, use of the community hall at Launch Pointe for membership meetings, and certain site-related improvements (ie. Picnic tables, cameras repositioned, dock, etc.).

The Agreement includes an annual license fee of \$5,000, with a potential in-lieu option of two community sailing events in place of payment, subject to City approval.

Beginning in License Year 2, the City would also receive a Percentage Fee equal to 25% of revenues from rentals of City-owned watercraft, providing potential additional revenue depending on program usage.

The Yacht Club is responsible for its operational costs, including trash services, insurance, and replacement of stolen City-owned watercraft at market value.

### **Attachments**

Attachment 1 – Agreement  
Exhibit A - Map