

# City of Hesperia

## STAFF REPORT



**DATE:** April 15, 2025

**TO:** Mayor and Council Members

**FROM:** Rachel Molina, City Manager

**BY:** Nathan R. Freman, Director of Development Services  
Eydee Jimenez, Economic Development Supervisor

**SUBJECT:** Leasing Program for Wireless Communication Facilities on City- and Water Fund-Owned Property

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### RECOMMENDED ACTION

It is recommended that the City Council and Board of Directors of Hesperia Water District approve the proposed Leasing Program for Wireless Communication Facilities on City- and Water District-owned property.

### BACKGROUND

To streamline and standardize the leasing process for wireless communication facilities on City and Water District-owned property, staff has developed the attached Leasing Program. This program includes a Standard Lease Agreement to ensure consistent and transparent guidelines for all future leases.

### ISSUES/ANALYSIS

The proposed Leasing Program outlines key lease parameters, including minimum and maximum rental rates, lease durations, and other essential terms. Leases that meet these parameters will not require City Council review or approval, expediting the process. The program will also provide clear guidance for the Development Services Director and Economic Development Supervisor during lease negotiations.

General lease terms include:

- **Lease Term and Renewals:** Initial lease terms will be a minimum of five (5) years, with up to two five-year renewal options.
- **Rental Rates and Increases:** Monthly rents will range from \$2,000 to \$3,500 based on location. All leases will include a fixed 5% annual escalator.
- **Maintenance:** Facility owners will be responsible for maintaining and securing all equipment, per industry standards.
- **Subleases:** All subleases must be reviewed and approved by the City. The City will retain 50% of revenue generated from subleases.

The Planning Division will oversee design reviews, permit processing, and compliance, while the Economic Development Division will handle lease negotiations and administration.

Currently, the Economic Development Division manages seven (7) wireless communication

facilities on City and Water Fund-owned properties. Six of these are located on Water District properties, generating revenue for the Water Fund; the remaining site contributes to the General Fund. These facilities support local telecommunications infrastructure, improve connectivity, and provide recurring revenue for the City and the Water Fund. The Economic Development Division monitors lease compliance, tracks industry trends, and negotiates terms to optimize both financial and operational outcomes.

A list of existing leases is included as an attachment.

### **CITY GOAL SUPPORTED BY THIS ITEM**

**Future Development** - Facilitate balanced growth to ensure cohesive community development and pursue economic development.

### **FISCAL IMPACT**

The Water Fund currently receives approximately \$220,897.92 annually from existing leases, while the General Fund receives about \$25,334.04. These funds support ongoing City and Water services and infrastructure investments.

### **ALTERNATIVE(S)**

Provide alternative direction to staff.

### **ATTACHMENT(S)**

1. Leasing Program
2. Standard Lease Agreement
3. Existing Leases List