



City of Clearlake
 Conditional Use Permit
 Planning Commission

STAFF REPORT	
SUBJECT: Conditional Use Permit, CUP 2026-05 Categorical Exemption, CE 2026-05	MEETING DATE: 06/23/2026 6:00 p.m.
SUBMITTED BY: Michael Taylor, Associate Planner	
REPORT PURPOSE: <input checked="" type="checkbox"/> Action Item <input type="checkbox"/> Discussion <input type="checkbox"/> Information Only	
LOCATION: 13885 Lakeshore Drive Clearlake, CA 95422	APPLICANT: Clear Lake #1 LLC
APN: 039-121-290-000	PROPERTY OWNER: Clear Lake #1 LLC
ZONING: Mixed-Use (MUX)	GENERAL PLAN: Mixed-Use

WHAT IS BEING ASKED OF PLANNING COMMISSION:

The Planning Commission is being asked to consider Conditional Use Permit, CUP 2026-05, and corresponding environmental filing Categorical Exemption, CE 2026-05, to allow the rental of small boats and personal watercraft located at 13885 Lakeshore Drive, Clearlake, CA 95422, further described as Assessor Parcel Number 039-121-290-000.

PROJECT SUMMARY:

The applicant, owner and operator of Clear Lake Cottages and Marina, is requesting approval of a Conditional Use Permit to allow the rental of watercraft to the public from the existing lodging and marina property. According to the application materials, the property has operated as a lodging facility since the current ownership acquired the site in November 2016. Watercraft rentals have been offered to lodging guests since 2017, and the applicant is seeking authorization to expand watercraft rentals to individuals who are not registered lodging guests.

The subject property consists of approximately 2.06 acres and contains an existing lodging and marina operation known as Clear Lake Cottages and Marina. The applicant states that the business currently operates daily from 8:00 a.m. to 6:00 p.m. with approximately five employees on a single shift. The site contains 27 existing parking spaces. No new buildings, additions, or site improvements are proposed as part of the request.

The proposed rental fleet consists of five motorized watercraft and two non-motorized watercrafts, including:

- Two Yamaha Waverunners.
- One Tracker Pro 170 Bass Boat.
- Two Sun Tracker BB18 Pontoon Boats.

- One single-person kayak.
- One two-person kayak.



The applicant proposes offering watercraft rentals to the public in two-hour, four-hour, and eight-hour rental periods. According to the applicant, rental scheduling would be managed to ensure all vessels return to the marina prior to sunset.

The applicant has submitted a proposed operational protocol for watercraft rentals. The protocol includes pre-rental safety inspections, verification of a valid California Boater Card for designated operators, a minimum operator age of 21 years, execution of liability waivers and rental agreements, provision of U.S. Coast Guard-approved personal flotation devices, and an operator orientation and competency review prior to departure.

The applicant states that the rental fleet is equipped with GPS tracking devices and that propeller guards are installed on applicable vessels. The operational procedures also include fuel spill prevention measures, bilge inspections, invasive species inspections, post-rental vessel inspections, refueling, cleaning, and mechanical review prior to subsequent rentals.

No expansion of the existing marina facilities, docking facilities, parking areas, or building floor area is proposed as part of this application. The request is limited to the expansion of the existing watercraft rental operation from lodging guests only to members of the public.

Parking

Section 18-8.70 of the Clearlake Municipal Code requires commercial lodging uses to provide one parking space per guest room plus two additional parking spaces for every ten guest rooms. The project also includes one on-site manager's residential unit requiring two parking spaces. Based on 18 guest rooms and one residential unit, the minimum parking requirement for the property is 24 parking spaces.

A site inspection conducted by staff verified that the property contains 25 standard parking spaces and 2 ADA-accessible parking spaces, for a total of 27 improved parking spaces. In addition, the site includes an overflow parking area capable of accommodating approximately seven additional vehicles and/or watercraft trailers. The existing parking supply therefore exceeds the minimum parking requirement.

The proposed Conditional Use Permit would allow the existing watercraft rental operation to serve members of the public in addition to registered lodging guests. No expansion of the lodging facilities, marina facilities, parking areas, docking facilities, or rental fleet is proposed. The rental fleet consists of two pontoon boats, one bass boat, two personal watercraft, and two kayaks.

The Clearlake Municipal Code does not establish a specific off-street parking requirement for watercraft rental operations. The proposed use is limited by the capacity of the existing rental fleet and utilizes existing site infrastructure. Because no increase in the number of watercrafts, lodging units, parking spaces, or other site facilities is proposed, the operational capacity of the site would remain substantially unchanged.

Based on the existing parking inventory, including the available overflow parking area for vehicles and watercraft trailers, staff find that adequate off-street parking exists to accommodate the proposed use. Accordingly, no additional parking spaces are required as part of this Conditional Use Permit.

AGENCY REVIEW:

A Request for Review (RFR) was distributed by email on May 18, 2026, to applicable city departments and county agencies, with comments requested by June 2, 2026. During the review period, the city did not receive adverse comments or concerns from the following departments and agencies:

- Clearlake Public Works Department
- Clearlake Building Department
- Lake County Water Resources
- Lake County Fire Protection District
- Lake County Assessor/Tax Collector
- Lake County Environmental Health Department
- Lake County Special Districts

ZONING CONSISTENCY:

The subject property is located within the Mixed-Use (MUX) zoning district.

The MUX District is intended to support a mix of residential and commercial uses that are compatible with one another and to accommodate a balance of housing, employment, service commercial, and visitor-serving uses.

The property has historically functioned as a lake-oriented lodging and marina facility. The proposed Conditional Use Permit would not expand the physical development of the site, including buildings, docks, parking, or the number of watercrafts. Instead, it would allow the existing watercraft rental operation to be made available to members of the public in addition to lodging guests.

The rental fleet consists of two pontoon boats, one bass boat, two personal watercraft (wave runners), and two kayaks. The scale and operational characteristics of the site would remain unchanged, with the only modification being the expansion of the customer base for an existing use.



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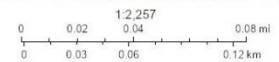
City Boundary

Parcels

Zoning New

MDR

MUX



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The Clearlake Municipal Code does not specifically identify boat or personal watercraft rental operations as a distinct land use within Table 5 of Section 18-18.030. Pursuant to Section 18-18.010(B), such unlisted uses are evaluated based on similarity to listed uses and operational characteristics. Based on this review, the proposed activity is most similar to “Other Outdoor

Commercial Amusement,” as it consists of a commercial, fee-based recreational activity conducted outdoors using existing facilities.

Because “Other Outdoor Commercial Amusement” requires a Conditional Use Permit in the MUX District, the proposed use is appropriately subject to discretionary review. The proposed project remains consistent with the intent of the MUX District as it continues to provide visitor-serving, recreational use without expanding the physical capacity or altering the established commercial character of the site.

ENVIRONMENTAL REVIEW (CEQA):

The California Environmental Quality Act (CEQA) requires agencies to evaluate the environmental impacts of land use actions. After a thorough review of the application, agency comments, existing operations, and the project’s location within an urbanized area, staff determined that the project qualifies for a Categorical Exemption pursuant to CEQA Guidelines Section 15301, Class 1, Existing Facilities. This exemption is appropriate as the project involves the leasing of an existing private structure involving negligible or no expansion of existing use.

LEGAL NOTICE & PUBLIC COMMENT

The public hearing was noticed at least ten (10) days in advance in an electronic publication of the Lake County Record Bee by June 13, 2026, and mailed (via USPS) to all surrounding property owners within 300 feet of the subject parcel as required pursuant to the Clearlake Municipal Code. All mailing addresses are drawn from the electronic database supplied by the Lake County Assessor Office.

MOTION/OPTIONS:

1. Move to Adopt Resolution PC 2026-07, A Resolution of the Planning Commission of the City of Clearlake Approving Conditional Use Permit, CUP 2026-05 and Categorical Exemption, CE 2026-05 located at 13885 Lakeshore Drive, Clearlake, CA 95422, further described as Assessor Parcel Numbers 039-121-290-000.
2. Move to deny Resolution PC 2026-07, and direct staff to prepare appropriate findings.
3. Move to continue the item and provide alternate directions to staff.

ATTACHMENTS:

- 1) Resolution PC 2026-07
- 2) Conditions of Approval (Exhibit A)
- 3) Submitted Application/Project Description
- 4) Agency Comments