



<b>STAFF REPORT</b>	
<b>SUBJECT:</b> Discussion and Consideration of Ordinance 286-2026 Amending Section 6-10.111 of the Clearlake Municipal Code Regarding Tobacco Retail Licensing Fee Collection	<b>MEETING DATE:</b> March 19, 2026
<b>SUBMITTED BY:</b> Alan D. Flora, City Manager	
<b>PURPOSE OF REPORT:</b> <input type="checkbox"/> Information only <input checked="" type="checkbox"/> Discussion <input checked="" type="checkbox"/> Action Item	

**WHAT IS BEING ASKED OF THE CITY COUNCIL/BOARD:**

The City Council is being asked to amend the municipal code related to fee collection of the Tobacco Retail License program.

**BACKGROUND/DISCUSSION:**

In 2024 the City Council, along with the City of Lakeport and the County of Lake, adopted regulations requiring tobacco retailers to go through a licensing program to ensure compliance with state law and to ensure retailers are protecting the health of our youth. The ordinance was designed to designate the County to administer and enforce the program and collect the necessary fees to do so, with no cost to the City. Additionally, the ordinance allowed the City to initiate administration of the program itself, if desired in the future.

Over the past year the County has been communicating with businesses about the program and focusing on education. Upon initiating an effort this year to begin a more formal rollout of the program it was discovered that Clearlake’s ordinance actually required the City collect the fees and adopt the fee structure. The amendment included here would still allow that, but pursuant to an Memorandum of Understanding (MOU) between the parties, the County could set and collect the fees.

**OPTIONS:**

1. Introduction of First Reading of Ordinance 286-2026 Amending Section 6-10.111 of the Clearlake Municipal Code Regarding Tobacco Retail Licensing
2. Provide Direction to Staff.

**FISCAL IMPACT:**

None     \$ Budgeted Item?     Yes     No

Budget Adjustment Needed?     Yes     No    If yes, amount of appropriation increase: \$

Affected fund(s):  General Fund  Measure P Fund  Measure V Fund  Other: Projects

Comments:

**STRATEGIC PLAN IMPACT:**

- Goal #1: Economic Development
- Goal #2: Public Facilities and Infrastructure
- Goal #3: Celebrate Clearlake
- Goal #4: Clean
- Goal #5: Fiscal Sustainability
- Goal #6: Safe

**SUGGESTED MOTIONS:**

I move to Hold the First Reading of Ordinance 286-2026 Amending Section 6-10.111 of the Clearlake Municipal Code Regarding Tobacco Retail Licensing and Authorize the City Manager to Execute an MOU with the County for Administration

.

**Attachments:**

1. Ordinance 286-2026
2. Section 6-10.111 Fee Collection - Redline