

SANTA BARBARA COUNTY PLANNING COMMISSION

Staff Report for Abandonment Policies & Ordinances

Hearing Date: July 7, 2004

Staff Report Date: June 23, 2004

**Case Nos.: 04GPA-00000-00006, 04GPA-00000-00007,
04ORD-00000-00008, 04ORD-00000-00009**

Environmental Document: Sec. 15308 categorical exemption

Supervisory District: Countywide

Staff: Doug Anthony

Phone #: 568-2046

APPLICANT: Santa Barbara County Planning Commission

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1.0 REQUEST

Hearing on request of Planning and Development, Energy Division, to consider the recommendation of amendments to the Comprehensive Plan and implementing zoning codes to the Board of Supervisors. The amendments provide formal processes to affect timely abandonment of onshore infrastructure related to development of offshore oil and gas fields, and oil refineries that receive oil from any source.

2.0 RECOMMENDATION AND PROCEDURES

Your Commission's motion should include the following:

A. Recommend the following to the Board of Supervisors:

1. Adopt revisions to the County's *Coastal Plan*, adding a new policy (6-30) and preamble to Chapter 3.6, INDUSTRIAL AND ENERGY DEVELOPMENT, as recommended in Attachment A of this staff report.

2. Adopt revisions to the County's *Land Use Element*, adding a new policy (13) to "Land Use Development Policies, as recommended in Attachment B of this staff report.

3. Adopt revisions to the Article II (*Coastal Zoning Ordinance*) of Chapter 35 of the Santa Barbara County Code, adding new permit procedures (Sec. 35-170) to Division 11 (*Permit Procedures*), revising permit requirements in Sec. 35-158 (Onshore Exploration and/or Production of Offshore Oil and Gas Reserves) of Division 9 (*Oil and Gas Facilities*) to be consistent with new Sec. 35-170, revising appeal procedures in Sec. 35-182, and adding new definitions to Division 2, as recommended in Attachment C of this report.

4. Adopt revisions to the Article III (*Inland Zoning Ordinance*) of Chapter 35 of the Santa Barbara County Code, adding new permit procedures to Division 11 (*Permit Procedures*), revising appeals procedures in Sec. 35-327, and adding new definitions to Division 2, as recommended in Attachment D of this report.

5. Adopt the CEQA finding contained in Section 6.5.1 of this report, determining the revisions to the *Environmental Thresholds and Guidelines Manual* to be categorically exempt from environmental evaluation pursuant to the Public Resource Code § 21084(a) and CEQA Guidelines § 15308; and adopt legislative findings, determining the proposed amendments to be consistent with applicable laws and regulations.

Today's proposed actions comprise Planning Commission recommendations to the Board of Supervisors. The Planning Commission's recommendations, along with the public record leading to those recommendations, will be transmitted to the Board of Supervisors and the Board will consider those recommendations in a duly noticed public hearing. In so doing, the Board will consider whether or not to concur with those recommendations, or a revised version thereof. The Planning Commission would reconsider any substantial revisions, as directed by the Board.

3.0 JURISDICTION

The Planning Commission conducts this hearing under the following authority:

A. In partial satisfaction of the California Coastal Act, including the following sections:

- § 30004(a) wherein the California legislature expresses its intent to rely heavily on local government and local land use planning procedures and enforcement to achieve maximum responsiveness to local conditions, accountability, and public accessibility in matters regarding coastal management; and
- § 30503, wherein the public and all affected governmental agencies shall be provided maximum opportunities to participate in the preparation, approval, certification, and amendment of any local coastal program.
- Articles 1 and 2 of Chapter 6, wherein each local government lying in whole or in part within the coastal zone shall prepare and maintain a local coastal program for purposes of managing its coastal resources in accordance with requirements of the California Coastal Act and, by reference, the U.S. Coastal Zone Management Act.

B. In accordance with authority and responsibilities expressed in § 35-180 of the Coastal Zoning Ordinance (Article II, Chapter 35, Santa Barbara County Code), wherein the Santa Barbara County Board of Supervisors requires the Planning Commission to hold at least one public hearing on any proposed amendment to the Local Coastal Program (§ 35-180.4.3.).

C. In accordance with authority and responsibilities expressed in California Planning and Zoning Laws (California Government Code §§ 65000 *et. seq.*, Chapter 3 (Local Planning), Articles 5 (Authority for and Scope of General Plans), Article 6 (Preparation, Adoption, and Amendment of the General Plan), and Article 7 (Administration of General Plan). In particular, §§ 65351 and 65353 require the local planning agency to provide opportunities for the involvement of citizens in consideration of general plan amendments and other policies for the preparation of land-use and environmental assessments, and requires the Planning Commission to hold at least one public hearing on proposed amendments to the general plan.

D. In accordance with authority and responsibilities expressed in § 35-325 of the Inland Zoning Ordinance (Article III, Chapter 35, Santa Barbara County Code), wherein the Santa Barbara County Board of Supervisors requires the Planning Commission to hold at least one noticed public hearing on proposals to amend the text of the foregoing zoning ordinance.

4.0 ISSUE SUMMARY

The amendments proposed herein codify permitting processes that enable the County to enforce the timely and proper closure of specific types of onshore oil/gas operations once they have discontinued use permanently. Affected operations include onshore infrastructure used to produce, process, store, or transport oil, gas, and byproducts from offshore reserves, and oil refineries, regardless of the source of oil. Specifically, the proposed amendments introduce the following two permitting processes:

1. A formal process to enforce due diligence with regard to removal of facilities and reclamation of host sites by determining if, based upon reasonable evidence, subject facilities have no reasonable expectation of being restarted or will not reach minimum throughput required under permits.

2. A dedicated permitting path to process the removal of facilities and reclaiming host sites following their abandonment. This permitting path contains provisions to hold permittees accountable for timely execution of demolition and reclamation.

Regarding item 1, regulations currently do not define or require due diligence with regard to abandonment of oil and gas operations downstream of production. Consequently, the County often finds itself dependent upon the good faith of each permittee to remove facilities and reclaim host sites following permanent cessation of operations. The results have been notably mixed, wherein some permittees diligently removed facilities and reclaimed host sites following abandonment, but others have not. In one case, the permittee completed removal and reclamation obligations (not including post-abandonment monitoring of re-vegetation) within three years of ceasing operations. In another case involving a very similar operation, the permittee did not commence facility dismantlement and site reclamation until 26 years following permanent cessation of use. Other experiences fall within this 3-to-26 year spectrum. In some cases, permittees have removed facilities in a timely manner but stalled for several years in reclaiming sites where relatively high levels of contamination was discovered. Clearer, enforceable regulation would help to narrow this spectrum in favor of more timely abandonment practices.

Regarding item 2 the County currently has no dedicated permitting path for removal of facilities and reclaiming host sites following abandonment of onshore operations that support offshore oil/gas extraction or oil refineries. Permitting to date has varied from case to case using existing development permit processes. In some cases, the removal of facilities and reclamation of the host site have been combined with the permitting of a new use at the host site. This latter practice has become problematic when the new development encounters permitting delays or outright denial that, in turn, further delays site reclamation (e.g., Dos Pueblos Golf Links). Staff is proposing a more precise, dedicated, and segregated permitting path, complete with findings and performance standards that are tailored to the removal of facilities and reclamation of host sites. Our objectives are to streamline the process, establish consistent permit procedures, give clearer direction to all stakeholders, and establish accountability for timely execution of site reclamation.



















5.0 PROJECT INFORMATION

5.1 HISTORIC CONTEXT & PHYSICAL SETTING

The County has hosted oil and gas development since the 1880s. Throughout the twentieth century, hydrocarbon fields in and offshore the County have contributed substantial volumes of oil and gas to help fulfill demand for energy in California, Arizona, Nevada, Oregon, and abroad. Onshore and near-shore oil production peaked in 1952 at over 38.6 million barrels, but has since declined sharply. The subsequent influx of offshore oil landed in the County resulted in another notably higher production peak in 1995, at just over 68.8 million barrels. Several pipelines and other support facilities were developed onshore to transport, process, and store these volumes of oil, gas, natural gas liquids, and sulfur. Some of this infrastructure was located at considerably distant inland sites (e.g., the Lompoc Oil and Gas Plant behind Vandenberg Village), while other infrastructure was developed in rural and scenic coastal areas (e.g., Gaviota).

The incidence of idled and abandoned infrastructure increased during the 1990s, as older offshore fields were depleted of economically recoverable reserves (see section 6.1). Currently within the unincorporated areas of the County, five downstream facilities, along with several inter-facility pipelines, support offshore oil and gas development (Table 1).

Table -1: Projected Future Decommissioning of Onshore Facilities Downstream of Offshore Oil and Gas Fields¹

Downstream Facility	Projected Termination of Operations*			
	2001-2005	2006-2010	2011-2015	Beyond
Ellwood Marine Terminal				
Las Flores Canyon Processing Facilities				
Gaviota Pipeline Terminal (north of 101)				
Gaviota Oil Terminal (south of U.S. 101)				
Lompoc Processing Facility				
 = operations active		 = operations terminated		

- These projections are rough approximations, subject to variation.

Seven other facilities have ceased operations, most of which are either actively removing facilities or reclaiming sites, reflecting a reduction in offshore production. These facilities include Unocal’s Battles Gas Plant, Cojo Bay Marine Terminal, and Government Point production and processing facility, ARCO’s Alegria processing facility and Dos Pueblos production/processing site, Harvest’s Molino gas exploratory project, and ChevronTexaco’s Hollister Ranch inter-facility pipelines.

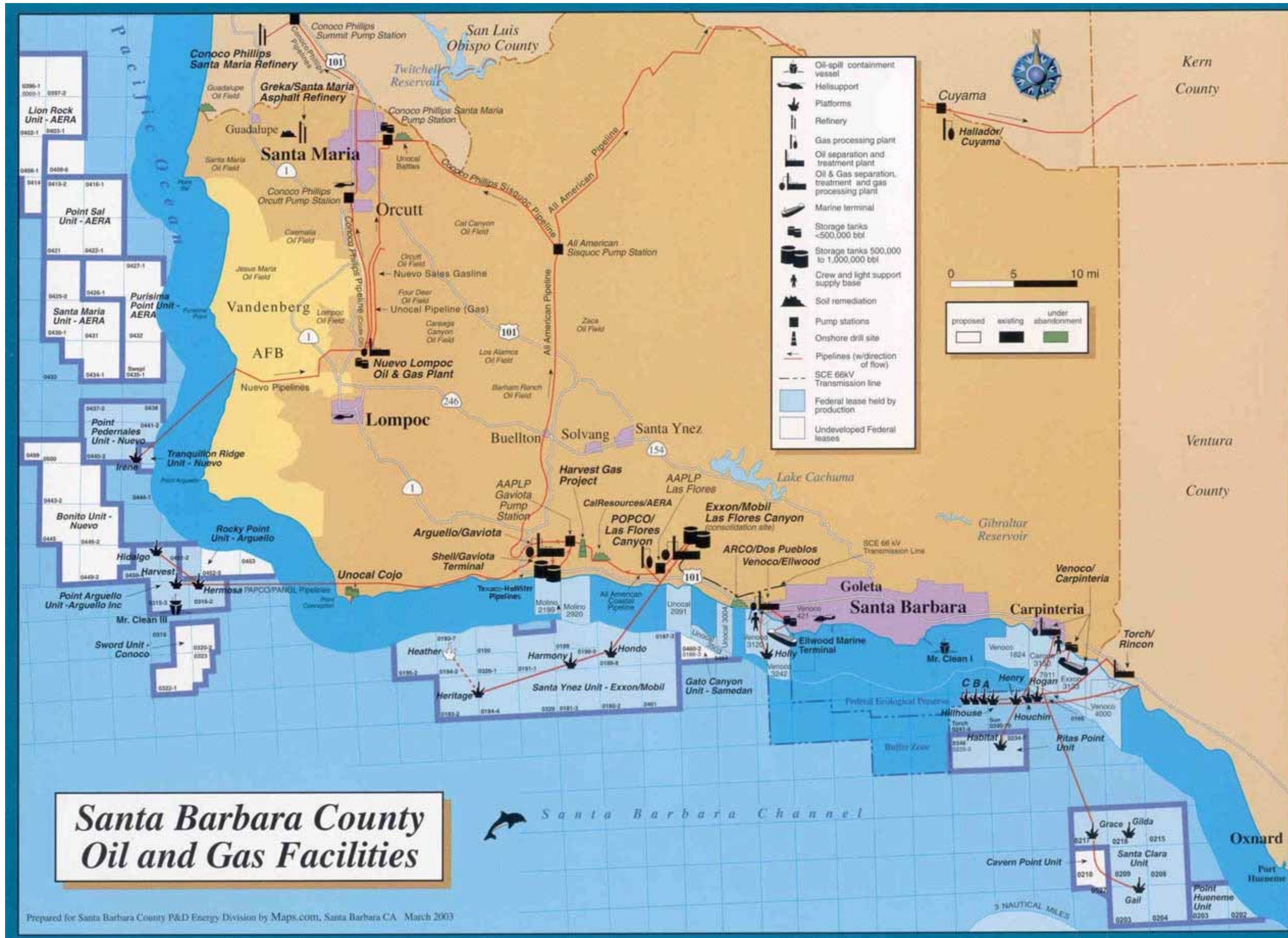
Additionally, the County currently hosts one oil refinery – the Santa Maria Asphalt Refinery west of Santa Maria – which manufactures asphalt and a few other petroleum products from heavy crude oil. It can receive crude oil from onshore fields both in and outside the County.

Future projections for either new onshore refineries or onshore infrastructure to support offshore oil/gas development depend upon the uncertain fate of 36 undeveloped leases in federal waters offshore Santa Barbara County and 3 undeveloped leases in State Tidelands (see Map 1).² Based

¹ Minerals Management Service, *California Offshore Oil and Gas Energy Resources*; and other more recent information obtained from operators.

² The 36 undeveloped Federal leases have been subject to extensive litigation and, as a result, their future remains uncertain. Among other things, negotiations between the Federal government and the lessees to relinquish the leases in return for an agreed compensation have ebbed and flowed over recent years.

Map 1



on present information, sixteen of these leases are situated close enough to existing onshore infrastructure so as not to require new infrastructure. The remaining 20 leases, situated offshore the northern portion of the County, would require extensive new onshore infrastructure if developed, including pipelines, oil and gas processing facilities, oil storage tanks, train/truck loading facilities, and likely an asphalt refinery. The undeveloped State Tideland leases offshore Naples could be developed from either a new offshore platform or a new onshore drill-site. The bottom line is that our region remains a hotbed of interest for oil and gas development offshore California. A systematic process for addressing abandonment and reclamation is very much needed whether that development potential is realized or not. The core issue is how best to do so.

5.2 REGULATORY SETTING

In land-use terminology, the term “abandonment” generally refers to the cessation of a land use with no intent to restart that use.³ Regulatory authority to require timely abandonment of facilities in state or federal waters that support development of offshore oil and gas reserves falls to the California State Lands Commission and the U.S. Minerals Management Service, respectively. However, regulatory authorities to require timely abandonment of onshore processing, storage, and shipping facilities that support offshore oil and gas development falls primarily under local jurisdiction, as does abandonment of oil refineries.⁴

Timely Abandonment of Idle or Under-Utilized Oil/Gas Operations

With two exceptions, neither the County Comprehensive Plan policies nor County codes contain specific regulatory guidance regarding the diligent abandonment of land use that has been idle for long periods of time. The first exception stipulates that discontinuance of any legal non-conforming use over a period of 12 months constitutes *prima facie* evidence of abandonment. However, this provision does not provide further guidance in determining if the land user still retains a reasonable expectation of re-continuing the land use.

The second exception stipulates a process by which the County would review the status of processing facilities located along the County’s Gaviota coast if the average throughput over any 12 consecutive months decreases to 3% or less of the facility’s maximum permitted capacity.⁵ Currently applicable operating facilities are located in Las Flores Canyon facilities.

Some, but not all, permits for oil/gas operations contain one or two conditions that encourage timely abandonment, followed by removal of facilities and reclamation of sites. Although useful,

³ This term is used in the understanding that land uses (e.g., mining, oil and gas operations, steel mills) require specialty structures that typically are not transferable into different land uses once the economic life of the original operation has ceased. Abandonment does not mean or imply that a permittee has deserted the land use and, therefore, defaulted on potential obligations to reclaim the site.

⁴ State agencies may exercise jurisdictional authority when onshore sites are contaminated, as described in Chapter 7. The Federal Energy Regulatory Commission (FERC) exercises limited authority over abandonment of common carriers under its jurisdiction to ensure that no undue public harm results from premature abandonment of such carriers. The California Department of Conservation regulates plugging and abandonment of oil/gas wells statewide.

⁵ This reference appears in Coastal Land Use Policy 6-6F of the Coastal Plan, South Coast Policy 5 of the Land Use Element, and sections 35-154.6 and 35-296.6 of Chapter 35 (Articles II and III, respectively, of the zoning code).

these conditions are not present in all permits, and where present, they are not fully consistent from one permit to another.

**Typical Permit Conditions for New or Expanded Proposed
Downstream Operations Approved After 1985**

1. When oil or gas processing throughput is reduced to three (3) percent or less of permitted capacity, the County of Santa Barbara shall review the facility permits and conduct a public hearing to determine if abandonment or other actions are appropriate.
2. Immediately following permanent shut down of the facility, [operator] shall remove any and all abandoned processing facilities and unburied portions of the offsite pipelines ... constructed under this permit, recontour and revegetate the site in accordance with a County approved revegetation plan within one year of shutdown. [Operator] shall post a performance bond to insure compliance, *[or continue to pay property taxes as assessed during the project operation until site restoration is complete, as determined by the County].* (Italicized clause not used in all permit conditions.)

Timely Removal of Structures & Site Reclamation following Abandonment

The County does not have a dedicated permit process for removal of facilities and reclamation of the host site for land uses other than surface mining. Removal and reclamation for oil/gas operations is typically processed as a development permit, or as a modification to an existing development permit. Overall, this practice has produced a mixed bag of results. For example, environmental review is performed and mitigation results. However, the decision-maker has varied between departmental and Planning Commission. Findings and development standards specified for development permits do not fit the circumstances of removing facilities and reclaiming sites of abandoned operations. Unfortunately, the historical record reflects that timely reclamation does not occur frequently enough.

5.3 PROJECT DESCRIPTION

5.3.1 POLICIES

The proposed amendments (included as Exhibits A and B to this report) include a new policy to both the Coastal Land Use Plan and the Land Use Element. The policies are substantively identical, except for a slight difference in applicability. The two policies read:

Oil and gas facilities shall be dismantled and removed, and their host sites cleaned of contamination and reclaimed to natural conditions, or conditions to accommodate reasonably

foreseeable development, in an orderly and timely manner that avoids long-term impacts to the health, safety, and welfare of the public and the environment.

In addition to onshore facilities that support offshore oil and gas, the proposed Land Use Element policy pertains to all oil refineries. The proposed Coastal Land Use Plan policy is silent regarding refineries because these uses are not permitted uses in the coastal zone. Additionally, the proposed Coastal Land Use Plan policy applies to coastal onshore drill-sites that produce offshore oil or gas via extended-reach drilling techniques.

The policies are accompanied by three implementing procedures in order to clarify intent, while details are addressed in the proposed ordinances that amend the zoning code.

5.3.2 ORDINANCES

The proposed ordinances (included as Exhibits C and D of this report) add two new permitting processes to Article II (Coastal Zoning Ordinance) and III (Inland Zoning Ordinance) of Chapter 35 (Zoning) of the Santa Barbara County Code to implement the foregoing policies.⁶ The two ordinances are nearly identical, except that they contain the same differences in applicability as described above for coastal and inland areas. The two new permitting processes include: (1) a process to consider deferral of abandonment, and (2) a permit process for removal of facilities and reclamation of sites.

Deferral of Abandonment

Proposed sections 35-170.4-8 (Article II) and 35-323.4-8 (Article III) establish a process for a permittee to defer abandonment if it is established that there is a clear intent to restart operations of an idle land use, or independent business function thereof, in the foreseeable future. A land use is deemed to be idle if it has not operated for a year or longer; that is, the facility has had zero throughput, measured as both product input and output. Merely storing product onsite does not constitute operating status. Those land uses that require a hearing to consider abandonment if throughput falls below 3% are also included in this process.

As noted above, the ordinance applies to the entire land use, as well as any independent business function of a land use, as exemplified by the recent abandonment of the oil and gas processing facilities at Gaviota. In this case, the permittee ceased processing operations onsite, instead receiving approval to process both oil and gas on offshore platforms. However, the permittee continued to operate certain components of the onshore land use as a pipeline terminal, wherein oil is received, stored, heated and ultimately transferred to the All American Pipeline for shipment to refineries, and natural gas is received and used to generate steam and electricity. Consequently, the oil and gas processing operations represented an independent business function that was abandoned. In timely fashion, the permittee obtained permits in 2002 to decommission all unused equipment associated with oil and gas processing.

⁶ No amendments are proposed for Article IV (Montecito) because the subject facilities are permitted there.

When a permittee files an application to defer abandonment, the County must then consider the vested rights of the permittee and the particular facts of an idle facility. There are no hard and fast upfront rules or criteria in determining if a land use is idled or abandoned, and each case must be decided upon the facts and circumstances specific to it. However, previous experience suggests that certain types of evidence will be influential in any such determination. Consider the following two examples, the first drawn from previous experience and the second being hypothetical. One permittee operated an onshore processing facility between 1961 and 1972, after which the facility was left idle for 26 years until it was removed in 1998.

- The upstream wells that fed oil and gas to the processing facility were plugged and abandoned in 1986 and offshore platforms decommissioned in 1987.
- Several key components of the processing plant had been removed from the site, suggesting that the permittee now used the site as a long-term salvage yard without proper permits.
- Other components of the facility were not kept in operational order, indicating that the permittee would need to rebuild nearly the entire facility in order to operate as a processing facility again.
- The processing facility, located on the Gaviota coast, was not one of two processing facilities designated as consolidated processing facilities by County policies.
- The permittee would need new permits to serve a new source of offshore production, and had not taken any action whatsoever to pursue or announce any interests in serving other offshore oil and gas leases.

Generally speaking, these facts would reasonably suggest no intent to restart operations. In other cases, however, the facts may reasonably suggest a clear intent to restart operations, such as the following hypothetical example. Consider a land use that is idle while the permittee performs extensive maintenance or upgrades. In this example, reasonable progress toward completing the maintenance or upgrades would suggest intent to restart, particularly since either effort would require additional investment by the permittee. Such maintenance or upgrades may occur at the facility in question, or at upstream facilities that produce the oil and gas that ultimately feeds the facility in question.

These two examples give us some guidance as to how the process would operate. Again, there are no hard and fast rules for determining when a land use is abandoned, and the proposed amendments do not contain any such rules. Instead, the amendments afford both the permittee and the public with a formal process that both allows and obligates the County to consider each case on its own merits.

The decision-maker for such determinations is the Director of Planning and Development, who would undertake such decisions in full consultation with the County Counsel's office, since such determinations are primarily based on legal factors. The Director may approve a deferral of abandonment for a period of 24 months or less from the date that the facility first became idled, or throughput fell below a threshold entailed in a permit condition. Failure of the permittee to restart operations within the approved deferral would require the permittee to go through the process again, or submit a complete application for a Demolition & Reclamation Permit, as described below. Applications to extend the approved deferral period need to be filed 90 days prior to the expiration of the deferral period in effect. Subsequent extensions are limited to one-

year increments or less. All decisions by the Director may be appealed to the Planning Commission; any such appeal must be filed within 30 days of the Director's decision.

Once the County determines that a land use is abandoned, the permittee has 180 days to file an application for a Demolition and Reclamation Permit (§§ 35-170.9 and 35-323.9), and two years to secure such permit (§§ 35-170.14.3 and 35-323.14.3). The Director of Planning and Development may extend the filing deadline for good cause. The Director may also extend the deadline to secure a permit but no more than one year. Failure by a permittee to file or secure an application timely would constitute a violation of the zoning code and is subject to the enforcement and penalty provisions of the code.

Additionally, all entitlements contained within a development permit are revoked once the County determines that a land use is abandoned. Therefore, the land use becomes illegal if the permittee does not secure the Demolition & Reclamation Permit within the two-year grace period, or within any extensions granted by the Director.

Demolition & Reclamation Permits

Proposed Sections 35-170.9-15 (Article II) and 35-323.9-15 (Article III) introduce a dedicated permitting path for demolition and removal of facilities, followed by reclamation of host sites. Overall, these sections follow the format of other permit procedures; however, each section is designed to address demolition and reclamation rather than development. Staff relied extensively on recent permits and environmental reviews that dealt with demolition and reclamation to draft the findings and performance standards.

Decisions for approval or denial of Demolition & Reclamation Permits fall to the Director of Planning and Development. Typically, demolition and reclamation permits are fairly basic, nuts-and-bolts type projects that have attracted little public interest in the past. Such decisions may be appealed to the Planning Commission, the filing of which must occur within 30 days of the Director's decision. Demolition and Reclamation Permits carry a term of seven years, which includes time to remove facilities and complete reclamation of the site, including revegetation. The Director may grant extensions without penalty if the require reclamation is delayed for circumstances beyond the permittees control. Otherwise, extensions are accompanied by penalties to discourage delays.

Other Amendments

The proposed amendments include revisions to Sections 35-182 (Article II) and 35-327 (Article III) of the zoning code. These revisions distinguish the typical ten-day period in which appeals of the Director's decisions must be filed from the 30-day filing period recommended for the Director's decisions on both deferral of abandonments and Demolition & Reclamation Permits. The longer 30-day period was requested by the Environmental Coalition, in response to staff's recommendation that the decisions on these two processes rest with Director.

Additionally, staff proposes a revision to Section 35-158 “Onshore Exploration and/or Production of Offshore Oil and Gas Reserves” to ensure consistency with the proposed additional of the Demolition & Reclamation Permit.

6.0 PROJECT ANALYSIS

6.1 PAST PRACTICES

Regulations do not define or require due diligence in decommissioning oil and gas operations and reclamation of sites that support development of offshore oil and gas reserves. The same hold true for oil refineries, regardless of the source of oil. This regulatory gap has produced notably mixed results in practice that, as illustrated in Table 2 below, reflects three prominent trends:

- **Diligent Site Closure.** In two of nine cases, permittees have decommissioned their facilities and reclaimed the site soon after ceasing operations. Phillips acted diligently to remove its Tajiguas gas processing facility and reclaim its site once it ceased operations, having achieved these tasks in 3 years following cessation of operations (not including a required 5-year monitoring of revegetation). Chevron proceeded rapidly to decommission a gas processing facility at Gaviota so it could install a larger oil and gas processing complex to handle offshore production from Point Arguello leases. In a third case, ARCO proceeded rapidly with decommissioning of its Dos Pueblos production and processing operation in order to install a new golf course. However, site reclamation, including cleanup of contamination, has stalled for several years following the Coastal Commission’s action not to renew the Golf Course permit, which also included the permitting of site reclamation.
- **Substantially Delayed Commencement of Site Closure.** In four of nine cases, companies have deferred decommissioning and restoration for several years, even though they had terminated operations permanently. Two of these cases have or will have deferred abandonment for more than 10 years. Texaco waited 26 years to dismantle its Gaviota oil and gas processing facility and restore the site after terminating operations permanently. As a legal nonconforming use, this facility had no reasonable opportunity to restart once the offshore production wells and facilities were plugged and abandoned. ARCO has waited 9 years before agreeing to prepare and submit a permit application to abandon its Alegria Processing Facility, even though it also abandoned the upstream production facilities in 1997. In the other two cases, Unocal has waited 7 years to commence permitting the abandonment of its Government Point processing facility and related marine terminal at Cojo Bay. However, it had plugged and abandoned all wells previously in accordance with State of California requirements.
- **Substantially Delayed Completion of Site Closure.** In three of nine cases, facilities were removed timely but cleanup of contamination has stalled for several years (e.g., Unocal’s Battles Gas Plant, AERA’s (formerly Shell’s) Hercules Gas Plant, and ARCO’s Dos Pueblos site. The reasons for these delays vary somewhat, but in part are indicative of the permittees reluctance to cleanup the site in a timely fashion.

Table 2: Timing for Abandonment of Downstream Facilities

Facility	Year Installed	Year Operations Ceased	Year Production Wells Plugged	Year Site Reclaimed	Years to Reclaim Site after Ceasing Operations
Chevron's Gaviota Gas Facility	1962	1984	1986	1987	3
Shell's Hercules Gas Plant	1963	1989	1997	Ongoing,* commenced in 1994	15 years to date; uncertain completion date
Phillips' Tajiguas Gas Facility	1964	1990	1997	1993	3
ARCO's Dos Pueblos Facility	1920s	1997	1997	Ongoing,** commenced in 1995	7 years to date; uncertain completion date
ARCO's Alegria Facility	1962	1991	1997	Remediation pending	13 years to date; uncertain completion date
Unocal's Battles Gas Facility	1940s	1995	Not yet plugged, production shifted to Lompoc O&G Plant	Ongoing,* commenced in 1995	9 years to date; uncertain completion date
Texaco's Gaviota Processing Facility	1961	1972	1985	1998	26
Unocal's Gov't Pt. Processing Facility	1968	1993	1999	Expect completion in 2004	11
Unocal's Cojo Bay Marine Terminal	Early 1960s	1993	1999	Expect completion in 2004	11

* Facilities have been dismantled; however, remediation remains ongoing. In both cases, additional contamination has been discovered and remedial plans must be prepared.

** Remediation has been delayed because development permit, which authorizes both remediation and development of a golf course, was denied on appeal.

6.2 SELECTED QUESTIONS & ANSWERS REGARDING THE AMENDMENTS

Question: To what extent might we expect the proposed permitting processes to resolve repetition of the foregoing delays in timely abandonment, removal of facilities, and reclamation of host sites?

1. **Timely Abandonment**: A regulatory process that requires permittees to seek deferral of abandonment establishes the County's authority to prevent delays where case-specific facts and circumstances indicate a clear intent to abandon. It also provides a transparent process for determining a permittee's intent to restart operations, in which specific reasons for being idle are brought to the forefront. Where case-specific facts and circumstances are not

compelling, however, the County's ability to establish a clear intent to abandon may be more difficult. In such circumstances, the County may need to approve deferral of abandonment until such time that the evidence of no intent to restart becomes clearer.

2. Timely Removal of Facilities: The process goes far in promoting timely removal of facilities over the current situation because it prescribes deadlines for determining if the land use is abandoned, for filing and securing a Demolition & Reclamation Permit, and for achieving end results.
3. Timely Reclamation of Host Site: Success of the proposed ordinances in achieving timely reclamation of host sites will still depend upon the extent of contamination and the timeliness in which responsible agencies process cleanup requirements. To date, these processes are often delayed by disputes between the agencies and permittee over the required levels of cleanup. However, the ordinances do provide disincentives in the form of penalties should responsibility for delays fall to the permittee.

Question: In the past, the County has approved demolition and reclamation of oil/gas land uses by using development permits. What advantages does the dedicated Demolition & Reclamation Permit offer?

The Demolition & Reclamation Permit process provides some important improvements, designed to avoid some problems and delays previously experience with closure of abandoned land uses.

1. The dedicated permitting path separates the land-use instrument for site closure from the original land-use instrument that permitted the development, thereby allowing for revocation of entitlements when a land use is found to have ceased operations permanently. Revocation of use entitlements, be it a Development Plan, Production Plan, or Conditional Use Permit, is another tool to promote timely removal of facilities and reclamation of host sites following permanent cessation of operations.
2. The dedicated permitting path helps to prevent unnecessary delays in the closure of a site when such closure is permitted as a component of a discretionary permit for new development. Unnecessary delays in remedying site contamination, for example, can stem from issues with the new development that resulted in appeals of the permit approval and subsequent upholding of the appeal (e.g., closure of the Dos Pueblos oil and gas production-processing site and the appeal of the Dos Pueblos Golf Links). The proposed permitting path dedicated to closure virtually eliminates such delays except, perhaps, for final restoration – the standards of which may change should a newly approved development at the site subsequently be overturned.
3. The dedicated permitting path implements consistent permit procedures and requirements, while preserving flexibility to tailor performance standards to site-specific conditions. This result gives all stakeholders a better understanding about expected performance during closure.

4. The dedicated permitting path brings clarity to process, particularly timely performance.

Question: Why does staff recommend the Director of Planning and Development as the decision-maker for Demolition & Reclamation Permits, rather than the Planning Commission?

The recommended permitting path entails a discretionary permitting action, as opposed to a ministerial, for two reasons: (1) some demolition and reclamation activities have the potential to result in significant, adverse impacts, and (2) environmental analysis may reveal approaches and methods that are less environmentally damaging.⁷ However, the recommended permitting path vests final action for approval, conditional approval, or denial of a Demolition and Reclamation Permit with the Director of Planning and Development, subject to appeal to the Planning Commission. This recommendation stems from experience over the past few years with the permitting of site closures. We found that this type of project activity lacks controversy and measurable public input. The appeal path allows exceptions to be elevated to the Planning Commission.

The recommended permitting path includes routine noticing requirements so the public is adequately informed of the Director's decision sufficiently in advance of issuing the permit to allow adequate time to file an appeal. Relegating non-controversial decisions to the Director's level helps to streamline the permitting process and, therefore, achieve the ultimate goal of this process – timely removal of facilities and reclamation of host sites.

Question: Under what circumstances may a landowner retain improvements to the land?

The landowner must file permit applications and obtain County approval to retain improvements, since these improvements were originally approved as part of an oil/gas operation that will no longer exist. For improvements exempt from permits, retention falls to the landowner's discretion.

Question: Does the recommended processes provide a method to enforce good housekeeping practices at operating sites where one or more pieces of equipment (e.g., an oil storage tank) has been idled and, in some cases, dilapidated?

No. The amendments deal with the entire land use and independent business functions thereof. Separate pieces of equipment within operating plants may become idle from time to time. However, the County may address good housekeeping practices through other regulatory means.

⁷ Decisions whether to remove or abandon in-place, for example, when considering the fate of retention walls, pipeline footings in environmental sensitive riparian areas, or buried pipelines should not be made without appropriate environmental review of alternatives and mitigation. The same may apply to methods of remediated contamination, since some are substantially more intrusive than others.

6.5 FINDINGS FOR ADOPTION OF POLICIES & ORDINANCES

6.5.1 CEQA FINDINGS

The California Environmental Quality Act (CEQA) requires lead agencies taking discretionary actions on a “project” pursuant to CEQA to determine whether the project may have a significant effect on the environment, based on substantial evidence in light of the whole record (§ 21082.2(a)). Additionally, CEQA requires the lead agency to prepare an Environmental Impact Report when there is substantial evidence that the project may have in one or more significant effects on the environment (§ 21082.2(d)). A proposed project that has the potential to degrade the quality of the environment, curtail the range of the environment, or achieve short-term, to the disadvantage of long-term, environmental goals, shall constitute conditions of a significant effect on the environment.

Adoption of these policies and ordinances do not pose significant, adverse impacts to the environment. Instead, these policies and ordinances establish regulatory mechanisms to affect timely and proper closure of applicable oil and gas sites following permanent cessation of use. Such requirements benefit, or hold the potential to benefit, the environment in several ways; for example, coastal view sheds may be improved sooner, rural lands may be returned to agricultural uses sooner, natural habitats may be restored if the host site is not immediately developed for another use. Additionally, the policies and ordinances take particular care not to cause premature closure of onshore oil and gas facilities/sites that are designated for consolidated use in the zoning code. Premature closure could result in construction-related adverse impacts if new facilities need to be re-established to handle foreseeable oil and gas production in the future.

The policies and ordinances also establish a dedicated and discretionary permitting path, with environmentally protective findings and performance standards. (One such finding based permit approval on mitigation of significant impacts to the maximum extent feasible.) Additionally, the ordinance does not interfere with project-specific environmental review processes that would address the specific impacts of each site closure.

Accordingly, adoption of the recommended policies and ordinances to promote timely and proper closure of abandoned oil/gas sites is categorically exempt from environmental review, pursuant to Section 15308 of the CEQA Guidelines, which reads:

15308 Actions by Regulatory Agencies for Protection of the Environment

Class 8 consists of actions taken by regulatory agencies, as authorized by state or local ordinance, to assure the maintenance, restoration, enhancement, or protection of the environment where the regulatory process involves procedures for protection of the environment. Construction activities and relaxation of standards allowing environmental degradation are not included in this exemption.

6.5.2 LEGISLATIVE FINDINGS

California Coastal Act

The policies and ordinances proposed herein are fully consistent with, and promote efficient implementation of, the California Coastal Act (CCA). The CCA forms part of the California Coastal Management Program (CCMP) and, as such, seeks to balance competing uses of natural resources when establishing and implementing policies for management of the California coast. In conformance with the U.S. Coastal Zone Management Act, the CCA extends priority consideration to coastal uses, which largely entail facilities related to national defense, energy, fisheries, recreation, ports and transportation. However, once such uses cease operations permanently, their benefits to public welfare no longer exist; therefore, their timely and proper removal, followed by reclamation of the host site, ensures that impacts of coastal uses for offshore energy development are mitigated to the maximum extent feasible, pursuant to §30260 of the CCA.

Santa Barbara County Comprehensive Plan & Zoning Code

County land-use policies and zoning regulations have several provisions that enable permitting of facilities to support development of offshore oil and gas and for permitting oil refineries outside the Coastal Zone. To date, several such facilities have been permitted in accordance with those provisions, with more than sufficient capacity to meet actual offshore production volumes. Other provisions, generally referred to as consolidation provisions, both identify and restrict onshore sites within the unincorporated area of the County's south coast that are available for processing offshore oil and gas production. These consolidation provisions also require shared use of inter-facility pipelines and processing facilities in order to reduce unnecessary proliferation of such uses.

The occasion may arise where premature abandonment of certain onshore facilities would be inconsistent with the consolidation provisions described above. For instance, pipelines or processing facilities designated to serve several offshore producers on a common carrier basis may become idle for one or more years because production of undeveloped offshore leases has been delayed for good cause and these production of these leases is are expected to use existing common-carrier facilities onshore. The proposed ordinances explicitly direct careful consideration where premature abandonment would be undesired.

EXHIBIT A: COASTAL LAND USE PLAN

Add Sec. 3.6.8 to Chapter 3.6, Industrial and Energy Development

3.6.8 Abandonment of Onshore Infrastructure

3.6.8.1 Infrastructure Related to Recovery of Offshore Oil and Gas

Abandonment of onshore infrastructure entails permanent cessation of an entire land use or an independent business function of a land use. Several tasks to reclaim sites follow abandonment. Facilities are dismantled and removed from the site, while inter-facility gathering and transmission pipelines may either be abandoned in-place or removed. Some facilities (e.g., water tanks) and other improvements (e.g., roads) may be permitted at the site for future use. Any contamination of soils and water is remedied and the host site is returned to natural conditions or reclaimed to accommodate any approved future use of the site.

Historically, the County has experienced mixed results with regard to the timely demolition of facilities and reclamation of oil and gas sites following the abandonment of use. Some operators have diligently closed sites within 3-5 years following abandonment, while others have delayed commencement of site closure for unreasonably long periods (10-26 years). Other experience indicates that remediation of contamination may lag several years behind initial dismantling and removal of surface facilities.

Whereas

The County seeks to encourage, by way of a formal public process, the timely removal of facilities and appropriate reclamation of host sites following permanent cessation of an oil, gas, or oil/gas operation in the coastal zone.

Policy 6-30: Oil and gas facilities shall be dismantled and removed, and their host sites cleaned of contamination and reclaimed to natural conditions, or conditions to accommodate reasonably foreseeable development, in an orderly and timely manner that avoids long-term impacts to the health, safety, and welfare of the public and environment.

Applicability

Policy 6-30 applies to all onshore land uses that are, were at one time were, wholly or partially dedicated to the production, processing, storage, and transportation of oil or gas derived from offshore reservoirs.

Implementing Procedures

- (a) The County shall establish a process in its Coastal and Inland Zoning Codes for determining if, based on reasonable evidence, permitted land uses or independent business functions thereof have discontinued operations permanently. The County

shall also establish a discretionary process to permit the removal, retention, or abandonment in-place of facilities, structures, and improvements associated with permitted land uses determined to be abandoned, and to reclaim host sites site to natural conditions, or other conditions, in compliance with applicable laws and permits. This permit shall be independent of any development permits associated with future use of the land, but may be processed concurrently with development permits.

- (b) Permittees shall obtain all applicable permits to remove (or retain) facilities, structures, and other improvements, and reclaim the host site upon the intentional abandonment of operations of a permitted land use. Otherwise, the permittee shall obtain either County approval to defer abandonment or all applicable permits to remove facilities and reclaim host sites under the following circumstances:
 - (1) Any event designated in an existing County permit that would require consideration of abandonment; or
 - (2) The permitted land use has become idled.
- (c) Long-term salvage operations, recycling facilities, or junkyards shall not be considered ancillary to permitted land uses. For the purpose of this procedure, "long-term" shall be a period of 2 or more consecutive years. Permittees who desire to operate long-term salvage or recycling operations at an oil/gas site shall first obtain the appropriate permits to do so, and such permits shall be issued independent of the oil/gas operation.

EXHIBIT B: LAND USE ELEMENT

Add Policy 13 To Land Use Development Policies

Policy 13: Oil and gas facilities shall be dismantled and removed, their host sites cleaned of contamination and reclaimed to natural conditions, or conditions to accommodate reasonably foreseeable development, in an orderly and timely manner that avoids long-term impacts to the health, safety, and welfare of the public and environment.

Applicability: Policy 13 shall apply to all existing and future onshore land uses that are, or at one time were, wholly or partially dedicated to the production, processing, storage, and transportation of oil or gas derived from offshore reservoirs. Policy 13 shall also apply to all oil refineries, regardless of the source of crude oil.

Implementing Procedures:

- (a) The County shall establish a process in its Coastal and Inland Zoning Codes for determining if, based on reasonable evidence, permitted land uses or independent business functions thereof have discontinued operations permanently. The County shall also establish a discretionary process to permit the removal, retention, or abandonment in-place of facilities, structures, and improvements associated with permitted land uses determined to be abandoned, and to reclaim host sites to natural conditions, or other conditions, in compliance with applicable laws and permits. This permit shall be independent of any development permits associated with future use of the land, but may be processed concurrently with development permits.
- (b) Permittees shall obtain all applicable permits to remove (or retain) facilities, structures, and other improvements, and reclaim the host site upon the intentional abandonment of operations of a permitted land use. Otherwise, the permittee shall obtain either County approval to defer abandonment or all applicable permits to remove facilities and reclaim host sites under the following circumstances:
 - (1) Any event designated in an existing County permit that would require consideration of abandonment; or
 - (2) The permitted land use has become idled.
- (c) Long-term salvage operations, recycling facilities, or junkyards shall not be considered ancillary to permitted land uses. Long-term salvage operations shall require appropriate permits to operate as legal uses. "Long-term," for purposes of this procedure, shall constitute a period of two or more years. Permittees who desire to operate long-term salvage or recycling operations at an oil/gas site shall first obtain the appropriate permits to do so, and such permits shall be issued independent of the oil/gas operation.

EXHIBIT C: COASTAL ZONING ORDINANCE

Amend Division 2 “Definitions” of Article II, Chapter 35, Santa Barbara County Code by adding the following definitions:

ABANDONED (or ABANDONMENT) OF CERTAIN OIL AND GAS FACILITIES, as used in Section 35-170 of this Article, shall mean the discontinuance of any permitted land use, or any independent business function of a permitted land use, and there is no evidence of a clear intent on the part of the owner to restart operations of the permitted land use, or the independent business function of a permitted land use.

IDLED (or IDLE) OF CERTAIN OIL AND GAS FACILITIES), as used in Section 35-170 of this Article, shall mean a permitted land use or an independent business function of a permitted land use has had a zero throughput (enter and exit) for a period of one continuous year.

NATURAL CONDITIONS, as used in Section 35-170 of this Article, shall mean the reasonable return of land to a state that reflects the natural environment of the area without development, although retention of certain improvements or other items such as pipeline support footings would qualify as natural conditions if their removal would result in undesired environmental outcomes such as undesired destabilization of slopes due to removal of a retaining wall. Natural conditions do not necessarily equate to original or pre-development conditions.

PERMITTED LAND USE shall mean any land use, facility, activity, or site subject to this Chapter.

RECLAMATION OF CERTAIN OIL AND GAS SITES, as used in Section 35-170 of this Article, shall mean conversion of a host site to natural conditions, or other conditions, in compliance with applicable laws and permits, including remediation of contamination, contouring of topography, re-vegetation and landscaping.

Amend Division 9 “Oil and Gas Facilities” in Article II, Chapter 35, Santa Barbara County Code by revising Section 35-158.7 to ensure procedural consistency with new Section 35-170 as follows:

Sec. 35-158. Onshore Exploration and/or Production of Offshore Oil and Gas Reservoirs.

7. Development Standards for Production Activities.

~~m. Within 60 days of abandonment of facility operations, the operator shall submit an Abandonment and Restoration Plan addressing the abandonment of the wells and removal of all production equipment pursuant to Sec. 25-32 and 25-33 of the County Code and include provision for site restoration and revegetation.~~

Amend Division 11 “Permit Procedures” Article II, Chapter 35, Santa Barbara County Code by adding the following Section:

Sec. 35-170. Abandonment of Certain Oil/Gas Land Uses.

Sec. 35-170.1. Purpose and Intent.

This section establishes procedures to achieve the timely abandonment of applicable land uses, and following such abandonment, the timely and proper removal of applicable oil and gas facilities, and reclamation of host sites, and final disposition of pipelines. Such procedures ensure appropriate due process in differentiating idled from abandoned facilities protects the vested rights of permittees while also ensuring that facilities with no reasonable expectation of restarting are removed, pursuant to the intent of enabling development permits. Timely abandonment provides a public benefit by avoiding unnecessary delays in remediating any residual contamination that may result during operations, and providing an effective means of mitigating several significant environmental and socioeconomic effects, including aesthetics, compatibility with surrounding land uses, and risk of default on demolition and reclamation obligations by the permittee.

Sec. 35-170.2. Applicability.

Section 35-170 shall apply to the following land uses within the unincorporated area of the County:

1. All permitted uses defined in Sections 35-154, 35-155, 35-156, and 35-158 of this Chapter that handle, or at one time handled, oil, natural gas, natural gas liquids, produced water, or waste water that originated from an offshore reservoir, regardless whether these uses were permitted in accordance with this Chapter or any preceding ordinance.
2. All marine terminals and oil storage tanks, regardless whether these uses were permitted in accordance with this Chapter or any preceding ordinance.
3. All pipeline systems defined in Section 35-157 that, except for public utility natural gas transmission and distribution systems such as The Gas Company, either transport, or at one time transported, oil, natural gas, produced water, or waste water that originated from an offshore reservoir, regardless whether these uses were permitted in accordance with this Chapter or any preceding zoning ordinance.
4. Unless specifically stated otherwise, reclamation of sites and corridors used to support any of the operations identified in 35-170.2.1,2 or 3, above.

Sec. 35-170.3. Requirement to File an Application.

1. The permittee of a permitted land use shall submit an application to the Director for a Demolition & Reclamation Permit (ref. Sec. 35-170.9 *et. seq.*) upon intentional abandonment of a permitted land use, or a major business function thereof.
2. The permittee of a permitted land use shall submit an application to the Director either to defer abandonment (ref: Section 35-170.4 *et. seq.*) or to obtain a Demolition & Reclamation Permit (ref: Section 35-170.9 *et. seq.*) upon the occurrence of either of the following:
 - a. Any event designated in an existing County permit that would require consideration of abandonment; or

- b. The permitted land use or an independent business function of a permitted land use has become idle.

Sec. 35-170.4. Filing an Application to Defer Abandonment.

Any permittee subject to the requirements of Section 35-170.3.2 may file an application to defer abandonment, which shall be considered by the Director. The application shall be filed no later than 90 days after an event specified in Section 35-170.3.2 has occurred.

Sec. 35-170.5. Contents of Application to Defer Abandonment.

The application to defer abandonment shall be in a form and content specified by the Director and this chapter. Such applications shall contain the following:

1. Name, address, and contact information for permittee;
2. Name, address, and general description of the permitted land use
3. Date when permitted land use first became idle.
4. Reason for idle status.
5. Status of upstream production facilities, where applicable.
6. Listing of any facility equipment that has been identified on a plan (submitted in satisfaction of a County or APCD permit) and has been either removed from the site or is not currently in operational condition. Include an explanation of the effect this missing or inoperable equipment has on the ability to restart operations and runs all processes. Also explain measures necessary to bring inoperable equipment back into operational condition.
7. Plans and schedule to restart operations and identification of any facility components that would remain inactive after restart.
8. Identification of reasonable circumstances that would hinder restart of operations according to plan and schedule.
9. Any other information deemed necessary by the Director.

Sec. 35-170.6. Processing of Application to Defer Abandonment.

The Director shall determine the completeness of any application and issue a completeness letter within 30 days of receipt. If the application is deemed incomplete, the Director shall specify in detail the deficiencies in the application.

1. The applicant shall submit information in response to an incompleteness letter within 60 days of receipt or, if it is not practicable to respond within a 60-day period, shall request an extension, not to exceed 60 additional days (total of 120 days to respond), within which to provide the required information.
2. The Director may choose, at his or her discretion, to conduct a public hearing to consider any application to defer abandonment. The public shall be given all reasonable opportunity to review the Director's recommended decision no less than ten days prior to conducting a public hearing on any application to defer abandonment in accordance with applicable procedures specified in Sec. 35-181.

Sec. 35-170.7. Decision on Application to Defer Abandonment.

1. Decisions for Idle Facilities. The Director shall grant the application unless the evidence shows that an idle facility has no reasonable possibility of being restarted or the owner has no intent of restarting the facility within a reasonable period of time. The Director shall consider

all relevant evidence in determining if a permitted land use has been abandoned, including whether any of the following have occurred:

- a. The oil and gas leases that have supplied the permitted land use with product have terminated.
 - b. The oil and gas operations that have supplied the permitted land use with product have been abandoned.
 - c. For oil/gas land uses designated as consolidated facilities and sites under the zoning code, there are no other existing offshore leases that may reasonably be expected to use the consolidated facility or site in the next 10 years.
 - d. Major and essential components of a land use, or an independent business function thereof, have been removed from the site or have fallen into such disrepair that they are no longer functional.
 - e. Permits or other entitlements for the land use, such as permits from the Air Pollution Control District, have been surrendered, expired, revoked or otherwise rendered invalid and no intent has been demonstrated to renew or reacquire such permits.
 - f. Any other evidence that shows clear intent to abandon.
2. Decisions For Consideration of Abandonment Under Permit Conditions. The Director shall grant the application unless:
- a. The Director finds under the applicable permit condition that abandonment of the permitted land use or independent business function thereof is required without further delay; and
 - b. The permittee no longer has a vested right to continue operation.
3. The Director's decision shall be transmitted by a public notice pursuant to applicable provisions of Section 35-181.
4. The Director's decision may be appealed to the Planning Commission within 30 days of noticing such decision. The Director's decision shall be final upon conclusion with the 30-day appeal period if no appeals have been filed. All appeals shall follow procedures specified in Section 35-182.

Sec. 35-170.8. Deferral Period and Extensions of Approval to Defer Abandonment.

The Director may approve an abandonment deferral for a period not to exceed 24 months from the occurrence of an event defined in Sec. 35-170.3.2.a or b. The Director may extend this period for one-year increments upon timely application by the operator. Applications for extensions shall be filed 90 days prior to the end of the approved abandonment-deferral period and shall contain the information specified in section 35-170.5, above.

Section 35-170.9. Filing an Application for a Demolition & Reclamation Permit.

Any permittee of a permitted land use that has not filed an application to defer abandonment pursuant to Section 35-170.4, or who has filed and that application has been denied, shall file an application for a Demolition & Reclamation Permit. The application for a Demolition & Reclamation Permit shall be filed no later than 180 days after an application to defer abandonment has been denied and all administrative appeals have been exhausted. If no application to defer abandonment has been filed, an application for a Demolition & Reclamation Permit shall be filed no later than 180 days after an event in Section 35-170.3.1 or 35-170.3.2 has occurred. The Director may grant extensions of time for good cause.

Section 35-170.10. Content of Application for a Demolition & Reclamation Permit.

The application for a Demolition & Reclamation Permit shall contain the following.

1. Name, address, and contact information for permittee.
2. Name, address, and general description of the permitted land use.
3. Gross and net acreage and boundaries of the property.
4. Location of all structures, above and underground, proposed to be removed.
5. Location of all structures, above and underground, proposed to remain in-place.
6. Location of all utilities on the property.
7. reclamation.
8. Estimated type and extent of all known contamination and proposed remedial actions to the level of detail that can be assessed through environmental review.
9. Location of areas of geologic, seismic, flood, and other hazards.
10. Location of areas of prime scenic quality, habitat resources, archeological sites, water bodies and significant existing vegetation.
11. Location and use of all buildings and structures within 50 feet of the boundaries of the property.
12. A proposed decommissioning plan that details the activities involved in removing structures from the site, including the following details: estimated number of workers required on site to decommission facilities and structures, disposition of equipment and structures proposed for decommissioning, projected method of transporting equipment, structures, and estimated debris from the site to the place of disposition as well as number of trips required, and an estimated schedule for decommissioning facilities.
13. A proposed waste-management plan to maximize recycling and minimize wastes.
14. Other permit applications as may be required by the Santa Barbara County Code to retain any existing structures, roadways, and other improvements to the property that were ancillary to the oil or gas operations and are proposed to be retained to support other existing or proposed uses of the property following abandonment of the oil and gas operations.
15. A proposed grading and drainage plan.
16. A proposed plan to convert the site to natural condition or convert to other proposed land use, including a detailed schedule for restoring the site. In the latter case, include other applicable permit applications required, if any, for the proposed land use.
17. A statement of intent as to the disposition of utilities that served the oil and gas operations, including water, power, sewage disposal, fire protection, and transportation.
18. Measures proposed to be used to prevent or reduce nuisance effects, such as noise, dust, odor, smoke, fumes, vibration, glare, traffic congestion, and to prevent danger to life and property.
19. Any other information deemed necessary by the Director to address site-specific factors.

Section 35-170.11. Processing of Demolition & Reclamation Permit.

1. The Planning and Development Department shall process complete applications for Demolition & Reclamation Permits through environmental review after determining such applications to be complete.
2. The Planning and Development Department shall process complete applications for Demolition & Reclamation Permits independently of any other permit applications to develop the site in question. However, Demolition & Reclamation Permits may be processed concurrently with development permits, provided that long delays in securing approval of

development permits do not unduly hinder timely demolition of facilities and reclamation of host sites.

3. The Planning and Development Director shall consider complete applications for Demolition & Reclamation Permits and shall approve, conditionally approve, or deny the application. Any denial shall be accompanied by an explanation of changes necessary to render approval of the application.
4. The Director's decision shall be transmitted by a public notice pursuant to applicable provisions of Section 35-181.
5. The Director's decision may be appealed to the Planning Commission within 30 days of noticing such decision. The Director's decision shall be final upon conclusion with the 30-day appeal period if no appeals have been filed. All appeals shall follow procedures specified in Section 35-182.
6. Upon approval of the Demolition & Reclamation Permit or upon abandonment of operations, whichever occurs later, the Demolition & Reclamation Permit shall supercede any discretionary use permit issued for construction and operation of the facilities.

Section 35-170.12. Findings Required for Approval of a Demolition & Reclamation Permit.

A Demolition & Reclamation Permit shall only be approved if all of the following findings are made:

1. That significant adverse impacts to the environment due to demolition and reclamation are mitigated to a level of insignificance or, where impacts cannot feasibly be mitigated to insignificance, they are mitigated to the maximum extent feasible.
2. That, where applicable, streets and highways are adequate and properly designed to carry the type and quantity of traffic generated by the proposed demolition and reclamation.
3. That any conditions placed upon remediation of soil or water contamination fully conform with the permitting process and requirements of the Regional Water Quality Control Board and the Santa Barbara County Fire Department.
4. That the proposed reclamation will not be detrimental to the health, safety, comfort, convenience, and general welfare of the neighborhood, and will not be incompatible with the surrounding area.
5. That the site will be restored to natural conditions unless any of the following conditions apply:
 - a. Areas within the site are subject to approved development, in which case restoration and landscaping of these areas will conform to the newly permitted development. In cases where development is proposed but not yet permitted, restoration of affected areas to natural conditions may be waived, provided that such development is permitted within five years and the permittee has posted financial assurances acceptable to the Director to assure restoration to natural conditions if the proposed development is not permitted.
 - b. Areas within the site are subject to agricultural uses that do not require a County permit, in which case the restoration will conform to conditions appropriate for such agricultural uses.

For purposes of this finding, restoration to natural conditions may allow abandonment in-place of specific improvements such as retaining walls or other items such as pipeline support footings if Director finds that their removal would result in significant undesired environmental outcomes (e.g., undesired destabilization of slopes due to removal of a retaining wall). Under these specific circumstances, the Director shall exact a mitigation fee

equal to the estimated costs of removing the improvements or other items, and use the fee to protect or improve natural habitat or natural visual aesthetics on lands within the unincorporated areas of the County. Such exactions do not apply to underground inter-facility pipelines that are abandoned in-place.

6. That any retention of improvements to land has been duly permitted in accordance with the County Code where permits are required.
7. That the proposed reclamation will leave the site in a condition that is compatible with any existing easements or dedications for public access through, or public use of a portion of the property.
8. That the permit conditions contain specific enforceable requirements to ensure the timely closure of the host site and completion of post-closure activities.

Section 35-170.13. Performance Standards for Demolition & Reclamation Permits.

1. All equipment shall be cleaned of oil or other contaminants prior to dismantlement in order to reduce any risk of contamination of soils or water during demolition of the facility to the maximum extent feasible. Where applicable, the permittee shall prepare and submit a Contaminant Spill Contingency Plan to the Fire Department. This plan shall identify measures to prevent and contain spills during dismantling and removal of facilities.
2. The permittee shall obtain all other necessary permits from other agencies and, where applicable, submit proof of permits issued by the California Division of Oil, Gas, and Geothermal Resources to plug and abandon wells or to inject waste water for purposes of disposal into any State oil and gas field prior to issuance of the Demolition & Reclamation Permit.
3. The demolition and reclamation shall be adequately monitored to assure the following performance:
 - a. Compliance with conditions to mitigate anticipated significant, adverse effects on the environment and recommendation of measures to mitigate such effects.
 - b. Identification of unanticipated, significant, adverse effects on the environment and recommendation of measures to mitigate such effects.Pre- and post-reclamation surveys of sensitive resources shall be employed as appropriate to measure compliance.
4. Topsoil shall be stockpiled, covered, and saved for use as topsoil when excavated areas are back-filled, unless such soil is treated onsite or removed for offsite disposal due to contamination.
5. If appropriate, truck traffic transporting materials to and from the site shall avoid arriving or departing the site during the peak traffic hours of 7:00 a.m. to 9:00 a.m. and 4:00 p.m. to 6:00 p.m. weekdays (or other peak-hour periods applicable to the location of the traffic).
6. Adequacy of sight distance, ingress/egress and emergency access shall be verified by the Public Works Department and Fire Department.
7. Measures shall be implemented to inhibit dust generation, where appropriate. Unavoidable generation of dust shall be kept to a minimum through effective controls.
8. The permittee implements a viable recycling plan that meets County approval and includes provisions to maximize recycling of equipment, asphalt, and concrete, and to minimize disposal of wastes into hazardous waste and solid waste management facilities to the maximum extent feasible.

9. Contouring of the land shall be compatible with the surrounding natural topography, unless otherwise approved to accommodate another permitted use or required drainages.
10. Appropriate measures shall be implemented to control erosion both during and after site closure.
11. Establishment of vegetation shall be in conformance with an approved revegetation plans and the following standards:
 - a. All disturbed areas identified for vegetation shall be disked or ripped to an appropriate depth to eliminate compaction and establish a suitable root zone in preparation for planting, except where such requirement poses a significant adverse environmental impact.
 - b. Native seeds and plants shall be used when returning the area to natural conditions. Other seeds, such a pasture mix, shall be allowed in areas designated for such use.
12. Subsurface segments of inter-facility pipelines may be abandoned in-place except under the following circumstances:
 - a. Presence of the pipeline would inhibit future land uses.
 - b. Modeling approved by the U.S. Army Corp. of Engineers or U.S. Bureau of Reclamation indicates that segments of the pipeline in erosive locations would become exposed at some time during the next 100 years, and environmental review determines that impacts from exposure and subsequent removal during inclement weather are more significant than removal at the time of abandonment.
13. Appropriate notification has been recorded with the County Clerk-Recorder to update or supersede the recorded rights-of-way where a subsurface pipeline is abandoned in-place. This notice shall describe the presence and location of the abandoned pipeline, any material placed in the pipeline for abandonment, and the operator and owner of the pipeline prior to abandonment.
14. The site shall be assessed for unknown contamination. Any discovery of contamination shall be reported and the permittee shall diligently seek all necessary permit approvals, including revisions to the Demolition & Reclamation Permit, if any are required in order to remediate the contamination.
15. The Director may impose other appropriate and reasonable conditions or require any changes to the project as deemed necessary to protect the health, safety, and welfare of the public, protect property, preserve the character, natural resources, or scenic quality of the area, or implement the purpose of this Chapter or any other chapter of the County Code.

Sec. 35-170.14. Revocation of Entitlement to Land Use.

1. All entitlements provided in any use permits issued under this ordinance, or under any preceding zoning ordinance, to use the facilities shall be automatically revoked and no longer effective upon the County's denial of an application to defer abandonment. Requirements of use permits necessary to ensure continued protection of public and environmental health, safety and welfare shall continue in full force and effect, including:
 - a. Conditions that specify liability of the owner, operator, and other persons.
 - b. Conditions that specify payment of County fees and costs.
 - c. Conditions that indemnify the County.
 - d. Where applicable, conditions that specify the County's authority to require abatement of public nuisances or require mitigation of environmental impacts that may occur prior to issuance of a Demolition & Reclamation Permit.

- e. Where applicable, conditions that require oil spill prevention, preparedness, and response.
- f. Where applicable, conditions that require emergency, preparedness and response.
- g. Where applicable, conditions that require safety inspections, maintenance, and quality assurance.
- h. Where applicable, conditions that require site security.
- i. Where applicable, conditions that require fire prevention, preparedness, protection and response.
- j. Where applicable, conditions that require payment of fees, including fees that provide mitigation for ongoing impacts to the environment (e.g., payments to the Coastal Resource Enhancement Fund).
- k. Substantive conditions that address abandonment; however procedural requirements for abandonment, demolition, and reclamation shall conform to Section 35-323 of this Chapter.

Upon revocation of entitlements in a use permit, the Director shall notify the owner or operator and include a list of permit conditions that remain in full or partial force.

2. All use permits issued under this ordinance, or under any preceding zoning ordinance, shall be automatically revised to remove any entitlement to continue the use any independent business function of a permitted land use determined to be abandoned in accordance with Section 35-170. However, permit conditions necessary to ensure continued protection of public and environmental health, safety and welfare, such as those identified in Sec. 35-170.14.1, shall continue in full force and effect.
3. The permittee shall have a grace period of two years from the date of revocation of entitlements in use permits in order to secure a Demolition & Reclamation Permit. The Director may extend the grace period no more than one year, cumulatively, for good cause, or for longer periods for delays attributable to circumstances beyond the permittee's control.
4. Upon completion of the grace period, the abandoned land use or independent business function shall be treated as a deserted and illegal land use until such time that the permittee secures approval of a Demolition & Reclamation Permit.

Sec. 35-170.15. Expiration of a Demolition & Reclamation Permit.

1. Requirements. The permittee shall complete all requirements of the Demolition & Reclamation Permit prior to the expiration of the permit, including any extensions thereof. Failure to do so shall constitute a violation of this Article.
2. Term. Demolition & Reclamation Permits shall expire upon issuance of a "Reclamation Complete" letter by the Director, or seven years after the date of issuance, whichever occurs sooner. The Director's "Reclamation Complete" letter shall certify completion of all required work except for remediation of contamination, which is certified by other agencies.
3. Extensions. The Director may extend the expiration date of the permit without penalty if the closure or re-vegetation of the site was delayed by circumstances reasonably beyond the permittee's control. Otherwise, Director may extend the expiration date of the permit with penalties, pursuant to Section 35-185 of this Article, in order to realize completion of all site closure and post-closure requirements. If the permittee requests a time extension for this project, the Director may revise the Demolition & Reclamation Permit to revise conditions and mitigating measures or to add new conditions and mitigating measures, which reflect changed circumstances, including newly identified impacts.

Amend Division 12 “Administration” Article II, Chapter 35, Santa Barbara County Code by amending Section 35-182.2 “Appeals” to indicate a 30-day filing requirement for appeals under Sec. 35-170 as follows:

Sec. 35-182. Appeals.

Sec. 35-182.2.

1. Except for those actions on Coastal Development Permits which are appealable to the Coastal Commission as provided for under Sec. 35-182.4., the decisions of the Planning and Development Department on the approval, denial, or revocation of Coastal Development Permits, final approval of projects under the jurisdiction of the Director, or decisions of the Board of Architectural Review may be appealed to the Planning Commission by the applicant, an aggrieved person (see definition) or any two members of the Coastal Commission. The appeal and accompanying fee must be filed with the Planning and Development Department as follows:
 - a. Within the ten calendar days following the date of decision for projects under the jurisdiction of the Director, *except for appeals pursuant to Sec. 35-170, in which case, filing must occur within thirty calendar days following the date of decision.*
 - b. Within the ten calendar days following the posting date for the notice of Coastal Development Permit approval, as required by Section 35-181.3, or if denied, within the ten calendar days following the decision of the Planning and Development Department to deny such permit application.
 - c. Within the ten calendar days following the date of final decision by the Board of Architectural Review (BAR). If final approval by the BAR is appealed, the hearing on the appeal shall only be held after the decisions on the Coastal Development Permit but, prior to the issuance of the Coastal Development Permit for such project. The BAR appeal shall be processed concurrently with any appeal of the Coastal Development Permit. If a denial by the BAR is appealed, a separate hearing shall be held on the BAR appeal prior to the decision on the Coastal Development Permit. No permits shall be issued until all appeals have been heard and/or resolved.
 - d. The appellant shall state specifically in the appeal how 1) the decision of the Planning and Development Department on a Coastal Development Permit *or on applications under Sec. 35-170*, or a decision of the Director of the Board of Architectural Review is not in accord with the provisions and purposes of this Article or 2) there was an error or an abuse of discretion by the Planning and Development Department, Director or BAR. If the approval of a Coastal Development Permit (not subject to Section 35-182.4) required by a previously approved discretionary permit is appealed, the appellant must identify how the Coastal Development Permit is inconsistent with the previously approved discretionary permit, how the discretionary permit’s conditions of approval have been unfulfilled, or how the approval is inconsistent with Sec. 35-181. (Noticing).

EXHIBIT D: INLAND ZONING ORDINANCE

Amend Division 2 “Definitions” of Article III, Chapter 35, Santa Barbara County Code by adding the following definitions:

ABANDONED (or ABANDONMENT) OF CERTAIN OIL AND GAS FACILITIES, as used in Section 35-323 of this Article, shall mean the discontinuance of any permitted land use, or any independent business function of a permitted land use, and there is no evidence of a clear intent on the part of the owner to restart operations of the permitted land use, or the independent business function of a permitted land use.

IDLED (or IDLE) OF CERTAIN OIL AND GAS FACILITIES), as used in Section 35-323 of this Article, shall mean a permitted land use or an independent business function of a permitted land use has had a zero throughput (enter and exit) for a period of one continuous year.

NATURAL CONDITIONS, as used in Section 35-323 of this Article, shall mean the reasonable return of land to a state that reflects the natural environment of the area without development, although retention of certain improvements or other items such as pipeline support footings would qualify as natural conditions if their removal would result in undesired environmental outcomes such as undesired destabilization of slopes due to removal of a retaining wall. Natural conditions do not necessarily equate to original or pre-development conditions.

PERMITTED LAND USE shall mean any land use, facility, activity, or site subject to this Chapter.

RECLAMATION OF CERTAIN OIL AND GAS SITES, as used in Section 35-323 of this Article, shall mean conversion of a host site to natural conditions, or other conditions, in compliance with applicable laws and permits, including remediation of contamination, contouring of topography, re-vegetation and landscaping.

Amend Division 10 “Permit Procedures” Article III, Chapter 35, Santa Barbara County Code by adding the following Section:

Sec. 35-323. Abandonment of Certain Oil/Gas Land Uses.

Sec. 35-323.1. Purpose and Intent.

This section establishes procedures to achieve the timely abandonment of applicable land uses, and following such abandonment, the timely and proper removal of applicable oil and gas facilities, and reclamation of host sites, and final disposition of pipelines. Such procedures ensure appropriate due process in differentiating idled from abandoned facilities protects the vested rights of permittees while also ensuring that facilities with no reasonable expectation of restarting are removed, pursuant to the intent of enabling development permits. Timely

abandonment provides a public benefit by avoiding unnecessary delays in remediating any residual contamination that may result during operations, and providing an effective means of mitigating several significant environmental and socioeconomic effects, including aesthetics, compatibility with surrounding land uses, and risk of default on demolition and reclamation obligations by the permittee.

Sec. 35-323.2. Applicability.

Section 35-323 shall apply to the following land uses within the unincorporated area of the County:

1. All permitted uses defined in Sections 35-296 and 35-298 of this Chapter that handle, or at one time handled, oil, natural gas, natural gas liquids, produced water, or waste water that originated from an offshore reservoir, regardless whether these uses were permitted in accordance with this Chapter or any preceding ordinance.
2. All permitted uses defined in Section 35-297 of this Chapter, regardless whether these uses were permitted in accordance with this Chapter or any preceding ordinance.
3. All pipeline systems defined in Section 35-290, except for public utility natural gas transmission and distribution systems such as The Gas Company, that transport, or at one time transported, oil, natural gas, produced water, or waste water that originated from an offshore reservoir, regardless whether these uses were permitted in accordance with this Chapter or any preceding zoning ordinance.
4. Unless specifically stated otherwise, reclamation of sites and corridors used to support any of the operations identified in 35-323.2.1, 2 or 3, above.

Sec. 35-323.3. Requirement to File an Application.

1. The permittee of a permitted land use shall submit an application to the Director for a Demolition & Reclamation Permit (ref. Sec. 35-323.9 *et. seq.*) upon intentional abandonment of a permitted land use, or an independent business function thereof.
2. The permittee of a permitted land use shall submit an application to the Director either to defer abandonment (ref: Section 35-323.4 *et. seq.*) or to obtain a Demolition & Reclamation Permit (ref: Section 35-323.9 *et. seq.*) upon the occurrence of either of the following:
 - a. Any event designated in an existing County permit that would require consideration of abandonment; or
 - b. The permitted land use or a independent business function of a permitted land use has become idle.

Sec. 35-323.4. Filing an Application to Defer Abandonment.

Any permittee subject to the requirements of Section 323.3.2 may file an application to defer abandonment, which shall be considered by the Director. The application shall be filed no later than 90 days after an event specified in Section 323.3.2 has occurred.

Sec. 35-323.5. Contents of Application to Defer Abandonment.

The application to defer abandonment shall be in a form and content specified by the Director and this chapter. Such applications shall contain the following:

1. Name, address, and contact information for permittee;
2. Name, address, and general description of the permitted land use

3. Date when permitted land use first became idle.
4. Reason for idle status.
5. Status of upstream production facilities, where applicable.
6. Listing of facility equipment that has been identified on a plan (submitted in satisfaction of a County or APCD permit) and has been either removed from the site or is not currently in operational condition. Include an explanation of the affect this missing or inoperable equipment has on ability to restart operations and run all processes. Also explain measures necessary to bring inoperable equipment back into operational condition.
7. Plans and schedule to restart operations and identification of any facility components that would remain inactive after restart.
8. Identification of reasonable circumstances that may hinder the restart of operations according to plan and schedule.
9. Any other information deemed necessary by the Director.

Sec. 35-323.6. Processing of Application to Defer Abandonment.

1. The Director shall determine the completeness of any application and issue a completeness letter within 30 days of receipt. If the application is deemed incomplete, the Director shall specify in detail the deficiencies in the application.
2. The applicant shall submit information in response to an incompleteness letter within 60 days of receipt or, if it is not practicable to respond within a 60-day period, shall request an extension, not to exceed 60 additional days (total of 120 days to respond), within which to provide the required information.
3. The Director may choose, at his or her discretion, to conduct a public hearing to consider any application to defer abandonment. The public shall be given all reasonable opportunity to review the Director's recommended decision no less than ten days prior to conducting a public hearing on any application to defer abandonment in accordance with applicable noticing procedures specified in Sec. 35-326.

Sec. 35-323.7. Decision on Application to Defer Abandonment.

1. Decisions for Idle Facilities. The Director shall grant the application unless the evidence shows that an idle facility has no reasonable possibility of being restarted or the owner has no intent of restarting the facility within a reasonable period of time. The Director shall consider all relevant evidence in determining if a permitted land use has been abandoned, including whether any of the following have occurred:
 - a. The oil and gas leases that have supplied the permitted land use with product have terminated.
 - b. The oil and gas operations that have supplied the permitted land use with product have been abandoned.
 - c. For oil/gas land uses designated as consolidated facilities and sites under the zoning code, there are no other existing offshore leases that may reasonably be expected to use the consolidated facility or site in the next 10 years.
 - d. Major and essential components of a land use, or an independent business function thereof, have been removed from the site or have fallen into such disrepair that they are no longer functional.

- e. Permits or other entitlements for the land use, such as permits from the Air Pollution Control District, have been surrendered, expired, revoked or otherwise rendered invalid and no intent has been demonstrated to renew or reacquire such permits.
- f. Any other evidence that shows clear intent to abandon.
2. Decisions For Consideration of Abandonment Under Permit Conditions. The Director shall grant the application unless:
 - a. The Director finds under the applicable existing permit condition that abandonment of the permitted land use or independent business function thereof is required without further delay; and
 - b. The permittee no longer has a vested right to continue operation.
3. The Director's decision shall be transmitted by a public notice pursuant to applicable provisions of Section 35-326.
4. The Director's decision may be appealed to the Planning Commission within 30 days of noticing such decision. The Director's decision shall be final upon conclusion with the 30-day appeal period if no appeals have been filed. All appeals shall follow procedures specified in Section 35-327.

Sec. 35-323.8. Deferral Period and Extensions of Approval to Defer Abandonment.

The Director may approve an abandonment deferral for a period not to exceed 24 months from the occurrence of an event defined in Sec. 35-323.3.2.a or b. The Director may extend this period for one-year increments upon timely application by the operator. Applications for extensions shall be filed 90 days prior to the end of the approved abandonment-deferral period and shall contain the information specified in section 35-323.5, above.

Section 35-323.9. Filing an Application for a Demolition & Reclamation Permit.

Any permittee of a permitted land use that has not filed an application to defer abandonment pursuant to Section 35-323.4, or who has filed and that application has been denied, shall file an application for a Demolition & Reclamation Permit. The application for a Demolition & Reclamation Permit shall be filed no later than 180 days after an application to defer abandonment has been denied and all administrative appeals have been exhausted. If no application to defer abandonment has been filed, an application for a Demolition & Reclamation Permit shall be filed no later than 180 days after an event in Section 35-323.3.1 or 35-323.3.2 has occurred. The Director may grant extensions of time for good cause.

Section 35-323.10. Content of Application for a Demolition & Reclamation Permit.

The application for a Demolition & Reclamation Permit shall contain the following.

1. Name, address, and contact information for permittee.
2. Name, address, and general description of the permitted land use.
3. Gross and net acreage and boundaries of the property.
4. Location of all structures, above and underground, proposed to be removed.
5. Location of all structures, above and underground, proposed to remain in-place.
6. Location of all utilities on the property.
7. Location of all easements on or adjacent to the property that may be affected by demolition or reclamation.

8. The estimated type and extent of all known contamination and proposed remedial actions to the level of detail that can be assessed through environmental review..
9. Location of areas of geologic, seismic, flood, and other hazards.
10. Location of areas of prime scenic quality, habitat resources, archeological sites, water bodies and significant existing vegetation.
11. Location and use of all buildings and structures within 50 feet of the boundaries of the property.
12. A proposed decommissioning plan that details the activities involved in removing structures from the site, including the following details: estimated number of workers required on site to decommission facilities and structures, disposition of equipment and structures proposed for decommissioning, projected method of transporting equipment, structures, and estimated debris from the site to the place of disposition as well as number of trips required, and an estimated schedule for decommissioning facilities.
13. A proposed waste-management plan to maximize recycling and minimize wastes.
14. Other permit applications as may be required by the Santa Barbara County Code to retain any existing structures, roadways, and other improvements to the property that were ancillary to the oil or gas operations and are proposed to be retained to support other existing or proposed uses of the property following abandonment of the oil and gas operations.
15. A proposed grading and drainage plan.
16. A proposed plan to convert site to natural condition or convert to another proposed land use, including a detailed schedule for restoring the site. In the latter case, include other applicable permit applications required, if any, for the proposed land use.
17. A statement of intent as to the disposition of utilities that served the oil and gas operations, including water, power, sewage disposal, fire protection, and transportation.
18. Measures proposed to be used to prevent or reduce nuisance effects, such as noise, dust, odor, smoke, fumes, vibration, glare, traffic congestion, and to prevent danger to life and property.
19. Any other information deemed necessary by the Director to address site-specific factors.

Section 35-323.11. Processing of Demolition & Reclamation Permit.

1. The Planning and Development Department shall process applications for Demolition & Reclamation Permits through environmental review after determining such applications to be complete.
2. The Planning and Development Department shall process complete applications for Demolition & Reclamation Permits independently of any other permit applications to develop the site in question. However, Demolition & Reclamation Permits may be processed concurrently with development permits, provided that long delays in securing approval of development permits do not unduly hinder timely demolition of facilities and reclamation of host sites.
3. The Planning and Development Department shall process complete applications for Demolition & Reclamation Permits independently of any other permit applications to develop the site in question. However, Demolition & Reclamation Permits may be processed concurrently with development permits, provided that long delays in securing approval of development permits do not unduly hinder timely demolition of facilities and reclamation of host sites.

4. The Director's decision shall be transmitted by a public notice pursuant to applicable provisions of Section 35-326.
5. The Director's decision may be appealed to the Planning Commission within 30 days of noticing such decision. The Director's decision shall be final upon conclusion with the 30-day appeal period if no appeals have been filed. All appeals shall follow procedures specified in Section 35-327.
6. Upon approval of the Demolition & Reclamation Permit or upon abandonment of operations, whichever occurs later, the Demolition & Reclamation Permit shall supercede any discretionary use permit issued for construction and operation of the facilities.

Section 35-323.12. Findings Required for Approval of a Demolition & Reclamation Permit.

A Demolition & Reclamation Permit shall only be approved if all of the following findings are made:

1. That significant adverse impacts to the environment due to demolition and reclamation are mitigated to a level of insignificance or, where impacts cannot feasibly be mitigated to insignificance, they are mitigated to the maximum extent feasible.
2. That, where applicable, streets and highways are adequate and properly designed to carry the type and quantity of traffic generated by the proposed demolition and reclamation.
3. That any conditions placed upon remediation of soil or water contamination fully conform with the permitting process and requirements of the Regional Water Quality Control Board and the Santa Barbara County Fire Department.
4. That the proposed reclamation will not be detrimental to the health, safety, comfort, convenience, and general welfare of the neighborhood, and will not be incompatible with the surrounding area.
5. That the site will be restored to natural conditions unless any of the following conditions apply:
 - a. Areas within the site are subject to approved development, in which case restoration and landscaping of these areas will conform to the newly permitted development. In cases where development is proposed but not yet permitted, restoration of affected areas to natural conditions may be waived, provided that such development is permitted within five years and the permittee has posted financial assurances acceptable to the Director to assure restoration to natural conditions if the proposed development is not permitted.
 - b. Areas within the site are subject to agricultural uses that do not require a County permit, in which case the restoration will conform to conditions appropriate for such agricultural uses where they occur.

For purposes of this finding, restoration to natural conditions may allow abandonment in-place of specific improvements such as retaining walls or other items such as pipeline support footings if Director finds that their removal would result in significant undesired environmental outcomes (e.g., undesired destabilization of slopes due to removal of a retaining wall). Under these specific circumstances, the Director shall exact a mitigation fee equal to the estimated costs of removing the improvements or other items, and use the fee to protect or improve natural habitat or natural visual aesthetics on lands within the unincorporated areas of the County. Such exactions do not apply to underground inter-facility pipelines that are abandoned in-place.

6. That any retention of improvements to land has been duly permitted in accordance with the County Code where permits are required.

7. That the proposed reclamation will leave the site in a condition that is compatible with any existing easements or dedications for public access through, or public use of a portion of the property.
8. That the permit conditions contain specific enforceable requirements to ensure the timely closure of the host site and completion of post-closure activities.

Section 35-323.13. Performance Standards for Demolition & Reclamation Permits.

1. All equipment shall be cleaned of oil or other contaminants prior to dismantlement in order to reduce any risk of contamination of soils or water during demolition of the facility to the maximum extent feasible. Where applicable, the permittee shall prepare and submit a Contaminant Spill Contingency Plan to the Fire Department. This plan shall identify measures to prevent and contain spills during dismantling and removal of facilities.
2. The permittee shall obtain all other necessary permits from other agencies and, where applicable, submit proof of permits issued by the California Division of Oil, Gas, and Geothermal Resources to plug and abandon wells or to inject waste water for purposes of disposal into any State oil and gas field prior to issuance of the Demolition & Reclamation Permit.
3. The demolition and reclamation shall be adequately monitored to assure the following performance:
 - a. Compliance with conditions to mitigate anticipated significant, adverse effects on the environment and recommendation of measures to mitigate such effects.
 - b. Identification of unanticipated, significant, adverse effects on the environment and recommendation of measures to mitigate such effects.Pre- and post-reclamation surveys of sensitive resources shall be employed as appropriate to measure compliance.
4. Topsoil shall be stockpiled, covered, and saved for use as topsoil when excavated areas are back-filled, unless such soil is treated onsite or removed for offsite disposal due to contamination.
5. If appropriate, truck traffic transporting materials to and from the site shall avoid arriving or departing the site during the peak traffic hours of 7:00 a.m. to 9:00 a.m. and 4:00 p.m. to 6:00 p.m. weekdays (or other peak-hour periods applicable to the location of the traffic).
6. Adequacy of sight distance, ingress/egress and emergency access shall be verified by the Public Works Department and Fire Department.
7. Measures shall be implemented to inhibit dust generation, where appropriate. Unavoidable generation of dust shall be kept to a minimum through effective controls.
8. The permittee implements a viable recycling plan that meets County approval and includes provisions to maximize recycling of equipment, asphalt, and concrete, and to minimize disposal of wastes into hazardous waste and solid waste management facilities to the maximum extent feasible.
9. Contouring of the land shall be compatible with the surrounding natural topography, unless otherwise approved to accommodate another permitted use or required drainages.
10. Appropriate measures shall be implemented to control erosion both during and after site closure.
11. Establishment of vegetation shall be in conformance with an approved revegetation plans and the following standards:

- a. All disturbed areas identified for vegetation shall be disked or ripped to an appropriate depth to eliminate compaction and establish a suitable root zone in preparation for planting, except where such requirement poses a significant adverse environmental impact.
 - b. Native seeds and plants shall be used when returning the area to natural conditions. Other seeds, such as a pasture mix, shall be allowed in areas designated for such use.
12. Subsurface segments of inter-facility pipelines may be abandoned in-place except under the following circumstances:
- a. Presence of the pipeline would inhibit future land uses proposed in an active development application.
 - b. Modeling approved by the U.S. Army Corp. of Engineers or U.S. Bureau of Reclamation indicates that segments of the pipeline in erosive locations would become exposed at some time during the next 100 years, and environmental review determines that impacts from exposure and subsequent removal during inclement weather are more significant than removal at the time of abandonment.
13. Appropriate notification has been recorded with the County Clerk-Recorder to update or supersede the recorded rights-of-way where a subsurface pipeline is abandoned in-place. This notice shall describe the presence and location of the abandoned pipeline, any material placed in the pipeline for abandonment, and the operator and owner of the pipeline prior to abandonment.
14. The Director may impose other appropriate and reasonable conditions or require any changes to the project as deemed necessary to protect the health, safety, and welfare of the public, protect property, preserve the character, natural resources, or scenic quality of the area, or implement the purpose of this Chapter or any other chapter of the County Code.

Sec. 35-323.14. Revocation of Entitlement to Land Use.

1. All entitlements provided in any use permits issued under this ordinance, or under any preceding zoning ordinance, to use the facilities shall be automatically revoked and no longer effective upon the County's denial of an application to defer abandonment. Requirements of use permits necessary to ensure continued protection of public and environmental health, safety and welfare shall continue in full force and effect, including:
 - a. Conditions that specify liability of the owner, operator, and other persons.
 - b. Conditions that specify payment of County fees and costs.
 - c. Conditions that indemnify the County.
 - d. Where applicable, conditions that specify the County's authority to require abatement of public nuisances or require mitigation of environmental impacts that may occur prior to issuance of a Demolition & Reclamation Permit.
 - e. Where applicable, conditions that require oil spill prevention, preparedness, and response.
 - f. Where applicable, conditions that require emergency, preparedness and response.
 - g. Where applicable, conditions that require safety inspections, maintenance, and quality assurance.
 - h. Where applicable, conditions that require site security.
 - i. Where applicable, conditions that require fire prevention, preparedness, protection and response.

- j. Where applicable, conditions that require payment of fees, including fees that provide mitigation for ongoing impacts to the environment (e.g., payments to the Coastal Resource Enhancement Fund).
- k. Substantive conditions that address abandonment; however procedural requirements for abandonment, demolition, and reclamation shall conform to Section 35-323 of this Chapter.

Upon revocation of entitlements in a use permit, the Director shall notify the owner or operator and include a list of permit conditions that remain in full or partial force.

- 2. All use permits issued under this ordinance, or under any preceding zoning ordinance, shall be automatically revised to remove any entitlement to continue the use of any independent business function of a permitted land use determined to be abandoned in accordance with Section 35-323. However, permit conditions necessary to ensure continued protection of public and environmental health, safety and welfare, such as those identified in Sec. 35-323.14.1, shall continue in full force and effect.
- 3. The permittee shall have a grace period of two years from the date of revocation of entitlements in use permits in order to secure a Demolition & Reclamation Permit. The Director may extend the grace period no more than one year, cumulatively, for good cause, or for longer periods for delays attributable to circumstances beyond the permittee's control.
- 4. Upon completion of the grace period, the abandoned land use or independent business function shall be treated as a deserted and illegal land use until such time that the permittee secures approval of a Demolition & Reclamation Permit.

Sec. 35-323.15. Expiration of a Demolition & Reclamation Permit.

- 1. Requirements. The permittee shall complete all requirements of the Demolition & Reclamation Permit prior to the expiration of the permit, including any extensions thereof. Failure to do so shall constitute a violation of this Article.
- 2. Term. Demolition & Reclamation Permits shall expire upon issuance of a "Reclamation Complete" letter by the Director, or seven years after the date of issuance, whichever occurs sooner. Director's "Reclamation Complete" letter shall certify completion of all required work except for remediation of contamination, which is certified by other agencies.
- 3. Extensions. The Director may extend the expiration date of the permit without penalty if the closure or re-vegetation of the site was delayed by circumstances reasonably beyond the permittee's control. Otherwise, Director may extend the expiration date of the permit with penalties, pursuant to Section 35-330 of this Article, in order to realize completion of all site closure and post-closure requirements. If the permittee requests a time extension for this project, the Director may revise the Demolition & Reclamation Permit to revise conditions and mitigating measures or to add new conditions and mitigating measures, which reflect changed circumstances, including newly identified impacts.

Amend Division 11 "Administration" Article III, Chapter 35, Santa Barbara County Code by amending Section 35-327.2 "Appeals" to indicate a 30-day filing requirement for appeals under Sec. 35-323 as follows:

Sec. 35-327. Appeals.

Sec. 35-327.2.

1. The decision of the Planning and Development Department on the approval, denial, or revocation of Land Use Permits, final approval of projects under the jurisdiction of the Director, or decisions of the Board of Architectural Review may be appealed to the Planning Commission by the applicant or any interested person adversely affected by such decision. The appeal, which shall be in writing, and accompanying fee must be filed with the Planning and Development Department within ten (10) calendar days of the date of the decision of the Planning and Development Department (*or thirty (30) days with regard to appeals pursuant to Sec. 35-323*) as follows:
 - a. Within the ten calendar days following the date of decision for projects under the jurisdiction of the Director, *except for appeals pursuant to Sec. 35-323, in which case, filing must occur within thirty calendar days following the date of decision.*
 - b. Within the ten calendar days following the posting date for the notice of Land Use Permit approval, as required by Section 35-326, or if denied, within the ten calendar days following the decision of the Planning and Development Department to deny such permit application.
 - c. Within the ten calendar days following the date of final decision by the Board of Architectural Review. If final approval by the Board of architectural Review is appealed, the hearing on the appeal shall only be held after the decisions on the Land Use Permit but, prior to the issuance of the Land Use Permit for such project. The Board of Architectural Review appeal shall be processed concurrently with any appeal of the Land Use Permit. If a denial by the Board of Architectural Review is appealed, a separate hearing shall be held on the Board of Architectural Review appeal prior to the decision on the Land Use Permit. No permits shall be issued until all appeals have been heard and/or resolved.
 - d. The appellant shall state specifically in the appeal how 1) the decision of the Planning and Development Department on a Land Use Permit *or on applications under Sec. 35-323*, or a decision of the Director of the Board of Architectural Review is not in accord with the provisions and purposes of this Article or 2) there was an error or an abuse of discretion by the Planning and Development Department, Director of the Board of Architectural Review. If the approval of a Land Use Permit required by a previously approved discretionary permit is appealed, the appellant must identify how the Land Use Permit is inconsistent with the previously approved discretionary permit, how the discretionary permit's conditions of approval have been unfulfilled, or how the approval is inconsistent with Sec. 35-326. (Noticing).