



COUNTY OF SANTA BARBARA  
PLANNING AND DEVELOPMENT

MEMORANDUM

TO: Board of Supervisors

FROM: Dianne Black, Assistant Director *Dianne M. Black*  
Planning & Development Department

DATE: February 26, 2016

RE: March 1, 2016 Board of Supervisors Hearing, Item D-5 - Coastal Resource Enhancement Fund (CREF) 2016 Cycle

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Staff requests that the Board of Supervisors remove Item D-5 from the March 1, 2016 hearing agenda. Staff will reschedule the item for hearing in the future.

Pursuant to the CREF guidelines, offshore oil development project impacts and corresponding CREF fees are reassessed at five-year intervals. When staff conducts these reassessments, impacts are projected for the next five years, and the previous five years are reviewed to ensure impacts occurred as predicted in the prior assessment. If previous impacts did not occur as predicted, the project is credited accordingly. The next reassessment is scheduled to occur in 2017 for the 2018-2022 five-year time period.

Two of the three offshore projects which currently pay into CREF (the Freeport-McMoRan Point Arguello Project and the ExxonMobil Santa Ynez Unit Project) are not producing due to the May 2015 oil spill and resultant shutdown of the Plains All-American Pipeline. Point Arguello purged its lines and tanks in December 2015; the Santa Ynez Unit's oil will be fully purged in mid-2016. Purged pipelines and tanks reduce the risk of an oil spill from these facilities. This reduction in potential impacts will affect the assessment of CREF fees for these two projects until they resume production. Rather than wait to conduct this reassessment at the next scheduled five-year assessment in 2017, staff will analyze the reduced impacts now and return to your Board with a reassessment of CREF fees for the current five-year cycle (2013-2017), along with recommendations for 2016 CREF awards.