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October 6, 2014

VIA EMAIL

Santa Barbara County Board of Supervisors
105 East Anapamu Street, Room 407
Santa Barbara, CA 93101

Re: Measure P's Implementing Ordinances; Board of Supervisors October 7, 2014 Meeting, Departmental Agenda Item No. 1 (No. 14-00720)

Dear Chair Lavagnino and Honorable Members of the Board of Supervisors:

We write to you, once again, on behalf of a coalition of Santa Barbara County taxpayers, consumers and energy producers to express our strong opposition to Measure P. These Measure P implementing measures will do nothing to insulate the County and residents of the County from the financial liability and economic disaster that they are now facing as a result of Measure P.

Hard working men and women will lose their jobs, and businesses will shut down. The County will lose millions in tax revenues which fund the sheriff, fire, schools and other essential services. Communities will lose essential services that are critical for residents. And the County will be faced with tens of millions of dollars in legal costs, millions of dollars in staff costs and potentially hundreds of millions of dollars in compensation required to be paid by the County for takings of property rights. Your County Counsel confirmed that Measure P is the largest potential liability the County has ever faced.

Measure P would put a stop to virtually all existing on-shore oil and gas production in the County. And though it is being marketed by its proponents as a measure to prohibit hydraulic fracturing, there is no hydraulic fracturing in the County. But Measure P is so broadly drafted that it encompasses all conventional methods of production now in use in the County. The County has independently confirmed this. Measure P's true impact would be to halt virtually all oil and gas development in the County.

Measure P's purported "savings clause" will not "save" jobs, it will not save businesses, and it will not save the County from liability. And it would be a mistake to think that it will. In fact, these measures now before your Board, which are intended to implement Measure P's

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“savings clause,” will only increase the County’s administrative burden and costs and add to its litigation costs.

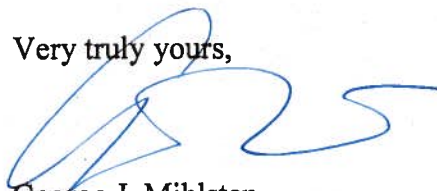
Moreover, it is premature and prejudicial for the County to adopt these implementing measures before the vote on Measure P. Santa Barbara County voters are still making up their minds, and official action by the County to implement Measure P before the election could be seen as an implied endorsement of Measure P and could unnecessarily interfere with the democratic process.

As we have indicated in our previous letters to the Board and to the Montecito and County Planning Commissions, which we incorporate by reference, the measures create tremendous uncertainty about the exemption process, and vest undefined discretion in the Director of Planning and the Board of Supervisors without clear standards to follow in exercising this discretion. California courts have warned strongly against giving public agencies this adjudicatory power, particularly where, as here, there are no clear standards for the collection and presentation of evidence to support a takings claim. Moreover, courts will retain the ultimate determination on these issues. Although the County will be spending millions in staff costs and taking hundreds of hours, perhaps thousands of hours, of the Board’s time to consider these exemption requests, each and every matter will be heard “de novo” by the courts regardless of the Board’s decisions. Additionally, the implementing measures are not exempt from CEQA, and the potential environmental impacts of the measures must be studied before they may be adopted.

Our coalition is strongly opposed to Measure P and believes that any effort to adopt implementing actions which would take effect upon its passage is improper *before* the November 4 election. Crippling uncertainty would result from the passage of Measure P, along with voluminous costs and liability for the County. These implementing measures will do nothing to fix the fundamental flaws in Measure P.

Thank you for your attention to these important issues.

Very truly yours,



George J. Mhlsten
of LATHAM & WATKINS LLP

cc: Michael C. Ghizzoni, County Counsel