

# LATHAM & WATKINS LLP

April 11, 2025

## VIA EMAIL

Lisa Plowman  
Director of Planning and Development  
Santa Barbara County  
105 E Anapamu Street  
Santa Barbara, CA 93101

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Re: Change of Owner, Operator, and Guarantor for the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipeline System Final Development Plan Permits

Dear Ms. Plowman:

On behalf of our client, Sable Offshore Corp. (“Sable”), we write regarding the transfer of the permits related to the above-referenced matter. This letter follows up on our February 26, 2025, letter to you, in which we outlined the legal basis for the County’s issuance of updated permits to reflect Sable as the new owner, operator, and guarantor of the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipeline System (the “Facilities”).<sup>1</sup> We write again to reiterate our request, in light of the information provided in our prior correspondence and below, that the County transfer the permits forthwith and without further delay.

As you are aware, the Santa Barbara County Planning Commission (“Planning Commission”), acting pursuant to its authority under Santa Barbara County Code Chapter 25B, approved Sable’s applications for the change of owner, operator, and guarantor for the Facilities. On appeal, the Santa Barbara County Board of Supervisors (“Board”) failed to act, as the four County Supervisors present split the vote on a motion to deny the appeals, 2 votes to 2 votes.

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<sup>1</sup> The relevant permit transfers involve the Santa Ynez Unit Final Development Plan (FDP) Permit No. 87-DP-32cz (RV06) transfer from ExxonMobil Corporation to Sable (Owner, Operator, and Guarantor); the Pacific Offshore Pipeline Company (POPCO) Gas Plant FDP Permit No. 93-FDP-015 (AM03) transfer from ExxonMobil Corporation to Sable (Operator and Guarantor); and the Las Flores Pipeline System FDP Permit No. 88-DPF-033 (RV01)z, 88-CP-60 (RV01)(88-DPF-25cz;85-DP-66cz; 83-DP-25cz) transfer from ExxonMobil Pipeline Company (EMPCo) to Sable (Operator), and ExxonMobil Corporation to Sable (Guarantor).

As explained in Sable’s February 26 letter, because the Board’s role was to review the permit transfers that had already been granted by the Planning Commission (and that were within the Planning Commission’s statutory jurisdiction), the no-action determination means the Planning Commission’s approval of the transfer of the permits to Sable stands. (*See, e.g., Grist Creek Aggregates, LLC v. Superior Court*, 12 Cal. App. 5th 979 (2017) (Hearing Board’s “tie vote meant that [previously issued Authority to Construct] was allowed to stand, which was effectively a decision not to revoke it.”); *see also Today’s Fresh Start, Inc. v. Los Angeles County Office of Education*, 197 Cal. App. 4th 436 (2011), *rev’d on other grounds by* 57 Cal. 4th 197 (2013) (where county Board of Education split 4-4 on appeal of school charter revocation, this “amounted to a final decision by the board failing to adopt the motion, denying the appeal, and upholding the revocation.”).) Accordingly, as explained in our prior letter, the County is legally obligated to transfer the permits to Sable.

Sable understands that the County also received a letter from one of the appellants, the Environmental Defense Center (“EDC”), arguing for a contrary interpretation of the tie vote—namely, that the Board’s failure to take action constituted a denial of Sable’s request for the permit transfers. Neither the County Code nor the case law cited by EDC supports this position. To the contrary, EDC ignores the key differences in the code provisions underpinning each court’s decision. In *Clark v. City of Hermosa Beach*, the court held that a tie vote was insufficient to grant the conditional use permit sought because the city’s code did not simply direct the city council to review the lower commission’s decision for error, but also specifically required that the council decide “whether *it* [the council] should grant or deny the permit.” (48 Cal. App. 4th 1152, 1176.) Here, the County Code clearly limits the Board’s authority to reviewing the Planning Commission’s determination and does not charge the Board with directly granting or denying the permit transfer request. (Sec. 25B-12(b)(4).) Similarly, in *Anderson v. Pittenger*, the court found that the council’s tie vote did not affirm the lower commission’s determination because the city’s code required the council itself to grant, deny, or modify the requested variance. (197 Cal. App. 2d. 188.) That is not the case here, as the County’s Code grants the Board the authority only to “affirm, reverse or modify *the planning commission’s decision*,” not the underlying permit transfer. (Sec. 25B-12(b)(4).) The court in *Clark* specifically distinguished its holding from the facts here by noting that the council’s determination “was not merely to review proceedings before the commission and affirm, reverse, or modify the order of the commission.” (48 Cal. App. 4th 194-95.) This is, of course, precisely the limited scope of review that the County Code affords the Board. Finally, in *REA Enterprises v. Cal. Coastal Zone Conservation Com.*, the court leaned on Coastal Act language that required the State Board to determine “whether the permit should be granted” and not simply to review the regional commission’s decision on the permit. (52 Cal. App. 3d 596, 609.) Again, no such language exists in the County Code.

The law is clear: when, as here, jurisdiction is vested originally in a decisionmaker and another decisionmaker acts merely as a reviewing court, a tie vote operates to affirm the original decision. Only in instances in which the reviewing agency is *itself* tasked with the underlying approval—which the Board was *not* here—does a tie vote result in administrative limbo.

The Board’s no-action vote thus affirms the Planning Commission’s approval of the permit transfers. Under the County Code, there is no stay of the Planning Commission’s decision pending

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appeal. As such, and with no indication that the Board plans to revisit its February 25 vote, the County must transfer the permits to Sable.

Sable is grateful to the Santa Barbara County Planning & Development staff for their hard work and professionalism leading up to the October 30, 2024 County Planning Commission hearing and the February 25, 2025 Board of Supervisors hearing related to the permits. Sable's team has enjoyed working collaboratively with County staff and appreciates their thorough work in preparing recommendations for the Planning Commission's and Board's consideration. We trust that staff will understand that in the absence of transfer of the permits, Sable must proceed with seeking further redress in the form of a writ of mandate. Such action would not reflect any antagonistic attitude from Sable toward Santa Barbara County but would simply serve as the necessary device for addressing any administrative stalemate we will have reached if the permits are not transferred as respectfully requested. Sable again requests the County's prompt transfer of the permits and of course we would be happy to discuss or respond to any questions you may have.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Jessica Stebbins Bina', is written over a horizontal line.

Jessica Stebbins Bina  
of LATHAM & WATKINS LLP