

SANTA BARBARA COUNTY BOARD AGENDA LETTER



Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
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Agenda Number:
Prepared on: 10/7/04
Department Name: Planning and Development
Department No.: 053
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If Yes, date from: 9/7/04 (Departmental Item #8)
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OILTRANS\Board - Hearing 10-19-
04\Board Agenda Letter - 10-19-04

TO: Board of Supervisors

FROM: Valentin Alexeeff, Director
Planning and Development Department

STAFF CONTACT: John Day, Planner, 568-2045
Doug Anthony, Energy Specialist, 568-2046

SUBJECT: Amendments to Oil Transportation Policies and Regulations

Recommendations: That the Board of Supervisors take the following actions:

- A. Adopt by resolution (included herein as Attachment A) revisions to Chapter 3.6.4 of the County's *Coastal Plan*, modifying text and policies to specify pipeline as the primary mode of transporting oil extracted from offshore reservoirs.
- B. Adopt by resolution (included herein as Attachment B) revisions to the Land Use Development Policies of the County's *Land Use Element*, modifying text and policies to specify pipeline as the primary mode of transporting oil extracted from offshore reservoirs.
- C. Adopt by ordinance (included herein as Attachment C) revisions to Sections 35-87, 35-92, 35-154, and 35-156 of Article II (*Coastal Zoning Ordinance*) of Chapter 35 of the Santa Barbara County Code, as follows:
1. Repeal Sections 35-87.3.3 and 35-92.3.3, delisting marine terminals as a permitted use in the Coastal Dependent Industry (M-CD) and Coastal Related Industry (M-CR) zone districts, respectively.
 2. Revise Section 35-154.5.i, amending development standards for approval of oil/gas processing facilities, regarding transport of crude oil to final refining destination.
 3. Repeal Section 35-156, Marine Terminals.
- D. Adopt by ordinance (included herein as Attachment D) revisions to Sections 35-236, 35-296, 35-298 of Article III (*Inland Zoning Ordinance*) of Chapter 35 of the Santa Barbara County Code, as follows:

1. Repeal Section 35-236.3.3, delisting marine terminals as a permitted use in the Coastal Related Industry (M-CR) zone district.
2. Revise Section 35-296.5.1.h and 35-296.5.1.k, amending development standards for approval of oil/gas processing facilities, regarding transport of crude oil to final refining destination.
3. Repeal Section 35-298, Marine Terminals.

E. Adopt the CEQA finding contained herein as Attachment E, determining the foregoing amendments to be categorically exempt from environmental evaluation pursuant to the Public Resource Code Sec. 21084(a) and CEQA Guidelines Sec. 15308.

F. Adopt the legislative findings of approval contained herein as Attachment F for amendments to Articles II and III of Chapter 35 of the Santa Barbara County Code.

Alignment with Board Strategic Plan: The recommendations primarily align with Goals No. 2 and 5: A Safe and Healthy Community in Which to Live and Visit, and A High Quality of Life for All Residents respectively.

Executive Summary and Discussion:

Overview of the Recommended Amendments

The Planning Commission unanimously recommended adoption of the proposed amendments during its regularly scheduled hearing of September 22, 2004 (see Planning Commission's letter of recommendations to the Board of Supervisors, included herein as Attachment H). The amendments are substantially the same as initiated by the Board on September 7, 2004. (Minor changes in wording suggested by Coastal Commission staff were included following initiation.) The amendments would update the County's policies and regulations to require that all oil produced from offshore reserves be transported by pipeline, consistent with current State law. The amendments would also repeal policy and ordinance provisions that allow construction or expansion of marine terminals. The proposed amendments do not apply to onshore producers, would not affect current offshore operations, and would not infringe on the vested rights of the operators of the remaining marine terminal.

The County's existing oil transportation policies and ordinances were adopted in 1984, following a period of unprecedented growth of offshore oil and gas leasing. Several competing pipeline systems and marine terminals had been proposed. Overland pipelines were determined to be the environmentally superior mode of oil transport, but new pipelines were not expected to be built and operational before production would begin to escalate. The policies provided an interim solution to the oil transportation problem, allowing oil to be transported by marine vessel, but only until such time as pipelines were operational, while requiring adverse environmental impacts of offshore oil development to be mitigated to the maximum extent feasible.

Twenty years later, the pipelines have been built and are operating substantially below capacity. Oil produced offshore of Santa Barbara County is transported exclusively by pipeline, with the exception of relatively small volumes transported by barge from the Ellwood Marine Terminal.

The pipelines are adequate to carry foreseeable future production, without recourse to tankering. Furthermore, State law now prohibits marine transport of oil produced from new or expanded offshore operations.

The time is ripe to update the County's policies and regulations to require pipeline transport and repeal regulations enabling marine terminals. The updates will bring to closure the policy direction set in motion in 1984.

We refer you to the attached Planning Commission staff report for more detailed discussion of the recommended amendments, included herein as Attachment G.

Planning Commission Hearing -- September 22, 2004.

Staff received no written comments concerning the proposed amendments from representatives of the affected industry or the public in advance of the Planning Commission hearing, and no written comments were submitted at the hearing. Two members of the public spoke at the hearing, as follows:

1. Mr. Steve Greig, Regulatory Manager, Venoco, Inc.; Chairman of Western States Petroleum Association Coastal Production Committee.

Mr. Greig, speaking on behalf of Venoco, stated that his understanding is that the proposed amendments are intended to adopt some of the requirements of Assembly Bill 16 (2003). He indicated that if Venoco's attorneys find no difference between the amendments and AB-16, then Venoco would not oppose adoption.

Energy Division Staff (Doug Anthony) subsequently clarified that the amendments do implement AB-16, as it applies in the Santa Barbara County context. For example, AB-16 struggled with a definition for "new production," which would be required to be shipped by pipeline under the new law. In the County's case, only one facility, Ellwood Marine Terminal (EMT), does not already ship by pipeline. EMT operates as a legal, non-conforming use with a vested right to do what is allowed under existing permits. Barging is allowed, but only for production allowed by permit. If Venoco were to pursue full-field development of South Elwood Field, that project would fall outside the existing permits, and hence pipeline transport would be required under the proposed amendments.

2. Ms. Linda Krop, Chief Counsel, Environmental Defense Center.

Ms. Krop voiced strong support of the proposed amendments. She noted that an initiative was nearly approved by the voters in 1985 to require pipeline transport. She expressed appreciation for the work of staff and the County in pursuing the policy updates, and for industry for having built the pipelines which have eliminated the need for marine tankering.

Mandates and Service Levels: In general, local jurisdictions are required to implement their local coastal programs in a manner that is consistent with the California Coastal Act. Therefore, it is advisable to update local coastal programs to reflect revisions to the California Coastal Act and avoid potential conflicts between local actions and State requirements. Such updates also provide better service to each local jurisdiction's constituency, by way of maintaining a current local coastal program.

Fiscal and Facilities Impacts: This project is funded by a combination of State (AB 1431) and Federal (Coastal Impact Assistance Program), as shown on page D-300 of the FY 04-05 budget, under Sources of Grants Summary. Expenditures are shown on the same page under Use of Funds Summary, Long Range Planning.

Special Instructions: Clerk of the Board to send a copy of executed resolutions to Energy Division staff contact. Clerk of the Board shall forward a copy of the Minute Order to Planning and Development, Attn: Cintia Mendoza, Hearing Support.

Concurrence: County Counsel.

Attachments:

- A. Resolution adopting amendments to the Santa Barbara County Coastal Plan
- B. Resolution adopting amendments to the Santa Barbara County Land Use Element
- C. Ordinance adopting amendments to the Santa Barbara County Coastal Zoning Ordinance
- D. Ordinance adopting amendments to the Santa Barbara County Inland Zoning Ordinance
- E. Finding of Categorical Exemption for Adoption of Amendments
- F. Legislative Findings of Approval for Adoption of Amendments to the Santa Barbara County Coastal and Inland Zoning Ordinances
- G. Staff Report to the Santa Barbara County Planning Commission, September 22, 2004 (included as separate document in electronic version)
- H. Planning Commission Action Letter

Attachment A

Resolution Adopting Amendments to the
Santa Barbara County Coastal Plan

**RESOLUTION OF THE BOARD OF SUPERVISORS
COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA**

IN THE MATTER OF ADOPTING
AMENDMENTS TO SECTION 3.6.4 OF
THE COASTAL PLAN, REVISING OIL
TRANSPORTATION POLICIES AND
REPEALING MARINE TERMINAL
POLICIES, TO ENSURE THAT OIL
PRODUCED OFFSHORE OF THE COUNTY
WILL BE TRANSPORTED BY PIPELINE.

RESOLUTION NO. _____

Case No. 04GPA-00000-00014

WITH REFERENCE TO THE FOLLOWING:

- A. Santa Barbara County seeks to ensure that oil produced offshore is transported to onshore facilities and thence to refinery by pipeline, and that construction or expansion of marine oil terminals shall not occur, in order to minimize adverse impacts of oil transportation on marine and coastal resources.
- B. The Santa Barbara County Planning Commission has recommended policy amendments to assure that oil produced offshore is transported by pipeline, with certain exceptions, consistent with State law.
- C. The Board has held a duly notice public hearing, as required by Section 65355 of the Government Code, at which the amendments to the Coastal Plan were explained and comments invited from the persons in attendance.
- D. It is now deemed in the interest of the orderly development of the County of Santa Barbara and important to the preservation of the health and safety of the residents of said County to amend the Coastal Plan of the Local Coastal Program by adopting the following amendments to Section 3.6.4, "Land Use Plan Proposals:"

Repeal Portions of the preamble to Oil and Gas Processing Facilities policies (pp. 62-63):

~~“ Oil transportation is one of the key issues associated with oil development in Santa Barbara County. Pipelines have been found to be environmentally superior to tankers. Tanker transportation presents greater impacts to marine, visual, recreation and air resources than do pipelines. General pipeline "feasibility" will be determined through the market based on producer choice of refining center, refining capacity in that center, and economic feasibility being tested through ability to obtain financing and the choice to build and operate the pipeline. Once constructed and operational to the refining center of a producer's choice (e.g. Houston, San Francisco, Los Angeles), pipelines shall be the required mode of transportation because they are less environmentally damaging than other modes of transportation. This requirement is based on the assumption that, when operational, pipelines serving various refining centers will have adequate capacity and that the tariffs and costs of transporting the oil to its ultimate refining destination will be reasonable. This "reasonableness" will be based on the balancing of public and~~

private interests in economic and environmental factors. (Adopted by B/S 6/18/84, Resol. #84 284).

~~The County should assure that producers have access to competitive markets, however, the County need not provide unlimited flexibility to all producers. Since pipelines are not yet in place and may not be constructed to all refining centers, other methods of oil transportation are needed for production that precedes pipeline construction and operation and for refining centers not served by pipeline. (Adopted by B/S 6/18/84, Resol. #84 284).~~

~~The County recognizes the potential for transportation demand to exceed system capacity and should take affirmative measures to ensure equitable, pro rata access to the transportation system by all shippers consistent with the County's goals of consolidation. (Adopted by B/S 6/18/84, Resol. #84 284).~~

~~Because of uncertainty regarding crude oil production volumes, industry economics, and permits, there is a need for periodic review of the County's oil transportation policies. (Adopted by B/S 6/18/84, Resol. #84 284). ”~~

Renumber Policy 6-6A (as 6-10F) and delete reference in the text preceding it (p. 63):

~~“ Policy 6-6A applies to oil and gas processing facilities and sites that serve offshore producers. ”~~

~~“ Policy 6-6A If upper throughput limits exist in any new oil transportation system, the County shall, to the maximum extent feasible and legally permissible, assure equitable, pro rata access for all shippers. Permits for oil transportation systems shall require the permittee to achieve County's goals for consolidation. County shall retain continuing permit jurisdiction to assure that these goals are met. For the purposes of this plan, "shipper" shall refer to the entity in legal ownership of the oil to be transported. (Added 7/88). ”~~

Revise Policy 6-6B (p. 64):

~~“ Policy 6-6B: Except for facilities not directly related to oil and gas processing as referenced in Policy 6-11B (Marine Terminals), t~~
 This policy applies to areas of the coastal zone that are outside the South Coast Consolidation Planning Area (SCCPA). The SCCPA is the unincorporated area from Point Arguello to the western boundary of the City of Santa Barbara, and from the ridge of the Santa Ynez Mountains to the three mile offshore limit. (Added 12/14/87, B/S Resol. #87 616)

If new sites for processing facilities to serve offshore oil and gas development are needed, expansion of facilities on existing sites or on land adjacent to existing sites shall take precedence over opening up additional areas, unless it can be shown that the environmental impacts of opening up a new site are less than the impacts of expansion on or adjacent to existing sites. Consideration shall also be given to economic feasibility. ”

Revise Policy 6-8 (p. 66):

~~“ Policy 6-8: If an onshore pipeline for transporting crude oil to refineries is determined to be technically and economically feasible, proposals Any permit approval for expansion, modification, or construction of new oil and gas processing facilities shall be conditioned to require~~

transportation of oil *by pipeline, in accordance with policies on Oil Transportation (Policies 6-10A through 6-10F)*. ~~through the pipeline when constructed, unless such condition would not be feasible for a particular shipper. (Revised 6/18/84, B/S Resol #84-284; 11/19/91, B/S Resol #91-670)~~”

Repeal Policies 6-8a through 6-8e (pp. 66-67):

- ~~a) Pipeline transportation of crude oil to a refining center served by a pipeline is presumed to be technically and economically feasible and the required method of transportation to that center. (Revised 6/18/84, B/S Resol #84 284).~~
- ~~b) Pipeline transportation of crude oil is presumed feasible for a particular shipper if a pipeline is in operation to the refining center of the shipper's choice. (Revised 6/18/84, B/S Resol #84 284).~~
- ~~c) Crude oil processing facilities shall be conditioned to require that each shipper's oil leaving those facilities be transported by pipeline when a pipeline is in operation to the refining center of the shipper's choice. (Revised 6/18/84, B/S Resol #84 284).~~
- ~~d) Until pipelines become available, and for refining centers not served by pipeline, other modes of oil transportation are allowed consistent with County policies. Rail is not preferred for large volume shipments of oil. (Revised 6/18/84, B/S Resol #84 284).~~
- ~~e) For refining centers served by pipeline, other modes of transportation up to the limits of permitted capacity for those modes, and with assurances that the shipper or transportation facility operator can and will mitigate the environmental impacts caused by the alternate transportation mode, are allowed only under the following circumstances:~~
- ~~1) Pipeline unavailability or inadequate capacity; or~~
 - ~~2) A refinery upset lasting no longer than two (2) months and only where the alternate refining center is not served by pipeline; or~~
 - ~~3) An emergency which may include a national state of emergency. (Revised 6/18/84, B/S Resol #84 284). ”~~

Repeal the preamble to *Marine Terminals* policies (pp. 67-68):

~~“ Marine Terminals~~

~~The County has permit jurisdiction over those portions of a marine terminal that are on land (i.e., pipelines, storage tanks) except where the County has been granted jurisdiction over State Tidelands.² Those portions of a marine terminal which are seaward of the mean high tide line are regulated by the Coast Guard and the State Lands Commission. Further, the County's "Statement of Policy Relative to the Location of On Shore Oil Facilities" favors no more than one additional marine terminal along the South Coast.~~

~~While the existing policies and regulations appear consistent with the policies of the Coastal Act, policies addressing the location of new marine terminals need to be clarified in two aspects: (1) the status of marine terminals if an onshore pipeline proves to be feasible, and (2) the impact of lease sale #53 on the need for marine terminals between Point Conception and the Santa Maria River.~~

~~The County recognizes the potential for transportation demand to exceed system capacity and should take affirmative measures to ensure equitable access to the transportation system by all~~

shippers entitled to use it consistent with the County's goals of consolidation. Equitable access is intended to prevent non owners of a facility from being forced out of, or not allowed into, transportation facilities. (Added 6/18/84, B/S Resol #84 284).

The County does not wish to encourage the long term use of marine transportation facilities which are incompatible with surrounding land uses or which possess technological limitations significantly affecting or potentially affecting public health and safety and the environment. (Added 6/18/84, B/S Resol #84 284).

~~—2 The County's only granted Tidelands are in Carpinteria. The existing Chevron marine terminal in Carpinteria is under the jurisdiction of the City.~~

Where

~~— Landward support facilities for the Gaviota Interim Marine Terminal are designated as Coastal Dependent Industry on the land use plan maps.~~

~~— Oil storage sites (tank farms) for transportation facilities should be consolidated and serve the entire oil transportation system (pipeline, marine, rail, other). A siting study was conducted in 1984 which identified the preferred environmental characteristics for an oil storage site on the Gaviota coast. These characteristics are based on those of Canada de la Pila for all attributes except geology and soils, which must meet standard County requirements through engineering and design review. Present County policy precludes the use of Canada de la Pila as a tank farm site. Proposed oil storage sites should meet these standards through project design and on and off site mitigation, though the County recognizes that environmental trade offs may be required to ensure than an environmentally preferable site is used. ”~~

Repeal Policies 6-10 through 6-12 (p. 68-69):

~~“ Policy 6 10: All relevant sections of Ordinance No. 661, the Petroleum Ordinance, and "Statement of Policy Relative to the location of On Shore Oil Facilities" are hereby incorporated by reference. ”~~

~~“ Policy 6 11: If an onshore pipeline is determined to be technically and economically feasible existing marine terminals shall become, after a specified period, non conforming uses. Crude oil shall be transported by pipeline, unless the County makes the finding that transportation of oil by pipeline is not feasible for a particular shipper according to the provisions of Policies 6 8 and 6 8A. (Revised 6/18/84, B/S Resol #84 284). ”~~

~~“ Policy 6 11B: Policies 6 6 and 6 6A regarding consolidation of oil and gas processing facilities shall be applied to all oil and gas facilities. Consolidated storage facilities shall be designed to support a complete oil transportation system including one or more transportation modes. Facilities approved by the County shall be sited to provide for reasonable expansion. (Added 6/18/84, B/S Resol #84 284). ”~~

~~“ Policy 6 12: Due to scenic and natural resources in areas between Point Conception and the Santa Maria River, marine terminals are not considered at present as appropriate development in that area. If activity under lease sale #53 results in a need for marine terminal(s) in the North County, detailed~~

~~studies shall be undertaken to determine appropriate location(s). No onshore facilities, except pipelines, shall be located on any environmentally sensitive habitat areas.”~~

Add a new preamble entitled *Oil Transportation* (to replace repealed preamble to *Marine Terminals*):

“ *Oil Transportation*

The following policies apply to the transportation of oil produced from any offshore reservoir and landed in Santa Barbara County and oil produced from a reservoir offshore Santa Barbara County, regardless of landing location. Pipelines are environmentally less damaging than other modes of crude oil transport, including highway, rail, and marine tank vessel. In particular, while tanker or barge accidents occur less frequently than pipeline spills, the adverse environmental impacts of tanker or barge spills can be far greater due to the large volumes of oil released, the extreme difficulty in containing and cleaning up offshore spills, and the overall sensitivities of marine and coastal resources.

Whereas:

The County seeks to minimize adverse environmental impacts of oil transportation, both onshore and offshore, by requiring crude oil produced from offshore reserves to be transported by pipeline to the maximum extent feasible.”

Add New Policies 6-10A through 6-10E:

“ *Policy 6-10A: Phase-out of Marine Terminals.*

No new marine oil terminals, or expansion of existing marine terminals, shall be permitted in the County. As used here, “expansion of existing facilities” means any activity beyond what an owner has a vested right to do under existing permits. Existing marine terminals shall remain classified as a legal, non-conforming uses, with the expressed intent that they be phased out of existence once the owner’s current vested right to operate under existing permits is exhausted.”

“ *Policy 6-10B: Transport of Crude Oil from Offshore to Onshore.*

1) Crude oil produced from offshore production facilities shall be transported to onshore facilities exclusively by pipelines that conform to all applicable regulations and standards.

2) Any new pipeline shall be routed to maximize protection of coastal and marine resources.

Factors to be balanced in selecting the route include, but are not limited to, minimizing the length of the offshore segment (to reduce the risk of oil spills in coastal waters), location of sensitive species and habitats both onshore and offshore, and anticipated hazards to pipeline integrity.”

“ *Policy 6-10C: Transport of Crude Oil to Refineries.*

1) *Production from new offshore facilities.*

Crude oil received onshore from new or expanded offshore production facilities, or from onshore operations to extract oil from offshore reserves, shall be transported to processing facilities and final refining destination by overland pipeline, except as provided for in Policy 6-10D and E. The pipelines shall conform to all applicable regulations and standards.

2) Production from existing offshore facilities.

Crude oil received onshore from existing offshore production facilities shall be transported to processing facilities and final refining destination by overland pipeline, except where an owner has a vested right to transport oil by marine vessel or as provided in Policy 6-10D and E.”

“ Policy 6-10D: Exception to Policy 6-10C Requirement for Transport via Pipeline.

Crude oil received onshore from offshore production facilities may be transported by highway or rail if the Director determines that the oil is so highly viscous that pipeline transport is infeasible, taking into account available options such as modifications to existing pipelines, blending of NGLs, etc.

Any shipment of oil by highway or rail under this policy shall be limited to that fraction of the oil that is technically infeasible to transport by pipeline. The shipper or carrier shall mitigate to the maximum extent feasible any significant environmental impacts caused by use of the alternate transportation mode.”

“ Policy 6-10E: Emergency Provision.

Notwithstanding the provisions of Policies 6-10A to 6-10D, temporary transport of oil by waterborne vessel may be authorized under an emergency permit if the Governor of the State of California declares a state of emergency pursuant to Public Resources Code Sec. 30262(a)(8) for an emergency that disrupts the pipeline transportation of oil produced offshore Santa Barbara County. In such a case, the oil transported by alternate mode shall be limited to that fraction which cannot feasibly be transported by pipeline. Transport by the alternate mode shall cease immediately when it becomes technically feasible to resume pipeline transport.”

Add Policy 6-10F (renumbered from previous Policy 6-6A):

“ Policy 6-10F: If upper throughput limits exist in any new oil transportation system, the County shall, to the maximum extent feasible and legally permissible, assure equitable, pro rata access for all shippers. Permits for oil transportation systems shall require the permittee to achieve County's goals for consolidation. County shall retain continuing permit jurisdiction to assure that these goals are met. For the purposes of this plan, "shipper" shall refer to the entity in legal ownership of the oil to be transported. (Added 7/88).”

NOW, THEREFORE, IT IS HEREBY RESOLVED as follows:

1. Pursuant to the provisions of Section 65356 of the Government Code, this Board adopts the foregoing amendments to Section 3.6.4 of the Coastal Plan.
2. A copy of this Resolution shall be made available pursuant to Section 65357 of the Government Code.

PASSED, APPROVED, AND ADOPTED this 19th day of October, 2004, by the following vote:

AYES:
 NOES:
 ABSENT:
 ABSTENTIONS:

Joseph Centeno, Chair
 Board of Supervisors
 County of Santa Barbara

ATTEST:

MICHAEL F. BROWN
 County Clerk of the Board

By _____
 Deputy Clerk of the Board

APPROVED AS TO FORM:

STEPHEN SHANE STARK
 County Counsel

By _____
 Deputy County Counsel

Attachment B

**Resolution Adopting Amendments to the
Santa Barbara County Land Use Element**

**RESOLUTION OF THE BOARD OF SUPERVISORS
COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA**

IN THE MATTER OF ADOPTING
AMENDMENTS TO THE LAND USE
ELEMENT OF THE COMPREHENSIVE
PLAN, REVISING OIL TRANSPORTATION
POLICIES TO ENSURE THAT OIL
PRODUCED OFFSHORE OF THE COUNTY
WILL BE TRANSPORTED BY PIPELINE.

RESOLUTION NO. _____

Case No. 04GPA-00000-00015

WITH REFERENCE TO THE FOLLOWING:

- A. Santa Barbara County seeks to ensure that oil produced offshore is transported to refinery by pipeline, in order to minimize adverse impacts of oil transportation on marine and coastal resources.
- B. The Santa Barbara County Planning Commission has recommended policy amendments to assure that oil produced offshore is transported by pipeline, with certain exceptions, consistent with State law.
- C. The Board has held a duly notice public hearing, as required by Section 65355 of the Government Code, at which the amendments to the Land Use Element were explained and comments invited from the persons in attendance.
- D. It is now deemed in the interest of the orderly development of the County of Santa Barbara and important to the preservation of the health and safety of the residents of said County to amend the Land Use Element of the Comprehensive Plan by adopting the following amendments to the Land Use Development Policies:

Revise Preamble Preceding Policy 12 (p. 82-d):

“ The county has conducted a comparative assessment of available modes for shipping large volumes of crude oil which are produced from offshore fields, processed locally, and requiring transportation to refineries. The assessment concluded that, although pipelines exhibit potentially significant adverse impacts to the environment, they are measurably the environmentally preferred mode of transportation when compared to marine tanker and rail. Furthermore, major crude oil pipelines are in operation for transporting crude oil from both northern and southern Santa Barbara County to refineries outside the county. Consequently, the county shall require that, ~~to the maximum feasible extent,~~ all crude oil produced from offshore reserves shall be shipped to onshore facilities via pipeline, and ~~from local processing facilities~~ thence to refineries via overland pipeline, except as specified below provided in Policy 12. Presently this policy does not apply to facilities that serve only onshore fields however, it shall apply to facilities that serve both onshore and offshore fields as well as only offshore fields. ”

Revise Policy 12 (pp. 82-d to 82-f):

- “ 12. ~~If an onshore pipeline for transporting crude oil to refineries is determined to be technically and economically feasible, p~~Proposals for expansion, modification, or construction of new oil and gas processing facilities, oil storage facilities, or pipeline terminals, which receive oil from offshore fields exclusively or from both offshore and onshore fields, shall be conditioned to require transportation of oil ~~through the~~ by pipeline when constructed, unless such condition would not be feasible for a particular shipper to *processing facilities and final refining destination, except as follows:*

Crude oil received onshore from offshore production facilities may be transported by highway or rail if the Director determines that the oil is so highly viscous that pipeline transport is infeasible, taking into account available options such as modifications to existing pipelines, blending of NGLs, etc.

Any shipment of oil by highway or rail under this policy shall be limited to that fraction of the oil that cannot feasibly be transported by pipeline and shall not exceed the limits of permitted capacity for these transportation modes. The shipper or carrier shall mitigate to the maximum extent feasible any environmental impacts caused by use of the alternate transportation mode.

Temporary transport of oil by waterborne vessel may be authorized under an emergency permit if the Governor of the State of California declares a state of emergency pursuant to Public Resources Code Sec. 30262(a)(8) for an emergency that disrupts the pipeline transportation of oil produced offshore Santa Barbara County. In such a case, the oil transported by alternate mode shall be limited to that fraction which cannot feasibly be transported by pipeline. Transport by the alternate mode shall cease immediately when it becomes technically feasible to resume pipeline transport.

- a. ~~Pipeline transportation of crude oil to a refining center served by a pipeline is presumed to be technically and economically feasible and the required method of transportation to that center.~~
- b. ~~Pipeline transportation of crude oil is presumed feasible for a particular shipper if a pipeline is in operation to the refining center of the shipper's choice.~~
- e. ~~Crude oil processing facilities shall be conditioned to require that each shipper's oil leaving those facilities be transported by pipeline when a pipeline is in operation to the refining center of the shipper's choice.~~
- d. ~~Until pipelines become available and for refining centers not served by pipeline, other modes of oil transportation are allowed consistent with County policies. Rail is not preferred for large volume shipments of oil.~~
- e. ~~For refining centers served by pipeline, other modes of transportation up to the limits of the permitted capacity for those modes, and with assurances that the shipper or transportation facility operator can and will mitigate the environmental impacts caused by the alternate transportation mode, are allowed only under the following circumstances:~~
 - (1) ~~Pipeline unavailability or inadequate capacity; or~~

- ~~(2) — A refinery upset lasting no longer than two (2) months and only where the alternate refining center is not served by pipeline; or~~
- ~~(3) — An emergency which may include a national state of emergency. ”~~

Repeal Implementing Action Statement (p. 82-f):

“ Implementing Action

~~The Planning Commission shall implement this policy pursuant to Section 35-296 of Article III, Chapter 35 of the Santa Barbara County Code (inland zoning ordinance). The regulations of Section 35-296 apply specifically to separation of oil and water from an offshore area and processing/treatment plants that are not described in the previous section, 35-295. This Oil Transportation Policy is intended to apply facilities which process production obtained exclusively from offshore fields or from both offshore and onshore fields. (91-GP-3) ”~~

NOW, THEREFORE, IT IS HEREBY RESOLVED as follows:

1. Pursuant to the provisions of Section 65356 of the Government Code, this Board adopts the foregoing amendments to the Land Use Development Policies of the Land Use Element.
2. A copy of this Resolution shall be made available pursuant to Section 65357 of the Government Code.

PASSED, APPROVED, AND ADOPTED this 19th day of October, 2004, by the following vote:

AYES:
 NOES:
 ABSENT:
 ABSTENTIONS:

ATTEST:

MICHAEL F. BROWN
County Clerk of the Board

Joseph Centeno, Chair
 Board of Supervisors
 County of Santa Barbara

By _____
Deputy Clerk of the Board

APPROVED AS TO FORM:
STEPHEN SHANE STARK
County Counsel

By _____
Deputy County Counsel

Attachment C

Ordinance Adopting Amendments to the
Santa Barbara County Coastal Zoning Ordinance

ORDINANCE No. _____

AN ORDINANCE AMENDING THE SANTA BARBARA COUNTY CODE
BY REVISING ARTICLE II OF CHAPTER 35, TITLED "COASTAL ZONING ORDINANCE"

CASE No.: 04-ORD-0000-00014

The Board of Supervisors of the County of Santa Barbara, State of California, ordains as follows:

SECTION 1:

Division 4 "Zoning Districts" of Article II of the Santa Barbara County Code is hereby amended, by deleting Sections 35-87.3.3 and 35-92.3.3, as follows:

[Section 35-87.3.3. M-CD Coastal Dependent Industry -- Permitted Uses]

- ~~3. Onshore components of marine terminals that are determined to be required for waterborne shipments of crude oil or petroleum products and that require a site on or adjacent to the sea to be able to function at all. Such uses are subject to the regulations of DIVISION 9 OIL AND GAS FACILITIES. (Amended by Ord. 3947, 11/19/91)~~

[Section 35-92.3.3. M-CR Coastal Related Industry -- Permitted Uses]

- ~~3. Onshore components of marine terminals required for waterborne shipments of crude oil or petroleum products, subject to the regulations of DIVISION 9 OIL AND GAS FACILITIES.~~

SECTION 2:

Division 9 "Oil and Gas Facilities" in Article II, Chapter 35 of the Santa Barbara County Code is hereby amended, by revising Section 35-154.5.i and deleting Section 35-156, as follows:

[Section 35-154.5.i. Onshore Processing Facilities]

- ~~i. Permits for expanding, modifying, or constructing crude oil processing or related facilities shall be conditioned to require that all oil processed by the facility shall be transported from the facility and the County to the final refining destination by overland pipeline, as soon as the shipper's oil refining center of choice is served by pipeline, with the following exceptions:~~
- ~~(1) Emergency. Temporary transport of oil by waterborne vessel may be authorized under an emergency permit if the Governor of the State of California declares a state of emergency pursuant to Public Resources Code Sec. 30262(a)(8) for an emergency that disrupts the pipeline transportation of oil produced offshore Santa Barbara County. In such a case, the oil transported by waterborne vessel shall be limited to that fraction which cannot feasibly be transported by pipeline. Transport by waterborne vessel shall cease immediately when it becomes technically feasible to resume pipeline transport.~~

- (2) Highly Viscous Oil. A Development Plan may permit transportation of oil by highway or rail only if the Director makes the following finding, in addition to findings required for Development Plans under this section: The oil is so highly viscous that pipeline transport is infeasible, taking into account available options such as modifications to existing pipelines, blending of NGLs, etc.

Any shipment of oil by highway or rail under this policy shall be limited to that fraction of the oil that is technically infeasible to transport by pipeline. The shipper or carrier shall mitigate to the maximum extent feasible any significant environmental impacts caused by use of the alternate transportation mode.

Transportation by a mode other than pipeline may be permitted only:

- (1) within the limits of the permitted capacity of the alternative mode; and
- (2) when the environmental impacts of the alternative transportation mode are required to be mitigated to the maximum extent feasible; and
- (3) when the shipper has made a commitment to the use of a pipeline when operational to the shipper's refining center of choice; and
- (4) when the County has determined that use of a pipeline is not feasible by making one of the following findings:
 - (a) A pipeline to the shippers' refining center of choice has inadequate capacity or is unavailable within a reasonable period of time;
 - (b) A refinery upset has occurred, which lasts less than two months, precludes the use of a pipeline to that refinery, and requires temporary transportation of oil to an alternative refining center not served by pipeline;
 - (c) The costs of transportation of oil by common carrier pipeline is unreasonable taking into account alternative transportation modes, economic costs, and environmental impacts; or
 - (d) An emergency, which may include a national state of emergency, has precluded use of a pipeline.

——— A permit based on findings (b) or (d) may be granted by the Director of the Planning and Development Department and shall be subject to appeal to the Planning Commission. A permit based on findings (a) and (c) may be granted by the Board of Supervisors. All permits in this section are subject to appeal to the Coastal Commission.

——— All permits for the use of a non-pipeline mode of transportation may specify the duration for such permitted use. Such permit may be extended upon a showing of good cause based upon a consideration of the findings listed above. A permit based on finding (b) shall be granted for two months only. If refinery upset conditions continue beyond two months and the shipper wishes to continue use of a non-pipeline transportation mode, the shipper must seek a new or modified permit that is based on a consideration of finding (a), (c), or (d). In all cases, the burden of proof as to unavailability or inadequate capacity, unreasonable tariffs, and the need for and use of other transportation systems shall be on the shipper.

Sec. 35-156. Marine Terminals.

(Amended by Ord. 3745, 11/21/88)

1. ~~Applicability. The specific regulations contained within this section shall apply to the onshore portion of the components of a marine terminal which include loading and/or unloading equipment, storage tanks, terminal control and safety equipment and navigational facilities but not including pipelines. The regulations for pipelines and related facilities are located in Sec. 35-157. These regulations shall apply to existing and new marine terminals and as of April 12, 1967, there exists in the County four (4) marine terminals which are located at Cojo Bay, Gaviota, El Capitan and Coal Oil Point.~~
2. ~~Permitted Districts. Marine terminals are a permitted use in the Coastal Related Industry (M-CR) District. They are also permitted in the Coastal Dependent Industry (M-CD) District if such use is determined to require a site on or adjacent to the sea to be able to function at all. (Amended by Ord. 3947, 11/19/91) However,~~
 - a. ~~No more than one (1) additional marine terminal to the number in existence within the County as of April 12, 1967, shall be permitted in the area east of Point Conception.~~
 - b. ~~Where the land to be used for the onshore portions of the marine terminal is also subject to the Environmentally Sensitive Habitat Area Overlay District (ESH), such facilities shall not be permitted.~~
 - c. ~~Where the land to be used for the onshore portions of the marine terminal is also subject to the View Corridor Overlay District (VC), such facilities require a Major Conditional Use Permit, as provided in Section 35-172.~~
 - d. ~~After adoption of a Resolution by the County Board of Supervisors that an onshore pipeline for transporting crude oil to refineries is technically and economically feasible, new marine terminals shall not be a permitted use in any district and existing marine terminals shall continue to be a permitted use until the pipeline is operational, at which time they shall become legal nonconforming uses. After the pipeline is operational, marine terminals are a use permitted subject to a Major Conditional Use Permit in the Coastal Related Industry (M-CR) District, and if determined to require a site on or adjacent to the sea to be able to function at all in the Coastal Dependent Industry (M-CD) District. Marine terminals are permitted in these two districts only upon a finding, in addition to those normally required for a marine terminal, as set forth in paragraph 4, that transshipment of oil by onshore pipeline is not feasible for the particular operator. (Amended by Ord. 3947, 11/19/91)~~
 - e. ~~Major oil storage facilities shall be consolidated and shall support the most environmentally preferred oil transportation system. Minor storage facilities may be allowed at specific operating areas where clearly needed, where it can be shown that it is not feasible to provide such storage at the consolidated site(s), where it is located in the least environmentally damaging location and where the adverse environmental impacts are mitigated to the maximum extent feasible.~~
3. ~~Processing.~~
~~No permits for development including grading shall be issued except in conformance with an approved Final Development Plan, as provided in Sec. 35-174. (Development Plans), and with Sec. 35-169. (Coastal Development Permits).~~

In addition to the other information required under Sec. 35-174.3. (Development Plans), the following information must be filed with a Preliminary or Final Development Plan application:

- a. ~~An updated emergency response plan, that addresses the potential consequences and actions to be taken in the event of hydrocarbon leaks or fires. The emergency response plan shall be approved by the County's Emergency Services Coordinator and Fire Department.~~
- b. ~~A phasing plan for the staging of development which includes the estimated timetable for project construction, operation, completion, and abandonment, as well as location and amount of land reserved for future expansion.~~

4. ~~Findings Required for Approval of Development Plans.~~

~~In addition to the findings for Development Plans set forth in Sec. 35-174.7. (Development Plans), no Preliminary or Final Development Plan shall be approved unless the Planning Commission also makes all of the following findings:~~

- a. ~~There are no feasible alternative locations for the proposed marine terminal that are less environmentally damaging.~~
- b. ~~Expansion of an existing marine terminal onto adjacent lands is not feasible or is more environmentally damaging.~~
- c. ~~The proposed facility is compatible with the present and permitted recreational, educational, and residential development and the scenic resources of the surrounding area.~~

5. ~~Development Standards.~~

- a. ~~The level of noise generated by the facility at the property boundary shall not exceed 70 dB(A).~~
- b. ~~The applicant has received "authority to construct" from the Air Pollution Control District.~~
- c. ~~There shall be no visible emission of smoke.~~
- d. ~~Permanent structures and equipment shall be painted a neutral color so as to blend in with natural surroundings.~~
- e. ~~The installation shall be visually compatible with the potential surroundings by use of any or all of the following measures where applicable: Buffer strips; depressions, natural or artificial; screen planting and landscaping continually maintained; camouflage and/or blending colors.~~
- f. ~~All lights shall be shielded so as not to directly shine on adjacent properties.~~
- g. ~~Grading and alteration of natural drainages shall be minimized.~~
- h. ~~Adequate provision shall be made to prevent erosion and flood damage.~~
- i. ~~Except in an emergency, no materials, equipment, tools, or pipes used for marine terminal operations shall be delivered to or removed from the plant site through streets within a residential district between the hours of 7 p.m. and 7 a.m. of the next day.~~
- j. ~~The following standards must be achieved on site or through off site mitigation:~~
 - 1) ~~The facility shall not have a significant visual impact.~~
 - 2) ~~The significance of visual impact shall be determined based on a visual contrast rating developed according to the United States Bureau of Land Management Scenic Quality Inventory and Evaluation System (1981), which utilizes a scale ranging from 0 (best) to 33 (worst). A score of 7 or greater (more severe) following mitigation shall be considered significant.~~

- 3) — No known or potential significant habitat for locally rare or regionally endemic species shall be adversely affected by the facility.
- k. — Oil storage facilities shall meet each of the following goals on site or through off-site mitigation except where aggregate impacts, notwithstanding one or more exceedances of the following goals, demonstrate that a particular site is the least environmentally damaging reasonable site available:
 - 1) — To ensure public health and safety, human exposure to risk of an accident at the tank farm shall be limited to an aggregate of 240 person hours per day on average, exclusive of facility employees, within one-half (1/2) mile of the proposed facility;
 - 2) — Not more than 1.6 acres or their equivalent of high productivity terrestrial habitat (equivalent to 1025 acres of industrial use land) shall be disturbed;
 - a) — Impacts on terrestrial habitat shall be assessed based on a detailed environmental analysis of site-specific conditions. "Equivalent acres" shall be determined according to the following guidelines based on a standard of high productivity terrestrial habitat based on wetland productivity and biological assessments, but the determination of the environmentally preferable site and mitigation programs shall be based on site-specific environmental data.

<u>Habitat Type</u>	<u>High Productivity Habitat Equivalent</u>
Wetland	1 acre
Native Grassland	3 acres
Undisturbed Riparian	3 acres
Coastal Strand	5 acres
Disturbed Riparian	9 acres
Coastal Bluff Scrub	10 acres
Oak Woodland/Forest	10 acres
Coastal Sage Scrub	15 acres
Chaparral	20 acres
Cismontane Introduced Grassland	50 acres
Agricultural/Introduced Plantings	200 acres
Recently Disturbed	200 acres
Industrial	640 acres.

(eg., 40 acres Coastal Bluff Scrub is equivalent to 4 acres of high productivity habitat.)

The interpretation of the Coastal Zoning Ordinance shall not result in less resource protection than mandated by Environmentally Sensitive Habitat areas (ESH) protection policies and other policies contained within this Coastal Plan.

- 3) — Not more than 0.064 acres or their equivalent of high productivity marine habitat (equivalent to 1.19 acres of sandy beach) shall be disturbed by a ballast water treatment outfall associated with a marine terminal;
 - a) — Impacts on marine ecology shall be assessed based on a detailed environmental analysis of site-specific conditions. "Equivalent acres" shall be determined according to the following guidelines

based on a standard of high productivity rocky bottom kelp habitat, but the determination of the environmentally preferable site and mitigation programs shall be based on site-specific environmental data:

<u>Habitat Type</u>	<u>High Productivity Habitat Equivalent</u>
Kelp, rocky bottom	1 acre
High relief boulder/ Exposed intertidal reefs	1.6 acres
Kelp, sandy bottom	3 acres
Low relief intertidal bedrock reefs	6.9 acres
Cobble/gravel beach	8.1 acres
Hard bottom/deep water (no kelp)	10.8 acres
Silty/mud bottom	17.1 acres
Sand beach	18.6 acres

- 4) No residents shall be subject to greater than a 9 dB increment above baseline in ambient noise level;
- 5) No significant cultural resources shall be adversely affected.

SECTION 3:

This ordinance and any portion of it approved by the Coastal Commission shall take effect and be in force thirty (30) days from the date of its passage or upon the date that it is certified by the Coastal Commission pursuant to Public Resources Code 30514, whichever occurs later. Before the expiration of fifteen (15) days after its passage, this ordinance, or a summary of it, shall be published once, together with the names of the Board of Supervisors voting for and against the same in the Santa Barbara News Press, a newspaper of general circulation published in the County of Santa Barbara.

PASSED, APPROVED AND ADOPTED by the Board of Supervisors of the County of Santa Barbara, State of California, this nineteenth day of October, 2004, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Joseph Centeno, Chair
Board of Supervisors of the County of Santa Barbara
State of California

ATTEST:

MICHAEL F. BROWN
County Clerk of the Board

By _____
Deputy Clerk of the Board

APPROVED AS TO FORM:

STEPHEN SHANE STARK
County Counsel

By _____
Deputy County Counsel

Attachment D

Ordinance Adopting Amendments to the
Santa Barbara County Inland Zoning Ordinance

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE SANTA BARBARA COUNTY CODE
BY REVISING ARTICLE III OF CHAPTER 35, TITLED "INLAND ZONING ORDINANCE"

CASE No.: 04-ORD-00000-00015

The Board of Supervisors of the County of Santa Barbara, State of California, ordains as follows:

SECTION 1:

Division 4 "Zoning Districts" of Article III of the Santa Barbara County Code in hereby amended by deleting Section 35-236.3.3, as follows:

[Section 35-236.3.3. M-CR Coastal Related Industry -- Permitted Uses]

3. ~~Onshore components of marine terminals required for waterborne shipments of crude oil or petroleum products subject to the regulations of DIVISION 8, ENERGY FACILITIES.~~

SECTION 2:

Division 8 "Energy Facilities" in Article III, Chapter 35 of the Santa Barbara County Code is hereby amended, by deleting Section 35-296.5.1.h, revising Section 35-296.5.1.k, and deleting Section 35-298, as follows:

[Section 35-296.5.1.h. Treatment and Processing Facilities -- Development Standards]

- h. ~~After adoption of a Resolution by the County Board of Supervisors that an onshore pipeline for transporting crude oil to refineries is technically and economically feasible, proposals for expansion, modification, or construction of new onshore treatment and processing facilities for offshore oil and gas shall be conditioned to require transshipment of oil through the pipeline when constructed, unless such conditions would not be feasible for a particular operator.~~

[Section 35-296.5.1.k. Treatment and Processing Facilities -- Development Standards]

- k. ~~Permits for expanding, modifying, or constructing crude oil processing or related facilities, All oil processed by facilities which receive oil from offshore fields exclusively or from both offshore and onshore fields, shall be conditioned to require that all oil processed by the facility shall be transported from the facility and the County to the final refining destination by overland pipeline, as soon as the shipper's oil refining center of choice is served by pipeline except in the case of highly viscous oil or during an emergency, as stipulated below. Transportation by a mode other than pipeline may be permitted only:~~

- (1) For that fraction of the oil that cannot feasibly be transported by pipeline;
and

- (2) When the environmental impacts of the alternative transportation mode are required to be mitigated to the maximum extent feasible.

In all cases, the burden of proof as to the infeasibility of transport by pipeline and the need for alternate transportation modes shall be on the shipper.

Highly Viscous Oil:

A Development Plan may permit transportation of oil by highway or rail only if the Director makes the following finding, in addition to those required for approval of Development Plans in Sections 35-296.4A, 35-296.4B, and 35-174.7: The oil is so highly viscous that pipeline transport is infeasible, taking into account available options such as modifications to existing pipelines, blending of NGLs, etc.

Declared Emergency:

Temporary transport of oil by waterborne vessel may be authorized under an emergency permit if the Governor of the State of California declares a state of emergency pursuant to Public Resources Code Sec. 30262(a)(8) for an emergency that disrupts the pipeline transportation of oil produced offshore Santa Barbara County. In such a case, the oil transported by waterborne vessel shall be limited to that fraction which cannot feasibly be transported by pipeline. Transport by waterborne vessel shall cease immediately when it becomes technically feasible to resume pipeline transport.

- (1) — Within the limits of the permitted capacity of the alternative mode; and
- (2) — When the environmental impacts of the alternative transportation mode are required to be mitigated to the maximum extent feasible; and
- (3) — when the shipper has made a commitment to the use of a pipeline when operations to the shipper's refining center of choice; and
- (4) — When the County has determined use of a pipeline is not feasible by making one of the following findings:
 - (a) — A pipeline to the shipper's refining center of choice has inadequate capacity or is unavailable within a reasonable period of time;
 - (b) — A refinery upset has occurred, which lasts less than two months, precludes the use of pipeline to that refinery, and required temporary transportation of oil to an alternative refining center not served by pipeline;
 - (c) — The costs of transportation of oil by common carrier pipeline are unreasonable taking into account alternative transportation modes, economic costs, and environmental impacts; or
 - (d) — An emergency, which may include a national state of emergency, has precluded use of pipeline.

A permit based on finding (b) or (d) may be granted by the Director of the Planning and Development Department and shall be subject to appeal to the Planning Commission. A permit based on findings (a) and (c) may be granted by the Board of Supervisors.

All permits for the use of non-pipeline mode of transportation may specify the duration for such permitted use. Such permit may be extended upon a showing of good cause based upon a consideration of the findings listed above. A permit based on finding (b) (a)i. shall

be granted for two months only. If refinery upset conditions continue beyond two months and the shipper wishes to continue use of a non pipeline transportation mode, the shipper must seek a new or modified permit that is based on a consideration of finding (a), (c), or (d).

In all cases, the burden of proof as to by pipeline unavailability or inadequate capacity, unreasonable tariffs, and the need for and use of other transportation systems shall be on the shipper. *(Amended by Ord. 3940, 9/3/91)*

Sec. 35-298. Marine Terminals.

Sec. 35-298.1. Applicability.

The specific regulations contained within this section shall apply to the onshore portion of the components of a marine terminal (except LNG facility) which include facilities for loading and/or unloading equipment, storage tanks, terminal control and safety equipment, and navigational facilities, but not including pipelines. (The regulations for pipelines and related facilities are located in Sec. 35-290.) This section shall apply to existing and new marine terminals and as of April 12, 1967, there exists in the County four (4) marine terminals which are located at Cojo Bay, Gaviota, El Capitan, and Coal Oil Point.

Sec. 35-298.2. Permitted Districts.

Marine terminals are a permitted use in the Coastal Related Industry (M-CR) district, except:

- 1.— No more than one (1) additional marine terminal to the number in existence within the County as of April 12, 1967 shall be permitted in the area east of Pt. Conception and south of the ridge line of the Santa Ynez mountains.
- 2.— After adoption of a Resolution by the County Board of Supervisors that an onshore pipeline for transporting crude oil to refineries is technically and economically feasible, new marine terminals shall not be a permitted use in any district and existing marine terminals shall continue to be a permitted use until the pipeline is operational, at which time they shall become legal nonconforming uses. After the pipeline is operational, marine terminals shall be a use permitted subject to a Major Conditional Use Permit in the Coastal Related Industry (M-CR) District, but only upon a finding, in addition to those normally required for a marine terminal, as set forth in paragraph 4, that transshipment of oil by onshore pipeline is not feasible for the particular operator. *(Amended by Ord. 3939, 9/3/91)*

Sec. 35-298.3. Processing.

No permits for development including grading shall be issued in conformance with an approved Final Development Plan, as provided in Sec. 35-317. (Development Plans), and with Sec. 35-314. (Land Use Permits).

In addition to the other information required under Sec. 35-317. (Development Plans), the following information must be filed with a Preliminary or Final Development Plan application:

- 1.— An updated emergency response plan that addresses the potential consequences and actions to be taken in the event of hydrocarbon leaks or fires. The emergency response plan shall be approved by the County's Emergency Services Coordinator and Fire Department.
- 2.— A phasing plan for the staging of development which includes the estimated timetable for project construction, operation, and completion, as well as location and amount of any land reserved for future expansion.

Sec. 35-298.4. Findings Required for Approval of Development Plans.

In addition to the findings for Development Plans set forth in Sec. 35-317.7. (Development Plans), no Preliminary or Final Development Plan shall be approved unless the Planning Commission also makes all of the following findings:

1. ~~There are no feasible alternative locations for the proposed marine terminal that are less environmentally damaging.~~
2. ~~Expansion of an existing marine terminal onto adjacent lands is not feasible or is more environmentally damaging.~~
3. ~~The proposed facility is compatible with the scenic quality and land uses of the surrounding area.~~

Sec. 35-298.5. Development Standards.

1. ~~The level of noise generated by the facility at or beyond the property boundary shall not exceed 70 db(A).~~
2. ~~The installation shall be visually compatible with the existing and anticipated surroundings by use of any or all of the following measures where applicable: Buffer strips; depressions, natural or artificial; screen planting and landscaping continually maintained; camouflage and/or blending colors.~~
3. ~~All lights shall be shielded so that all lighting is confined to the project site.~~
4. ~~Grading and alteration of natural drainages shall be minimized.~~
5. ~~Adequate provisions shall be made to prevent erosion and flood damage.~~
6. ~~It is prohibited to operate trucks exceeding one and a half tons for use in oil and gas operations between the hours of 9:00 p.m. and 7:00 a.m. upon streets within any residential neighborhood. This prohibition shall not apply in an emergency as determined by the County Sheriff or Fire Department or Petroleum Administrator.~~

~~This ordinance shall not be effective as to any street or part thereof unless and until signs giving notice of the prohibition are posted at entrances to the street or parts thereof affected.~~

~~Truck routes shall be reviewed for proposed oil or gas facilities to insure that oil field support traffic is not routed through residential neighborhoods, unless no alternative routes exist.~~

SECTION 4:

This ordinance shall take effect and be in force thirty (30) days from the date of its passage. Before the expiration of fifteen (15) days after its passage, this ordinance, or a summary of it, shall be published once, together with the names of the Board of Supervisors voting for and against the same in the Santa Barbara News Press, a newspaper of general circulation published in the County of Santa Barbara.

PASSED, APPROVED AND ADOPTED by the Board of Supervisors of the County of Santa Barbara, State of California, this nineteenth day of October, 2004, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Joseph Centeno, Chair
Board of Supervisors of the County of Santa Barbara
State of California

ATTEST:

MICHAEL F. BROWN
County Clerk of the Board

By _____
Deputy Clerk of the Board

APPROVED AS TO FORM:

STEPHEN SHANE STARK
County Counsel

By _____
Deputy County Counsel

Attachment E

Finding of Categorical Exemption
For Adoption of Amendments

NOTICE OF EXEMPTION

TO: Santa Barbara County Clerk of the Board of Supervisors

FROM: John Day, Planning and Development Dept., Energy Division, 568-2045

The project or activity identified below is determined to be exempt from further environmental review requirements of the California Environmental Quality Act (CEQA) of 1970, as defined in the State and County Guidelines for the implementation of CEQA.

APN(s) N/A Case Nos.: 04GPA-00000-00014 and 00015

04ORD-00000-00014 and 00015

Location: Countywide

Project Title: Oil Transportation Policies and Regulations

Project Description: Amend the Coastal Plan, Land Use Element, Coastal Zoning Ordinance, and Inland Zoning Ordinance to require that oil produced from offshore reserves be transported by pipeline, with certain exceptions, consistent with State law.

Exempt Status: (Check one)

Ministerial

Statutory

Categorical Exemption

Emergency Project

No Possibility of Significant Effect [§15061(b,3)]

Cite specific CEQA Guideline Section: 15308

Reasons to support exemption findings (attach additional material, if necessary):

The proposed amendments bring the affected County policies and ordinances into consistency with current State law and update them to reflect current physical circumstances in the County, including projected oil production volumes and current oil transportation infrastructure. The amendments reaffirm, strengthen, and clarify existing policies and ordinances that for 20 years have favored oil transport by pipeline and have successfully deterred new marine tankering from the County. The proposed amendments have no foreseeable effect on the physical environment. Only one marine terminal remains in the County. That marine terminal (Ellwood Marine Terminal) is a legal, non-conforming use, which limits its operations to those allowed under existing permits. Capacity of existing pipelines is more than sufficient to transport all projected offshore oil production to refineries.

The proposed amendments qualify under the categorical exemption set forth in the CEQA Guidelines §15308. This section exempts actions taken by a regulatory agency for the protection of natural

resources and the environment. The purpose of the affected policies and ordinances is to ensure that oil is transported by pipeline rather than marine tanker, because tankering entails greater risk to the coastal environment. The main reason for proposing the amendments is to ensure that the policies and ordinances continue to provide the maximum feasible protection of coastal resources in the future.

Department/Division Representative

Date

Acceptance Date: _____

Note: A copy of this form must be posted at P&D 6 days prior to a decision on the project. Upon project approval, this form must be filed with the County Clerk of the Board and posted by the Clerk of the Board for a period of 30 days to begin a 35 day statute of limitations on legal challenges.

distribution: Hearing Support Staff
 Project file (when P&D permit is required)

Date Filed by County Clerk

Attachment F

Legislative Findings of Approval for Adoption
of Amendments to the Santa Barbara County
Coastal and Inland Zoning Ordinances

Legislative Findings

The findings of approval required for amendments to Articles II and III of Chapter 35 of the Santa Barbara County Code (*Coastal Zoning Ordinance* and *Inland Zoning Ordinance*, respectively), are prescribed in Sections 35-180.6 and 35-325.5 of the Code, as follows:

- a. *The request is in the interests of the general community welfare.*

The intent and purpose of the proposed amendments is to promote the health, safety, and welfare of the public by ensuring that future offshore oil production is transported by pipeline, rather than marine vessel. As compared with tankering, pipeline transport minimizes the risk of extreme oil spills into Santa Barbara's coastal waters, reduces impacts on air quality, and preserves the scenic/recreational character of the coastline.

- b. *The request is consistent with the Comprehensive Plan, the Coastal Land Use Plan, the requirements of State Planning and Zoning laws, and Articles II and III of Chapter 35 of the County Code.*

The amendments to policies and ordinances proposed herein are consistent with the California Coastal Act (CCA). Part of the expressed purpose of the proposed amendments is to update the County's policies and ordinances to be consistent with recent revisions to the Coastal Act (Public Resources Code, Section 30262, as amended by Assembly Bill 16, 2003), which requires all crude oil produced from new or expanded offshore operations to be transported exclusively by pipeline, with several exceptions.

The proposed amendments are consistent with the State's basic goals for the coastal zone (Public Resources Code, Section 30001.5), which include protection of the coastal zone environment, while assuring orderly, balanced utilization and conservation of coastal zone resources, which is evidenced by the following:

1. Overland pipelines are widely accepted as the environmentally superior transportation option for crude oil. Pipelines minimize the risk of extreme oil spills into the coastal and marine environments and reduce other adverse impacts associated with tankering. Pipeline transport of offshore-produced crude oil has become feasible, owing to installation of major new overland pipelines since 1991. All current offshore production landed in the County is transported to refineries via overland pipeline, with the exception of oil shipped by barge from Ellwood Marine Terminal, which operates as a legal, non-conforming use under its vested rights. Except for that one marine terminal, all marine terminals in Santa Barbara and the tri-county area have been decommissioned, and marine transport has ceased in favor of pipeline transport.
2. The currently existing common-carrier pipeline system is more than sufficient to transport current and reasonably foreseeable future offshore oil production, and affords multiple choices of refineries in the Los Angeles and San Francisco Bay areas.
3. The amendments provide for alternate modes of overland oil transport if very heavy oil, which cannot be shipped by pipeline, is produced in future offshore operations. The amendments also provide for oil transport by marine vessel in case of an emergency declared by the Governor or where an operator has vested right to ship by marine vessel.
4. Therefore, the proposed amendments do not affect current offshore operations, infringe on vested rights of the remaining marine terminal, impede future offshore development, or unduly burden

commerce. The amendments represent a judicious balancing of protection of coastal resources with the requirements of current and foreseeable offshore oil development.

The amendments to the Coastal Land Use Plan and Land Use Element are being proposed together with corresponding amendments to the Coastal and Inland Zoning Ordinances, assuring internal, vertical consistency between the proposed policies and ordinances.

c. The request is consistent with good zoning and planning practices.

Good planning practice requires periodic revisiting of the Comprehensive Plan and Zoning Ordinances, and updating them as necessary to assure their continuing relevance under changing circumstances. The proposed amendments would serve to bring the Coastal Plan and Land Use Element of the Comprehensive Plan and the Coastal and Inland Zoning Ordinances into accord with offshore oil production, in relation to the capabilities of the present-day oil transportation system, and into consistency with current state law.

The proposed amendments revisit the balancing between offshore producers' need to ship oil to refinery, on the one hand, with public welfare and protection of coastal resources, on the other, in light of the present-day oil transportation infrastructure and anticipated future oil production.

Attachment G

Staff Report to the Santa Barbara County
Planning Commission, September 22, 2004

(included as separate document in electronic version)

Attachment H

Planning Commission Action Letter

