

# SANTA BARBARA COUNTY BOARD AGENDA LETTER



Clerk of the Board of Supervisors  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

## Agenda Number:

**Prepared on:** 01/30/06  
**Department:** Planning & Development  
**Budget Unit:** 053  
**Agenda Date:** 02/14/06  
**Placement:** Administrative  
**Estimate Time:** 45 minutes on 3/7/06  
**Continued Item:** YES  
**If Yes, date from:** 09/07/04

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**TO:** Board of Supervisors

**FROM:** Dianne Meester, Assistant Director,  
Planning & Development Department

**STAFF CONTACT:** Doug Anthony, Interim Deputy Director, Energy Division, 568-2046  
Nancy Minick, Energy Specialist, 568-2506

**SUBJECT:** Set Hearing to Consider Planning Commission Recommendations to Adopt Revisions to Oil & Gas Consolidation Policies and Regulations

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**Recommendation(s):** That the Board of Supervisors set a hearing for March 7, 2006 to consider the following recommendations from the Planning Commission:

1. **Amend the text of Chapter 3.6, "Industrial and Energy Development, of the Santa Barbara County Coastal Plan, as follows:**
  - a. Revise the preamble to Oil and Gas Processing Facilities to remove descriptive text that is no longer accurate.
  - b. Revise Policy 6-6D, Consolidation of Oil and Gas Processing Sites in the South Coast Consolidation Planning Area to repeal the Consolidated Oil and Gas Processing Site designation of the former Gaviota oil and gas processing site.
  - c. Repeal Policies 6-13A through 6-13D and the accompanying preamble, thereby deleting criteria for siting new oil tank farms in the Coastal Zone.
  - d. Add new Policies 6-13A through 6-13C, including a brief preamble, that define and address the consolidation of pipeline terminals that support offshore oil and gas development.
  - e. Revise text in Sections 6-5B.2 and 6-5C for consistency with actions b, c, and d, above.
2. **Amend the *Goals and Policies* chapter of the Santa Barbara County Land Use Element as follows:**
  - a. Revise South Coast Policy 5 to repeal the Consolidated Oil and Gas Processing designation of the former Gaviota oil and gas processing site.

- 3. Amend Article II (Coastal Zoning Ordinance), Chapter 35 of the Santa Barbara County Code as follows:**
  - a. Amend Division 2 (Section 35-58) and Division 9 (Sections 158.1.a and 158.2), deleting the definition of “GAVIOTA AND LAS FLORES CANYON CONSOLIDATED OIL AND GAS PLANNING AREAS” and references to the Gaviota site as a consolidated oil and gas processing site.
  - b. Amend Division 4, Section 35-69.4 (Uses Permitted with a Major CUP – AG-II Agriculture II), by deleting reference to Gaviota as a consolidated oil and gas processing site, and adding a new reference to Consolidated Pipeline Terminal.
  - c. Amend Division 9, Sections 35-150.1.2, 35-154.4B.d to delete reference to Gaviota as a consolidated oil and gas processing site.
  - d. Amend Division 9, Section 35-157, to distinguish in-line pump stations from pipeline terminals.
  - e. Amend Division 9, Section 35-158 to provide for onshore exploration and production of offshore oil and gas reservoirs only from designated consolidated oil and gas processing sites and to delete references to “CONSOLIDATED PLANNING AREAS.”
  - f. Amend Division 9 by adding new Section 35-159 (Consolidated Pipeline Terminals).
- 4. Amend Division 8 of Article III (Inland Zoning Ordinance), Section 35-296.4B.4 to delete reference to Gaviota as a consolidated oil and gas processing site.**
- 5. Accept the CEQA document, Negative Declaration 05NGD-00000-00025 as adequate environmental review for the proposed plan and ordinance amendments.**

**Alignment with Board Strategic Plan:** The recommendations primarily align with Goals No. 2, Ensure the Public Health and Safety and Provide Essential Infrastructure, and No. 5, Maintain and Enhance the Quality of Life for all Residents.

**Executive Summary and Discussion:** The proposed plan and ordinance amendments would update important County policies guiding the siting and consolidation of onshore support facilities serving offshore oil and gas development. The plan and ordinance amendments summarized above were initiated by the Board of Supervisors on September 7, 2004. Staff discussed the proposed changes with industry representatives, interested public parties, and other regulatory agencies (i.e., Coastal Commission staff) and in the fall of 2005, staff prepared and circulated a Negative Declaration (05NGD-00000-00025) which documented that no new significant impacts would occur as a result of implementation of these amendments. On January 25, 2006, the County Planning Commission held a public hearing on this matter and adopted, by a 5-0 vote, Planning Commission Resolution 06-01, which recommends that the Board adopt these revisions.

These updates are warranted to reflect several operational changes that have occurred in recent years at the Gaviota consolidated oil and gas processing site and the former Gaviota marine terminal site. The number of oil and gas leases and projected future production offshore of the south coast also have decreased substantially since the consolidation policies were adopted in 1987.

The proposed policy and ordinance amendments would:

- Repeal the CONSOLIDATED OIL AND GAS PROCESSING SITE designation from the Gaviota site, leaving the Las Flores Canyon site as the sole consolidated processing site on the south coast;
- Repeal TANK FARM SITING CRITERIA from the coastal zone;
- Repeal the designation that allowed for onshore-to-offshore drilling and production from the Gaviota area, leaving the LFC site as the only site designated for such activity; and,
- Establish the CONSOLIDATED PIPELINE TERMINAL designation (including development standards) and apply this designation to the Gaviota site.

These actions would meet the intent of the County's consolidation policies to avoid a proliferation of industrial facilities in the Coastal Zone, while at the same time accommodating potential demand for new oil storage tanks and processing capacity along the south coast.

**Mandates and Service Levels:** Local jurisdictions are advised to update their Local Coastal Programs (LCPs) in response to changing conditions in order to retain consistency with the Coastal Act and avoid potential conflicts that may result from outdated policies, zoning regulations, and land-use designations. Maintaining a current LCP provides better service to each local jurisdiction's constituency.

**Fiscal and Facilities Impacts:** This project is funded by the Federal Coastal Impact Assistance Program, as shown on page D304 of the FY 05-06 budget, under Source of Funds Summary, Grants. Expenditures are shown on page D304, under Use of Funds Summary, Long Range Planning.

**Special Instructions:** Distribute a copy of the Minute Order to Planning & Development, Attn: Nancy Minick, Energy Division and Cintia Mendoza, Hearing Support.

**Concurrence:** County Counsel.

**Attachments:** None.