CALIFORNIA COASTAL COMMISSION

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SOUTH CENTRAL COAST AREA



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October 24, 2013

To:	Commissioners and Interested Persons
From:	Alison Dettmer, Deputy Director Kate Huckelbridge, Energy, Ocean Resources and Federal Consistency Division
Subject:	Santa Barbara County Local Coastal Program Amendment No. LCP-4-STB-13-0215-2

Santa Barbara County is requesting an amendment to the Implementation Plan/Coastal Zoning Ordinance (IP/CZO) portion of its certified Local Coastal Program (LCP) to allow exploration and production of native natural gas at natural gas storage facilities in the Public Utilities (PU) zone district for the purpose of expanding natural gas storage capacity.

The County submitted the subject LCP amendment to the Coastal Commission ("Commission") on July 22, 2013 as part of a package of three amendments. The amendment package was deemed incomplete on August 16, 2013. On September 20, 2013, staff received a letter from the County separating the Public Utilities Natural Gas Storage Ordinance Amendment, Ordinance No. 4860, from the other two amendment applications. The subject LCP Amendment was filed on September 20, 2013. The Commission has until November 12, 2013 to act on this Implementation Plan Amendment.

SUMMARY OF STAFF RECOMMENDATION

Staff recommends that the Commission, after public hearing, **approve** proposed LCP Amendment No. LCP-4-STB-13-0215-2 as submitted.

The County proposes this amendment to its Implementation Plan in support of the Southern California Gas Company's ("SoCal Gas") efforts to expand natural gas storage capacity at the La Goleta storage facility. The amendment would allow exploration and production of native natural gas but only in a very narrow context. Exploration or production of natural gas would only be allowed at natural gas storage facilities that are owned and operated by a public utility. The La Goleta storage facility is currently the only facility in this category, and the County has stated that it does not anticipate approving any additional facilities of this type. Furthermore, exploration and production of natural gas storage capacity.

The standard of review for the proposed amendment to the IP/CZO of the certified LCP is the Land Use Plan (LUP) portion of the certified Santa Barbara County LCP. The Commission must determine if the proposed amendment is in conformance with, and adequate to carry out, the provisions of the LUP. The County's LUP contains numerous policies that protect coastal resources and would apply to any development approved under the proposed amendment. These policies cover siting and design of new development; protection of biological resources, including ESHA, wetlands and stream corridors; protection of visual resources; siting and design to minimize risks from geologic and other hazards; protection against release of hazardous substances, protection of archeological and cultural resources; and other topics. In addition, all Chapter 3 policies of the Coastal Act have been incorporated in their entirety in the certified County LUP as guiding policies. Staff's analysis shows that the proposed IP/CZO would allow a limited expansion of industrial uses at a site currently used for industrial purposes, and that the amendment is consistent with and adequate to carry out the provisions of the County's LUP with respect to the protection of coastal resources.

Thus, staff recommends that the Commission **approve** the amendment as submitted by the County.

TABLE OF CONTENTS

I. P	ROCEDURAL ISSUES	4
A. B. C.	STANDARD OF REVIEW PUBLIC PARTICIPATION PROCEDURAL REQUIREMENTS	4
II. M	IOTION AND RESOLUTION	4
III. F	INDINGS FOR APPROVAL	5
A. B	Amendment Description Background on proposed changes	
C.	CONSISTENCY ANALYSIS	7
1. 2.	Minimization of Adverse Impacts	8
3. 4.	Visual Resources1 Hazardous Substance Release1	
5.	Archeological and Cultural Resources1	2

IV. CALIFORNIA ENVIRONMENTAL QUALITY ACT14

APPENDICES

Appendix A – Substantive File Documents Appendix B – County of Santa Barbara LUP policies related to biological resources

EXHIBITS

Exhibit 1 – Santa Barbara County Ordinance 4811

Exhibit 2 – Map of Biological Features at the La Goleta storage facility

I. PROCEDURAL ISSUES

A. STANDARD OF REVIEW

Pursuant to Section 30513 and 30514 of the Coastal Act, the Commission may only reject zoning ordinances or other implementing actions, as well as their amendments, on the grounds that they do not conform with, or are inadequate to carry out, the provisions of the certified land use plan. The Commission shall take action by a majority vote of the Commissioners present.

B. PUBLIC PARTICIPATION

Section 30503 of the Coastal Act requires public input in the preparation, approval, certification and amendment of any LCP. The County held a series of public hearings regarding the proposed amendment (Department of Planning and Development hearings on 3/18/10, 6/30/11 and 1/23/13, County Planning Commission hearing on 6/5/13, and Board of Supervisors hearing on 6/25/13) and written and verbal comments were received from the members of the public regarding the amendments. The hearings were noticed to the public consistent with the requirements in Section 13515 of Title 14 of the California Code of Regulations ("14 CCR"). Notice of the subject amendment has been distributed to all known interested parties.

C. PROCEDURAL REQUIREMENTS

Pursuant to 14 CCR Section 13551 (b), the County, by resolution, may submit an LCP amendment that will either require formal local government adoption after the Commission approval, or is an amendment that will take effect automatically upon the Commission's approval pursuant to Public Resources Code Sections 30512, 30513, and 30519. The Santa Barbara County Board of Supervisors submittal ordinance states that the "ordinance and any portion of it approved by the Coastal Commission shall take effect and be in force 30 days from the date of its passage or upon the date that it is certified by the Coastal Commission pursuant to California Public Resources Code 30514, whichever occurs later..." Thus, if the Commission approves the amendment as submitted, it will become effective 30 days from the date of the Commission hearing. If the Commission approves this amendment with additional modifications, the County must act to accept the certified suggested modifications within six months from the date of Commission action in order for the amendment to become effective (14 CCR §§ 13544, 13555(b), and Section 13542(b)). Pursuant to 14 CCR Section 13544, the Executive Director shall determine whether the County's action is adequate to satisfy all requirements of the Commission's certification order and report on such adequacy to the Commission. If the Commission denies the LCP amendment without also approving suggested modifications, the amendment is not adopted, and no further action is required by either the Commission or the County.

II. MOTION AND RESOLUTION

Following public hearing, staff recommends that the Commission adopt the following resolution and findings.

Motion:

I move that the Commission reject the Implementation Program/Coastal Zoning Ordinance Amendment (LCP-4-STB-13-0215-2) for the County of Santa Barbara as submitted.

Staff recommends a **NO** vote. Following this staff recommendation will result in failure of this motion and certification of the IP/CZO Amendment as submitted and the adoption of the following resolution and findings. The motion passes only by an affirmative vote of a majority of the Commissioners present.

Resolution:

The Commission hereby <u>certifies</u> the Implementation Program/Coastal Zoning Ordinance Amendment (LCP-4-STB-13-0215-2) for the County of Santa Barbara as submitted and adopts the findings set forth below on grounds that the Implementation Program and Coastal Zone Ordinance, as amended, conforms with and is adequate to carry out the provisions of the certified Land Use Plan, and certification of the Implementation Program/Coastal Zone Ordinance Amendment will meet the requirements of the California Environmental Quality Act, because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the Implementation Program/Coastal Zoning Ordinance Amendment on the environment, or 2) there are no further feasible alternatives and mitigation measures that would substantially lessen any significant adverse impacts on the environment that will result from certification of the Implementation Program/Coastal Zoning Ordinance Amendment.

III. FINDINGS ON APPROVAL

The following findings support the Commission's approval of the LCP amendment as submitted. The Commission hereby finds and declares as follows:

A. AMENDMENT DESCRIPTION

Santa Barbara County is requesting an amendment to the IP/CZO portion of its LCP to allow exploration and production of native natural gas in order to expand gas storage capacity at facilities owned and operated by a public utility. Currently, this section of the code applies only to Southern California Gas Company's La Goleta storage site. The ordinance also explicitly prohibits hydraulic fracturing (or "fracking") for exploration or production of native gas.

The County proposes the following changes to the Coastal Zoning Ordinance:

Section 35-88.4.5 (*Permitted Uses*). On the Pacific Lighting property in Goleta, "Underground gas storage and related facilities, i.e., compressor stations, gas wells and pipelines, <u>owned and operated by a public utility and</u> subject to the provisions of Section 35.88-11. **Section 35.88.11** (*Underground Gas Storage*). The provisions of this section shall apply to the fixed surface installation of facilities designed, constructed, installed and maintained primarily for the injection, storage and withdrawal of natural gas in and from sub-surface strata including the drilling of new wells and the reconditioning of existing wells, <u>exploration and production</u>, without the use of hydraulic fracturing, of native sweet gas for the purpose of expanding natural gas storage capacity, and structures, facilities and operations incidental thereto. For the purpose of this subsection, native sweet gas is defined herein as produced gas that contains no more than four parts per million of hydrogen sulfide.

Section 35.88.11.1. The provisions of DIVISION 9 – OIL AND GAS FACILITIES shall not apply to underground gas storage or related facilities <u>used solely for such purposes</u>.

B. BACKGROUND ON PROPOSED CHANGES

The Southern California Gas Company ("SoCal Gas") proposed this LCP amendment in conjunction with its application to the County for a coastal development permit for the La Goleta Storage Field Enhancement Project. The purpose of this project is to expand the storage capacity at the La Goleta Storage Field by approximately 1 to five billion cubic feet. To accomplish this, SoCal Gas would drill two gas production wells into known natural gas reservoirs and two exploration wells into other areas believed to contain recoverable quantities of gas. The gas would be extracted, treated and delivered to SoCal Gas customers over an approximately five-year period. When the reservoirs are sufficiently depleted, they would be converted to storage use. The County's approved LCP does not currently allow natural gas exploration and production activities in the Public Utility (PU) zone district that applies to the La Goleta Storage Field, thus necessitating an LCP amendment to ensure the project is consistent with the County's LCP.

If approved, the proposed amendment would explicitly allow exploration and production of native natural gas at underground natural gas storage facilities operated by a public utility in the PU zone. Such exploration and production activities would only be allowed, however, for the purpose of expanding natural gas storage capacity. Currently, SoCal Gas's La Goleta storage field is the only underground natural gas storage field in the County, and there are no other proposals for natural gas production and storage, or rezones to the PU zone district pending or foreseen. The California Public Utilities Commission (CPUC) has authorized these activities. In its administrative findings approving the proposed LCP amendment, the County found that implementing the CPUC's approval by approving the proposed LCP amendment would "provide for a long-term increase in the reliability and availability of natural gas to help meet the local and regional demand for natural gas..." These benefits were a key component in the County's conclusion that the proposed amendment was in the interest of the general community welfare.

If the Commission approves this LCP amendment, staff anticipates that the County will issue a Notice of Final Action (NOFA) for its approval of a coastal development permit for SoCal Gas's La Goleta Storage Field Enhancement Project shortly thereafter. Upon receiving the NOFA from the County, staff will open the appeal period for the County's approval of this project.

C. CONSISTENCY ANALYSIS

The standard of review for the proposed amendment to the IP/CZO of the certified LCP is whether it would be in conformance with and adequate to carry out the provisions of the County's LUP. The proposed amendment's consistency with the certified LUP is detailed below. All Chapter 3 policies of the Coastal Act have been incorporated in their entirety in the certified Santa Barbara County LUP as guiding policies pursuant to Policy 1-1 of the LUP.

1. Biological Resources

The County's LCP contains numerous policies designed to protect ESHA and other biological resources, wetlands, and watersheds (see Appendix B). The policies include protection for critical bird and butterfly habitat during both construction and operation of industrial uses, buffer requirements for wetlands, water quality controls, and protections for areas of native vegetation and stream corridors. In addition, the LCP contains policies that minimize erosion and protect the water quality of groundwater basins, streams and wetlands.

The proposed IP amendment would allow natural gas exploration and production activities by public utilities at underground natural gas storage sites. The type of development allowed by the proposed amendment would include drilling and operation of natural gas wells for production and the construction and operation of supporting equipment such as pipelines and processing facilities. These activities are likely to include surface disturbance, excavation, night-lighting, glare, noise, and dust that could result in direct or indirect impacts to biological resources (i.e., wildlife, vegetation, wetlands and ESHA). In addition, storm-water runoff or project-related activities could degrade the water quality of ground and/or surface waters in the project vicinity.

Currently, the La Goleta storage site is the only natural gas storage site in the County. The 147acre site includes mapped Environmentally Sensitive Habitat Areas (ESHA) along Atascadero Creek on the north side of the site and along the coastal bluff at the mouth of Goleta Slough on the south side of the site (see Figure 1). In addition, the site contains a small oak grove and a 0.52 acre freshwater wetland near the southern entryway to the site. The site also contains two monarch butterfly sites although significant numbers of butterflies have not been observed at this site since 1990-1991. A biological analysis by Padre Associates, Inc. indicated that although several species of special-status plants have a potential to exist at the site, that potential is low, and none of the these species were found on the site during biological surveys conducted in 2007 and 2008. This analysis also included a list of approximately 40 special status wildlife species with a potential to occur in the region. Most of these species have a low probability of occurring on the site. Several bird species, including the loggerhead shrike, the burrowing owl, California horned lark, Belding's savannah sparrow, grasshopper sparrow, and the great blue heron, have a moderate to high potential to use the site for foraging. Nesting activity, however, was not observed at the site and is not likely due to a lack of nesting habitat.

The proposed IP Amendment would allow SoCal Gas to seek a coastal development permit to undertake sweet gas exploration and production activities at the La Goleta storage site. The County (or the Commission if the CDP were appealed) would be required to apply all of the LCP's ESHA and biological resource protection policies to any such proposed development. Given the large amount of acreage available at the La Goleta storage site, it is likely that it would be possible to site exploration and production wells such that impacts to ESHA, wetlands and other biological resources from construction and operation of gas exploration and/or production wells are avoided. The policies included in the County's LCP ensure that appropriate siting guidelines, standard mitigation measures, such as comprehensive pre and post-construction biological surveys, biological monitoring, adequate buffers, construction timing requirements to avoid bird breeding season, construction best management practices, etc. would be required to protect biological resources at the La Goleta site.

Although the proposed IP amendment would allow gas exploration and drilling at a site where such activities are currently not allowed, all existing LCP policies protecting biological resources will continue to apply to any proposed development at this site. Thus, the Commission finds that the proposed IP/CZO amendment conforms to the LUP policies that require development to be sited and designed to avoid impacts to environmentally sensitive habitat area.

2. Hazards

Section 30253 of the Coastal Act states (incorporated in the County's LUP under Policy 1-1):

New development shall do all of the following:

(a) Minimize risks to life and property in areas of high geologic, flood, and fire hazard.

(b) Assure stability and structural integrity, and neither create nor contribute significantly to erosion, geologic instability, or destruction of the site or surrounding area or in any way require the construction of protective devices that would substantially alter natural landforms along bluffs and cliffs.

(c) Be consistent with requirements imposed by an air pollution control district or the State Air Resources Board as to each particular development.

(d) Minimize energy consumption and vehicle miles traveled.

(e) Where appropriate, protect special communities and neighborhoods that, because of their unique characteristics, are popular visitor destination points for recreational uses.

The applicable sections of Section 30262 of the Coastal Act state (incorporated in the County's LUP under Policy 1-1):

(a) Oil and gas development shall be permitted in accordance with Section 30260, if the following conditions are met:

(1) The development is performed safely and consistent with the geologic conditions of the well site.

(2) New or expanded facilities related to that development are consolidated, to the maximum extent feasible and legally permissible, unless consolidation will have adverse environmental consequences and will not significantly reduce the number of producing wells, support facilities, or sites required to produce the reservoir economically and with minimal environmental impacts •••

(5) The development will not cause or contribute to subsidence hazards unless it is determined that adequate measures will be undertaken to prevent damage from such subsidence.

LUP Policy 3-13:

Plans for development shall minimize cut and fill operations. Plans requiring excessive cutting and filling may be denied if it is determined that the development could be carried out with less alteration of the natural terrain.

LUP Policy 3-14:

All development shall be designed to fit the site topography, soils, geology, hydrology, and any other existing conditions and be oriented so that grading and other site preparation is kept to an absolute minimum. Natural features, landforms, and native vegetation, such as trees, shall be preserved to the maximum extent feasible. Areas of the site which are not suited for development because of known soil, geologic, flood, erosion or other hazards shall remain in open space.

LUP Policy 3-17:

Temporary vegetation, seeding, mulching, or other suitable stabilization method shall be used to protect soils subject to erosion that have been disturbed during grading or development. All cut and fill slopes shall be stabilized immediately with planting of native grasses and shrubs, appropriate nonnative plants, or with accepted landscaping practices.

They County's LUP requires that new development minimize risks to life and property from geologic, flood and fire hazards. It also requires consolidation of oil and gas facilities, minimization of landscape alteration, and requirements to ensure geologic stabilization.

The type of development allowed by the proposed LCP amendment is likely to include drilling of one or more wells, extraction and processing of native natural gas, conversion of production wells into injection wells, and integration of the well and reservoir into the natural gas storage operations. Each of these phases of development has the potential to adversely impact the geologic stability of a site, contribute to flood or fire hazard, or significantly alter the existing landscape.

The County's LUP includes several policies designed to protect against these types of impacts, and these policies will apply to any development proposed after approval of this IP amendment. In addition, although not included in the LUP, the County has established Public Safety Thresholds that determine if the safety risks of a project are significant. Any development put forward under the proposed amendment would be required to demonstrate consistency with the hazard policies discussed above as well as perform a risk assessment to quantify the hazard risk

and determine if it reaches significant levels. If the County determined that a proposed project did not minimize risks to life and property or take all necessary measures to ensure geologic stability, it could not approve the project.

In addition to the protections included in the LUP, the proposed amendment limits the type of development that could be allowed, resulting in additional protection from impacts associated with hazards. For example, the proposed amendment prohibits the extraction of "sour" gas, which is natural gas with concentrations of hydrogen sulfide greater than four parts per million. This avoids the potential public health and environmental hazards associated with processing sour gas. Furthermore, drilling of new wells would not be permitted unless the applicant's facility is maintained primarily for the injection, storage and withdrawal of natural gas, and exploration and production activities are pursued for the sole purpose of expanding natural gas storage capacity. Limiting natural gas exploration and production in this manner is consistent with the County's policies requiring consolidation of oil and gas development which minimizes the public's exposure to hazards from these types of facilities. Finally, the proposed amendment prohibits the use of hydraulic fracturing for this type of development, thus avoiding any potential impacts to the geologic stability of the site from this activity.

Therefore, the Commission finds that the proposed IP/CZO amendment conforms to the LUP policies that require development to minimize geologic and other hazards, as any development that could be approved after certification of this IP Amendment would still need to meet all of the hazard minimization and avoidance policies of the LCP.

3. Visual Resources

Section 30251 of the Coastal Act states (incorporated in the County's LUP under Policy 1-1):

The scenic and visual qualities of coastal areas shall be considered and protected as a resource of public importance. Permitted development shall be sited and designed to protect views to and along the ocean and scenic coastal areas, to minimize the alteration of natural land forms, to be visually compatible with the character of surrounding areas, and, where feasible, to restore and enhance visual quality in visually degraded areas. New development in highly scenic areas such as those designated in the California Coastline Preservation and Recreation Plan prepared by the Department of Parks and Recreation and by local government shall be subordinate to the character of its setting.

LUP Policy 4-2:

All commercial, industrial, planned development and greenhouse projects shall be required to submit a landscaping plan to the County for approval.

LUP Policy 4-4:

In areas designated as urban on the land use plan maps and in designated rural neighborhoods, new structures shall be in conformance with the scale and character

of the existing community. Clustered development, varied circulation patterns, and diverse housing types shall be encouraged.

The proposed amendment would allow development that would involve the temporary installation of one or more drilling rigs, the permanent installation of one or more wells, associated pipelines and processing equipment, such as a dehydration unit, and the occasional temporary installation of one or more workover rigs. Each of these elements has the potential to result in adverse impacts to visual resources in the project vicinity.

The County LCP includes several policies that protect visual resources. In addition, Policy 1-1 incorporates the scenic and visual quality protections included in the Coastal Act. This policy ensures that any development in the County's coastal zone, including development that would be allowed after certification of the proposed amendment, would need to be sited and designed to protect scenic coastal views and to be visually compatible with the character of the surrounding area. The LCP includes additional policies that require development to conform to the character of the existing community and to submit a landscaping plan to the County for approval. These protective policies ensure that any new development that could be authorized after certification of the IP Amendment will not cause significant impacts to the visual resources of coastal Santa Barbara County.

The most significant visual resource impact anticipated from the type of project that could be approved after certification of this IP amendment is the presence of a drilling rig. A typical drilling rig includes a 133-foot mast and a 21-foot high substructure, for a total of 154 feet. However, some drilling rigs have substructures that measure up to 39 feet high, for a total of 172 feet. To conform to Federal Aviation Authority (FAA) regulations, a structure of this height would have to be lighted at night to ensure aircraft safety. A drilling rig that stands 154-172 feet tall would almost certainly be visible from surrounding land uses. At the La Goleta storage field, which is the only site affected by this IP Amendment, a drilling rig would be visible from portions of Highway 101, Goleta Beach and Goleta Beach Pier and surrounding residential streets. Although there is no mitigation measure available to address this impact, the impact would be temporary. For example, to extract native gas from the La Goleta storage field, as proposed by SoCal Gas, drilling rigs would be present for approximately 89 days during the first year of the project, and approximately 68 days during the second year of the project. The severity of this impact would also be highly dependent on the surrounding vegetation, especially tall trees, and the presence of other tall structures, including transmission or radio towers.

The other elements of natural gas production development – gas wells, pipelines and processing equipment – are not likely to result in adverse impacts to coastal visual resources. The proposed amendment would only allow new gas wells and associated equipment on natural gas storage sites. Thus, new wells would be drilled on existing industrial sites, where it is likely that gas wells and some ancillary equipment already exist. In addition, the County's policies require that permitted development be visually compatible with the character of the surrounding area. This is often accomplished by requiring that equipment and facilities be screened from adjacent areas with landscaping and painted to be compatible with the surrounding landscape. Pipelines can also be buried or screened, thus minimizing impacts to visual resources.

Thus, for the reasons stated above, the Commission finds that the proposed IP/CZO amendment conforms to the LUP policies that require development to protect coastal visual resources.

4. Hazardous Substance Release

Section 30232 of the Coastal Act states (incorporated in the County's LUP under Policy 1-1):

Protection against the spillage of crude oil, gas, petroleum products, or hazardous substances shall be provided in relation to any development or transportation of such materials. Effective containment and clean up facilities and procedures shall be provided for accidental spills that do occur.

LUP Policy 6-9:

Applicants for oil and gas processing facilities shall prepare and keep updated emergency response plans to deal with the potential consequences of hydrocarbon leaks or fires. These emergency response plans shall be approved by the County's Emergency Services Coordinator and Fire Department.

As for any type of hydrocarbon extraction, accidental release of a hazardous substance is a serious concern. The proposed amendment specifically states that hydraulic fracturing (i.e., "fracking") will not be permitted during exploration and production of native gas and that "sour" gas or gas with a hydrogen sulfide concentration greater than four parts per million, will not be extracted. These two measures reduce the risk of a hazardous substance release due to development that could be approved after certification of this IP Amendment. There is still a risk, however, of a release of natural gas or other hydrocarbon compounds during well drilling, well blowouts, pipe or valve failures, storage tank leaks and processing equipment failures associated with new development allowed by the proposed amendment.

The County's LUP contains policies that require an applicant proposing development at an oil and gas processing facility have protocols in place to protect against the release of hazardous substances and maintain updated emergency response plans, approved by the Emergency Services Coordinator and the Fire Department, that describe procedures and equipment to be used in the event of an accidental spill. In the case of the La Goleta storage field, any new development proposed would be integrated into existing safety systems in place at the La Goleta field and an updated emergency response plan would be submitted.

Therefore, the Commission finds that the proposed IP/CZO amendment conforms to the LUP policies that protect against the release of hazardous substances.

5. Archeological and Cultural Resources

Section 30253 of the Coastal Act states (incorporated in County's LUP under Policy 1-1):

Where development would adversely impact archaeological or paleontological resources as identified by the State Historic Preservation Officer, reasonable mitigation measures shall be required.

LUP Policy 6-17:

When feasible, pipelines shall be routed to avoid important coastal resources, including recreation, habitat, and archaeological areas.

LUP Policy 6-18:

For pipeline segments passing through important coastal resource areas, including recreation, habitat and archaeological areas, the segment, in the case of a break, shall be isolated by automatic shutoff valves.

LUP Policy 10-2:

When developments are proposed for parcels where archaeological or other cultural sites are located, project design shall be required which avoids impacts to such cultural sites if possible.

LUP Policy 10-3:

When sufficient planning flexibility does not permit avoiding construction on archaeological or other types of cultural sites, adequate mitigation shall be required. Mitigation shall be designed in accord with guidelines of the State Office of Historic Preservation and the State of California Native American Heritage Commission.

LUP Policy 10-4:

Off-road vehicle use, unauthorized collecting of artifacts, and other activities other than development which could destroy or damage archaeological or cultural sites shall be prohibited.

LUP Policy 10-5:

Native Americans shall be consulted when development proposals are submitted which impact significant archaeological or cultural sites.

The development allowed by the amendment has the potential to adversely impact archeological or cultural resources. However, any project proposed to the County must adhere to several policies in the County's LCP that protect these resources. Policy 10-2 requires that projects be sited to avoid impacts to identified archeological or cultural resources. If these resources cannot be entirely avoided, the County can require reasonable mitigation measures in accordance with the guidelines of the State Office of Historic Preservation and the State of California Native American Heritage Commission. In addition, Policy 10-5 requires that Native Americans be consulted if significant archeological or cultural sites could be affected. With these policies in place, any development allowed under the proposed amendment will be required to incorporate adequate mitigation measures to ensure the protection of archeological and cultural resources.

For these reasons, the Commission finds that the proposed IP/CZO amendment conforms to the LUP policies that require protection of archeological and cultural resources.

IV. CALIFORNIA ENVIRONMENTAL QUALITY ACT

The Coastal Commission's review and development process for LCPs and LCP amendments has been certified by the Secretary of Resources as being the functional equivalent of the environmental review required by CEQA. Local governments are not required to undertake environmental analysis of proposed LCP amendments, although the Commission can and does use any environmental information that the local government has developed. CEQA requires that alternatives to the proposed action be reviewed and considered for their potential impact on the environment and that the least damaging feasible alternative be chosen as the alternative to undertake.

In this case, Santa Barbara County, acting as the lead agency, adopted an Environmental Impact Report (EIR) that examined the environmental impacts associated with the proposed IP amendment and SoCal Gas's proposed project to expand the storage capacity at the La Goleta storage field.

This report has discussed the relevant coastal resource issues with the proposal. All public comments received to date have been addressed in the findings above. All above findings are incorporated herein in their entirety by reference.

The proposed project is not anticipated to have a significant adverse impact on the environment. As such, there are no additional feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse environmental effects which approval of the amendment would have on the environment within the meaning of CEQA. Thus, the proposed amendment will not result in any significant environmental effects for which feasible mitigation measures have not been employed consistent with CEQA Section 21080.5(d)(2)(A).

APPENDIX A

Substantive File Documents

Santa Barbara County, July 2013 Local Coastal Program Amendment Submittal STB0MAJ-1-13, Volume 3.

Final Environmental Impact Report, Southern California Gas Company La Goleta Storage Field Enhancement Project. May 2013. Prepared by the Santa Barbara County Planning and Development Department. (Santa Barbara County EIR No. 10EIR-00000-00001)

Appendix B: County of Santa Barbara LUP policies related to biological resources

General

Section 30231 of the Coastal Act states (incorporated in the County's LUP under Policy 1-1):

The biological productivity and the quality of coastal waters, streams, wetlands, estuaries, and lakes appropriate to maintain optimum populations of marine organisms and for the protection of human health shall be maintained and, where feasible, restored through, among other means, minimizing adverse effects of waste water discharges and entrainment, controlling runoff, preventing depletion of ground water supplies and substantial interference with surface water flow, encouraging waste water reclamation, maintaining natural vegetation buffer areas that protect riparian habitats, minimizing alteration of natural streams.

LUP Policy 1-2:

Where policies within the land use plan overlap, the policy which is most protective of coastal resources shall take precedence.

LUP Policy 2-11:

All development, including agriculture, adjacent to areas designated on the land use plan or resources maps as environmentally sensitive habitat areas, shall be regulated to avoid adverse impacts on habitat resources. Regulatory measures include, but are not limited to, setbacks, buffer zones, grading controls, noise restrictions, maintenance of natural vegetation, and control of runoff.

LUP Policy 6-4:

Upon completion of production, the area affected by the drilling, processing, or other related petroleum activity, shall be appropriately contoured, reseeded, and landscaped to conform with the surrounding topography and vegetation.

LUP Policy 6-17:

When feasible, pipelines shall be routed to avoid important coastal resources, including recreation, habitat, and archaeological areas.

LUP Policy 6-18:

For pipeline segments passing through important coastal resource areas, including recreation, habitat and archaeological areas, the segment, in the case of a break, shall be isolated by automatic shutoff valves.

<u>ESHA</u>

Section 30240 of the Coastal Act states (incorporated in the County's LUP under Policy 1-1):

(a) Environmentally sensitive habitat areas shall be protected against any significant disruption of habitat values, and only uses dependent on such resources shall be allowed within such areas.

(b) Development in areas adjacent to environmentally sensitive habitat areas and parks and recreation areas shall be sited and designed to prevent impacts which would significantly degrade such areas, and shall be compatible with the continuance of such habitat areas.

LUP Policy 6-3:

All oil and gas development in areas designated as environmentally sensitive habitats in the land use plan shall be subject to environmental review.

LUP Policy 9-1:

Prior to the issuance of a development permit, all projects on parcels shown on the land use plan and/or resource maps with a Habitat Area overlay designation or within 250 feet of such designation or projects affecting an environmentally sensitive habitat area shall be found to be in conformity with the applicable habitat protection policies of the land use plan. All development plans, grading plans, etc., shall show the precise location of the habitat(s) potentially affected by the proposed project. Projects which could adversely impact an environmentally sensitive habitat area may be subject to a site inspection by a qualified biologist to be selected jointly by the County and the applicant.

LUP Policy 9-4:

All permitted industrial and recreational uses shall be regulated both during construction and operation to protect critical bird habitats during breeding and nesting seasons. Controls may include restriction of access, noise abatement, restriction of hours of operations of public or private facilities.

LUP Policy 9-22:

Butterfly trees shall not be removed except where they pose a serious threat to life or property, and shall not be pruned during roosting and nesting season.

LUP Policy 9-23:

Adjacent development shall be set back a minimum of 50 feet from the trees.

LUP Policy 9-26: (White-tailed kite)

There shall be no development including agricultural development, i.e., structures, roads, within the area used for roosting and nesting.

LUP Policy 9-28:

Any development around the nesting and roosting area shall be set back sufficiently far as to minimize impacts on the habitat area.

LUP Policy 9-36:

When sites are graded or developed, areas with significant amounts of native vegetation shall be preserved. All development shall be sited, designed, and constructed to minimize impacts of grading, paving, construction of roads or structures, runoff, and erosion on native vegetation. In particular, grading and paving shall not adversely affect root zone aeration and stability of native trees

Wetlands/Streams

Section 30233(a) of the Coastal Act states (incorporated in the County's LUP under Policy 1-1):

The diking, filling, or dredging of open coastal waters, wetlands, estuaries, and lakes shall be permitted in accordance with other applicable provisions of this division where there is no feasible less environmentally damaging alternative, and where feasible mitigation measures have been provided to minimize adverse environmental effects, and shall be limited to the following:

(1) New or expanded port, energy, and coastal-dependent industrial facilities, including commercial fishing facilities.

(2) Maintaining existing, or restoring previously dredged depths on existing navigational channels, turning basins, vessel berthing and mooring areas, and boat launching ramps.

(3) In open coastal waters, other than wetlands, including streams, estuaries, and lakes, new or expanded boating facilities and the placement of structural pilings for public recreational piers that provide public access and recreational opportunities.

(4) Incidental public service purposes, including but not limited to, burying cables and pipes or inspection of piers and maintenance of existing intake and outfall lines.

(5) Mineral extraction, including sand for restoring beaches, except in environmentally sensitive areas.

- (6) *Restoration purposes.*
- (7) Nature study, aquaculture, or similar resource dependent activities.

LUP Policy 9-9:

A buffer strip, a minimum of 100 feet in width, shall be maintained in natural condition along the periphery of all wetlands. No permanent structures shall be permitted within the wetland or buffer area except structures of a minor nature, i.e., fences, or structures necessary to support the uses in Policy 9-10. ... [Policy 9-10 pertains to light recreation, education, scientific uses].

LUP Policy 9-13:

No unauthorized vehicle traffic shall be permitted in wetlands and pedestrian traffic shall be regulated and incidental to the permitted uses.

LUP Policy 9-14:

New development adjacent to or in close proximity to wetlands shall be compatible with the continuance of the habitat area and shall not result in a reduction in the biological productivity or water quality of the wetland due to runoff (carrying additional sediment or contaminants), noise, thermal pollution, or other disturbances.

LUP Policy 9-38:

No structures shall be located within the stream corridor except: public trails, dams for necessary water supply projects, flood control projects where no other method for protecting existing structures in the flood plain is feasible and where such protection is necessary for public safety or to protect existing development; and other development where the primary function is for the improvement of fish and wildlife habitat. Culverts, fences, pipelines, and bridges (when support structures are located outside the critical habitat) may be permitted when no alternative route/location is feasible. All development shall incorporate the best mitigation measures feasible.

Water Quality

LUP Policy 3-18:

Provisions shall be made to conduct surface water to storm drains or suitable watercourses to prevent erosion. Drainage devices shall be designed to accommodate increased runoff resulting from modified soil and surface conditions as a result of development. Water runoff shall be retained on-site whenever possible to facilitate groundwater recharge.

LUP Policy 3-19:

Degradation of the water quality of groundwater basins, nearby streams, or wetlands shall not result from development of the site. Pollutants, such as chemicals, fuels, lubricants, raw sewage, and other harmful waste, shall not be discharged into or alongside coastal streams or wetlands either during or after construction.

LUP Policy 6-15:

Herbicides shall not be used during pipeline construction and sidecasting of soil may be restricted, when deemed necessary by removal of excess soil to an approved dumping site after the excavation has been backfilled and compacted.

LUP Policy 6-16:

The pipeline shall be sited and constructed in such a manner as to inhibit erosion.

EXHIBIT 1

ORDINANCE NO. 4860

AN ORDINANCE AMENDING ARTICLE II, THE SANTA BARBARA COUNTY COASTAL ZONING ORDINANCE, OF CHAPTER 35, ZONING, OF THE COUNTY CODE BY AMENDING DIVISION 4, ZONING DISTRICTS, TO REVISE EXISTING REGULATIONS REGARDING THE USE OF PU-ZONED PROPERTY FOR PUBLIC WORKS UTILITIES AND PRIVATE SERVICE FACILITIES.

Case No. 08ORD-00000-00018

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

SECTION 1:

DIVISION 4, Zoning Districts, of Article II, the Santa Barbara County Coastal Zoning Ordinance, of Chapter 35, Zoning, of the Santa Barbara County Code, is amended to amend Section 35-88.4.5, of Section 35-88.4, Permitted Uses, of Section 35-88, PU-Public Works Utilities and Private Services Facilities, to read as follows:

5. Underground gas storage and related facilities, e.g., compressor stations, gas wells and pipelines, owned and operated by a public utility and subject to the provisions of Section 35-88.11.

SECTION 2:

DIVISION 4, Zoning Districts, of Article II, the Santa Barbara County Coastal Zoning Ordinance, of Chapter 35, Zoning, of the Santa Barbara County Code, is amended to amend Section 35-88.11, Underground Gas Storage), of Section 35-88, PU - Public Works Utilities and Private Services Facilities, to read as follows:

Section 35-88.11 Underground Gas Storage

The provisions of this section shall apply to the fixed surface installation of facilities designed, constructed, installed and maintained primarily for the injection, storage and withdrawal of natural gas in and from sub-surface strata including the drilling of new wells and the reconditioning of existing wells, exploration and production, without the use of hydraulic fracturing, of native sweet gas for the purpose of expanding natural gas storage capacity, and structures, facilities and operations incidental thereto. For the purposes of this subsection, native sweet gas is defined herein as produced gas that contains no more than four parts per million of hydrogen sulfide.

- 1. The provisions of DIVISION 9 OIL AND GAS FACILITIES shall not apply to underground gas storage or related facilities used solely for such purposes.
- 2. The landscaping requirements set forth in Section 35-88.10 shall not apply to underground gas storage or related facilities.
- 3. Derricks and major items of equipment shall be soundproofed in accordance with applicable safety regulations and standards.
- 4. Fixed equipment shall be fenced and screened and the site landscaped in a manner approved by the Planning Commission.
- 5. Permanent structures and equipment shall be painted a neutral color so as to blend in with natural surroundings.

- 6. Reasonable fire-fighting equipment shall be maintained on the premises at all times during drilling operations.
- 7. Except in an emergency, no materials, equipment, tools or pipe shall be delivered to or removed from the site between the hours of 7 p.m. and 7 a.m. of the following day.
- 8. All roads shall be paved with asphaltic concrete and parking areas may be surfaced with gravel.
- 9. Within 120 days after the drilling of each well has been completed, the derrick and all other drilling equipment shall be removed from the site.
- 10. All lights shall be shielded so as not to directly shine on adjacent properties.

SECTION 3;

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All existing indices, section references, and figure and table numbers contained in Article II, the Santa Barbara County Coastal Zoning Ordinance, of Chapter 35, Zoning, of the County Code, are hereby revised and renumbered as appropriate to reflect the revisions enumerated above.

SECTION 4:

Except as amended by-this Ordinance, Division 4 of Article II, the Santa Barbara County Coastal Zoning Ordinance, of Chapter 35, Zoning, of the County Code, shall remain unchanged and shall continue in full force and effect.

SECTION 5:

This ordinance and any portion of it approved by the Coastal Commission shall take effect and be in force 30 days from the date of its passage or upon the date that it is certified by the Coastal Commission pursuant to California Public Resources Code 30514, whichever occurs later; and before the expiration of 15 days after its passage, it, or a summary of it, shall be published once, together with the names of the members 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 25th day of June 2013, by the following vote:

AYES: NOES:	Supervisor Supervisor None			Farr,	Supervisor	Adam,	and
ABSTAINED:	None				el.		
ABSENT:	Supervisor	Carba	jal				

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Chair, Board of Supervisors County of Santa Barbara

ATTEST:

CHANDRA L. WALLAR

Clerk of the Board of Supervisors

By Jours (

Deputy Clerk

APPROVED AS TO FORM:

DENNIS A. MARSHALL

County Counsel

By

Deputy County Counsel

EXHIBIT 2

