

PLANNING & LAND USE MANAGEMENT

## MOTION

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The City does not have a systematic way to ensure that previously imposed conditions on oil and gas drilling and production facilities are being followed.

On September 29, 2016, the Council approved a Settlement Agreement (CF 16-1027) in the matter of *Youth For Environmental Justice, et al. V. City of Los Angeles*, in exchange for the dismissal of the lawsuit, which challenged the City's pattern and practice of failing to apply the California Environmental Quality Act (CEQA) to oil-drilling approval applications under Municipal Code Section 13.01 (Oil Drilling Districts, Drilling Site Requirements).

Facilities located within 100 feet or less of residences, schools, and parks have filed a multitude of complaints for noise, pollution, odors, and other hazardous operational conditions by adjacent residents, students, and neighborhood councils.

In a November 18, 1966 report, the Planning Department's Office of Zoning Administration approved an application by the then-owner, Atlantic Richfield Company, and now owned by AllenCo Energy, Inc., to conduct oil drilling at the property located at 814 West 23<sup>rd</sup> Street, Los Angeles, CA 90007. The report contained twenty-four conditions of approval. Condition #24 provided the Chief Zoning Administrator the authority to impose additional conditions or require corrective measures to protect adjacent or surrounding properties.

Since that time, no new corrective conditions were imposed by the Zoning Administrator's office as authorized in the 1966 staff report. In fact, the current property owner, AllenCo Energy, Inc., has been cited by numerous local (Los Angeles Fire Department and South Coast Air Quality Management District), State (California State Department of Conservation, Division of Oil, Gas & Geothermal Resources), and Federal (Environmental Protection Agency) agencies, for fire, life and safety violations, and toxic fumes.

Reports prepared by the Community Health Councils, Inc. and the Liberty Hill Foundation include recommendations for citywide standards, inspection, monitoring, and enforcement practices, and for transparency, information access, and public engagement practices.

In light of the Settlement Agreement in the matter of *Youth For Environmental Justice, et al. V. City of Los Angeles*, the Planning Department's Zoning Administrator (ZA) released ZA Memorandum No. 133 dated September 19, 2016 with details on how the Planning Department will process oil drilling district applications in the future in accordance with the California Environmental Quality Act (CEQA).

These new procedures will apply to all future applications for approval of oil drilling conditions under Municipal Code Section 13.01 H. In addition, certain projects will also require a Health Impact Assessment (HIA) study. Planning will also hold public hearings on all applications to solicit public input on projects and proposed mitigation measures.

The release of ZA Memo No. 133 is a good starting point on the implementation of policies that will be implemented going forward relative to the processing of oil drilling district applications, and which will be in compliance with CEQA guidelines.

Permanent land use regulatory controls, however, need to be codified into the Municipal Code, not just policy measures, to ensure that these regulations are adopted by the Council via Ordinance, and not simply as policy guidelines that can potentially be superseded by preparation of a new ZA Memorandum.

1/1/17

**I THEREFORE MOVE** that the Council instruct the Planning Department, with the assistance of the City Attorney, Department of Building and Safety, City Administrative Officer, and the City's Petroleum Administrator, and in consultation with the Department of Water & Power, Emergency Management Department, Fire Department, to prepare and present the necessary ordinances to effectuate the following policy directives:

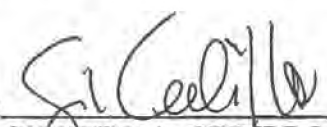
1. An ordinance to amend Chapter 1 of the Municipal Code, Section 13.01 (Oil Drilling Districts), to augment the existing conditions of compliance to develop citywide standard conditions of compliance with the necessary environmental clearances as required by the California Environmental Quality Act, to protect surrounding sensitive uses (e.g. schools, parks, residential uses, churches/synagogues, hospitals, child care centers), and which includes a uniform surety bond amount for oil drilling production operations, inasmuch as the existing requirements charge different amounts, \$5,000 in urban areas and \$50,000 in offshore areas.
2. An ordinance that requires the City to develop administrative protocols in coordination with State and Federal agencies, to ensure that surrounding neighborhoods where oil drilling operations are located are protected and are not adversely impacted by developing an Emergency Evacuation Plan.
3. An ordinance that enables community members, abutting neighbors, and enforcement agencies to review and propose updated conditions to existing Conditional Use Permits for oil drilling operators or 'grandfathered' oil districts.

**I FURTHER MOVE** that the Council instruct the Planning Department, in consultation with the City Attorney, to prepare and present an ordinance to ensure that the procedures and policies for the acceptance and processing of applications for oil drilling approvals embedded in Zoning Administrator Memorandum No. 133 are not simply policy guidelines that can potentially be superseded by preparation of a new ZA Memorandum, and instead are permanent land use regulations codified in the Municipal Code.

**I FURTHER MOVE** that the Council instruct the Planning Department to include oversight and monitoring of Zoning Administrator determinations and Conditional Use Permits for oil and gas drilling and production operations within the newly established Planning Department Condition Compliance Unit (CCU).

**I FURTHER MOVE** that the Council instruct the Planning Department to notify the existing owner of record, AllenCo Energy, Inc., of the City's authority to impose additional conditions and require corrective measures to conduct oil drilling at the property located at 814 West 23<sup>rd</sup> Street, Los Angeles, CA 90007 (Zoning Administrator Case No. 18480), in view of the numerous citations and violations found by Federal, State, and local government agencies, and direct the Department of Building and Safety, Fire Department, and Department of Water & Power to conduct inspection, investigation, and enforcement of the conditions set forth in those documents.

PRESENTED BY:

  
GILBERT A. CEDILLO  
Councilmember, 1<sup>st</sup> District

SECONDED BY:



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