File No. <u>17-0447</u>

HEALTH, MENTAL HEALTH, AND EDUCATION COMMITTEE REPORT relative to instructing departments to report on the feasibility of amending current City land use codes in connection with health impacts at oil and gas wells and drill sites.

Recommendations for Council action, as initiated by Motion (Bonin - Cedillo - Harris-Dawson - Koretz - Martinez - Wesson, Jr. - Huizar):

- INSTRUCT the Department of City Planning, with the assistance of the City Attorney, the Petroleum Administrator, and the City Administrative Officer (CAO) for a financial impact analysis, to report within 120 days with a comprehensive analysis regarding the possible implementation of changes to the City's land use codes relative to oil and gas development, including the following proposals:
 - a. New requirements that no oil or gas well, or temporary geological exploratory core holes connected with oil and gas well production, shall be located within a certain setback proximity of residential uses (including mobile homes), child care facilities, public or private schools (preschool through high school), educational institutions, medical clinics, hospital, or similar sensitive uses.
 - b. New requirements that provide for the discontinuance of nonconforming land uses resulting from the new requirements in Recommendation 1(a), including, but not limited to, an amortization period as determined by a study consistent with State and federal law.
 - c. New requirements that provide relief and an administrative remedy, including minimal extension of the amortization period granted only for the amount of time necessary to comply with State and federal due process and takings law for any oil and gas operators or stakeholder in oil and gas production that are affected by the new requirements in Recommendations 1(a) and 1(b) above.
- 2. INSTRUCT the Petroleum Administrator to work with the City Attorney, Los Angeles County Department of Public Health (LACDPH), relevant City departments, and other health agencies and regulatory entities as necessary; and the CAO, with the assistance of the Petroleum Administrator as necessary, for a financial impact analysis, to report within 120 days on the following:
 - a. What types of health impacts can be measured at and around oil and gas wells and drill sites.
 - b. Whether, what kind, and what distance a setback and potential mitigation measures from sensitive receptors should be established.
 - c. An evaluation of the various types of materials used at oil and gas sites that can have health impacts, how those materials are used, and what authority the City has over regulating their use.
 - d. An evaluation of the various types of drill sites, including active oil fields, abandoned oil fields, and gas storage fields.

- e. What agencies currently govern or regulate oil and gas sites, including a matrix of energy, oil, and gas operators and their respective regulatory agencies, related to health impacts in the City and what authority does the City have to regulate those health impacts.
- f. The upcoming LACDPH Interim Guidance on Urban Oil and Gas Operations.
- g. Any recommendations from the LACDPH on whether a Health Impact or Health Risk Assessment Report on oil and gas drill site operations within the City is recommended, including the necessary resources and timeline to complete each type of study.
- h. Any recommendations to enhance public health collaboration regarding oil and gas drill site oversight between the City, County and other related health agencies.
- i. A draft Memorandum of Understanding between the City and the LACDPH, and/or other regulatory agencies, with suggested terms, including emergency protocols, communication strategy, and clear delineation of public health roles and responsibilities.
- j. Costs related to a legal non-conforming land use designation.
- k. Job loss associated with this designation, including the direct and indirect economic impacts to the City and State due to potential job loss, and options for employment protection.
- I. An environmental study to determine the risk associated with oil and gas production in urban areas.
- m. Analysis of the human rights standards and environmental standards of the countries exporting oil used by Los Angeles residents.
- n. Legal analysis of the proposals in Recommendations 1(a), 1(b), and 1(c) above, including any potential takings liability.

<u>Fiscal Impact Statement</u>: Neither the CAO nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: Yes

For: Porter Ranch Neighborhood Council

(Planning and Land Use Committee waived consideration of the above matter.)

Summary:

At a special meeting held on June 14, 2017, the Health, Mental Health, and Education Committee considered a Motion (Bonin - Cedillo - Harris-Dawson - Koretz - Martinez -Wesson, Jr. - Huizar) relative to instructing City departments to report on the City's land use codes for oil and gas development, and the health effects of oil and gas operations. The Petroleum Administrator and representatives from the LACDPH provided information on the topic. After an opportunity for public comment, the Committee approved the Motion with modified recommendations as detailed above. This matter is now submitted to the Council for consideration.

Respectfully Submitted,

HEALTH, MENTAL HEALTH, AND EDUCATION COMMITTEE

MEMBER:VOTE:RYUYESBUSCAINOABSENTENGLANDERYES

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-NOT OFFICIAL UNTIL COUNCIL ACTS-