



CITY OF CARSON

PLANNING COMMISSION STAFF REPORT

PUBLIC HEARING: February 24, 2015
SUBJECT: Text Amendment No. 20-15
APPLICANT: City of Carson
REQUEST: To consider adoption of an Ordinance prohibiting hydraulic fracturing ("fracking"), acidizing and any other form of well stimulation, and the associated CEQA finding
PROPERTY INVOLVED: City-wide

COMMISSION ACTION

- Concurred with staff
- Did not concur with staff
- Other

COMMISSIONERS' VOTE

AYE	NO		AYE	NO	
		Chairman Faletogo			Gordon
		Vice-Chairman Piñon			Saenz
		Brimmer			Schaefer
		Diaz			Verrett
		Goolsby			

I. Introduction

Zone Text Amendment 20-15 proposes an update to the Carson Municipal Code to prohibit hydraulic fracturing (“fracking”), acidizing and any other form of well stimulation in conjunction with the production or extraction of oil, gas or other hydrocarbon substances in the city. The Ordinance defines the specific uses that are prohibited, and establishes penalties for petroleum operators who engage in prohibited uses.

The Planning Commission is also concurrently hearing Zone Text Amendment No. 19-15, which proposes Oil and Gas Ordinance updates to the Carson Municipal Code and provides for regulations governing petroleum operations and facilities. Although both text amendments broadly relate petroleum operations and both have their basis in the Council meetings held in the spring of 2014, the two text amendments are technically separate actions, and each has its own independent utility. As such, the Planning Commission has the authority to recommend approval of all, one, or none of the proposed text amendments.

II. Background

The City of Carson zoning and land use standards and regulations for oil and gas drilling have not been updated in several years. During that period of time, there have been significant changes in oil and gas production practices and changes to state statutes and regulations.

The City Council held several meetings regarding these and other petroleum-related issues on March 18, 2014, April 15, 2014, April 29, 2014, and May 20, 2014. On May 20, 2015, the City Council directed City Staff to commence a complete and comprehensive review to update the Municipal Code regarding oil and gas operations and to study and address all modern-day drilling issues and applications. The City Council also directed City Staff to address regulation of hydraulic fracturing (“fracking”), acidizing and any other form of well stimulation in conjunction with the production or extraction of oil, gas or other hydrocarbon substances in the city. Finally, City Staff were also directed to have at least two workshops with the community to receive community input and feedback. Therefore, the Community Development Department has initiated a text amendment to facilitate this process.

Staff has completed a comprehensive review of hydraulic fracturing, acidizing and other forms well stimulation with the assistance of Marine Research Specialists (MRS), an environmental consulting firm with expertise with petroleum operations and the City Attorney’s office. As part of this review process, the City has engaged in significant community outreach regarding this matter, including sending mailed notices of community meetings to the approximately 30,000 addresses in the city, publishing notices in the newspaper, and holding three community meetings regarding oil and gas operation issues including hydraulic fracturing, acidizing and other forms of well stimulation. The most recent community meeting is scheduled for February 18, 2014.



First and foremost, the proposed Ordinance is written to protect the environment and the public health, safety, welfare of the citizens of Carson. Furthermore, the proposed Ordinance seeks to effectively and appropriately balance the rights of existing operators and future applicants who wish to develop oil and gas drilling and extraction facilities in the City.

III. Analysis

This project involves the consideration of an Ordinance to prohibit hydraulic fracturing, acidizing and any other form of well stimulation in conjunction with the production or extraction of oil, gas or other hydrocarbon substances in the city.

Components

The proposed Ordinance is comprised of two sections:

- Section 1, "Prohibited Uses," prohibits hydraulic fracturing, acidizing, or any other well stimulation treatments. Certain exceptions are noted, including a procedure where City's Petroleum Administrator may issue a permit if the owner/operator can demonstrate: (1) well stimulation, other than hydraulic fracturing, is necessary to recover the owner/operator's reasonable investment backed expectation; and (2) that such well stimulation will not create a nuisance due to an adverse impact on persons or property within the City.
- Section 2, "Violations of Prohibited Uses" establishes enforcement proceedings for violations of prohibited uses. This includes paying the City a fine of \$100,000 or more per day, depending on the severity of the violation, at the discretion of the Petroleum Administrator. Additionally, the Petroleum Administrator may also require an immediate shutdown of all operations at a oil and gas facility site, as long as the shutdown would not otherwise threaten public health, safety or welfare.

Plan Consistency

The proposed text amendment is consistent with the General Plan and Specific Plans. Details are included the "General Plan and Specific Plan Consistency", refer to Exhibit 3.

IV. Environmental Review

Staff performed a preliminary environmental assessment of this project and has determined that it falls within the Class 8 Categorical Exemption set forth in CEQA Guidelines section 15308, which exempts actions by regulatory agencies for the protection of the environment. This Categorical Exemption is applicable as this Ordinance is intended to further regulate oil and gas production in the City in such a way as to better protect the environment. Additionally, prohibiting hydraulic fracturing, acidizing, or any other well stimulation treatment further

limits – not relaxes – the environmental impacts these types of operations may potentially have on the environment including air quality, greenhouse gas emissions, water resources, geology, noise, traffic and public health and safety. By doing so, the Ordinance effectively strengthens environmental standards related to the prohibited uses, and thereby advances the protection of environmental resources within the City of Carson. Furthermore, none of the exceptions to Categorical Exemptions set forth in the CEQA Guidelines, section 15300.2 apply to this project.

V. Conclusion

Approval of the text amendment will provide an update to the Carson Municipal Code to prohibit hydraulic fracturing, acidizing and any other form of well stimulation as described in the Ordinance, and will also establish penalties for violations.

VI. Recommendation

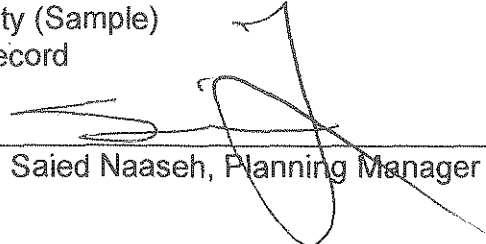
If the Planning Commission is inclined to recommend approval of the Ordinance prohibiting hydraulic fracturing, etc., and the associated CEQA finding to the City Council, staff recommends the Planning Commission:

- **ADOPT RESOLUTION NO. _____:**
 - **RECOMMENDING APPROVAL** of a finding of a Class 8 Categorical Exemption under CEQA Guidelines §15308, as the Ordinance is an action taken by a regulatory agency for the protection of the environment; and
 - **RECOMMENDING APPROVAL** to the City Council an Ordinance to adopt Zone Text Amendment No. 19-15 adding Sections 9536 and 9536.1 to Chapter 5 of Article IV of the Carson Municipal Code to prohibit hydraulic fracturing (“fracking”), acidizing and any other form of well stimulation in conjunction with the production or extraction of oil, gas or other hydrocarbon substances in the city.

VII. Exhibits

1. Proposed Planning Commission Resolution
2. Proposed Ordinance Amendment ZTA No. 20-15 (Exhibit to Planning Commission Resolution)
3. General Plan and Specific Plan Consistency Exhibit
4. Draft Notice of Exemption (CEQA)
5. Community and Planning Commission Meeting Notices Published in Newspaper
6. Notice Mailed to All Addresses in City (Sample)
7. Other Items in the Administrative Record

Prepared, Reviewed and Approved by:


Saied Naaseh, Planning Manager

01007.0018/242568.1

CITY OF CARSON
PLANNING COMMISSION
RESOLUTION NO. 15 - _____

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF CARSON RECOMMENDING THE CITY COUNCIL TO ADOPT TEXT AMENDMENT NO. 20-15, ADDING SECTIONS 9536 AND 9536.1 TO CHAPTER 5 OF ARTICLE IV OF THE CARSON MUNICIPAL CODE TO PROHIBIT HYDRAULIC FRACTURING (“FRACKING”), ACIDIZING AND ANY OTHER FORM OF WELL STIMULATION IN CONJUNCTION WITH THE PRODUCTION OR EXTRACTION OF OIL, GAS OR OTHER HYDROCARBON SUBSTANCES IN THE CITY; AND RECOMMENDING APPROVAL OF A FINDING OF A CLASS 8 CATEGORICAL EXEMPTION UNDER CEQA GUIDELINES §15308

WHEREAS, all oil and gas operations have the potential for significant and immediate impacts on the health, safety, and welfare of the citizens of Carson through increased noise, odor, dust, traffic, and other disturbances, as well as the potential to significantly impact the City’s air, water, soil, geology, storm water and wastewater infrastructure, transportation, noise exposures, emergency response plans and aesthetic values and community resources; and

WHEREAS, the City of Carson zoning and land use standards and regulations on oil and gas drilling have not been updated in several years, and have not been updated prior to various changes in oil and gas production practices and changes to state statutes and regulations; and

WHEREAS, the City Council held a variety of meetings regarding these and related issues associated with petroleum operations on March 18, 2014, April 15, 2014, April 29, 2014, and May 20, 2014; and

WHEREAS, on March 18, 2014, the City Council adopted Urgency Ordinance No. 14-1534U entitled “An Interim Urgency Ordinance of the City of Carson, California, Establishing a 45-Day Temporary Moratorium on the Drilling, Redrilling or Deepening of any Wells Within the Jurisdiction of the City of Carson that are Associated with Oil and/or Gas Operations, and Declaring the Urgency thereof,” and

WHEREAS, on May 20, 2015, the City Council directed City Staff to commence a complete and comprehensive review to update the Municipal Code regarding oil and gas operations and to study and address all modern-day drilling issues and applications; and

WHEREAS, as part of this process, City Council directed City Staff to address regulation of hydraulic fracturing (“fracking”), acidizing and any other form of well stimulation in conjunction with the production or extraction of oil, gas or other hydrocarbon substances in the city; and

WHEREAS, City Staff were also directed to have at least two workshops with the community to receive community input and feedback; and

WHEREAS, the Community Development Department also initiated Text Amendment No. 20-15 to facilitate this review; and

WHEREAS, the City of Carson has reviewed and studied revisions as necessary to the City's laws, rules, procedures and fees related to petroleum operations and facilities, to enable the City to adequately and appropriately balance the rights of existing operators and future applicants who wish to develop oil and gas drilling and extraction facilities in the City, with the preservation of the health, safety and welfare of the communities surrounding the oil and gas drilling and extraction facilities in the city; and

WHEREAS, as part of this review process the City of Carson has engaged in significant community outreach regarding this matter, including sending mailed notices of community meetings to the approximately 30,000 resident addresses in the city, publishing notices in the newspaper, and holding three community meetings regarding oil and gas operation issues, including fracking and other well stimulation techniques; and

WHEREAS, City of Carson Staff prepared a proposed Ordinance prohibiting fracking and other well stimulation techniques, made it available on the internet on February 11, 2015, and received public feedback during the community meeting on February 18, 2015; and

WHEREAS, the Planning Commission of the City of Carson subsequently received and reviewed the proposed Ordinance prohibiting fracking and other well stimulation techniques at a duly noticed meeting held at 6:30 a.m. on February 24, 2015, at the Congresswoman Juanita Millender-McDonald Community Center, Community Halls ABC, 801 East Carson Street, Carson, CA 90745; and

WHEREAS, public testimony and evidence, both written and oral, was considered by the Planning Commission of the City of Carson; and

WHEREAS, Planning Commission of the City of Carson has reviewed Text Amendment No. 20-15 for consistency with the General Plan and all applicable Specific Plans; and

WHEREAS, after considering public testimony and receiving information, the Planning Commission of the City of Carson desires to recommend approval of Zone Text Amendment No. 20-15, which prohibits fracking, acidizing and any other form of well stimulation in conjunction with the production or extraction of oil, gas or other hydrocarbon substances, to the City Council of the City of Carson; and

WHEREAS, the Planning Commission of the City of Carson has also reviewed and also desires to recommend approval of a finding of a Class 8 Categorical Exemption under CEQA Guidelines §15308, as the Ordinance is an action taken by a regulatory agency for the protection of the environment, to the City Council of the City of Carson; and

WHEREAS, it is the intent of the recommendation of the Planning Commission of the City of Carson that petroleum operations shall be permitted within the City of Carson, except where expressly prohibited, subject to the application the Carson Municipal Code and all other applicable laws, regulations and requirements; and

WHEREAS, it is a purpose of said recommendation of adoption to protect the health, safety, public welfare, physical environment and natural resources of the City of Carson by the reasonable regulation of certain petroleum operations.

NOW, THEREFORE, THE PLANNING COMMISSION OF THE CITY OF CARSON, CALIFORNIA, HEREBY FINDS, RESOLVES AND ORDERS AS FOLLOWS:

Section 1. Text Amendment No. 20-15 was assessed in accordance with the authority and criteria contained in the California Environmental Quality Act (CEQA), the State CEQA Guidelines (the Guidelines), and the environmental regulations of the City. The Planning Commission hereby recommends a finding and determination by the City Council that the adoption of Text Amendment No. 19-15 is exempt from CEQA pursuant to Section 15308 of the Guidelines for actions taken by regulatory agencies to assure the maintenance, restoration, enhancement, or protection of the environment. Such a finding and determination is warranted because this Ordinance is intended to further regulate oil and gas production in the City in such a way as to better protect the environment. No exception to the exemption under CEQA Guideline Section 15300.2 applies.

Section 2. The Planning Commission of the City of Carson has reviewed Text Amendment No. 20-15, an Ordinance prohibiting fracking and other well stimulation techniques within the City of Carson, and hereby finds it is consistent with the General Plan and all applicable Specific Plans.

Section 3. The Planning Commission hereby recommends approval to the City Council of an Ordinance to adopt Text Amendment No. 20-15 adding sections 9536 and 9536.1 to Chapter 5 of Article IV of the Carson Municipal Code to prohibit hydraulic fracturing, acidizing and any other form of well stimulation in conjunction with the production or extraction of oil, gas or other hydrocarbon substances in the city (Exhibit "1").

Section 4. The Secretary shall certify to the adoption of the Resolution and shall transmit copies of the same to the City Council of the City of Carson.

PASSED, APPROVED AND ADOPTED THIS 24th DAY OF FEBRUARY, 2015.

CHAIRMAN

ATTEST:

SECRETARY



**EXHIBIT 1 TO
PLANNING COMMISSION RESOLUTION**

TEXT AMENDMENT NO. 19-15

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CARSON, CALIFORNIA, TO ADOPT TEXT AMENDMENT NO. 20-15, ADDING SECTIONS 9536 AND 9536.1 TO CHAPTER 5 OF ARTICLE IV OF THE CARSON MUNICIPAL CODE TO PROHIBIT HYDRAULIC FRACTURING ("FRACKING"), ACIDIZING AND ANY OTHER FORM OF WELL STIMULATION IN CONJUNCTION WITH THE PRODUCTION OR EXTRACTION OF OIL, GAS OR OTHER HYDROCARBON SUBSTANCES IN THE CITY; AND RECOMMENDING APPROVAL OF A FINDING OF A CLASS 8 CATEGORICAL EXEMPTION UNDER CEQA GUIDELINES §15308

Section 1. Article IX, Chapter 5, Section 9536 (Prohibited Uses) of the Carson Municipal Code is hereby added to read, in its entirety, as follows:

9536 Prohibited Uses

The owner/operator shall not use or cause to be used hydraulic fracturing, acidizing, or any other well stimulation treatment. Notwithstanding any other provision of this article, it shall be unlawful to use or cause to be used any land within the City for the purpose of conducting or enabling hydraulic fracturing, acidizing, or any other well stimulation treatment in conjunction with the production or extraction of oil, gas or other hydrocarbon substance from any subsurface location within the City, other than normal maintenance work that utilizes acidizing techniques. However, to the extent that any permittee demonstrates to the Petroleum Administrator, that (1) well stimulation, other than hydraulic fracturing, is necessary to recover the owner/operator's reasonable investment backed expectation established through investment made before the effective date of this ordinance; and (2) that such well stimulation will not create a nuisance due to an adverse impact on persons or property within the City, then the Petroleum Administrator may authorize such well stimulation pursuant to a permit issued pursuant to this ordinance.

Section 2. Article IX, Chapter 5, Section 9536.1 (Violation of Prohibited Uses) of the Carson Municipal Code is hereby added to read, in its entirety, as follows:

9536.1 Violations of Prohibited Uses

Any operator who violates Section 9536 of this code shall be subject to the enforcement proceedings including those found in Sections 9512, 9513, 9514, and 9515 in addition to the following:



A. If an operator is found responsible for violation of Section 9536, the operator will be responsible for paying the City a fine of \$100,000 or more per day, depending on the severity of the violation, at the discretion of the Petroleum Administrator.

B. In addition to fines, the Petroleum Administrator may also require an immediate shutdown of all operations at a oil and gas facility site where violations of Section 9536 have been identified, as long as the shutdown would not otherwise threaten public health, safety or welfare.



EXHIBIT "3"

GENERAL PLAN AND SPECIFIC PLAN CONSISTENCY

This Ordinance is consistent with the adopted General Plan and all Specific Plans. The relationship of proposed Text Amendment No. 20-15 to the General Plan and Specific Plans includes the following:

I. General Plan

Land Use Element:

1. LU-IM-2.2: Examine the potential to allow the City to fine those parties not in compliance with the City's Ordinance.

The proposed Ordinance provides additional fine and penalty provisions for persons violating the Code, including an operator may be responsible for paying the City a fine of \$100,000 or more per day, as well as providing for immediate shutdown of all operations at an oil and gas facility site where violations of Section 9537 have been identified, as long as the shutdown would not otherwise threaten public health, safety concerns or welfare.

2. LU-3: Removal of incompatible and non-conforming uses which detract from the aesthetics and safety of the community.

The proposed Ordinance recognizes the risks posed by petroleum operations that use hydraulic fracturing, acidizing, or any other well stimulation treatment, are incompatible with, and detract from, the safety of the community.

3. LU-6.8: Manage truck-intensive uses

The proposed Ordinance prohibits hydraulic fracturing, acidizing, and any other well stimulation treatments, which will help to manage truck-intensive uses, as these types of operations can require frequent deliveries of materials/water via semi truck.

4. LU-7: Adjacent land uses that are compatible with one another.

The proposed Ordinance supports compatible land uses by recognizing certain petroleum operations, involving hydraulic fracturing, acidizing, or any other well stimulation treatment, pose a risk to the community as a whole and are not compatible in any zoned district.

5. LU-IM-7.6: Continue to enforce the Zoning and other ordinances to achieve the desired level of regulation.



The proposed Ordinance establishes additional fines and penalties for violation, which provides additional levels of enforcement options to the City.

Transportation and Infrastructure Element

6. TI-IM-2.5 Evaluate traffic impacts, including truck impacts, associated with proposed new developments prior to project approval. Require the implementation of appropriate mitigation measures prior to, or in conjunction with, project development. Mitigation measures shall be required of the project developer on a "fair-share" basis.

The proposed Ordinance bans hydraulic fracturing, acidizing, or any other well stimulation treatment, which traditionally involve significant levels of heavy traffic in order to engage in those uses.

Housing Element

7. POLICY 2.1: Develop safeguards against noise and pollution to enhance neighborhood quality.

The proposed Ordinance recognizes that hydraulic fracturing, acidizing, and other well stimulation treatment methods can significantly contribute to noise (from operations and associated traffic) and pollution in the water, air and soil. By prohibiting this use, the Ordinance provides safeguards regarding these issues, thereby enhancing the quality of the entire Carson community. See also response to SAF-4, below.

Safety Element

8. SAF-4: Minimize the threat to the public health and safety and to the environment posed by a release of hazardous materials.

Chemicals used in fracking, acidizing, and other well-stimulation techniques have health and environmental impacts. While operators have recently been required to report the types of chemicals used in the process, the exact chemical composition of fracking, acidizing, and other well-stimulation techniques has been withheld based on claims of proprietary information. Fracking has the potential to impact ground water resources with these chemicals or with oil reservoir fluids, due to the fracturing of the geological features that normally would isolate the oil and ground water. Fracking and other well-stimulation activities could increase the risks of these compounds entering groundwater, surface water, the soil and air as a result of migration, spills, flow-back, and other factors related to petroleum operations and hydrocarbon extraction. By prohibiting these uses, the proposed Ordinance helps minimize the threats of these substances to the environment.



9. SAF-4.1 Strictly enforce federal, state and local laws and regulations relating to the use, storage, and transportation of toxic, explosive, and other hazardous and extremely hazardous materials to prevent unauthorized discharges.

See LU-IM-2.2, above, regarding additional enforcement options provided by the proposed Ordinance.

Noise Element

- 10.N-1: Maximize efficiency in noise abatement efforts through clear and effective policies, plans and ordinances.

The proposed Ordinance prohibits a narrow band of uses that typically involve unusually high concentrations of heavy truck usage. The prohibition would thereby preclude noise and vibration associated with such traffic.

Open Space and Conservation Element

- 11.OSC-2.1 Maintain and improve water quality.

The proposed Ordinance promotes water quality by prohibiting certain operations that both consume inordinate amounts of fresh water, and which risk contaminating limited water resources (through migrations, spills, flowback, etc.), during a period of water shortages and drought.

Air Quality Element

- 12.AQ-2.7 Reduce air pollutant emissions by mitigating air quality impacts associated with development projects to the greatest extent possible.

The proposed Ordinance helps reduce air pollutant emissions by prohibiting specific types of uses that could promote the migration of methane and other chemicals or compounds into the atmosphere.

II. SPECIFIC PLANS

The proposed Ordinance was reviewed for consistency as to all Specific Plans adopted by the City of Carson including: i) Dominguez Technology Center – Phase I; ii) Dominguez Technology Center – Phase II; iii) Carson Town Centre; iv) Dominguez Hills Village Specific Plan; v) Monterey Pines; vi) Villages of Brighton and Strathmore; and vii) Boulevards at South Bay. The Specific Plans either do not regulate the same subject matter proposed by the Ordinance, specifically allow for modification by amendment to the Carson Municipal Code, or give authority to the City's Municipal Code.



***ATTENTION COUNTY CLERK ***
PLEASE POST FOR A FULL 36 DAYS

City of Carson

NOTICE OF EXEMPTION

CEQA: California Environmental Quality Act

TO: Office of Planning and Research
State of California
1400 Tenth Street
Sacramento, CA 90815

X Los Angeles County Registrar
Recorder/County Clerk
12400 E. Imperial Highway
Norwalk, CA 90650

Project Title: Text Amendment No. 19-15 to Update of City's Oil and Gas Ordinance; Text Amendment No. 20-15 regarding adoption of Ordinance prohibiting hydraulic fracturing ("fracking"), acidizing, or any other well stimulation treatment.

Project Location- Specific: City of Carson (city-wide application)

Project Location- City: Carson

Project Location- County: Los Angeles

Description of Nature, Purpose, and Beneficiaries of Project: This environmental assessment is for two ordinances: i) Adoption of an Oil and Gas Ordinance to the Municipal Code regarding regulation of petroleum facilities and operations; and ii) Adoption of an Ordinance update and amendment to the Municipal Code prohibiting hydraulic fracturing ("fracking"), acidizing, or any other defined well stimulation treatment. The purpose of the ordinances is to protect the environment and the public health, safety, welfare of the citizens of Carson in connection with impacts from petroleum operations and facilities within the City of Carson. Beneficiaries include the environment, residents, and petroleum operators who receive regulatory clarity. (See attachment for additional details.)

Name of Public Agency Approving Project: City of Carson

Name of Person or Agency Carrying Out Project: City of Carson

Exempt Status: (check one)

- Ministerial (Sec. 21080(b)(1); 15268);
- Declared Emergency (Sec 21080 (b)(3); 15269(a));
- Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- X Categorical Exemption. Section 15308 (Actions by Regulatory Agencies for Protection of the Environment)
- Statutory Exemptions.

Reasons why project is exempt: The Class 8 exemption is applicable because these Ordinances will enhance regulation of petroleum production and facilities in the City to better protect the environment. No exception to the exemption under CEQA Guideline section 15300.2 applies. (See attachment for additional details.)

Lead Agency

Contact Person: Saied Naaseh, Planning Manager **Area Code/Telephone:** (310) 952-1770

If filed by applicant:

1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project? Yes No

Signature: _____ Title: _____ Date: _____

- X Signed by Lead Agency
- Signed by Applicant

Date received for filing at OPR:



ATTACHMENT TO NOTICE OF EXEMPTION

THE PROJECT DESCRIBED HEREIN IS DETERMINED TO BE CATEGORICALLY EXEMPT FROM THE PREPARATION OF ENVIRONMENTAL DOCUMENTS PURSUANT TO CEQA GUIDELINES SECTION 15308.

APPLICANT: City of Carson
Community Development Department
701 E. Carson Street
Carson, CA 90745

LEAD AGENCY: City of Carson

PROJECT LOCATION: City of Carson (city-wide application)

APN: Not Applicable

PROJECT TITLE: Text Amendment No. 19-15: Adoption of an Oil and Gas Ordinance to the Municipal Code regarding regulation of petroleum facilities and operations; and Text Amendment No 20-15: Adoption of an Ordinance update and amendment to the Municipal Code prohibiting hydraulic fracturing (“fracking”), acidizing, or any other well stimulation treatment.

PROJECT DESCRIPTION:

This project involves the consideration and potential adoption of two separate ordinances¹:

- Adoption of an Oil and Gas Ordinance to the Carson Municipal Code regarding regulation of petroleum facilities and operations; and
- Adoption of an Ordinance update and amendment to the Carson Municipal Code prohibiting hydraulic fracturing (“fracking”), acidizing, or any other defined well stimulation treatment.

The Oil and Gas Ordinance updates the Carson Municipal Code and provides for regulations governing petroleum operations and facilities. The Ordinance addresses administrative procedures, development standards for operations, and development standards for well or site abandonment, re-abandonment, site restoration and redevelopment designed to minimize the environmental effects of such operation. As part of the process, various provisions of the Carson Zoning Ordinance are proposed to be amended or repealed to allow for consolidation and update of the Oil and Gas Ordinance in its own Chapter in the Carson Municipal Code.

The second Ordinance updates and amends the Municipal Code to prohibit hydraulic fracturing (“fracking”), acidizing, or any other well stimulation treatment. The Ordinance also provides for enforcement provisions for violation of the prohibition.

EXEMPTION: CEQA Guideline §15308, Actions by Regulatory Agencies for Protection of the Environment

¹ Although these text amendments are technically two separate ordinances, and each ordinance has independent utility from the other, they both broadly relate to petroleum operations. To ensure potential impacts are fully assessed as required by CEQA, this environmental assessment has evaluated the ordinances both independently and collectively, and has determined that either evaluation process would result in a Class 8 Categorical Exemption. As such, this environmental assessment applies to either or both ordinances, and has fully assessed the possibility of implementation of both ordinances, or just a single ordinance, being adopted and implemented.

EXPLANATION:

The California Environmental Quality Act (CEQA) provides several “categorical exemptions” for certain projects and activities that do not have a significant adverse effect on the environment. A Lead Agency may approve and rely on a categorical exemption to satisfy the requirements of CEQA, as long as there is substantial evidence in the record that the project fits within the categorical exemption description and that there is no exception to the categorical exemption.

Here, adoption of the ordinances is categorically exempt under Class 8 (Actions by Regulatory Agencies for Protection of the Environment) pursuant to CEQA Guidelines section 15308. That section applies to:

“[A]ctions taken by regulatory agencies, as authorized by state or local ordinance, to assure the maintenance, restoration, enhancement, or protection of the environment where the regulatory process involves procedures for protection of the environment. Construction activities and relaxation of standards allowing environmental degradation are not included in this exemption.”

The ordinances address the maintenance, restoration, enhancement and protection of the environment and the public health, safety, welfare of the citizens of Carson as related to potential impacts from petroleum operations and facilities within the City of Carson. The variety of environmental issues addressed include air, water, soil, geology, storm water and wastewater infrastructure, transportation, noise, emergency response, aesthetic issues, and petroleum operations near potentially sensitive receptors. The position of an Environmental Compliance Coordinator and a Petroleum Administrator are added to regulate compliance and ensure environmental issues are addressed. Neither ordinance provides for the relaxation of standards as compared to the current regulations in the Carson Municipal Code. Instead, the ordinances individually and collectively strengthen environmental standards related to petroleum operations and facilities with the City of Carson. Both ordinances would advance the protection of environmental resources within the City of Carson.

There is no substantial evidence in the record that there are unusual circumstances (including future activities) resulting in (or which might reasonably result in) significant impacts that threaten the environment. Specifically, the exceptions to the categorical exemptions articulated in Section 15300.2 of the State CEQA Guidelines are not applicable as:

- (a) Location. Classes 3, 4, 5, 6, and 11 are qualified by consideration of where the project is to be located -- a project that is ordinarily insignificant in its impact on the environment may in a particularly sensitive environment be significant. These classes are considered to apply in all instances, except where the project may impact an environmental resource of hazardous or critical concern where designated, precisely mapped, and officially adopted pursuant to law by federal, state, or local agencies.

Here, the Categorical Exemption applied is a Class 8; therefore, this exception does not apply to the proposed ordinances.

- (b) Cumulative Impact. All exemptions for these classes are inapplicable when the cumulative impact of successive projects of the same type in the same place, over time is significant.

Here, the Categorical Exemption applied is Class 8; therefore, this exception does not apply to either of the proposed ordinances. Additionally, the ordinances do not relax standards for environmental protection, but instead enhance procedures and prohibitions that provide for further maintenance, restoration, enhancement, and protection of the environment from petroleum operations and facility uses which are currently allowed, or



are not fully regulated by, the Carson Municipal Code. As such, such a reduction to the impact of petroleum operations and facilities would not have substantial adverse impact on the environment, cumulative or otherwise.

- (c) Significant Effect. A categorical exemption shall not be used for an activity where there is a reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances.

Here, the Oil and Gas Ordinance update clarifies and expands regulation of the permit process and procedure for any petroleum extraction or production projects and require that such projects obtain approval authority from the City Planning Commission or the City Council. Prior to such approval, these bodies must consider the potential environmental impacts related to petroleum operations or facilities and make appropriate determinations regarding potential impacts as required by CEQA.

The proposed ordinances also further enhance the ability of the City of Carson to protect the environment and avoid significant effects by ensuring that petroleum extraction and production operations are subject to a more comprehensive permitting process with CEQA review and regulatory oversight to ensure appropriate compliance. Additionally, prohibiting hydraulic fracturing, acidizing, or any other well stimulation treatment further limits – not relaxes – the environmental impacts these types of operations may potentially have on the environment including air quality, greenhouse gas emissions, water resources, geology, noise, traffic and public health and safety.

As such, there are no “unusual circumstances” that would create a reasonable possibility that adoption of the ordinances would have a significant adverse effect on the environment.

- (d) Scenic Highways. A categorical exemption shall not be used for a project which may result in damage to scenic resources, including but not limited to, trees, historic buildings, rock outcroppings, or similar resources, within a highway officially designated as a state scenic highway. This does not apply to improvements, which are required as mitigation by an adopted negative declaration or certified EIR.

Here, the ordinances do not involve the approval of petroleum extraction and production operations in a manner that damages scenic resources. There are no state designated scenic highways located within or immediately adjacent to the City of Carson and, as such, neither ordinance has the potential to impact any of these state designated scenic resources. As an additional matter, expansion of the regulatory oversight and permitting requirements will require additional discretionary approvals for petroleum operations and facilities by the City, which in turn will also require expanded CEQA review and protections for any potential scenic resources as compared to the current process. Finally, prohibition of certain activities would limit, not expand, environmental protections for scenic resources.

- (e) Hazardous Waste Sites. A categorical exemption shall not be used for a project located on a site, which is included on any list compiled pursuant to Section 65962.5 of the Government Code.

Here, the ordinances are proposed to apply city-wide, and do not propose construction on “a site.” Likewise, the ordinances do not negatively impact approval of any petroleum operations or facilities in a location listed as a hazardous waste site as compared to the current regulatory process. Instead, the ordinances provide additional regulatory grounds to ensure the maintenance, restoration, enhancements and protection of the environment, as well as a regulatory process for the protection of the environment.



- (f) Historical Resources. A categorical exemption shall not be used for a project, which may cause a substantial adverse change in the significance of a historical resource.

Here, the proposed ordinances do not negatively impact any approval of petroleum operations and facilities in a manner that causes substantial adverse change in the significant of a historical resource. As noted above, the ordinances provide for enhanced - not relaxed - regulations for protection of the environment as compared to the current regulatory process. The proposed ordinances do not modify the current restrictions and protections put into place by the City of Carson regarding historical resources, nor is there substantial information in the record that the ordinances may cause a substantial adverse change in the significance of a historical resource.

LEAD AGENCY
CONTACT PERSON:

Saied Naaseh
Planning Manager
City of Carson
Community Development Department
701 E. Carson Street
Carson, CA 90745
Phone: (310) 952-1770
FAX: (310) 835-5749



OUR WEEKLY

This space for filing stamp only

8732 S WESTERN AVE, LOS ANGELES, CA 90047
Telephone (323) 905-1319 / Fax (323) 753-0456

Solo Faagata
CITY OF CARSON/COMMUNITY DEVELOPMENT D
701 EAST CARSON ST.
CARSON, CA - 90745

CNS #: 2717511

NOTICE OF A COMMUNITY MEETING AND NOTICE OF PLANNING COMMISSION PUBLIC HEARING

ADDRESS ANY COMMUNICATIONS TO: COMMUNITY DEVELOPMENT DEPARTMENT- PLANNING DIVISION
701 EAST CARSON STREET
CARSON, CALIFORNIA 90745

All persons interested in this topic who have questions or would like to provide feedback are invited to attend. If you challenge the approval or denial of these matters in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Planning Commission, at or prior to, the public hearing. Address any communications or comments regarding the project to Saied Naaseh, Planning Manager, Planning Division, 701 East Carson Street, Carson, California 90745, (310) 952-1770, or snaaseh@carson.ca.us. Documents related to the proposed project are on file with the City of Carson Planning Division. A copy of the Oil and Gas Code will be available on February 11, 2015 by visiting <http://ci.carson.ca.us/department/communitydevelopment/oic/odeupdate.asp>

Update of City's Oil and Gas Code and Prohibition of Hydraulic Fracturing ("Fracking")

The community meeting and Planning Commission hearing will address the following matters to be considered for city-wide application:

- Adoption of an Oil and Gas Ordinance to the Municipal Code regarding regulation of petroleum facilities and operations;
- Adoption of an Ordinance update and amendment to the Municipal Code prohibiting hydraulic fracturing ("fracking"), acidizing, or any other well stimulation treatment; and
- Approval of associated environmental findings for the Ordinances of Class 8 Categorical Exemption under CEQA Guidelines Section 15308.

A COMMUNITY MEETING will be conducted by the City of Carson to inform Carson residents and other interested parties on the upcoming update to the City's Oil and Gas Code. At this meeting, City's Consultant, MRS, will make a presentation to summarize the Ordinances.

TIME: 6:00 P.M., Tuesday, February 18, 2015

PLACE: Congresswoman Juanita Millender-McDonald Community Center, Community Halls ABC 801 East Carson Street, Carson, CA 90745

The PLANNING COMMISSION of the City of Carson, California, will conduct a Public Hearing, at regularly scheduled meeting, at which time you may be present and be heard, to consider the Ordinances and environmental findings noted above.

TIME: 6:30 P.M., Tuesday, February 24, 2015

PLACE: Congresswoman Juanita Millender-McDonald Community Center, Community Halls ABC 801 East Carson Street, Carson, CA 90745

DATED: This 5th day of February, 2015

City Clerk, Donesia L. Gause, CMC
City of Carson, California
2/12/15
CNS-2717511#
OUR WEEKLY

PROOF OF PUBLICATION

(2015.5 C.C.P.)

State of California)
County of LOS ANGELES) ss

Notice Type: HRG - NOTICE OF HEARING

Ad Description:

NOTICE OF A COMMUNITY MEETING AND NOTICE OF PLANNING COMMISSION PUBLIC HEARING

I am a citizen of the United States and a resident of the State of California; I am over the age of eighteen years, and not a party to or interested in the above entitled matter. I am the principal clerk of the printer and publisher of the OUR WEEKLY, a newspaper published in the English language in the city of Carson, and adjudged a newspaper of general circulation as defined by the laws of the State of California by the Superior Court of the County of Los Angeles, State of California, under date of 09/19/2006, Case No. BS103787. That the notice, of which the annexed is a printed copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

02/12/2015

Executed on: 02/12/2015
At Los Angeles, California

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Signature



EXHIBIT NO. 05

18

Update of City's Oil and Gas Code and Prohibition of Hydraulic Fracturing ("Fracking")

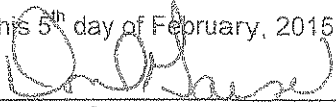
The community meeting and Planning Commission hearing will address the following matters to be considered:

- Adoption of an Oil & Gas Ordinance to the Municipal Code regarding regulation of petroleum facilities and operations;
- Adoption of an Ordinance update and amendment to the Municipal Code prohibiting hydraulic fracturing ("fracking"), acidizing, or any other well stimulation treatment; and
- Approval of associated environmental findings for the Ordinances of Class 8 Categorical Exemptions under CEQA Guidelines Section 15308.

All persons interested in this topic who have questions, would like to provide feedback, or ask questions are invited to attend. If you challenge the approval or denial of these matters in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Planning Commission, at or prior to, the public hearing. Address any communications or comments regarding the project to Saied Naaseh, Planning Manager, Planning Division, 701 East Carson Street, Carson, California 90745, (310) 952-1770, or snaaseh@carson.ca.us. Documents related to the proposed project are on file with the City of Carson Planning Division. A copy of the Oil and Gas Code will be available on February 11, 2015 by visiting <http://ci.carson.ca.us/departments/communitydevelopment/oilcodeupdate.asp>.

<p>TIME: Community Meeting: February 18, 2015 at 6 PM <u>Planning Commission:</u> February 24, 2015 at 6:30 PM</p>	<p>PLACE: Congresswoman Juanita Millender-McDonald Community Center at Carson Community Halls ABC 801 East Carson Street, Carson, CA 90745</p>
--	--

DATED: This 5th day of February, 2015



Donesia Gause
City of Carson, City Clerk

EXHIBIT 7

OTHER ITEMS IN THE ADMINISTRATIVE RECORD

Agendas, Staff Reports, letters and other written material submitted to the City Council at the meetings referenced in the Staff Report can be found at <http://ci.carson.ca.us/>. Video of the meetings can also be found at <http://ci.carson.ca.us/content/videoarchive.asp>. These items are part of the administrative record for this Text Amendment.