

**City of Culver City, California  
Agenda Item Report**

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| Meeting Date: 07/26/10                                                                                                                                                                                                                                                                                                                                                                                                             |  | Item Number: <u>A-4</u>                                                                           |  |
| <b>CITY COUNCIL AGENDA ITEM: Adoption of a Resolution Approving and Issuing a Report on Actions and Measures Taken to Alleviate Conditions which Led to the Adoption of Interim Ordinance No. 2009-008 Extending the Temporary Moratorium on the Drilling, Redrilling or Deepening of any Well Within the Jurisdiction of the City of Culver City Associated with Oil and/or Gas Operations and Declaring the Urgency thereof.</b> |  |                                                                                                   |  |
| Contact Person/Dept.: Thomas Gorham/Community Development; and Heather Baker/City Attorney                                                                                                                                                                                                                                                                                                                                         |  | Phone Number: 310-253-5710; 310-253-5660                                                          |  |
| Fiscal Impact: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                 |  | General Fund: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                 |  |
| Public Hearing: <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                           |  | Action Item: <input checked="" type="checkbox"/> Attachments: <input checked="" type="checkbox"/> |  |
| Commission Action Required: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                                                                                                                                                                                                                                                                                                                    |  | Date: _____                                                                                       |  |
| Public Notification: (E-Mail) Meetings and Agendas – City Council (07/22/10); (Email) Plains Exploration and Production (07/21/10); individuals who spoke at prior Council Meetings related to this topic (07/21/10)                                                                                                                                                                                                               |  |                                                                                                   |  |
| Department Approval:<br>Sol Blumenfeld (07/22/10)<br>Carol Schwab (07/22/10)                                                                                                                                                                                                                                                                                                                                                       |  | City Attorney Approval:<br>Carol Schwab (07/22/10)                                                |  |
| Chief Financial Officer Approval:<br>Jeff Muir (07/22/10)                                                                                                                                                                                                                                                                                                                                                                          |  | City Manager Approval:<br>P. Lamont Ewell (07/22/10)                                              |  |

**RECOMMENDATION:**

Staff recommends that the City Council adopt a Resolution (Attachment 1) approving and issuing a Report on actions and measures taken to alleviate conditions which led to the adoption of Interim Ordinance No. 2009-008 extending the temporary moratorium on the drilling, redrilling or deepening of any well within the jurisdiction of the City of Culver City associated with oil and/or gas operations and declaring the urgency thereof.

**BACKGROUND / DISCUSSION:**

On August 24, 2009, the City Council adopted Interim Ordinance No. 2009-007 establishing a 45-day temporary moratorium on the drilling, redrilling or deepening of any wells within the jurisdiction of the City of Culver City that are associated with oil and/or gas operations (the “Moratorium”) and declaring the urgency thereof. The City Council, adopted the Ordinance pursuant to Section 614 of the City Charter and Section 65858 of the California Government Code, in order to allow the City time to thoroughly review, study and revise the City’s laws, rules, procedures and fees related to oil and/or gas operations, which will enable the City to adequately and appropriately balance the rights of existing operators and

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future applicants who wish to operate in the Inglewood Oil Field (the "Oil Field"), with the preservation of the health, safety and welfare of the communities surrounding the Oil Field, including Culver City and the Region.

On September 21, 2009, the City Council issued a report on the actions and measures taken by the City since the adoption of the Ordinance in order to help keep the existing oil operators, future applicants who wish to operate in the Oil Field and the community well-informed on this matter. Issuance of such report complies with the provisions of Government Code Section 65858 (d), which requires the City Council, ten days prior to the expiration of the Ordinance or any extension, to issue a written report describing the measures taken to alleviate the condition which led to the adoption of the Ordinance.

Subsequent to the issuance of the report, on October 5, 2009, the City Council adopted Ordinance No. 2009-008 (the "Ordinance") (Attachment 2), which extended the Moratorium an additional ten months and 15 days from the initial 45-day period through August 23, 2010, as permitted by Government Code Section 65858 (a).

The City is reviewing whether there is a need to further extend the Ordinance, prior to its expiration, in order to protect the public health, safety and welfare. On August 9, 2010, the City Council will consider whether an additional one year extension of the Moratorium is warranted. Ten days prior to any further extension, the City Council must issue a report on the actions and measures taken to alleviate conditions which led to the adoption of the Ordinance.

As set forth in the Report, the City has continued its work with its technical and legal consultants to review various oil field regulations adopted by other local agencies, including the County of Los Angeles (the "County"). Additionally, the City continues to work diligently with the County and oil field operator Plains Exploration and Production ("PXP") as the County further studies its recently adopted Baldwin Hills Community Standards District ("CSD"), which regulates oil operations in that portion of the Oil Field that is within the jurisdiction of the County. By working with the County and PXP, the City is attempting to bring about mutually acceptable and uniform regulations of the Oil Field, which spans across two jurisdictions—the City and the County. These cooperative efforts are ongoing and it is hoped that they will reach a conclusion in the near future.

The City also continues to study possible revisions to the Culver City Municipal Code, Title 17, Zoning, which appropriately balance the rights of existing operators and future applicants who wish to operate in the Oil Field, with the preservation of the health, safety and welfare of the communities surrounding the Oil Field, including Culver City and the Region. With the assistance of its

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consultants, draft regulations have been prepared which continue to be reviewed by City staff. The study, review and revisions are not yet complete. Once completed, the draft amendments to the Zoning Code will be required to go through a public review process, including consideration by the Planning Commission with a recommendation to the City Council. It is anticipated that, after receiving community input at a public meeting, a draft ordinance amending Title 17 would be considered by the Planning Commission no later than spring of 2011.

The City, with the assistance of its consultants, is pursuing its study, review and revisions as expeditiously as is practicable.

**FISCAL ANALYSIS:**

There is no fiscal impact associated with this item.

**ATTACHMENTS:**

1. Proposed Resolution
2. Interim Ordinance No. 2009-008

**MOTION:**

That the City Council:

Adopt a Resolution approving and issuing a Report on actions and measures taken to alleviate conditions which led to the adoption of Interim Ordinance No. 2009-008 extending a temporary moratorium on the drilling, redrilling or deepening of any well within the jurisdiction of the City of Culver City associated with oil and/or gas operations and declaring the urgency thereof.