

AGENDA REPORT

Approvals: City Manager Dept. Head

Agenda Iten

SAN CLEMENTE CITY COUNCIL MEETING Meeting Date: June 1, 2021

Allomey	
Finance	

Department:

Economic Development

Prepared By:

Jonathan Lightfoot, Economic Development Officer

Subject:

LETTER OF SUPPORT, AMERICAN COASTS AND OCEANS PROTECTION ACT (LEVIN)

Fiscal Impact: None. If the American Coasts and Oceans Protection Act (HR 3053) is passed, new oil and gas leasing would be prohibited on the outer shelf of the Southern California Planning area, which includes the adjacent coast to San Clemente. Municipalities generally do not receive any direct revenues from the federal government's leases for oil and gas drilling.

Summary:

The American Coasts and Oceans Protection Act (HR 3053) would codify a prohibition of new oil and gas leases off the southern California coast. This Act was introduced recently by Mike Levin, our local Congressman representing the 49th District in the House of Representatives.

Background:

Congressman Levin introduced this bill to the House on May 4, 2021. It was referred to the House Committee on Natural Resources on May 7th and subsequently to the Subcommittee on Energy and Mineral Resources on May 12th. The bill would amend Section 8 of the Outer Continental Shelf Lands Act 4 (43 U.S.C. 1337) and codify a prohibition of new oil and gas leases off the southern California coast, Information regarding current operations in the Pacific Region can be found on the Bureau of Ocean Energy Management (BOEM) website: https://www.boem.gov/regions/pacificocs-region/oil-gas/oil-and-gas-pacific.

At its regular meeting on May 18, 2021, Councilmember Duncan moved to agendize a support letter for a subsequent Council meeting. He received support from colleagues to agendize the item with a correlated staff report.

Discussion:

Every new Presidential administration has the ability to enact new lease agreements. This bill directs that the Secretary of the Interior not enter into any new leases within the Southern California Planning Area. Congressman Levin's staff emphasized that the Southern California Economy depends on clean water and beaches: "[I]n San Diego and Orange Counties, the ocean economy accounts for roughly \$7.7 billion dollars in economic activity and sustains more than 140,000 jobs in coastal tourism and recreation. Fishing, tourism, and recreation along California's coastline supports nearly 600,000 jobs and roughly \$42.3 billion in economy activity."

Offshore oil and gas production produces direct financial benefit for the US Treasury. The BOEM indicates that revenues to the Treasury exceed \$2.5 Billion annually. However, any financial benefits to local governments and economies are dispersed. Of that \$2.5 Billion, around \$150 Million goes towards grant programs for conservation or preservation projects. Conversely, economic risk is shouldered directly by local governments and populations. Staff believes that the more significant economic consideration for San Clemente specifically is the preservation of the local tourism and recreation economy and the maintenance of quality of life and property value considerations.

The San Clemente City Council adopted two Resolutions affirming the City's support for a continued moratorium on the expansion of offshore drilling – both in 1996 and 2019. In the 2019 resolution, Council resolved that the City supports a ban on new offshore oil and gas drilling, fracking, and related techniques in federal and state waters off the coast of California; and that the City opposes any new federal oil and gas leasing in these areas.

These resolutions are consistent with the City's Centennial General Plan (2014) Policy NR-4.02, which opposes offshore oil drilling and Liquefied Natural Gas facilities and prohibits on-shore support facilities for such extraction uses.

Recommended

Action:

STAFF RECOMMENDS THAT the City Council support this bill. If supported, authorize the Mayor to sign the attached support letter for HR 3053.

Attachments:

- 1. Draft support letter for HR 3053
- 2. HR 3053 Bill Text
- 3. 2019 Resolution, CC 19-44
- 4. 1996 Resolution, CC 96-08

Notification:

Chamber of Commerce and Downtown Business Association (SCDBA)



OFFICE OF THE MAYOR AND CITY COUNCIL

June 1, 2021

Kathy Ward *Mayor*

Gene James Mayor Pro Tem

Laura Ferguson

Chris Duncan

Steve Knoblock

CITY MANAGER

Erik Sund

910 Calle Negocio, Ste. 300 San Clemente, CA 92673 Phone: (949) 361-8200 SundE@san-clemente.org RE: AMERICAN COASTS AND OCEANS PROTECTION ACT; NOTICE OF SUPPORT

Dear Congressman Levin,

On behalf of the City Council of the City of San Clemente, I am writing to express support for the American Coasts and Oceans Protection Act (HR 3053), your bill that would codify a prohibition of new oil and gas leases off the southern California coast.

The City of San Clemente again affirms our opposition to new or expanded offshore oil and gas drilling operations. We previously resolved to oppose offshore oil and gas lease or development expansions in both 1996 and 2019 (please see attached). We believe that prohibiting new leases will help the City of San Clemente maintain its strong local economy, focused on small businesses and visitor serving recreation dependent on clean oceans and beaches. It sets the standard that the cleanliness of our water and beaches is of paramount concern to our City and that those elements are crucial to the quality of life for San Clemente residents.

HR 3053 is consistent with our City's General Plan (2014), specifically our Natural Resources Element, which states: "We oppose offshore oil drilling and Liquified Natural Gas facilities, and prohibit on-shore support facilities for such extraction uses."

The City Council of San Clemente affirms our support for your bill to prohibit expansion of oil drilling and leasing off our coast and whole-heartedly support this long-term solution to protect our local coast and economy.

Sincerely,

"The Spanish Village by the Sea"

Mayor Kathy Ward

		(Original Signature of Member)
117TH CONGRESS 1ST SESSION	H.R	•

To amend the Outer Continental Shelf Lands Act to prohibit oil and gas leasing in the Southern California planning area.

IN THE HOUSE OF REPRESENTATIVES

Mr. LEVIN of California introduced the following bill; which was referred to the Committee on

A BILL

To amend the Outer Continental Shelf Lands Act to prohibit oil and gas leasing in the Southern California planning area.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. SHORT TITLE.
- 4 This Act may be cited as the "American Coasts and
- 5 Oceans Protection Act".

1	SEC. 2. PROHIBITION OF OIL AND GAS LEASING IN THE
2	SOUTHERN CALIFORNIA PLANNING AREA.
3	Section 8 of the Outer Continental Shelf Lands Act
4	(43 U.S.C. 1337) is amended by adding at the end the
5	following:
6	"(q) Prohibition of Oil and Gas Leasing in the
7	SOUTHERN CALIFORNIA PLANNING AREA.—Notwith-
8	standing any other provision of this section or any other
9	law, the Secretary of the Interior may not issue a lease
10	for the exploration, development, or production of oil or
11	natural gas in the Southern California planning area, as
12	such planning area is described in the document entitled
13	$^\circ 20192024$ National OCS Oil and Gas Leasing Draft
14	Proposed Program', dated January 2018, or a subsequent
15	oil and gas leasing program developed under section 18
16	of the Outer Continental Shelf Lands Act (43 U.S.C.
17	1344).".

RESOLUTION NO. 19-44

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE, CALIFORNIA, TO PROTECT THE COAST OF CALIFORNIA FROM OFFSHORE OIL AND GAS DRILLING, FRACKING AND RELATED TECHNIQUES

WHEREAS, the City of San Clemente and its visitors enjoy California's beaches and the Pacific Ocean for recreational, commercial, and educational activities, all of which support our local economy, and

WHEREAS, the City of San Clemente's residents value our state's ocean and coastal waters, which provide habitat to a vast array of wildlife, including fish, whales, sea turtles, and birds that depend on a healthy and clean environment; and

WHEREAS, offshore oil and gas drilling and seismic exploration off the Pacific coast put these coastal resources, and the communities and industries that depend on them, at risk from oil spills, intense ocean noise, and other damage; and

WHEREAS, expanding offshore oil and gas drilling, seismic exploration, fracking and other well stimulation techniques threatens coastal stakeholders, marine wildlife, human health and climate; and

WHEREAS, a massive oil spill in 1969 off the coast of Santa Barbara fouled coastal waters and caused catastrophic economic and environmental damage; and

WHEREAS, in 2015 a pipeline servicing offshore oil platforms burst and fouled the same coastal areas, damaging wildlife and impacting recreational and commercial activities; and

WHEREAS, beginning in 1921, the California State Legislature enacted laws that withdrew certain offshore areas from oil and gas leasing, and by 1989 the State's offshore oil and gas leasing moratorium was in place; and

WHEREAS, new federal offshore oil and gas leases have not been granted off the coast of California since 1984; and

WHEREAS, the U.S. Department of Interior's 2017-2022 Five-Year Outer Continental Shelf (OCS) Leasing Program adopted as of November 18, 2016 contained no proposed offshore drilling along the Pacific Coast; and

WHEREAS, on April 28, 2017, the President of the United States issued Executive Order 13795, titled "Implementing an America-First Offshore Energy Strategy," which establishes a policy to encourage energy exploration and production on the OCS and restarts the 2017-2022 five-year lease sales program, potentially opening up millions of coastal acres off U.S. shores to oil and gas drilling; and

WHEREAS, pursuant to the Executive Order, the Interior Department's Bureau of Ocean Energy Management (BOEM) is proposing an expanded Five-Year OCS Leasing Program for the years 2019-2024, which would replace the 2017-2022 program;

WHEREAS, the draft proposed program for 2019-2024 includes 47 new potential leases, including six (6) in California; and

WHEREAS, hydraulic fracturing and other unconventional oil extraction techniques such as acid fracturing, matrix acidizing, gravel packing and cyclic steam injection, collectively referred to here as "fracking and other well stimulation," provide another means to expand offshore oil and gas extraction off California's coast; and

WHEREAS, the State of California prohibits new oil and gas leasing in State waters due to the unacceptably high risk of damage and disruption to the marine environment, and

WHEREAS, on September 8, 2018, the Governor of California signed into law Assembly Bill 1775 and Senate Bill 834, Which prohibit the State Lands Commission or local trustees from granting leases for new pipelines and infrastructure and from entering into new lease agreements, or renewing, expanding, or modifying existing agreements that would result in increased oil or natural gas production from federal waters; and

WHEREAS, the Governor of California, the Attorney General, the State Legislature, the State Lands Commission, the California Coastal Commission, and the California Fish and Game Commission, along with over 50 cities and counties, have taken a stand against new federal offshore oil and gas leases in the Pacific Ocean, and:

WHEREAS, the City of San Clemente Centennial General Plan dated February 2014 includes Policy No. NR-4.02 declaring the City's policy to oppose offshore oil drilling and Liquiffed Natural Gas facilities, and prohibit on shore support facilities for such extraction uses.

NOW, THEREFORE, The City Council of the City of San Clemente does hereby resolve as follows:

Section 1. The City of San Clemente supports a ban on new offshore oil and gas drilling, fracking, and related techniques in federal and state waters off the coast of California.

Section 2. The City of San Clemente opposes any new federal oil and gas leasing in all U.S. waters, including the coast of California

Section 3. The City of San Clemente opposes new leases for oil and gas facilities off the coast of California.

Section 4. The City Clerk is hereby directed to transmit a copy of this Resolution to Secretary of the Interior David Bernhardt, Bureau of Ocean Energy Management Acting Director Walter Cruickshank, Governor Gavin Newson, U.S. Senators Dianne Felinstein and Kamala Harris; U.S. Representative Mike Levin, State Senator Pat Bates, State Assemblymember Bill Brough and any other interested parties

Section 5. The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED AND ADOPTED this 19th day of November, 2019.

/ *	of the City of ente, California	Mayor Pro Tem of the City of Clemente, California		
COUNTY	CALIFORNIA) DF ORANGE) § AN CLEMENTE)			
that Resolu	BAADE, City Clerk of the City of San C ition No. 19-44 was adopted at a regular Clemente held on the 19th day of Nove	meeting of the City Council of the		
AYES:	FERGUSON, HAMM, WARD, MAYOR	PRO TEM BANE		
NOES:	NONE			
ABSENT:	NONE			
IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of San Clemente, California, this <u>form</u> day of <u>MOV</u> ,				
		Amarken		
	(EITY CLERK of the City of San Clemente, California		
Approv e d a	as to form:			

RESOLUTION NO. 96 -08

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE SUPPORTING RENEWAL OF THE OFFSHORE OIL DRILLING MORATORIUM AND FEDERAL LEGISLATION TO PROVIDE LONG TERM PROTECTION FROM OFFSHORE OIL DRILLING

WHEREAS, the U.S. House of Representatives' Subcommittee on Department of Interior Appropriations will consider lifting the current nationwide ban on offshore oil drilling along environmentally sensitive areas of the Outer Continental Shelf (OCS); and

WHEREAS, federal legislation has been introduced (HR 2241 and HR 2242), which provides long term protection from future offshore oil drilling in sensitive California waters; and

WHEREAS, technology does not exist to fully prevent, clean up, or contain oil spills for the type of ocean and wind conditions that are present throughout the year in the affected offshore waters adjacent to the California coast, as well as other coastal areas in California; and

WHEREAS, critical commercial fishery tracts would be impacted by the oil drilling activities that would be permitted by this action, and that severe fishing conflicts could be expected to occur; and

WHEREAS, estuaries and river mouths which serve as critical nursery and food source habitats for commercial fish species would be in direct proximity to oil drilling activities permitted by a lifting of the OCS drilling moratorium, and would therefore be subject to significant adverse impacts in the event of a spill; and

WHEREAS, the City of San of Clemente has traditionally taken a lead role in opposition to offshore drilling proposals that could impact the coastline.

NOW, THEREFORE, the City Council of the City of San Clemente does hereby resolve as follows:

SECTION 1: The City Council of the City of San Clemente urges that the U.S. House of Representatives support HR 2241 and HR 2242.

SECTION 2: The City Council of the City of San Clemente hereby urges that the Subcommittee on Department of Interior Appropriations include renewal of the moratoria on Outer Continental Shelf oil drilling activities in environmentally sensitive coastal areas in this year's House of Interior Appropriations Bill.

ADOPTED this 6th	day of	March	1996.
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Mayor of the City of San Clemente, California

ATTEST:

CITY CLERK of the City of San Clemente, California

STATE OF CALIFORNIA) COUNTY OF ORANGE) ss CITY OF SAN CLEMENTE)

I, MYRNA ERWAY, City Clerk of the City of San Clemente, California, do hereby certify that Resolution No. $\frac{96-08}{}$ was adopted at a regular meeting of the City Council of the City of San Clemente held on the $^{6\text{th}}$ day of $^{\text{March}}$, 1996 , by the following vote:

AYES:

AHLE, ANDERSON, DIEHL, HAGGARD, MAYOR APODACA

NOES:

NONE

ABSENT:

NONE

CITY CLERK of the City of Can Clemente, California

Approved as to form:

6-1-21 / 9E-10



OFFICE OF THE MAYOR AND CITY COUNCIL

June 1, 2021

Kathy Ward Mayor

Gene James Mayor Pro Tem

Laura Ferguson

Chris Duncan

Steve Knoblock

CITY MANAGER

Erik Sund

910 Calle Negocio, Ste. 300 San Clemente, CA 92673 Phone: (949) 361-8200 SundE@san-clemente.org RE: AMERICAN COASTS AND OCEANS PROTECTION ACT; NOTICE OF SUPPORT

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