

MINUTE ITEM

This Calendar Item No. 2  
was approved as Minute Item  
No. 2 by the State Lands  
Commission by a vote of 2  
to 0 at its 4/23/84  
meeting.

MINUTE ITEM

2.

4/23/84  
Trout  
W 40185

APPROVAL OF REPORT TO THE GOVERNOR AND LEGISLATURE  
PURSUANT TO SECTION 30404 OF THE PUBLIC RESOURCES CODE  
CONCERNING COASTAL COMMISSION RECOMMENDATIONS  
REGARDING PROGRAMS OF THE STATE LANDS COMMISSION

During consideration of Calendar Item 2, attached, Acting  
Chairman Nancy Ordway and Commission-Alternate Elizabeth  
Rasmussen recommended some constructive changes to the  
Report.

Upon conclusion of discussion, Calendar Item 2 was approved,  
as amended, by a vote of 2-0, to read as follows:

THE COMMISSION:

APPROVED THE REPORT TO THE GOVERNOR AND THE LEGISLATURE,  
WITH SUGGESTED CHANGES, PURSUANT TO SECTION 30404 OF THE  
PUBLIC RESOURCES CODE AND AUTHORIZED ITS TRANSMITTAL TO THE  
GOVERNOR AND THE LEGISLATURE.

CALENDAR PAGE  
MINUTE PAGE

709

CALENDAR ITEM

4/23/84  
Trout

2

APPROVAL OF REPORT  
TO THE GOVERNOR AND LEGISLATURE  
PURSUANT TO SECTION 30404 OF THE PUBLIC RESOURCES CODE  
CONCERNING COASTAL COMMISSION RECOMMENDATIONS  
REGARDING PROGRAMS OF THE STATE LANDS COMMISSION

BACKGROUND:

On December 23, 1982 the State Lands Commission authorized offering for lease 40,000 acres (in 8 tracts) of tide and submerged lands for development of oil and gas resources between Pt. Conception and Pt. Arguello in Santa Barbara County. It is, and has been, the position of the Commission that a permit is not required from the Coastal Commission for the leasing program. Nevertheless, the State Lands Commission submitted the program to the Coastal Commission for its review. On its own initiative, the Coastal Commission held a hearing on the program in April 1983 and considered it at its May 25, meeting in Santa Barbara. The lease program was disapproved unanimously by the Coastal Commission. No recommendations were received by the State Lands Commission which would suggest ways the program could be made consistent with the Coastal Act as perceived by the Coastal Commission.

Nevertheless, efforts were made during July and August 1983 to resolve apparent problems with the leasing program. After these meetings between representatives of the State Lands and Coastal Commissions, the matter was again heard by the Coastal Commission on August 23. Several concessions had been agreed to by the State Lands Commission on August 12 and with a few small additional changes the Coastal Commission approved the lease program at that meeting.

Because of late mailing of the Coastal Commission staff report, a suit was brought by concerned groups to set aside the August 23 approval so that more time could be taken to review that staff report. Ultimately, the Santa Barbara Superior Court ordered the Coastal Commission to set aside its approval and again hear the State Lands Commission lease program. This third hearing was held on October 26, 1983 and resulted in disapproval of the program for a second time, even though it was the identical program approved in August. Again, no recommendations have been received by the State Lands

-1-

Revised 4/20/84

CALENDAR PAGE	10
MINUTE PAGE	710

CALENDAR ITEM NO. 2 (CONT'D)

Commission for making the leasing program acceptable to the Coastal Commission.

At each Coastal Commission hearing on the lease program, its staff recommended approval.

CURRENT SITUATION:

The leasing program is at a standstill. Not only is the proposed sale at Pt. Conception affected, but also continuation of the leasing program north of Pt. Arguello to Pt. Sal as well as re-leasing of four quitclaim parcels in the Santa Barbara Channel. Judge McMahon of the Santa Barbara Superior Court has enjoined the State Lands Commission from opening bids on the Pt. Conception sale offering until the Coastal Commission has issued a permit. The Coastal Commission has neither approved a permit nor suggested what could be done to the program. The State Lands Commission to obtain such approval.

The Coastal Act contains a section (Public Resources Code Section 30304) which mandates the Coastal Commission to review the programs of a number of State agencies including the State Lands Commission. Pursuant to this section the Coastal Commission is to make to the agencies recommendations designed to encourage them to carry out their programs consistent with the Coastal Act. At least in the case of the State Lands Commission, this has not been done. If a State agency does not agree with the Coastal Commission's recommendations, it must report to the Legislature and the Governor the reasons for the disagreement within six months after receipt.

In an effort to bring the oil and gas leasing program to a level of policy review, staff of the State Lands Commission has prepared a report to the Legislature and the Governor as if the Coastal Commission had complied with the term of Section 30304. It documents the history of the leasing program and attempts to set forth those suggestions for consistency which have been discerned from Coastal Commissioners' comments during the hearings. The report responds to each one with reasons for accepting them. It also recommends the Legislature establish a policy that oil and gas development of the State tide and submerged lands, with the Special Operating Requirements adopted by the State Lands Commission, is consistent with the Coastal Act.

CALENDAR PAGE	71
MINUTE PAGE	711

CALENDAR ITEM NO. 2 (CONT'D)

IT IS RECOMMENDED THAT THE COMMISSION APPROVE THE REPORT TO THE GOVERNOR AND THE LEGISLATURE PURSUANT TO SECTION 30404 OF THE PUBLIC RESOURCES CODE AND AUTHORIZE ITS TRANSMITTAL TO THE GOVERNOR AND THE LEGISLATURE.

CALENDAR PAGE	712
PAGE	712