

MINUTE ITEM
This is Item No. 2
was read as Minute Item
No. 2 of the State Lands
Commission a vote of 3
to 0 on 10/26/88
meeting.

CALENDAR ITEM

02

10/26/88
W 24244

A: 2

S: 2

CONSIDERATION OF WHETHER TO ESTABLISH
AN OIL AND GAS LEASING SANCTUARY ZONE
COVERING STATE-OWNED TIDE AND SUBMERGED LANDS
WITHIN MENDOCINO AND HUMBOLDT COUNTIES

PROPOSAL:

Gray Davis, Controller and Chairman of the State Lands Commission, and Leo McCarthy, Lieutenant Governor and Member of the State Lands Commission, have asked that a special meeting of the Commission be held in order to consider whether the State Lands Commission should establish an oil and gas leasing Sanctuary Zone in state waters within Mendocino and Humboldt Counties. This action, if adopted, would constitute a declaration by the Commission that no oil and gas leasing and development will take place in the designated area. The Sanctuary Zone would cover state tide and submerged lands in Mendocino and Humboldt Counties where oil and gas leasing is not presently prohibited under the Public Resources Code.

BACKGROUND:

Pursuant to Public Resources Code Section 6301 the State Lands Commission has exclusive jurisdiction over all ungranted tide and submerged lands owned by the State. Public Resources Code Sections 6871 and 6871.3 give the Commission broad discretion over whether or not to lease tide or submerged lands for oil and gas development. In addition such leasing can only take place when the Commission finds that it is in the best interest of the state. The Commission used its management authority to stop drilling on existing leases in state waters in 1969.

Under Section 6871.2 of the Public Resources Code, the Legislature has prohibited the Commission from issuing oil and gas leases in certain areas along the coast. The statute states, "[T]he commission shall not enter into any lease for the extraction of oil and gas from state-owned tide and submerged lands within the areas to which this

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section is applicable." The ~~areas~~ ^{mineral} covered by this prohibition have informally been called "sanctuaries." This prohibition effectively prevents any oil and gas leasing and development in the sanctuary areas. The State Lands Commission's management authority over oil and gas leasing on state-owned tide and submerged lands gives it the ability to establish similar sanctuaries in those areas not covered by the Public Resources Code's prohibition.

Among the areas included in the existing sanctuary are all tide and submerged lands north of Santa Barbara County, except for parts of Mendocino and Humboldt Counties. Virtually all of the state offshore area in Mendocino County is open to leasing, except for the lands within 3 miles of the northern county boundary. The non-sanctuary offshore areas in Humboldt County includes about two-thirds of the coast, from a point approximately 4.5 miles north of Cape Mendocino north to the county boundary.

The state tidelands and submerged lands covered by the proposed Sanctuary Zone would consist of those portions of the Humboldt and Mendocino County Coast in which state oil and gas leases are presently permissible, extending for 3 miles out to sea to the California boundary with Federal offshore waters. Most of the proposed sanctuary area is adjacent to the 1.1 million acres included in the Federal Government's Lease Sale 91. If that lease sale goes forward, its impacts on the State's coastal waters and communities will be substantial. The Minerals Management Service estimates that among other serious impacts there will be a 77 percent chance of a 10,000 barrel oil spill during the 25-year life of the project. This is comparable to the devastating Santa Barbara Oil Spill of 1969.

Controller Gray Davis and Lieutenant Governor Leo McCarthy have previously expressed support for proposed federal legislation H.R. 920 by Representatives Boxer and Levine and S.884 by Senator Cranston, which would establish a sanctuary for those federal waters beyond the 3-mile limit. The State Sanctuary Zone under consideration is consistent with their support for this federal legislation.

If the Commission establishes the sanctuary, it would, in effect, voluntarily place the Mendocino and Humboldt County Coasts off-limits to offshore oil and gas leasing and development. As part of this action, the Commission's staff would be directed not to accept applications for oil and gas leasing or development in these areas.

Under the Public Resources Code, the Commission has the authority to take this action. The Code provides the Commission with discretion over the decision whether or not to issue oil and gas leases in a particular area.

STATUTORY REFERENCES:

- A. Public Resources Code Section 6301
- B. Public Resources Code Section 6371
- C. Public Resources Code Section 6871.2
- D. Public Resources Code Section 6871.3

AB 884: N/A

Exhibit: Plat of Proposed Sanctuary Zone

OTHER PERTINENT INFORMATION:

1. Because the proposed action does not constitute a project, the provisions of CEQA do not apply. See Sections 21065 and 21080 of the Public Resources Code.

IN THE EVENT THAT THE COMMISSION DECIDES TO APPROVE THE PROPOSAL, STAFF RECOMMENDS THAT THE COMMISSION MAKE THE FOLLOWING FINDINGS:

1. DECLARE THAT ALL STATE-OWNED TIDE AND SUBMERGED LANDS WITHIN MENDOCINO AND HUMBOLDT COUNTIES TO WHICH PUBLIC RESOURCES CODE SECTION 6871.2 IS NOT APPLICABLE ARE TO BE DESIGNATED A "SANCTUARY ZONE";
2. DECLARE THAT NO OIL AND GAS LEASING OR DEVELOPMENT SHALL BE ALLOWED WITHIN THE DESIGNATED SANCTUARY ZONE; AND
3. DIRECT STAFF TO REFRAIN FROM ACCEPTING APPLICATIONS FOR OIL AND GAS LEASING OR DEVELOPMENT WITHIN THE SANCTUARY ZONE.



STATE OF CALIFORNIA
STATE LANDS COMMISSION

Existing Oil and Gas Sanctuary Areas

Proposed State Sanctuary Zone.

Not to Scale