



Legislation Text

File #: 22-0700, Version: 1

WITHDRAWN

~~Recommendation to request inclusion in the County and/or City of Los Angeles amortization studies or work with consultants to conduct a similar study and report back with the cost of doing so;~~

~~Direct a percentage of surplus oil revenues to the abandonment fund and any other costs associated with abandonment, alongside important one-time capital projects;~~

~~Direct City staff and the State Legislative Committee request the State to fully fund their portion of the abandonment liability;~~

~~Work with South Coast Air Quality Management District (AQMD) to prioritize leakage mitigation and detection, emissions control, and carbon capture measures;~~

~~Work with labor organizations in the transition of workers from the local energy sector;~~

~~Work with City Attorney and State Lands Commission and other applicable state entities to determine the legal options available to the City to end new drilling as soon as is legally defensible, including studying prohibiting new oil and gas extraction in all zones and, studying changing oil and gas extraction to a legal nonconforming use in all zones; and~~

~~Request City Manager report back with timelines and costs associated with the above recommendations as well as potential funding streams for them. (Citywide)~~

At its April 22, 2022 meeting, the Climate Action and Environmental Committee (CAEC) received a presentation from Long Beach Energy Resources Department on planning efforts for the abandonment of the Wilmington Oil Field. The presentation involved the City of Long Beach's (City) role with oil field operations and abandonment planning efforts, including related risks and liabilities. The CAEC indicated support for ending drilling as soon as legally possible and requested efforts be taken towards that effort. To that end, the CAEC recommended that the City Council direct the City Manager to continue the City's path to change its reliance on oil. More specifically, the direction was to work with staff, including the City Attorney's Office, to determine options with the State Lands Commission and other applicable State entities, and fully understand legal options available to the City as well as fully analyze the cost of an amortization study, use of oil revenues and other related efforts.

This matter was reviewed by Principal Deputy City Attorney Richard F. Anthony on May 2, 2022 and by Budget Manager Grace H. Yoon on May 5, 2022.

EQUITY LENS STATEMENT:

Staff will consider issues of equity and access with any program proposals brought forward to ensure the City's commitment for everyone reaching their highest level of health and potential for a successful life, regardless of background, neighborhood, or identity.

City Council approval is requested on June 21, 2022, to evaluate opportunities to change the City's reliance on oil.

This recommendation transmits the CAEC recommendations for the City Council to provide direction that includes directing the City Manager to evaluate the opportunities and feasibility of reducing the City's reliance on oil operations and revenues. This will be a multi-pronged approach which includes evaluating a possible amortization study, and working with various groups such as the State, AQMD, State Lands Commission, and labor organizations to investigate all other legal, environmental, and economic implications associated with changing the City's reliance on oil. Fiscal impacts of the CAEC's recommendations should be included in any staff feasibility report. If directed by City Council to implement CAEC's recommendations, the development of the feasibility report is anticipated to have a moderate staffing impact beyond the normal budgeted scope of duties and a moderate impact on existing Council priorities. There is no local job impact associated with this recommendation. Approve recommendation.

CINDY ALLEN, COUNCILWOMAN, CHAIR, CLIMATE ACTION AND ENVIRONMENTAL
COMMITTEE
SECOND DISTRICT