

# Oil & Gas Focus Group (Meeting 4 of 5)

June 19, 2019

## **Meetings Overview**

- Meeting 1 (April 24)
  - Introduction / Overview of Oil and Gas
- Meeting 2 (May 22)
  - Best Management Practices & Potential LDC changes
- Meeting 3 (June 5)
  - Additional BMP Discussion and zoning
- Meeting 4 (June 19)
  - Zoning, Process, and Enforcement
- Meeting 5 (June 26)
  - Rulemaking topics with COGCC / wrap up



# Scope of Focus Group and Intentions

- Focus group established for the sole purpose of providing nonbinding input to City Staff regarding legislative efforts, both within the city and at the state level
- The focus group will not take formal positions
- City staff will report or summarize the input of the focus group
  - Intended to be a listening session



# Land Development Code Updates

- Following the final focus group meeting, staff will take the feedback from the group that was generated, and begin the process of drafting LDC amendments.
- Stakeholder participation meetings, meetings with the general public, and study sessions with Planning Commission and City Council would be conducted as part of this process before any changes are adopted.
- Potential draft ordinance(s) could be generated around late August / September for consideration.

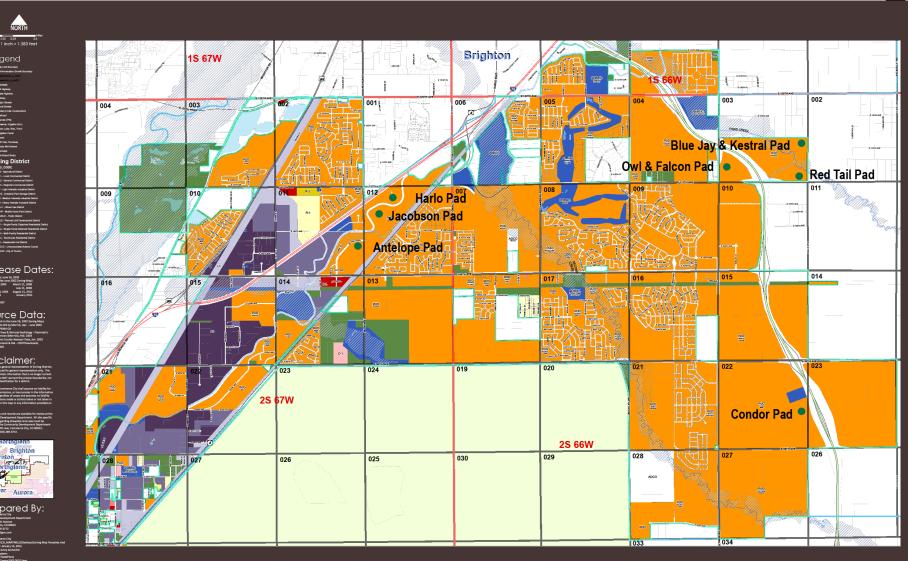


# Zoning

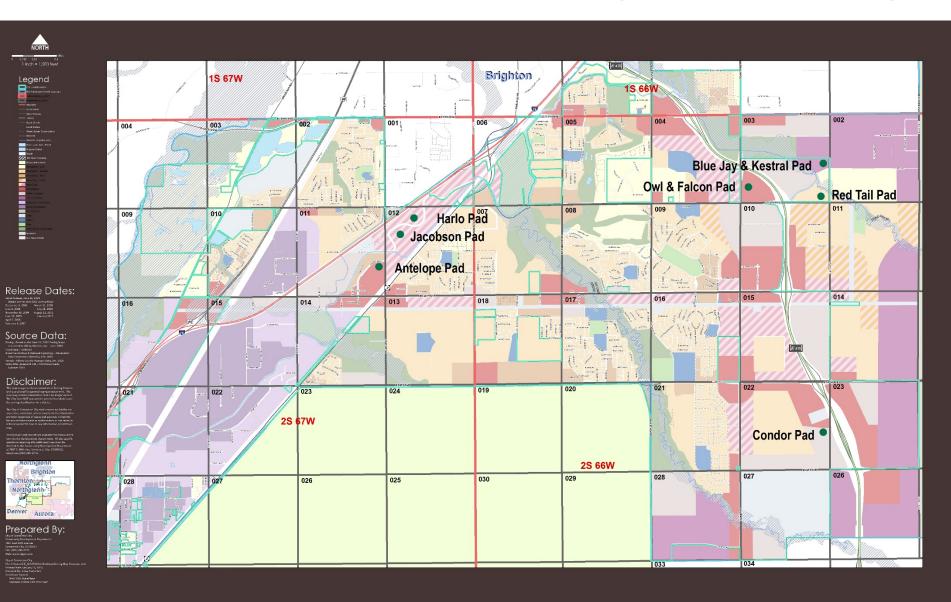
# **Zoning Recap**

- Purpose of Zoning: The legislative process to divide land into zones for different uses and to provide regulations that control how land is being developed.
- Home Rule within Colorado: Those cities that have adopted a home rule charter for their local self governance (as opposed to statutory city).
- Purpose of PUD (Planned Unit Development): To permit greater flexibility in land use regulations for large scale developments, to help with phasing of projects, and to allow developers a more creative approach in the development of land. A PUD acts as its own zoning ordinance.

### Well Sites with Zoning



#### **Well Sites with FLUP**



## **Zoning Feedback**

#### Which Districts should/could allow (well pad sites)?

- Potentially Commercial districts
- Potentially Industrial districts
- Agricultural districts depends on what the overall future land use will be and may be a
  case by case basis.
- Because of the intensity and concentration of proposed wells and related impacts, no district should be made available.
- Some sites would require a re-zone to Commercial or Industrial
- No wells in residential districts
- Pockets of unincoporated Adams County were also identified and the rules and regulations for those parcels would fall under Adams County's jurisdiction.
- All sites should be looked at on a case by case basis, regardless of zoning.
- Rules/ rezoning should apply to all areas of city (including core city).
- What other feedback would you like to give surrounding zoning?



#### **Setbacks Discussion**

- Should a setback be included for certain uses? If so, from what land uses and why?
- Currently the state requires a setback of 500' for new wells from existing residential building units, and 1,000' from school property boundaries and hospitals. There is no setback from new schools, hospitals, and homes to existing wells.





# **Process**

# **Process Background**

- All land use processes/development activity within Commerce City have to follow some type of process to be approved. These processes are laid out in the Land Development Code or City Charter to help staff and applicants understand steps.
- Within Commerce City, some land use cases are reviewed and approved by City Council only. Some land use cases are reviewed by Planning Commission and approved by City Council. Some land use cases are reviewed and approved by the Board of Adjustment. Some land use cases are reviewed and approved by the Director (administrative).
- All land use cases are reviewed and approved via the required approval criteria laid out within the Land Development Code.

# **Hearing Bodies**

- Currently, the LDC allows for approval of an Oil & Gas Permit through an administrative process
  - Except where a Planned Unit Development (PUD) requires a Conditional Use Permit
  - NOTE: Per code, all land use applications can have conditions attached to their development.
- What process should oil and gas development sites/ permits go through?
  - Use by Right (Administrative Approval)
  - City Council (Conditional Use Permit)
  - Planning Commission (Conditional Use Permit)
  - Board of Adjustment (Use by Permit)
  - Some other approval Board?
- Should different zoning districts/areas have different processes? Should there be a hybrid approach where if the applicant follows all rules, the permit can be approved administratively. If not, it's a public hearing.



# **Enforcement**

# **Enforcement Background**

#### Current Code

- If operator is found to be in violation of code, Oil and Gas Permit, or Extraction Agreement, the director may suspend any permit, and cease operations
- City Council also has the authority to revoke an Oil and Gas Permit
- Operator can appeal Council's decision to district court
- Regional Operator Agreement
  - Looking at the opportunity to assess fees and bonding requirements related to enforcement
    - Cover the costs of cleanup or any immediate remediation that would occur
  - Inspection authority
    - Authority to conduct unannounced inspections at any time



#### SB-181 Powers

- Gives the city express authority for monitoring and enforcement and the ability to impose fees for violations of local land use regulations
- Expressly authorizes local governments to impose fees for cost of monitoring & penalties for violations of local land use regulations
- Financial securities, indemnification and insurance
- All other nuisance-type effects of O&G development
- Inspection of all O&G facilities



#### **Exercise and Discussion**

- Are there any enforcement provisions that would be most critical to include within a Land Development Code update?
- Are there any enforcement provisions you think should <u>not</u> be included in a code update?
- Are we missing any enforcement provisions? If so, what and why?



# Focus Group Next Steps

• June 26, Session #5: Follow-up on future rulemaking topics with COGCC & wrap up



