

Whatcom County

COUNTY COURTHOUSE 311 Grand Avenue, Ste #105 Bellingham, WA 98225-4038 (360) 778-5010

Agenda Bill Master Report

File Number: AB2020-520

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File Created:	11/02/2020	Entered by:		
Department: File Typ		File Type:	Ordinance Requiring a Public Hearing	
Assigned to:	Council		Final Action: 11/24/2020	
Agenda Date:	11/24/2020		Enactment #: ORD 2020-069	

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TITLE FOR AGENDA ITEM:

Ordinance imposing an interim moratorium on the acceptance and processing of applications and permits for new or expanded facilities in the Cherry Point urban growth area, the primary purpose of which would be the shipment of <u>unrefined</u> fossil fuels not to be processed at Cherry Point

SUMMARY STATEMENT OR LEGAL NOTICE LANGUAGE:

Ordinance imposing an interim moratorium on the acceptance and processing of applications and permits for new or expanded facilities in the Cherry Point urban growth area, the primary purpose of which would be the shipment of <u>unrefined</u> fossil fuels not to be processed at Cherry Point

HISTORY OF LEGISLATIVE FILE

5	INTRODUCED FOR PUBLIC Council HEARING Browne, Buchanan, Byrd, Donovan, and Frazey
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2	Elenbaas, and Kershner
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	ADOPTED
4	Browne, Buchanan, Donovan, and Frazey
3	Byrd, Elenbaas, and Kershner
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Attachments: Ordinance 11.24.2020 Intro.

1 2	PROPOSED BY: INTRODUCTION DATE: <u>NOVEMBER 10, 2020</u>
3 4	ORDINANCE NO. 2020-069
5 6 7 8 9 10 11	IMPOSING AN INTERIM MORATORIUM ON THE ACCEPTANCE AND PROCESSING OF APPLICATIONS AND PERMITS FOR NEW OR EXPANDED FACILITIES IN THE CHERRY POINT URBAN GROWTH AREA THE PRIMARY PURPOSE OF WHICH WOULD BE THE SHIPMENT OF <u>UNREFINED</u> FOSSIL FUELS NOT TO BE PROCESSED AT CHERRY POINT
12 13 14 15 16	WHEREAS, on July 12, 2016, the County received a letter from Chairman Ballew of the Lummi Business Council which included the statement that they "hope that the amendments to the Comprehensive Plan not unfairly impact the current employers within Cherry Point."; and
17 18 19	WHEREAS, the Whatcom County Council previously adopted Title 20 zoning code which regulates land use within unincorporated areas of Whatcom County; and
20 21 22 23	WHEREAS , the Council adopted the Whatcom County Comprehensive Plan on May 20, 1997, which contains goals, objectives and policies regarding land use compatibility and environmental considerations; and
24 25 26	WHEREAS, the Council recently updated the Whatcom County Comprehensive Plan as required by Revised Code of Washington 36.70A; and
27 28 29 30	WHEREAS , during the Comprehensive Plan review process the Council received many individual public comments on fossil fuel transshipment, transport, and transfer from Cherry Point related to the protection of the health of Whatcom County's environment, economy, and residents; and
31 32 33 34 35	WHEREAS, the County recognizes that the existing refineries have for decades been significant shippers of refined fossil fuels such as jet fuel and calcined coke used in manufacture of aluminum while providing substantial local employment; and
36 37 38	WHEREAS, the refining of fossil fuels at Cherry Point provides high wage jobs which could be lost if the existing refineries were converted to crude oil export facilities; and
39 40 41	WHEREAS, the Whatcom County Council supports the development of Renewable Fuels Facilities and Transshipment Facilities within the CP District; and
42 43 44 45 46	WHEREAS , multiple trains carrying crude oil from the Bakken formation moving through the United States and Canada have derailed and exploded causing damage to property and the environment, one derailment caused significant fatalities, which is the reason regulations must be improved; and
47 48 49 50 51 52 53 54 55 56 57 58 59	WHEREAS , a unit train carrying Bakken crude traveling through Mosier, Oregon, on June 3, 2016, derailed and exploded causing damage to property and the Columbia River, demonstrating that recently adopted state and federal policies and corporate investment intended to reduce the risks associated with oil by rail have proven insufficient to protect communities along the rail corridor; and
	 WHEREAS, the Washington State Department of Natural Resources has designated waters adjacent to the Cherry Point Urban Growth Area as an aquatic reserve to ensure long-term protection of this unique aquatic environment; and WHEREAS, the United States recently lifted a ban on the export of crude oil from the country, increasing pressure on deep water ports such as Cherry Point to develop into crude export terminals; and

WHEREAS, existing refineries at Cherry Point have recently increased their ability to accept crude oil by rail by constructing new rail offloading facilities to serve the refineries; and

WHEREAS, existing and proposed pipeline facilities have increased, or proposed to increase, their capacity to move crude oil, diluted bitumen, and natural gas to Cherry Point; and

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 9 WHEREAS, Title 20 currently does not explicitly prohibit transshipment, transport,
 10 and transfer of <u>unrefined</u> fossil fuels and construction of infrastructure to facilitate
 11 expanded shipment of <u>unrefined</u> fossil fuels not to be processed at Cherry Point; and
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WHEREAS, according to the June 27, 2016, Land Capacity Analysis report produced by Planning and Development Services, Cherry Point contains only 1,072.6 acres of developable land that is zoned Heavy Impact Industrial (HII) for the purposes of "supplying a reasonable amount of land, commensurate with demand, for the location and grouping of heavy impact industrial uses" and to "minimize the scope of impacts generated within the HII District and to provide protection for nonindustrial districts situated outside thereof..." (WCC 20.68.010); and

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WHEREAS, expansion of existing facilities for purposes of shipping <u>unrefined</u> fossil fuels not to be processed or consumed at Cherry Point will increase the transport of dangerous fuels through our community and increase the risk of possible derailment, spills, explosions, and the fallout will pose a serious threat to the community; and

WHEREAS, pursuant to the Washington State Constitution, the general police powers granted to counties empower and authorize Whatcom County to adopt land use controls to provide for the regulation of land uses within the County and to provide that such uses shall be consistent with applicable law; and

WHEREAS, on August 9, 2016, the Council adopted Ordinance 2016-031, an emergency ordinance imposing a sixty day moratorium on the filing, acceptance, and processing of new applications for conversion of land or water, new building or structure permits, or other County permits or authorizations in the Cherry Point Urban Growth Area for new or expanded facilities whose purpose is to facilitate the increased shipment of <u>unrefined</u> fossil fuels not to be processed or consumed at Cherry Point; and

38 WHEREAS, the Council adopted interim measures on September 27, 2016 39 (Ordinance 2016-039), March 21, 2017 (Ordinance 2017-011), September 26, 2017 40 (Ordinance 2017-049), February 27, 2018 (Ordinance 2018-007), August 8, 2018 41 (Ordinance 2018-044), January 29, 2019 (Ordinance 2019-010), July 9, 2019 (Ordinance 2019-049), December 3, 2019 (Ordinance 2019-083), and June 2, 2020, (Ordinance 2020-42 030) prohibiting the filing, acceptance, and processing of new applications for conversion of 43 44 land or water, new building or structure permits, or other County permits or authorizations 45 in the Cherry Point Urban Growth Area for new or expanded facilities whose purpose is to 46 facilitate the increased shipment of unrefined fossil fuels not to be processed or consumed 47 at Cherry Point, unless the applications: 48

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1. Were filed and complete prior to the effective date of the ordinance and vested pursuant to Washington statutes;

2. Were for building permits for remodels, maintenance, or repairs of existing structures where no increased capacity for shipping <u>unrefined</u> fossil fuels not to be processed or consumed at Cherry Point would result; or

3. Were necessary to protect health and safety of the community; and

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 58 WHEREAS, these interim measures were necessary to allow time for the Council to
 59 work with staff and Cascadia Law Group to develop proposed amendments to the

Comprehensive Plan and zoning code to address risks to public health, safety, and the 1 2 environment associated with under-regulated expansion of fossil fuel facilities at Cherry 3 Point; and 4 5 WHEREAS, on August 8, 2019, the Council approved Resolution 2019-037, 6 forwarding proposed Cherry Point Urban Growth Area Comprehensive Plan and zoning code 7 amendments to the Whatcom County Planning Commission for review and recommendation; 8 and 9 WHEREAS, on September 12, 2019, the Planning Commission hosted a town hall 10 11 meeting to provide the public an opportunity to speak on the Council's proposed 12 amendments; and 13 14 WHEREAS, on September 26, October 10, October 24, November 14, and December 15 12, 2019, and January 16, January 30, February 27, June 25, and July 9, 2020, the 16 Planning Commission held work sessions to discuss the Council's proposed amendments and formulate recommendations (there were no Planning Commission meetings in March, April, 17 or May of 2020 because of the COVID-19 meeting restrictions); and 18 19 20 WHEREAS, on August 13, 2020, the Planning Commission held a public hearing and issued final recommendations on the proposed amendments. 21 22 WHEREAS, the Planning Commission considered public comments and input from a 23 24 joint industry/environmental stakeholder group in the review process; and 25 WHEREAS, the County Council is diligently reviewing the proposed amendments 26 (including special meetings to facilitate review in the fall of 2020) and considering 27 28 recommendations from a joint industry/environmental stakeholder group; 29 30 WHEREAS, the Council further finds that extending the moratorium imposed by Ordinance 2020-030 is necessary for the protection of public health and safety; and 31 32 33 WHEREAS, the Whatcom County Council is scheduled to hold a public hearing on 34 this issue on <u>November 24, 2020</u>, or a later date; and 35 WHEREAS, the County Council fully recognizes the limits to its authority over 36 transportation of certain goods imposed by federal statutes and the US Constitution, and 37 38 finds that this action is within its authority; 39 40 NOW, THEREFORE, BE IT ORDAINED that the Whatcom County Council adopts 41 the above "WHEREAS" recitals as findings of fact in support of its action as required by RCW 42 36.70A.390 43 BE IT FURTHER ORDAINED by the Whatcom County Council that an interim 44 moratorium is hereby imposed prohibiting the filing, acceptance, and processing of new 45 applications for conversion of land or water, new building or structure permits, or other 46 County permits or authorizations in the Cherry Point Urban Growth Area for new or 47 expanded facilities whose purpose is to facilitate the increased shipment of unrefined fossil 48 49 fuels not to be processed or consumed at Cherry Point, unless the applications: 50 1. Were filed and complete prior to the effective date of this ordinance and vested 51 52 pursuant to Washington statutes; 53 54 2. Are for building permits for remodels, maintenance, or repairs of existing 55 structures where no increased capacity for shipping <u>unrefined</u> fossil fuels not to be processed or consumed at Cherry Point will result; or 56 57 58 3. Are necessary to protect health and safety of the community. 59

BE IT FURTHER ORDAINED by the Whatcom County Council that this interim ordinance shall be effective for not longer than six months following its effective date, but may be renewed for one or more six-month periods if subsequent public hearings are held and findings of fact are made prior to each renewal.

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6 **BE IT FURTHER ORDAINED** that if a section, subsection, paragraph, sentence, 7 clause, or phrase of this ordinance is declared unconstitutional or invalid for any reason by 8 any court of competent jurisdiction; such decision shall not affect the validity of the 9 remaining portions of this ordinance, and if the provisions of this ordinance are found to be 10 inconsistent with other provisions of the Whatcom County Code, this ordinance shall control.

BE IT FURTHER ORDAINED that for the purpose of this ordinance the definition of "<u>unrefined</u> fossil fuel" includes but is not limited to all forms of crude oil whether stabilized or not; raw bitumen, diluted bitumen, or syncrude; coal; methane propane, butane, and other "natural gas" in liquid or gaseous formats excluding those that are the byproduct of refinery processes in the Cherry Point UGA; and condensate.

BE IT FURTHER ORDAINED to prevent any misunderstanding the Whatcom County
Council affirms that consistent with previous Interim Moratoriums, the refining, storage,
blending, and manufacture of renewable fuels shall remain an outright permitted use,
unaffected by this Interim Moratorium, subject to the existing provisions of the current
County Code.

BE IT FINALLY ORDAINED that for the purpose of this ordinance, the definition of "facility" includes but is not limited to piers, wharfs, buildings, tank farms, pipelines, rail loading and offloading facilities, road spurs, or any other such physical infrastructure intended to receive, transfer, or store <u>unrefined</u> fossil fuels;

29	APPROVED this 24th day of_	November, 2020.	
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31	ATTEST: COUNTY	WHATCOM COUNTY COUNCIL	
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35	Dana Brown Davis, Clerk of the Council	Barry Buchanan, Council Chair	
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38	APPROVED AS TO FORM:	WHATCOM COUNTY EXECUTIVE	
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43	Civil Deputy Prosecutor	Satpal Sithu, County Executive	
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45		(🗙) Approved () Denied	
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