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A Legislative Public Hearing request by the Chatham County Board of Commissioners to consider amendments to Section 10.13, Table of Permitted Uses; 11.2 Specific requirements; 11.3, Environmental Impact Assessment; and 17.9, Additional Information for Certain Conditional Use Permits (new section) to incorporate standards for high impact land use activities, including oil and gas exploration.

..ABSTRACT

Action Requested:

A Legislative Public Hearing request by the Chatham County Board of Commissioners to consider amendments to Section 10.13, Table of Permitted Uses; 11.2 Specific requirements; 11.3, Environmental Impact Assessment; and 17.9, Additional Information for Certain Conditional Use Permits (new section) to incorporate standards for high impact land use activities, including oil and gas exploration.

Introduction & Background:

In August 2015, the Board of Commissioners adopted an ordinance instituting a temporary moratorium on oil and gas development activities within Chatham County. Section 7 of the moratorium includes two tasks to be completed during the moratorium. The moratorium was extended to July 2018 and again to January 31, 2019, to provide additional time to complete an oil and gas exploration study and draft amendments to the county's land use regulations (moratorium documents can be viewed on the following website - <http://www.chathamnc.org/government/departments-programs/planning/natural-gas-oil-information>).

Discussion & Analysis:

The two tasks listed under section 7 of the moratorium are as follows:

- a) **Studies:** The Board of Commissioners will hire a consultant or consultants with expertise regarding fracking and other oil and gas development activities and their impacts on the natural, man-made, and social environments and its economic benefits and costs. The consultant(s) will be tasked to study Chatham County and to analyze state and federal regulatory programs and to prepare a report for the Board regarding the full range of expected impacts on Chatham County, including financial impacts. The study will include the most current analysis of impacts in localities similar to Chatham County in other states and the effectiveness of local ordinances in managing these impacts. This study and report should be completed within the first year of the moratorium and will include the consultant's conclusions as to whether additional time is needed for thorough study.
- b) **Development of Conditional Use Ordinance:** Upon completion of the study and report. The Board intends to develop a draft conditional use ordinance and/or other ordinances based on the report and the consultant's advice which will be coordinated with the revisions to the County's comprehensive zoning ordinance. The draft ordinance will be made for public review and comment and at least one public hearing will be held. Based on public comments the Board will finalize the

ordinance and initiate the adoption procedure. Development of the ordinance and final approval is estimated to take one year.

On June 13, 2017 the county held a meeting with the consultant who was under contract to address the first task. The attendees included the Board of Commissioners, Climate Change Committee, Environmental Review Advisory Committee, Agriculture Advisory Board, Planning Board, and Board of Health. The purpose of the meeting was to provide an update on the study, outline current findings, and present new information that has been generated since adoption of the moratorium. The meeting also provided an opportunity for county boards and committees, as well as the public, an opportunity to ask questions of the consultant in advance of preparation of the final report. The final report was provided to the Board of Commissioners in October 2017 and can be downloaded from the previously referenced webpage dedicated to this topic.

Upon receiving the report the Commissioners directed staff to prepare amendments to the applicable land use regulations to supplement provisions for oil and gas exploration. Since Chatham and Lee counties have the potential for oil and gas exploration both jurisdictions have been coordinating their efforts to establish supplemental standards. Work began in late 2017 and has been on-going since that time and the attached amendments to the Zoning Ordinance are intended to provide additional standards for several high impact land uses, including oil and gas exploration.

How does this relate to the Comprehensive Plan:

Goal #: Conserve Natural Resources. The Natural Resources Plan Element includes Strategy #8 Update policies and regulations to limit impacts of natural gas exploration and extraction. Complete the Natural Gas Impacts Study, a parallel effort to identify the potential impacts and appropriate strategies to minimize, mitigate, or avoid such impacts. Coordinate with regional partners, such as Lee County, to establish regulations for site planning, development and restoration based on best practices.

Recommendation:

Hold the hearing and forward to the Planning Board for a recommendation.