

**THE OIL AND GAS PROJECT
THE GROWTH MANAGEMENT PROJECT
THE CODE REWRITE PROJECT**

NEXT STEPS, SCHEDULE

The Oil and Gas Project is moving in tandem with the Growth Management Project and the Code Rewrite Project. Significant progress is being made on all three projects, and this memorandum is designed to give the reader a clear picture of what is happening, and when.

1. Oil and Gas Specific Items

Because the Interim Ordinance, Santa Fe County Ordinance No. 2008-02, terminates on its terms on or about February 27, 2009 and a new ordinance will need to be enacted no later than thirty days prior to that date, the Oil and Gas Project is moving more quickly than the other projects.

a. Initial Presentation, Ordinance and Plan Amendments

The consultant team will begin providing deliverables on the Oil and Gas Project beginning **September 30, 2008** during the regular meeting of the Board of County Commissioners. The consultant team will present two key components of the oil and gas project: (1) a draft **Oil and Gas Regulatory Ordinance**, and (2) the **Goals, Objectives, Policies and Strategies of the Oil and Gas Element of the General Plan Amendment**. At the September 30 meeting, the Board is also expected to authorize publication of the title and general summary of the draft Oil and Gas Regulatory Ordinance; this authorization will permit undertaking a public hearing process and is a necessary legal predicate to enacting a County ordinance.

b. Oil and Gas Regulatory Ordinance - Overview

The proposed oil and gas regulatory ordinance will prohibit exploration and production of oil and natural gas unless an oil and gas overlay zoning district classification is applied for and approved by the Board. An application to classify land into the overlay zone will trigger a comprehensive review process that will include the following: (1) an Environmental Impact Report that will address air quality, water quality, toxic and chemical pollution and related diseases and health threats, wildlife and vegetation habitats, steep slopes, floodways and floodplains, stream corridors, historic, cultural, and archaeological artifacts and sites; (2) a water availability assessment; (3) a hydrologic and geologic assessment; (4) an assessment of the adequacy of existing public facilities (police, fire and emergency services) to serve the proposed development; (5) a fiscal impact assessment; (6) a traffic impact report; and (7) an emergency preparedness report. The ordinance will also include provisions that describe how applications are processed,

provides for development agreements, and requires mandatory co-location of oil and gas production facilities. A secondary approval of a special use and development permit will be required after the applicant obtains a permit to drill from the Oil Conservation Division of the State of New Mexico

c. Oil and Gas Specific Amendments to the County General Plan

Amendments to the County General Plan, adopted in 1999, are needed to support the oil and gas regulations, and to support text amendments and maps that will amend the Land Development Code (discussed later). These amendments are necessary because of the development pressures created by proposed oil and gas drilling and production. Two or three additional Plan Elements or chapters will be included in the County General Plan, including an Oil and Gas Element, Growth Management Element, and possibly a Community Planning Element (including area plans for growth management areas, community plan updates, district plan updates and updates for traditional and historic communities).

The General Plan, like the County's 1999 Plan, is a statement of a community's vision for the future and a guide to achieve that vision. The view of the future expressed in a plan is shaped by local community values, ideals and aspirations about the best management and use of the community's resources. Such a plan uses text, maps and diagrams to establish goals, objectives, policies and strategies, which a government uses to address physical, economic and social issues. Goals, objectives, policies and strategies (GOPs)¹ describe how a community meets the challenge of future development. The County's update of the 1999 General Plan will be a tool for managing change to achieve the desired quality of life; it will build on the efforts of several recent and concurrent planning processes, and will be a strategic document that defines an action. It will prioritize tasks in order to achieve the vision of the combined planning efforts. It will set the stage for the County's Oil and Gas regulatory ordinance and for revisions to the County's Land Development Code.

The Santa Fe County General Plan and its Amendments will, for the first time, focus on

¹ **Goal:** Description of a desired state of affairs for the community in the future. Goals are the broad, public purposes toward which policies and programs are directed. Goals can be phrased to express the desired results of the Plan; they complete the sentence "Our goal is to...."

Objective: A measurable stepping stone. Objectives identify a quantifiable target to achieve a goal.

Policy: Statements of government intent against which individual actions and decisions are evaluated. Policies indicate the direction the community should take if regulatory provisions are absent or not clear.

Strategy: Individual tasks or accomplishments such as zoning, environmental regulations, major street plans and capital improvement and services programs which, taken together, will enable the community to achieve goals, objectives and policies. Strategies are the basis for implementation of the Plan by identifying and recommending specific courses of action.

achieving the benefits of Smart Growth and efficient and cost-effective provision of facilities and services. "Smart Growth" is the management of growth through fiscally sound, environmentally sustainable and responsible means. Smart Growth requires that infrastructure be available at established plan levels of service before development can be approved, and has a greater emphasis on the mix of uses, transportation options and environmental sensitivity. Smart growth is not achieved through the use of a single tool that accomplishes all of a community's objectives; it is achieved through the use of an integrated approach that uses carefully chosen tools calibrated to the County's needs and ability to implement specific programs. Smart Growth through a <> tiered group system of geographically functional areas directs growth into compact and sustainable development patterns within areas already served with infrastructure, or in areas where infrastructure provision is planned and included in a Capital Improvement Program (CIP). Smart growth protects environmental and cultural resources and community lifestyles. Smart growth does not seek to change the character of the community, but instead builds on the community's existing character and supports amenities that improve the quality of life for residents. It is a framework for achieving Santa Fe County's vision for the future. Thus, the proposed amendments to the General Plan will include such Smart Growth elements as: (1) establishing a proper relationship between future growth, public facilities, and economic development; (2) establishing baseline standards with which the impact of future development proposals may be evaluated; (3) establishing standards and guidelines that regulate mineral extraction, specifically including oil and gas drilling, to protect environmental, historical, cultural and archeological resources; (4) maintaining adequate public facilities and services, to serve existing and new development, including facility extension and fiscal and revenue-raising policies; (5) protecting taxpayers by using capital planning and financing tools that ensure that the costs of new development costs are placed on new development, including but not limited to oil and gas development; and (6) making recommendations to develop, adopt and implement growth management techniques, to amend and revise County regulations, plans, and programs, and to develop a prioritized capital facilities program that addresses existing and future needs based on growth projections, maintaining or improving levels of service and preferred growth patterns.

d. Process

i. County Development Review Committee/Planning Commission

The Goals, Objectives, Policies and Strategies of the Oil and Gas Element of the General Plan Amendment will be presented to the County Development Review Committee/County Planning Commission in its meetings of **October 16, 2008** and **November 13, 2008**. These public meetings will feature presentations by the consultant team, and will provide an opportunity for members of the public to address the proposed Oil and Gas Element of the General Plan Amendment. The County Development Review Committee/County Planning Commission will formulate a recommendation to the Board of County Commissioners during its meeting of **November 13**.

ii. The Board of County Commissioners

The Board of County Commissioners will subsequently consider the Oil and Gas Element of the General Plan Amendment. The Board will also consider the enactment of the proposed Oil and Gas Regulatory Ordinance. The consultant team will present a proposed Capital Improvement Program and creation of a Galisteo Basin an Improvement District to support the Oil and Gas Element. The Board must enact the Oil and Gas Regulatory Ordinance **prior to January 27** for the ordinance to become effective prior to the expiration of the Interim Ordinance. The specific date when the Board of County Commissioners will consider the plan and ordinance has not been established.

2. Growth Management Project

a. Growth Management Amendments to the General Plan

During the process relating to the oil and gas specific element of the general plan and oil and gas ordinance, the consultant team and County staff will begin presenting work related to the Growth Management Project. During the **November 18** meeting of the Board of County Commissioners, the consultant team will present the proposed Goals, Objectives, Policies and Strategies for the Growth Management Element. The Board may take this matter up again during its meeting of December 9, 2008. Once approved, this material will amend the County's General Plan. Subsequently, area plans will be developed for the four designated growth management areas which will also amend the General Plan.

b. Area Plans for the Four Designated Tiered Growth Areas

i. Presentation of Area Plans

After approval of the Policies, Goals, Objective and Strategies of the Growth Management Element, County staff will present its work to establish tiered growth areas for the Galisteo Basin Area Plan. Once this work is completed for the Galisteo Basin (and for each County designated growth area) County staff will bring this work to the Board of County Commissioners for review and to the County Development Review Committee/County Planning Commission for a recommendation and to the Board of County Commissioners for adoption. This work will be repeated four times, once for each growth management area.

ii. Area Plans, Content.

A General Plan is a comprehensive, long-range guide to manage growth and development in a single county-wide, unified and coherent plan. It provides a general policy framework that applies broad goals, objectives, policies and strategies countywide. The General Plan cannot fully address the specific needs of individual communities or sub-areas. An Area Plan, in comparison, is a focused, planning guide that identifies goals,

objectives, policies and strategies that refine the General Plan vision and policy framework. It is applied to a defined area, focusing on specific uses or development types and infrastructure and service provision and timing. While countywide policies still apply within this area, the Area Plan GOPS are more specific. The Area Plan must be consistent with the General Plan, but in cases where there is a conflict, the more specific directives of the Area Plan control. Santa Fe County is familiar with Area Plans --- the community planning process undertaken by the County pursuant to Ordinance No. 2002-03 is a similar process.

As with the General Plan, an Area Plan is developed through participation of the residents, businesses, service providers and other stakeholders in the planning area. Area Plans contain information about the natural features, resources, and physical constraints that affect development of the planning area. Area Plans define a community's vision for the future and provide elected officials with a proactive framework from which to make decisions about the general plan's land use, housing, economic development, capital improvements, service provision, community design and environmental, cultural and archeological protections. Area Plans are implemented through a variety of area-specific tools and funding mechanisms (for example, the development regulations may include modified standards for development that apply within the planning area to achieve the goals of the Area Plan, such as unique design guidelines or incentives to encourage mixed-use development or protect natural features). Funding mechanisms can also be used to achieve the goals of the Area Plan, such as a special improvement district that assesses property in the Area in order to provide a public benefit, such as infrastructure improvements and public services within that Area.

iii. Galisteo Basin Area Plan

The Galisteo Basin Growth Management Area will be developed first, in part building on the foundation that has been provided in the oil and gas project. Staff is working on this plan; the draft is anticipated to ready for community input and staff already intends to conduct meetings in the Eldorado area, the San Marcos area and the Galisteo area in the next few months. The Galisteo Basin is an example of an area that is appropriate for such additional in-depth planning analysis due to its (1) significant and critical environmental features and natural resources; (2) significant archeological, historical and cultural resources; (3) unique community character, including historic and contemporary communities and related rural quality of life; (4) infrastructure based on a rural lifestyle, not generally available or planned to be available for more intensive development; (5) public facility and service improvements capital improvement plans that allocate to development the proportional costs the need for which is generated by the development; (6) there has been, and until recently was projected to be, very low growth in this area; and (7) new development that has been proposed may not be consistent with existing conditions and uses and the BOPS for the rural tiered area.

iv. Other Area Plans

The other Area Plans to be developed include El Centro, which includes the area surrounding the City of Santa Fe and includes the County's only designated growth area --- the Community College District --- and other potential growth areas. El Norte, includes the Pojoaque Valley, the greater Espanola area, several traditional communities, El Valle de Arroyo Seco and several Native American Pueblos. The fourth area is the Estancia, which includes the Estancia Basin, Edgewood, and the areas to the south of the Galisteo Basin.

3. Code Rewrite Project

a. Initial Presentation, Draft Amendments

After the oil and gas specific plan and ordinance is enacted, the consultant team will turn its attention to comprehensive **amendments to the Land Use Code**. It is expected that the team will present the proposed text amendments to the Board of County Commissioners at the end of **March 2009**. At that meeting, the Board will also authorize the publication of title and general summary of the land development code amendments; this authorization will permit the public hearing process to begin. Around the same time (**March 2009**), it is expected that the Board will receive for consideration a proposed **zoning map of the Galisteo Basin**, to accompany the General Plan Amendment and land development code amendments.

b. Process

The **proposed text amendments** will be presented to the County Development Review Committee/County Planning Commission in **April and May, 2009**. These meetings will feature presentations by the consultant team and County staff, and will provide an opportunity for members of the public to comment on the proposed text amendments and the Galisteo Basin zoning map. The County Development Review Committee/County Planning Commission is expected to formulate a recommendation to the Board of County Commissioners during its **May, 2009** meeting. It is expected that the Board of County Commissioners will receive the text amendments for adoption in **June 2009**.² Subsequently, in **August 2009**, the Board is expected to begin the public hearing process on a **consolidated zoning map**, culminating in adoption of that map in **December 2009**. It is expected that **all four area plans** will have been presented to the Board and adopted no later than **December 2009**, at which point the three projects will have been successfully integrated and concluded.

² There is less confidence in the exact dates of action on more remote work such as the text amendments to the Land Development Code.