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Acting Director Matthew Giacona
Bureau of Ocean Energy Management
1849 C Street, NW
Washington, DC 20240

RE: Docket ID BOEM-2025-0483 — 11th National OCS Oil & Gas Leasing Draft Proposed Program

Dear Mr. Giacona:

The City of Capitola (City) respectfully submits these comments strongly opposing the Proposed 11th National Outer Continental Shelf (OCS) Oil & Gas Leasing Draft Proposed Program (Proposed 11th Program) as it pertains to the State of California and, specifically, the Central Coast of California.

Previous efforts to promote new offshore oil were defeated in the Central California region due to impacts on tourism, agriculture, and commercial and recreational fishing, the acceleration of climate change, and effects on the diverse wildlife and habitats.

As lease sales under the Proposed 11th Program are now scheduled to begin as early as 2027, the current plan places the City and its surrounding protected marine environment at imminent risk. Consequently, the City Council voted unanimously at its January 22, 2026, meeting to formally oppose the proposed offshore oil lease sales scheduled for 2027 and 2029 in the Central California planning area.

Violation of Federal, State, and Local Laws

The Proposed 11th Program conflicts with a range of federal, state, and local laws and regulations designed to protect the Monterey Bay National Marine Sanctuary (MBNMS) and California's coast. Federally, the National Marine Sanctuaries Act and its implementing regulations (15 C.F.R. Part 922) expressly prohibit exploring for, developing, or producing oil, gas, or minerals within the sanctuary boundaries, and any new lease issuance that would authorize such activities inside those boundaries would be inconsistent with these protections. At the state level, the Proposed 11th Program violates the Coastal Zone Management Act, which requires federal consistency with state coastal policies. Locally, in April 1987, the Capitola City Council voted unanimously to prohibit onshore facilities for offshore oil, in part due to the effect that offshore oil and gas development would have on its economic base (Municipal Code Section 17.96.090).

Tourism and the Local Economy

The City of Capitola, with a population of approximately 9,500, is a popular beach tourism destination centered around the Capitola Village with seaside shopping and restaurants, world renowned surfing, and many other outdoor recreational activities. Tourism-related revenues, including transient occupancy tax and parking revenues, represent a significant portion of the City's discretionary revenue and are highly dependent on visitor activity.

Historically the Capitola Municipal Wharf has been a center for recreational fishing and the waters surrounding it have been popular for salmon, crab, and varieties of rockfish, owing in part to the

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nearby offshore Soquel Canyon. This popular outdoor activity supports the visitor-based economy of the City.

Recent events such as ocean storm damage to the Capitola Wharf and Village in 2023 greatly impacted the City, which suffered approximately $2.5 million in storm damage, coupled with losses in business activity and employment. An oil spill would have similar negative effects on the City's economy, with the addition of increased cleanup and repair costs to impacted facilities.

Offshore oil and gas drilling poses significant risks to the economy of a beachside city, where tourism, recreation, and small businesses depend on a clean and healthy coastal environment. For a coastal community whose economic vitality is closely tied to its natural resources and scenic coastline, potential oil spills or industrial accidents from offshore drilling would discourage visitation, be detrimental to the City's local revenue, and compromise public well-being.

Climate Considerations

The Proposed 11th program also conflicts with the State's and City's well-established policies to protect coastal resources and address climate change. The Proposed 11th Program prioritizes fossil fuel extraction incentives and would undermine state and local efforts to reduce greenhouse gas emissions, transition to clean energy, and build climate resilience. At a time when coastal communities are already facing sea level rise, erosion, and other climate-related impacts, further investment in fossil fuel development is inconsistent with both sound public policy and environmental responsibility.

Ecological Impacts

The rich and diverse ecosystems around the City and within the MBNMS support dozens of marine mammals (e.g., sea otters, sea lions, and multiple whale species), seabirds, fish, and invertebrates, along with critical habitats such as kelp forests, rocky reefs, estuaries, and upwelling zones that fuel food webs.

Activities affiliated with offshore drilling (e.g., increased vessel traffic, noise pollution, and significant risks of oil spills) could disrupt natural patterns for feeding, communication, migration, and breeding behaviors of marine protected species. Even small oil spills or leaks could have long-term ecological impacts on sensitive habitats within the MBNMS such as kelp beds and intertidal zones, leading to elevated mortality, reproductive harm, and population declines. These risks pose serious threats to recreational and commercial fisheries and would compromise decades of progress made within the MBNMS to restore and protect keystone species and their critical habitats.

Considering the impacts of the Proposed 11th Program, the City strongly recommends that BOEM:

1. Exclude the State of California and, specifically, the Central Coast, the Monterey Bay National Marine Sanctuary and adjacent waters from the Program to protect sensitive ecosystems and coastal communities.
2. Prioritize renewable energy development and alternatives to fossil fuel extraction that are consistent with state and local regulations.

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3. Enhance coordination with state and local governments and Tribes, ensuring federal actions are fully consistent with local coastal plans and climate action goals.

4. Require completion of site-specific environmental review, including cumulative impact assessments and climate risk modeling, prior to any lease consideration.

The Central Coast of California is a region of exceptional ecological, cultural, and economic value. Its offshore waters support diverse marine life and working coastal economies, while its beaches and coastal access define the character and quality of life for residents and visitors alike. The City of Capitola urges BOEM to recognize the strong opposition of local coastal communities and to remove California's Central Coast waters from consideration under the Proposed 11th Program.

Sincerely,

Margaux Morgan

Mayor, City of Capitola