

The California Oil and Gas Report

Chevron Plans Resort on Site of 1980s Oil Spill

November 11, 2013 -- Chevron Corp. has announced plans to build a resort on the site of what was, almost a quarter century ago, one of California's largest oil spills and cleanups.

The planned project, in the small community of Avila Beach south of San Luis Obispo, would set aside 60% of the property for open space and natural habitat, according to a report in the [Los Angeles Times](#).

Union Oil Co. built an oil tank farm on 95 seaside acres in 1905. During World War II, a greatly expanded operation pumped 2 million gallons of crude a day into tankers.

In 1989, Unocal discovered that the tanks and pipelines had leaked into the soil for several years. The company launched a \$200 million cleanup that removed 300,000 yards of soil. That required demolition of most of the business district of the town, which at the time had just 400 residents.

The company paid for reconstruction of the downtown, and set up a fund to support community development activities, which still makes grants totaling about \$60,000 per year.

Chevron, which acquired Unocal in 2005, said it is "committed to restoring the Avila Point property to be a healthy and safe place for future generations." It plans to conduct environmental assessments during 2014, hold public hearings and seek government approvals in 2015, and select a developer in 2017.