



Planning and Economic Development
Ed Anzek, AICP, Director

From: Ed Anzek, AICP, Director
To: Planning Commission
Date: October 10, 2014
Re: Proposed Oil and Gas, and Pipelines Ordinances

As you are aware, many residents along the western Tienken Road corridor of the city have been approached by an Oil Exploration Company (West Bay) seeking leases to explore for oil in subterranean “structures”. This process began in the summer of 2012. The City was also approached to lease the subsurface rights under 2 parks and the Stony Creek cemetery.

Over the course of the past year the issue of drilling for this oil has been met with controversy. We have been advised by the Oil Exploration Company that they have over 400 signed leases. In contrast, many residents have strongly expressed their dissatisfaction with the entire process and the manner that the city has handled the issue of drilling and oil exploration.

Since the spring the City Council has directed John Staran to draft an ordinance to regulate oils and gas drilling operations. A companion ordinance regarding pipelines has also been drafted. Recently with the introduction of S.B. 1026 (attached) that supports greater local controls over oil and gas operations has the Council elected to move forward with the consideration of the Oil and Gas Ordinance and the accompanying Pipelines Ordinance.

Copies of these ordinances are attached. John Staran will be present Tuesday evening to review these ordinances with the Planning Commission.

Staff has noticed the October 14, 2014 meeting for a Public Hearing regarding these ordinances and has sent a copy of the agenda to every person on record that has spoken at a City Council meeting. Staff has included copies of the Auburn Hills and Rochester draft ordinances and a copy of the Moratorium Resolution.

Please note that the City Council has adopted a 6 month moratorium on Oil and Gas operations. This 6 month timeframe provides more time to the Commission if needed for their analysis and consideration of these ordinances. Also be aware that only the Oil and Gas Ordinance would be an amendment to the Zoning Ordinance and that the Pipelines Ordinance would be added to Chapter 94 of the City’s Codified Ordinances.

Council referred the Ordinances to the Planning Commission to hold a Public Hearing, review the Ordinances and make a recommendation to Council. If the Planning Commission agrees with the drafts as prepared or amended during discussions staff is providing sample motions for consideration:

MOTION by _____, seconded by _____, the Rochester Hills Planning Commission hereby recommends that City Council adopts an Ordinance to add new section 138-4.425 and re-number existing sections 138-4.425 through 138-4.445 of Chapter 138, Zoning, of the Code of Ordinances of the City of Rochester Hills, Oakland County, Michigan to regulate oil and gas wells, repeal conflicting or inconsistent Ordinances and prescribe a penalty for violations.

MEMO

Oil and Gas, and Pipelines Ordinances

October 10, 2014

Page 2

MOTION by _____, seconded by _____, the Rochester Hills Planning Commission hereby recommends that City Council adopts an Ordinance to add new Article VI Pipelines to existing Chapter 94, Streets, Sidewalks, and Certain Other Public Places, of the Code of Ordinances of the City of Rochester Hills, Oakland County, Michigan to regulate the construction and permitting of pipelines in the City, repeal conflicting or inconsistent Ordinances and prescribe a penalty for violations.

Thank you.

i:\pla\planning projects\oil & gas\draft ordinances\memo anzek 10-10-14.doc