

City of Rochester Hills AGENDA SUMMARY NON-FINANCIAL ITEMS

1000 Rochester Hills Dr. Rochester Hills, MI 48309 248.656.4630 www.rochesterhills.org

Legislative File No: 2012-0383 V2

TO: Mayor and City Council Members

FROM: Ed Anzek, Director of Planning and Economic Development, ext. 2572

DATE: November 27, 2012

SUBJECT: Request for Consideration and Approval of an Oil and Gas Lease with Jordan

Management Company, LLC

REOUEST:

Approval of a Lease for Oil and Gas exploration, under lands owned by the City, with Jordan Management Company, LLC of Traverse City. Please refer to Agenda Summary dated October 17, 2012 for further details.

BACKGROUND:

Jordan Management gave a presentation regarding their operations and processes for leasing at the October 22, 2012 City Council meeting. After questions were addressed, Council decided to proceed with the proposed Oil and Gas Lease subject to conditions of approval. After further review of the agreement by the City Attorney and the Mayor, the City Attorney was requested to provide a written legal opinion concerning whether the proposed Lease is permitted under the City Charter Parkland and Open Space Amendment; exhibits were to be clarified and attached to the Lease, including property descriptions and supplemental conditions; and the final form of the Lease was required to be brought back to City Council for final approval at the next available meeting.

Mr. Staran has provided his legal opinion, as attached, and the Lease has been finalized per Council's conditions for your review.

RECOMMENDATION:

Approval of the Oil and Gas Lease with Jordan Management Company, LLC for City-owned property.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Mayor		
City Council Liaison		