

CHARTER TOWNSHIP OF SHELBY

**MORATORIUM RESOLUTION REGARDING
ALL OIL, GAS AND OTHER HYDROCARBON EXPLORATION AND RELATED
EXTRACTION ACTIVITIES IN THE TOWNSHIP**

At a regular meeting of the Township Board of the Township of Shelby held at the Township Hall, on the 19th day of August, 2014, as amended at a regular meeting of the Township Board on ___th day of September, 2014.

WHEREAS, the Township of Shelby (the "Township"), a Charter Township under the laws of Michigan, desires to maintain its long tradition of protecting the natural resources and environment within its borders, and promoting compatible land uses; and

WHEREAS, an increase in oil and gas and other mineral leasing activity has been noted within the Township and surrounding area; and

WHEREAS, Township residents have brought to the attention of the Township Board the residents' position that a current oil site adjacent to a residential district is an incompatible use, leading to risks and concerns regarding adverse impacts resulting from uncontrolled exploration and extraction activities within the Township by those who purchase these mineral rights; and

WHEREAS, the Township has not previously been faced with the prospect of significant oil and gas exploration activity, and the Township Zoning Ordinance and other ordinances may not satisfactorily control and regulate such activities; and

WHEREAS, Michigan Township and Home Rule laws grant the Township broad police power to adopt resolutions and ordinances to protect the public health, safety, general welfare, and property in the Township, which need to be reviewed and analyzed with regard to effective regulation of activities in order to protect against adverse risks and impacts related or associated with oil and gas development within the Township; and

WHEREAS, the Michigan Zoning Enabling Act contains some limitation on the Township's ability to regulate certain operations related to the exploration and extraction of natural resources within the Township, which will require further analysis in order to put effective regulations on these activities to protect the air, water, natural resources, the environment, and the compatibility of land uses within Township borders; and

WHEREAS, Michigan statutes and law impose a substantive duty on the Township to take reasonable action to prevent or minimize likely degradation of the air, water, and natural resources or the public trust in those resources; and

WHEREAS, certain aspects of oil and gas operations remain subject to Township regulation; and

WHEREAS, now in light of recent exploratory drilling activity in the Township, the Township now recognizes that applicable State of Michigan statutes and regulations are not sufficient to

protect, among other things the health, safety and wellbeing of Township residents, so certain aspects and activities associated with oil and gas development remain or must be subject to Township regulation; and,

WHEREAS, in order to allow the Township an opportunity to investigate and develop appropriate regulations upon those aspects of oil and gas operations which the Township is authorized to regulate, it is in the public interest to adopt a moratorium upon the issuance of permits by the Township for oil and gas activities.

WHEREAS, the moratorium adopted on August 19, 2014, is affirmed in full, and the amendment adopted September __, 2014, does not alter or amend the terms of the moratorium, but clarifies the scope of “drilling operation” activities included in the moratorium on drilling operations, as provided in Paragraph 1 below.

NOW THEREFORE, BE IT HEREBY RESOLVED:

1. BE IT RESOLVED that effective upon adoption of this Resolution and for a period of six (6) months, through _____, except that in a Township zoned industrial district (I-R, L-M, H-M) a moratorium is hereby established on the consideration, review or action by all Township entities, officials, employees and/or agents on applications, proposals, requests, permits, approvals, zoning compliance or certificates regarding of any oil and/or natural gas drilling operations in the Township that might be proposed or presented to the Township, and that during the moratorium period, no drilling operation, including completion, production and other related or ancillary activities and operations, shall be allowed in the Township.
2. This moratorium is not intended to infringe upon the jurisdiction to the extent it has been reserved and sufficiently implemented by state or federal agencies that have concurrent jurisdiction over such subjects.
3. The Township shall proceed promptly in due course to investigate and consider appropriate regulations upon oil and gas activities within the Township.
4. An aggrieved property owner or business petitioner may request and be entitled to a hearing before the Township Board for the purpose of attempting to demonstrate that the moratorium will preclude all viable economic use of their property or otherwise violate applicable provisions of state or federal law. Said petitioner shall, in writing and directed to the Township Clerk, request a hearing that describes the grounds for the request. The hearing shall be held at a regular Township Board meeting within thirty (30) days of receipt of the request. Upon concluding a hearing, the Township Board shall determine whether the petitioner has made the required demonstration and if so, shall grant relief from the moratorium.
5. This moratorium does not apply to mining or extraction operations, as defined in Section 13.32 of the Township of Shelby Zoning Ordinance. This moratorium also does not

apply to the mining and extraction licensing and operation regulations being controlled by the Charter Township of Shelby Code of Ordinances.

Motion by _____, seconded by _____, that the above Resolution be adopted.

YEAS:

NAYS:

ABSENT:

RESOLUTION DECLARED ADOPTED.

STANLEY GROT, Township Clerk

I hereby certify that the foregoing is a true and complete copy of a Resolution adopted by the Township Board at a regular meeting thereof held on the date first stated above, and I further certify that public notice of such meeting was given as provided by law.

STANLEY GROT, Township Clerk