



Board Agenda Item 12

DATE: January 10, 2017

TO: Board of Supervisors

SUBMITTED BY: Steven E. White, Director
Department of Public Works and Planning

SUBJECT: Commercial Solar Project Processing

RECOMMENDED ACTION(S):

Receive information from Department staff regarding commercial solar projects and processing within the unincorporated areas of Fresno County and provide direction as determined necessary.

This item comes before the Board based upon request from Board members to discuss solar projects and processing in Fresno County.

ALTERNATIVE ACTION(S):

None. This is an information item only.

FISCAL IMPACT:

Preparation of this Agenda Item and associated activities represents a Net County Cost that is budgeted as part of the Department's non-permit fee related activities in the Public Works and Planning Org 4360 FY 2016-17 Adopted Budget.

DISCUSSION:

Fresno County has been processing large scale commercial solar facilities since 2010. Procedurally, commercial solar projects are evaluated through an Unclassified Conditional Use Permit (CUP) Application. Briefly, the CUP process is a discretionary permit process which is subject to the California Environmental Quality Act (CEQA) and requires a publicly noticed hearing before the Planning Commission for action. Staff makes a recommendation to the Planning Commission based upon analysis of the specific project proposal, the CEQA analysis and the four Findings as specified in the Zoning Ordinance related to site adequacy, road adequacy, impact on neighboring parcels and General Plan consistency. The Planning Commission action is final unless appealed to the Board of Supervisors. As a point of information, if a prospect site is enrolled under Williamson Act contract, a cancellation of the contract is required and is processed concurrently with the CUP and is included in the CEQA document. Upon recommendation from the Fresno County Agricultural Land Conservation Commission, the Board takes action on the cancellation.

To date, 71 solar projects have been submitted for processing. Of this number, five applications proposed modifications to previously approved projects, several have been approved, some proposals have been denied, others withdrawn, some have been placed on hold by the applicants, and others are pending action. There are currently three solar projects in process and are pending land use action. Thirty seven of these solar projects have been approved (five of which are approved modifications) and have been constructed or are pending construction. The total amount of acres approved for development of commercial solar facilities is 8,425 acres

with the potential to generate approximately 1,065 MW. It should be noted that some of these projects that have not yet been constructed may not be developed due to various reasons that are outside the County's control or unknown to the County. The list of approved solar projects is attached as Exhibit 1 and a map depicting the location of the approved solar facilities is attached as Exhibit 2.

In early 2011, Department staff initiated development of the County Solar Guidelines based on concerns noted by the County's Agricultural Land Conservation Committee (ALCC) during their December, 2010, consideration of a cancellation of a Williamson Act Contract in conjunction with the first large-scale solar facility in the County. The intent in developing the Solar Guidelines was, and still is, to obtain information from applicants that provide sufficient facts about the site for staff to make a recommendation while still allowing timely processing of the application. Upon development of the Guidelines, on March 2, 2011, staff brought the matter to the ALCC which conducted a public meeting that included members of the solar industry, and recommended approval of the Guidelines. Staff then brought the proposed Guidelines before the Board on May 3, 2011. At that hearing, the Board directed/authorized staff to formally implement the Guidelines as a requirement and that the information be included as part of the application submittal packet for solar facilities, regardless of Williamson Act enrollment.

The Guidelines have been amended since their adoption pursuant to Board direction. In August and October, 2011, upon consideration of solar projects and associated Williamson Act cancellation items, the Board directed staff to conduct a solar workshop to include representatives from the solar industry, Pacific Gas and Electric (PG&E), and other interested parties to develop recommendations and return to the Board. On November 17, 2011, staff conducted a large public Solar Facility Workshop as well as smaller coordination meetings with agencies to receive additional information and input as to any additional provisions the County should include in its processes. On March 13, 2012, staff returned to the Board and presented 23 different recommendations received at the workshop. Upon consideration, the Board approved two revisions to the Guidelines related to adding the requirement for crop yield information to item No. 1 of the Guidelines and adding item No. 10 to explicitly state that the life of the approved land use permit will expire upon expiration of the initial life of the solar lease, and if the solar lease is to be extended, approval of a new land use permit will need to be obtained.

The Guidelines were again brought before the Board for review on May 21, 2013, pursuant to Board request. The only revision that was recommended and approved was in relation to the term used to describe farmlands in the introductory paragraph of the Guidelines.

As indicated, an applicant's adherence to the Guidelines does not presume approval of the requisite Conditional Use Permit. The Guidelines are an information gathering tool to augment the standard operations statement and allow for more thorough analysis of the solar project proposal. The Guidelines also include a requirement for a reclamation plan with financial assurances (security) to ensure timely and effective removal of the solar facility and return the site to its former condition. To this end, the Guidelines have generally performed well advising applicants very early in the process as to what the County requires which in turn results in staff receiving the additional information for analysis and the project conditions of approval. The current Guidelines are attached as Exhibit 3.

Staff notes that a reoccurring concern associated with the development of large scale solar projects is the loss of potential property tax revenue. Large scale solar projects have been granted favorable property tax treatment which prevents the County from benefiting through increased ad valorem property tax revenues based on the increased value of the project site from installation of the solar equipment. Some counties, including Riverside County, have adopted policies and guidelines that required development agreements be executed between the County and solar developer whereby the solar developer agrees to pay an annual per acre fee to mitigate impacts of their solar project. This requirement currently does not apply in Fresno County. Currently, solar applicants are only required to pay application filing fees and post financial assurances as part of the reclamation plan process in order to ensure timely and effective removal of the solar facility and return the site to its former condition. If the Board is concerned with this issue, staff recommends that direction be provided for staff to develop options for consideration by the Board at a future Board hearing.

REFERENCE MATERIAL:

BAI #24, May 3, 2011
BAI #8, March 12, 2013
BAI #7, May 21, 2013

ATTACHMENTS INCLUDED AND/OR ON FILE:

Exhibits 1 - 3

CAO ANALYST:

John Hays