



CITY OF PALO ALTO OFFICE OF THE CITY CLERK

October 19, 2015

**The Honorable City Council
Palo Alto, California**

SECOND READING: Adoption of an Ordinance Adding Section 16.63 to the Municipal Code Relating to Expedited Permitting Procedures for Small Residential Rooftop Solar Systems (FIRST READING: September 28, 2015 PASSED: 9-0)

This is the second reading of this Ordinance, no changes were made during the first reading.

ATTACHMENTS:

- Attachment A: Solar Ordinance (PDF)

Department Head: Beth Minor, City Clerk

Ordinance No. _____

An Ordinance of the City of Palo Alto Adding Section 16.63 to the
Municipal Code Relating to Expedited Permitting Procedures for
Small Residential Rooftop Solar Systems

RECITALS

1. Subsection (a) of Section 65850.5 of the California Government Code provides that it is the policy of the State to promote and encourage the installation and use of solar energy systems by limiting obstacles to their use and by minimizing the permitting costs of such systems.
2. Subdivision (g)(1) of Section 65850.5 of the California Government Code provides that, on or before September 30, 2015, every city, county, or city and county shall adopt an ordinance, consistent with the goals and intent of subdivision (a) of Section 65850.5, that creates an expedited, streamlined permitting process for small residential rooftop solar energy systems.
3. Section 65850.5 of the California Government Code provides that in developing an expedited permitting process, the City shall adopt an eligibility checklist of all requirements and a standard plan with which small rooftop solar energy systems shall comply to be eligible for expedited review.
4. The City of Palo Alto wishes to advance the use of solar energy by all of its citizens, businesses, and industries.
5. The City of Palo Alto seeks to meet the climate action goals set by the City of Palo Alto and the State.
6. Solar energy creates local jobs and economic opportunity.
7. The City of Palo Alto recognizes that rooftop solar energy provides reliable energy and pricing for its residents and businesses.
8. It is in the interest of the health, welfare, and safety of the people of the City of Palo Alto to provide an expedited permitting process to assure the effective deployment of solar technology.

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The Council of the City of Palo Alto does ORDAIN as follows:

SECTION 1. Chapter 16.63 of the Palo Alto Municipal Code is hereby created to read as follows:

16.63.010 Purpose.

The purpose of the Ordinance is to adopt an expedited, streamlined solar permitting process that complies with the Solar Rights Act and AB 2188 (Chapter 521, Statutes 2014) to achieve timely and cost-effective installations of small residential rooftop solar energy systems. The Ordinance encourages the use of solar systems by removing unreasonable barriers, minimizing costs to property owners and the City of Palo Alto, and expanding the ability of property owners to install solar energy systems. The Ordinance allows the City of Palo Alto to achieve these goals while protecting the public health and safety.

16.63.020 Application.

This chapter shall apply to small residential rooftop solar energy systems including, but not limited to, all additions, alterations, modifications, repairs, and improvements that require a building permit.

Small residential rooftop solar energy systems legally established or permitted prior to the effective date of this Ordinance are not subject to the requirements of this Ordinance unless physical modifications or alterations are undertaken that materially change the size, type, or components of a small rooftop energy system in such a way as to require new permitting.

16.63.030 Definitions

The words and phrases in this ordinance are defined as provided in California Civil Code section 714 and Government Code section 65850.5, except that the following words and phrases as used in this section are defined as follows:

(a) **“Association”** means a nonprofit corporation or unincorporated association created for the purpose of managing a common interest development.

(b) **“Common Interest Development”** means any of the following:

1. A community apartment project.
2. A condominium project.
3. A planned development.
4. A stock cooperative.

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(c) **“Electronic submittal”** means the utilization of one or more of the following:

1. E-mail,
2. The Internet,
3. Facsimile.

(d) **“Small residential rooftop solar energy system”** means all of the following:

1. A solar energy system that is no larger than 10 kilowatts alternating current nameplate rating or 30 kilowatt-thermal.
2. A solar energy system that conforms to all applicable state fire, structural, electrical, and other building codes as adopted or amended by the City and paragraph (iii) of subdivision (c) of Section 714 of the Civil Code, as such section or subdivision may be amended, renumbered, or redesignated from time to time.
3. A solar energy system that is installed on a single or duplex family dwelling.
4. A solar panel or module array that does not exceed the maximum legal building height as defined by the authority having jurisdiction.

(e) **“Solar energy system”** has the same meaning set forth in paragraphs (1) and (2) of subdivision (a) of Section 801.5 of the Civil Code, as such section or subdivision may be amended, renumbered, or redesignated from time to time.

(f) **“Specific, Adverse Impact”** means a significant, quantifiable, direct, and unavoidable impact, based on objective, identified, and written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete.

(g) **“Reasonable Restrictions”** on a solar energy system are those restrictions that do not significantly increase the cost of the system or significantly decrease its efficiency or specified performance, or that allow for an alternative system of comparable cost, efficiency, and energy conservation benefits. As provided in Civil Code section 714, subdivision (d)(1), reasonable restrictions may include, but are not limited to:

1. For Water Heater Systems or Solar Swimming Pool Heating Systems: an amount exceeding 10 percent of the cost of the system, but in no case more than one thousand dollars (\$1,000), or decreasing the efficiency of the solar energy system by an amount exceeding 10 percent, as originally specified and proposed.
2. For Photovoltaic Systems: an amount not to exceed one thousand dollars (\$1,000) over the system cost as originally specified and proposed, or a decrease in system efficiency of an amount exceeding 10 percent as originally specified and proposed.

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16.63.040 Solar Energy System Requirements.

All solar energy systems shall meet applicable health and safety standards and requirements imposed by the State of California and the City of Palo Alto Development Services, City of Palo Alto Fire Department and City of Palo Alto Utilities Department.

Solar energy systems for heating water in single-family residences and for heating water in commercial or swimming pool applications shall be certified by an accredited listing agency as defined by the California Plumbing and Mechanical Code.

Solar energy systems for producing electricity shall meet all applicable safety and performance standards established by the California Electrical Code, the Institute of Electrical and Electronics Engineers, and accredited testing laboratories such as Underwriters Laboratories and, where applicable, rules of the Public Utilities Commission regarding safety and reliability.

Prior to submitting an application, the applicant shall:

1. Verify to the applicant's reasonable satisfaction through the use of standard engineering evaluation techniques that the support structure for the small residential rooftop solar energy system is stable and adequate to transfer all wind, seismic, and dead and live loads associated with the system to the building foundation; and
2. At the applicant's cost, verify to the applicant's reasonable satisfaction using standard electrical inspection techniques that the existing electrical system including existing line, load, ground and bonding wiring as well as main panel and subpanel sizes are adequately sized, based on the existing electrical system's current use, to carry all new photovoltaic electrical loads.

16.63.050 Duties of Development Services and Building Official.

The building official shall develop and adopt an eligibility checklist and standard plan. All documents required for the submission of an expedited solar energy system application shall be made available on the publicly accessible City of Palo Alto Website.

The small residential rooftop solar system permit process, standard plan(s), and checklist(s) shall substantially conform to recommendations for expedited permitting, including the checklist and standard plans contained in the most current version of the California Solar Permitting Guidebook adopted by the Governor's Office of Planning and Research.

The applicant may submit the permit application and associated documentation to the City's Development Services by personal, mailed, or electronic submittal together with any required permit processing and inspection fees.

In the case of electronic submittal, the electronic signature of the applicant on all forms, applications and other documentation may be used in lieu of a wet signature.

16.63.060 Plan Review and Inspection Requirements.

An application that satisfies the information requirements in the eligibility checklist and standard plan, as determined by the building official, shall be deemed complete. Upon receipt of an incomplete application, the building official shall issue a written correction notice detailing all deficiencies in the application and any additional information required to be eligible for expedited permit issuance.

The building official may require an applicant to apply for a use permit if the official makes written findings, based on substantial evidence, that the solar energy system could have a specific, adverse impact upon the public health and safety. The building official's findings may be appealed to the Planning and Transportation Commission under section 18.78.030 of this Code.

Any condition imposed on an application shall be designed to mitigate the specific, adverse impact upon health and safety at the lowest possible cost.

"A feasible method to satisfactorily mitigate or avoid the specific, adverse impact" includes, but is not limited to, any cost-effective method, condition, or mitigation imposed by the City on another similarly situated application in a prior successful application for a permit. The City shall use its best efforts to ensure that the selected method, condition, or mitigation meets the conditions of subparagraphs (A) and (B) of paragraph (1) of subdivision (d) of Section 714 of the California Civil Code defining restrictions that do not significantly increase the cost of the system or decrease its efficiency or specified performance.

The City shall not condition the approval of an application on the approval of an association, as defined in Section 4080 of the California Civil Code.

Issuance of the permit does not authorize an applicant to connect the small residential rooftop energy system to City of Palo Alto Utilities' electricity grid. The applicant is responsible for obtaining such approval or permission from City of Palo Alto Utilities before requesting a building inspection.

For a small residential rooftop solar energy system eligible for expedited review, only one consolidated inspection shall be required, which shall be done in a timely manner. This inspection shall encompass all applicable local, state, and federal health and safety regulations including fire department regulations. If a small residential rooftop solar energy system fails inspection, a subsequent inspection is authorized; however the subsequent inspection need not conform to the requirements of this section.

SECTION 2. If any section, subsection, clause or phrase of this Ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portion or sections of the Ordinance. The Council hereby declares that it should have adopted the Ordinance and each section, subsection, sentence, clause or phrase thereof irrespective of the

fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid.

SECTION 3. The Council finds that this project is exempt from the provisions of the California Environmental Quality Act ("CEQA"), pursuant to Section 15061 of the CEQA Guidelines, because it can be seen with certainty that there is no possibility that the amendments herein adopted will have a significant negative effect on the environment.

SECTION 4. This ordinance shall be effective on the thirty-first day after the date of its adoption.

SECTION 5. This ordinance shall be published in accordance with the provisions of Government Code Section 36933.

INTRODUCED:

PASSED:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

ATTEST:

City Clerk

Mayor

APPROVED AS TO FORM:

APPROVED:

Deputy City Attorney

City Manager

Director of Development Services

Director of Administrative Services