



Staff Report

TO: Human Resource Committee
Isabella County Board of Commissioners

FROM: Timothy A Nieporte, Community Development Director

DATE: May 11, 2021

RE: Fee structure for Solar Farm Projects

BACKGROUND

The Isabella County Zoning Ordinance regulates for Solar Farms however, an application fee has not been established for review and permitting.

A Solar Farm is defined in Article 2 of the Zoning Ordinance as follows:

SOLAR FARM: A utility-scaled commercial facility that converts sunlight into electricity, whether by photovoltaics, concentrating solar thermal devices or any other various experimental solar technologies for the primary purpose of wholesale or retail sales of generated electricity off-site. Solar farms do not include small scale solar panels or technologies installed at individual residential or commercial locations that are used exclusively for private purposes and not utilized for any commercial resale of any energy, except for the sale of surplus electrical energy back to the electrical grid.

The Solar Farm fee structure is being proposed after discussion with William Fahey of Fahey, Schultz, Burzych and Rhodes Law Firm. As you may recall Mr. Fahey has been representing Isabella County on the Wind Energy project in the center part of the County. The application fee is very similar to the fee structure established for Utility Wind Energy applications including escrow. The proposed fee structure is as follows:

APPLICATION FEES FOR SOLAR FARMS

- A. **Application Fee for special use permit and site plan review for a Solar Farm:** \$5,000 for the first 160 acres of project area plus \$500 per additional fractional 40 acres. The application fee shall be non-refundable.
- B. **Escrow fee for special use permit and site plan review for a Solar Farm:** In addition to the application fee, the applicant shall be required to pay an escrow fee established by Resolution of the County Board of Commissioners for each application, in an amount estimated to cover all costs and expenses associated with the special use permit review and approval and the site plan review process, which costs may include, but are not limited to, attorney fees, third party administration fees and engineering fees, as well as costs for any reports or studies that the County may require that are reasonably related to

the zoning review process for a particular application. At any point during the zoning review process, the County may require that the applicant place additional monies into escrow with the County if the existing escrow amount filed by the applicant is insufficient to cover the costs and expenses incurred by the County. If the escrow account needs replenishing and the applicant refuses to do so promptly, all zoning review and approval processes shall cease until and unless the applicant makes the required escrow deposit. Any unused portion of the escrow fee shall be returned to the applicant within 60 days of final completion of the project.

- C. ***Escrow fee for ordinance violation review and compliance for a Solar Farm:*** In addition to the application fee and the site plan review escrow fee required in Subsection B, the applicant shall also be required to pay an escrow fee established by Resolution of the County Board of Commissioners for each application in an amount estimated to cover all costs and expenses associated with monitoring and enforcing compliance with the ordinance for the life of the project, which costs may include, but are not limited to, court costs, attorney fees, and the costs for any necessary reports or studies that are reasonably incurred for a particular project. If the County is required to expend any portion of the escrow deposit, or if the existing escrow amount paid by the applicant proves to be insufficient to cover the County's enforcement costs, the County may require that the Solar Farm owner place additional monies into escrow with the County. Any unused portion of this escrow fee shall be returned to the applicant upon final decommissioning of the project.

ALTERNATIVES

1. Concur with the recommendation to approve the Application and Escrow Fees for special use permit and site plan review for Solar Farms.
2. Establish a fee for the Application and Escrow Fees for special use permit and site plan review for Solar Farms.

FINANCIAL IMPACT

The recommended fee will cover costs associated with a land use application for a proposed Solar Farm and have no negative financial impact.

OTHER CONSIDERATIONS

None.

RECOMMENDATIONS

1. Move to adopt the recommended application and escrow fees for special use permit and site plan review of a Solar Farm.

ATTACHMENTS

Appendix A – Application Fees for Solar Farms

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