

City Sets the Record Straight on Solar Fees

The City has received a number of inquiries as a result of news articles that list the City of Sierra Madre as having among the highest fees for solar projects in the County of Los Angeles; City staff and officials would like to clarify a number of items and provide answers to common questions that have been received.

The figures in the local news articles come from data produced in the "Executive Summary of Commercial & Residential PV Permit Fee Report, Los Angeles County by Sierra Club, Angeles and Loma Prieta Chapters, 4/27/2011, updated 6/18/2011." The data includes fees for residential and commercial solar projects for 89 cities in the County of Los Angeles. It is based on a survey to each of these cities that was conducted by the Sierra Club.

Residential Solar Project Fees:

More than two years ago, the City of Sierra Madre reduced residential solar permit fees to a flat fee (not valuation-based) of \$515.00, as reflected in the Sierra Club survey. The previous fees were valuation-based and ranged from approximately \$700.00 to \$1,200.00. On June 14, 2011, the City Council adopted the Fiscal Year 2011/2013 Biennial Budget that further reduced the fee to \$473.00 beginning July 1, 2011. Due to the fact that we have a very small commercial district and have never received an inquiry, nor received any applications for commercial solar permits, we did not create a commercial solar permit fee.

Commercial Solar Project Fees:

In order to complete the survey, a "sample commercial project" was provided to us by the Sierra Club to calculate the cost for a commercial solar project using the appropriate permits (building, electrical, etc.) that the City would use in the event that such an application would be made.

The "sample commercial project" that was provided was for a \$1.2 million solar project, with the installation of 648 panels and producing 131KW annually. The approximate size of the commercial roof was 12,500 square feet. The calculation of this hypothetical commercial solar fee was based on current valuation-based permits that would apply to general construction projects, and the result placed Sierra Madre in the top three most expensive commercial solar fees in the County.

The City would like to point out that the "sample commercial project" we were asked to use for the calculations is not representative of a project that could exist in our commercial district. The largest roofs in the district are less than 50% of the square footage of the "sample commercial project".

The City would like to encourage any Sierra Madre businesses that are contemplating a solar project for their commercial property to contact the Development Services Department. Staff will be happy to provide an accurate and site-specific commercial solar project fee for consideration.

In the meantime, staff is also compiling information for the development of a flat commercial solar permit fee in anticipation of its potential future incorporation to our Development Services' fee schedule.

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