



Agenda Item #: _____



Staff Report

City of Manhattan Beach

TO: Honorable Mayor Montgomery and Members of the City Council

THROUGH: Geoff Dolan, City Manager

FROM: Richard Thompson, Director of Community Development Department
Carol Jacobson, Building Official *g*

DATE: February 17, 2009

SUBJECT: Consideration of Extending Plan Check and Permit Fees Waiver for Photovoltaic Solar Panel Installation

RECOMMENDATION:

Staff recommends that the City Council extend the plan check and permit fees waiver for photovoltaic solar panel installation on residential and commercial buildings indefinitely.

FISCAL IMPLICATION:

During 2008, we issued 35 solar permits – 34 of these were free (See attached Solar Panel Permit map). The first one was issued prior to the waiver effective date in March. The total fees for these permits was approximately \$22,000. In 2007, we issued 13 permits. The fee charged varies based on the project value and averaged \$648 per project. The amount of revenues lost depends on the number of projects completed each year. However, we believe that this incentive to install solar panels will be a benefit and that the environmental benefit to the community will outweigh the cost of the lost revenue.

BACKGROUND:

Last March, City Council approved the initial waiver of fees. The recommendation included a one year review period, after which the waiver could be extended indefinitely. Staff has worked closely with the construction community to develop a plan check submittal guideline for solar photovoltaic panels. The guideline has been revised as a result of the community's feedback. If the plans are submitted per the guidelines, staff can provide very fast review and – sometimes - even same day approval. In 2007, before the waiver was in place, we issued 13 permits for photovoltaic solar panel installations. In 2008, following the waiver, we issued 34 such permits. Based on the significant increase in the number of solar permits issued in 2008, the fee waiver appears to be an effective incentive to promote sustainable or “green” building.

DISCUSSION:

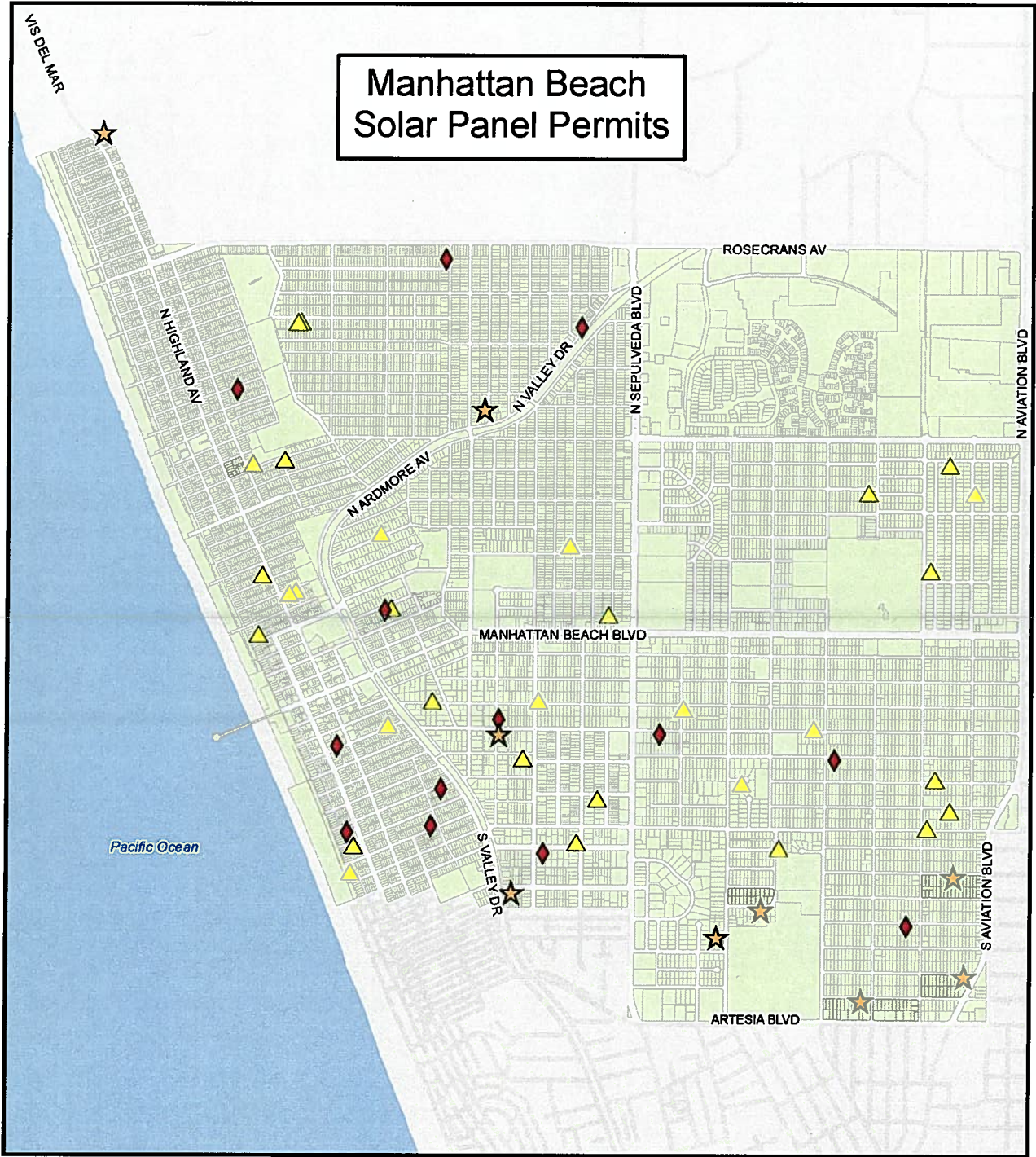
Last year, a company that installs photovoltaic panels approached the City staff to describe their

program. The panels convert sunlight into electricity that is available to the home or premises served. Any unused generated power is sent back to the grid for credit with the utility company. This company and many others have taken advantage of our fee waivers to promote solar panel installation projects in Manhattan Beach. Based on the significant increase in the number of solar permits issued last year, the fee waiver appears to be an effective incentive to promote sustainable or “green” building. However, due to the economy, the number of solar panel installations is expected to decrease in the near future.

In conclusion, staff recommends that the City Council waive the plan check and permit fees for photovoltaic solar panels installation on residential and commercial building indefinitely as there have been no significant issues.

Attachments: Solar Panel Permit Map

cc: Sona Kalapura, Environmental Programs Manager
Lindy Coe-Juell, Assistant to the City Manager
Scott Ferguson, Fire Chief
Jeff Sanders, Fire Marshal






Legend

Solar Permits

- ☆ 2006: 9 Permits
- ◆ 2007: 13 Permits
- ▲ 2008: 35 Permits

■ Parcels



**City of Manhattan Beach
Community Development**