

# **REPORT TO THE CITY COUNCIL**

## ***City of Salinas, California***

**DATE:** September 20, 2016

**FROM:** Megan Hunter, Director of CDD

**SUBJECT:** Northern and Central California Sunshot Alliance Teaming Agreement

### **RECOMMENDATION:**

It is recommended that the City Council approve a resolution authorizing the City Manager to enter into a Teaming Agreement and First Amendment with Sunshot Alliance Team Members and Pacific Gas and Electric Company (PG&E) to participate in the Department of Energy Sunshot Prize: Race to 7-Day Solar.

### **DISCUSSION:**

PG&E approached the City of Salinas approximately one year ago about the Sunshot Initiative, a U.S. Department of Energy sponsored competition, challenging teams comprised of local governments, solar companies, electric utilities, and technology firms to reduce delays in the permit-to-plug-in process for rooftop solar systems. During that time, the Community Development Department (CDD) was in the process of a leadership transition and initial discussions stalled. PG&E re-initiated discussion with the Departments of Public Works and Community Development this summer and after investigating the capacity of the Permit Center to participate, we decided that the City was in a position to move forward.

Under the Teaming Agreement, the City of Salinas would become a member of the Northern and Central California SunShot Alliance (NCCSA). Over twenty jurisdictions have joined the alliance including Berkley, Stockton, Livermore, Alameda County, and the City and County of San Francisco. Members of the NCCSA are expected to work diligently to revolutionize the “Going Solar” experience to create a nation-leading streamlined permitting process between the utility, jurisdiction, and solar company that improves customer and solar installer satisfaction, significantly reduce jurisdiction administrative costs for processing permits, and support jurisdiction renewable energy goals.

By participating in the Sunshot Initiative, Salinas will gain access to innovative ideas, tools, and sharing best practices with other jurisdictions. As a team member, Salinas will be eligible for a share of any prize money received, to be split entirely among participating jurisdictions. Streamlined inspection and permitting processes will also help Salinas reach our sustainable energy and AB2188 compliance requirements while reducing the time spent by city staff. More importantly, this will help us improve Permit Center operations and enhance customer satisfaction.

The Department of Energy will award first and second place prizes of \$3 million and \$1 million at the end of the competition in March 2017 based on the total installed MW of solar capacity installed within a 7-day timeframe. A discount factor will be applied to projects beyond 7 days so that

improvements to the process are partially credited. All prize money received by the NCCSA will be distributed amongst the participating local governments. If the City receives prize money, it is recommended that funds are re-invested in Permit Center operations to continue to streamline permitting, especially related to sustainability projects.

#### **ISSUE:**

Shall the City Council approve a resolution authorizing the City Manager to enter into a Teaming Agreement and First Amendment with Sunshot Alliance Team Members and Pacific Gas and Electric Company (PG&E) to participate in the Department of Energy Sunshot Prize: Race to 7-Day Solar?

#### **FISCAL IMPACT:**

There are no costs associated with participation on the team. The Alliance will offer technical tools including software support to assist the City in streamlining the solar permitting process at no cost to the City. The only potential impact would be additional staff time required to implement improvements to the solar permitting process. However, this is something the Community Development Department is committed to anyway in order to improve Permit Center Operation per the City Council Strategic Plan.

#### **TIME CONSIDERATIONS:**

Once the Teaming Agreement is signed the City would begin work with the Alliance to implement systemic changes to the permitting process to expedite solar permitting. While implementation can begin immediately, it will take 3-6 months to achieve the targeted benchmarks. A limiting factor is the current Senior Plan Check Engineer vacancy. If filled quickly, the timeline to reach Alliance benchmarks can be significantly accelerated. If the City wants to pursue this opportunity, the Teaming Agreement must be signed by October 14, 2016.

#### **ALTERNATIVES/IMPLICATIONS:**

As an alternative to approving this Agreement, the City Council could opt not to participate. If we did not participate, the City would not receive the technical assistance to streamline solar permitting or the positive publicity or prize money if the Alliance wins the competition.

#### **CITY COUNCIL GOALS:**

This Agreement will help the City achieve the Economic Diversity and Prosperity Goal and further the specific objective of enhancing the Permit Center by helping streamline solar permitting.

#### **CONCLUSIONS:**

Through the Sunshot Alliance, the City of Salinas can help our citizens by streamlining the solar permitting process. The City will have an opportunity to partner with Northern and Central California SunShot Alliance Members that have an excellent track record in efficient solar installation. The City will be able to develop tools to reduce administrative costs, expedite and streamline the permitting process, create a checklist and standardized plans, increase customer and installer satisfaction, allow for electronic submittal of permit documents, establish a single inspection process performed in a timely manner, and receive local, state, and national recognition for solar innovation. Moreover, the

City will advance its objective under Economic Diversity and Prosperity of enhancing Permit Center Operations and customer satisfaction.

Resolution  
Teaming Agreement  
Appendix A, First Amendment to Teaming Agreement