

Agenda Item Summary

MEETING DATE: September 30, 2024

SUBJECT: Public Hearing: Proposed Code Amendments Related to Renewable Energy

Facilities Continued from July 29, 2024

PRESENTED BY: Jason Bradford, AICP, Community Development Director

SUMMARY

• Ordinance No. 1064 - An Ordinance of the Town of Mead, Colorado Approving Certain Amendments to the *Mead Municipal Code* Establishing Development Standards for Renewable Energy Facilities

In response to direction from the Town of Mead Board of Trustees ("Board"), Town staff has prepared amendments to the Land Use Code, attached to this Agenda Item Summary as exhibits to Ordinance No. 1064 ("Amendments"), to establish development standards and regulations for renewable energy production facilities, such as solar and wind energy (referred to generally as "REFs" or "facilities").

OVERVIEW

Staff presented the Amendments to the Board on August 12, 2024. The Board continued the August 12th Public Hearing to September 30, 2024, to provide staff time to revise the proposed Amendments based upon input from the Board at the August 12th hearing. Specifically, the Board asked staff to address the following:

- Ensure that the Amendments include a clear requirement for the removal of all defunct equipment within a reasonable timeframe;
- Clarify the type of wind turbine that is allowed as an accessory structure in residential areas; and clarify the rationale for the proposed 30-foot height allowance for wind turbines in residential areas;
- Remove the allowance for REF sites in the Light Industrial Zone District;
- Provide a limit on the quantity of REF sites in Mead;
- Separate and enhance the Amendments that describes the REF site owner/operator's financial obligations to maintain and update the financial surety for the decommissioning of the REF site, similar to the structure of the Weld County renewable energy regulations;
- Clarify the obligation of the owner/operator of REF sites to update the estimated costs to
 decommission REF sites; and clarify how those estimated costs will be reviewed and confirmed;
 and ensure that the owner/operator of REF sites pay for the cost to review and confirm those
 estimated costs; and clarify what mechanisms the Town has to ensure that decommissioning of
 REF sites occurs as intended and within a reasonable timeframe.

As set forth above, staff has revised/supplemented the Amendments to address the topics, questions, concerns, and requested revisions that the Board of Trustees provided at the August 12, 2024, public hearing, as follows and as shown in the redline markup of the Amendments attached as Attachment 3 to this Agenda Item Summary:

• Timeframe to Remove Nonfunctioning Equipment

Section 16-15-70(a)(1) provides clarification of the requirement for the owner/operator of a REF site to remove any piece of equipment that is no longer functioning as intended within 3 months of its failure, per the Board's direction. This timeframe is consistent with the timeframe for removal of defunct equipment provided in the Sugar Beet PUD Development Agreement.

• Wind Turbines as Accessory Use- Type and Height Restrictions

Staff revised the Amendments to limit wind turbines as accessory structures to vertical-axis turbines. A vertical-axis wind turbine is a type of wind turbine where the main rotor shaft is set transverse to the wind while the main components are located at the base of the turbine. This arrangement allows the generator and gearbox to be located close to the ground, facilitating service and repair. (Wikipedia.org). The turbine includes the rotor shaft and two or three blades where the rotor shaft moves vertically. (elprocus.com). (See Attachment 1, attached hereto. Wikipedia.org). The 30-foot height allowance matches or is less than the 30 to 35 foot height allowance for structures (including accessory structures such as sheds, garages, and flagpoles) in the Town's residential zone districts RSF-E, RSF-1, RSF-4, and RSF-8.

• Limiting REF Use to AG Zone District

In accordance with the Board of Trustee's direction and concern about the loss of viable industrial site in town, staff has removed the allowance of REF uses in the Light Industrial zone district. The revised Amendments now only allow REFs in the Agricultural zone district. The removal of REF uses from LI zoned properties will also have the effect of significantly restricting and limiting the quantity of available sites for use as an REF, per direction from the Board. Within the Town of Mead, there are only ten (10) properties that are currently zoned A (Agriculture). Of those, seven (7) are already currently developed. Of the undeveloped sites, one (1) property is largely encumbered by a floodplain, making the installation of an REF highly unlikely. That leaves only two (2) properties that could theoretically develop as an REF site. (See Attachment 2, attached hereto.)

• Financial Security for Decommissioning Costs and Decommissioning Requirements

Section 16-15-50, previously a part of the new Section 16-15-60, describes the REF site owner/operator's financial obligations to maintain and update the financial surety for the decommissioning of the REF site, similar to the structure of the Weld County renewable energy regulations. These provisions have been clarified to provide that owners/operators of REF sites must pay for an independent engineer to update the decommissioning plan, including the estimated decommissioning costs, every five (5) years beginning in the tenth year following the first submittal of the security.

The criteria by which text amendments to the Land Use Code are evaluated are set forth in Section 16-3-160 – Amendments, subsection (f), as follows:

"For the purpose of establishing and maintaining sound, stable and desirable development within the Town, the text of this Article shall not be amended except:

- (1) To correct a manifest error in the text of this Article; or
- (2) To provide for changes in administrative practices as may be necessary to accommodate changing needs of the community and the Town staff; or
- (3) To accommodate innovations in land use and development practices that were not contemplated at the adoption of this Article; or
- (4) To further the implementation of the goals and objectives of the Town Comprehensive Plan."

STAFF ANALYSIS

Only one of the review criteria listed above must be met for proposed amendments to be approved. However, staff believes that the proposed Amendments meet the following three (3) criteria:

- (2) To provide for changes in administrative practices as may be necessary to accommodate changing needs of the community and the Town staff
- (3) To accommodate innovations in land use and development practices that were not contemplated at the adoption of this Article
- (4) To further the implementation of the goals and objectives of the Town Comprehensive Plan

The Town's Comprehensive Plan does support the development of renewable energy. Specifically, the following goals/policies/strategies are listed:

Chapter Two. II Diverse Economy

• <u>Strategy 2A-2</u>. Update Mead's Land Use Code for consistency with the County's streamlined regulations for development of wind, solar and other renewable energies.

Chapter Two. VI An Expansive Natural and Agrarian Setting

<u>GOAL 1</u>: Promote the efficient management of water, energy and waste through a cohesive sustainability program that represents the values of the Mead community.

<u>Policy 1-C</u>: Improve energy efficiency and expand the use of renewable energy including solar power.

- <u>Strategy 1C-1</u>. Work with United Power and Xcel Energy to develop and promote programs and codes that encourage energy efficiency and access to renewable energy.
- <u>Strategy 1C-2</u>. Update the Land Use Code to streamline the permitting process for the development of renewable energy projects, similar to Weld County's recently updated regulations.

STAFF RECOMMENDATION/ACTION REQUIRED

Staff believes that the proposed Amendments satisfactorily meet applicable criteria for approval as set forth in Section 16-3-160 of the Mead Municipal Code and requests that the Board of Trustees approve Ordinance No. 1064 by the following motion.

Suggested Motion:

"I move to approve Ordinance No. 1064, an Ordinance of the Board of Trustees, of the Town of Mead, Colorado, approving certain Amendments to the *Mead Municipal Code* Establishing Development Standards for Renewable Energy Facilities."

ATTACHMENTS

Ordinance No. 1064

- Exhibit A: Amendments to Section 16-3-40 Use regulations
- Exhibit B: Amendments to Section 16-3-60 Accessory uses
- Exhibit C: Amendments to Chapter 16, Articles (Creating New Article XV)

Example of vertical-axis wind turbines. (source: Wikipedia.org)

Map of AG (Agriculture) zoned properties in Mead

Redline markup of Amendments

Planning Commission Resolution No. 03-PC-2024 (without Exhibits)