



PLANNING COMMISSION
AGENDA REPORT

TO: St. Francis Planning Commission
FROM: Jason Zimmerman and Kendra Ellner, Planners
SUBJECT: Code Revisions – Solar Energy Systems
DATE: 1-7-2025 for 01-15-2025 meeting

OVERVIEW

In anticipation of a permit application for a solar farm, staff reviewed the zoning requirements for Solar Energy Systems. Two areas were identified as potentially requiring updates to better position the City to manage solar farms. These include requirements for ground cover under and around the solar panels, as well as the process for collecting securities to cover the cost of eventual decommissioning. The revisions are explained in more detail below. Proposed Code additions are underlined and in red. Proposed Code deletions are struck through and in red.

CODE REVISIONS

Ground Cover

While landscaping that provides a screen for adjacent properties and the public rights-of-way is required, there are currently no standards in the Code for how the ground under and around ground-mounted solar panels must be utilized.

Minnesota has created a "beneficial habitat" certification, administered by the Board of Soil and Water Resources (BWSR), to enable local governments to certify solar installations are meeting the standards of the Habitat Friendly Solar program. Establishing and maintaining native ground cover creates important co-benefits to the community and to the property owner, including providing pollinator and bird habitat, reducing soil erosion, sequestering carbon, capturing stormwater runoff, and building soils that can be turned back to agricultural use once the solar panels are removed.

MN Statute 216B.1642 addresses the establishment and ongoing maintenance of the habitat until eventual decommissioning. Steps involved include submitting a planting plan for review and approval by the BSWR or the County Conservation District, undergoing yearly inspections to identify any maintenance needs, and completing a site assessment form every three years. Communities have the ability to collect securities to ensure the plantings are established.

As of October, 2024, there were four verified Habitat Friendly Solar installations in Anoka County.

Staff recommends that all Community Solar Energy Systems (CSEs) and Solar Farms constructed in St. Francis be required to establish ground cover consistent with the standards for Habitat Friendly Solar projects and maintain it for the duration of operations, though participation in the official program would not be required. An owner may choose to take the extra steps of verification and regular assessment to be listed as a Habitat Friendly Solar installation.

## Decommissioning Plans

Current Code requires all CSESs and Solar Farms to submit a decommissioning plan with cost estimates to ensure that all elements of the utilities are removed after their useful life is complete. A security – in the form of a bond, letter of credit, or escrow – must be established five years after commencement of use and be equal to the amount of the estimated decommissioning cost.

Staff believes the five year delay in collecting the security creates a gap that may pose challenging for tracking or enforcement. A preferred approach would be to collect the security at the time the decommissioning plan is submitted and approved, and prior to the issuance of any permits. The City Attorney has provided draft language that outlines a required agreement with the applicant that ensures the collection of securities sufficient to cover the cost of decommissioning as well as any potential damage to public improvements or infrastructure.

Proposed language to capture these revisions is shown below.

### 10-67-04 - Solar energy system.

- A. The following standards shall apply to all solar energy systems:
- B. Site Design Standards.
  - 1. Compliance with Building Code: All SESs shall require a building permit, shall be subject to approval of the City Zoning Administrator and Building Official, and shall be consistent with the State of Minnesota Building Code.
  - 2. Compliance with State Electric Code: All photovoltaic systems shall comply with the Minnesota State Electrical Code.
  - 3. Compliance with State Plumbing Code: Solar thermal systems shall comply with applicable Minnesota State Plumbing Code requirements.
  - 4. Compliance with MN Energy Code: All SESs shall comply with HVAC-related requirements of the Energy Code.
  - 5. Utility Notification: No grid-intertied photovoltaic system shall be installed until the owner has submitted notification to the utility company of the customer's intent to install an interconnected customer-owned generator. Off-grid systems are exempt from this requirement.
  - 6. Permitting Deadlines: Solar Energy Systems must complete work outlined within the Building Permit within six (6) months of the date the Building Permit was issued. All requests for an extension to this deadline must be made prior to the deadline, and must be made in writing to the City Building Official. The City Building Official shall issue an extension within seven (7) days of receiving the request if the party making the request provides good cause, which shall be broadly interpreted, for the request.
  - 7. Installation: Installation of a solar system shall not constitute a right to sunlight from any adjoining property, nor does the city assure access to sunlight.
  - 8. Security and Equipment buildings: Security and equipment building(s) on the site of solar farms shall be permitted uses accessory to the solar farm.
  - 9. Landscaping: Buffer screening from routine view of the public right-of-way and immediate adjacent residences shall be required in an attempt to minimize the visual impact of above grade site improvements and any extensive or imposing perimeter securing fencing that is proposed. Low

lying screening, shrubbery or other native vegetation shall be required around site perimeter security fencing.

- 10. Controlled Access: The owner or operator shall contain all unenclosed electrical conducts located above ground within a structure (or structures) with controlled access.
- 11. All CSEs and Solar Farms—Power and communication lines: All on-site power and communication lines running between banks of solar panels and buildings shall be buried underground on premise. The Zoning Administrator may grant exemptions to this requirement in instances where shallow bedrock, water courses, or other elements of the natural landscape interfere with the ability to bury lines.
- 12. ~~All CSEs and Solar Farm—Decommissioning Plan: A decommissioning plan with cost estimates shall be required to ensure that CSEs and Solar Farms are properly removed after their useful life. Decommissioning must occur within 180 days of abandonment. Five (5) years after commencement of the use, the owner or operator shall post a bond, letter of credit, or establish an escrow account. This security shall be in an amount equal to the estimated decommissioning cost.~~

All CSEs and Solar Farms—Agreement for Decommissioning and Public Infrastructure:

- (a) As part of the permitting for all CSEs and Solar Farms, the City shall require all applicants and property owners to enter into an agreement with the City for protection from the developer and property owner of all public infrastructure and to require security for the ongoing maintenance of the site during the permit, and for the decommissioning and reclaiming of the property.
  - (b) Prior to receiving an application for a building permit or making any improvements to the property, the applicant and property owner shall enter into a contract in writing with the City requiring the applicant to indemnify the City for damage to any public improvements or infrastructure at the applicant's sole cost and in accordance with the City's specifications and usual contract conditions.
  - (c) The agreement shall require the applicant to create an escrow deposit or furnish an irrevocable letter of credit or a certified check as is determined by the City Attorney, City Engineer, and City Administration. The amount of the deposit or security is to be based upon the estimate of the total cost to remove any infrastructure and reclaim the property to its original condition at the conclusion of the CSEs or Solar Farm. The deposit or security shall equal one hundred fifty percent (150%) of the estimate of all costs to remove any infrastructure and reclaim the property, plus any amount deemed necessary by the City Engineer to protect any public infrastructure during the construction or decommissioning of this project. This amount may be reduced or increased upon approval of a City Council resolution based upon such consideration as the size of the project, past performance by the applicant and/or financial credibility of the applicant, but in no case shall the amount be less than fifty percent (50%) of the estimate. On request of the applicant, if evidence is presented that the described work and improvements have been paid for, the amount of the deposit may be reduced in a sum equal to the estimated cost of the reclamation work so completed.
  - (d) Decommissioning must occur within 180 days of abandonment.
- 13. Easements: Solar energy systems shall not encroach on public drainage, utility, roadway, or trail easements.
  - 14. Glare: No solar energy equipment or solar electric systems shall create or cause unreasonable glare on other property or public roadways. Unreasonable glare shall mean a public safety hazard as determined by the City Council or the appropriate roadway authority.
  - 15. Ground Cover: The following provisions shall be met for all ground-mounted CSEs and Solar Farms related to the establishment of vegetated ground cover:

- a. The project site design shall include the installation and establishment of ground cover that provides native perennial vegetation and foraging habitat beneficial to game birds, songbirds, and pollinators. A minimum of 85% of the land area shall be planted with a native seed mix. This ground cover shall be maintained on the site for the duration of operation, until the site is decommissioned.
- b. At the applicant's request, they may take the additional steps necessary to meet the beneficial habitat standard for solar sites consistent with Minnesota Statutes, section 216B.1642, or successor statutes and guidance as set by the Minnesota Board of Water and Soil Resources (BWSR).

**ACTION TO BE CONSIDERED**

Staff is requesting that the Planning Commission hold a public hearing and review the proposed text amendments to the Zoning Code. Staff recommends that the Planning Commission act to recommend approval of the changes to the City Council.

**Suggested Motion:**

- 1. Move to recommend approval of the proposed amendments to Section 10-67-04 of the Zoning Code as presented by Staff.