

CITY COUNCIL COMMITTEE

POLICY DEVELOPMENT AND INTERNAL OPERATIONS

Mayor Tim Grayson, Chair
Laura Hoffmeister, Committee Member

5:30 p.m.
Thursday, June 11, 2015

Wing A, Garden Conference Room
1950 Parkside Drive, Concord

ROLL CALL

PUBLIC COMMENT PERIOD

- 1. DISCUSSION** – Alco-Pops. Police Department and City Attorney.
- 2. CONSIDERATION** – Participation in SunShares Residential Solar Cost Reduction Program.
Report by Laura Simpson, Planning Manager.
- 3. ADJOURNMENT**

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**REPORT TO COUNCIL COMMITTEE ON
POLICY DEVELOPMENT & INTERNAL OPERATIONS****TO HONORABLE COMMITTEE MEMBERS**

DATE: June 11, 2015

SUBJECT: PARTICIPATION IN SUNSHARES RESIDENTIAL SOLAR COST REDUCTION PROGRAM**Report in Brief**

SunShares is a residential solar photovoltaic (PV) bulk purchase program that is being made available to eligible residents in Contra Costa County. Many Contra Costa Cities have or are considering joining this program. The program has no cost to the City. To join the SunShares program, the participating City agrees to help market the program to their residents through articles in the City newsletter, City website and other means.

In brief, the SunShares program assists homeowners to install solar energy in their homes at a 15% discount over other providers, and provides all the support and technical assistance needed by customers. The program coordinator is asking each City participant to confirm their participation by Council Resolution by the end of June so that their residents may be eligible for federal tax credits that will expire in 2016. If recommended by the Policy Development and Infrastructure Committee, staff will bring a Resolution of participation in the SunShares program forward for consideration on the July 7th City Council agenda.

Background

SunShares is an outreach program that encourages homeowners to install solar PV cells on their homes, and it provides technical assistance to answer any solar questions homeowners may have. It uses a group purchase model to achieve a discount off the market price of solar installation. Participants in the SunShares program have received a 10-15% savings from the average market price for solar installations in the Bay Area. For example, the cost for SunShares solar installations in San Mateo is \$3.50 per watt, while the average statewide cost has been \$5.51 per watt. For a typical residential system sized at 5 kilowatts, the installation cost through SunShares would be about \$17,500 (at \$3.50/watt) versus \$27,550 (at \$5.51/watt). In addition to this type of savings, there is a federal tax credit of 30% that the program participants can utilize through 2015.

The SunShares residential solar PV bulk purchase program will be administered by Vote Solar Initiative (VSI), a nonprofit organization devoted to supporting solar policies and programs. The City of Walnut Creek contracted directly with VSI in May, and Walnut Creek will be the managing agency in Contra Costa County. VSI will issue an RFP in June and Walnut Creek is asking that each participating jurisdiction provide two residents who could sit on an evaluating committee to select a vendor--a solar installation company-- in July. These could be appointments made by the Mayor of Concord.

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SunShares is a bulk purchasing program, and differs from the PACE (Property Assessed Clean Energy) programs which are currently authorized in Concord using the vendors Hero and Figtree. The PACE program is a financing tool that homeowners or business owners can use to help pay for energy efficiency, solar installation, or water conservation upgrades to their homes. PACE allows a homeowner or commercial business to finance a solar installation (or other clean energy upgrades) through annual property tax assessments. The PACE program provides financing for many types of energy efficiency upgrades in addition to solar energy. Those residents participating in the SunShares program could use the PACE vendors to finance a discounted solar installation, or they could use other financing options as well.

Schedule

City staff will work with VSI to advertise the PACE financing options as part of support for the SunShare Program. The outreach materials developed for this program will explain how it may work with existing PAC program. In August through November the registration period to purchase a solar installation is open, and outreach events to residents are held by the vendor selected by VSI. Installations will begin in this period and continue through the end of 2015. VSI will:

1. Facilitate selecting one or more vendors for residential solar installations through an RFP process (with two representatives from each City on the evaluation committee).
2. After one or more vendors have been selected, produce outreach materials, host workshops, and register participants.
3. Provide the contact information of registered participants to the vendors to begin the process of implementing site assessments and completing the installation contracts.
4. Maintain oversight of all installations to ensure that they comply with the program agreements.

The Participating Cities will:

1. Be responsible for identifying marketing opportunities through use of the City's newsletter, City e-news, the City's annual report, website, etc.
2. Making direct connections between Vote Solar and potential customers by referring any interested callers to Vote Solar.

Discussion

If the City of Concord participates in this program, there would likely be an increase in residential solar installations in Concord. This would have an overall beneficial impact on the City's Climate Action Plan goals and housing stock. The program provides technical assistance together with lower cost solar energy options and will provide options for financing, in addition to the existing PACE programs. City of Concord staff will not be the point of contact or provide any financial contribution other than to

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market the program to Concord residents. This may be done at low cost through articles in the City's newsletter which goes out in the fall, through information provided on the City's website by Planning staff, by making materials available at the Permit Center, and potentially through other means if feasible for the City.

The outreach materials for the program will be developed once it is confirmed which cities and employers will partner with Walnut Creek in the Contra Costa County program. An RFP will be issued to select a solar installer, and then marketing materials will be distributed to all partners to share with residents, employers, etc. The Vote Solar Initiative (VSI) will be the point of contact listed on the marketing materials to handle questions.

Fiscal Impact

The fiscal impact to the City would be negligible. It would require staff time to ensure that the marketing materials are reviewed and included in the City's newsletter and posted on the City's website and through flyers at the Permit Center Counter.

Public Contact

Posting of the PD&IO Council Committee Agenda.

Recommendation for Action

Staff recommends that the Policy Development and Internal Operations Committee review the SunShares Solar Program and provide comments and/or direction to staff regarding possible modifications, and provide a positive recommendation on joining the SunShares program to the City Council.



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