#### **ORDINANCE NO. 3152**

ORDINANCE OF THE CITY OF CHULA VISTA AMENDING CHAPTER 20 OF THE CHULA VISTA MUNICIPAL CODE TO CONFORM TO NEW PROPERTY ASSESSED CLEAN ENERGY RETROFIT PROGRAMS AUTHORIZED UNDER CALIFORNIA ASSEMBLY BILLS 811 AND 474

The City Council of the City of Chula Vista does ordain as follows:

SECTION I. That the title of Chapter 20 of the Chula Vista Municipal Code is hereby amended to read as follows:

# Title 20 ENERGY & WATER CONSERVATION

SECTION II. That Chapter 20.08 of the Chula Vista Municipal Code is hereby amended to read as follows:

# Chapter 20.08 MUNICIPAL SOLAR UTILITY\*

#### Sections:

20.08.010 Purpose.

20.08.020 Practices and procedures – Established.

20.08.030 Definitions.

20.08.040 Permit required.

20.08.050 Regulatory framework.

20.08.060 Consumer protection measures.

20.08.070 Violations.

\* For other municipal utilities, see CVMC Title 13.

## 20.08.010 Purpose.

The purpose of this chapter is to grant the right to establish a municipal solar utility. Notwithstanding the foregoing, nothing in this chapter shall preclude a residential or commercial property owner from voluntarily participating in programs established pursuant to California Assembly Bill 811 (Contractual Assessments: Energy Efficiency Improvements) or Assembly Bill 474 (Contractual Assessments: Water Efficiency Improvements) commonly referred to as Property Assessed Clean Energy (PACE) or similar programs. These programs, authorized by federal, state, and/or local agencies, are created to provide free and willing property owners with the option of funding energy and water efficiency and renewable energy property improvements with third-party financing that is secured by the property and repaid through a surcharge placed on the improved property's tax rolls. Typically, these programs are designed so that the debt service is offset by the resulting energy and water cost savings generated by the project improvements and the financing period does not exceed the projected life of the improvements.

The welfare of Chula Vista residents has been jeopardized in the past by shortages of natural gas, petroleum, propane and electric power. The shortage of available energy supplies will continue during the coming decade unless measures are established to conserve the energy available for the economy and the residents of Chula Vista. It is declared to be the policy of the City to encourage and promote the use of solar energy in order to prevent or reduce an adverse impact upon the economy of Chula Vista and in order to prevent interruption of employment of the residents of Chula Vista in commerce and industry and in order to prevent injury to the health and welfare of the residents of Chula Vista due to the shortage and high cost of energy in their homes and places of work.

It is also declared the policy of Chula Vista to improve the economics of solar energy use by facilitating the leasing of solar energy devices. This policy is premised on a finding that the initial cost of purchasing and installing a solar energy device is the primary economic barrier to expanded solar energy use. California law currently provides that taxpayers who lease a solar energy system from a municipal utility or from any lessor granted a permit from a municipal solar utility shall receive a tax credit for the first three years of operation or until the solar tax credit allowance terminates, whichever occurs first.

Upon the establishment of the Chula Vista municipal solar utility, residents of Chula Vista who lease solar energy devices through such utility should be able to obtain tax credits. However, as legal title to such solar energy devices is held by a person other than the resident-user, the latter is particularly susceptible to harm caused by consumer deception, safety hazards and the interruption of service. To help prevent such harm from occurring and to promote the economic feasibility of solar energy use within the City, leasehold interests in solar energy devices may be marketed within the City's jurisdiction by complying with the provisions of this chapter and any rules and regulations promulgated by the City Manager to implement any provisions of this chapter. Persons not participating in the municipal solar utility are not subject to any of the procedures and provisions of this chapter. (Ord. 2012 § 1, 1982).

## SECTION III. EFFECTIVE DATE

This Ordinance will take effect 30 days after its final adoption.

Presented by

(C) 117 1

Director of Conservation and Environmental

Services

Approved as to form by

Bart C. Miesfeld

City Attorney

PASSED, APPROVED, and ADOPTED by the City Council of the City of Chula Vista, California, this 4th day of May 2010, by the following vote:

AYES: Councilmembers: Bensoussan, Castaneda, Ramirez, Thompson and

Cox

NAYS: Councilmembers: None

ABSENT: Councilmembers: None

Cheryl Cox, Mayor

ATTEST:

Donna R. Norris, CMC, City Clerk

STATE OF CALIFORNIA )
COUNTY OF SAN DIEGO )
CITY OF CHULA VISTA )

I, Donna R. Norris, City Clerk of Chula Vista, California, do hereby certify that the foregoing Ordinance No. 3152 had its first reading at a regular meeting held on the 20th day of April 2010, and its second reading and adoption at a regular meeting of said City Council held on the 4th day of May 2010; and was duly published in summary form in accordance with the requirements of state law and the City Charter.

Executed this 4th day of May 2010.

Donna R. Norris, CMC, City Clerk