



COUNTY OF LOUISA

MEMORANDUM

TO: Members, Louisa County Board of Supervisors

FROM: Staff, Community Development Department

DATE: January 16, 2025

RE: Proposed Amendments to Chapter 86. Land Development Regulations; Division 5. Conditional Use Permits – Solar Siting Agreements

Purpose:

The purpose of the proposed amendments is to establish minimum requirements for solar siting agreements to establish a consistent policy framework that benefits both the community and developers. These amendments aim to address community concerns, promote affordable housing, and ensure timely project development and accountability; and are designed to achieve a balanced approach, where the benefits of solar energy align with community needs and fair expectations for adjacent residents.

Background:

The Louisa County Solar Committee met and provided a recommendation to the Board of Supervisors on a County Siting Agreement Policy. At the November 18, 2024 meeting, the Board of Supervisors adopted the policy effective immediately and referred the policy to the Planning Commission for codification.

Staff prepared draft amendments for review and public hearing by the Planning Commission based on the policy language adopted by the Board of Supervisors.

Planning Commission Recommendation:

At a regular meeting of the Louisa County Planning Commission held January 9, 2025, the Commission voted (5-2) to forward a recommendation of approval to the Board of Supervisors on recommended policy language #3 only, as shown in the draft amendment document attached.

In making their recommendation, the Planning Commission stated they had insufficient information to comment on the policy language in item #'s 1, 2, and 4, as shown in the staff prepared draft amendment document. A copy of this amendment version is also attached for reference.

Financial Framework for Solar Siting Agreements: To provide long-term community benefits, solar siting agreements in Louisa County will follow a structured financial framework based on Virginia Code § 15.2-2316.7 and the County's Solar Ordinance. This

framework ensures that financial contributions from solar projects support key community programs, including housing, agricultural land conservation, stream restoration, and Harmful Algal Bloom (HAB) mitigation.

- **Annual Contribution Range:** Compensation per MW ranges from \$117,075 to \$195,125, with the current policy set at \$156,100 per MW.
- **Projected Total Funds Available:** Depending on project capacity (100-150 MW), annual contributions will range from \$11.7 million to \$29.3 million.
- **Fund Allocation:** Per policy, 25% of funds will support Housing Programs, while 75% will be allocated among Agricultural Land Protection (PDRs), Stream Restoration, and HAB Mitigation.
- **Long-Term Impact:** Over 40 years, this framework is projected to protect thousands of acres of farmland, restore critical waterways, and improve housing access while mitigating HAB issues in Lake Anna.
- **Draft Allocation Breakdown:**
 - Housing Programs (25% of total funds) could provide financial support for home repairs and new housing programs, benefiting an estimated 275–1457 households annually.
 - Agricultural Land Protection (30% of total funds) could be used for the Purchase of Development Rights (PDRs), helping to preserve an estimated 127–318 acres of farmland annually.
 - Stream Restoration (22.5% of total funds) could support efforts to restore an estimated 0.57–1.42 miles of local waterways per year.
 - HAB Mitigation on Lake Anna (22.5% of total funds) could fund projects that cover approximately 104–260 acres of lake area per year, reducing environmental risks and improving water quality.

Amendment Adjustments:

- The timeframe for projects to begin generating electricity has been extended from **three (3) years to four (4) years** from project approval.
- The financial contribution range has been introduced to account for potential adjustments due varied potential impacts.
- The framework would help ensure that funds would be allocated consistently across key community programs, offering long-term sustainability and transparency in fund utilization.

Attachments:

Draft Ordinance (Staff and PC recommended)

Financial Framework for Solar Siting Agreement

