

Solar Panel Approval Process

Farmland and Open Space Preservation Program

STEP 1

Local government approval/review

- 1.1 Landowner/Solar Developer contacts the local unit of government having zoning authority to determine if solar development is permitted on the land under local zoning. The following are possible responses that may be received:
 - a. Solar panel development is not permitted on the land.
 - b. Solar panel development may be permitted via either a rezoning, a special use permit or a use variance.
 - c. Solar panel development is permitted under local zoning.
 - d. If the land is not zoned the solar panel development would likely be permitted via a building permit.
- 1.2 If the project has been approved by the local government or you have documentation (i.e. meeting minutes, approval letter) from the local government that the project will be approved proceed to STEP 2.
- 1.3 The Solar Developer may request a listing of the PA 116 Agreements and PA 116 Liens in the area being considered for solar development and, if available, a map of these same parcels from the Michigan Department of Agriculture and Rural Development.

STEP 2

Solar Developer submits solar development plan to Michigan Department of Agriculture & Rural Development (MDARD)

The earlier MDARD is notified of the areas that are proposed for commercial solar development, the earlier that MDARD can verify the PA 116 status of those parcels and inform the PA 116 agreement holders of their options.

- 2.1 Solar Developer sends documents to MDARD showing the extent of the solar development. The documents will include:
 - a. Site plan showing all proposed solar panels, access roads, substations, and any other structures and improvements related to the solar development.
 - b. List of tax parcels within the proposed solar development including the tax parcel number, landowner name and PA 116 Agreement number.
- 2.1 The landowners who have property under PA 116 Agreements or PA 116 Liens will be contacted by MDARD to discuss their options.
- 2.2 MDARD will send a letter to the landowner regarding their options and a Solar Panel Application if their property will continue under PA 116.

STEP 3

Landowner submits a Solar Panel Application to MDARD

The application may be submitted if the request has been approved by the local government or if the local government intends to approve the application and confirms the same with MDARD.

- 3.1 Landowner completes and submits a Solar Panel Application for development of a commercial solar facility on the property.
- 3.2 The application will contain:
 - a. Landowner's name, address, phone number and email.
 - b. A copy of the PA 116 Agreement upon which the project is proposed.
 - c. The name of the Solar Developer, their address, phone number and email and the person designated to represent the company.
 - d. A copy of the site plan showing where the commercial solar facility is to be located.
 - i. The plan should indicate the enrolled land in PA 116 that will be occupied by the solar panels.
 - e. The legal description for the parcel upon which the solar facility is to be located.
 - f. If the land to be occupied is less than all the land enrolled in the PA 116 Agreement additional information will be needed so that the PA 116 Agreement may be split by the program such that the property proposed for a commercial solar facility can become a stand-alone Agreement.
 - i. If the Agreement needs to be split submit two Split Request forms, one for the property proposed for a commercial solar facility and one for the remaining property, along with the Solar Panel Application.
 - g. A copy of the local government approval or confirmation that the project can be approved by the local zoning authority.
 - i. The approval and confirmation should be on local government letterhead or may be official minutes from a meeting of the governing body of the local government (township board, county commission, etc.)
 - h. A copy of the portion of the commercial solar agreement with the landowner that indicates: (Note: The Solar Developer may provide the following information in the form of a memorandum of lease, easement or option, rather than providing the entire document.)
 - i. The term of the commercial solar agreement with the landowner in years.
 - ii. Solar Developer provides written assurance that the solar panels and appurtenant structures will be removed from the property, unless the term of the commercial solar agreement is extended by the landowner, the local unit of government and MDARD.
 - iii. Solar Developer submits written assurance that surety will be provided to the State, no less than 90 days prior to commencement

of construction to cover the cost of removal of the solar panels and appurtenant structures, in the event the removal is not done by the solar developer.

- iv. Solar Developer provides written assurance that they will plant and maintain a ground cover crop beneath the solar panels and natural pollinator habitat in between and on the periphery of the solar panels.
- v. Solar Developer provides written assurance to maintain existing farm drainage volume as part of the project.

STEP 4

MDARD review and approval/denial

- 4.1 Upon receiving a complete Solar Panel Application, MDARD will review the application within 60 days.
 - a. Within 14 days of receipt of the application, MDARD will review the application for completeness and request the landowner to provide any missing items prior to review and final determination.
- 4.1 If local government approval has been received, and MDARD approves the request, an approval letter will be sent to the landowner with a copy to the solar developer and to the local governing body indicating the project has been approved.
- 4.2 If the local government has not taken formal action but is reviewing the request, MDARD may approve the request subject to approval by the local government.
- 4.3 MDARD may not move to STEP 5 until approval from the local government has been received.
- 4.4 Appeal: An applicant has 30 days to appeal a rejection by MDARD. An appeal of a rejection by MDARD must be by certified letter to the Director of MDARD.

STEP 5

Landowner contacts MDARD at least 90 days prior to commencement of construction of the solar development

- 5.1 The landowner will provide:
 - a. Solar Decommissioning Plan from a licensed engineer including an estimate of the decommissioning cost.
 - b. Evidence of a surety bond or irrevocable letter of credit for the cost of the removal of the solar facility and the restoration of the land to agricultural use and which names the State of Michigan as the beneficiary.
 - c. A breakdown of the taxable value for the split parcel intended for the solar facility for the past 7 years, signed by the local tax assessor.
 - d. Anticipated construction start date.
- 5.2 MDARD will provide a Farmland Development Rights Solar Panel Agreement (Amended Agreement) to the landowner for execution (signing).
 - e. If appropriate the Amended Agreement will be split so that the land covered by this Amended Agreement only covers the land intended for the placement of the solar facility on the property.

- f. The term (number of years) of the commercial solar agreement of the land while occupied by the solar facility will be added to the existing term of the Agreement when the Amended Agreement is created. When the Amended Agreement ends, the number of years remaining on the PA 116 Agreement will be the same as it was before the Amended Agreement was created.
- 5.3 The landowner will return the executed Amended Agreement to MDARD for execution by the State of Michigan and recording at the Register of Deeds in the county where the land is located.
- 5.4 The Amended Agreement will contain the following provisions:
- a. The landowner agrees to provide notification to MDARD within at least 90 days of an ownership change on the property.
 - b. The landowner agrees not to claim Farmland Preservation tax credits on the subject property beginning in the year of construction of the solar facility and until the solar facility has been removed from the property and the land restored to agricultural use.
 - c. The term (number of years) of the commercial solar agreement will be added to the existing term of the Agreement when the Farmland Development Rights Solar Panel Agreement (Amended Agreement) is created.
 - d. The landowner agrees to remove the solar panels and appurtenant structures and to restore the land to agricultural use.
 - e. A surety bond or irrevocable letter of credit is to be provided, naming the State of Michigan as beneficiary, to cover the cost of the removal of the solar facility and the restoration of the land to agricultural use. The solar decommissioning cost is to be reviewed and confirmed or updated by a licensed engineer every five years and the amount of the surety is to be updated accordingly. The landowner is responsible for all costs associated with the removal of the solar facility and restoration of the land to agricultural use which are not reimbursed by the surety.
 - f. The landowner agrees to provide notice to MDARD and the local government within at least 90 days of a change in ownership of the solar facility.
 - g. The landowner agrees to plant a ground cover crop under the solar panels and natural pollinator habitat and to maintain these plantings.
 - h. The landowner agrees to maintain existing drainage volume of the parcel throughout the life of the project. It is understood that existing drainage structures may be altered to accommodate solar panel placement however those adjustment may not reduce the volume of subsurface drainage from the parcel.
 - i. The landowner agrees to inform any new owners about this Amended Agreement.

- j. The landowner agrees to obtain approval from the local governing body for any period of time that the property is used as a commercial solar facility.

STEP 6

Providing copies of the recorded Amended Agreement to the landowner and solar developer

- 6.1 When MDARD receives the original Amended Agreement as recorded back from the register of deeds, a copy will be provided to the Landowner and the Solar Developer.
 - a. Execution and recording of the Amended Agreement by the landowner and the State of Michigan is the final step after which construction may commence.
- 6.2 The ground cover and pollinator habitat are subject to monitoring by MDARD or subcontractor staff with the possibility of in-person inspection.
- 6.3 If the work has not been completed and/or is not to the required standards the landowner will be notified for corrective action.