

SOLAR ENERGY SYSTEM POLICY

Villa Canada Association, Inc.
a California nonprofit corporation

Adopted on May 23, 2023

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This Solar Energy System Policy (“Policy”) is established in accordance with Civil Code §§714, 714.1 and 4746 and the Association’s First Amended Declaration of Restrictions for Villa Canada Project (recorded on August 10, 1992, as Instrument No. 92-1464472 in the records of the County Recorder of the County of Los Angeles, California, as amended from time to time) (“CC&Rs”), to govern the installation of solar energy systems, as defined below, within the development and provide requirements for Members seeking approval from the Architectural Committee and/or Board of Directors (“Board”) for installation of a solar energy system. The Policy revokes all previous Operating Rules, Regulations and Policies regarding the same matters and substitutes this Policy in their place.

ARTICLE 1: SOLAR ENERGY SYSTEM POLICY

1.1 Subject to CC&Rs. This Solar Energy System Policy is an operating rule, as defined in Civil Code §4340(a), subject to, supplementing, and in addition to the Association’s CC&Rs.

1.2 Definition. A solar energy system (“System”) means either of the following, all as defined in Civil Code §801.5:

- a. Any solar collector or other solar energy device whose primary purpose is to provide for the collection, storage, and distribution of solar energy for space heating, space cooling, electric generation, or water heating; or
- b. Any structural design feature of a building, including the following:
 - i. Solar racking, solar mounting, and elevated solar support structures, including, but not limited to, solar carports, solar shade structures, solar awnings, solar canopies, and solar patio covers, regardless of whether the feature is on the ground or on a building. Elevated solar support structures include the aboveground superstructure and associated foundation elements that support the solar collectors or other solar energy devices described in subparagraph 1.2 a. above.
 - ii. Any design feature whose primary purpose is to provide for the collection, storage, and distribution of solar energy for electricity generation, space heating or cooling, or for water heating.

- iii. Any photovoltaic device or technology that is integrated into a building, including, but not limited to, photovoltaic windows, siding, and roofing shingles or tiles.

1.3 Authority, Approval and Reconsideration.

- a. *General Authority.* Subject to all requirements of the law and all Association governing documents, a Member may only install a System on the portion of the building's roof directly above the Member's Lot. The System must only serve the Member's domestic energy needs. No installation may begin until the Member applies for and receives written approval for the installation and meets all conditions of the approval. Such approval may be granted by the Architectural Committee and/or by the Board, on appeal.
- b. *Rule Conflicts.* The application must be processed and approved in the same manner as any other Association architectural request, except that if these rules conflict with any other Association architectural procedures, these rules will prevail.
- c. *Approval of Individuals Prohibited.* Applications shall not be approved by any individual Architectural Committee member or Director. In the event an individual Architectural Committee member or Director approves architectural plans and specifications, such approval should not be relied upon and shall not be deemed approval.
- d. *Reasonable Conditions of Approval Permitted.* The Architectural Committee or Board is authorized to impose any reasonable conditions of approving an architectural application, in writing, including, but not limited to, (1) requiring modifications of particular aspects of the Member's architectural submission.
- e. *Approval Timing.* Applications are deemed approved within forty-five (45) days from the date of submission of a complete application unless (i) disapproved by the Architectural Committee or Board, (ii) additional information necessary to properly consider the application is requested by the Architectural Committee or Board within the forty-five (45) day period, or (iii) any proposed Renovations would violate the Association's governing documents, any Building, Safety and Fire Codes, or any other laws.
- f. *Disapproval and Reconsideration.*
 - i. Applications that are disapproved must be in writing and must explain why the proposed Renovation is disapproved.
 - ii. The Member is permitted to seek reconsideration of a disapproved application, in writing, by the Board, unless (1) the original disapproval was made by the Board or a body that has the same membership as the

Board at a meeting that satisfied the requirements of the Open Meeting Act or (2) as to any Renovations that were disallowed because they would violate the Association's governing documents, any Building, Safety and Fire Codes, or any other laws. Reconsideration is not internal dispute resolution under Civil Code §5905.

- iii. A permissible written request for reconsideration must be received by the Board not more than forty-five (45) days after the denial.
- iv. Within forty-five (45) days after receipt of the request for reconsideration, the Board must hold an open meeting to consider the reconsideration and decide. Failure of the Board to decide within the forty-five (45) day period is deemed a decision in favor of the Member.

1.4 Application Requirements.

- a. *General Requirements.* The applicant Member must submit two (2) sets of construction plans and specifications, an engineering report, member notifications, photographs, and specifications for the entire proposed System, including, without limitation, details regarding size, design, color and materials listed on each set of plans, and the proposed location of the System and all component parts on the roof and exterior of the Lot. All drawings must show elevations.
- b. *Engineering Report.* The application must include a written report of findings by a California licensed structural engineer (at applicant's sole expense) to certify that the structure of the building is sufficient to bear the weight of the System.

1.5 Installation Requirements.

- a. *Licensed and Insured Contractor.* The System must be installed by an actively licensed, insured and bonded contractor bearing either a C-46 license, or if appropriate for the work to be performed a C-10 license, from the Contractor's State License Board. The installation process must conform in all respects to the requirements of the Association's governing documents, including these rules. The applicant Member is responsible to ensure compliance by the contractor.
- b. *Additional Insured.* Before the installation begins the applicant must provide evidence to the satisfaction of the Association's Board of Directors that the Association has been named as an additional insured on the required insurance liability policy of the installing contractor.
- c. *Contractor Insurance.* All contractors installing, maintaining, repairing, removing, and/or replacing the solar system must carry commercial general liability insurance with policy limits of at least one million dollars (\$1,000,000.00) and such workers compensation insurance as is required by law.

All such contractors shall also be bonded to the extent required by the California State Contractors Licensing Board. All such contractors shall present proof of all such insurance and/or bonding to the Association before the installation begins. The Board and/or Architectural Committee has the right to review the contract of any such contractor to confirm compliance as a condition of approval of the installation.

- d. *Permits.* Before the installation begins, applicant must obtain (at applicant's expense) all necessary building or other permits as may be required by the State or local governments.
- e. *Professional Fees.* The Association is permitted to incur reasonable professional fees from an architect, engineer or contractor to review or confirm findings of plan submittals and reasonable legal fees to prepare the Covenant. The applicant Member must approved the costs before they are incurred and, if approved, reimburse the Association for such costs before construction is permitted to begin. If necessary, the Association is permitted to recover such costs from the applicant Member by reimbursement assessment following proper notice and a hearing.
- f. *Construction Rules.* Applicant must notify all contractors of the Association's Rules & Regulations, including, parking, construction hours and contractor rules and applicant is obligated to ensure contractor compliance with such rules.
- g. *Legal Standards.* The System must meet all health and safety standards and requirements imposed by state and local permitting authorities, consistent with Section 65850.5 of the Government Code. The System must meet all applicable safety and performance standards of the California Electrical Code, the Institute of Electrical and Electronics Engineers, and accredited testing laboratories, such as Underwriters Laboratories. Where applicable, the System must comply with the rules of the Public Utilities Commission regarding safety and reliability.

1.6 Member Obligations. During the period of record ownership of any Member(s) of a Lot receiving power, heat or any other benefit from a System, the following are all required:

- a. *Ownership and Maintenance of System.* The System will, at all times, be owned by and remain the property of the current record Member(s) owning the Lot benefiting from the System. Each Member(s) of record will be solely responsible for the maintenance, repair, replacement and/or removal of the System, during the period of their respective period of record ownership.
- b. *Roof Inspections and Repair.* At the sole expense of any Member(s) of record, during their period of record ownership, the Association may require the System to be inspected and the Common Area roof water tested for leaks at any points where the system is attached to the roof. Any leaks discovered, and damage caused thereby, must be immediately repaired by a qualified licensed, insured and

bonded contractor, at the expense of any Member(s) of record, during their period of record ownership.

- c. *Architectural Approval.* Any maintenance, repairs, removal or replacement of the System is subject to architectural approval of the Architectural Committee and/or Board of Directors on all terms and conditions provided herein. In the case of any emergency maintenance or repairs on the System, Member(s) of record must provide advanced written notification to the Association through its manager or Board.
- d. *Liability for Damage from System.* Member(s) of record are solely responsible to install, remove, repair, maintain, and replace the System must bear all costs therefor. Member(s) of record are also liable for all costs of maintenance, repair, and replacement of any portion of the building damaged or affected by the installation, removal, repair, maintenance, replacement and/or use of the System. This includes, without limitation, (1) damage to the roof, framing/structural components, roof covering, shingles, eaves, gutters, and any other part of the building that may be penetrated or otherwise affected by any activity or use involving the System, (2) damage from water leaks and/or resulting mold that develops due to those leaks, (3) damage from any fires and/or (4) any other property damage or personal injury caused by and/or resulting from such installation, removal, repair, maintenance, replacement and/or use of the System.
- e. *Indemnification and Defense.* If the installation, maintenance, repair, replacement, removal, and/or use of the System results in any damage to the roof, any Lot, or any other building structure, the Member(s) of record of the Lot, during their period of record ownership must indemnify, reimburse, defend and hold harmless the Association, and its directors, officers, committee members, agents, assigns and insurers, and/or any other Member who is a Member of the Association, from any claims, legal actions, costs, expenses, or any other losses arising or resulting from such roof, Lot, or other building structure damage, including, but not limited to, those involving real property damage, drywall and other damage resulting from moisture intrusion and mold remediation, structural repairs, damage to the common area or any Lot (as defined in the law and the Association's CC&Rs), damage to any personal property of the Association, and/or any Member who is a Member of the Association, and any personal injuries.
- f. *Association Easement Rights to Roofs.* The Association is hereby granted full easement rights beneath, over and around the System for the purposes of conducting any maintenance, repairs and replacement of the roof, roofing components, and/or any other portions of the building structure as required by the Association's CC&Rs and/or the law. In the event that such maintenance, repairs and replacement cannot be undertaken or completed with the System in place, the Member(s) of record of the Lot, during their period of record ownership, at their sole expense, will remove, or cause to be removed, the entire System, or any

portion thereof necessary, to allow the Association to conduct such maintenance, repairs and replacement. The System may thereafter be replaced by the Member(s) of record, during their period of record ownership, at their sole expense. All such removal and/or replacement of the System as provided for in this paragraph shall be subject to and comply with all other conditions of these rules.

1.7 Architectural Requirements. To the extent they do not collectively increase the cost of the originally proposed System by more than one thousand dollars (\$1,000), a System must meet the following conditions:

- a. *Inverter Locations.* All inverters must be installed in the garage of the Lot unless a licensed contractor recommends another location for a specific reason.
- b. *Concealed Cables.* All cables, conduit and wiring which are part of the System must be run alongside a downspout and otherwise concealed as much as possible, and must be painted, where exposed, to match the paint adjacent to where it is installed.
- c. *Solar Panel Colors.* Permissible colors for solar panels and all hardware, bracket, trim and other components visible to the Common Area are preferably a color matching the roof tiles or, if unavailable, black.
- d. *Low Mounting.* Solar panels must be mounted using hardware that secures them as close to the roof as possible.
- e. *System Placement.* The System may be installed only on the Member's Lot.

1.8 Other Requirements.

- a. *Approval Disputes.* For any legal dispute, legal proceeding, or other claim by a Member or resident of the Association, arising from the approval of a Member's installation of the System, the applicant Member and/or the record Member at the time of the dispute must take all reasonable measures to resolve the dispute informally. If that cannot be done, the Member must indemnify, defend, and otherwise hold the Association, and its directors, officers, committee members, agents, assigns and insurers, harmless for such claims, losses and/or damages asserted against the Association arising from the dispute.
- b. *Homeowner's Insurance.* The Member of record and each successive Member of record must maintain a homeowner liability insurance coverage policy at all times and provide the Association with the corresponding certificate of insurance within 14 days of approval of the application and annually thereafter.
- c. *Recordable Covenant.* As a condition of the Association's approval to install a System, and before any construction begins, an applicant must execute an

Agreement Containing Covenants Affecting Real Property Regarding the Installation of a Solar Energy System (“Covenant”), in a form to be provided by the Association. The Covenant will be recorded with the County Recorder of Los Angeles and will run with the land and bind the current and all subsequent Members of the Lot benefiting from the installation of the System. The Covenant will incorporate all conditions of any architectural approval and all of the requirements and obligations set forth in these rules that apply to current or future Members.