

## 4/9/2015 DISCUSSION POINTS

### View Corridor Issues

**Definition:**

1. The line of sight (identified as to height, width, and distance) of an observer looking toward an object of significance to the community (e.g., ridgeline, river, historic building, etc.)
2. The route that directs the viewer's attention.

- When traveling into the city, many children living in rural areas around Lincoln have looked for their first view on the horizon of the State Capitol with excitement. It was a marker on the skyline of where you were going. Imagine how that experience would change forever if that view is obstructed by wind turbines.
- In addition to objects of significance to the community like the State Capitol, what people see when they look out their window or see from their deck or patio, is of importance to residents throughout the county. These residents of Lancaster County purchased or built properties for the benefit of those views, whether they live in the country or in the suburbs. The view that people have from their properties impacts their quality of life.
- We should not think only in terms of how a wind farm impacts the people living directly near it. Lincoln has grown 40% in the last 22 years. The life cycle of a wind farm is about that same length of time. When siting a wind farm within the county, consideration must be given to how this impacts Lincoln if it grows another 40% after a wind farm is built. The size of the city of Lincoln, ever growing, within the county means that locating a wind farm anywhere in Lancaster County could result in thousands of city and county residents having views of wind turbines during the day and views of red blinking lights at night.
- Which residents will see these red blinking FAA lights depends on the terrain and other factors. Currently there is only one planned wind farm in Lancaster County and that is the Hallam Wind Project. It is a good example because Sheldon Station is an existing marker to measure from. This power plant, several stories tall and lit up at night, is visible from many locations in southern and southwestern Lancaster County. If you can see Sheldon Station from where you live, you are also going to see the turbines and their red blinking lights above it in the skyline. We have documented that these areas of the county would have a clear view of this.

Residents living along Highway 33 between Roca and east of Crete

Residents living near Norris High School

Residents living in the housing development at 68<sup>th</sup> and Roca Road

Residents living along Saltillo Road from 70<sup>th</sup> street east to 40<sup>th</sup>

- Most people who live near wind turbines agree that having to view dozens of large, red lights blinking in the night skyline, all blinking in unison, every night has negative impacts. While some find it appealing as a novelty to see them occasionally while driving down the highway; having to live with them full time is not appealing, can be annoying, and this annoyance can degrade their quality of life. People who live next to wind farms report they must close their shades and drapes to block it. It significantly impacts the ability of landowners to enjoy being outdoors on their properties at night.
- In an effort to address the red blinking lights issue, researchers have developed a sensor system for wind turbines which detects nearby aircraft, switching on a beacon warning system only as they approach. By using passive radar sensors, meaning that they don't emit a radar beam themselves, the system is able to use local radio station frequencies to determine not only if there is an airplane in the vicinity, but its distance, position and velocity. See <http://www.gizmag.com/sensor-lights-wind-turbine/30785/>
- **RECOMMENDATION: Before any wind development is approved in Lancaster County, the County must notify all residents in writing who will have their view shed affected for that project; and allow at least 90 days for public input to ensure residents have a voice in this important and life changing decision. It is also**

recommended that the County require that sensor systems be employed to reduce community annoyance with FAA lights.

## Development and Subdivision Impact Issues

- Residential property values are clearly hurt where wind farms are actually built. Uncertainty about where wind farms might appear will have almost the same effect. Buyers will be wary of purchasing properties near a proposed wind farm. Existing landowners, both individuals and businesses, will hesitate to spend significant money on improvements and even things such as maintenance and repairs if the future value is uncertain.
- For a subdivision to be successful, it must be an appealing location. A good measurement of how much people find a location to be appealing is tourism. One good example of this is what has happened in Scotland, where a survey of nearly 1,000 people found two-thirds said turbines are making Scotland a less appealing place to visit. Although previous academic research from 2007 found a majority of tourists in Scotland had not been put off by wind farms. Then, turbines were still considered a “novelty”. Since then, public perceptions have changed. See <http://www.telegraph.co.uk/news/10704654/Walkers-are-turning-away-from-wind-farm-Scotland.html> . VISITSCOTLAND published a 190-page report, Investigation into the Potential Impact of Wind Turbines on Tourism in Scotland. It included a survey that showed visitors to be less enthusiastic about turbines than was perhaps expected. It contradicted the findings of an earlier poll commissioned by the British Wind Energy Association and the Scottish Renewables Forum. Four out of five of the visitors interviewed said they came to Scotland for the beautiful scenery and almost all said they valued the chance to see unspoiled nature. More than half agreed that wind-power sites spoiled the look of the countryside. See [http://www.ppdlw.org/articles/wind\\_turbines\\_and\\_rural\\_tourism.pdf](http://www.ppdlw.org/articles/wind_turbines_and_rural_tourism.pdf)
- **RECOMMENDATION: To protect investors of existing residential developments, developments consisting of three or more residences should be allowed the same one mile easement currently granted to villages and towns.**

## Impact on Property Values of Adjacent Land

- Any report that concludes that there is zero negative property value effects related to wind projects simply can't be considered seriously. The industry favored LBNL study is not reliable for public policy purposes. See <https://www.wind-watch.org/documents/wind-farms-residential-property-values-and-rubber-rulers/>
- All landowners should have the right to do with their land what they choose as long as it doesn't impede a neighboring land owner. Property size does not matter. Independent appraiser Michael S. McCann says; “A wind “farm” creates an easement in gross over neighboring, non-participating property that impairs value. Thus, it is tantamount to an “inverse condemnation”, or regulatory taking of private property rights.....an uncompensated taking.” A study done by McCann Appraisal, LLC named “Property Value Impact & Zoning Compliance Evaluation” March 2013 found that with the JUWI Wind Prairie Breeze Wind Farm, LLC Tipton County Indiana, the average value diminution within two miles of turbines was 25%. See [https://www.scribd.com/fullscreen/169871549?access\\_key=key-21qqs79eib9ti81ystoy&allow\\_share=true&escape=false&view\\_mode=scroll](https://www.scribd.com/fullscreen/169871549?access_key=key-21qqs79eib9ti81ystoy&allow_share=true&escape=false&view_mode=scroll)
- A recent case study conducted by Ben Lansink, a real estate appraiser based in Ontario, Canada reported that homes within two miles of the wind turbines sold for an average of 38 percent less than homes further away from the turbines. Some homes within the turbines' two-mile “footprint” sold for as little as 58.5 percent less. Conclusions from “Case Study – Ben Lansik – Diminution in Value – Wind Turbine Analysis”, February 2013, by Ben Lansink – Lansink Appraisals & Consulting. Results were:

TransAlta Melancton 133 Wind Turbine Facility (Melancton, Ontario), average price diminution -38.81%.  
Frogmore-Cultus-Clear Creek 18 Wind Turbine Facility (Clear Creek, Ontario): average price diminution -35.69%.  
See

[http://www.lansinkappraisals.com/downloads/CaseStudy\\_DiminutionInValue\\_InjuriousAffection\\_WindTurbines.pdf](http://www.lansinkappraisals.com/downloads/CaseStudy_DiminutionInValue_InjuriousAffection_WindTurbines.pdf)

Also See <http://nevadajournal.com/2013/04/02/searchlight-wind-farm-could-reduce-property-values-25-60-percent-suggest-studies/>

- A study by Professor Steve Gibbons of the London School of Economics looked at more than a million sales of properties close to wind farm sites over a 12 year period. It found that values of homes within 1.2 miles of large wind farms were being slashed by about 11%. See <http://www.dailymail.co.uk/news/article-2546042/Proof-wind-turbines-thousands-home-value-homes-1-2-miles-wind-farms-slashed-11-cent-study-finds.html>
- In the UK, an official government agency has finally admitted for the first time that wind farms do lower house prices. The Valuation Office Agency has been forced to re-band homes into lower council tax categories. See: <http://www.dailymail.co.uk/news/article-2177429/Wind-farms-DO-hit-house-prices-Government-agency-finally-admits-thousands-wiped-value-homes.html#ixzz29ffTjJO>
- Studies in rural Texas have shown that fear of wind farms can negatively affect purchase prices. Appraiser Derry Gardner reported that 350 acres of premium ranch land was put on the market for \$2.1 million. A prospective buyer backed out when the seller disclosed a 27-turbine wind farm within a 1½ mile radius from the property. The seller discounted the land by 25%, but the buyer still declined to purchase. After two years on the market there has been little interest in the property. Independent studies have shown an average diminution of value up to -37% when the turbine is on the property; up to -26% average diminution for properties within 1,056 – 2,112 feet of a turbine; and up to -25% average diminution for properties within 1.8 miles of turbines. See <http://windturbinepropertyloss.org/site/>
- An independent study sponsored by the Calumet County Citizens for Responsible Energy (CCCRE) (Calumet County, Wisconsin), and conducted by Appraisal Group One researched the value impact that wind turbines have on property value. This study concluded that the average negative effect is -20.7%.” It also found that some homes were “not salable”. See <http://www.scribd.com/doc/23858548/Ago-Wind-Turbine-Property-Value-Impact-Study>
- A group of Ontario landowners filed a lawsuit against a wind power project, the East Lake St. Clair wind project near Wallaceburg. The claim is based on alleged devaluation of property. Attorney Eric Gillespie said studies show that property near wind power developments declines in value by up to 40 per cent. But because some landowners have found no buyers at all when they try to sell, his clients are asking for the full value of their holdings in compensation. See [http://www.thestar.com/business/2012/11/01/antiwind\\_lawsuits\\_stacking\\_up\\_in\\_ontario.html](http://www.thestar.com/business/2012/11/01/antiwind_lawsuits_stacking_up_in_ontario.html)
- A study conducted by Sunak, Yasin and Madlener, Reinhard, The Impact of Wind Farms on Property Values: A Geographically Weighted Hedonic Pricing Model (May 1, 2012). FCN Working Paper No. 3/2012 (revised March 2013) concluded that, “Focusing on proximity and visibility effects caused by wind farm sites, we find that proximity, measured by the inverse distance to the nearest wind turbine, indeed causes significant negative impacts on the surrounding property values.”. See [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=2114216](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2114216)
- **RECOMMENDATION: Many qualified, independent appraisers, real estate professionals, and the experience of people living near wind farms, all agree that proximity to wind turbines degrades the value of properties. Because of this, the rights of all non-participating property owners must be ensured with a requirement that**

**the wind developer provide them with a Property Value Guarantee (PVG). The justification for and guiding principles behind PVGs are as follows:**

- **To ensure fairness for all property owners in Lancaster County, financial gain to wind developers and participating landowner lease holders should not be at the expense of neighboring property owner's equity.**
- **If, in fact, there is no property value impact for non-participants, then a wind developer for any project in Lancaster County should have no objection to agreeing to a PVG requirement.**
- **The PVG requirement should be 100% of assessed value of the property prior to building a wind farm to ensure that if the property is unsellable, the non-participant landowner will not suffer a financial loss upon sale or resale.**

### **The LBNL Report Is Not Reliable**

The August 2013 LBNL (Lawrence Berkeley National Laboratory) report conclusions should not be relied on because it is far from being an empirical value study. LBNL ignored the primary data source for residential values; the Multiple Listing Service (MLS) active in any given study area. (Marketing times do not show in Assessor data) The methodology utilized in the LBNL analysis is not an accepted, proven regression model. It pools data from 67 different projects in 27 counties in 9 states, and simply cannot be deemed reliable because of the wide value variations that exist between these local markets.

Al Wilson is a seasoned (now retired) and highly qualified real estate appraiser, and an expert on the use of regression analysis for mass appraisal purposes. He reviewed the 2009 Hoen/LBNL report and concluded that "the report should not be given any serious consideration for any policy purpose. The underlying analytical methods cannot be shown to be reliable or accurate." Reasons for the conclusion by Albert Wilson may be summarized as:

- Lack of access to the underlying data prevents the independent validation of the data, replication of the analysis, testing of alternative analyses, or testing of the conclusions against the real market.
- The peer review process used for both the literature and the Report can only determine the acceptability of the papers for publication. It cannot reveal the validity, accuracy or reliability of the work behind the papers.
- Given the peer review actually conducted, the fact that no published and recognized standards for the development of an accurate and reliable regression on sales price were used render the Report of highly uncertain value for any purpose.
- The exclusive use of a test of statistical significance only indicates that the coefficients for Distance and View variables are not conclusive. What we do not know is what those coefficients actually represent. Only tests of economic significance would provide an answer, and none has been conducted.
- Low explanatory power, 13% less than an acceptable minimum for an accurate regression on sales price.

Local zoning codes are not typically addressed from the perspective of eminent domain, but most DO require that a Special Use (SU) not adversely impact neighboring property values, future development or the character of the neighborhood, and approval of such a project claiming this SU standard is satisfied, on the basis of a generic report (LBNL) written by wind advocates who hold no professional appraisal license or qualifications, would seem to be negligent or ill-advised. It is hard to imagine any governmental body setting health code standards on the basis of recommendations from a non-doctor, or bridge construction codes on the basis of a non-engineer's report, developed by one who would gain from weak bridges. Source: <https://www.wind-watch.org/documents/wind-farms-residential-property-values-and-rubber-rulers/>