

Addendum to White Paper, "Research on Property Value Impacts":
A Conversation with Ben Hoen , author of "Impacts of Windmill Visibility on Property Values in Madison County, New York" about setbacks and property values

After reading Ben Hoen's Master's thesis, "Impacts of Windmill Visibility on Property Values in Madison County, New York," which analyzed property sales near wind turbines, Molly Hyde spoke by phone with Ben Hoen. Her conversation was summarized in an email sent to members of the Planning Commission on March 29, 2007. Molly wanted to determine if the results of Ben Hoen's study would be meaningful in Centerville Township, particularly with respect to zoning decisions about setbacks of wind turbines from neighboring parcels. Since during the course of the study, no Madison County homes within .76 miles of a turbine were sold (even though, in fact, homes between 500 feet and .76 miles of turbines were on the market), the conclusions of the study with respect to sales and property values are not applicable to decisions Centerville Township is making with respect to setbacks which are less than .76 miles. Molly also noted substantial differences between Centerville Township and the area studied in Fenner, New York. Home sales (from 1996-2005) in the study averaged \$102,384 for a house on an average lot size of 8.8 acres. The number of second homes in the area and the value of view included in the price of a property were not considered in the study and were recognized by the author to be potentially important variables. Molly's email to the Planning Commission is attached. Hoen requested some of Centerville Township's White Papers including the noise reports and the draft ordinance.

On May 3, 2007, Ben Hoen contacted Acting Wind Ordinance Committee Chair, Carolyn Weed, to discuss implications of the information contained in the wind turbine noise reports for nearby property values. Hoen had been unable to include home sales within .76 miles of wind turbines in his property value model because, not surprisingly, these homes did not sell. During the conversation, the issue of wind turbine setbacks from neighboring properties was also discussed. Hoen referred to at least three different wind farms in which developers have had to buy out neighbors as a result of problems related to turbine proximity, and he noted that buyouts are not financially difficult for developers though they can be devastating for residents. In response to these problems, the trend, according to Ben Hoen, is for local governments now to protect neighbors from the possibility of losing homes by increasing setbacks. Hoen noted that developers have adapted to these changes by offering lease agreements to neighbors, thereby giving them a stake in the project. The choice whether to take the risk, then, is up to the neighbor.