The Power of the Wind: A Michigan Story

Sarah Mills and Emily Palacios

MAP/MML Conference September 21, 2018 Note: These slides include only Sarah Mills' portion of the presentation.

The Game Plan

- Sarah Mills University of Michigan
 - o Who should plan for wind?
 - Myth/facts of benefits
 - o Myth/facts of drawbacks
- Emily Palacios Miller Canfield
 - Planning before zoning for wind
 - Zoning techniques and typical regulations
 - o Legal considerations





Background on Sarah

- PhD in land use planning
 - o Investigate claims of wind as farmland preservation tool
- Grant from C.S. Mott Foundation, taking lessons-learned from Michigan windfarms
 - Ensure future wind development respects local community values
- Extension-like "roadshow" around Michigan
 - Neutral broker
 - o Provide state-based data



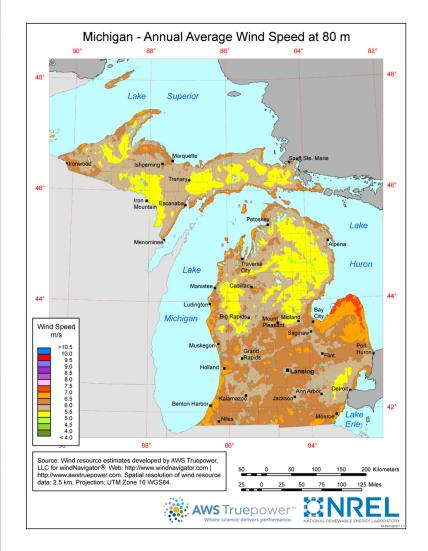


Who Should Plan for Wind?





MYTH: I don't need to plan for wind; it isn't windy enough





- Technology making wind development (and solar, too!) possible statewide
- Still limitations
 - o Need open land
 - o Grid access
- If you are rural, you should plan







Myths & Facts about Wind Energy Benefits





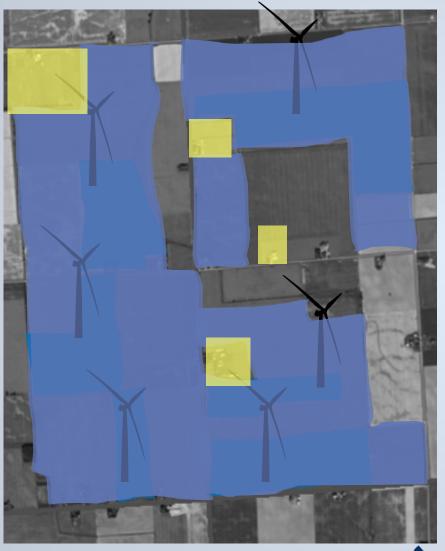
MYTH: Only farmers benefit







Wind Development 101



- Zoning constraints
- Old Model: Winner takes all
 - o Disturbance
 - o Royalty
- Newer Model: Pooled Royalties
 - o Usually per-acre
- Newest Model: Includes Ranchettes





Taxation of Wind Turbines

- Turbine value + easement (~\$2.1M)
 - o x 100% in year 1
 - o x 30% in year 10+
- ~\$20M per year statewide
- Huron County (just in 2015)
 - o \$2.6M to townships
 - o \$2.748 to county gov't
 - o \$2.083 Million to ISD
 - o \$2.074 Million to local schools





- Direct impacts on non-farmers completely depend on the business model
 - o Winner-take-all not recommended (nor widely practiced)
- Indirect tax impacts benefit <u>everyone</u>
- Other broad financial impacts harder to quantify, but some impact
 - o Jobs
 - o Donations
- Benefits extend well beyond farmers





MYTH: Wind energy is the saving grace for my local school



Photo: http://www.bharatsolarenergy.com/1183-wind-turbine-system-for-schools-green-en/details.html





<u>FACT</u>

- Per Proposal A (1994), local school district general funds are redistributed on per-pupil basis
- Local districts keep <u>sinking/debt fund</u> revenues
- Some ISDs take on local-district services
- Some developers donate to local schools
- The local school district may see little impact





MYTH: Wind turbines will be great (or terrible) for our roads



Photo: http://www.windtaskforce.org/profiles/blogs/clifton-maine-s-massive-wind-turbine-parts-begin-to-arrive-at





- Most townships have put additional revenue towards road maintenance (but don't have to)
- County road commissions often require bonding for any damage done (but not all do)
- Some residents note increased traffic during windfarm construction, wind tourism
- The impact on roads completely depends





Myths & Facts about Wind Energy Drawbacks





MYTH: Wind turbines will reduce nearby property values



Photo: Ellen Creager, Detroit Free Press





- U.S. peer-reviewed studies say no impacts on home values
 - o New study finds people self-sort into wind turbine communities
- In Michigan, 54% of landowners <u>perceive</u> a negative impact
- Assessors / realtors say farmland values may increase
- No specific home value studies in Michigan
- Wind turbines probably don't decrease home/property values, but we just don't know for certain in Michigan





MYTH: Wind turbines will make our community sick

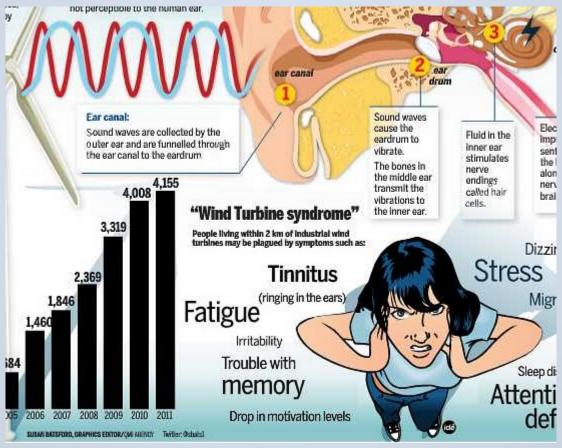


Photo: https://www.windturbinesyndrome.com/2011/03/





- Most peer-reviewed studies find no direct causal link
 - o Research underway on annoyance/stress indirect links
- WHO standards on noise often cited, but not borne out in wind-specific research
- Research on flicker finds low risk; flicker can be managed
- In Michigan, 72% of landowners <u>perceive</u> no health impacts
- Medical research says no direct health impacts; Sarah says inclusive, fair process may make project less stress-inducing





MYTH: Building a windfarm will tear community apart



Photo: https://www.cnn.com/2012/08/16/us/wind-farm-faa/index.html





- 64% of landowners in MI windfarm townships said relationships with neighbors didn't change
 30% said relationships worsened
- Wind energy reopens right-to-farm fault lines
- Whether or not windfarm is built, divisions will be evident. Proactively plan so discussion of active proposal isn't lengthened with simultaneously passing zoning.









Questions?

Now or Later

Sarah Mills, Project Manager

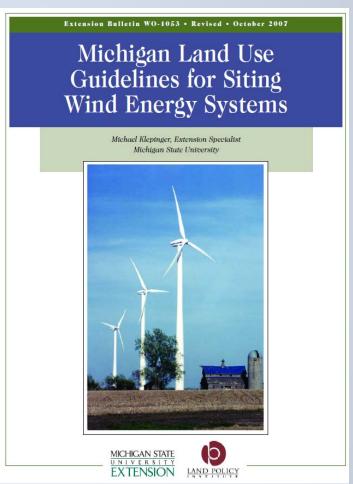
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Telling Myth from Fact

- Look for balanced, peer-reviewed sources
 - If it is entirely/mostly positive or negative, likely myth
- Reach out to Sarah or MSU Extension







Read More



- Conference handout on reputable sources
- Both available online: www.closup.umich.edu/wind

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