

DOCKETED

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Fountain Wind Support Letter

An Excel spreadsheet providing supporting data for the "Effect on Real Estate Values In Surrounding Residential Communities in Northeast Shasta County" will be sent separately.

Additional submitted attachment is included below.

Mary B. Machado

February 26, 2024

California Energy Commission
Attn: Mr. Leonidas Payne, Project Manager
715 P Street, MS 40
Sacramento, CA 95814

Re: Fountain Wind Project (23-OPT-01)

Dear Mr. Payne

In 2021, I submitted comments and provided testimony at the Planning Commission Meeting in June and the Board of Supervisors Meeting in October, supporting the approval of the Fountain Wind Project. At that time, I was the Executive Director of Shasta VOICES, a local non-profit organization with 1,300 supporters who had been advocating for a sustainable economic future in the Shasta County area since 2006. I have closely monitored the Fountain Wind Project since 2019 and undertook due diligence and extensive research on the project. However, in 2022, I retired, and due to the economic setbacks brought on by the Covid pandemic and the worsening of the economy, the Shasta VOICES Board of Directors determined to cease the organization's operations.

Shasta VOICES learned through reference checking ConnectGen that they were a company that lives up to their commitments, is very fair and responsive to the communities where their projects are located and are good corporate sponsors and citizens who have been very favorably received in their communities.

One of the initial issues Shasta VOICES evaluated was to address the concerns expressed by landowners near the proposed project regarding adverse effects on their home values if the project was approved. As an advocacy group for economic development in our County, we certainly would not support a project that impedes economic growth and sustainability. So, Shasta VOICES researched and provided a property value assessment entitled *The Effect on Real Estate Values in Surrounding Residential Communities in Northeastern Shasta County*, which is attached for your review, along with a spreadsheet providing supporting data. Whereas the report is over three years old, it provides historical data dating back to 2004 and before and after 2010, when the Hatchet Ridge wind farm began operations, through 2020 to determine Hatchet Ridge's effect on property values. The report shows that Hatchet Ridge did not devalue property values and thereby provided evidence that the majority of properties in the vicinity of the Fountain Wind project would also not be devalued.

There have been many large-scale studies done on property values and wind farms, but Shasta VOICES wanted to conduct our own local small-scale, easy-to-understand study because Shasta County does have an actual wind farm project, Hatchet Ridge, with more than ten years of history that provides factual real estate sales data in the Burney area (as well as Montgomery Creek and Round Mountain) relative to residential property values. The results of that data, as can be seen in the document and the accompanying spreadsheet, show that properties sold in that area since 2010 have *increased in value*, with the average increase being just *over 57 percent*. Therefore, evidence supports that values for most properties located near the proposed project would not be devalued.

California's Senate Bill 100 (SB 100) mandates that all electric utilities in California acquire 60% of their annual unmet energy needs from renewable resources by 2030. SB 100 states that by December 31, 2045, eligible renewable and zero-carbon resources must supply 100% of the electricity provided to customers. The California Energy Commission (CEC) developed procedures to comply with and enforce this mandate. Wind and solar energy meet the renewable resources and zero-carbon resources mandate, and the Fountain Wind Project has the potential to provide electricity for more than 80,000 homes.

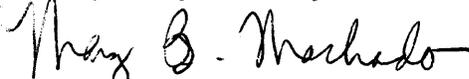
The project will provide many benefits to Shasta County. Since 2019, ConnectGen has been committed to funding a Community Development Program initially up to \$1 million, then \$2 million (which has now grown closer to \$3 million). It has been ConnectGen's stated goal since the beginning that this program will be aimed toward the benefit of the residents in the communities of Round Mountain, Montgomery Creek, Burney, and the local Native American Tribes.

Fountain Wind is a rare opportunity to bring a substantial number of benefits to Shasta County. The economic benefits are numerous and include:

- Project construction would generate 450 job years (in aggregate), including 200 direct and multiplier (indirect and induced) effects, about \$27 million in employee compensation, and about \$50 million in total economic output/sales in Shasta County.
- Project operation would provide 10 direct ongoing jobs, about \$1.0 million in annual compensation.
- The Project is estimated to generate \$50 million in new property tax over the project's life, about \$1.7 million annually.
- The County could receive about \$3.5 million in one-time County sales and use tax revenues from the construction phase. This does not include the ongoing material and replacement part sales taxes over the 30 years of operation.

As I previously mentioned, I have personally vetted this company and have seen all of the efforts they have put into educating the residents of Shasta County over the years, and I am confident that they are a good fit for our community. For all the reasons stated above and others that are too numerous to mention, I continue to support the Fountain Wind Project and urge the Commission to approve this important project. Please do not hesitate to contact me if you have any questions.

Thank you very much for your consideration.



Mary B. Machado
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Fountain Wind Project
Northeastern Shasta County

The Effect on Real Estate Values in Surrounding Residential Communities
A Research Paper – July 2020
Written by Mary B. Machado

Executive Summary

As evidenced in the study of Shasta County public records, Burney’s property values have, in fact, increased since the Hatchet Ridge wind farm began operation in 2010. Therefore, evidence exists supporting that values for the majority of properties located near the proposed Project would *not* be devalued.

Introduction

ConnectGen is proposing the development of a wind farm in Northeastern Shasta County named the ***Fountain Wind Project*** (Project), to be located near the Montgomery Creek and Round Mountain Communities, and near the existing Hatchet Ridge wind farm located in Burney. The proposed Project has the potential to power more than 86,000 homes. The Draft Environmental Impact Report (DEIR) was released August 6, 2020.

The issue researched in this study

For many people, their home is their biggest investment. So, it's understandable that landowners near the proposed Project have expressed concerns about their home values if this Project is approved. This Research Paper is designed to address this particular concern.

There have been many large-scale studies done on property values and wind farms, but Shasta Voices wanted to conduct our own ***local small-scale, easy-to-understand study*** because Shasta County does have an actual local wind farm project, Hatchet Ridge, with ten years of history that provides us with ***real data*** in the Burney area relative to residential property values. Burney is located approximately 20 miles from the Montgomery Creek and Round Mountain areas.

Analysis of nearby home property values since 2010

Research was conducted on real estate sales transactions using the public records for Shasta County, starting in the Burney area. The nearby Hatchet Ridge wind farm (about 5 miles away) began operation in 2010. Before construction of this project, there were some questions and concerns about the effect such a project would have on the local community, including whether or not it would negatively affect residential real estate values in the surrounding area of Burney.

Some of those same questions and concerns have come up with regard to the proposed Project. Hatchet Ridge wind farm, now in its tenth year of operation, provides some factual information that answers the questions and concerns regarding residential real estate values.

Methodology

Public records were researched to obtain factual real estate sales data in the Burney area (zip code 96013) from sales occurring since 2010 including the following:

- Data for 179 residential properties, of which 65 had multiple sales
- Address of home sold
- Type of home (i.e. single family, mobile)
- Square footage of home
- Date(s) sold
- Sales price for each sale since 2010

The information was entered into a spreadsheet for ease in determining trends after evaluating the data. Of the 179 residential properties, there were 65 that had multiple sales since 2010. Those 65 multiple-sale residential properties were the data points used to determine the percentage of increase in value.

The data shows that the properties sold since 2010 have *increased* in value. Here is the property value summary:

Area	Zip Code	Number of Properties With Multiple Sales Data	Average Increase in Value
Burney	96013	65	+46.13%

We then researched public records to obtain the *same* factual real estate sales data listed above in the Montgomery Creek (zip code 96065) and Round Mountain (zip code 96084) areas, which are nearest to the proposed Project, and whose residents have expressed concerns about their property values due to the close proximity to the proposed wind turbines. The few transactions in this area showed the same trend as the Burney area, with similar percentage increases.

It should be noted that, according to the most recent US Census Bureau data through December 2019, the total population of Burney is 3,807; the total population of Montgomery Creek is 62; and the total population of Round Mountain is 112.

What other studies have been done on property values and wind farms?

Researchers at Lawrence Berkeley National Laboratory released a major study on wind farms and property values in 2013 entitled “A Spatial Hedonic Analysis of the Effects of Wind Energy Facilities on Surrounding Property Values in the United States (by Ernest Orlando Lawrence Berkeley National Laboratory).” This study is considered the most comprehensive industry standard for reference purposes.

The study did not discover any adverse impacts to nearby home property values in 2013, which analyzed more than 50,000 home sales near 67 wind farm projects across nine U.S. states. The study concluded that “across all model specifications, we find no statistical evidence that home prices near wind turbines were affected in either the post-construction or post-announcement pre-construction periods.” A subsequent study to the Berkeley study entitled “The Impact of Wind Power on Residential Property Values in the United States: An Overview of Research Findings,” published January 20, 2017 by San Diego University, concluded that nothing has changed since the original study.

There are many other studies, all using similar methodologies (hedonic price method¹) and data, and they come to the exact same conclusion. Specifically, all large-scale, empirical studies of U.S. wind facilities conclude that, post-construction/operation, there is no identifiable negative effect of wind projects on nearby residential property values. This conclusion is based on the evaluation of 248,560 actual home sales in eight studies.

Conclusion

As mentioned, Shasta County does have an actual wind farm project, Hatchet Ridge, with ten years of history that provides *real data* in the Burney area relative to residential property values. As evidenced in the study of Shasta County public records, Burney’s property values have, in fact, increased since the Hatchet Ridge wind farm began operation in 2010. Therefore, evidence exists supporting that values for the majority of properties located near the proposed Project would *not* be devalued.

This research project was written by Mary B. Machado, Executive Director for Shasta VOICES, whose contact information is:

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¹ The **hedonic pricing method** infers the value of environmental features from the **prices** of traded goods. It is applicable in those cases where the **prices** of a good is directly influenced by environmental factors.