SENECA COUNTY

Seneca County Commissioners

Michael Kerschner | Anthony Paradiso | Tyler Shuff 111 Madison St. Tiffin, Ohio 44883

March 5, 2021

Chairman Jim Hoops, Vice Chair Ray, Ranking Member Smith, and members of the Ohio House Public Utilities Committee, thank you for allowing me the opportunity to present proponent testimony on HB 118.

The Seneca County Board of Commissioners is providing this written testimony to formalize its steadfast support of Ohio House Bill 118. The bill is an updated version of Ohio House Bill 401 from the 132nd General Assembly. As proposed, the legislation which is sometimes referred to as the "Reineke Referendum," does an excellent job of ensuring that the voices of our citizens are heard on the fate of solar and wind projects of significant scale and consequence. It accomplishes this by allowing a vote or referendum on these projects early in the development phase. When we first learned about the process for approval of these major projects, we were surprised that there was no mechanism for direct zoning authority offered to local governments or, most importantly, to citizens who live near the footprint of these proposed projects.

The issue of the development of utility-scale industrial wind turbine projects has been a controversial one for our community for several years. There have been countless debates on the merits of these projects, and although we have witnessed many disagreements between elected officials, local residents and wind developers; one common theme has emerged: there is a troubling lack of local control afforded to those who could be impacted the most.

Under current law, unelected bureaucrats in Columbus who serve on the Ohio Power Siting Board are given the ultimate decision-making power through a process that we believe unfairly minimizes the voices of the people of our local communities. Part of our job is to do our best to represent those who call our community home. We believe legislation like HB 118 represents a good step in accomplishing that task.

Throughout this process, over several different boards of commissioners, we have struggled to find a way to empower the many voices of those who opposed or supported industrial wind turbine projects in their neighborhoods. We believe the current OPSB process has minimized the voices of many within our community, consequently making it so our citizens have no true control over an issue that could lead to significant ramifications for them and their families. With this legislation, we move positively toward governing of the people, by the people and for the people.

No matter the outcome of a petition and referendum, we know we can proudly say that the will of the people has been made known and that we are truly considering the voices of our constituents.

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Also, as part of our written testimony, Board President Mike Kerschner offered the following statement concerning the negative impact that industrial wind turbine projects will have on property values in the community:

My name is Mike Kerschner, and I am writing regarding the effects industrial wind turbine projects will have on our community. By way of introduction, I spent my career in the community banking business. I am still on a bank board of directors, but I spent 40 years as a lender, both on the consumer and business side. For the last 30 years of my career, I was a bank CEO. I have reviewed and approved well over a thousand residential appraisals in that time primarily in Seneca County, Ohio.

Residential real estate appraisals typically include three methods of determining the current value of a home:

- **Retail evaluation**—reviewing at least three homes of similar size and finishes that have sold in the last 12 months.
- **Replacement cost**—-how much would it take to rebuild the home at today's costs less depreciation.
- **Income approach**—-how much could you expect to receive in the form of rent if you were to lease this property. A rent multiplier would then be applied. (I.E. If a house would rent for \$1,000 per month translating to \$12,000 per year. If a multiplier of 10 were assigned then the house would be worth \$120,000).

After reviewing numerous appraisals, I have never seen a deduction if the home is in an area that is zoned residential. If the home is in a combined zoning area of residential/agricultural I have seldom seen any deduction taken. However, if the home is in an area zoned residential/industrial there is typically a 15-25% reduction in value taken because of the zoning.

Simply put, if there was a home on an acre lot, with 2,000 square feet of living space on the market with a wind turbine in the back yard, and a similar home a mile away with no wind turbine, the latter would sell more quickly and for a better price.

Given this, the people most affected by the construction of the turbines are not being compensated for the loss of value and for the nuisance these turbines will become. This is simply unfair and needs to be addressed before there is any discussion as it relates to the approval of these alternative energy projects.

We strongly urge you and your colleagues to consider the approval of this legislation, as we believe the bill accomplishes the vital task of representing the will of our constituents.

Thank you,

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Board President Michael J. Kerschner