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January 22, 2020

Andrew Johnston, Executive Secretary
Maryland Public Service Commission
6 St. Paul Street, 16th Floor
Baltimore, MD 21202-6806

Dear Mr. Johnston,

This communication is in reference to the following cases: 9628: US Wind Maryland Lease Area Project and 9629: Skipjack Delaware Lease Area Project.

On behalf of the over 1,000 members of the Coastal Association of REALTORS®, I submit this letter in support of the Town of Ocean City's request for reconsideration of the approved distance between the municipality and the Skipjack and U.S. Wind offshore wind farms, as well as the newly proposed size of the turbines, making them the tallest structures in the State of Maryland. We request that these turbines be moved at least 33 miles off the shore, so they may not be viewed from the beach, thus resulting in minimal to no impact to Ocean City's viewshed. At stake is the real estate industry in Ocean City, which saw over \$505.5 million in residential and commercial transactions last year, and is an integral cog in the economic engine of the Lower Eastern Shore of Maryland.

Our association and members are wholly supportive of renewable clean energy projects; however, it has been proven in a number of recent studies that wind farms can negatively impact surrounding property values, as well as tourism activity. For example, a 2017 study conducted by North Carolina State University showed that 55 percent of existing customers of three North Carolina rental agencies would change their vacation destination if visible wind turbines were placed offshore (Lutzeyer, Phaneuf, & Taylor, 2017). These customers were provided with visualizations of wind farms of varying size and proximity to the shore. According to the results of the study, the negative effects of the wind farms are primarily attributable to the proximity of the farm to the shore, rather than the number of turbines.

Another study conducted by Clarkson University in 2011 used data on over 11,000 property transactions conducted over nine years near new wind facilities in northern New York (Heintzelman & Tuttle, 2011). The study found that the nearby wind facilities significantly reduced property values, and the scope of the reduction was based primarily on the proximity of the property to the facilities.

Another study conducted by Appraisal Group One in 2010 regarding real estate sales near the Blue Sky Green Field Wind Farm and the Forward Wind Farm, both in Wisconsin, showed reduced values ranging anywhere from 12 percent to 40 percent, depending on the property's proximity to the wind farms (Kielisch, 2011).

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All of these studies have one glaring thing in common: the closer a piece of property is to a wind facility, the lower its value. Are there studies out there which state that wind facilities have no impact on property values? Yes; however as proven in a 2018 study conducted by the University of Wisconsin, the impact of a wind farm on surrounding properties may be heavily dependent on the willingness of the local municipality to host the wind farm (Vyn, 2018).

Ocean City has stated numerous times that the town is supportive of offshore wind energy as being a viable source of clean energy; but town officials, residents, and visitors clearly are not willing to sacrifice Ocean City's natural Atlantic view. The Coastal Association of REALTORS® and the local real estate industry are fully supportive of the town's position and we reiterate their legitimate and relevant concern that these turbines will forever change one of Ocean City's most valuable assets – its viewshed.

Thank you for your consideration.

Sincerely,

Joe Wilson
President
Coastal Association of REALTORS®

cc Ocean City Mayor & Council, Congressman Andy Harris, Senator Mary Beth Carozza, Delegate Wayne Hartman, Commissioner Joseph Mitrecic

References

- Heintzelman, M. D., & Tuttle, C. M. (2011). *Values in the Wind: A Hedonic Analysis of Wind Power Facilities*. Potsdam, New York: Economics and Financial Studies, School of Business, Clarkson University.
- Kielisch, K. C. (2011). *Wind Turbines & Property Values*. Fond du Lac County, Wisconsin: Appraisal One Group.
- Lutzeyer, S., Phaneuf, D. J., & Taylor, L. O. (2017). *The Amenity Costs of Offshore Windfarms: Evidence from a Choice Experiment*. Raleigh, NC: Center for Environmental and Resource Economic Policy, NC State University.
- Vyn, R. J. (2018). *Property Value Impacts of Wind Turbines and the Influence of Attitudes toward Wind Energy*. Ontario, Canada: Land Economics.