

1 LIVINGSTON COUNTY ZONING BOARD OF APPEALS
2 CASE SU-7-14
3 PLEASANT RIDGE WIND ENERGY PROJECT

4 February 10, 2015
5 6:30 PM
6 Walton Centre
7 100 West Locust Street
8 Fairbury, Illinois

9 BOARD MEMBERS

10 Michael Cornale, Acting Chair
11 Rich Kiefer
12 John Vitzthum
13 Joan Huisman
14 Diana Iverson
15 Tom Blakeman, Attorney for Zoning Board of Appeals

16 Charles T. Schopp, Administrator
17 Livingston County Regional Planning Commission
18 112 W. Madison Street
19 Pontiac, IL 61764

20 James R. Griffin
21 Attorney for Livingston County
22 Schain, Banks, Kenny & Schwartz
23 70 W. Madison Street, Suite 5300
24 Chicago, IL 60602
312.345.5700

25 Appearing For Applicant/Invenergy:

26 Michael S. Blazer
27 Attorney at Law
28 Jeep & Blazer, LLC
29 24 North Hillside Avenue, Suite A
30 Hillside, IL 60162
31 708.236.0830
32 mblazer@enviroatty.com

33 Appearing for United Citizens of Livingston County:

34 Phillip A. Luetkehans
35 Attorney at Law
36 Schirott, Luetkehans & Garner, LLC
37 105 E. Irving Park Road
38 Itasca, IL 60143
39 630.760.4601
40 pluetkehans@slg-atty.com

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

INDEX OF PRESENTERS

Page

MICHAEL McCANN..... 2024
QUESTIONS BY MR. LUTKEHANS..... 2082
QUESTIONS BY MR. BLAZER..... 2090

INDEX OF EXHIBITS

Page

UCLC Exhibit No. 60..... 2020
UCLC Exhibit No. 61..... 2020
UCLC Exhibit No. 62..... 2020

Pleasant Ridge Exhibit No. 300..... 2020
Pleasant Ridge Exhibit No. 301..... 2020
Pleasant Ridge Exhibit No. 304..... 2020

1 (Commencing at 6:31 p.m.)

2 CHAIRMAN CORNALE: Chuck, roll call
3 please.

4 MR. SCHOPP: Okay, this is the February
5 10th, 2015, continuation hearing of Livingston
6 County Zoning Board of Appeals review of Livingston
7 County Zoning Case SU-7-14, Pleasant Ridge Wind
8 Energy, LLC, Pleasant Ridge Wind Energy Project.

9 Michael Cornale.

10 CHAIRMAN CORNALE: Here.

11 MR. SCHOPP: John Vitzthum.

12 MR. VITZTHUM: Here.

13 MR. SCHOPP: Richard Kiefer.

14 MR. KIEFER: Here.

15 MR. SCHOPP: Diana Iverson.

16 MS. IVERSON: Here.

17 MR. SCHOPP: Howard Zimmerman. Joan
18 Huisman.

19 MS. HUISMAN: Here.

20 MR. SCHOPP: Gibs Nielsen. We have a
21 quorum.

22 CHAIRMAN CORNALE: All right. Certainly
23 like to welcome everybody back this evening. We
24 need to take care of a few housekeeping items.

1 We've got a few exhibits that we didn't get admitted
2 into evidence. The first exhibit, UCLC Exhibit 60,
3 it's the resume of Aaron Nathaniel Gruen. Next
4 exhibit, UCLC Exhibit 61, that's going to be the
5 comments, findings and conclusions about report by
6 David G. Loomis, Ph.D., of Strategic Economic
7 Research, LLC, entitled Economic Impact of the
8 Pleasant Ridge Wind Energy Project. Next exhibit
9 will be UCLC Exhibit 62, and that's the Economic and
10 Fiscal Benefits of the Shady Oaks Wind Farm.

11 All right, we've got that taken care of.

12 Okay, we've got a couple more. Pleasant Ridge
13 Exhibit 300, this is the energy.gov website, VP-100:
14 Illinois Wind Farm Breathes New Life Into
15 Businesses. The next one is Pleasant Ridge Exhibit
16 301 entitled Illinois Wind Energy, Illinois has been
17 successful in attracting development for wind energy
18 manufacturing and large wind energy projects.
19 Pleasant Ridge Exhibit 304 is an Ex Post Analysis of
20 Economic Impacts From Wind Power Development in U.S.
21 Counties.

22 All right, with that taken care of, I had
23 an individual talk to me last evening after the
24 meeting. He had testified. Mr. Kelson. He's out

1 there. Yeah, if you could come forward. There was
2 one point of clarification he just wanted to make in
3 his testimony or his cross-examination. He felt it
4 was worthwhile to tell us, so you can either come
5 here or -- yeah, come over here.

6 MR. KELSON: Nate Kelson. Thank you. I
7 just -- I'll just read this real quick. After I sat
8 down last night, it occurred to me that my response
9 to Patrick's question, he had asked me a question
10 regarding my knowledge of possibilities of a wind
11 farm coming to our area, may have been a little bit
12 misleading. Didn't intend it to be, but I think it
13 may have been.

14 My response to Patrick when he asked it
15 was we had heard at one point that they would be
16 building to the north there by Odell. I guess it
17 took us off guard when this application was turned
18 in. That was my response. I feel mentioning Odell
19 is misleading because in 2007 when we purchased the
20 property we were told that wind turbines could come
21 as far south as the ridge north of us, but that the
22 valley where our property lay would not be an option
23 to them and outside the footprint. In 2011 when we
24 prepared to build our home, we were under the

1 impression that the project had died. We were
2 certainly surprised by the project resurfacing. But
3 I apologize for making it sound farther than it was
4 last night.

5 Thank you for allowing me to clear this
6 up.

7 CHAIRMAN CORNALE: Thank you, Mr. Kelson.
8 Just real quick, Mr. Luetkehans, question for him?

9 MR. LUETKEHANS: No, sir.

10 CHAIRMAN CORNALE: Any questions, other
11 members of the ZBA, regarding the statement? Mr.
12 Blazer, do you have any?

13 MR. BLAZER: No, sir.

14 CHAIRMAN CORNALE: Audience, is there any
15 questions specifically about his statement that he
16 just made? Units of local government? County
17 staff? All right, thank you, Mr. Kelson.

18 All right. With that, I believe we will
19 move on. Mr. Luetkehans, I believe you have a
20 witness with you this evening.

21 MR. LUETKEHANS: Yes, Mike McCann.

22 CHAIRMAN CORNALE: Mr. McCann, could you
23 please raise your right hand?

24 (Michael McCann was duly sworn.)

1 CHAIRMAN CORNALE: Can you please state
2 your name and address for the court reporter?

3 MR. McCANN: Michael McCann, spelled M-C
4 capital C-A-N-N. My business address is 500 North
5 Michigan Avenue in Chicago.

6 CHAIRMAN CORNALE: Mr. McCann, you may
7 continue.

8 MR. McCANN: Thank you.

9 MR. LUETKEHANS: Mr. McCann, I know you
10 have a presentation. We'll have you get that fixed
11 up in a second. In one second I'll ask you to
12 present your --

13 MR. McCANN: Close enough for the mic?

14 CHAIRMAN CORNALE: I think so.

15 MR. McCANN: Shall I begin?

16 MR. LUETKEHANS: Yes, please.

17 MR. McCANN: Good evening, Mr. Chairman,
18 members of the board. As you know, my name is Mike
19 McCann. I'm a real estate appraiser.

20 MR. LUETKEHANS: You know what, I
21 apologize. Mr. Blakeman and Mr. Cornale, we have
22 submitted some exhibits and I just wanted to mention
23 those, some of which will come up, and they're all
24 relevant to his testimony. But the first is UCLC

1 Exhibit 71. That is the PowerPoint presentation
2 he's about to give. Second is UCLC Exhibit 72 which
3 is an article by Albert R. Wilson. The third is
4 UCLC Exhibit 73 which is the professional profile of
5 Albert R. Wilson. The fourth is UCLC Exhibit 44,
6 which is a Lansink L-A-N-S-I-N-K, case study.
7 Exhibit 7 -- UCLC Exhibit 74 is an MPAC, Municipal
8 Property Assessment Corporation, study. Exhibit 75
9 are affidavits and information that were filed under
10 oath in front of the Public Service Commission of
11 Wisconsin. And Exhibit 79 is a property value
12 guarantee agreement.

13 I apologize and please proceed, Mr.
14 McCann.

15 MR. McCANN: Thank you, no problem. The
16 reason I'm here tonight, in a nutshell, was to talk
17 about property values and the impact from wind
18 energy facilities on neighboring property values and
19 more specifically to the Livingston County zoning
20 standards for approval of the special use related to
21 impact on property values.

22 The first slide you see here, you may have
23 heard the name before, is a residence in Michigan
24 belonging to Cary Shineldecker. And the reason I

1 think this is significant because, again in a
2 nutshell, what you see is what you get. And even
3 though that looks like it's right on top of the
4 house, it's really over 1100 foot setback from that
5 property with a 476 foot height to the top of the
6 blade, tip of the blade, excuse me.

7 This is also property that I had some
8 experience with going back to June 2011 when he
9 first started trying to sell this property, before
10 the application from a wind energy project there had
11 even been filed, and he just recently closed finally
12 on selling that property. Very close to my
13 forecast, he lost about 35 percent of what the
14 market value of the property would have been without
15 the turbine present. He had marketed that
16 extensively, and as I recall, at last count there
17 was something on the order of over 25,000 Internet
18 hits, the property had plenty of exposure, and it
19 just takes a very special buyer to absorb that kind
20 of risk. This is just one example, which I'm going
21 to get into a lot more.

22 It's been a while since I've testified
23 before this board. I'm not sure if it's any of the
24 same members or new members or if you're -- I'm not

1 remembering all the names and faces, but I did
2 testify previously at the Deer Run project. And
3 just briefly to recap my qualification as an
4 appraiser and more specifically for measuring wind
5 farm impacts, I have 34 years, over 34 years
6 experience appraising and consulting on really every
7 type of property from residential to farm
8 properties, commercial, industrial. I'm a state
9 certified general real estate appraiser licensed by
10 the State of Illinois. For those of you who don't
11 know, that's the highest degree level of licensing
12 offered by the state. I'm also a Certified Review
13 Appraiser. I was inducted into Lambda Alpha
14 International on the basis of my expertise in
15 property value studies. It's not something every
16 appraiser does, but it's a little bit of a niche I
17 developed, not just with wind projects, but really
18 measuring any type of land use impact upon another.

19 I've previously qualified to testify as an
20 expert witness in over 21 states, including well
21 over a dozen counties in Illinois, and federal
22 courts, and I've appraised, again, a variety of
23 property value damage situations that ranges from
24 impacts such as these to road widenings, the takings

1 of partial -- portions of parking lots from shopping
2 centers, things like that, as I said, again an area
3 of appraising that many appraisers don't get into,
4 but it's something that I have found myself doing
5 more and more as the years go on.

6 I haven't done this just for objectors
7 groups. I've worked for government bodies,
8 developers, corporations, attorneys, investors and
9 private property owners. And, in fact, I was
10 appointed by the Northern District of the U.S.
11 Court, the federal court, as a condemnation
12 commissioner for a pipeline project that went
13 through Will County a number of years ago called the
14 Northern Border Pipeline, and it was my role or my
15 job as a condemnation commissioner, along with a law
16 professor and attorney, to make a recommendation to
17 the court as to the just compensation to property
18 owners for the pipeline being routed through their
19 property.

20 More on point, I've evaluated well over 20
21 utility or industrial scale wind projects in over a
22 dozen states. In the back of my more lengthy
23 report, not the presentation, is a summary of -- I
24 believe it's an updated summary of most of the ones

1 that I have given sworn testimony in.

2 And the Appraisal Institute, which you may
3 know who they are, who the organization is, invited
4 me back in 2012 to develop and present a seminar on
5 this very subject, the effect of wind turbine
6 impacts on property values, which I did. And while
7 I'm not a member of the Appraisal Institute, they
8 sought me out to prepare the seminar, present it to
9 the membership, and the seminar was peer-reviewed by
10 the Appraisal Institute's education committee and
11 approved for education credits for the members of
12 the Appraisal Institute.

13 CHAIRMAN CORNALE: Mr. McCann, let me stop
14 you right there.

15 COURT REPORTER: Yes, I'm going to move.

16 (Discussion off the record.)

17 MR. McCANN: This next slide is just a
18 basically cover of that wind energy seminar that I
19 prepared and presented to the Appraisal Institute.
20 Let me go through the summary of my qualifications
21 which is on there again.

22 In this specific study, kind of getting
23 ready for the meeting, the steps I took to develop a
24 new study in Livingston County, that started with

1 the review of the Livingston County ordinance, more
2 specifically Chapter 56, the zoning chapter, and the
3 special use approval criteria that's indicated in
4 there for any special use.

5 MR. LUETKEHANS: Mike, let me interrupt
6 one second. I think in the back of the room they're
7 telling us they're having a hard time hearing you,
8 so could you try to move that microphone a little
9 closer? Thank you.

10 MR. McCANN: Is this a little better?

11 MR. LUETKEHANS: Yes, I think so.

12 MR. McCANN: To continue, I also reviewed
13 the existing character of the project area which is,
14 as we all know, primarily agricultural and rural
15 residential, and then I reviewed the nuisance
16 factors and stigma from nearby wind projects and,
17 for that matter, other wind projects throughout the
18 United States as to the nature of the conflicts with
19 other land uses that are often created by large
20 scale wind turbines.

21 Then I developed an empirical value study,
22 and by empirical, I mean I was looking for the facts
23 and I found them, and I'm going to get to that more
24 in a minute, and then it's the extension of those

1 facts is the basis for my opinion. But I also know
2 I'm not the only person that's ever looked at this
3 or the only appraiser or person purporting to have
4 actually studied wind farm impacts, so I did a
5 literature review, and that's really where I'm
6 frankly going, over the last eight years plus, and
7 I'll talk a little bit about those in a minute.

8 I don't need to spend much time on this.
9 You've probably all seen this map. This is the
10 outline of the Invenergy Pleasant Ridge Wind Farm
11 Project area. They're extending from southeast of
12 Pontiac down to kind of encompassing one town and
13 adjacent to a couple others. Let me point out that
14 I specifically did not look at the property values
15 in the smaller incorporated towns, I focused on the
16 rural residential, so the data I'll talk about all
17 relates to that.

18 The primary portion of the zoning code
19 that I looked at is the special use standard that is
20 relevant to real estate appraisers and which would
21 require this board to have a finding to approve the
22 project that the special use or the proposed special
23 use would not be injurious to the use and enjoyment
24 of other property in the immediate vicinity for the

1 uses already permitted or substantially reduce the
2 value of neighboring property.

3 This map might be a little hard to see
4 from your vantage point there, but this is a map of
5 my value impact study area. And you can see down at
6 the bottom of the map the Pleasant Ridge project.
7 That's not an exact outline. But above that to the
8 right you can see the Cayuga Ridge project, and all
9 the red dots represent turbines, but this is all
10 derived from the USGS map, so it's not something I
11 created per se. It's just been posted onto the
12 slide. There's also the Minonk project. While it
13 overlaps Woodford County there, it also is partially
14 in Livingston County.

15 And then the Grand Ridge project at the
16 northwest part of this map, while it's getting kind
17 of close to Livingston County, the nearest turbine
18 is actually set back at least three miles from the
19 county line, so there was no sales data that I drew
20 from proximity to the Grand Ridge. But the Top Crop
21 project, again while it comes down to the county
22 line, is not actually in Livingston County, but
23 there was some sales data just south of the Top Crop
24 project that is part of the basis for my opinion.

1 So just to be clear, the red dots
2 represent the turbines. The sales data that I've
3 identified as target sales come from within three
4 miles of either Minonk, the Cayuga Ridge or the Top
5 Crop project.

6 What causes value loss? There's a host of
7 things that can impact value and sometimes or often
8 do depending on the siting and the proximity.
9 Detrimental conditions can include any number of
10 things, including land uses such as wind turbines.
11 It also can be caused by the impairment of the quiet
12 use and enjoyment of the property. This can be a
13 motivating factor for people to sell, for example.

14 Bona fide nuisances and health impacts.
15 While there's always attempts to minimize what
16 people have experienced, testified to, stated in any
17 number of forums, this is so widespread that, you
18 know, even looking at this project going back as far
19 as 2005, I know there's no conspiracy amongst
20 neighboring property owners, it's a widespread
21 trend, but these impacts do occur near some of the
22 wind projects. Sorry for the feedback here.

23 Stigma is a recognized real estate term,
24 and I have a definition for it later in the slide,

1 but it essentially means the loss of replication of
2 the property. And, again, I'll get into that a
3 little further, but it can include esthetics, it can
4 include things that are more visible in nature, any
5 trespass or intrusion of excessive noise,
6 contaminants, odor, vibration, glare, flicker or
7 physical impacts into, through or over neighboring
8 property.

9 Again, stigma essentially constitutes
10 damage to the replication of the realty or the real
11 estate, and that comes from a Kentucky court case,
12 it's not my definition, but the link is there to see
13 exactly where I derived it from.

14 Property value studies. This is not the
15 first one I've done, and I'll talk about a few of
16 them, mostly about the Livingston County study. And
17 again, I've also reviewed a number of industry
18 studies which have been prepared by academic
19 institutions, such as Illinois State University,
20 probably seen a couple of them, the Jennifer Hinman
21 study, Jason Carter study, and some are funded by
22 the U.S. Department of Energy and wind energy
23 developers which are -- whether or not you're aware,
24 the ISU Renewable Energy Program does take corporate

1 sponsorship and they get some input into how these
2 studies are derived. So while these students are
3 preparing their theses, I'll put it, they're not
4 just independent, objective, experience studies.
5 These are students preparing theses that, you know,
6 to achieve a renewable energy degree or certificate
7 which in part is funded by various wind energy
8 companies acting as donors.

9 One of those studies, not an ISU study but
10 the Berkeley, the original Berkeley study, commonly
11 referred to as the LBNL study, study from 2009
12 published in December, the one thing that really
13 shows a high level of statistical significance is
14 their analysis of views or vistas from property,
15 what's the setting?

16 And as you can see on this Figure ES-2
17 from their original report, when you have a premium
18 vista on the far right, the property -- and they
19 have a number of 75 sales in their study that show
20 13 percent higher values. And above average vista,
21 again based on over 400 sales, there's a 10 percent
22 premium. And the reference category is just a
23 fairly typical view from a property or vista that
24 goes more to the esthetics than any noise issues or

1 anything like that. But further to the left, you
2 can see when you get a below vista or poor vista,
3 then the sale prices drop significantly, 8 percent
4 and 21 percent respectively.

5 So if you start off with a property that
6 has a premium vista, a wide spacious view, very
7 natural setting, you might, according to their
8 study, obtain a 13 percent premium above a more
9 standard vista. And if you take that vista away and
10 turn it into a poor vista, you now experience a 21
11 percent loss. So by their own study, you can see
12 that just by view alone you can end up with a 34
13 percent swing in property values, and that's not
14 taking into account any wind turbine or other, you
15 know, focused study impacting it. But clearly they
16 recognize, as does the appraisal community, as does
17 the real estate industry in general, that views
18 definitely translate into value.

19 But those are statistical studies which
20 are not compared to the same standards as a
21 qualified appraisal study. They are -- in fact,
22 while they use the term value, they steer pretty
23 well clear of claiming that they're value studies;
24 they're statistical studies.

1 The correct way to measure, objectively
2 measure a value loss from a detrimental condition
3 can be found in the textbook of Real Estate Damages:
4 An Analysis of Detrimental Conditions prepared by or
5 authored by Randall Bell and published by the
6 Appraisal Institute. And what Mr. Bell clearly
7 recognizes is paired sales analysis of properties
8 that don't have proximity to the land use in
9 question or the issue in question and compare it to
10 other like properties using appropriate appraisal
11 methodology and paired sales, you can derive and
12 extract on a very focused basis what the market is
13 saying about value as relates to, again, the use in
14 question, which in this case is proximity to wind
15 turbines.

16 Regression studies are statistical
17 analyses that, again, the institutional -- is the
18 preferred method for the institutions and not really
19 reliable for damages estimates or for finding if
20 there is any damages. There's a host of reasons for
21 that. But the IAAO standards, and that's the
22 International Association of Assessing Officials,
23 has standards for using regression analysis when
24 they're preparing sales ratio studies. This is also

1 codified in Illinois law as far as the minimum level
2 of ratio that's acceptable, often called assessment
3 sales ratio or sale ratio studies. And for
4 assessors who are doing mass appraisals of
5 properties throughout the county, that standard is
6 at least 85 percent or .85, and that correlates more
7 or less to what the statistical studies use as their
8 primary measure of reliability and that is what is
9 statistically referred to in the statistical world
10 as the R squared.

11 And while I'm not an expert and have no
12 degree in statistics or anything like that, I have
13 studied up on it enough to understand it well
14 enough. What R squared really means is it's the
15 coefficient of correlation or what is the
16 explanatory power of their study. And the
17 statistical studies prepared by Berkeley and
18 Illinois State students and so forth, they typically
19 are in the .5 to .6, .7 range. In other words, to a
20 .7 R squared, it only explains 70 percent of the
21 variation in sale prices and it just doesn't even
22 come close to meeting the standard for reliability
23 required in other government studies meaning, at the
24 county level, property values, but again corresponds

1 to the assessment sales ratio and it's really
2 desirable to have above a .9 or .95 by the IAAO
3 standards.

4 I do use things like averages and so
5 forth, the more traditional and understandable
6 statistical terms. But in the following exhibit,
7 target sales location map, again you can't see it
8 too well on this, apologize for that, broadcast up
9 on this wall, but the red balloons represent the
10 location of the turbines and the green ones
11 represent the location of the target sales, in other
12 words, the sales that I found that were within three
13 miles of those three projects, the Minonk, Cayuga
14 Ridge and the Top Crop project, and which were sold
15 conventionally, in other words, these are not the
16 foreclosure sales, these are not the estate sales or
17 other sales that would be rejected as not being
18 arm's length transactions. And I'll get into the
19 actual cases in a minute.

20 But the study results, as you can see on
21 this table, is -- the bottom line is overall it
22 showed that the data -- well, it finds almost 25
23 percent lower value within three miles of turbines
24 compared to control sales that are located more than

1 three miles away. I'll just walk you through it
2 briefly.

3 On the right on this slide, the sale
4 numbers, you can see T1 through T17, and that means
5 there were 17 sales that passed the vetting process
6 again by eliminating foreclosures and so forth, so
7 these are all arm's length sales. And then in the
8 next column you can see the number of control pairs
9 that were paired up with each of those sales, and
10 then there's the average price per square foot, the
11 target sales versus the control sales, which was 23
12 percent lower in the target locations, and, you
13 know, the marketing times were about 21 percent
14 longer in the target locations as well.

15 The far right four columns, that's really
16 the basis of taking each of those control sales and
17 making appropriate adjustments for the differences
18 with the target sale, except for the turbine, so it
19 solves for all the other variables, at least the
20 ones that have a measurable impact on value, and
21 that includes the age, the size of the property,
22 meaning square footage of the homes. It also
23 includes the acreage of the parcels.

24 And each of the control sales were

1 selected on the basis of also being rural
2 residential, more than three miles from any turbine
3 or, for that matter, the land near Pontiac, and
4 excluding foreclosure sales again. So each of the
5 control sales were also selected on the basis of
6 being within a few months of -- of the target sale
7 date, so there was little or no adjustment needed
8 for changes in marketing issues that kind of would
9 be very nominal with a two or three month difference
10 in time. So each of those sales is paired up with
11 groups of control sales that occurred at the same
12 time and then refined further by the physical
13 features of the property.

14 And when all that is done, you can see at
15 the far right side the impact fair market value
16 percentage, what each one of those paired sales
17 analyses revealed as far as the impact measured from
18 that particular sale, and the bottom line for that
19 study area overall again is a 24.68 percent lower
20 property value.

21 I also looked at --

22 MR. LUETKEHANS: Mr. McCann, before you go
23 on to that next slide, let me ask you a question.
24 So just so we're clear, on the left-hand column,

1 sale number, those are all sales within the target
2 area or target areas.

3 MR. McCANN: That's correct.

4 MR. LUETKEHANS: And then the control
5 pairs are sales that you thought were comparable but
6 were outside of the target area. They're in the
7 control area.

8 MR. McCANN: That's correct, yes.

9 MR. LUETKEHANS: Okay, so you compared
10 those two types of sales and made modifications
11 based on the type of property, the size, et cetera,
12 and that's the same kind of modifications you make
13 whenever you do an appraisal, correct?

14 MR. McCANN: Well, the technical term is
15 adjustments, but yes.

16 MR. LUETKEHANS: Yes, sorry.

17 MR. McCANN: And adjustments can be
18 quantified or qualified in some cases. This type of
19 study lends itself to doing quantified adjustments,
20 which is exactly what I did.

21 MR. LUETKEHANS: Okay, please proceed. I
22 apologize.

23 MR. McCANN: No problem. I also took an
24 excerpt out of that overall study to kind of test

1 out what the Hinman study found, which was
2 approximately 12 percent preconstruction, what she
3 termed, wind farm anticipation stigma. I think she
4 came up with the theory, she certainly claimed
5 credit for it in her 2010 thesis report for ISU, and
6 I did find a few sales that were -- that property
7 had sold before the project was built but after it
8 was known or when the project was announced, so when
9 people in the local market already knew it was
10 coming, how was that affecting the sale prices, and
11 that's what this table basically answers.

12 And while there are only three that met
13 that criteria, it actually matched up very close
14 with what Hinman said on the preconstruction
15 anticipation stigma of 12.73 percent lower near the
16 turbines, near where the turbines would ultimately
17 be. Sometimes we don't really know exactly where
18 they're going to be. We know they're going to be on
19 a certain property, but not on a very discrete
20 specific part of the property. They can move around
21 sometimes.

22 MR. LUETKEHANS: Mr. McCann, would you
23 agree that the Hinman study found an effect in two
24 of the three counties and no effect in the third?

1 MR. McCANN: Oh, that was the Heintzelmann
2 study.

3 MR. LUETKEHANS: Oh, I apologize.

4 MR. McCANN: That's all right. Trick
5 question from --

6 MR. LUETKEHANS: Yeah, from your own
7 attorney, yeah. I apologize. Please proceed.

8 MR. McCANN: The Hinman study only looked
9 at the property values, or attempted to, by the Twin
10 Groves Wind Farm in McLean County, and the one he
11 was referring to was out east in upstate New York,
12 the Heintzelmann and Tuttle study by Clarkson
13 University, also a statistical analysis.

14 These sales compare what happens after the
15 project is built and it eliminates or excludes, I
16 should say, those preconstruction sales. And as you
17 might expect, once you reduce the lower percentage,
18 it does, in fact, raise the percentage impact on
19 post-construction basis, and it's 27 and a quarter
20 percent by this study of property values right here
21 in Livingston County.

22 Also, as I was going through the data
23 poring over it for many hours, what I was noticing
24 is that there seemed to be a higher level of

1 foreclosures nearest the turbines, and that, in
2 fact, turned out to be true. The information came
3 from both the Livingston County MLS and the Midwest
4 Real Estate Data MLS, which is something that is
5 used more in the immediate Chicago area but does not
6 include everything that's in the Livingston MLS, so
7 we spent quite a few hours merging those two
8 databases together to make sure that we had picked
9 up everything that had gone through realtors, and
10 then we backed it up. We signed on to be able to
11 use the county assessor's website and were able to
12 confirm things that were reported as foreclosure
13 sales were, in fact, confirmed as foreclosure sales,
14 you know, again on the county website.

15 And here's the bottom line is that for the
16 years once the turbines were starting to be built
17 and through -- this is through late November of
18 2014, out of 151 sales more than three miles from
19 any turbines, 16 of them sold by foreclosure or
20 short sale, or about 10.6 percent of the total. On
21 the other hand, out of a total of 30 sales in the
22 target area, nine of them sold by foreclosure or
23 short sale, or 30 percent of that total.

24 So, in other words, within three miles of

1 turbines, there are foreclosure sales at three times
2 the rate that you otherwise experience for like kind
3 properties that are more than three miles from
4 turbines. This is consistent with the reports
5 you've all heard of people abandoning homes.
6 Abandonment comes in many shapes and forms, but
7 walking away from a property, letting the bank take
8 it back or selling it at short sale is certainly
9 consistent with that premise and those experiences.
10 There's been other reports of people walking away
11 with nothing.

12 I mean Mr. Shineldecker, that slide I
13 showed you at the beginning, him and his wife who I
14 met, you know, when I appraised the house back in
15 2011, they loved that house, they didn't want to
16 leave. They were drummed out of there by the noise,
17 having to move their bedroom down to the basement
18 because of what they described as the low frequency
19 thumping that they could feel in their body causing
20 all kinds of sleep deprivation and other dental
21 issues with gritting the teeth while sleeping and
22 loosening teeth, but he has, in fact, now left that
23 house despite the fact that he didn't want to and
24 his wife didn't want to.

1 This is going to be real hard to read from
2 there, but it's in my report. In fact, there's
3 several pages of these paired sale analyses. These
4 are the details that I summarized previously, and
5 I'm not going to bore you with going through every
6 one of those, it's okay to breathe a sigh of relief,
7 but I just want to explain to you briefly what it
8 is. This is kind of what an appraiser would use
9 similar to a form report that they're doing for a
10 lender, but I modified it some, too, for this
11 particular situation.

12 In the upper left corner of that paired
13 sale analysis, you can see that that's T2, meaning
14 that it's target sale 2, it's by the Minonk wind
15 farm, and the nearest turbine is in this case .58
16 miles from that particular residence. And then that
17 line that's in green, that is all the details of
18 that sale, the address, the mailing address, the
19 city, the date it closed, the sold price, the dollar
20 sold per square foot, how many acres the lot is,
21 marketing time, and so on down the line.

22 And underneath that in the black font are
23 the, in this case, one, two -- six control sales
24 that I've paired up with that each individually as

1 if I was appraising that particular target sale
2 using these comps from more than three miles away.
3 And beneath each of those sales lines, on the sale
4 lines you can see what the comparison is and then
5 the adjustments I made for those different factors,
6 you know. So if it was a larger property, there was
7 a downward adjustment for that factor being superior
8 to that target sale. And then at the end is the
9 result of the net adjustments to each sale and the
10 adjusted value and then the impact percentage that
11 is derived just mathematically from analysis of that
12 sale.

13 In the lower left part of that paired sale
14 example is just the raw facts, what the control sale
15 mean sale price was, what the target sale mean sale
16 price was per square foot, and the difference
17 expressed as dollars and as a percentage, which in
18 this case is 26 percent lower.

19 And then over at the far right side of
20 that left box you can also see the marketing time
21 difference. The far right, that lower box, is the
22 fair market value analysis that shows what the fair
23 market value of that target sale would have been but
24 for the turbine, what the actual sale price was, and

1 what the actual value impact amount was as a dollar
2 amount and again as a percentage.

3 This was repeated until I went through all
4 the target sales that were not foreclosures and that
5 were on larger than an acre lot, and I had to
6 exclude one or two others because they just couldn't
7 comp out. One of them had a church on the property,
8 for example, and then we start getting into some
9 speculation as to what would be an appropriate
10 adjustment for a house that sold but also had a
11 church on the property.

12 This is not the first time I've done a
13 study of property value impacts near turbines, but
14 this is obviously the most recent study. I had done
15 one in 2009 for Lee County when obviously all we had
16 there was the Mendota Hills project and was more of
17 a simple array of the data that sold in 2003, 4, so
18 on, shortly after the project went up. And what I
19 found was that sales located more than two miles,
20 and I used the two mile measurement at that point,
21 averaged \$104 a square foot, and the sales located
22 within two miles averaged \$78.84 a square foot.
23 There's the details and you can check it out, it's
24 transparent, which I might add is somewhat unlike

1 the statistical studies that you can't identify a
2 single property. But that early study I found that,
3 in fact, the average value diminution within two
4 miles of turbines is 25 percent. No adjustments
5 made again. It's just a rather simple array of the
6 data by distance.

7 I also had the opportunity to update that,
8 that study, and expand it into DeKalb County after
9 the Florida Power and Light project was built in
10 DeKalb. And again, I did a detailed paired sales
11 analysis with the target and control sale data
12 selected on the basis of proximity to turbines or
13 being at much greater distances, which in that
14 particular case, the target sales averaged a 2,618
15 foot setback from any turbines.

16 And the control sales on average were over
17 ten miles away where you really couldn't see the
18 turbines. Sometimes the control distance is
19 questioning or questionable because you can see
20 these from a great distance, and when you're looking
21 at a turbine from five miles, it doesn't look like
22 any big deal, but from 2600 feet, there's a large
23 part of the market that disagrees with that. But in
24 any event, what that data found was that there was a

1 23 percent to 33 percent reduction in value at the
2 closer setbacks and averaged 26 percent.

3 This is a different format with the same
4 type of study, target sale on the left, control sale
5 on the right. You can see the photographs, they're
6 -- they couldn't be any more cookie-cutter in this
7 particular example than those. What that one showed
8 from the DeKalb study was a 43 percent -- over 43
9 percent impact on value, while this table summarizes
10 broken down by Lee County and DeKalb County for the
11 target and control sales.

12 I won't repeat everything that the table
13 shows, but it does show in this particular example a
14 much longer marketing time, almost exactly a year to
15 date, for the properties in the target area that
16 sold versus the control area. What it also showed
17 was a sale price as a percentage of list price is
18 only 70 percent near the turbines versus 91 percent,
19 from that database, far from the turbines. The
20 closer proximity and the bigger turbines relative to
21 proximity did show a greater impact in the DeKalb
22 study, which as you can see that averaged out to
23 just under 33 percent versus just under 23 percent
24 in Lee County.

1 That 22 and a half percent in Lee County I
2 think is worth spending just a few seconds on. I've
3 often heard the claim that once the projects are
4 built and people get used to them, the property
5 values recover. Hinman even went so far as to say
6 that they soar after projects are built. That
7 project has been up since 2003 and I don't see
8 values soaring. I still see a significant drop in
9 value, 22 and a half percent for Lee County a decade
10 later. So the facts belie the PR. And that's
11 pretty much what I just said, so I'll just skip on
12 past the rest of that slide.

13 I don't just work in Illinois. I'll spend
14 a very brief amount of time on this. There's very
15 little data by the projects where those two stars
16 are located, bright big red stars, between Union and
17 Hoaglin Townships in Van Wert County, Ohio. Very
18 rural area, very low property value base, definite
19 farming community. And what I did there is I
20 enlisted a local realtor to provide all the sales
21 data since that wind project had been built. I'm
22 trying to remember the name of it. Blue Ridge or
23 something like that. They always have a very
24 pleasant name.

1 But in any event, in Union and Hoaglin
2 Townships is where the turbines were built, and I
3 compared it to the sale prices in Liberty and York
4 Townships, which again what we see is a
5 preponderance of foreclosure data, which in this
6 case I didn't extract it from or vet it out of the
7 database, includes foreclosures just to be clear.
8 But what I was finding is in townships more than --
9 or the section more than six miles away from any
10 turbines, the average sale price was almost 79,000
11 while it was about 58,000 in the turbine township, a
12 26 percent lower value near the turbines. If you
13 look at it on a square foot basis, 22 percent lower.

14 There wasn't a large number of sales, I'll
15 admit that up front, but billions of dollars are
16 loaned every year on homes based on appraisals that
17 have three or four comps. So when you hear someone
18 say that, oh, this study had 50,000 sales in it, I
19 have to answer how many of them are relevant and how
20 many of them can we identify, and, you know, frankly
21 the answer is not positive to either of those
22 questions.

23 I don't want to put everybody to sleep, so
24 I'm not going to go through the entire details of

1 this particular paired sales analysis. I've done a
2 little work out in Massachusetts too, and that was
3 not a large scale project, there were actually only
4 two turbines built on the Falmouth, village of
5 Falmouth or town of Falmouth wastewater treatment
6 plant, and the property right across the highway
7 from it that sold, but where the visual impacts, the
8 noise impacts and so forth were being experienced as
9 well as some of the other residential areas around
10 that wastewater treatment plant. But the bottom
11 line is that this particular paired sale again found
12 a very consistent reduction in price and value that
13 is related to proximity to the turbines.

14 I mentioned a while ago I'm not the only
15 one that has done these type of studies
16 independently. There's a gentleman in Ontario, one
17 in Ontario by the name of Ben Lansink, who's a
18 professional appraiser in that part of the world,
19 and he picked up on some sales that I learned about
20 years ago, but many things have happened since a few
21 of those developer buyouts happened.

22 The properties on the right of that table
23 are properties near what's called the Melancthon
24 area in Ontario, and Canadian Hydro was a wind

1 developer that built a number of turbines in that
2 immediate area. A number of people had started
3 experiencing noise and those type of issues and
4 sought to be bought out. Canadian Hydro in fact
5 bought them out, and they bought them out at what
6 amounts to market value. That Mr. Lansink's study
7 pretty well proved up that the original price they
8 paid was not some inflated windfall to the property;
9 they bought them out at market.

10 Then the developer turned around and
11 resold each of those properties using conventional
12 marketing methods, the multiple listing service out
13 there. The kicker was, and this is what I really
14 like about this data for understanding the issue of
15 property value impact as it relates to the
16 definition of market value, anybody that bought
17 those properties had to grant back to the developer
18 an easement that was labeled an easement in gross
19 that clearly identified that the wind turbines
20 exist, that they may impact the living environment
21 of the property these purchasers were going to buy,
22 and that the wind developer, who is now the seller,
23 reserves the right to broadcast noise, flicker,
24 shadow, vibration, and those type of impacts that

1 are commonly identified and experienced.

2 So each of these buyers had full
3 disclosure. This is not a case where anybody of
4 those five people or that wind developer were not
5 given full disclosure. That can be a problem with
6 sales sometimes, identifying what did the buyer
7 know, what did the seller know, what did they talk
8 about, what did they tell each other. It's recorded
9 in the county database up there that these, in fact,
10 had easements in gross in them. In fact, in my
11 report, I enclose a copy of the standard easement in
12 gross that was used up in that project area. Again,
13 very clean data from the respect of it's
14 unquestionably market value transactions.

15 And this is how Lansink basically did it.
16 He determined what the market was doing at the point
17 in time that the property was bought out, at the
18 point in time that it resold, and he adjusted those
19 sale prices according to how the market went, and
20 then saw what they actually sold for, deducted the
21 difference, you get a dollar amount, you get a
22 percentage amount that corresponds to how much value
23 that property actually lost in light of the
24 prevailing market conditions outside the turbine

1 area. I'm not going to leave it up for everybody to
2 try to read it, it's kind of fine print, but it's
3 there in the PowerPoint.

4 Winding down a little bit, this is kind of
5 a summary of a number of the studies that I've just
6 talked about. There's some I haven't mentioned.
7 Like Sunak, that was a study done at a university,
8 I'm not even going to try to pronounce it, in
9 Germany, and it was again a statistical study much
10 like the U.S. educational institutions usually do.
11 But despite using statistical analysis, he found 25
12 percent impact to lot values within 2 kilometers of
13 the turbines in Germany, which many were of older
14 vintage, smaller, not as dominant on the landscape
15 or, I imagine, you know, the noise it produces.

16 Beneath my name, the bottom part of that
17 slide shows the Gardner results. He's an appraiser
18 down in Texas. And using paired sales methodology
19 of ranch properties, he found a 25 percent impact on
20 values.

21 Kurt Kielisch, an appraiser up in
22 Wisconsin, in fact, Mr. Kielisch and I both spoke
23 during the Deer Run hearing a number of years ago
24 here in Livingston, but what his study found was,

1 you know, depending how you look at it, which
2 analysis you're referring to, including a
3 regression, 30 to 40 percent or 24 to 39 percent,
4 not a specific number, but again measures
5 significant difference in values.

6 The Luxemburger study is really more of a
7 broker analysis, but he used a decent methodology,
8 near and far, and what he measured compared to
9 beyond three nautical miles, he used nautical miles
10 because he's a pilot as well as a broker, and what
11 he was finding was prices \$48,000 or 15 percent
12 lower without really doing much more study than
13 that, but he had a large database that was relevant
14 up there.

15 Lincoln Township committee, this was a
16 government body, a moratorium committee I believe,
17 and what they compared was assessed values, again
18 getting back to an assessment of sales ratio type of
19 analysis versus what's compared after the wind
20 turbines were built up there. And I believe it's
21 the Forward Wind Energy project. And if you compare
22 what the assessed value was to what they -- some
23 properties ended up actually selling for, it
24 indicated, you know, about a 28 percent deviation

1 from what it should have been according to their
2 assessment of sales study.

3 There's a few more examples here. I know
4 there's some others submitted in evidence beyond the
5 Hinman and the Hoen study that Mr. Thayer testified
6 to, but the Canning and Simmons study was actually
7 prepared by -- on behalf of the Canadian Wind Energy
8 Association who was their client, and they kept
9 finding different ways to analyze that data and each
10 one of these kept showing that there was a numerical
11 difference or percentage lower value. They ended up
12 saying, though, that their results are not
13 statistically significant. So that study has been,
14 I think, kind of buried or pushed aside by the wind
15 industry. They don't cite it anymore. I'm not sure
16 why.

17 The footnotes, I'm not going to read all
18 those, but that points out some more salient points
19 where we do comments that I developed reading
20 through these studies. There's a couple also marked
21 on there.

22 The London School of Economics about a
23 year ago produced a study that while I have not
24 delved into that one, I had access to their data and

1 did find an 11 percent impact. It's an academic
2 study that used regression, so it's like a
3 statistical analysis as opposed to an actual value
4 measurement, you know, and that's as solid as any.
5 London School of Economics has a reputation that as
6 far as I know is pretty good.

7 Again, the studies that the Berkeley
8 researchers and the professor and so forth have
9 found find very low R squared, very low explanatory
10 power for their studies. An R squared of .8, for
11 example, that only explains 80 percent of the
12 differences in the sale price. And to put that in
13 real simple terms, if the value impact was 20
14 percent or even 22 or 23 percent, that study could
15 still conclude we didn't find any statistical proof
16 that there's been an impact. I'm not saying there's
17 no impact; just from a statistical standpoint you
18 can't prove there's property value loss.

19 I would suggest that instead of creating a
20 big hay stack so you can find the needle, just go
21 right to where the activity is and look at it very
22 specifically, very focused and compare it the way,
23 again, the Appraisal Institute, the accepted
24 appraisal methodology for -- if you're actually

1 trying to find whether or not there's value impacts,
2 that that methodology will review it as opposed to
3 getting buried in a large pool of database that
4 there's no way you can find the impacts unless
5 they're, you know, over 50 percent or something like
6 that.

7 I would also point out that in the
8 Berkeley, you know, the more recent study in 2013,
9 they have a statement in their report that for the
10 purposes of this research we will assume that 3 to 4
11 percent is a maximum possible effect from the
12 turbines. Where I come from, that's just a
13 completely inappropriate assumption to start with.
14 You start with the assumption of nothing. Then
15 you're going to really look for any evidence, if
16 they exist, if there are impacts. And that study
17 again has a very low explanatory power of R squared
18 of .67, again meaning that a 33 percent value
19 impact, if it was there factually, it wouldn't be
20 found statistically.

21 That chart comes from that same study I
22 was just referring to and shows pre-announcement,
23 post-announcement but preconstruction, and
24 pre-construction. And I don't pretend to understand

1 exactly how they vetted all their sales, there's a
2 lot in their reports that are not transparent, but
3 what it did show is that the rate of increase was
4 much lower for the properties within one mile that
5 are demonstrated by the blue line. They start
6 lower, they end up lower, and the difference in how
7 much the property values were at the greater
8 distances versus one mile was 32.3 percent, which I
9 guess kind of ties together with what the market has
10 made about .67 R squared not being able to find 33
11 percent impact.

12 The original Berkeley report that has been
13 circulated worldwide. The devil's in the details.
14 If you were to look it up yourself, and what you
15 would find, I believe it's on page 14 in the
16 footnotes, starting around footnote 28, that they
17 specifically decided to exclude resales of property
18 that showed, in one case, a 36 percent value loss
19 and in another case a 80 percent value loss.

20 And as I mentioned in the seminar that I
21 presented to the Appraisal Institute, I kind of
22 pointed that out as politely as I could, that it's
23 not really an appropriate elimination or decision to
24 not use those sales. It would have actually changed

1 the results of their study, number one. Number two,
2 that these properties again were bought out by the
3 wind developer at market value and then resold.

4 I went through those sales since
5 discovering this rather unusual exclusion from the
6 study, and frankly those are the properties that the
7 buyout prices were right in line with what other
8 market activity was showing, and the resale prices
9 were big drops.

10 I don't know for sure what their
11 disclaimers were or easements, as in the case of the
12 Canadian Hydro sales that Lansink refined, but it's
13 their conclusions were just not supported by the
14 empirical data analysis. And why they would
15 eliminate those sales? Well, they claim it was
16 because of related party transactions, which is not
17 an appropriate substantive sales ratio study, but
18 they were, in fact, not really the people, so I
19 don't know how they got that.

20 Some studies have been done by
21 quasi-government bodies, in this case MPAC, which is
22 the Municipal Property Assessment Corporation. It's
23 actually a private company, but they do on a
24 contract basis all the assessment work for the

1 residential properties in Ontario. Ontario, much
2 like Livingston County, has had many wind farm
3 developments, very controversial, very hot political
4 issue throughout Ontario, except in Toronto, the
5 city.

6 But many people were, some of them from
7 Ontario, were contacting me, how do we reduce our
8 assessments to reflect the fact that our values are
9 lower near the turbines? And I couldn't really help
10 in Ontario other than to say hire a local appraiser,
11 attorney, whatever, see what kind of forms you have
12 to fill out. But ultimately MPAC was asked by the
13 Ontario government to prepare a study to see how
14 close they were getting their assessments to the
15 sale prices, and that's the real focus of their
16 study. But there's a kind of a "by the way" in that
17 study, because they didn't really focus on it, but
18 in careful review I found it.

19 And what you see in this table in their
20 study is, first of all, there's a total of 41,424
21 sales used in that study. On the left side, you can
22 see there's 279 sales that are located within,
23 within a kilometer of any turbine; and the next set
24 of bars, 989 sales at 1 kilometer to 3; the next

1 set, over 3,000 sales at the 3 to 5 kilometer range.
2 And let me point out that 5 kilometers is right
3 about three miles, close enough. So the three bars
4 on the left all show within three miles where the
5 bars on the right are all sales outside of 5
6 kilometers or three miles.

7 The blue ones show what their assessed
8 values are, and the green bar shows the actual
9 time-adjusted sale prices. They had a very reliable
10 basis for how much values had moved in general and
11 used that to time-adjust their sales. And what they
12 showed was that their assessment sales ratios are
13 actually very close to the time-adjusted sales
14 ratios. In fact, they came within that .95 ASR
15 standard.

16 So they're very proud of this study and
17 rightly so, because it showed they're doing their
18 job well. But then they left the reservation and
19 said that this data does not show any value impact,
20 and I think what they really should have said is
21 this study does not show any lack of uniformity or
22 equity of assessment because what it really shows
23 price-wise, never mind reassessments, is that when
24 you're less than one mile, there's a 25 percent

1 difference from the control setback over five miles;
2 26 percent 1 to 3 miles, or kilometers rather,
3 excuse me; and then 21 percent at 3 to 5 kilometers.

4 The data is their data, the facts speak
5 for themselves, there's a large number of data, so
6 if one thinks there has to be a large number of
7 sales in the study to be valid, I would suggest that
8 this study is as valid as any and is much more
9 transparent than others because it actually shows
10 what's going on at different distances. And again,
11 I commend them for using appropriate sales near --
12 properties that are near turbines because otherwise
13 it wouldn't -- to actually reflect the value. So,
14 you know, sorry for the folks in Ontario. From what
15 I see here, there is not a widespread basis for
16 assessment appeals, but on a one-by-one basis maybe
17 there is.

18 Well, with all that said, I guess I come
19 to a number of conclusions that start with setbacks
20 of less than three miles are inadequate to avoid
21 significant loss of value or the impaired use and
22 enjoyment of neighboring property. I'm not an
23 acoustic expert, I'm not a doctor, I can't speak to
24 those things as one of those experts, but I can tell

1 you that I have talked to enough people that are
2 describing the very things. A large number of very
3 qualified acousticians, medical doctors and so forth
4 that are really independent have been finding it
5 does happen. And it doesn't happen to everybody,
6 but it happens to a large enough number that it ends
7 up translating and coming out in the wash in the
8 real estate market and the sale prices.

9 So if this project is approved as
10 proposed, I believe the most proximate residential
11 properties will experience a range of value impact
12 from 25 percent at 2 to 3 miles to as much as 40
13 percent at some of the typical setback ranges when
14 they're really trying to squeeze it in there as
15 close as they can with what the county ordinance
16 otherwise allows for. Just because it complies with
17 that, or perhaps even a modelled noise measurement,
18 does not mean that there will not be a genuine or
19 bona fide nuisance. The market keeps proving over
20 and over again that there is.

21 So ultimately, in my opinion, this project
22 does not meet the requirements of the Livingston
23 County zoning ordinance with respect to special use
24 criteria that relate to real estate value and

1 compatibility because there will be substantial loss
2 in property value.

3 Briefly the basis for those opinions are
4 the independent studies that consistently find
5 significant value diminution, appraisal studies
6 which I believe are superior because they focus on
7 paired sales data and resale studies of nearby data
8 as opposed to the wind industry commissioned studies
9 and the related university studies that only use
10 regression analysis which often, particularly in the
11 case of Berkeley, pools the data and that really
12 assures no statistical significance will be found
13 for value loss.

14 And just real briefly on that, if you have
15 properties in Massachusetts that the average selling
16 price is 350,000, then you go to Van Wert County,
17 Ohio, where the average sales prices are 70,000, by
18 the time they're developing and tweaking their
19 regression study for what is a bathroom worth, it's
20 going to vary so widely between those two markets
21 that, you know, it just really isn't reliable, and
22 it carries down the line to their ultimate
23 conclusions that are, you know, statistically
24 measured in weak R squared findings.

1 I would also add that nonappraisers, I
2 don't mean this as a cheap shot, but they do not
3 comply with USPAP, which is a regulation that
4 applies to all licensed appraisers. And, in fact,
5 in Illinois it also applies to anybody that's
6 presenting a value opinion, and they don't comply
7 with those on several levels. Again, I'm not here
8 to take any cheap shots, so I won't enumerate that
9 beyond my statement right now.

10 You saw this exhibit, the paper called
11 Wind Farms and Rubber Rulers written by Al Wilson.
12 Al Wilson is an independent appraiser, he's retired
13 now, but once upon a time, he was very much involved
14 in developing the standards for measuring
15 environmental value impacts, and he wrote and talked
16 and lectured extensively on the subject for the
17 Appraisal Institute and other professional
18 associations. His resume is also an exhibit, so you
19 can see for yourself, you know, that he kind of
20 wrote the Bible you might say.

21 And at the same time that Ben Hoen, the
22 author of the first Berkeley study who called me to
23 request that I peer-review that 2009 study, he
24 apparently also called Mr. Wilson. And I have to

1 admit Mr. Wilson wrote a better review and critique
2 of that study than I did. And what he found was
3 many of the things that I'm talking about, the
4 pooling of data, the lack of application use
5 standards, the lack of any indication in the
6 Berkeley study of any testing or calibration of
7 their model to see whether or not what they were
8 saying actually proved out in the market. And then
9 he also went into the lack of adherence to any mass
10 appraisal standard. As he cites, the R squared
11 being under .9 just really means that those studies
12 or the original study that he reviewed had a very
13 low explanatory power.

14 And his basic conclusion, very objective,
15 he wasn't paid anything for this review, he's not on
16 one side of the issue or the other, makes that very
17 clear in his statement -- frankly I'm not either
18 even though I keep getting called by the folks that
19 are against these projects -- but Mr. Wilson's paper
20 says that this -- that the Berkeley study should not
21 be relied upon for any public policy purpose. And
22 again, no cheap shot to anyone; just it does not
23 meet any objective, scientific or appraisal
24 profession or industry standards. It's kind of

1 loosey-goosey and said what they wanted it to say.

2 Statistical studies like Clarkson and
3 Sunak also use regression analysis, but they don't
4 pool the data and they claim that their conclusions
5 are statistically significant, but Clarkson and
6 Sunak also find that there's a fairly significant
7 impact, in the case of the Clarkson study, within a
8 tenth of a mile. Under one of their scenarios, I
9 believe it was a census tract analysis, it was up to
10 40 percent. Sunak, he just says basically within 2
11 kilometers a 25 percent impact on the value of lots.
12 So the Clarkson study might be useful for
13 understanding that the closer the distance is the
14 more impact there's likely to be.

15 And the bottom line between mine and other
16 studies collectively, it's my opinion and the
17 findings are that proximity impacts range from 25 to
18 40 percent. That's appraisal-ese and a whole lot of
19 hopefully-you're-still-awake type stuff.

20 But the common sense is there's a market
21 resistance to buying a home in an overwhelming
22 industrial setting. That doesn't mean you can't
23 find a buyer; that just means there's market
24 resistance. And also, the other side of the coin,

1 there's the buyer and seller of the property.
2 Sellers are often under duress due to noise, health
3 impact, nuisance and the invasion of turbine impacts
4 into their -- that kind of defeats their peaceful
5 use and enjoyment of the property.

6 The discounts derived from the market
7 adjacent to wind turbines are not unique in and of
8 themselves. There's other duress conditions, like
9 foreclosure sales, liquidation, estate sales with
10 very brief marketing periods, and other problem
11 properties. That could be something with
12 contamination that maybe doesn't look like a big
13 financial problem, but it's a hassle to own a
14 property like that and people tend to steer clear of
15 those, except for those that are the most risk
16 tolerant type of investors.

17 In a project like this, there can be
18 consideration of appropriate conditions. It's not
19 my job to decide what those conditions are, but I
20 would suggest to you that when you look at height,
21 you know, they often come in with the most latest,
22 state-of-the-art turbines that generate the most
23 power, you know, 400, 500 feet, it says in my report
24 what the exact height is that they're proposing

1 here, but wind energy can be developed with much
2 less height than 400 feet, turbines work at a
3 hundred feet, so I don't believe that it's
4 exclusionary to put a height restriction on a
5 turbine project.

6 Hours of operation. Most businesses,
7 especially industrial uses that emanate noise, have
8 hours of operation limitations or must be conducted
9 within completely enclosed buildings. Obviously you
10 can't put a turbine within an enclosed building and
11 have it work at all, but 24/7 operation is I think
12 where most of the problems come from frankly. Most
13 of the nuisance and noise and health complaints are
14 during normal sleeping hours. If there's some
15 relief from that, I'm not sure that the complaints
16 would be much lower, and I don't mean meaningless, I
17 mean let people get a good night's sleep as you
18 would with any other industrial use that's making a
19 thumping noise or emanating some vibration or low
20 frequency quality of noise. I'll leave the rest of
21 that to the acousticians to explain, but that's how
22 I look at it from a real estate perspective.

23 Setbacks, that's the one single thing that
24 can be done, and industry claims that standards of a

1 quarter mile or less are, you know, the industry
2 standards, so of course they'll just work with the
3 industry standards, but experience really proves
4 that these type of setbacks are too close and can be
5 measured via the property value diminution, the
6 noise complaints, and the actual measurements
7 post-construction often being far different than it
8 was modelled.

9 Cary Shineldecker is a good example of
10 that. The county up there, Mason County in
11 Michigan, has in fact found Consumers Energy to be
12 out of compliance with the zoning even though there
13 are all the assurances of the models that were made
14 by the professional engineers. You know, they swore
15 that that was not going to exceed this certain
16 decibel level and it turned out they were wrong.

17 Flicker is something that is often
18 presented as a rather nothing type of issue, but
19 people I've talked with that have experienced it
20 claim quite the contrary. It's annoying as hell to
21 sit at your breakfast table and drink a cup of
22 coffee in the morning and have a strobe light coming
23 in through your window where it looks like a jet is
24 flying a hundred feet over your house over and over

1 and over again. I don't know where this industry
2 standard came from as far as being able to strobe
3 light on somebody's property, you know, a certain
4 number of hours per year, but I can tell you this.
5 If you required a large enough setback, that issue
6 goes away and there is no intrusion of the
7 fenestration of light and air on neighboring
8 properties, not to mention esthetics.

9 And, you know, blade and ice throw, again
10 I'm not an expert on that, but setbacks one times
11 the height of -- 1.1 times the height doesn't come
12 close to insuring there won't be a chunk of blade or
13 ice thrown onto a roof or yard or playground,
14 whatever. I've heard of projectiles being thrown as
15 far as a half a mile. That's a lot more than 1.1
16 times the height.

17 Ben Hoen I've already mentioned a couple
18 times. Professor Thayer was here basically
19 presenting work that Ben Hoen had prepared, and then
20 as a team I guess they've expanded on it since. But
21 Ben Hoen was interviewed by a town councilman up in
22 New York, his name is at the bottom of the slide,
23 and you can actually find that recording online, but
24 Mr. Schneider interviewed Mr. Hoen and was asking

1 him about property value guarantees, you know, I've
2 ready your study, so forth and so on.

3 And I excerpted part of what that
4 conversation said, but essentially what Mr. Ben Hoen
5 told Mr. Schneider is that wind developers put out a
6 report and say, look, property values aren't
7 affected, and that's not what we would say
8 specifically, according to Hoen. On the other hand,
9 they have little ground to stand on if they say we
10 won't guarantee that.

11 And I think when -- I originally spoke to
12 Mr. Hoen as well, and he admitted to me that there
13 might be some impacts up close, but their
14 statistical studies really haven't found them, so
15 they're not really focused on it. They're looking
16 at the broader, big picture of the, you know, let's
17 convert everybody to wind energy and renewable
18 energy and so forth.

19 So there seems to be an implicit it's okay
20 to sacrifice, you know, a handful of families or
21 whatever at ground zero with either property values
22 or sleepless nights, but Mr. Hoen apparently didn't
23 really understand what zoning codes are designed to
24 do, and that's to protect the public health, safety

1 and welfare and usually also property values.

2 So I think Mr. Hoen might have keyed off
3 me a little bit, because I had suggested to him when
4 I peer-reviewed his study that I think it would
5 behoove him to put in a section on property value
6 guarantees. It's not something that is poison; it's
7 something that is done. It's been done with
8 landfills, it's been done with quarries, it's been
9 done with other wind turbine projects. Some of them
10 are strong, some of them are weak, some of them are
11 ineffective, especially if they leave it to the
12 developer to administer it. It's a fairly important
13 issue for people living close by, so it really
14 should have some oversight, in my opinion, that is
15 not subject to a level of unfairness. It should
16 really be on a level field.

17 But in my opinion, the key elements that
18 should be in a property value guarantee includes
19 leaving the property owners whole regardless whether
20 they decide to sell or stay living in the project
21 area. There shouldn't be any hurdles to being
22 included. If somebody has a second home, I've seen
23 it said that, well, their value shouldn't be
24 guaranteed. They have another home in the city or

1 whatever, or this is just a vacation home, so why
2 should we guarantee those values. And I would
3 suggest that any investment is worth protecting for
4 limited use of landowners, including agriculture
5 land, which are also not immune from devaluation.

6 There should be a buyout provision in a
7 property value guarantee that in the event a
8 property is unmarketable after a typical or
9 reasonable marketing period, you know, as compared
10 to areas where there are no turbines visible, then
11 no market impact.

12 I already spoke about, I believe,
13 administration of the property value guarantee
14 should be by an unbiased third-party. That could
15 include a retired judge, lawyer, professional
16 appraiser, people that can understand the terms very
17 clearly and that would have a professional desire to
18 try to do all the requirements of the guarantee
19 rather than ignore them.

20 Sometimes they're written up as agreements
21 between the developer and the property owners. I
22 have found that that really did not work out too
23 well in DeKalb. That's where Florida Power and
24 Light has, the way I heard it, kind of stonewalled

1 people that file claims.

2 So really my opinion should be an
3 automatic coverage of property within three miles
4 just imposed as a condition, much like any other
5 insurance coverage required for a project of this
6 magnitude, scale and intensity for general
7 liability. Okay, that's great. If a blade flies
8 off and, you know, kills somebody or whatever, does
9 property damage, the insurance will cover that, but
10 I believe it would be appropriate to have insured
11 and bonded as part of a value guarantee.

12 Might also be advisable to extend the
13 range or the distance that would be covered by a
14 property value guarantee if the low frequency noise
15 or other noise nuisance is identified by an
16 owner/occupant further outside three miles or -- you
17 know, I should say "and" -- measured by an
18 independent acoustician retained by the
19 administrator of the property value guarantee. You
20 know, no hankie-pankie, let's find out the real
21 answer. You know, is there actually low frequency
22 noise impacting this house or is somebody just
23 complaining because they want to be bought out?

24 So bonding and insurance I think should

1 cover 25 percent of the value as identified in the
2 county's assessment rolls, what the value of the
3 properties are within three miles. As an insurance
4 policy, it's not something I've seen done, but many
5 things can be bonded or a developer can certainly
6 seek out a custom policy from Lloyds of London or
7 some collection of insurance carriers that cover
8 high risk issues.

9 A lot of times things are not handled
10 because most of these property owners, their life
11 savings are tied up in their house, they can't
12 litigate everything. I believe it would be a good
13 idea to have a property guarantee panel and
14 agreements or conditions that eliminate the need for
15 property owners to file litigation that can bankrupt
16 people. So the property value guarantee panel
17 should be the final arbitration on these as part of
18 the condition rather than let who has the deepest
19 pockets prevail. Whatever the actual issue is,
20 whatever the actual impacts are, that's what should
21 be found, in my opinion, just as an objective,
22 third-party, neutral appraiser.

23 This is that transfer of easement in gross
24 that I was mentioning from the Canadian Hydro

1 Developers that they attached to contracts to sell
2 those five properties that they bought out. The
3 arrow at the top kind of points to the fact that
4 they're -- the easement grants them the right and
5 privilege to permit heat, sound, vibration, shadow,
6 flickering of light, noise, including gray noise,
7 whatever that is, or any other adverse effect or
8 combination thereof resulting directly or indirectly
9 from the operation of the wind turbine facilities.
10 Technically it's an acknowledgment by that developer
11 that there are, in fact, these impacts that go over
12 these properties. That's why they bought them out.

13 I'm aware that there is a neighbor
14 agreement that has been used, I don't know how many
15 times, I don't know how many people signed on for
16 it, but essentially says the same thing. Look,
17 people, we'll pay you \$1200 and you give us an
18 easement. While they don't use these terms, they're
19 saying we're going to run a commercial wind farm
20 operation, and basically why pay for the easement if
21 it's not -- the turbine is not going to be on that
22 property, but it's just going to be these same
23 impacts that don't stop at any participating
24 property line, these impacts extend right on past

1 onto nonparticipating property owner's land.

2 And I would also point out, where that
3 second arrow is pointing at, that the developer --
4 excuse me, the transferor, in other words, the
5 person buying the house granting the easement, in
6 fact agrees that the operation of the wind turbine
7 facilities located on leasehold lands may affect the
8 living environment of the transferor and so on. So
9 they're again very explicitly acknowledging that
10 their turbines, which I don't think are
11 significantly different than any others, I've never
12 heard of any magic turbines that don't create these
13 same impacts, you know, it's part of what happens at
14 these projects. They acknowledge it, they try and
15 recover part of what they bought the properties for,
16 in fact, did recover part of it, and that's not --
17 the project is going to go ahead.

18 That's not a bad solution for some people;
19 other people might not want to stay. If they sell,
20 maybe they can sell at market value, maybe not, but
21 if they can't sell, I believe a buyout is an
22 appropriate provision. A property value guarantee
23 can provide for just that.

24 That's all I have other than a property

1 value guarantee agreement that Mr. Luetkehans and I
2 have consulted on and submitted as an exhibit. And
3 with that, Phil, can I answer any questions?

4 MR. LUETKEHANS: Mr. Chairman, I have a
5 couple follow-ups. Is this a good time for a break?

6 CHAIRMAN CORNALE: Yeah, why don't we take
7 like 12 minutes. I've got 7:57. So why don't we
8 try to be back here about 8:09.

9 (Recess at 7:57 p.m. to 8:11 p.m.)

10 CHAIRMAN CORNALE: All right, if we can go
11 ahead and make our way back to our seats, we'll get
12 going again. All right, Mr. Luetkehans, I believe
13 you have some follow-up questions for your witness,
14 Mr. McCann.

15 MR. LUETKEHANS: Yes, sir, thank you.

16 QUESTIONS BY

17 MR. LUETKEHANS:

18 Q. Mr. McCann, you're not an MAI, correct?

19 A. That's correct, I'm not.

20 Q. Okay. An MAI is what?

21 A. That stands for Member of the Appraisal
22 Institute. It's one of a number of appraisal
23 organizations, one of the oldest ones, and a
24 well-respected organization.

1 Q. And you've just never sat and tried to
2 become an MAI?

3 A. I decided years ago to go with state
4 licensing; that that wasn't an end-all credential.
5 It's not something that's required to appraise or
6 testify to appraisal opinions.

7 Q. And you've appraised -- or you've
8 testified in court before?

9 A. Many, many times, yes.

10 Q. As an expert in appraisals?

11 A. That's correct.

12 Q. Okay. And have you ever testified for a
13 wind turbine company?

14 A. I have not, no.

15 Q. Okay. I think it's around page 4 of your
16 report talks about that there's a thousand
17 residential dwellings located within the project
18 footprint. Is that a correct statement or could you
19 explain that?

20 A. Well, I think that's actually an error. I
21 might have transposed a number. I know I was
22 reading something in the flicker study about there
23 being 700 potential receptors and whittling it down,
24 but as I sit here right now, I don't remember where

1 I got that number of a thousand. I may have been
2 thinking a thousand receptors for flicker. That
3 would certainly mean by the time you go three miles
4 outside the project, there's, you know, that many
5 more people and houses in the -- in what I call the
6 impact footprint.

7 Q. But we're not sure -- you're not sure if
8 there's a thousand within the project footprint or
9 not?

10 A. I'm not sure there is, that's correct.

11 Q. Okay. If you could go to UCLC Exhibit 75.
12 And you've seen these affidavits before and this
13 information?

14 A. Yes, I have.

15 Q. Okay. And for the record, these are
16 affidavits of people -- or the first three, I think
17 it is, affidavits are of direct testimony in the
18 Wisconsin Public Service Commission hearing?

19 A. That's correct, yes.

20 Q. Okay. And are -- they relate to people
21 either abandoning their homes or having to sell them
22 at a lesser value. Is that something that you're
23 familiar with on a personal basis or having
24 interviewed people about?

1 A. Well, these people amongst others. I have
2 spoken directly with Joseph Yunk. I've spoken
3 directly with Ann Wirtz. What I read in this
4 testimony is spot on with what they related to me as
5 far as their experience with wind projects being
6 built very near their homes in Wisconsin. And it
7 took Yunk quite a while to get bought out, but then,
8 as I remember him telling me, and also reading his
9 testimony, that, you know, now there's another
10 project being proposed by where he ultimately
11 relocated to. Can you hear me okay?

12 Q. Yeah.

13 A. Okay.

14 Q. Yeah, just shocked. These aren't the only
15 people you've talked to who have had to abandon
16 their homes over the years?

17 A. No, not even close. I mean I could --
18 from off the top of my head, Cary Shineldecker I
19 mentioned earlier in my testimony, a gentleman by
20 the name of Art Ungrin up in -- by the project of
21 Wolfe Island in the northeast, a woman by the name
22 of Sue Hobart in Falmouth, Massachusetts. That
23 wasn't her property that sold by the way, that's
24 another property. The last time I had any

1 communication or contact from her, she still had not
2 sold the property.

3 Q. I'm not asking for an exhaustive list.

4 A. Okay.

5 Q. Don't worry. You've appraised properties
6 for mortgages, correct?

7 A. Yes, I have.

8 Q. Okay. And when banks -- in your
9 experience, what do banks use to appraise value or
10 put a value on property when valuing a mortgage?

11 A. Well, they -- you know, they of course
12 have the property appraised, whether they use
13 comparable sales, using -- use a methodology very
14 much like I'm describing, but specific to appraising
15 a given house or shopping center perhaps with
16 comparable sales or paired sales analysis to
17 compensate for the differences between the
18 comparable or, as I refer to them, as the control
19 sales to measure the value of the subject property
20 or, as in my study, the target sales are being
21 measured for a value impact from turbines.

22 Q. Have you ever seen a bank use a regression
23 study to determine the value of a house when they
24 need to provide a loan?

1 A. None that I'm aware of. I know there's
2 studies done, but they are not the basis for making
3 mortgage loans on a property to property basis by
4 any means.

5 Q. Okay. You obviously have not sat through
6 all these hearings, but we've heard a lot about
7 peer-review. Your independent appraisals have
8 not -- are not actually peer-reviewed, are they?

9 A. Well, usually, no, I mean not in the sense
10 that's used academically, but in the case of the
11 seminar I prepared for the Appraisal Institute, that
12 did include, for example, my DeKalb and Lee County
13 study and Falmouth paired sale example and so on,
14 and that was not just done like on some kind of
15 internal academic basis, but the Appraisal
16 Institute's education committee in fact
17 peer-reviewed my presentation before they authorized
18 it for presentation to the membership. And as I
19 believe I mentioned earlier, that presentation and
20 sitting through that seminar was approved for
21 continuing education credits for Appraisal Institute
22 members.

23 Q. Okay. And you've talked a number of times
24 about transparency. Would you consider the Hoen

1 study to be transparent?

2 A. I would have to say no, that there's a lot
3 of numbers in it, but again it doesn't identify a
4 single property that has sold or that anybody could
5 go look up on a public record. Took a little bit of
6 investigative work on my part to find out what the
7 two properties that he mentioned in the footnote on
8 page 14 that the developer had bought out and
9 resold, what their addresses were and so forth,
10 because it was not -- you know, that was left out of
11 the report, and that was the closest he came to
12 identifying any particular sales or identifying any
13 particular properties. So from an appraisal
14 perspective, no, it does not lend itself to being
15 defined as transparent or meeting any reporting
16 requirements that are required under USPAP or the
17 Appraisal Institute's slightly different version of
18 USPAP.

19 Q. To your knowledge, has that data ever been
20 publicly released?

21 A. No.

22 Q. The Hoen study.

23 A. I'm sorry. No, to my knowledge, it has
24 not. In fact, I did -- as part of when he invited

1 me to peer-review it, I said of course you're going
2 to provide the underlying data that your study is
3 based on so that I can actually test your
4 conclusions, and he informed me at that time that,
5 no, I'm not going to provide that data because all
6 these records that supposedly came from public
7 records, that he claimed they were -- he obtained it
8 subject to confidentiality agreements which, you
9 know, what can I say?

10 MR. LUETKEHANS: No further questions at
11 this time. Thank you.

12 CHAIRMAN CORNALE: Thank you. Other
13 members of the ZBA, do we have any questions at this
14 point?

15 MR. SCHOPP: I want to reserve the right.

16 CHAIRMAN CORNALE: Yeah, we'll reserve the
17 opportunity to go and question you. All right, any
18 local governments, school districts out there, have
19 any questions? I don't see any. Mr. Blazer, do you
20 have any questions?

21 MR. BLAZER: You would fall out of your
22 chair if I said no, wouldn't you?

23 QUESTIONS BY

24 MR. BLAZER:

1 Q. How are you, Mr. McCann? It has been a
2 long time, hasn't it?

3 A. It has been a long time.

4 Q. Been about ten years since the last time I
5 cross-examined you?

6 A. I think that's right.

7 Q. Just a couple of preliminary questions
8 first. You mentioned Cary Shineldecker several
9 times in your presentation, right?

10 A. I did, yes.

11 Q. And you've met him face-to-face?

12 A. I have. I appraised his house before the
13 project was built near his house, yes.

14 Q. Mr. Shineldecker is in his early 50s,
15 right?

16 A. Sounds right. I didn't ask him his age.

17 Q. And he's an industrial design engineer.
18 Are you aware of that?

19 A. Rings a bell, but again, I am not a
20 personal friend of his or otherwise --

21 Q. But that sounds right to you, doesn't it?

22 A. Trying to remember the name of his company
23 because it was on his email.

24 Q. Well, that's okay. You've met his wife as

1 well, haven't you?

2 A. I have, yes.

3 Q. And she's in her mid 40s?

4 A. I really don't recall.

5 Q. She's a teacher?

6 A. That does ring a bell.

7 Q. We should probably not talk about her age
8 publicly, should we? Okay.

9 A. Suit yourself.

10 Q. And just really quickly, this UCLC Exhibit
11 75, this material from the Highland Wind
12 application, were you involved in that hearing
13 process?

14 A. The Highland Wind application?

15 Q. Right. It says Application of Highland
16 Wind Farm, LLC, for a Certificate of Public
17 Convenience and Necessity to Construct a 102.5
18 Megawatt Wind Electric Generation Facility.

19 A. Was that the one in Mason County because I
20 don't know it by that name.

21 Q. No, this is Mr. Yunk's material and I
22 guess there's some more studies. It's UCLC Exhibit
23 75, the one Mr. Luetkehans just asked you about a
24 few moments ago.

1 A. I'm sorry, I'm not following you, Mr.
2 Blazer, you're talking too fast or something. Oh,
3 okay, that -- yeah, I think that became known as the
4 Forward Wind Energy project. I didn't know it by
5 that name Highland.

6 Q. Whatever name you know it by, were you
7 involved in it?

8 A. No, I was not.

9 Q. Oh, so you don't know that Wisconsin
10 Public Service Commission granted the siting permit
11 for this project?

12 A. Wisconsin Public Service Commission has
13 approved many siting applications.

14 Q. I'm asking you about this one. Do you
15 know that they granted this one?

16 A. I believe it was, yes. The turbines were
17 built, so that would stand to reason, yes.

18 Q. Mr. Luetkehans asked you some questions
19 about the Appraisal Institute. Who's William
20 McCann?

21 A. That would be my father.

22 Q. And your father is an MAI, Member of the
23 Appraisal Institute, right?

24 A. Yes, he still holds that designation.

1 Q. And he has been for many, many years,
2 right?

3 A. Yes.

4 Q. Okay. And would you agree with me that
5 the Appraisal Institute is one of the more
6 noteworthy organizations to belong to in the
7 appraisal industry?

8 A. It certainly is one. Not without its
9 problems, but it is overall a well-respected
10 organization, yes.

11 Q. And we've established this, I think. You
12 don't hold the MAI designation like Mr. MaRous here
13 does, correct?

14 A. No, I don't hold it like anyone else does
15 that has it.

16 Q. Okay. And you know that the MAI
17 designation is held by appraisers who are
18 experienced in valuation and evaluation of
19 commercial, industrial, residential and other types
20 of properties, and advise clients on real estate
21 investment decisions, right?

22 A. Well, that can apply to some MAIs, I don't
23 think all of them, and I think that same statement
24 can apply to members of many other organizations or

1 state licensed appraisers such as myself.

2 Q. I'm showing you what's marked as Pleasant
3 Ridge Exhibit 175. That's a summary published by
4 the Appraisal Institute of the requirements someone
5 has to comply with to achieve the MAI designation,
6 and you haven't achieved those requirements,
7 correct?

8 A. Well, I certainly completed the USPAP
9 requirements. I did not complete the college degree
10 requirements. I've completed a number of their
11 courses. And one that's not on here, but I was
12 certainly invited by them to prepare that
13 seminar that --

14 Q. That wasn't my question. You also --

15 A. -- on projects --

16 Q. You also don't hold the Appraisal
17 Institute's SRA designation, correct?

18 A. That's correct.

19 Q. And the SRA designation is held by
20 appraisers who are experienced in the analysis and
21 valuation of residential real property, right?

22 A. Well, presumably so, along with many other
23 residential appraisers who don't hold the SRA
24 designation.

1 Q. And I'll hand you what's been marked as
2 Pleasant Ridge Exhibit 202, and that's a summary
3 from the Appraisal Institute of their requirements
4 to achieve the SRA designation. And you haven't
5 completed those requirements either; is that
6 correct?

7 A. That's correct, nor have I --

8 Q. All right.

9 A. -- completed any requirements for a
10 medical doctor degree.

11 Q. Except you're not purporting to be a
12 doctor; you're purporting to be an appraiser, so --

13 MR. LUETKEHANS: Move to strike. If he
14 wants to make a statement, he can make a statement,
15 testify. If he wants to ask questions, he should
16 ask questions.

17 Q. I'll show you what's been marked as --

18 MR. LUETKEHANS: I have an objection that
19 I'd like ruled on.

20 MR. BLAZER: All right. Well, I'll move
21 to strike the medical doctor answer since that was
22 unresponsive.

23 CHAIRMAN CORNALE: That's correct in both
24 instances. I guess they both should be struck. Mr.

1 McCann, if you can just refrain from interjecting
2 and just answer the question that he asks, it will
3 move our meeting along.

4 MR. McCANN: I'll do my best, Mr.
5 Chairman.

6 CHAIRMAN CORNALE: Thank you.

7 BY MR. BLAZER:

8 Q. I handed you what's been marked as
9 Pleasant Ridge Exhibit 176, which is a list of all
10 of the Appraisal Institute designations, and you
11 don't hold any of those; is that correct?

12 A. No, I do not.

13 Q. Okay. Now, the opinion you're giving here
14 is about the potential impacts on property values
15 from the proposed wind farm, correct?

16 A. Well, I would take it a step further and
17 say it's the probable impacts not just the
18 potential.

19 Q. Okay. Well, whatever it is that you're
20 doing, it's known in the appraisal industry as
21 determining the potential impact from a detrimental
22 condition, correct?

23 A. Or measuring a detrimental impact on the
24 value, yes.

1 Q. And you've testified about that sort of
2 thing before, right?

3 A. Many times, yes.

4 Q. Okay. I'll hand you what's in the record
5 as Pleasant Ridge Exhibit 39 which is Professor
6 Thayer's presentation in this matter, and I've
7 tabbed the eighth page there for you if you could
8 turn to that for me please. And that's just a
9 graphic representation, as you can see, about how
10 proximity to and views of environmental disamenities
11 can impact property values. Do you see that?

12 A. Yes, I do.

13 Q. And this is, generally speaking, what
14 you're talking about here, right?

15 A. Well, I talk to it more specifically, but
16 this does give some examples as he sees fit to
17 present, yes.

18 Q. So, for example, from Professor Thayer's
19 presentation, a Superfund site, a landfill or a
20 transfer station would be a disamenity or have a
21 negative impact on value, right?

22 A. Well, that's how he's describing it, yes.

23 Q. Or create what you called a stigma I think
24 earlier, right?

1 A. Well, it can and sometimes does have those
2 kind of impacts, certainly.

3 Q. And then on the flip side, on the other
4 side of the equation, amenities, positive amenities,
5 like green space or ocean views, can have a positive
6 impact on value, right?

7 A. That's correct. I used a slide from the
8 2009 study that illustrates exactly that point
9 numerically.

10 Q. Honestly, if you'd just answer my
11 questions, we'll go through this a lot faster.

12 MR. LUETKEHANS: You know what, he's an
13 expert, he has the opportunity to explain his
14 answer, especially since I don't have an opportunity
15 to redirect.

16 Q. Some other positive amenities would be,
17 for example, lake views could be a positive amenity?

18 A. Generally speaking, yes, sir.

19 Q. Municipal sewer?

20 A. Excuse me?

21 Q. Municipal sewer?

22 A. A view of it?

23 Q. No. Having a municipal sewer versus not
24 having a municipal sewer, that could be a positive

1 amenity.

2 A. Well, that's not related to views but --

3 Q. I'm not talking about views, I'm talking
4 about positive --

5 A. I wasn't quite done with my answer.

6 Q. All right, go ahead.

7 A. Please let me answer. It depends on the
8 market area. If you're in an urban area, certainly
9 municipal sewer and water is deemed by the market as
10 an amenity that adds value, where if you have a
11 little pocket that has not been tapped into, hooked
12 into sewer or water, those properties, at least in
13 my experience, have experienced longer marketing
14 times. When you get to a rural area or rural
15 residential area such as we have here in Livingston
16 County, no, I don't believe sewer and water has a
17 measurable impact, you know, that follows the Dr.
18 Thayer chart.

19 Q. How about wooded or high-end subdivision
20 sites, could those be positive amenities?

21 A. They certainly can be, yes.

22 Q. Okay. Regardless of your lack of
23 relationship with the Appraisal Institute, I think
24 you've confirmed there are some rules that you are

1 governed by, right?

2 A. That's correct.

3 Q. And that is the Uniform Standards of
4 Professional Appraisal Practice or USPAP?

5 A. That's correct.

6 Q. Okay. You're familiar with USPAP, right?

7 A. I've been qualified as an expert on it in
8 the Cook County circuit courts, yes, sir.

9 Q. So then this book I'm holding up, you know
10 that's the current version of USPAP?

11 A. It's the 2014-2015, yes, sir.

12 Q. Okay. And then do you have your report
13 there?

14 A. I do.

15 Q. Okay. If you could turn to page 56 of
16 your report please? You got it?

17 A. I do.

18 Q. The fifth full paragraph it says, "The
19 signatory of the appraisal report is licensed by the
20 State of Illinois as a certified general real estate
21 appraiser." That's you, right?

22 A. That's correct.

23 Q. Okay. And, in fact, you have to be
24 familiar with USPAP as part of your Illinois state

1 license requirements, right?

2 A. That's right, and take a course every
3 license renewal period, that's correct.

4 Q. And just so we all understand what it is,
5 I'm just going to give you a general definition.
6 Tell me if you agree with it. USPAP is a body of
7 guidelines that include appraisal standards for
8 development and reporting of appraisal or consulting
9 assignments. Does that sound right?

10 A. Yes. It goes much further than that, but
11 that's a good accurate partial summary.

12 Q. And it also includes ethical requirements?

13 A. Yes.

14 Q. And as a matter of fact, the USPAP is
15 incorporated into the state appraiser licensing
16 statute, correct?

17 A. In the Licensing Act of 2002, yes, sir,
18 anybody presenting value opinions to the public is
19 actually bound by USPAP.

20 Q. I'm showing you what has been marked as
21 Pleasant Ridge Exhibits 207 and 208. That's the
22 Illinois appraisal statute incorporating USPAP and
23 the regulation that addresses it, correct?

24 A. Well, this is a summary, and I've got to

1 admit I'm more familiar with reading a much
2 lengthier document.

3 Q. Well, just for the record, 207 is 225 ILCS
4 458/10-10, standards of practice. All persons
5 licensed under this act must comply with standards
6 of professional appraisal practice adopted by the
7 department. And the department, as you know, is the
8 Department of Professional Regulation, right?

9 A. Correct, as I've done.

10 Q. The department must adopt as part of its
11 rules Uniform Standards of Professional Appraisal
12 Practice as published from time to time by the
13 Appraisal Standards Board of the Appraisal
14 Foundation, correct?

15 A. Correct.

16 Q. All right. And then if you look at
17 Exhibit 208, that's a section from the Illinois
18 Administrative Code pursuant to which the USPAP is,
19 in fact, adopted, correct?

20 A. I haven't memorized it from this
21 particular exhibit, but I've certainly read it in
22 the statute online.

23 Q. Subparagraph B, all real estate appraisers
24 licensed under this act shall practice in accordance

1 with USPAP, except for standards that are contrary
2 to Illinois law or public policy. Do you see that?

3 A. Yes.

4 Q. Okay.

5 A. And it's referring to jurisdictional
6 exceptions that are often invoked by appraisers
7 doing condemnation appraisals.

8 Q. Handing you what's been marked as Pleasant
9 Ridge Exhibit 178, I'll represent to you, sir, that
10 these are some excerpts from the 2014-2015 USPAP --

11 A. Let me get my glasses, Mr. Blazer.

12 MR. LUETKEHANS: Plus, if I may, I would
13 like to hand out the entire USPAP instead of just a
14 section of this, so the client -- so Mr. McCann can
15 actually review the entire USPAP if necessary.
16 Since it's available, I would ask that that be
17 placed into evidence, and I have copies for
18 everyone, other than just excerpts.

19 MR. BLAZER: Well, if Mr. Luetkehans wants
20 to do that at some point in this case, he can.

21 MR. LUETKEHANS: Well --

22 MR. BLAZER: For the purposes -- for my
23 purposes, there are specific sections that I intend
24 to ask questions about. And he can do whatever he

1 wants later, but this is my cross-examination not
2 his, and I object to him introducing any additional
3 evidence at this point during my cross-examination.

4 MR. LUETKEHANS: I'm not -- I'm not
5 introducing any evidence. I'm introducing the full
6 document which I think, one, the witness has the
7 ability -- has the right to have in front of him,
8 and two, I think that this board would want the full
9 document and not just ten pages out of what is an 80
10 page document.

11 CHAIRMAN CORNALE: Okay, why don't we do
12 this. Mr. McCann, you have identified the 2014 book
13 that Mr. Blazer has in hand.

14 A. That's correct.

15 CHAIRMAN CORNALE: Okay. Mr. Blazer, can
16 you allow him to have that book while you ask him
17 questions?

18 MR. BLAZER: Sure.

19 CHAIRMAN CORNALE: Okay. We'll --

20 MR. BLAZER: I have it right here. I
21 would rather give him mine rather than yours.

22 MR. LUETKEHANS: You know what? Are you
23 kidding me?

24 CHAIRMAN CORNALE: Okay. We'll accept

1 these ten pages in the effort of environmental
2 stewardship.

3 BY MR. BLAZER:

4 Q. Okay, let's look at my excerpt. If you
5 could pull that one up please. It's Exhibit 178.
6 Most of these I think you're probably familiar with.
7 You are aware that an appraiser must not perform an
8 assignment with bias --

9 A. That's correct.

10 Q. -- right? And you know that under the
11 code of ethics of USPAP an appraiser must not
12 advocate the cause or interest of any party nor
13 issue.

14 A. That is correct.

15 Q. You also know that an appraiser must not
16 accept an assignment that includes the reporting of
17 predetermined opinions and conclusions, correct?

18 A. That is correct.

19 Q. And you're also aware that an appraiser
20 must not communicate assignment results with the
21 intent to mislead or to defraud, correct?

22 A. Absolutely.

23 Q. An appraiser must not use or communicate a
24 report that is known by the appraiser to be

1 misleading or fraudulent, correct?

2 A. That's what it says, yes, sir.

3 Q. An appraiser must not accept an assignment
4 or have a compensation arrangement for an assignment
5 that is contingent on the reporting of a
6 predetermined result, correct?

7 A. That's also correct.

8 Q. And finally, an appraiser must not accept
9 an assignment or have a compensation arrangement for
10 an assignment that is contingent on a direction in
11 assignment results that favors the cause of the
12 client, correct?

13 A. It says all that, yes, sir, Mr. Blazer.

14 Q. Do you tailor your testimony to suit what
15 your clients want?

16 A. I tailor my testimony to follow the facts
17 and where they lead me. My opinions are my own.
18 They're not my client's. I don't report
19 predetermined results. In fact, before I was
20 retained on this, I said given the fact that there
21 are existing wind energy projects in Livingston
22 County and adjacent to Livingston County, I don't
23 think I can accept this assignment unless I study
24 the values specifically in this location. And as

1 the market often proves to be, it showed the same
2 results that it consistently shows in other
3 locations.

4 Q. So thinking about those USPAP requirements
5 that I just read to you, you're saying that you
6 haven't violated any of those provisions in this
7 proceeding?

8 A. I'm affirmatively stating that I have not
9 violated a single comma of USPAP much less any of
10 the rules.

11 Q. Let's talk about some of your prior
12 experience doing the sort of thing that you're doing
13 here, that is, determining the impact of detrimental
14 conditions.

15 A. Yes, sir.

16 Q. You've done it not just in the wind
17 farm --

18 A. That's correct.

19 Q. -- context, correct?

20 A. That's correct.

21 Q. You've done a fair amount of work of this
22 sort of work, detrimental condition work, for
23 garbage companies; isn't that right?

24 A. It's been a number of years, but I have

1 done some studies in the past. I've studied
2 property values around existing landfills of where
3 the properties mostly had been built up, you know,
4 kind of encroached into areas where landfills have
5 been developed, yes, sir, I've done that kind of
6 work.

7 Q. And you've testified generally that
8 garbage transfer stations will not have a negative
9 impact on surrounding property values, correct?

10 A. Well, no, what I said is when you're
11 siting properly, for example, in an industrial park,
12 that is the appropriate place for an industrial use.
13 I've also said that in the middle of a residential
14 neighbor is an absolutely inappropriate location for
15 an industrial use such as a transfer station or, for
16 that matter, you know, a wind turbine project.

17 Q. So is it still your opinion that a
18 facility that's overrun by rats will not have a
19 negative impact on surrounding property values?

20 A. Counsel, that completely misrepresents
21 anything I've ever said because I never even came
22 close to making a statement like you just made.
23 That's just ridiculous, I'm sorry.

24 MR. BLAZER: These aren't exhibits, Tom.

1 They're transcripts. Counsel, it's page 431 of
2 Exhibit 179.

3 BY MR. BLAZER:

4 Q. I mentioned when we first started talking
5 here that the last time I cross-examined you was in
6 a waste transfer station proceeding. Do you
7 remember that?

8 A. I do.

9 Q. And you were representing a company called
10 Flood Brothers Disposal?

11 A. No, no, I was not representing them.

12 Q. Excuse me, you were testifying for them.

13 A. I was working for their legal counsel,
14 much as Mr. MaRous is working for you tonight, but I
15 wasn't representing anybody other than my opinions
16 based on the research I had done.

17 Q. Sorry, I misspoke, I apologize.

18 A. Yes.

19 Q. You were testifying on behalf of Flood
20 Brothers Disposal, correct?

21 A. That's a fair statement, yes, sir.

22 Q. Page 431, Phil, starting at line 17.

23 Question: Would the presence of rats resulting from
24 the presence of a transfer station have a negative

1 impact on either the character of the surrounding
2 area or the property values? Answer: I have not
3 seen any occasion where any concern about rats has
4 caused any diminution in property values. Do you
5 remember that?

6 MR. LUETKEHANS: No. Objection. First of
7 all, I would like him to read the rest of the answer
8 to that particular question and then I would -- then
9 I'm going to object to the question, but the full
10 answer should be read.

11 CHAIRMAN CORNALE: Okay. Before we can
12 talk about what we're talking about, we need to
13 decide what this exhibit is and I don't think we
14 have. What number is it?

15 MR. BLAZER: It's a transcript. I haven't
16 introduced it into evidence yet, Mr. Cornale. I can
17 certainly give it to you if you want it.

18 AUDIENCE VOICE: Oh, that could just be a
19 lie.

20 CHAIRMAN CORNALE: Okay. Mr. McCann, did
21 you -- did you, in fact, concur that you testified
22 at this particular --

23 MR. LUETKEHANS: Can I -- he had no
24 objection to the fact that he testified at this

1 hearing. I think he's going to admit that that is a
2 partial answer to his question. I'm not -- all I
3 want is the entire answer read into the record so
4 it's put in context. I don't have the right to
5 redirect, so at the very least I think the entire
6 answer should be read in not a partial answer.

7 CHAIRMAN CORNALE: Okay, ask and you shall
8 receive. Mr. Blazer, thank you for providing the
9 exhibit. Now, as Mr. Luetkehans, we do deserve to
10 get the entire question and the entire answer read
11 into the record.

12 MR. BLAZER: I need two of those back. I
13 gave you mine.

14 CHAIRMAN CORNALE: Mr. Luetkehans, can you
15 tell me what page?

16 MR. LUETKEHANS: Yeah, it's 431, it starts
17 on line 17 and it goes onto page 432, and the end of
18 the answer ends on line 3.

19 CHAIRMAN CORNALE: Okay. So, Mr. Blazer,
20 I'll ask that you read the entirety.

21 MR. BLAZER: Question: Would the presence
22 of rats resulting from the presence of a transfer
23 station have a negative impact on either the
24 character of the surrounding area or the property

1 values? I have not seen -- answer from Mr. McCann:
2 I have not seen any occasion to where any concern
3 about rats has caused any diminution in property
4 values. I honestly have not seen a rat when I have
5 been at the various transfer stations I've been to,
6 so I think that really falls into the category of,
7 you know, housekeeping and rodent control and, you
8 know, making sure that no problem develops.

9 MR. LUETKEHANS: Okay. Now, I'm going to
10 object on the basis that that is not impeachment and
11 that is not inconsistent at all with his answer.
12 The question was not this question. It was a
13 completely different question that Mr. Blazer raised
14 about rats running all over the place and, you know,
15 not, not a -- not causing a diminution of value.
16 This is not impeachment. If he wants to enter this
17 transcript, I don't know that I care, but let's not
18 talk about it as somehow being impeachment because
19 it's clearly not that.

20 MR. BLAZER: I'll repeat -- I'll repeat
21 the question to which he answered no. The question
22 I asked him was: Is it still your opinion that a
23 facility that is overrun by rats will not have a
24 negative impact on surrounding property values?

1 MR. LUETKEHANS: Okay.

2 MR. BLAZER: Here's the question I asked
3 him ten years ago. Exhibit 179.

4 MR. LUETKEHANS: Yeah, and --

5 MR. BLAZER: Would the presence of rats --

6 MR. LUETKEHANS: -- I think that's already
7 in the record, so I want to make my objection --

8 MR. BLAZER: Well --

9 MR. LUETKEHANS: -- which is overrun by
10 rats --

11 CHAIRMAN CORNALE: Okay, you guys, stop,
12 please just stop. We're getting nowhere. Our poor
13 court reporter, I feel sorry for you tonight. Okay.

14 MR. BLAZER: Can we go on now, Mr.
15 Cornale?

16 CHAIRMAN CORNALE: I'm not even sure --
17 what do we have? We have an objection by Mr.
18 Luetkehans that he's changed the scope of the
19 question. Is that an accurate accord of what's
20 happening?

21 MR. LUETKEHANS: Yes.

22 CHAIRMAN CORNALE: Okay.

23 MR. LUETKEHANS: If I may explain.
24 Impeachment, as Mr. Blakeman will tell you, is

1 someone answering the same question a different way
2 than they previously answered. The question was not
3 phrased that his answer was in any way consistent
4 between the two questions. The first question was a
5 very broad, overbroad question that talked about
6 diminution and overrun by -- a facility overrun by
7 rats. The question we're now asking him about has
8 nothing to do with a facility being overrun by rats
9 as is very clear in the answer.

10 MR. BLAZER: I understand Mr. Luetkehans's
11 concern now. If I may proceed, I think I can clear
12 it up.

13 BY MR. BLAZER:

14 Q. You also testified, Mr. McCann, on behalf
15 of another waste company called Strom, S-T-R-O-M.
16 Do you remember that? That one was in Maywood.

17 A. Rings a bell, yes.

18 Q. That's Exhibit 180, Mr. Luetkehans, page
19 184 starting at line 18. Question: So if this
20 facility met all the requirements except that they
21 were overrun by rats and rats ran throughout the
22 entire neighborhood, in your view they wouldn't have
23 a negative impact on the surrounding community.

24 Answer: I think it would scare the hell out of

1 people, out of them, but I don't know that it would
2 necessarily cause a loss of property values. No one
3 would want to see rats running anywhere.

4 Do you remember that one?

5 A. Not specifically, but I don't argue that I
6 was identifying that, yes, rats could be a hell of
7 -- hell of an impact, but I have not seen it in
8 property values.

9 Q. Okay.

10 A. I don't know where that question or --

11 Q. And both of those situations were when you
12 were working for the waste company, correct?

13 A. Yes, and there's often some very
14 far-fetched questions, such as the, you know, being
15 overrun by rats type of question, that, you know,
16 really deviate quite a bit from what the basis of my
17 opinions are. And while I have not worked on any of
18 those facilities for quite some time, Mr. Blazer, I
19 can tell you that part of the assumption, underlying
20 assumption in any of my reports on those type of
21 facilities is that they would comply with all the
22 environmental protection regulations, including such
23 things as vector control which, as you know,
24 includes rats, it includes birds, it includes things

1 of that nature.

2 So what I don't assume in those studies or
3 never did is that there would be such a situation
4 where there are rats being -- overrunning a
5 neighborhood, but if you're familiar with Maywood,
6 you know, it's a --

7 MR. BLAZER: I think we're going well
8 beyond the answer to the question, Mr. Cornale.

9 A. Okay.

10 Q. I'll move on. Let's talk about wind farms
11 and leave rats alone.

12 A. Sure.

13 Q. You've been a witness for opponents in a
14 number of wind proceedings, correct?

15 A. Yes, I have.

16 Q. And is it your position that you're not
17 biased against the wind industry?

18 A. It's not just my position; it's my
19 absolute statement. I don't have a horse in the
20 race one way or the other. I'm not an investor in
21 properties near turbines or in any wind energy
22 company. What I do, counsel, is I go where the
23 facts lead me, and I just happened to generate --

24 MR. BLAZER: Mr. Cornale, again, if you

1 could instruct the witness just to answer the
2 question, we might get done tonight.

3 A. Counsel, you're speaking to bias and I'm
4 answering.

5 Q. Excuse me.

6 MR. BLAZER: Mr. Cornale.

7 MR. LUETKEHANS: I think he has the
8 opportunity to explain his answer and I would ask
9 that he be given it.

10 CHAIRMAN CORNALE: Yeah, you can elaborate
11 a little bit on these. You are an expert witness.
12 We'll allow you to elaborate a little bit. Just
13 consider your answer before you start.

14 A. Yes, sir.

15 BY MR. BLAZER:

16 Q. All right. If you could go to page 60 of
17 your report. And that's the summary of your
18 testimony on wind projects.

19 A. It's in this pile somewhere. This isn't
20 the official exhibit; it's my copy.

21 Q. That's fine, whichever one. I assume the
22 pages are the same.

23 A. What did you say, page 60?

24 Q. Yeah, the list of your -- the cases where

1 you've testified.

2 A. Yes.

3 Q. All right. One of the ones you identify
4 is 2013 in Tipton County, Indiana.

5 A. Yes.

6 Q. Do you see that? And that was the BZA,
7 which was their version of Livingston's ZBA, right?

8 A. Basically, yes, except in Tipton County,
9 Indiana, the Board of Zoning Appeals has the final
10 authority as opposed to being a recommending body to
11 the county board, but it essentially serves the same
12 function. It's just the final decider.

13 Q. And you were testifying under oath there
14 too, right?

15 A. Yes, I was.

16 Q. I'll show you what I've marked as Pleasant
17 Ridge 186. That's an excerpt, but you remember
18 that. That's a portion of the presentation you gave
19 in that proceeding, right?

20 A. Yes. I was fully aware of the kind of
21 comments that Mr. Thayer and others had made about
22 me because I've heard them through the grapevine, if
23 you will, so I felt --

24 Q. All right, I haven't asked you the

1 question yet. I'm just --

2 A. I felt --

3 MR. BLAZER: Mr. Cornale, again, if you
4 would direct him to answer the question. I didn't
5 ask him anything about the document yet. I just
6 asked him to tell me if he recognizes it.

7 A. Yes, I do.

8 CHAIRMAN CORNALE: Thank you.

9 Q. And looking at slide number four there,
10 the one that starts anti-wind activist or lobbyist,
11 question mark.

12 A. That's correct.

13 Q. Okay. You said the things on that slide
14 because you have, in fact, been accused of being an
15 anti-wind activist or lobbyist, right?

16 A. By the wind industry spokesmen, yes.

17 Q. And the last bullet on that page is
18 characterization, claims or allegations to the
19 contrary are false, right?

20 A. That is correct, that's right.

21 Q. And that's the point you're making, that
22 the point is you're saying you're not an anti-wind
23 activist or lobbyist, correct?

24 A. I'm a professional real estate appraiser,

1 counsel.

2 Q. Again, if you'll just answer the question
3 and --

4 A. I am answering the question, counselor.

5 MR. BLAZER: Mr. Cornale, again --

6 MR. LUETKEHANS: You know what, excuse me.
7 First of all, it's impossible for her. If he wants
8 to move to strike afterwards, that's fine, and we
9 can deal with it at the time, but overtalking the
10 witness makes it impossible for June, it makes it
11 impossible for us to have a record of any kind, and
12 I would ask that he let the witness finish his
13 answer.

14 CHAIRMAN CORNALE: All right, the witness
15 needs to answer the question. If -- if I feel that
16 he's getting -- expounding too much, I'll stop him.

17 MR. BLAZER: I appreciate it.

18 CHAIRMAN CORNALE: Okay. Mr. Blazer,
19 don't stop him. Mr. Luetkehans, don't stop him.
20 I'll stop him.

21 BY MR. BLAZER:

22 Q. And as a matter of fact, in the context of
23 you testifying in proceedings like this, if you
24 were, in fact, an anti-wind activist or lobbyist,

1 that would be a violation of USPAP, right?

2 A. If your hypothetical and, frankly, rather
3 insulting insinuation were true, then yes, that
4 would be a violation of USPAP.

5 Q. Because it would constitute improper bias,
6 correct?

7 A. If what you said was true was true, then
8 yes, that would be true.

9 Q. And your statement that you're an
10 independent appraiser bound by USPAP in that
11 exhibit, lobbying efforts against the wind industry
12 would certainly be contrary to that statement,
13 right?

14 A. If I testified as a lobbyist in any
15 manner, as the wind industry has their lobbyists,
16 then certainly I could see where that might be
17 viewed as something that was a violation of USPAP,
18 but I am not a lobbyist. I'm a professional
19 independent appraiser beholden to no one.

20 Q. When you testified in this county back in
21 I think it was 2010 with respect to the Deer Run
22 project, who were you working for then?

23 A. I believe my client was a doctor. I don't
24 recall her name.

1 Q. Tannehill?

2 A. I'm sorry.

3 Q. Tannehill?

4 A. I don't remember.

5 Q. Who was the attorney?

6 A. Well, there was two attorneys and the
7 attorney that took most of my direct is a gentleman
8 I don't remember his name.

9 Q. The other attorney was Carolyn Gerwin?

10 A. Yes, Carolyn Gerwin was an attorney also
11 working for objectors.

12 Q. I'll show you what's been marked as
13 Pleasant Ridge 188. Have you ever seen that
14 document before? Just to summarize it for you, this
15 is a letter where Ms. Gerwin on behalf of Illinois
16 Wind Watch was lobbying Congress in opposition to
17 extending the production tax credit.

18 MR. LUETKEHANS: I'll object to what she
19 was doing.

20 Q. I'm just --

21 MR. LUETKEHANS: It is what it is. The
22 word lobbying -- whatever she may have been doing,
23 it's not for him to testify. The document speaks
24 for itself.

1 Q. I'm just asking if you've ever seen that
2 letter before.

3 MR. LUETKEHANS: Then ask that question,
4 not the one that's implying something else.

5 CHAIRMAN CORNALE: All right, regardless
6 of -- it appears that he was employed by Ms. Gerwin
7 to testify. What Ms. Gerwin does outside, she can
8 hire an individual, much like you hire individuals,
9 to testify. So unless you're going somewhere with
10 this, it's --

11 MR. BLAZER: I'm going somewhere with it.

12 CHAIRMAN CORNALE: All right, why don't
13 we -- why don't we move it along, okay.

14 MR. BLAZER: Right now, I'm just asking --
15 I still need an answer to the question has he ever
16 seen this letter before?

17 A. Well, I've been looking at it while you've
18 been going back and forth here, and I can't say I've
19 specifically seen it. I'm reading some of the
20 captions, some of the issues and words and whatnot
21 and phrases. I've not read the entire thing. Looks
22 consistent and familiar with many things I've read,
23 some put out by community groups, some put out by
24 the wind industry or their lobbyists, but I can't

1 specifically say under oath that I have seen this
2 document.

3 Q. But it looks like documents you have seen
4 put out by lobbyists for the anti-wind industry,
5 right?

6 A. Well, that's not what I said. I said
7 community groups. I don't really know of any
8 anti-wind lobbyists per se. Lobbyists require deep
9 pockets like the wind industry has.

10 Q. I'll show you what I've marked as --

11 CHAIRMAN CORNALE: Just to clarify for the
12 record, the witness has not identified this document
13 as something that he has seen.

14 MR. BLAZER: That's correct.

15 CHAIRMAN CORNALE: Okay.

16 MR. BLAZER: I acknowledge that. 187.

17 BY MR. BLAZER:

18 Q. Is Pleasant Ridge 187 something you've
19 seen before?

20 A. Yes, it is.

21 Q. And that's a letter you wrote, right?

22 A. It is.

23 Q. To Congress?

24 A. It is.

1 Q. Now, what's --

2 A. I wrote it as a real estate appraiser --

3 Q. What's the date of your --

4 A. -- not a --

5 Q. What's the date of your Tipton County,

6 Indiana, presentation?

7 A. I don't recall specifically.

8 Q. It's -- you've got it right there. It's

9 on the front cover.

10 A. March 20th, 2013.

11 Q. And what's the date of that letter you

12 wrote?

13 A. April 15th, 2013.

14 Q. All right. And when you sent that letter

15 to Congress, were you working for someone or were

16 you espousing your own opinions?

17 A. Well, I think it would be fair to say I

18 was espousing my own opinions. I was not --

19 Q. Okay.

20 A. -- working for anybody. Again, I was not

21 working as a lobbyist.

22 Q. In that letter, let's talk about these

23 impacts that you say to Congress have affected a

24 large percentage of people living within

1 approximately two miles of wind turbines.

2 A. That's what my findings have been, yes,
3 sir.

4 Q. Do you agree that anecdotal reports do not
5 rise to the level of empirical evidence?

6 A. You'd have to define the terms a little
7 better. There's -- one factual anecdote is better
8 than a truckload of statistics that are meaningless
9 to the issue.

10 Q. Do you agree that professional opinions
11 must be made based on objective analysis of
12 empirical data and not on anecdotal reports?

13 A. I agree that anything I write is based on
14 the evidence that I've reviewed from the market and
15 from reports of people in the market and that's all
16 I did.

17 Q. Go back to Exhibit 186. That's your
18 Tipton County presentation. That slide four again.
19 One of the things you say on that slide is
20 "Professional opinions are based on objective
21 analysis of empirical data." Do you see that?

22 A. I believe I said the same thing in 187
23 too, yes.

24 Q. Okay, and when you say objective analysis

1 of empirical data, you mean that all empirical data
2 should be obtained and analyzed without bias, right?

3 A. Well, that's correct.

4 Q. Okay. Do you agree that the strength of
5 any research like this depends on the ability to
6 gather and analyze empirical data in the most
7 unbiased and controlled fashion possible?

8 A. Would you rephrase the question or repeat
9 the question?

10 Q. Sure. All I have to do is read it again.

11 A. Okay.

12 Q. Do you agree that the strength of any
13 research like this that you're doing depends on the
14 ability to gather and analyze empirical data in the
15 most unbiased and controlled fashion possible?

16 A. Yes, sir, as I've done.

17 Q. And you don't base your opinions on
18 anecdotal information like what someone might say at
19 the dinner table or what might have been said to a
20 newspaper reporter, right?

21 A. What I do is what's required under the
22 appraisal professional standards. I'm answering
23 your question, counsel. I'll keep it brief if
24 you'll let me answer.

1 MR. BLAZER: Mr. Cornale.

2 CHAIRMAN CORNALE: He is answering the
3 question.

4 MR. BLAZER: All right.

5 CHAIRMAN CORNALE: You asked about dinner
6 table. You're going to get PAP, that P-A-P
7 whatever.

8 A. Mr. Blazer, the Appraisal Institute's
9 USPAP requires verification of information. This
10 includes personal interviews of people. So what you
11 describe as anecdotal I describe as extra due
12 diligence and confirming what happens in the market
13 rather than making unsupported assumptions based on
14 what is sometimes merely prepared by PR marketing
15 experts.

16 Q. Another transcript. Mr. McCann, you
17 testified in a wind proceeding in Lee County just a
18 couple years ago, right?

19 A. That's right.

20 Q. The applicant in that case was a company
21 called Mainstream Renewables, do you remember that?

22 A. That's right.

23 Q. You remember the Lee County board approved
24 that application, right?

1 A. I'm often not included in all the details,
2 but yes, that does ring a bell.

3 Q. All right. This is, counsel, page 1783
4 starting at line 20. While I understand -- this is
5 the question. While I understand the general
6 description of what a detrimental condition is, is
7 there a methodology for quantifying and determining
8 whether or not a condition actually is detrimental
9 to a neighboring property?

10 Answer: Yes, there are empirical methods
11 for extracting out what the market is actually
12 saying in terms of dollars and cents, how are they
13 actually treating this when it comes to the buy/sell
14 decision, which can be somewhat different than what
15 they might say, you know, at the dinner table or,
16 you know, to a newspaper reporter. But while I
17 listen to what people have to say, you know, pro and
18 con, I base my opinions on the empirical
19 information.

20 Do you remember that?

21 A. I don't specifically remember it, but it
22 sounds like a conversation that I very well might
23 have had, yes.

24 Q. And it would be also inappropriate to base

1 an opinion regarding the impact of a detrimental
2 condition solely on interviews of other appraisers
3 and tax assessors, right?

4 A. I didn't hear you very well. Could you
5 pull the mic away just an inch maybe?

6 Q. Sure. Pull it away?

7 A. Well, there's kind of a little bit of --

8 Q. Let me try it this way.

9 A. All right.

10 Q. And it would also be inappropriate to base
11 an opinion regarding the impact of the detrimental
12 condition solely on interviews of other appraisers
13 and tax assessors; is that right?

14 A. I believe that is correct, yes.

15 Q. Surveys are not a valuation technique,
16 correct?

17 A. Surveys are sometimes used when somebody
18 hasn't done the actual empirical research. I've
19 seen so-called impact studies done, for example,
20 where all they did was interview an assessor, what
21 does the assessor think the impact has been. In
22 fact, I did such an interview of a Lee County
23 assessor years ago, but then I went on to actually
24 look at the empirical data.

1 Q. In that same transcript from Lee County,
2 our Exhibit 206, counsel, starting at page 1792,
3 line 10. Question: And is it appropriate for an
4 appraiser to base an opinion on value solely on
5 interviews from other appraisers and tax assessors?

6 Answer: In my opinion, no. There's --
7 the texts I've read actually state to the contrary,
8 including the Randall Bell detrimental conditions
9 test, Appraisal Journal articles and so forth.
10 Surveys are only suggested as appropriate to use
11 when there's an absolute absence of any data, any
12 empirical data, and then with extreme limitations,
13 but surveys just generally speaking, no, they are
14 not a valuation technique.

15 MR. LUETKEHANS: Objection, improper
16 impeachment. There's nothing in there that's
17 inconsistent with what he just said. That's not
18 impeachment.

19 CHAIRMAN CORNALE: That is correct.
20 Everything that you've previously stated is pretty
21 much verbatim, other than Randall Bell. He did say
22 no to the interviews solely or value solely on
23 interviews.

24 MR. BLAZER: Well, my question, Mr.

1 Cornale, was surveys are not a valuation technique,
2 is that right, and he --

3 MR. LUETKEHANS: No, that wasn't your last
4 question.

5 MR. BLAZER: Is that -- do you want to
6 have her read it back?

7 MR. LUETKEHANS: Yeah, and the one before.

8 CHAIRMAN CORNALE: It was. It was surveys
9 and he answered no.

10 MR. BLAZER: Actually he didn't answer no,
11 but we can move on, Mr. Cornale.

12 BY MR. BLAZER:

13 Q. All right. Obviously you are familiar
14 with Randall Bell, correct?

15 A. Not personally but his work, yes.

16 Q. All right. Mr. Bell is a MAI also?

17 A. I believe he is.

18 Q. All right. And you're familiar with,
19 actually I think you quoted it in your presentation,
20 his book Real Estate Damages: An Analysis of
21 Detrimental Conditions?

22 A. Yes.

23 Q. Okay. And that's very much of an
24 authoritative treatise on the issue of detrimental

1 conditions in the appraisal industry, right?

2 A. Certainly it is one good set of concepts,
3 methodologies and examples, but it is not an
4 all-encompassing compendium of that.

5 Q. My question, Mr. McCann, was it is very
6 much of an authoritative treatise on the issue, is
7 it not?

8 MR. LUETKEHANS: Objection, asked and
9 answered.

10 MR. BLAZER: He didn't answer it.

11 CHAIRMAN CORNALE: Just go ahead and
12 answer it again.

13 A. It is one amongst many authoritative
14 treatises.

15 Q. All right. And you're also familiar with
16 his subsequent book Real Estate Damages: Applied
17 Economics and Detrimental Conditions, right? You've
18 seen this one before also, haven't you?

19 A. I'm not sure I have.

20 Q. Okay. Are you aware that Mr. MaRous was
21 one of the reviewers on this authoritative treatise?

22 A. No. I was aware that he participated in
23 the 12th or 13th edition, I forget, of The Appraisal
24 of Real Estate as one of the reviewers.

1 Q. Well, in the book that you are familiar
2 with, Mr. Bell identifies the accepted methodologies
3 for appraisers to determine whether or not a
4 condition is detrimental to a neighboring use,
5 right?

6 A. He speaks about many things to that point,
7 but there's more than one reference in that book, so
8 the way you asked the question, I would have to say
9 yes, many.

10 Q. He also specifies the evaluation
11 techniques and procedures for measuring any impact
12 on value of those detrimental conditions, right?

13 A. He cites many of the processes that he's
14 developed and that have been generally accepted and
15 that have been tested in court and that are used in
16 the appraisal profession, yes.

17 Q. Okay. Have you ever seen this book
18 before, Wind Turbine Syndrome, by Nina Pierpont?

19 A. I've seen the cover. I've never read it.

20 CHAIRMAN CORNALE: Mr. Blazer, have you --
21 do you have questions regarding his report?

22 AUDIENCE VOICE: Thank you.

23 CHAIRMAN CORNALE: If you do, I totally
24 want them, but --

1 MR. BLAZER: All right, that's fine.

2 CHAIRMAN CORNALE: But wind turbine
3 syndrome, he's not a doctor and --

4 MR. BLAZER: I'm skipping quite a bit
5 here, Mr. Cornale, but there is something I have to
6 ask him about before we get to his report. I hope
7 you'll give me a little bit of leeway.

8 CHAIRMAN CORNALE: All right.

9 BY MR. BLAZER:

10 Q. One of the folks that you reference in
11 your report is an individual named Mr. Lansink,
12 L-A-N-S-I-N-K, correct?

13 A. Yes, sir, Ben Lansink is a member of the
14 Appraisal Institute of Canada.

15 Q. And you actually worked with him on a
16 project in Canada, right?

17 A. Yes, we did submit some written testimony
18 at an environmental review hearing as a joint work
19 product, yes.

20 Q. And your client in that matter was a Ms.
21 Esther Wrightman, W-R-I-G-H-T-M-A-N?

22 A. Well, client would be a -- I guess the
23 appropriate term, but it was, in fact, a pro bono
24 matter.

1 Q. 189. Pleasant Ridge Exhibit 189 is, in
2 fact, the material that you and Mr. Lansink
3 submitted to the environmental -- Ontario
4 Environmental Review Tribunal, correct?

5 A. It's certainly part of it. I believe that
6 there were a number of other studies submitted to
7 the ERT.

8 Q. Well, what I'm asking about is the report
9 that you're holding in your hand. You do recognize
10 that report, right?

11 A. Yes.

12 Q. Okay. And you and Mr. Lansink obviously
13 acknowledge that you're not health experts, correct?

14 A. That is correct.

15 Q. And nor are you experts at determining if
16 a person's health is affected by neighboring wind
17 turbines; is that correct?

18 A. Not from a medical perspective, no, sir.

19 Q. Okay. And if you could go to page 2 of
20 that report at the top, you and Mr. Lansink here say
21 that this report that you have in front of you is
22 not a land value report, right?

23 A. It's not an appraisal pertaining to the
24 value of real estate.

1 Q. Well, you specifically say it's not a land
2 value report, right?

3 A. Oh, the title?

4 Q. Yes.

5 A. Yes, but that particular caption has a
6 hyphen and then it says a human species habitat
7 witness statement --

8 Q. Right.

9 A. -- is what it is.

10 Q. And then below that you say, "The reader
11 is advised that this report is not a market value
12 estimate, it is not an appraisal pertaining to the
13 value of real estate, and it is not a consulting
14 report." Did I read that correctly?

15 A. I believe you did.

16 Q. So this report, according to you, was not
17 the type of report that you've submitted in this
18 case?

19 A. It is not, that's correct.

20 Q. Okay. Let's look at what -- some of what
21 you said, and I'm still on page 2, fourth full
22 paragraph, the paragraph that talks -- that where
23 you're talking about common denominator. Do you see
24 that one?

1 A. Not yet. Okay.

2 Q. You got it?

3 A. All right.

4 Q. And you've made statements like this about
5 the correlation between reported health impacts and
6 impacts of real estate values in your report in this
7 matter, correct?

8 A. I'm sorry, I was reading that and didn't
9 listen as well as --

10 MR. BLAZER: Could you read that back to
11 him, June, please?

12 (Requested portion of the deposition was
13 read by the court reporter.)

14 A. What I was referring to was the
15 correlation of proximity of turbines and the
16 reported health impacts, not my determination that
17 there are.

18 Q. Right, but you're making the same types of
19 statements -- and if you need to see it, it's on
20 pages 20 and 21 on your report in this matter.

21 A. There are certainly many reports of health
22 impacts and others, there's many reports of noise
23 impacts, whether you're talking about from a
24 property value standpoint or the surrounding

1 environment, which in Canada they don't have any
2 property value standard under the Green Energy Act,
3 but what I was asked to do was to address, along
4 with Ben Lansink, the -- from a real estate
5 perspective of human habitat, because they are
6 concerned about turtles, birds, but not human beings
7 or their homes.

8 Q. I see. Well, for example, if you go to
9 page 18 of that human habitat report, you've got a
10 summary of your testimony on wind energy projects,
11 right?

12 A. Yes.

13 Q. That's pretty much the same one you
14 submitted here?

15 A. Might be another one or two or so added on
16 there since.

17 Q. Okay.

18 CHAIRMAN CORNALE: Mr. Blazer, not to
19 interrupt, but --

20 MR. BLAZER: I'm moving on.

21 CHAIRMAN CORNALE: -- relevant of this
22 report --

23 MR. BLAZER: Sure.

24 CHAIRMAN CORNALE: -- to specific

1 Livingston County wind farm.

2 MR. BLAZER: Well, before we get to
3 specific Livingston County wind farm, Mr. Cornale,
4 with all due respect, we have to determine whether
5 or not this person is, in fact, biased against wind
6 farms.

7 CHAIRMAN CORNALE: All right. He's --

8 MR. LUETKEHANS: I'm going to --

9 CHAIRMAN CORNALE: -- numerous times under
10 oath told us that he is not.

11 MR. LUETKEHANS: And until he --

12 MR. BLAZER: That is certainly what he
13 said.

14 MR. LUETKEHANS: He's spent an hour and 15
15 minutes on this and hasn't tied it up once, so if he
16 wants to tie it up, let's tie it up; if he thinks he
17 can show bias, let's show it, but until now, we
18 haven't heard a word.

19 BY MR. BLAZER:

20 Q. Okay. The Ontario Environmental Review
21 Tribunal that you submitted this report to rejected
22 both your testimony and your report, right?

23 A. They said that property values and human
24 habitat from a real estate perspective, or words to

1 that effect, were irrelevant under their standard of
2 review. So yes, they did not accept the report or
3 permit me or Mr. Lansink, a Canadian appraiser, to
4 testify to what the impacts are on the human
5 environment in the context of real estate.

6 Q. So could you try and explain to us why a
7 land value impact report was submitted as something
8 you said wasn't a land value impact report?

9 A. I'll try to do it briefly, try to answer
10 your question briefly that is. A market value
11 appraisal of a given property would come to a
12 specific number on a property. USPAP doesn't say
13 that any appraisal or appraiser opinion has to come
14 to a specific number. It can also speak to whether
15 or not there is a direction in value, for example,
16 the value is higher, the value is lower, the value
17 is influenced by this factor in the local
18 environment or once you introduce something into the
19 local environment. It can also provide a basis for
20 opinion. That's what I was doing.

21 Q. Okay. The person you did this report
22 with, Mr. Lansink, you also referred to his work in
23 your report and presentation in this proceeding,
24 right?

1 A. Yes, he did a fine job on that study up in
2 Ontario and we communicated, and, in fact, I guess
3 you could call it peer-review, but he asked me to
4 review that study before he submitted it. And he
5 didn't do that for a client or for any money or as a
6 wind activist or, what did you say, lobbyist. He
7 did it for continuing education credits, and he was,
8 in fact, awarded those credits for doing that very
9 study.

10 Q. And the study you're referring to is what
11 I got from your attorney, UCLC Exhibit 44; is that
12 correct?

13 A. I believe that's the one, yes. He updated
14 it over time, so I'm not sure that's the first one
15 that he actually got the credit for.

16 Q. And Mr. Lansink looked at 12 properties,
17 right? Seven in Clear Creek and five in Melancthon?

18 A. Well, as far as impact on property, yes,
19 but he looked at many more properties than that.

20 Q. And you recall that he compared actual
21 sale prices to MLS-based averages?

22 A. Of the market medians, yes, a fairly
23 typical --

24 Q. Okay.

1 A. -- market measurement tool.

2 Q. Where do you find averaging in Mr. Bell's
3 book?

4 A. I don't have the book in front of me.

5 Q. All right, we'll move on.

6 A. What he did was a resale analysis which is
7 discussed in Mr. Bell's book.

8 Q. Okay. You also rely on something in this
9 proceeding called the MPAC study, M-P-A-C; is that
10 correct?

11 A. I did give some testimony on that, yes,
12 sir.

13 Q. Right. And that's the Municipal Property
14 Assessment Corporation which is the assessing body
15 for the province of Ontario; is that correct?

16 A. At least a contract appraiser, if you
17 will, for the provinces.

18 Q. And you have a summary of what their
19 report says on page 50 of your report in this
20 proceeding; is that correct?

21 A. Well, I have a summary of what the
22 relevant part of that study to the special use
23 standard in the Livingston zoning code is, only the
24 relevant part of it, but that's not the whole study,

1 that's true.

2 Q. And one of the things you say on page 50
3 is, at least what I have here as the third
4 paragraph, according to you, what the MPAC study
5 says is, "It empirically measures sale prices to be
6 25 percent to 26 percent lower out to the 3
7 kilometer setback range and 21 percent lower prices
8 out to the 5 kilometer setback as compared to median
9 sale prices beyond 5 kilometers. Do you see that?
10 It's on page 50.

11 A. I was looking at the PowerPoint, I'm
12 sorry.

13 Q. Well, you said the same thing in the
14 PowerPoint. Does that sound familiar?

15 MR. LUETKEHANS: We'll stipulate to that
16 language.

17 Q. Okay.

18 A. Yes, that I did make, I believe, that
19 exact statement in my report.

20 Q. And I believe you testified that the data
21 in this report is their data; the facts speak for
22 themselves. Is that correct?

23 A. Or words to that effect, yes.

24 Q. Okay. And according to you, this study is

1 as valid as any and much more transparent; is that
2 correct?

3 A. Yes.

4 Q. And it looked at appropriate sales; is
5 that correct?

6 A. For the purposes that they were trying to
7 accomplish and the purposes that they, I believe,
8 unintentionally found, yes.

9 Q. Okay. And you don't consider this study
10 biased, do you?

11 A. Well, they were hired by the Ontario
12 government to do this specific study to address the
13 question of whether or not home values near
14 turbines, or their assessments more accurately, were
15 being unfairly assessed in light of the values going
16 down. The Ontario government is pretty well-known
17 as very pro green. They approve every wind project
18 almost without fail. If they were going to direct
19 MPAC to do anything, it would be to find that there
20 is no impact, but that's not what the sales data
21 actually showed.

22 Q. So it's your opinion that this study is
23 not biased, correct?

24 A. It's my opinion, despite what appears to

1 be a fair amount of governmental influence and bias,
2 that the facts still came out that the sale prices
3 closer to turbines were negatively affected.

4 Regardless of what the authors intended to find,
5 once they put the facts in the report in a fairly
6 transparent and meaningful summary, that's what it
7 showed.

8 Q. And, in fact, on page 50 of your report,
9 you say that the MPAC study is considered to provide
10 a relevant and reliable overall measurement of value
11 impacts; is that correct?

12 A. Yes.

13 Q. Okay.

14 MR. BLAZER: 197A, Tom.

15 Q. What I've handed you, Mr. McCann, is the
16 MPAC study without all the appendices, just the text
17 in the report. Do you see that?

18 A. Yes, the narrative, the one with the
19 facts.

20 Q. Right, okay. Have you read the whole
21 study?

22 A. I have. It's been not within the last
23 couple weeks.

24 Q. But at some point you read the whole

1 thing?

2 A. Yes, sir.

3 Q. All right. How long have you been working
4 on your report in this matter?

5 A. Well, on the study part of the report, a
6 number of months. I don't remember exactly when I
7 started. October perhaps.

8 Q. All right. So you read the whole MPAC
9 study sometime in the time that you were preparing
10 your report in this proceeding?

11 A. I don't know that I've read the whole
12 thing cover to cover. Again, while I was working on
13 this study, I was already familiar with it.

14 Q. So at some point in time, you read the
15 whole thing cover to cover.

16 A. Yes.

17 Q. Okay. So you know that the MPAC study
18 that you're holding is actually in two parts, don't
19 you?

20 A. Well, there was a bunch of separate
21 exhibits.

22 Q. I'm just talking about the report itself.
23 There are two parts to it, aren't there?

24 A. I thought there was actually more than

1 that because they also did kind of a hatchet job on
2 Ben Lansink which I think they called a separate
3 appendix.

4 Q. Well, let's try it this way.

5 A. Okay.

6 Q. If you go to page 7, that describes the
7 purpose of the report, and the first part examined,
8 which you've been talking about, whether residential
9 properties in close proximity to wind turbines are
10 assessed equitably when compared to residential
11 properties located at a greater distance, correct?

12 A. Essentially, yes.

13 Q. Okay. The second part examined whether
14 the presence of wind turbines in close proximity to
15 a residential property affects the property's sale
16 price, right?

17 A. That's what they say, but it doesn't --

18 Q. Okay.

19 A. -- compare to what they actually did.

20 Q. Well, if you go to page 10 of this study,
21 and they say in here, "The study examined 1,157 wind
22 turbines located on 834 properties across Ontario
23 and analyzed their impact on the sale prices of
24 properties based on open market sales in the areas

1 surrounding turbines in the period between January
2 2009 and December 2012." Right? That's what the
3 report says?

4 A. Yes.

5 Q. And the sales of residential properties
6 covered 15 market areas, right?

7 A. Well --

8 Q. Is that what your --

9 A. -- broke them down separately rather than
10 pooling them, that's correct.

11 Q. Okay. And then on page 17 of that report,
12 and I think you mentioned this in your presentation,
13 they analyze -- and I think you thought this was a
14 very good way to assess impacts at different
15 distances. They analyzed the variation of sale
16 prices for properties located less than 1 kilometer,
17 between 2 and 5 kilometers and over 5 kilometers
18 from a turbine, right?

19 A. Yes.

20 Q. All right. So that would be, give or
21 take, less than six-tenths of a mile, between 1.2
22 and 3 miles, and over 3 miles, right?

23 A. I'm not sure you got your math right on
24 the 1.2. Repeat that.

1 Q. Sure. 1 kilometer is roughly six-tenths
2 of a mile, right?

3 CHAIRMAN CORNALE: We'll just stipulate
4 that you got the kilometers right.

5 MR. BLAZER: Okay.

6 A. Okay.

7 Q. All right. Study one, the tax assessment
8 study, starts on page 15 of that report, right? Do
9 you see that?

10 A. Yes.

11 Q. Okay.

12 A. Regarding the equity of residential
13 assessments in proximity --

14 Q. Right, and let's just scoot forward to the
15 conclusion that's on page 24. And the general
16 conclusion is in the first sentence there,
17 "Therefore, based on the results of this analysis,
18 there is no inequity with regards to distance to the
19 closest IWT -- which is industrial wind turbine --
20 and view towards an IWT." Do you see that?

21 A. I do.

22 Q. And obviously you weren't aware of that
23 conclusion when you submitted this report. That's
24 what you've been talking about today, right?

1 A. Well, that certainly refers to your
2 assessment sales ratios and how they got them pretty
3 close to the time-adjusted sale prices in a very
4 tight pattern, and that's exactly -- there is no
5 inequity refers to you're talking about the
6 assessment sales ratios.

7 Q. Okay. What I'd like to focus on now is,
8 again, the statement in your report that the MPAC
9 study empirically measures sale prices to be 25
10 percent to 26 percent lower out to 3 kilometers and
11 21 percent out to 5 kilometers. That's what's in
12 your report.

13 So I'd like to look now at the second part
14 of this study, and that starts on page 25 of the
15 report. Let me know when you're at page 25.

16 A. I'm there.

17 Q. You're there, okay. And this one is
18 entitled Effect of Proximity to Industrial Wind
19 Turbines on Residential Sale Prices, right?

20 A. That's what the title is, yes.

21 Q. Okay. And again, let's just jump forward
22 to the conclusion. That's on page 29. It's the
23 last paragraph.

24 A. Well, there's a lot in there that actually

1 starts laying the foundation for that, such as, you
2 know, the significance of --

3 Q. Let's go to the last paragraph.

4 A. -- 5 to 10 percent range, but if you want
5 to --

6 CHAIRMAN CORNALE: Mr. Luetkehans -- stop,
7 stop. Mr. Blazer is going to ask you questions.

8 MR. BLAZER: Thank you.

9 Q. Page 29, last paragraph. "To further
10 confirm its findings, MPAC also conducted an
11 additional analysis using approximately 2,000 sales
12 and resales following similar logic to the Lansink
13 study. The main differences between the February
14 2013 Lansink study and MPAC's resale analysis is the
15 sample size and the determination of the increase in
16 the market between resales. Using 2,051 properties
17 and generally accepted time-adjustment techniques,
18 MPAC cannot conclude any loss in price due to the
19 proximity of an industrial wind turbine." Do you
20 see that?

21 A. I do.

22 Q. Why didn't you mention that conclusion in
23 your report?

24 A. Well, I think I mentioned in my testimony

1 that they ostensibly claim to have studied the value
2 impact and they present it as if there is none, but
3 when you look at the actual data, it's quite a bit
4 different than what their words say. I tried to be
5 clear on that and I didn't mean to be at all
6 confusing, but that is what the table in my report
7 shows is what the actual sales measurements are not
8 what they wrote in their narrative.

9 CHAIRMAN CORNALE: Mr. Blazer, I'm going
10 to try to remind you, stick with this Exhibit 70 and
11 keep rolling with it. You're -- the bias, you're
12 looking for a bias.

13 MR. BLAZER: Mr. Cornale --

14 CHAIRMAN CORNALE: Unfortunately, Mr.
15 McCann hasn't -- you've got nothing to work off on
16 bias. So is there deficiencies, is there problems,
17 are there issues? Is there anything in this report
18 that makes it unreliable?

19 MR. BLAZER: I'll get there, Mr. Cornale,
20 I can assure you. Right now this witness has
21 testified at length regarding what this report we're
22 talking about says.

23 CHAIRMAN CORNALE: Okay, but this
24 report --

1 MR. BLAZER: And I believe --

2 CHAIRMAN CORNALE: -- MPAC and this
3 Lansink is in Canada and we're in Livingston County,
4 and property values are important to Livingston
5 County residents, so we need to focus here.

6 MR. BLAZER: I can assure you, Mr.
7 Cornale, I'll get there in just a couple minutes.

8 CHAIRMAN CORNALE: Okay.

9 MR. BLAZER: I can assure you. The
10 witness is indicating he needs a short break.

11 CHAIRMAN CORNALE: Okay, let's take a
12 couple minutes.

13 MR. LUETKEHANS: Is this -- I mean we
14 still haven't even gotten to his report. It's 9:30.

15 CHAIRMAN CORNALE: I understand.

16 MR. LUETKEHANS: And you have questions
17 I'm assuming too. Is this a good time to take a
18 break and then come back? I mean I think he can
19 come back on the 17th. I mean we haven't even
20 gotten to the report and we spent two hours, an hour
21 and a half, on bias and we still haven't heard --

22 CHAIRMAN CORNALE: Okay. Mr. Blazer, as
23 we pose that question, how -- how lengthy are your
24 questions on the actual report?

1 MR. BLAZER: 45 minutes.

2 CHAIRMAN CORNALE: How many?

3 MR. BLAZER: 45 minutes.

4 CHAIRMAN CORNALE: 45 minutes, okay. And
5 I mean honestly I do believe that people in the
6 audience have questions of this individual and I'm
7 sure that we do, so -- we'll wait for Mr. McCann to
8 get back. How is his availability?

9 MR. LUETKEHANS: If you -- let's go off
10 the record for a minute. I asked him before we
11 started whether he was available on the 17th, he was
12 going to check, and I haven't heard. So if we can
13 go off the record, when he comes back, I'll talk to
14 him.

15 CHAIRMAN CORNALE: Okay.

16 (Brief pause.)

17 CHAIRMAN CORNALE: All right, Mr.
18 Luetkehans, what have we come up with?

19 MR. LUETKEHANS: We're trying to figure it
20 out.

21 CHAIRMAN CORNALE: Got it. All right, in
22 light of our inability to finish this witness this
23 evening, we're going to take this opportunity to
24 recess at this point in time. It appears that Mr.

1 McCann possibly will be back on the 17th. We're
2 working through some scheduling issues.

3 So there's for sure -- or Mr. McCann we
4 have on deck, Mr. Steidinger we'll be looking at
5 next week, and then Mr. Luetkehans indicated
6 something with Mr. Punch and Rand. He's still
7 trying to work on a scheduling issue there.

8 MR. LUETKEHANS: The 23rd Dr. Punch is
9 scheduled to come in. We will probably fill the
10 18th with individuals, unless I hear something
11 different from one of our experts that makes them
12 available, which I'm hoping we get as much as we can
13 through on that day. You know, Mr. Steidinger,
14 depending on how long his cross takes and everything
15 goes, will be the 17th or 18th, preferably the 17th.

16 CHAIRMAN CORNALE: Okay. Just so
17 everybody understands, so we've got meetings next
18 week on the 17th and 18th. They're all going to be
19 back here 6:30, Walton Centre, Fairbury. The
20 following week schedule, we have the 23rd and the
21 25th at 6:30, again at this location. So we'll
22 continue to work through both Mr. Luetkehans's
23 witnesses and individuals' testimonies.

24 So others that are signed up on the sheet

1 that have not testified, be somewhat prepared
2 possibly to maybe fill the night on the 17th by
3 chance, maybe not, or the 18th, be possibly ready to
4 present your testimony. All right?

5 With that, I need a motion to recess --

6 MR. VITZTHUM: I move.

7 CHAIRMAN CORNALE: -- and I've already got
8 one by Vitzthum. Can I get a second? Iverson
9 seconds. All in favor?

10 ALL MEMBERS: Aye.

11 CHAIRMAN CORNALE: Opposed.

12 AUDIENCE VOICE: Nay.

13 (Adjourned at 9:39 p.m.)

14

15

16

17

18

19

20

21

22

23

24

1 STATE OF ILLINOIS)
)SS
2 COUNTY OF FORD)

3
4 I, June Haeme, a Notary Public in and for
5 the County of Ford, State of Illinois, do hereby
6 certify that the following Livingston County Zoning
7 Board of Appeals Case SU-7-14 hearing was taken at
8 the Walton Centre, 100 West Locust Street, Fairbury,
9 Illinois, on February 10, 2015.

10 That the said deposition was taken down in
11 stenograph notes and afterwards reduced to
12 typewriting under my instruction and that the
13 deposition is a true record of the testimony given.

14 I do further certify that I am a
15 disinterested person in this cause of action; that I
16 am not a relative, or otherwise interested in the
17 event of this action, and am not in the employ of
18 the attorneys for either party.

19 IN WITNESS WHEREOF, I have hereunto set my
20 hand and affixed my notarial seal this 25th day of
21 February, 2015.

13
14
15
16
17
18
19
20
21
22
23
24

JUNE HAEME, CSR
NOTARY PUBLIC

"OFFICIAL SEAL"
June Haeme
Notary Public, State of Illinois
My Commission Expires:
September 27, 2016

1 LIVINGSTON COUNTY ZONING BOARD OF APPEALS
2 CASE SU-7-14
3 PLEASANT RIDGE WIND ENERGY PROJECT

4 February 17, 2015
5 6:30 PM
6 Walton Centre
7 100 West Locust Street
8 Fairbury, Illinois

9 BOARD MEMBERS

10 Michael Cornale, Acting Chair
11 Rich Kiefer
12 John Vitzthum
13 Joan Huisman
14 Diana Iverson
15 Tom Blakeman, Attorney for Zoning Board of Appeals

16 Charles T. Schopp, Administrator
17 Livingston County Regional Planning Commission
18 112 W. Madison Street
19 Pontiac, IL 61764

20 James R. Griffin
21 Attorney for Livingston County
22 Schain, Banks, Kenny & Schwartz
23 70 W. Madison Street, Suite 5300
24 Chicago, IL 60602
312.345.5700

25 Appearing For Applicant/Invenergy:

26 Michael S. Blazer
27 Attorney at Law
28 Jeep & Blazer, LLC
29 24 North Hillside Avenue, Suite A
30 Hillside, IL 60162
31 708.236.0830
32 mblazer@enviroatty.com

33 Appearing for United Citizens of Livingston County:

34 Phillip A. Luetkehans
35 Attorney at Law
36 Schirott, Luetkehans & Garner, LLC
37 105 E. Irving Park Road
38 Itasca, IL 60143
39 630.760.4601
40 pluetkehans@slg-atty.com

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

INDEX OF PRESENTERS

	Page
MICHAEL McCANN	
QUESTIONS BY MR. BLAZER.....	2163
QUESTIONS BY MR. JOHN SLAGEL.....	2265
QUESTIONS BY MR. HAYES.....	2274
QUESTIONS BY MR. FOSDICK.....	2276
QUESTIONS BY MR. STEIDINGER.....	2284
QUESTIONS BY CHAIRMAN CORNALE.....	2292

INDEX OF EXHIBITS

	Page
Severson Exhibit 1.....	2162

1 (Commencing at 6:30 p.m.)

2 CHAIRMAN CORNALE: All right, I've got
3 6:30. If we could go ahead and get this meeting
4 started. Chuck, roll call please.

5 MR. SCHOPP: Okay, this is the November --
6 this is the February 17th, 2015, continuation
7 hearing of Livingston County Zoning Board of Appeals
8 review of Livingston County Zoning Case SU-7-14,
9 Pleasant Ridge Energy, LLC, Pleasant Ridge Wind
10 Energy Project.

11 Michael Cornale.

12 CHAIRMAN CORNALE: Here.

13 MR. SCHOPP: John Vitzthum.

14 MR. VITZTHUM: Here.

15 MR. SCHOPP: Rich Kiefer.

16 MR. KIEFER: Here.

17 MR. SCHOPP: Diana Iverson.

18 MS. IVERSON: Here.

19 MR. SCHOPP: Howard Zimmerman. Joan
20 Huisman.

21 MS. HUISMAN: Here.

22 MR. SCHOPP: Gibs Nielsen. We do have a
23 quorum.

24

1 CHAIRMAN CORNALE: All right. Certainly
2 like to take this opportunity to welcome everybody
3 here again this evening. Looks like we still have a
4 pretty good-sized crowd. Everybody is sticking with
5 us through this process. It's as long for you guys
6 as it is for us. Need to take care of a few items.

7 Need to get something admitted into
8 evidence. I've got a PowerPoint presentation from
9 February the 9th from Severson, that's
10 S-E-V-E-R-S-O-N, Exhibit 1. Looks like it's about a
11 28 page PowerPoint presentation that she presented
12 that evening.

13 Next item for housekeeping that we needed
14 to take care of -- all right, we'll go ahead and get
15 going where we left off last week. We had Mr.
16 McCann, he was testifying. If you want to come
17 forward, Mr. McCann. I believe the applicant has
18 additional questions for you that he'd like to
19 present. So with that, we'll go ahead and --

20 MR. LUETKEHANS: Mr. Chairman, before you
21 do, I have a question that's more, I guess, a
22 housekeeping matter.

23 CHAIRMAN CORNALE: All right.

24 MR. LUETKEHANS: We were advised that on

1 February 5th the Regional Planning Commission was
2 going to make a recommendation to this board and
3 that was going to be submitted last week. I have
4 not -- I don't believe that has been submitted, so I
5 guess I'm asking what the status of that is today.

6 CHAIRMAN CORNALE: Okay.

7 MR. SCHOPP: I never said it'd be
8 submitted last week, it's to be submitted this
9 month, will be submitted probably next week, so it
10 will be done at that point in time. I'm waiting to
11 do the soil and water at the same time and I'll just
12 put them together, so you'll get it.

13 MR. LUETKEHANS: Thank you, Mr. Schopp, I
14 appreciate it. Just trying to figure it out, thank
15 you.

16 CHAIRMAN CORNALE: All right. With that,
17 I think we're ready. Mr. Blazer, you may continue.

18 MR. BLAZER: Thank you, Mr. Chairman.

19 QUESTIONS BY

20 MR. BLAZER:

21 Q. Mr. McCann, hello again.

22 A. Hello.

23 Q. Could you tell me what parts of the record
24 of this case that you reviewed to prepare for your

1 report and your testimony?

2 A. I don't have off the top of my head, but I
3 certainly looked at the application and all the
4 documents that were appended to it. I reviewed the
5 comprehensive plan. I reviewed, well, MLS records
6 and so forth that my study is based on.

7 Q. Did you review County Exhibit 2, which is
8 the supplemental information submittal dated October
9 15, 2014? Does that ring a bell?

10 A. I don't recognize it by that name.

11 Q. Okay. How about the report that Mr.
12 MaRous submitted, Pleasant Ridge Exhibit 41, did you
13 review that?

14 A. I did see that, yes.

15 Q. Okay. There are just a few -- a few
16 preliminary things that I'd like to go through and
17 some factual things that you say in your report. I
18 just want to try and find out what the source of
19 those statements is, so this shouldn't take long.
20 Do you have your report up there with you?

21 A. I do.

22 Q. Okay. If you could turn to page 6. You
23 there?

24 A. Yes.

1 Q. Okay. There's a section here entitled
2 Summary of Salient Facts and Conclusions.

3 A. Yes.

4 Q. And you talk about the type of turbines.

5 A. Correct.

6 Q. And then your conclusion here is, "Thus, a
7 specific size and model is not identified to a
8 certainty and a range of facilities is proposed for
9 the special uses." What does that have to do with
10 your opinion about impacts on surrounding property
11 values?

12 A. Well, nothing that's terribly significant
13 from the standpoint of value impact because whether
14 it is the 1.79 or some slightly different or
15 slightly larger model, based on the data I've
16 researched, impacts are going to be right in the
17 same immediate range.

18 Q. All right. And you mentioned the 1.79.
19 You do know that Invenergy has identified either the
20 GE 1.79-100 or the GE 1.72-103, correct?

21 A. I'll take your word for it. I don't
22 remember the second one specifically.

23 Q. All right. Well, if -- on the same page
24 there, there's another section that you entitled

1 Turbine Size.

2 A. Yes.

3 Q. Or Turbines Size. And you say here,
4 "Height from the base to the tip of any blade when
5 perpendicular to the ground is 431.4 feet." Do you
6 see that?

7 A. Yes, I do.

8 Q. And do you know which turbine you're
9 talking about there?

10 A. I believe that was the one that they were
11 using as the example, and if I recall correctly, it
12 was the presumed-to-be larger of the two that they
13 were thinking of.

14 Q. The 103, does that ring a bell?

15 A. Not right -- no, not right --

16 Q. I mean let me just represent this to you
17 and I think Mr. Luetkehans will agree. The -- as
18 you described it, the height from the base to the
19 tip for the 100 is 426.5 feet and the 103 is 431.4
20 feet. Can we accept that?

21 A. I won't argue with it.

22 Q. Okay. So based on that, it looks like
23 when you're talking about turbine size here on page
24 6 of your report you're talking about the 103. Does

1 that seem correct?

2 A. If that's what you're representing again,
3 I can accept that as --

4 Q. Okay. Now, let's go to page 7 of your
5 report and you talk here about proposed setbacks.

6 A. Yes.

7 Q. And you've got -- you reflect 1.1 times
8 the turbine height to the property line, then you
9 have a note, "turbine height of 431.4 feet times 1.1
10 equals 474.54 feet. Applicant Figure 3-2 shows only
11 469 feet setback." And what's the point of you
12 pointing this out in your report?

13 A. Well, it seemed to be inconsistent with
14 what the Livingston code required, a minimum of 1.1,
15 so I thought it was important to draw that out.

16 Q. Well, I suppose that was a very badly
17 worded question. My question is what does that five
18 foot difference have to do with your opinion about
19 impacts on surrounding property values?

20 A. Well, part of my report is a property
21 value impact and part of it is really for the
22 purpose of addressing the Criteria 5 or Standard 5
23 for approval of a special use, and in that regard I
24 was really showing that I had read it pretty

1 carefully and this appeared to be an inconsistency
2 with what the code requires.

3 Q. I'm going to show you what's a printout of
4 Pleasant Ridge Exhibit 6.

5 MR. LUETKEHANS: That's from the first
6 one, right?

7 MR. BLAZER: That's from the October
8 submittal.

9 Q. And actually since that one's -- the
10 legend on that one is so difficult to read, I've
11 also taken the liberty of blowing up the legend and
12 I'm calling it Exhibit 6A. And I'll represent to
13 you, Mr. McCann, that 6A is a blowup of the legend
14 on 6.

15 A. Okay.

16 Q. Okay. And if you look at either 6 or 6A,
17 6 is probably a lot more difficult to read, you'll
18 see that it shows a setback of 476 feet not 469
19 feet.

20 A. Yes, it does show that.

21 Q. Okay. Do you know why in your report you
22 used the setback map for the 100s when you were
23 talking about the setbacks for the 103s?

24 A. I copied that particular thing right out

1 of the application as it was received or admitted
2 from the county website. I wasn't distinguishing or
3 wasn't even aware that that exhibit had been updated
4 to correct the -- apparently correct or modify or
5 adjust the setback. So it's -- that's what was in
6 the original application, it's what I used.

7 Q. Okay. And if I told you that the closest
8 nonparticipating property line to any turbine is, in
9 fact, 476 and a half feet or two feet under the
10 county's requirement, would you have any basis for
11 disputing that?

12 A. Not off the top of my head, no.

13 Q. All right, could you go to page 12 of your
14 report? And let me know when you're there.

15 A. I'm there.

16 Q. Okay. There's a section here Purpose of
17 Appraisal, the second paragraph. It says, "The
18 purpose of the assignment is also to determine --"

19 A. Yes.

20 Q. You there? Okay. And you talk about the
21 purpose and you also conclude that paragraph with
22 "and from a real estate valuation and land use
23 compatibility perspective."

24 A. Yes.

1 Q. Okay. And then if you go to page 21 of
2 your report, the last paragraph, you're talking here
3 about an industrial overlay --

4 A. Yes.

5 Q. -- is that correct? All right. It is
6 true, is it not, that you're not a land planner?

7 A. That is true, I'm not a certified land
8 planner. I'm a real estate appraiser.

9 Q. You're not a member of the American
10 Planning Association?

11 A. I am not.

12 Q. And you have no education in land
13 planning?

14 A. Other than 30 years of appraising property
15 and studying land and land impacts, but not a formal
16 education in land planning as you're alluding to.

17 Q. Okay. Now, could you go now to page 52 of
18 your report?

19 A. Yes.

20 Q. And what you have there is the cover or a
21 picture of the cover of that MPAC, M-P-A-C, study
22 that we talked about last week; is that correct?

23 A. That is correct.

24 Q. And then if you could go to page 53. And

1 there you have a bar chart and a table on that page.

2 A. That's correct.

3 Q. All right. I'll hand you what I marked
4 last week or we introduced last week as Pleasant
5 Ridge Exhibit 197A. You'll recall that that's that
6 MPAC study. Could you point out -- this bar chart
7 that you have in your report, could you tell me
8 where that is in the MPAC study?

9 A. I believe Figure 2 on page 18 is
10 essentially the same chart without the horizontal
11 lines drawn in and the corresponding value level or
12 sale price level that I have marked down the right
13 side. It is also identical to an exhibit that's in
14 one of the appendices to this report which, if I
15 recall correctly, is Figure ES-2.

16 Q. All right. This is actually UCLC Exhibit
17 74. I guess it's your version of the same study
18 with some of the appendices attached; is that
19 correct?

20 A. Pardon me?

21 Q. Is this your version of the same MPAC
22 study with the appendices attached? This is the one
23 I got from your lawyer, so I'm just trying to find
24 out what that's supposed to be.

1 A. Yes, I believe it does include the
2 appendices, yes.

3 Q. All right. So if I understand what you
4 said correctly, you took the table that's in the
5 MPAC study on page 18 and then you added information
6 to it; is that correct?

7 A. That's correct.

8 Q. Okay. So as this table appears in your
9 report, that does not appear in the MPAC study,
10 correct?

11 A. Not the dollar figures. The distances,
12 the height of the bar charts, the indication as it
13 relates to the dollar figures that are shown down
14 the left margin or the vertical axis, it clearly
15 shows approximately where those figures come in. My
16 figures are from measuring on a screen basically.

17 Q. I just wanted to be clear that as it's
18 represented in your report, this isn't in the study,
19 you added information to the bar chart from the
20 study, correct?

21 A. I clarified it, yes, sir.

22 Q. Okay. And then the table at the bottom of
23 page 53 of your report, where that's from?

24 A. I developed that.

1 Q. So that's not from the report.

2 A. Pardon me?

3 Q. That's not from the MPAC study?

4 A. That's a summary of the MPAC study and the
5 bar chart that is right above it based on distances,
6 based on prices, based on the number of sales that
7 they're showing, and based on their -- essentially
8 their what amounts to a control area for their
9 study, you know, anything beyond 5 kilometers.

10 Q. Got it. So you took it, you derived
11 information from the report and inserted it into
12 this table. This table as it sits here in your
13 report does not appear in the MPAC study.

14 A. That's correct.

15 Q. Okay.

16 A. Probably should, but it doesn't.

17 Q. All right, could you go to page 30 of the
18 -- of Exhibit 197A, the MPAC study?

19 A. I'm sorry, say that a little slower.

20 Q. Page 30, 3-0. 197A, it's the shorter one.
21 It's easier to get to probably.

22 A. Page 70?

23 Q. 30.

24 A. Page 30.

1 Q. Right. That's a list of the appendices to
2 the report, correct?

3 A. Yes.

4 Q. And one of them is appendix -- is
5 identified as Appendix G, Resale Analysis, Lansink
6 and MPAC, Industrial Wind Project Sales Review; is
7 that correct?

8 A. That's what they labeled it, yes.

9 MR. LUETKEHANS: It's attached to 179.

10 MR. BLAZER: This is 179B. It should be
11 in that pile.

12 Q. I've handed you, Mr. McCann, what we've
13 marked as Pleasant Ridge 179B. Do you recognize
14 that to be Appendix G to the MPAC study?

15 A. It looks familiar. I don't have it
16 memorized, but it looks familiar.

17 Q. Okay. All right, we can move on from
18 that. You've reviewed the standards applicable to
19 special use in Livingston County, correct?

20 A. I have.

21 Q. All right. And you know that the standard
22 applicable to the issue that you're talking about is
23 that the use will not substantially reduce the value
24 of neighboring property, correct?

1 A. Well, again, the use and enjoyment of
2 property, certainly that is part and parcel of
3 ownership of a property, part of the bundle of
4 rights, part of the expectation of the property
5 owners, yes.

6 Q. And I get that. Right now, I'm just
7 talking about value. You understand the standard in
8 the county's rules is that the use will not
9 substantially reduce the value of neighboring
10 property, correct?

11 A. Well, that's an excerpt from that
12 particular standard, but it's not the entire
13 standard, that's correct.

14 Q. Okay. And what you've done here to
15 establish or to support your opinion that the use,
16 in this case, the construction and operation of the
17 wind farm, will substantially reduce the value of
18 neighboring property is you've done what's called a
19 paired sales analysis; is that correct?

20 A. That is correct, yes.

21 Q. All right. And a paired sale analysis,
22 we're going to get -- we're going to go through some
23 fundamentals here just so everybody understands
24 where we're at. Paired sales analysis looks at

1 sales and resales and tries to measure for the
2 difference potentially resulting from the
3 detrimental condition; is that right?

4 A. It's part of the description that fairly
5 describes it. It certainly isn't the entirety of
6 it.

7 Q. Okay.

8 A. But when you're referring to the time
9 element, that's not how it was applied in my paired
10 sales analysis.

11 Q. I understand. Generally speaking, that's
12 what you're doing, though, you're looking at sales
13 and resales to try and compare the differences to
14 see the impact of the detrimental condition,
15 correct?

16 A. Not only resale. That's a different type
17 of study. That's a resale study. It can be part of
18 and is part of what I developed in my paired sales
19 analysis.

20 Q. Right.

21 A. For example, target sale 1, 2 and 3 is the
22 same property. What it clearly shows is a very
23 large decline after the turbines were built, so that
24 would be a resale analysis. But then pairing up

1 each of those first three target sales with other
2 properties that sold at the same time that were a
3 greater distance, making the adjustments for the
4 differences that otherwise exist between homes that
5 are grouped as closely as possible by age and size
6 and so forth, why then that leaves the remaining
7 variable of proximity to the wind turbines and
8 that's what that analysis solves for.

9 Q. Got it. All right, let's go over a couple
10 of things in your report that you rely on sort of
11 more as backup information to support your opinions.
12 If you could go to page 45 of your report.

13 A. Yes.

14 Q. In here you've got your list, your
15 literature review.

16 A. Yes.

17 Q. All right. And you identify what's on
18 that list as independent studies; is that correct?

19 A. Yes.

20 Q. And you include your own prior studies,
21 right?

22 A. Yes.

23 Q. Okay. And these are ones where you've
24 testified for opponents to other wind projects; is

1 that correct?

2 A. I have testified in my prior studies, yes.

3 Q. Yes. And then another one that you

4 include is by an individual named Kielisch,

5 K-I-E-L-I-S-C-H; is that correct?

6 A. Kielisch is the pronunciation.

7 Q. Kielisch, excuse me, thank you. Well,

8 he's from Wisconsin. He probably pronounces it a

9 little weird. He is from Wisconsin?

10 A. Yes.

11 Q. Okay. And if I'm correct, tell me if I'm

12 wrong, Kielisch compared vacant land within a wind

13 farm footprint to vacant land outside the footprint;

14 is that correct?

15 A. That was part of what he did, yes.

16 Q. Okay. And do you recall that Kielisch's

17 what I'll call inside-the-footprint properties were

18 standard rural land and the outside-the-footprint

19 properties were in an improved subdivision with

20 roads, utilities and other amenities? Do you recall

21 that?

22 A. I recall there were some differences with

23 some of his sale data and some of the sale data

24 there weren't those differences. He used multiple

1 methods in his study.

2 Q. Then the properties outside the footprint
3 were also in an area called Fisherman's Estate. Do
4 you remember that?

5 A. Not specifically, no.

6 Q. Let me see if I can refresh your
7 recollection. This is 201.

8 MR. BLAZER: Tom, can I get one of yours?
9 I seem to be short one.

10 MR. BLAKEMAN: Just one?

11 MR. BLAZER: Just one.

12 Q. I've handed you what's been marked
13 Pleasant Ridge Exhibit 201, and I'll represent to
14 you, Mr. McCann, that this is a presentation that
15 was submitted during the Deer Run project hearings
16 by an individual retained by the applicant in that
17 case, and it's a critique of Mr. Kielisch's study.

18 And if you look at the slide numbers 27 to
19 34, probably start at 27, I think you'll see that
20 the outside-the-footprint properties in Mr.
21 Kielisch's study were in an area called Fisherman's
22 Estate and they were located on the largest lake in
23 Wisconsin?

24 A. If that's what it shows, that's what it

1 shows. I'm not familiar with this response, so I
2 can't vouch for it or --

3 Q. Okay.

4 A. -- reviewed it one way or the other.

5 Q. And are you aware that with respect to the
6 vacant lots in the inside-the-footprint part of Mr.
7 Kielisch's study, brand-new quality homes were built
8 on several of those lots near the wind farm after it
9 began operating?

10 A. That does not ring a particular bell, but
11 again I have not had an opportunity to review this
12 response or verify any of the information in it.

13 Q. Well, if you could take a look at -- let's
14 start with slides 21 to 26.

15 MR. LUETKEHANS: I'm going to --

16 MR. BLAZER: I'm just asking --

17 MR. LUETKEHANS: I'm going to object.

18 He's asking him to look at a study he's never seen,
19 and then he's also taking parts of it and saying
20 even though the study -- the report says 30 percent
21 were in Fisherman's Estate, he's now asking him --
22 he's telling the witness it's a hundred percent, and
23 the witness hasn't had a chance to look at this and
24 review this. This is really -- this is the kind of

1 stuff we've not been allowing on cross-examination.

2 MR. BLAZER: Well, if I may respond, Mr.
3 Cornale. First of all, I didn't say a hundred
4 percent, and all I'm doing right now, since this was
5 submitted during a hearing that Mr. McCann testified
6 at, I'm asking him to look at some of these slides
7 to see if -- simply if they refresh his recollection
8 as to the data that was reflected in Mr. Kielisch's
9 report which he cites as a source in his report.
10 That's all I'm doing.

11 CHAIRMAN CORNALE: All right, I agree with
12 the fact that he did refer to it in his independent
13 study, the Kielisch study, but this is rebuttal to
14 that Kielisch study. So I guess if there's
15 reference to it in the Kielisch study without the
16 rebuttal from Larkin, you can specifically ask him a
17 question from the Kielisch study.

18 MR. BLAZER: Okay.

19 BY MR. BLAZER:

20 Q. As you sit here today, you don't recall
21 that a number of the vacant lots in the
22 inside-the-footprint part of Mr. Kielisch's study
23 ended up with quality homes after the wind farm
24 began operating?

1 A. I have not gone out and inspected it, I
2 have not verified it in any other manner as of
3 today, that's correct.

4 Q. So you have no idea one way or the other
5 what happened in --

6 A. I didn't hear your question.

7 Q. You have no idea one way or the other what
8 happened in Mr. Kielisch's study area; is that
9 correct?

10 A. The idea that I have is from having read
11 the study, you know, several years ago, but
12 certainly not from this rebuttal presentation or
13 responsive to your questions.

14 Q. Okay, we can move on then. In your
15 literature review on page 45 of your report, you
16 also rely on some work by Mr. Lansink, correct?
17 L-A-N-S-I-N-K.

18 A. Well, I certainly considered it as one of
19 the independent studies that I reviewed, read, and
20 have at least a better than passing familiarity with
21 it. But not to mince words, but when you say rely
22 on it, I rely on my own work, but other people's
23 work I consider, you know, for what it's worth to
24 me.

1 Q. Okay. And Mr. Lansink was the one who
2 worked with you on that human species habitat report
3 that you two tried to submit in Ontario that we
4 talked about last week, correct?

5 A. We did, in fact, submit it, yes.

6 Q. All right. And that was the one that was
7 rejected by the Environmental Review Tribunal?

8 A. Yes, they decided property values have no
9 place as a question in their hearings.

10 Q. Okay. Let's go back to paired sales now
11 that we've gone past some of this stuff. You
12 remember we talked a little bit last week about
13 Randall Bell's books on detrimental conditions?

14 A. I do.

15 Q. Okay. And I believe you testified that
16 Mr. Bell is a recognized expert in the field of
17 analyzing detrimental conditions?

18 A. He certainly is a published author, I
19 believe a recognized expert.

20 Q. Okay.

21 A. In fact, he and I worked on the same case
22 once upon a time.

23 Q. Do you know who Dr. Thomas Jackson is?

24 A. The name rings a bell, yes.

1 Q. If you know, is he also a recognized
2 expert in the field of analyzing detrimental
3 conditions?

4 A. I don't know that he's a recognized expert
5 in that, but I know that he has a lot of
6 credentials. I know he allowed his name to be
7 stamped on the 2013 Berkeley report, but I don't see
8 any contribution from him in that report --

9 Q. Okay.

10 A. -- including his curriculum vitae or his
11 certificate, which, you know, if that's his
12 appraisal, it should be there.

13 Q. All right. Dr. Jackson has published an
14 authoritative text on the methods and techniques for
15 contaminated property valuation, right?

16 A. Okay.

17 Q. Is that correct?

18 A. It doesn't ring a bell at the moment, but
19 I've read many treatises and so forth that I don't
20 necessarily recall all the authors' names.

21 Q. Do you know who Pete Barton DeLacy is,
22 D-E-L-A-C-Y?

23 A. Well, I hope so. He was my co-presenter
24 in a seminar for the Appraisal Institute on this

1 very subject, property values near wind farms, back
2 in 2012.

3 Q. So do you consider him an expert in the
4 field?

5 A. Well, I think he knew some things about
6 wind farms, but his studies frankly lacked anything
7 that I would consider to be a reliable basis for an
8 opinion on the subject. He uses assessors' studies
9 or actually just interviewed assessors as to whether
10 or not they were reducing assessments for properties
11 near turbines. And, you know, that's useful for
12 answering that question, but it's not useful for
13 answering the question of whether or not there are,
14 in fact, reduced sale prices or impacts on property
15 values. So as much as I like the person, I'd have
16 to answer your question no.

17 Q. Okay. Do you agree with the following
18 statement? This is from Randall Bell. The fact
19 that a property is impacted by a detrimental
20 condition does not automatically mean that it has a
21 material impact on the property's value?

22 A. That stands to reason.

23 Q. Okay. And do you also agree with this
24 statement from Mr. Bell? In the analysis of

1 detrimental conditions, it is important that the
2 appraiser be knowledgeable about available tools,
3 properly select and apply those tools, avoid
4 unproven or suspect methodologies, and ultimately
5 have relevant market data to support opinions and
6 conclusions?

7 A. That sounds like the outline for exactly
8 what I did, so I agree with it.

9 Q. Good. I'm going to ask you some questions
10 about basic requirements of a well-constructed
11 matched pair analysis, and for each of those I want
12 you to tell me if you agree that that's one of the
13 requirements, okay?

14 A. Well, I -- it might help if I have the
15 book, but I certainly have read it, I'm very
16 well-versed in performing matched pairs analysis,
17 but go ahead, fire away.

18 Q. So do you agree that the basic
19 requirements of a well-constructed matched pair
20 analysis are similar properties in terms of size,
21 construction and use?

22 A. That's definitely a qualified yes. An
23 appraiser should always use the best information
24 available. So using properties that are of the same

1 use is ideal, that are very similar in size and age
2 is ideal, but appraisers also really shouldn't, I
3 was going to say can't but that doesn't always work
4 for some guys, but they shouldn't invent any
5 comparables. Use what the market has provided and
6 that's the best information available and that's
7 what you should use.

8 Q. Okay. Another one of these requirements
9 for a well-constructed matched pair analysis,
10 similar locations except for the condition being
11 analyzed?

12 A. Again, within the framework of what the
13 market is able to provide, absolutely.

14 Q. Okay. And that's -- that's -- what you're
15 accounting for there is what's called location
16 effect?

17 A. Well, that's one word that pretty much
18 covers a lot of things, yes.

19 Q. Okay. Another one of those elements would
20 be similar dates of sale?

21 A. Not necessarily because that's something
22 that can be an impact that is a result of being
23 proximate to a detrimental condition or what some
24 people call LULUs, locally unwanted land uses. When

1 you can't find a buyer, maybe some people -- not
2 maybe, for sure some people don't reduce their
3 prices right away, but, you know, then after
4 marketing for a length of time, finding that they
5 have to reduce their price to attract a buyer,
6 that's when you get the longer marketing times, and
7 certainly marketing times are a factor to consider.

8 Q. Well, and actually you presupposed my next
9 one because my next element of a well-constructed
10 matched pair analysis is similar market conditions,
11 right?

12 A. Well, again, yes, and when you use sale
13 dates for each target sale as I've done that are as
14 close to it as possible of the overall database of
15 properties from the Livingston County MLS database,
16 why, you know, that did allow for keeping the
17 control sales as close to the target sales as
18 possible.

19 Q. Okay.

20 A. So yes, again, a good outline.

21 Q. You're familiar with something called
22 Midwest Real Estate Data, known as MRED?

23 A. Yes, I am.

24 Q. And you subscribe to that in your

1 business, right?

2 A. I do.

3 Q. Okay. All right, going back to market
4 conditions for a moment, I -- I want to ask you a
5 few questions about some of the concepts that are
6 discussed in Mrs. -- in Mr. MaRous's report,
7 Pleasant Ridge Exhibit 41. Do you agree that the
8 recent economic recession and decline of the
9 residential real estate market is generally
10 recognized as starting in December of 2007?

11 A. Depending on where, I would agree with
12 that, and depending on where, it certainly didn't
13 impact the real estate market uniformly everywhere.

14 Q. Do you agree that the decline of American
15 housing prices began as early as July 2006 and this
16 can be considered the time period when the market
17 peaked and the bubble was becoming evident in
18 general?

19 A. Again, it depends; that certainly the
20 bubble was stretched pretty far by July 2006, but
21 where it sprung leaks and where it burst varies
22 place by place.

23 Q. And do you agree that in the following
24 months the subprime securitized mortgage market

1 collapse led to the financial market's crisis in the
2 fall of 2008 and by mid 2009 the longest and most
3 severe economic downturn in decades?

4 A. Certainly was a tough time in the market
5 for a lot of properties. Again, the property values
6 were not impacted uniformly and in some cases very
7 little, a very little impact compared to the broader
8 market statistics overall.

9 Q. Do you also agree that six consecutive
10 quarters of economic contraction and unemployment in
11 excess of 9 to 10 percent led to significant
12 declines in housing and other real estate asset
13 values since the market peak?

14 A. I generally agree, but I'm not sure I
15 agree with it as an exact statement, but the
16 concepts are no secret; that, you know, when the
17 market had its troubles, it was -- it affected a lot
18 of property, a lot of regions, a lot of communities,
19 but, you know, others were much more resilient and
20 not as affected by those kind of downturns. You
21 know, in Mr. MaRous's report, he cites examples from
22 the Chicago suburbs in some locations that were hit
23 real hard, and vis-a-vis Livingston County is not a
24 comparison at all.

1 Q. Do you also agree that sustained downward
2 pressure on consumer spending and the lack of a
3 generally identifiable robust economic recovery
4 continued to affect the development potential of
5 virtually all properties through 2011 and began an
6 identifiable recovery by mid 2012?

7 A. That sounds like something I wrote.

8 Q. Do you agree with it?

9 A. Well, if I wrote it, I agree with it.

10 Q. Okay. Do you agree that prior to current
11 indications of at least a partial recovery, the sale
12 market was characterized by an increasing number of
13 distressed sale asset prices, negligible sales
14 velocity and lower overall prices?

15 A. Again, in the markets that I was working
16 in when I wrote those statements, that absolutely
17 was true.

18 Q. Okay. And do you agree that the sale
19 market in late 2008, in 2009, and with a small
20 temporary exception near mid 2010 due to the federal
21 home buyer tax credit as well as seasonal
22 differences, i.e., winter versus summer time
23 periods, was substantially diminished as the buyer
24 demand had all but evaporated due to the poor

1 underlying economic support and overall job losses?

2 A. That, again, applies perfectly to some
3 situations in some locations and not in others.

4 Q. Do you also agree, finally, that
5 construction of new homes came to a standstill with
6 many builders filing bankruptcy and subdivisions
7 remaining unbuilt and vacant, in some cases with
8 partial infrastructure in place?

9 A. Certainly those kinds of things have been
10 going on in the overall northern Illinois real
11 estate market, but again, that doesn't apply
12 everywhere out to the same degree.

13 Q. The real estate market you would agree has
14 improved in the last year or so, right?

15 A. Yes.

16 Q. All right. But that hasn't translated
17 into a return to the boom years, would you agree
18 with that?

19 A. Depends on where you define the boom
20 years, but I would say probably not overall.

21 Q. And do you agree that the boom period was
22 marked by easy credit and overbuilding, but today we
23 have tight mortgage credit and widespread shortages
24 of homes for sale?

1 A. I don't know about widespread shortages of
2 homes for sales, but there's -- in some locations
3 there has been a buildup of demand that has not been
4 satisfied by increased inventory, but the builders
5 are catching up with that.

6 Q. If you could go to page 16 of your report?

7 A. 60.

8 Q. 1-6.

9 A. 1-6.

10 Q. And here you're talking about exposure
11 time and marketing time; is that correct?

12 A. Yes.

13 Q. And it looks like they're similar
14 concepts, is that a fair statement?

15 A. Yes, to some degree. Exposure time is the
16 amount of time leading up to the assumed sales date
17 on the appraisal date. The marketing time is the
18 appraiser's estimate of how long it would take to
19 sell the property after the effective date of
20 appraisal.

21 Q. And those concepts are also known as
22 cumulative days on market or CDOM; is that correct?

23 A. Well, that's not synonymous with that, but
24 cumulative days on the market is an expression for

1 data that can be used to derive a basis for exposure
2 time or marketing time.

3 Q. All right. Exposure times were affected
4 by the recession; isn't that right?

5 A. In an overall general sense, yes.

6 Q. And listing prices were also affected by
7 the recession; is that right?

8 A. Yes, and in some cases worse than others,
9 you know, for example, some of the study areas that
10 are in my report.

11 Q. Do you agree that in the recent declining
12 market conditions, the tendency of sellers was to
13 overprice the initial listing of their property?

14 A. Again, that's a -- that applies whether in
15 a, in my studies, a target area in close proximity,
16 within three miles of turbines, and also the same
17 trend further removed. But as we found in my DeKalb
18 study, that by comparing the cumulative days on the
19 market statistic, it was a year longer within the
20 target area or near the turbines. So yes, it
21 applies to both; just more so to the turbine areas.

22 Q. So your answer to my question was yes?

23 A. I'm not sure I remember your question.

24 Q. I'll reask it. Do you agree that in the

1 recent declining market conditions, the tendency of
2 sellers was to overprice the initial listing of
3 their property?

4 A. As values were dropping, that was the
5 tendency, and that cut across the board in really
6 everywhere that values were dropping.

7 Q. And do you agree that that resulted in
8 subsequent price reductions and/or cancellations and
9 re-listings?

10 A. In many cases, yes.

11 Q. And that resulted in longer exposure
12 times, right?

13 A. That was one thing that contributed to
14 longer exposure times. The other, as my study has
15 borne out, was the lack of marketability, the market
16 resistance to buying homes near turbines.

17 Q. This one may be quick. 196, Tom. I've
18 handed you what's been marked as Pleasant Ridge
19 Exhibit 196. Have you ever seen that before?

20 A. Yes.

21 Q. What do you recognize that to be?

22 A. Well, it's a land values and lease trends
23 study for rural property in Illinois broken down by
24 regions showing what the commodity pricing trends

1 have been as well as land value trends and lease
2 trends.

3 Q. Is that something you've used in the past
4 in your work?

5 A. It is.

6 Q. Okay. And if you go to page 35 of that
7 document, that's where the analysis starts for the
8 north central region; is that correct?

9 A. Yes.

10 Q. Then if you go to 37. And that's a
11 summary table of sales that includes Livingston
12 County; is that correct?

13 A. Yeah. Amongst others, yes.

14 Q. Okay. Let's go back -- we're done with
15 that. Let's go back to your paired sales opinion.
16 Do you recall, I believe you said this last week,
17 that in your paired sales analysis you made
18 appropriate adjustments. Do you remember that?

19 A. If I didn't say it, I'm saying it now.

20 Q. Okay. Do you agree, Mr. McCann, that in a
21 paired sales analysis it is important that the same
22 type, size and construction type of property be
23 considered because that eliminates the need for
24 making significant amounts of adjustments?

1 A. To the extent that the market data
2 presents itself or is available, absolutely. And
3 within the confines of what the market transactions
4 actually show, by all means use properties that are
5 most comparable but for that one independent
6 variable, meaning in a study like this, the
7 proximity to the turbines, but other than that, do
8 the best you can to pair up sales with the sale near
9 the turbine for, again, things like, first of all,
10 date of sale, as close to that date of sale as
11 possible as the target sale and then the age and the
12 size and then making the adjustments for differences
13 in lot size or acreage or other factors like
14 finished basements or lack thereof.

15 Q. Okay. And by doing that, you are also
16 eliminating the need to use subjective
17 determinations to solve for the difference of the
18 condition you're supposed to be assessing, right?

19 A. Well, unless you consider using experience
20 and judgment at all to be subjective, but certainly
21 many adjustments that I've used in this case are
22 perfectly consistent with not only my experience in
23 appraising properties, residential properties, but
24 also in line with the values and price points of

1 these particular sales unlike some studies which
2 pool data from regions that have values that can
3 swing, you know, 300 percent and using the same
4 adjustment, like in a regression statistical study,
5 for the same value on a bathroom when a bathroom
6 isn't worth the same in a \$75,000 house as it is in
7 a \$375,000 house. So yes, I consider my adjustments
8 very carefully.

9 Q. And I appreciate that information, but
10 that wasn't the question I asked you. The question
11 I asked you was if you agree that matching the two
12 properties as closely as possible eliminates the
13 need to use subjective determinations to solve for
14 the difference in the condition you're supposed to
15 be assessing?

16 A. Matching the properties as close as
17 possible reduces the impact of adjustments. There's
18 always adjustments because no property is exactly
19 like kind, but what I was trying to illustrate for
20 you without going into a long narrative was that
21 those adjustments are not the same and there is some
22 level of experience and judgment required in
23 determining adjustments rather than just letting a
24 computer pick them for you.

1 Q. Well, what you're trying to do is compare
2 basically apples to apples, right, as closely as
3 possible?

4 A. As close as possible, yes sir.

5 Q. Okay. Now, for this case -- well, I
6 suppose it's obvious. Not in this case but in every
7 case you have to make sure that the data you use is
8 accurate, right?

9 A. Yes.

10 Q. Okay. What data did you review to do your
11 paired sales analysis in this case?

12 A. Would you -- I'm not sure I heard you.

13 Q. Sure. What data did you review to do your
14 paired sales analysis in this case?

15 A. Well, I started with the Livingston County
16 MLS database and I also merged it together with, as
17 you mentioned earlier, the MRED, Midwest Real Estate
18 Data database, they used to be the Northern Illinois
19 Multiple Listing Service but it's called MRED now,
20 and then when that was compiled to the best of my
21 ability, I also checked it against the Livingston
22 County assessor's database to look for foreclosures,
23 square footage, things that in some cases the
24 realtors had in their listings and in some cases

1 they didn't.

2 So that was the data I looked at to
3 confirm the facts about the property, the facts
4 about the sale and the conditions of sale, and the
5 only thing I would add is that the -- the database
6 in the county is derived from transfer declarations,
7 which is essentially an affidavit of the buyer that
8 I take at face value.

9 Q. So you did review assessor records,
10 correct?

11 A. I did use assessor records as well, yes.

12 Q. And did you also use assessor records for
13 the studies that you did in Lee and DeKalb Counties,
14 the ones that are in your report here?

15 A. I'm pretty sure I did, but I'd have to
16 double-check my old file on that. It was a couple
17 years ago, but I believe I did.

18 Q. Okay. Could you turn to page 28 of your
19 report? And the paragraphs aren't numbered, so I
20 have in my notes here it's the seventh paragraph.
21 It's the one that starts "The foreclosure insurance
22 sale trends."

23 A. Yes.

24 Q. And you say here, "Note that near the

1 turbines, the foreclosure rate is three times the
2 rate in the control area." What's your cut-off for
3 near the turbines?

4 A. Three miles.

5 Q. And are you saying that all of the
6 foreclosures within three miles of turbines were due
7 to the wind farms?

8 A. You can draw your own conclusions from
9 that, but I can tell you that there is no other
10 indication that -- of any other factor. For
11 example, none of these foreclosure sales were by the
12 landfill or some other impacting land use. And
13 given the number, I think it's a fair indication
14 that the turbines definitely had something to do
15 with it.

16 Q. So it's your testimony that every
17 foreclosure in this county within three miles of a
18 wind farm resulted from being within three miles of
19 a wind farm.

20 MR. LUETKEHANS: Objection, misstates the
21 testimony.

22 MR. BLAZER: I'm trying to find out what
23 he's saying.

24 CHAIRMAN CORNALE: Go ahead and answer the

1 question.

2 A. No, that is not my testimony. My
3 testimony is that the foreclosure rate within three
4 miles of the turbines in Livingston County or
5 immediately adjacent to Livingston County was at
6 three times the rate within the number of sales in
7 those databases as compared to the other rural areas
8 of Livingston County that were at least three miles
9 away from any turbine.

10 Q. So --

11 A. Or a landfill for that matter.

12 Q. So are you then saying that that
13 differential, that 300 percent difference or 200
14 percent difference, was exclusively due to proximity
15 to the wind farms?

16 A. I'm saying that it is an elevated level of
17 foreclosure activity closer to the turbines as
18 compared to the areas further removed.

19 Q. And did you review every foreclosure
20 within three miles of the wind farm in this county?

21 A. What do you mean by review?

22 Q. Did you check the records to see what the
23 reasons may have been for the foreclosures?

24 A. No.

1 Q. And then in the same paragraph here you
2 say, "This is consistent with the reports of home
3 abandonment near turbines." Do you know which --
4 which homes in Livingston County were abandoned due
5 to wind farms?

6 A. Well, abandon is a broad term. It can be
7 defined a lot of different ways. It's --

8 Q. Well, I'm asking how you defined it, sir.

9 A. I'm trying to do just that. Some people
10 might abandon their home upon finally being able to
11 find a buyer that would buy it on a short sale but
12 otherwise had no intention of leaving. Others might
13 have been drummed out by the noise from turbines, as
14 Mr. Shineldecker was, as some other people that I
15 have interviewed and know of have demonstrated to me
16 and told me -- confirmed to me that the reason that
17 they left was because of the turbines or the turbine
18 impact, the turbine noise.

19 Abandonment can also be just stopping
20 making the payments, letting it go back to the
21 lender and the lender selling it, and that would be
22 a foreclosure sale or an REO sale. And when
23 somebody feels that they're throwing good money
24 after bad, that is not an uncommon occurrence. Not

1 everybody does it, but that also fits within the
2 framework of how I'm using the term abandonment in
3 the context of the range of activity that falls
4 under abandonment near wind turbine projects all
5 over.

6 Q. All right. So how many people in
7 Livingston County told you that?

8 A. None in particular told me.

9 Q. Did any in general tell you that?

10 A. Well, I think I just described a couple.
11 Shall I continue? As far as people that have
12 abandoned their homes because of the proximity of
13 turbines and the noise?

14 Q. In Livingston County, yeah, how many are
15 there?

16 A. None in Livingston County.

17 Q. All right. When did you say you did the
18 Lee and DeKalb County study?

19 A. 2012.

20 Q. So you didn't do that one for this
21 project, correct? The one you did was for some
22 other wind farm opposition?

23 A. It's a different study I worked on, yes.

24 Q. Okay. Was that for the Mainstream project

1 in Lee County?

2 A. Yes.

3 Q. Okay. All right, could you go to page 43
4 please of your report? This is your paired sales
5 analysis summary, is that correct, for Lee and
6 DeKalb Counties?

7 A. That's correct.

8 Q. And you're looking -- you looked at 13
9 sales; is that right?

10 A. Well, 13 pairs.

11 Q. 13 pairs, excuse me, yes. 13 pairs,
12 correct?

13 A. That's correct.

14 Q. All right. And the details for each of
15 those properties are at the very tail end of your
16 report, right, pages 131 to 143?

17 A. That's correct.

18 Q. Okay. We're not going to go through all
19 of them because Mr. Cornale would, I'm sure, cut me
20 off, so we're just going to use a few examples.

21 MR. BLAZER: I'm heading into that section
22 now, Mr. Chairman. Did you want to take a quick
23 break? It's almost 7:30. It's up to you. I can
24 tell you that I'm at the paired sales section, I'm

1 going to do a few of these, and then I'll be done
2 with him, but you might want to take a break.

3 CHAIRMAN CORNALE: Why don't you just keep
4 going for a little bit?

5 MR. BLAZER: Okay, sure.

6 BY MR. BLAZER:

7 Q. All right. Let's go to Lee County then.
8 Pair number three, that's on page 133 of your
9 report.

10 A. Pair number three on what page?

11 Q. Page 133.

12 A. Okay.

13 Q. All right. And I just want -- this, I
14 think, applies to all of them, but let's use this
15 one as an example. The target sale is at 1055
16 County Line Road; is that correct?

17 A. That's correct, in Paw Paw.

18 Q. And that's a vinyl-sided farmhouse with
19 nine rooms, three bedrooms, that was built in 1861
20 and it's on a three acre parcel; is that right?

21 A. I'm trying to follow. You were talking a
22 little fast.

23 Q. I'm sorry.

24 A. What was the last question? On a three --

1 Q. It was in --

2 A. -- acre parcel, yes.

3 Q. Okay, and just so we're clear on your
4 methods, the target properties are the ones closer
5 to the wind turbines and that you say are negatively
6 impacted, right?

7 A. Yes, this one in particular was 1469 feet
8 from a turbine.

9 Q. Okay. And then you're comparing this
10 target with a sale at 1759 Franklin Road; is that
11 right?

12 A. Well, that's one of the comparisons I
13 made.

14 Q. That's the one I'm looking at here. This
15 is -- we're going to use a few examples. We're not
16 going to go through all of them, so --

17 A. No, I'm just trying to make it clear that
18 it's not the only time I used that pair. I paired
19 that target sale with at least one --

20 Q. I've got that --

21 A. -- at least a couple other control sales
22 to test it under different methods or with different
23 properties.

24 Q. I've got that, Mr. McCann. Right now, I'm

1 just asking you about this one, okay?

2 A. Okay.

3 Q. All right. Stay with me and we'll be done
4 a lot faster. So -- and again, just in terms of
5 your general methods, the one on Franklin Road is
6 the control property that's farther away from the
7 wind turbine, right?

8 A. Yes.

9 Q. Okay. And the one on Franklin Road is a
10 two story cedar-sided house with six rooms, four of
11 which are bedrooms, and that was built in the year
12 2000; is that correct?

13 A. I have a note there that says accounted
14 for condition.

15 Q. I'm just asking for the year that it was
16 built. You see that it's the year 2000?

17 A. Yes.

18 Q. Yeah, okay. So this one was built 139
19 years after your target property on County Line
20 Road; is that correct?

21 A. Without taking the remodelling and so
22 forth into account, yes, sir.

23 Q. Okay. And it's a five acre lot, is that
24 correct, your control?

1 A. That is correct.

2 Q. Okay. And correct me if I'm wrong,
3 although the Franklin Road house was 139 years newer
4 and it was on a lot that's two acres larger, you
5 still adjusted your control property upwards for
6 another \$23,500 for being 412 square feet smaller
7 than the target property; is that correct?

8 A. Well, just on the size adjustment, yes.

9 Q. Yes, okay. And then you made another
10 \$10,000 adjustment for an insulated, heated and air
11 conditioned barn; is that correct?

12 A. Yes.

13 Q. And then another upward adjustment of
14 \$5800 for the Franklin Road control property being
15 in average condition; is that correct?

16 A. Yes.

17 Q. Okay. Let's go to pair number four.
18 That's on page 134. And now here again, as you were
19 mentioning before, this one uses the same target at
20 1055 County Line Road, right?

21 A. Yes. Again, I had to work with whatever
22 was there. This was an unusual house, but still
23 attempted to pair it up with other control sales,
24 yes.

1 Q. Okay. And it's looks like the County Line
2 Road house is 2,092 square feet; is that correct?

3 A. Are we talking about pair four?

4 Q. Yeah, pair four, the County Line Road,
5 your same target, was 2,092 square feet.

6 A. Yes.

7 Q. And you compare with a farmhouse at 1415
8 McGirr, that's M-C-G-I-R-R, Road?

9 A. Yes, 2184 square feet, so --

10 Q. Pretty close in size.

11 A. Yes.

12 Q. All right. And this time, they're only 52
13 years apart, correct?

14 A. Yes.

15 Q. Okay.

16 A. Again, a cross-section in the market.

17 Q. All right. And just so we're clear in
18 terms of size, you show the McGirr Road house as
19 being 2184 square feet; is that correct?

20 A. Yes.

21 Q. Would it surprise you to know that the Lee
22 County assessor says that that house is actually
23 2568 square feet?

24 A. I'm not sure if I could respond to that.

1 That I would be surprised that they had it that way
2 or that the realtor had it that way or whatever --
3 where that came from?

4 Q. Well, you didn't -- I can't remember what
5 you said with respect to Lee County. Did you, in
6 fact, review assessor records in Lee County for your
7 matched pairs?

8 A. To the best of my recollection, I did.
9 And I know I've gone in and interviewed the
10 Supervisor of Assessments Wendy Ryerson about the
11 sale activity and the appeals and so forth around
12 the original project in Lee County.

13 Q. This is a lot less daunting than it looks,
14 but I'll hand you what I've marked as Pleasant Ridge
15 Exhibit 243 which are records relating to some of
16 your matched pairs. And you'll see in the lower
17 right-hand corner there are little three digit page
18 numbers.

19 A. Yes.

20 Q. Okay. Could you go to the page numbered
21 16? Let me know when you're there.

22 A. I'm there.

23 Q. And you'll see this is the property record
24 for 1415 McGirr Road, correct?

1 A. I'm looking for the address.

2 Q. Property -- up in the upper right, you see
3 the PIN number. Below that is property information
4 and below that is property address.

5 MR. LUETKEHANS: You mean the upper left.

6 MR. BLAZER: Upper left, excuse me, I'm
7 turned around.

8 A. Yes.

9 Q. All right. You see the McGirr Road
10 address there?

11 A. Yes.

12 Q. And then if you go farther down to the
13 bottom table on this record, you've got building
14 information and below the disclaimer you've got
15 model name and then you've got total building 2568
16 square feet. Do you see that?

17 A. That's what it shows, yes.

18 Q. Okay. Assuming it's true and you were
19 approximately 400 feet short in your assessment of
20 that control property, that would require a downward
21 adjustment to compare it to the County Line Road
22 sale, right, the target property?

23 A. It would.

24 Q. Okay. Let's go to pair number five.

1 That's on your page 135. Let me know when you're
2 there.

3 A. I'm there.

4 Q. Okay. Now, this pair uses a sale at 997
5 Woodlawn Road as a target; is that correct?

6 A. Yes.

7 Q. And do you see that the -- in the remarks
8 that the view of the turbines is screened by woods;
9 is that correct?

10 A. Yes, the view of it.

11 Q. Correct.

12 A. But as I've learned, not the noise.

13 Q. Okay. And your biggest adjustment here
14 between the target and control is \$42,300 for the
15 acreage difference; is that right?

16 A. Yes, yes.

17 Q. And you're adding \$10,000 per acre to the
18 control property on Franklin Road; is that correct?

19 A. That's correct. That was a five acre lot
20 versus nine and a quarter almost acre lot for the
21 target sale.

22 Q. Okay, and that's the farmland price,
23 right?

24 A. Yes and no. I mean it's certainly

1 residential property, but out in the rural areas the
2 lot values tend to trend or index to the farmland
3 values, and at that point in time, that's about what
4 farmland values were then. It's also about what the
5 incremental difference is between those two lot
6 sizes.

7 Q. All right. You do know that neither one
8 of those properties was farmland, correct?

9 A. Well, I think I just explained that, yes,
10 these are residential, but that's how the land
11 values are determined in rural areas.

12 Q. All right. Let's go to pair number six on
13 page 136 of your report. And the target here is the
14 same one as in pair number five, the one on Woodlawn
15 Road, correct?

16 A. Yes.

17 Q. And then the control sale is the one on
18 McGirr Road that you used in pair number four,
19 correct?

20 A. Yes. We crossed-referenced some indeed.

21 Q. And McGirr Road is a farmhouse that was
22 built in 1913.

23 A. Yes.

24 Q. And Woodlawn was built in 1999?

1 A. In this case, yes.

2 Q. And you show a zero dollar adjustment for
3 that 86 year difference; is that correct?

4 A. That is correct, based on the renovation
5 of that older home.

6 Q. Okay. And then we compare, let me see,
7 the target has seven rooms, three bedrooms, 1.1
8 baths to your control of 12 rooms, four bedrooms,
9 two baths; is that correct?

10 A. Again, yeah, that's something that is
11 accounted for in the square footage.

12 Q. And you adjusted downward by \$1500; is
13 that correct?

14 A. Just for the difference in the bath, but
15 the room count difference, again, is accounted for
16 in the square footage. So as everyone pretty much
17 knows, the partitions are much more moveable, but
18 the larger the size of the building is really where
19 the cost of the value is.

20 Q. All right. Let's go to pair number eight,
21 page 138. The target on this one is 965 Bingham,
22 B-I-N-G-H-A-M, Road, same as pair number seven; is
23 that correct?

24 A. The same as pair number seven? Yes.

1 Q. Okay. And the control property is a sale
2 in October 2008 of 1072 Green Wing -- Green Wing
3 Road, correct?

4 A. Yes.

5 Q. And Green Wing Road is a ranch house with
6 six rooms, two bedrooms, and two baths on 7.68
7 acres; is that correct?

8 A. Yes.

9 Q. And that site, Green Wing Road, is wooded
10 at the rear and is bordered on the north and west by
11 a river; is that correct?

12 A. I don't specifically recall. It's been a
13 while since I looked at that property.

14 Q. All right, that's fine. You added
15 \$37,500, or 10 percent of the sale price, because
16 your control was built in 2001 and the target was
17 built in 2006; is that correct?

18 A. Which -- which adjustment?

19 Q. 37,500 for the five year differential in
20 the date of construction.

21 A. No, no, for the difference in the
22 condition, that was a 10 percent of the sale price
23 adjustment, yes, sir.

24 Q. I see. And did you have any indication

1 when you did this one that the control house, the
2 one on Green Wing Road, was rundown or dilapidated?

3 A. No, just based on what's -- for an
4 adjustment like that, I could tell you what my basis
5 would be is that reviewing the MLS it was not
6 showing any recent renovation whereas when I knocked
7 on the door at 265[sic] Bingham Road, I met the
8 original owner, the first buyer, and that was a
9 brand-new house, which I went into it, she gave me a
10 tour of the house, and that was all in brand-new
11 condition compared to something that was, you know,
12 not in poor condition but not in brand-new
13 condition, and the 10 percent adjustment is in line
14 with what I found for a difference in market value
15 based on that difference in age as it relates to
16 condition.

17 Q. So did you do the same thing you just
18 described on Bingham Road with the Green Wing Road
19 house, knock on the door and tour the property?

20 A. With which property?

21 Q. Your control, Green Wing Road.

22 A. No, I did not.

23 Q. Oh, you didn't, all right. Did you make
24 any adjustment downward for the additional

1 facilities at the property on Green Wing Road?

2 A. No. What I show is they both had one
3 outbuilding at the time of sale, so that's -- that's
4 a wash.

5 Q. For example, did you make any adjustment
6 at all for the fact that the house on Green Wing
7 Road has paddocks, a round horse pen, riding area
8 and a pasture?

9 A. Not specifically, no, but the target sale
10 also on five acres had a pasture area, had an old
11 red barn. The buyer had bought it for his daughter
12 to raise rabbits, so I guess whatever your animal
13 preferences are, both properties lend themselves to
14 that.

15 Q. Well, you do know that the property on
16 Green Wing Road is a horse training and boarding
17 facility, don't you?

18 A. It might be now. I don't have any
19 recollection that it was prior to sale.

20 Q. You have no idea what it was when you did
21 this study?

22 A. It was a house.

23 Q. All right. You don't know that it was a
24 horse training and boarding facility when you did

1 this study?

2 MR. LUETKEHANS: Objection, assumes facts
3 not in evidence.

4 Q. I'm sorry. Could you go to page 33 of the
5 exhibit I gave you, the Lee County records. Again,
6 the numbers are in the lower right-hand corner. And
7 that's actually from the MLS, isn't it, or the MRED?

8 A. 2014 MRED, yes.

9 Q. All right. If you look in the remarks,
10 great horse facility just outside of Amboy. Do you
11 read that?

12 A. I can see that, yes.

13 Q. Okay. Horse stalls and a 30-by-40 barn,
14 four 40-by-40 paddocks, 60-foot round pen,
15 125-by-200 outdoor riding arena, three acres pasture
16 adjacent to barn, wonderful property, facility
17 currently used for training and boarding horses.
18 Was the target home on Bingham Road used for any of
19 those things?

20 A. Well, like I mentioned, it was -- the
21 buyer's intended use was to raise rabbits as far as
22 use of the facilities in the barn. Paddocks and
23 fencing and so forth are improvements that might
24 have a special value to a particular buyer but not

1 necessarily translate into market value on a dollar
2 for dollar cost basis.

3 Q. But you don't really know since you didn't
4 know what it was used for when you did this study;
5 is that right?

6 A. Well, I think that probably
7 mischaracterizes what I knew when I did the study
8 versus what I remember today.

9 Q. Okay. Let's go to pair number one.
10 That's on page 131.

11 A. Sorry, pair number one?

12 Q. Yeah, pair number one, page 131. Your
13 target sale here is the one -- or the one closer to
14 the wind turbine is at 3495 Lee Road; is that
15 correct?

16 A. Yes.

17 Q. That's a frame house built in 1886?

18 A. Yes.

19 Q. And are you aware that after the sale the
20 house was demolished and a construction loan for
21 \$300,000 was taken out in June 2014?

22 A. No.

23 Q. Do you have any reason to doubt that?

24 A. I think, probably given how close it was

1 to the turbines, I wouldn't question it.

2 Q. Could you go -- that same exhibit I handed
3 you before, could you go to page 6 please? Bottom
4 of the page, you see where it says mortgage history?

5 A. Yes.

6 Q. Mortgage date June 24, 2014, right?

7 A. Yes.

8 Q. Mortgage amount \$300,000, correct?

9 A. Yes.

10 Q. Mortgage lender, whoever that is, Resource
11 Bank, and then mortgage purpose, construction. Do
12 you see that?

13 A. Yes.

14 Q. Okay. This sale was actually not of the
15 house but of the underlying five acre land parcel;
16 isn't that right?

17 A. Well, it had a house on it when it sold.
18 Apparently somebody had a different use for it, as
19 in building another house perhaps.

20 Q. Well, you do know that it was listed as a
21 teardown, don't you?

22 A. I don't recall that specifically, but it
23 may have been in the MLS.

24 Q. Okay.

1 A. It was a similar age as the control sale
2 though, so I used it. It was near the target, you
3 know, turbine area, so I used it.

4 Q. And you're comparing that house to an
5 updated and remodelled farmhouse; is that correct?

6 A. I made a specific comparison. If you look
7 at the photos in this particular pair, you'll see
8 that they have similar curb appeal, similar age,
9 somewhat smaller lot size for the control sale, but
10 it is part of how appraisers select comps based on
11 physical characteristics.

12 Q. Okay.

13 MR. BLAZER: Mr. Cornale, I'm done with
14 Lee. I was going to switch to DeKalb. Again, I
15 don't know if you want to -- it's about a quarter to
16 8:00.

17 CHAIRMAN CORNALE: Okay, we'll take ten
18 minutes. I got 7:42, so why don't we try to come
19 back about 7:52 and we'll keep going. DeKalb, you
20 don't have a -- two and then we're to Livingston
21 County. We care about Livingston County, okay.

22 (Recess at 7:42 p.m. to 7:52 p.m.)

23 CHAIRMAN CORNALE: All right, Mr. Blazer,
24 I believe you can go ahead and continue. Now you

1 say you've got two for DeKalb?

2 MR. BLAZER: Two in DeKalb.

3 CHAIRMAN CORNALE: Two in DeKalb and then
4 we're going to talk about five in Livingston County?

5 MR. BLAZER: Four or five.

6 CHAIRMAN CORNALE: Perfect. Go ahead.

7 BY MR. BLAZER:

8 Q. All right. Let's go to -- figuratively,
9 let's go to DeKalb County, Mr. McCann. And again,
10 just a couple of examples. Pair number one, it's on
11 page 139 of your report.

12 A. I'm sorry, where did you say?

13 Q. Pair number one on page 139.

14 A. 139?

15 Q. 1-3-9.

16 A. Okay.

17 Q. All right. Your target, the one near the
18 wind turbine, is at 13801 Tower Road; is that right?

19 A. That's correct.

20 Q. And it's a ranch house on five acres with
21 a total of five rooms, three of which are bedrooms;
22 is that correct?

23 A. Correct.

24 Q. And I assume you know that this property

1 is an alpaca farm?

2 A. I do remember an alpaca farm. If this is
3 the one that was, yes.

4 Q. Okay. And I assume you know that the
5 property is zoned agricultural for small animals and
6 horses?

7 A. That does not specifically ring a bell,
8 but I don't dispute it.

9 Q. You don't dispute it?

10 A. No.

11 Q. Okay. And your control is a 6.56 acre
12 property at 4527 West Sandwich Road; is that
13 correct?

14 A. That's correct.

15 Q. And this one is zoned improved residential
16 not agricultural; is that correct?

17 A. Again, I don't recall the zoning. It was
18 sold as a residence just like the other one.

19 Q. I'll hand you what's been marked Pleasant
20 Ridge Exhibit 244. Those are some records from
21 DeKalb County. And if you could go to -- you see,
22 again, it has those little three digit numbers in
23 the lower right-hand corner?

24 A. Yes.

1 Q. And could you go to page 4? And you'll
2 see there in the remarks that your target property
3 is zoned ag for small animals and horses. Do you
4 see that?

5 A. I'm reading the listing. I'm looking for
6 the spot.

7 Q. Remarks below the picture.

8 A. Okay.

9 Q. Okay. And then if you could go to page 8.
10 And this is from the assessor. And you'll see
11 property class description, improved residential
12 lot?

13 A. Is that an assessor description or a
14 zoning description?

15 Q. The assessor's description. See under
16 2014 land use information --

17 A. Yes.

18 Q. -- land use description, improved
19 residential; property class description, improved
20 residential?

21 A. Oh, okay, an assessor's description versus
22 a zoning description.

23 Q. And then down at the bottom, zoning
24 classification PDR.

1 A. Okay.

2 Q. And what is PDR?

3 A. Don't recall off the top of my head.

4 Q. All right. Let's go to pair number three.

5 That's on your page 141. Let me know when you're
6 there.

7 A. I'm there.

8 Q. Okay. And your target here again is that
9 same alpaca farm that you used in the first pair we
10 looked at, right, on Tower Road?

11 A. Yes.

12 Q. Okay. And your control this time is a
13 house on 4.18 acres at 27779 Five Points Road; is
14 that correct?

15 A. Yes.

16 Q. And the northern half of that site is
17 wooded, correct?

18 A. Again, it's been sometime since I visited.
19 I don't recall specifically.

20 Q. All right. You added \$15,070 for the
21 finished basement of the Tower Road target sale as
22 opposed to the unfinished basement of the Five
23 Points Road control house; is that right?

24 A. Yes.

1 Q. And that would be -- that's \$10 a square
2 foot?

3 A. Yes, for the subject finished basement
4 versus the control sale having a full unfinished
5 basement.

6 Q. Right, so that would be 1507 square feet
7 to get to the 15,070 number?

8 A. Correct.

9 Q. Okay. The entire footprint of the Tower
10 Road house is only 1439 square feet, isn't it?

11 A. 1439 square foot, yes.

12 Q. Okay, and you described the condition of
13 both houses as average; is that right?

14 A. Yes. For age, yes.

15 Q. Okay. And you made no adjustment in here
16 for condition; is that correct?

17 A. That's correct.

18 Q. Are you aware that the house was sold as
19 is and is grandfathered to tear down and rebuild?

20 A. It's grandfathered to what?

21 Q. Tear down and rebuild.

22 A. I'm not quite sure I understand what
23 you're asking me. The property was grandfathered to
24 tear down to rebuild?

1 Q. Are you aware that it was sold as is?

2 A. As I sit here now, I don't specifically
3 recall that. I'm certain --

4 Q. Page 22 --

5 A. I'm certain I was aware of whatever it
6 said in the listing at the time I used it.

7 Q. Page 22 of Exhibit 244, Mr. McCann. Let
8 me know when you're there.

9 A. Page 22.

10 Q. In the remarks, the last line toward the
11 end, sold as is, do you see that?

12 A. Yes, as is. This home is move-in ready.

13 Q. And then down at the bottom under agent
14 remarks, this is zoned A-1 but is grandfathered to
15 -- excuse me, grandfathered in to tear down and
16 rebuild. You're saying you don't know what that
17 means?

18 A. It's move-in ready; it's grandfathered to
19 tear down and rebuild. I'm seeing a -- quite a
20 contradiction in terms. Certainly this broker put
21 in those remarks, so -- they're not my remarks.

22 Q. Okay, so you don't know what that means.

23 A. Well, I take "as is, move-in ready" as an
24 indication of -- and every one of these listings I

1 also looked up on websites at the time to look at
2 the interior photos to become more familiar with the
3 condition than I could get just from the remarks or
4 an exterior photo.

5 Q. All right. Let's go to some Livingston
6 County sales. Let's start with T17. That's on page
7 128 of your report.

8 A. Okay.

9 Q. And the target house here is 25834 North
10 3200 East; is that correct? I'm not from the area.
11 I don't know if that's Cabery or Caybery.

12 A. Yes.

13 Q. Okay. And it's a two story frame house,
14 correct?

15 A. Yes.

16 Q. You're aware that it was built in 1880?

17 MR. LUETKEHANS: 1880 or 1910?

18 A. That's what I was looking at because this
19 sale, with the comparison made on page 40, I have it
20 down as built in 1910.

21 Q. Okay. Well, we may get back to that.

22 Now, this one has seven rooms, three bedrooms and
23 one and a half baths, right?

24 A. Forgive me, this print is a little fine.

1 Q. Yeah. I'll represent to you that's what
2 your document says.

3 A. Okay.

4 Q. All right. And the house was built over a
5 full unfinished basement and has two garages and a
6 storage shed, right?

7 A. Three outbuildings.

8 Q. Okay. Now let's look at the control sale.
9 It's on page 129. And the control is at 18375 East
10 2500 North in Odell, correct?

11 A. Yes.

12 Q. And you say that it sold in November of
13 last year for \$175,000?

14 A. Yes.

15 Q. And did you independently verify the sale
16 price on this one?

17 A. To the best of my recollection, yes. The
18 MLS was the starting point, and when there was any
19 question, I also looked at the assessor's website.
20 And in some cases there was, for example, personal
21 property included in the sale shown by the MLS, but
22 the assessor had it down as not having that personal
23 property or excluding the personal property, so it
24 would only be the sale of real estate that they were

1 recording and using in their sales ratio study.

2 Q. Well, what does the MLS listing sheet in
3 your report, page 129, show as the listing price?

4 A. Well, it shows the original list price of
5 175 and then list price of 160, so that would have
6 been, you know, a reduced price at that point.

7 Q. So it was listed at 160; is that correct?

8 A. At the time of --

9 Q. Of the sale.

10 A. Right.

11 Q. And what did it sell for according to your
12 MLS sheet?

13 A. 175.

14 Q. So it sold for more than what it was
15 listed for?

16 A. The control sale? I'm trying to remember,
17 counsel, if this is one that they excluded the
18 personal property that was included with the
19 transaction but not for recording purposes.

20 Q. Do you recall that one way or the other as
21 you sit here today?

22 A. I don't off the top of my head, no.

23 Q. Okay. Did you notice that the listing
24 price was \$15,000 lower than the sale price when you

1 prepared your report?

2 A. I'm sure I did.

3 Q. Okay. And if I told you that the county
4 assessor, in fact, reports that the sale price was
5 \$160,000 and not \$175,000, would you have any basis
6 for disputing that?

7 A. Again, that's a -- to the best of my
8 recollection, some of the properties had some
9 personal property and that information had to be
10 vetted out.

11 Q. Mr. McCann, I've handed you what's been
12 marked as Pleasant Ridge 245, which is Livingston
13 County information. Again, you've got those little
14 page numbers. And if you could go to the very last
15 page, it's page 34. And then if you go down to the
16 summary, it's about halfway down the page, and it
17 says year 2014 and then it has a document number,
18 sale type, sale date notes, 11/24/2014. And that's
19 the sale that you're reflecting in your report,
20 right, November 24, 2014? Is that correct?

21 A. I'm checking.

22 Q. Okay.

23 A. I have November 21, 2014.

24 Q. All right. And the price shown, according

1 to the assessor's records, is \$160,000, correct?

2 A. That is what it is showing.

3 Q. Okay. All right. Let's go to T12.

4 That's on page 108 of your report. Are you there?

5 A. Yes.

6 Q. Okay. Do you know what a duplex is?

7 A. I'm sorry?

8 Q. Do you know what a duplex is?

9 A. Certainly.

10 Q. Okay. What's a duplex?

11 A. A duplex is one building built as two
12 units or in some cases convertible back to one unit.

13 Q. All right. And your target here on your
14 page 108 is 27510 East 2800 North in Dwight; is that
15 correct?

16 A. I'm sorry, my target?

17 Q. Page 108, 27510 East 2800 North.

18 A. Yes.

19 Q. Okay. And it sold in May 2013 for
20 165,000; is that correct?

21 A. That's correct.

22 Q. And this is a duplex, right?

23 A. Yes.

24 Q. Okay. And let's look at your first

1 control sale. It's on page 109. And this one's at
2 10750 East 1720 North in Pontiac; is that correct?

3 A. Yes.

4 Q. And you say it sold in July 2013 for 237
5 -- \$237,500; is that correct?

6 A. That's correct.

7 Q. And did you verify the sale price on this
8 one?

9 A. To the best of my knowledge, yes.

10 Q. Well, if I told you that the assessor
11 shows an actual sales price of 232,500, 5,000 less
12 than what you say, again would you have any basis to
13 dispute that?

14 A. Not directly right now.

15 Q. Okay.

16 A. They sometimes make adjustments for
17 personal property.

18 Q. You don't know that they did that here, do
19 you?

20 A. Not as an absolute fact --

21 Q. Okay.

22 A. -- but it's fairly typical some buyers
23 will exclude things like appliances or other things
24 that they consider personal property.

1 Q. But again, you don't know that that's what
2 occurred here, right?

3 A. I don't know that as a fact because I
4 didn't speak with that buyer or the attorney who
5 filled out the transfer declaration.

6 Q. Okay. And it's your opinion that a one
7 story ranch style brick house with a crawl space and
8 seven rooms and three bedrooms is a good match with
9 a duplex constructed over a full basement; is that
10 correct?

11 A. Well, again, I had to work with whatever
12 the market presented, and since that particular
13 property near the turbines was a duplex, I first
14 looked for sales that were near the same sale date
15 and as close as possible in age and size. Again,
16 the duplex, that's a side-by-side ranch, half on a
17 basement, half on a slab; could easily be converted
18 to a single family home that was large. So I worked
19 with what I had, but I didn't characterize it the
20 way you did.

21 Q. And how easily could a house that was
22 built originally as a duplex be converted into a
23 single family home?

24 A. Put an opening in a wall.

1 Q. Okay. Were you ever inside that house?

2 A. No.

3 Q. Okay. And with respect to your control
4 property, did you adjust for the location of that
5 property on a cul-de-sac in a development
6 overlooking Rooks Creek?

7 A. I don't believe I did, no.

8 Q. All right. Page 110, your second control
9 sale, that's 9850 North 300 East, Gridley, sold
10 November 2012 for 220,000; is that correct?

11 A. Yes.

12 Q. All right. And here again, it's your
13 opinion that a one story ranch house with seven
14 rooms and three bedrooms is a good match with a
15 duplex; is that correct?

16 A. That's not how I framed it. My answer is
17 pretty much the same as before. I worked with what
18 the market had. Since that property was a duplex, I
19 picked comps that were as close in time as possible,
20 as close in size and age as possible, and that would
21 be more or less interchangeable in the market for
22 somebody looking for that type of property.

23 Q. Now, you've excluded foreclosures from
24 your matched pairs; is that correct?

1 A. That's correct.

2 Q. And that's because foreclosures aren't
3 considered arm's length transactions, right?

4 A. Generally that's true. That's not always
5 a fact, but as a -- as a rule of thumb and the way I
6 applied it here, if I found any indication of
7 foreclosure, I did not use it in the paired sales.

8 Q. All right, let's look at T10. It's on
9 page 103 of your report.

10 A. I'm sorry, at page?

11 Q. Page 103.

12 A. Okay.

13 Q. And your target here is 24447 North 2050
14 East in Odell, correct?

15 A. Yes.

16 Q. And you indicate that it sold in April
17 2013 for \$220,000, right?

18 A. Yes.

19 Q. And are you aware that this property was
20 turned over to Fannie Mae by a sheriff's deed in
21 July 2010?

22 A. Well, that's not the sale I used.

23 Q. I understand that. We're going to look at
24 the property history a little bit. Are you aware

1 that this property was turned over by a sheriff's
2 deed to Fannie Mae in July 2010?

3 A. Not as I sit here now, but I know as I was
4 going through the database and seeing some of the
5 properties that had sold and resold, there were some
6 that -- in fact, a prior transaction had been
7 disqualified from my study on that basis.

8 Q. Why don't -- you have Exhibit 245 there,
9 the Livingston County information. If you could go
10 to page 14 please.

11 A. Page 14.

12 Q. 1-4, correct. And you'll see the summary
13 is about the middle of the page and it shows in --
14 actually July 2, 2010, sheriff's deed for \$191,847.
15 Do you see that?

16 A. I do.

17 Q. Okay. And did you see this before you
18 prepared your report?

19 A. Yes, I would have seen this because the
20 database search did include 2010.

21 Q. Okay. And that was a foreclosure, right?
22 That's -- the sheriff's deed is a result of a
23 foreclosure, correct?

24 A. It can be for other reasons too, but it

1 certainly is the indication in 2010. It's not
2 something that an appraiser could use as qualified
3 arm's length sale.

4 Q. Right. And then are you aware that a
5 company called -- excuse me, are you aware that it
6 was then sold in December 2010 by Fannie Mae to a
7 company called Falcon Home Builders for \$48,000?

8 A. That does ring a bell.

9 Q. Okay. And that's, in fact, reflected on
10 page 16 of this exhibit, right? If you go to
11 Pleasant Ridge Exhibit 245, page 16, see there's a
12 section there on sales history.

13 A. Yes.

14 Q. Okay. And then Falcon Home Builders was
15 the seller in the April 2013 sale that you mentioned
16 for \$220,000, right?

17 A. Yes.

18 Q. Okay. Now, your first control sale is on
19 page 104 and it's 10750 East 1720 North in Pontiac,
20 correct?

21 A. You're going a little fast for me,
22 counsel.

23 Q. I'm sorry, I'll slow --

24 A. I'm not on the same page as you are.

1 Q. I go the same speed until June tells me
2 I'm going too fast, so --

3 A. Well, I'm telling you you're going too
4 fast.

5 Q. Okay, it's page 104.

6 A. 104.

7 Q. 10750 East 1720 North in Pontiac.

8 A. 10750 East 1720 North Road.

9 Q. Okay. And this is actually the same one
10 you used for your T12, right?

11 A. Possibly.

12 Q. Okay.

13 A. Yes.

14 Q. So again, we have that same -- we
15 discussed this with T12. We have that same \$5,000
16 discrepancy between what you say is the sale price
17 and what the assessor says is the sale price, right?

18 A. Yes.

19 Q. Okay. And it's your opinion that a one
20 story ranch style brick house with a crawl space,
21 seven rooms, including three bedrooms, is a good
22 match for a two story framed, eight room, four
23 bedroom house over a full basement; is that correct?

24 A. Again, counsel, I explained to you how I

1 selected the control sales, and I'll readily agree,
2 I'll tell you up front, that they're not all a
3 perfect fit, but they were a better fit by virtue of
4 dates and the other parameters I used. So what I
5 wasn't doing was, you know -- I was just using the
6 best sales available to fit that criteria.

7 Q. Okay. Did you adjust in this pair for the
8 fact that the control property is on a cul-de-sac in
9 a development overlooking Rooks Creek?

10 A. No, sir.

11 Q. All right. Let's go to the second control
12 sale, page 105. 17759 East 1700 North in Pontiac,
13 do you see that?

14 A. Yes.

15 Q. Okay. You say it sold in August 2013 for
16 265,000; is that correct?

17 A. Yes.

18 Q. And if I told you that the assessor
19 reports a sale price of 257 five not the 265 that
20 you say, would you have any basis for disputing
21 that?

22 A. Not without double-checking the website
23 again for --

24 Q. Page 22 of the exhibit.

1 A. -- what exactly the exclusion was.

2 Q. Page 22 of Exhibit 245, Mr. McCann.

3 A. 22?

4 Q. Uh-huh. Last market sale and sales

5 history, sale price 257,500 for the July 10, 2013,

6 sale. Do you see that?

7 A. Yes.

8 Q. All right. And are you aware that this

9 one, your control property, sold six years earlier

10 in June 2007 for \$275,000?

11 A. Not that I can think of off the top of my

12 head, but --

13 Q. Same page, next column. June 12th, 2007,

14 \$275,000, do you see that?

15 A. I don't know why it's not jumping out at

16 me, Mike -- I mean counsel.

17 Q. Right here, page --

18 A. That might explain it.

19 Q. You went to the wrong page.

20 A. Yes, I see that this printout shows

21 \$275,000, yeah.

22 Q. And finally, this is a one story ranch

23 style house, right, the control property?

24 A. I'm sorry, that's control what?

1 Q. Your control sale on page 105, it's a one
2 story ranch style house, correct?

3 A. Yes.

4 Q. And your target is a two story house; is
5 that correct?

6 A. Yes.

7 Q. Okay. I think we just have maybe one or
8 two more. T6, page 87.

9 A. T6, page 87.

10 Q. Yes.

11 A. Okay.

12 Q. Your target is 17670 East 3200 North,
13 Blackstone; is that correct?

14 A. It says Dwight on the listing.

15 Q. Well, it's 17670 East 3200 North, right?

16 A. Yes.

17 Q. And it sold in April 2010 for \$87,000; is
18 that right?

19 A. April 2010 for 87,000, yes, sir.

20 Q. And are you aware that a sheriff's deed
21 was issued in December 2009 for \$215,137?

22 A. I -- if it's on the record, if it's in the
23 list of sales of the property, then I would've been
24 aware of it and would not have used that. It's a

1 sheriff's sale.

2 Q. If you go to page 4 of that Exhibit 245.
3 Again, last market sale in sales history, the second
4 column.

5 A. Let me catch up, let me catch up.

6 Q. Oh, I'm sorry. I get there faster. Are
7 you there?

8 A. I'm on page 4. Your question?

9 Q. Last market sale in sales history,
10 December 29, 2009, sale price 215,137. Do you see
11 that?

12 A. Yes, I do.

13 Q. Buyer name, Federal National Mortgage
14 Association, which is Fannie Mae, right?

15 A. Correct.

16 Q. Seller name, sheriff of Livingston County,
17 do you see that?

18 A. I do.

19 Q. That was a foreclosure, right?

20 A. It would appear to be so.

21 Q. Okay. Do you know why the house sold for
22 only \$87,000 just five months later?

23 A. Not specifically, other than it was listed
24 on the open market and sold -- this is, I'm sorry,

1 what, T6?

2 Q. T6.

3 A. It sold after a 49 day marketing time. So
4 what I would probably have to say is they wanted to
5 get a reasonably quick sale on it because otherwise
6 there's no way that house would have sold in 49 days
7 that close to the Top Crop turbine.

8 Q. Well, if you look at -- if you stay on
9 that same page that I focused you on, page 4 of our
10 exhibit, you'll see that the seller in April of 2010
11 was something called Self Help Ventures Fund?

12 A. Yes, I see that.

13 Q. All right. And are you aware that Self
14 Help Ventures is a company that uses SBA program and
15 tax credits to subsidize loans?

16 A. No, not specifically.

17 Q. Are you aware that if one of their loans
18 defaults, they take the property back like any
19 lender and will sell as quickly as possible because
20 of the program terms?

21 A. I'm not familiar with that organization.

22 Q. You mentioned earlier this evening
23 something called an REO sale.

24 A. Yes.

1 Q. And what's an REO sale?

2 A. Real estate owned. Once the bank has
3 already taken title to the property, if they're
4 putting it on the market, they advertise it as REO.

5 Q. All right. And do you know if this
6 \$87,000 sale that you're using as your target was an
7 REO sale by Self Help Ventures Fund?

8 A. I'm not aware of Self Help Ventures Fund
9 being a lender that sells properties that are REO,
10 so no.

11 Q. And actually you don't even -- you have no
12 idea what Self Help Ventures Fund is, right?

13 A. Doesn't sound like Fannie Mae or a bank.
14 It just sounds like Self Help Ventures Fund. Never
15 seen a bank by that name.

16 Q. All right. Let's take a look at the
17 description of this house. It's on page 87 of your
18 report. This is a one story modular house. And
19 what's a modular house?

20 A. Built in components and assembled on site.

21 Q. And it has seven rooms, three bedrooms,
22 two full baths, and there's a four car detached
23 garage with a bathroom, right?

24 A. There was a series of questions there.

1 I'm trying to, you know --

2 Q. I'm sorry, let me break it up.

3 A. Sure.

4 Q. Modular house, we agree that that's what
5 it is, right?

6 A. Yes.

7 Q. All right. Seven rooms, three bedrooms,
8 two full baths?

9 A. Yes.

10 Q. Four car detached garage?

11 A. Looking through the listing.

12 Q. That's all right, we can move on. That's
13 okay.

14 A. Okay.

15 Q. We don't have to spend a lot of time on
16 that. Your first control sale, page 88, 12920 East
17 1100 North in Chenoa?

18 A. Yes.

19 Q. Sold May 2010 for 232,750; is that
20 correct?

21 A. Yes.

22 Q. And I guess for the same reasons that
23 you've indicated before, you think that a one and a
24 half story house with a full basement is a good

1 match for a modular house on a concrete slab?

2 A. Again, counsel, I'm just working with
3 whatever the market had to provide. If I had found
4 five sales of modular homes at or near the same sale
5 date, I would have certainly used those.

6 Q. But you didn't find anything like that,
7 right?

8 A. The market was not cooperative with
9 modular homes.

10 Q. All right. Your second control is -- it's
11 on page 89 of your report, 10635 East 1700 North in
12 Pontiac, right?

13 A. Yes.

14 Q. And that one sold in June 2010 for
15 175,000?

16 A. Yes.

17 Q. And how did you adjust for the location of
18 that property in a subdivision next to Rooks Creek?

19 MR. LUETKEHANS: Objection, assumes facts
20 not evidence.

21 CHAIRMAN CORNALE: Just go ahead and
22 answer the question.

23 A. How did I adjust that control sale?

24 Q. For the fact that it's in a subdivision

1 next to Rooks Creek.

2 A. I did not.

3 Q. All right. Third control sale, 19095 East
4 1700 North in Pontiac. Do you see that one?

5 A. Yes.

6 Q. Sold in June 2010 for 178,000?

7 A. Yes.

8 Q. How did you adjust for the location of
9 that property in a subdivision near Rooks Creek?

10 A. The only location adjustment that was left
11 was the proximity to the turbines, so that's what I
12 was solving for.

13 Q. All right. So if you didn't adjust for
14 the location, this one's in a superior place?

15 A. Well, that remains a matter of opinion, I
16 guess, that that's a superior location. The lot
17 size in rural locations are not always using the
18 same parameters which you might use in a suburban
19 location.

20 Q. All right. Let's go to the next one.
21 It's on page 90. 30596 North 700 East in Manville.
22 Do you see that one?

23 A. I'm sorry, page 90.

24 MR. LUETKEHANS: Wrong page, wrong page.

1 You were just on page 90 for the control sale for
2 T6.

3 MR. BLAZER: I apologize.

4 Q. Never mind, it's okay. Now, you had
5 mentioned earlier this evening sort of in response
6 to one of my questions something about T1, 2 and 3.

7 A. Yes.

8 Q. And I kind of lost track. I was focussing
9 on you rather than taking notes. What was your
10 point about T1, 2 and 3?

11 A. You were asking about resales and I was
12 describing that that's a property that was sold and
13 resold and, in fact, resold again. The property
14 sold three times, so it resold twice, and the more
15 recent sale showed the biggest drop after the
16 turbines were built.

17 Q. And actually those three sales you
18 specifically called out in your report, right?

19 A. I did.

20 Q. Page 29, first paragraph of your report.

21 A. I think I still need these. Yes.

22 Q. And what was the point of your discussion
23 in this paragraph in your report?

24 A. Well, the paragraph is fairly

1 self-explanatory, that it sold three times, it's
2 target sale T1, 2 and 3, losing value each time, but
3 the first sale was in 2009 while the Minonk project
4 was pending. And what I'm addressing here is what
5 somebody remembered or referred about the Hinman
6 study that was done in 2010 by the Twin Grove Wind
7 Farm in McLean County. And what that ISU student,
8 Jennifer Hinman, had opined is that something called
9 wind farm anticipation stigma theory, because in her
10 study she was finding that before the turbines are
11 actually built the property values are dropping to
12 some degree, but then she goes on to say that after
13 the projects are built, that the property values
14 soar, and that's not what this resale shows. This
15 shows after the property -- after the project was
16 built, the property value dropped 28 percent, which
17 that's not soaring in my book.

18 Q. And it's your opinion that those price
19 drops are due exclusively to the proximity to the
20 wind farm?

21 A. It's perfectly consistent with what the
22 majority of the data shows, yes, sir.

23 Q. Okay. So you consider this property,
24 these three sales of the same property, a good

1 example supporting your opinion about the negative
2 impact of a wind farm on property values; is that
3 right?

4 A. It's one property amongst many, counsel.
5 I did call it out in my report for the reasons I've
6 stated, but I don't hang my hat on any one
7 transaction or any one computer printout for that
8 matter. I take it all into account and use the best
9 information I have available at the time to prepare
10 my appraisals and my studies. And there's a reason
11 appraisers don't just use one comp to appraise
12 properties. That way, you get a good cross-section
13 of the market and you get a much more reliable
14 indication of value.

15 Q. Okay. Now this property, T1, 2 and 3,
16 obviously it's the same one, and it's -- let's start
17 with the first one. If you go to page 63 of your
18 report.

19 A. Yes.

20 Q. And the address is 18687 North 100 East
21 Road in Flanagan.

22 A. Yes.

23 Q. All right. And on page 63, you've got a
24 listing in there or a sheet indicating that it sold

1 in August 2009 for \$143,000, correct?

2 A. Yes.

3 Q. Have you ever been to that house?

4 A. I did drive past most of these back in
5 November.

6 Q. Did you ever actually go inside this
7 house?

8 A. No.

9 Q. All right. You didn't knock on the door
10 like you did with that one you mentioned a while ago
11 in Lee County?

12 A. No, I didn't.

13 Q. All right. And then on page 67, you have
14 a sale a couple years later, June 2011, for 119
15 nine; is that correct?

16 A. Yes.

17 Q. And as I understand it from that paragraph
18 that we looked at on page 29 of your report, you
19 attribute that drop between August of '09 and June
20 of '11 to Hinman's wind farm anticipation stigma; is
21 that correct?

22 A. Well, I was addressing that particular
23 point. The sale lent itself to it, yes.

24 Q. And then the third sale is reflected on

1 page 74 in your report, correct?

2 A. Yes.

3 Q. And this shows a sale price in February
4 2012 of \$127,000, right?

5 A. No, that one I remember specifically that
6 the website -- the assessor's website showed that
7 there was 17,000, or whatever the difference was, in
8 personal property, and I used what they recorded for
9 the real estate.

10 Q. Mr. McCann, I've given you Pleasant Ridge
11 Exhibit 246 which is the assessor's records for this
12 property that we're talking about. You see that,
13 right?

14 A. Yes. You gave me two copies actually.

15 Q. You have two copies there?

16 A. Right.

17 Q. All right, you can take one with you. So
18 my -- just following up on what you said, you did
19 check the assessor's information for this property,
20 right?

21 A. This one distinctly rings a bell, yes.

22 Q. Okay. And if we look at page 2 of the
23 exhibit I just handed you, it does show a 2012 sale
24 price of \$110,000, right?

1 A. Yes, just as I have in my analysis report.

2 Q. Right. Do you know who Michelle Lipe is?
3 That's L-I-P-E.

4 A. Not off the top of my head.

5 Q. If I told you she's the person who bought
6 the house in 2009 and sold it in 2011, would you
7 have any reason to dispute that?

8 A. Not independently, no.

9 Q. All right. Do you know who Joan Bullard
10 is?

11 A. I'm sorry?

12 Q. Joan Bullard, B-U-L-L-A-R-D, do you know
13 who that is?

14 A. No, can't say that I do.

15 Q. Have you spoken to any local real estate
16 salesperson or brokers in this area to discuss your
17 opinions about impacts of property values?

18 A. Not specifically for that purpose, no,
19 sir. It's -- I develop my opinions independently.

20 Q. Thank you.

21 A. I have certainly over the years spoken to
22 many, many brokers about their experience in
23 marketing properties near projects, and I believe I
24 allude to that in my report.

1 Q. Right, but you didn't do that here.

2 A. I don't believe I did.

3 Q. All right.

4 A. Well, maybe Mr. Steidinger.

5 Q. Well, if you go to page 4 of the exhibit I
6 just handed you, Exhibit 246.

7 A. I'm sorry, what page?

8 Q. Page 4, the last page.

9 A. The last page.

10 Q. There you go. You'll see on the sales
11 history the buyer in 2009 was Michelle Lipe.

12 A. Yes.

13 Q. And then in 2011 she was the seller for
14 119 nine?

15 A. That's what it shows, yes.

16 Q. Or 119.

17 A. Yeah, 119.

18 Q. And she sold it to somebody named David
19 Olita, O-L-I-T-A, do you see that?

20 A. That's what the record shows.

21 Q. And then the sale that you're focussing
22 on, the one for 110,000 in 2012, somehow the seller
23 at that point is someone named David Hernandez, do
24 you see that?

1 A. I do.

2 Q. Okay. Do you know of any of the
3 circumstances that led to Ms. Lipe buying this house
4 in 2009 for \$143,000?

5 A. Best of my recollection, it was listed on
6 the market, and that's the real criteria, that if
7 it's being competed for with the same -- competing
8 for the same buyers and competing with other
9 properties, that's the main criteria, not the
10 individual decisions or thought processes or
11 circumstances.

12 Q. All right. And is it your opinion that
13 the -- when she sold the house two years later for
14 roughly 24,000, \$23,000 less, it was because of wind
15 farm anticipation stigma?

16 A. I'm telling you that that's consistent
17 with that, that this sale was very consistent with
18 what the ISU/Hinman study showed, but it also was
19 contrary to what the conclusion of that study was on
20 the anticipation stigma because the value didn't
21 soar, the value continued to plummet.

22 Q. If I were to tell you that Ms. Lipe was a
23 widow with small children and there were so many
24 problems with the condition of the house that she

1 could not take care of it, would you have any reason
2 to dispute that?

3 A. Again, the personal circumstances -- the
4 property is still competing for the same buyers.

5 CHAIRMAN CORNALE: Mr. McCann, why don't
6 we stick to the evidence --

7 MR. LUETKEHANS: Well --

8 CHAIRMAN CORNALE: -- on the sheet here.

9 MR. LUETKEHANS: -- it's an unfair
10 question. He's already said he doesn't know who Ms.
11 Lipe is.

12 CHAIRMAN CORNALE: Right, why don't we --

13 MR. LUETKEHANS: Let's just -- I mean Mr.
14 Blazer is now testifying.

15 CHAIRMAN CORNALE: Yeah, let's just deal
16 with the record here, the sales history record, not
17 the reasons for the sale.

18 MR. BLAZER: Okay.

19 BY MR. BLAZER:

20 Q. Do you have any knowledge of the fact that
21 this property consistently suffered water
22 infiltration in the basement, had mold problems --

23 MR. LUETKEHANS: Same objection.

24 CHAIRMAN CORNALE: Yes.

1 MR. BLAZER: This will be 247.

2 Q. Let me know when you're done reading that,
3 Mr. McCann.

4 A. I've read it.

5 Q. Just one question. Do you have any
6 personal knowledge of any of the statements in that,
7 whether any of those statements are true or false?

8 A. The only thing I can verify is true is the
9 17,000 in personal property that the assessor's
10 office removed from the sale price.

11 Q. And do you know what that \$17,000 in
12 personal property was attributed to?

13 A. It didn't say and it doesn't say.

14 Q. All right. So if I was -- if I was to
15 tell you that somebody accepted calling a garage
16 personal property, you would have no way of knowing
17 whether --

18 MR. LUETKEHANS: Objection.

19 Q. -- that is true or not?

20 MR. LUETKEHANS: Is Mr. Blazer going to
21 keep testifying? First of all, we have an exhibit
22 here that no one has authenticated, the witness
23 hasn't seen, and now we're having -- on top of that,
24 we're having him testify. I would move to strike

1 Pleasant Ridge Exhibit 247 until he's bringing
2 someone in. Otherwise, I'll put a lot of exhibits
3 in that have no one to authenticate, and I have not
4 been allowed to.

5 MR. BLAZER: I haven't moved to admit
6 Exhibit --

7 CHAIRMAN CORNALE: Mr. McCann, have you
8 ever seen 247?

9 A. I have not.

10 CHAIRMAN CORNALE: Is any of the
11 information in your opinion accurate on that
12 regardless or not including the prices at the
13 bottom?

14 A. Not as far as I know. I have no
15 independent knowledge of it.

16 CHAIRMAN CORNALE: Okay. Did you rely on
17 this document or any information herein to assess
18 the value of the home?

19 A. Only the part where it says 17,000 in
20 personal property was reduced from -- subtracted
21 from the sale price for recording purposes at the
22 county.

23 CHAIRMAN CORNALE: Okay. And that's
24 reflected in the record.

1 A. It is.

2 CHAIRMAN CORNALE: Okay, so we're going to
3 strike 247. All right.

4 MR. BLAZER: For the record, Mr. Cornale,
5 I hadn't moved to admit 247. I just asked him if he
6 had any independent knowledge of it.

7 CHAIRMAN CORNALE: Okay.

8 MR. BLAZER: And I'm not moving to admit
9 247. We'll have a different witness down the road
10 to deal with that exhibit.

11 CHAIRMAN CORNALE: Okay, I just moved to
12 strike 247, so 247 is out.

13 AUDIENCE VOICE: Thank you.

14 BY MR. BLAZER:

15 Q. Now, Mr. McCann, let's turn to property
16 value guarantees. You say in your report, it's on
17 page 5, that Invenergy's application is deficient,
18 in essence, because there's no proposal for a
19 property value guarantee; is that correct?

20 A. In essence, that's what I say, yes, sir.

21 Q. Okay. And it's your position that a
22 property value guarantee would insure against value
23 loss caused by a project for the nonparticipating
24 property owners; is that correct?

1 A. One can if it's properly designed,
2 properly administered, yes, sir.

3 Q. And how do property value guarantees do
4 that?

5 A. There's a lot of different ways it could
6 be written, a lot of different ways it could be
7 handled. Some are better than others. Certainly
8 leaving the property value guarantee administration
9 to the project developer, at least in my experience
10 from talking with people that have been trying to
11 work with a property value guarantee that's
12 administered by the applicant or the developer, it
13 doesn't really work.

14 Q. That's not my question, sir, I'm sorry.

15 A. I'll try --

16 Q. My question --

17 A. -- to answer.

18 Q. My question is how would a property value
19 guarantee insure against value loss caused by the
20 project for the nonparticipating property owners?

21 A. Well, the concept is simple. Have the
22 property appraised at the time of a sale or a buyout
23 or at the point in time that a property owner elects
24 that they're going to stay anyhow despite the change

1 in character of the area or the noise or what have
2 you, and it's really not much different than the
3 easements or neighbor agreements that the developers
4 pay people for except it indexes it to the actual
5 value of the property and not some arbitrary number,
6 you know, plucked out of the air for some reason or
7 on some basis.

8 Property value guarantees are used not
9 just with wind farms in some cases, but also mining
10 properties and with landfills, and they're more and
11 more common. It's just another type of insurance
12 when a large scale intensive use is being located
13 next to properties that are residential in nature,
14 because they tend to be the most sensitive, and
15 changes the character of the area enough that it can
16 create flight from neighborhoods or otherwise
17 diminish the marketability.

18 Q. So you're saying it would pass the risk of
19 loss off to the developer, is that basically the
20 point?

21 A. Well, only the risk of loss related to
22 their project, yes, sir.

23 Q. Okay. The project -- when we talked about
24 your DeKalb County study, the project, the wind

1 project that we were dealing with was one that was
2 developed by Florida Power and Light; is that right?

3 A. They're -- yes, they're a paper subsidiary
4 of NextEra.

5 Q. All right. And you do know that Florida
6 Power and Light did enter into property value
7 guarantees in DeKalb County?

8 A. I recommended one at that hearing, and
9 yes, I'm very well aware of that because at first
10 the hearing officer recommended denial partly on the
11 basis that NextEra would not voluntarily do it, but
12 then they went ahead and after that recommendation
13 offered up a value guarantee that to my mind was a
14 very weak one.

15 Q. But they did enter into it with the
16 approval of the county, correct?

17 A. That's one way to put it, but it certainly
18 was not with the administration of the county. In
19 fact, I spoke with Mr. Miller, the planning
20 commissioner, the chairman for the county, he
21 confirmed that, in fact, the way they did it was a
22 private agreement between the developer and the
23 property owners, which leaves a lot of weakness for
24 the property owner. They're just not -- they don't

1 have a deep enough pocket to go toe to toe with
2 somebody like NextEra.

3 Q. Now, you do know that the Florida Power
4 and Light turbines in DeKalb County are 476 feet
5 tall, right?

6 A. That sounds right.

7 Q. 45 feet taller than the ones proposed
8 here?

9 A. I haven't climbed one to measure it, but
10 that's -- I wouldn't dispute that.

11 MR. BLAZER: Okay, that's all I have, Mr.
12 Chairman.

13 CHAIRMAN CORNALE: All right. We're at
14 the point now where we can take some questions from
15 the audience. Any interested parties not
16 represented by counsel have any questions of Mr.
17 McCann at this time? I've got a couple out here, so
18 why don't you head over to Mr. Luetkehans and grab
19 that microphone.

20 QUESTIONS BY

21 MR. SLAGEL:

22 Q. My name is John Slagel. I have a small
23 house in the country right where they're going --
24 they're going to build three wind turbines by it.

1 Right now, the southern view's a clear view, nothing
2 except for houses on the other side of the mile.
3 It's on a very quiet street. There's just a
4 small --

5 MR. LUETKEHANS: I don't mean to
6 interrupt, but, Mike, is your mic on because I'm
7 hearing the --

8 MR. BLAZER: No.

9 MR. LUETKEHANS: I'm sorry, I apologize.

10 A. I'm listening, John.

11 Q. Okay. Anyway, they're going to build
12 three turbines within the southern view, at that
13 angle basically.

14 A. Okay.

15 Q. They are going to be 1864 foot, 1881 foot,
16 and 2391 foot from my house there. Like I say, it's
17 on a quiet road, it's very quiet, there's no traffic
18 at night. Do you think this will impact the
19 property values of that house?

20 A. It certainly falls within the shorter
21 distances that value impacts are measurable and
22 measured in other locations, so all the conditions
23 are ripe for it if they build turbines that close to
24 your home, yes, sir.

1 Q. Okay. This is a question I've asked
2 another property value person here. If you have --
3 I know it's impossible, but if you have two houses
4 that are basically identical and they're both up for
5 auction but one has 20 to 30 hours of flicker on it
6 a year, will they sell for the same price?

7 A. Bottom line is I don't believe so if an
8 honest disclosure is made to the prospective buyer.
9 You know, the -- whatever they call the industry
10 standard of allowing 10 or 20 or 50 hours of flicker
11 is not a property owner's standard. It's a -- it's
12 not something that you expect at a single family
13 home, so a lot of people probably wouldn't ask.

14 But if you were to sell a property like
15 that and make that disclosure, I think from the
16 evidence I've seen, that includes the easements in
17 gross that were recorded on the Canadian properties
18 and others that I've seen that disclose to a buyer
19 that there is going to be flicker, that the living
20 environment might be affected, then you see
21 discounts. When you have a fully informed buyer,
22 fully informed seller under those conditions, that
23 it includes flicker, yes, there can be some pretty
24 significant discounts, you know, to get the property

1 sold.

2 Q. Okay, thank you. With the previous
3 witnesses, I've asked a lot of questions about noise
4 modelling. I'm very concerned on this project, the
5 submitted application, the 107 worst receptors were
6 mostly right at the legally allowed Illinois
7 Pollution Control Board, IPCB, limits. Have you
8 heard developer experts describe noise modelling in
9 other applications?

10 MR. BLAZER: Objection, beyond the scope
11 of this witness's expertise as to noise modelling.
12 Also beyond the scope of any of his testimony.

13 CHAIRMAN CORNALE: Mr. Blazer, it's not
14 your witness.

15 MR. LUETKEHANS: Right.

16 CHAIRMAN CORNALE: You just objected to
17 the witness. All right, but --

18 MR. LUETKEHANS: Beyond the scope isn't
19 his objection.

20 CHAIRMAN CORNALE: It is beyond -- now,
21 Mr. Slagel, can you put that in terms of property
22 value and then you're allowed the question. You've
23 asked him a noise model question and it is beyond
24 the scope of this witness.

1 MR. SLAGEL: Okay, okay, fine.

2 BY MR. SLAGEL:

3 Q. So let me put it to you this way. If the
4 house -- if the noise modelling predicts that the
5 house will be -- in an application predicts that the
6 noise modelling -- if the noise modelling predicts
7 that the house will be under the IPCB limits, will
8 this prevent property value loss?

9 A. No. The statutory limits, whether that be
10 IEPA or Illinois Pollution Control Board, are often
11 cited, and in other states, their own standards.
12 That the applications I've reviewed and have worked
13 on and listened to as much testimony as you all have
14 been hearing on this matter, they typically claim
15 that they will comply with the statutory limits, but
16 there's a real disconnect between that and the
17 nuisance factors that do occur sometimes even within
18 those statutory limits.

19 So one standard of measure does not insure
20 that there will not be a value loss that's related
21 to nuisance or what some people will refer to as
22 health impacts, like sleep deprivation and so forth.
23 I'm not an acoustician or nothing, there's no --
24 certainly no argument with Mr. Blazer about that,

1 but what I can tell you when it comes to noise is
2 that when the background level is increased, that's
3 when people start noticing it, and when it's much
4 louder where they're actually feeling the sound,
5 what some people refer to as infrasound or low
6 frequency noise, that's when the problems occur, and
7 that's usually during the sleeping hours or what
8 should be the sleeping hours.

9 Q. Okay. Do you know -- and you talked about
10 the -- do you have any examples of houses that
11 you've studied or actually met the people that, say,
12 abandoned their homes that where actually in their
13 application the sound modelling showed that they
14 were under the limits?

15 A. I can think of a couple, sure. Mr.
16 Shineldecker who I mentioned earlier, and as timing
17 would have it, now several years later, he's finally
18 been able to sell his property at what amounts to a
19 40 percent loss by my appraisal and measurement of
20 it, very detailed. I visited that house in June
21 2011 before the application for that Consumers
22 Energy project was even filed. He had started
23 trying to sell the property at that point. I
24 appraised it using the local counts of course.

1 Then through the whole process, the
2 project got built, they were assured that they
3 would, you know, not exceed the Michigan standard
4 for noise limits, and -- but that's not what his and
5 his wife's experience was as he reported it to me in
6 follow-up interviews. They ended up sleeping in
7 their basement to try to get away from the noise.
8 That is one of the real-life effects that go beyond
9 modelling and numbers that the engineers spoke to.

10 But they finally were able to sell their
11 property for really a bargain price if it wasn't for
12 the turbines, but that's what it really represents
13 is market value with the turbines present, so it's
14 the -- it's the impaired value or 40 percent less
15 than it would have been.

16 And just real briefly on that. When I
17 appraised it in 2011, I used comps from that point
18 in time. I've updated that just in the last few
19 days since I learned that it had sold. And in Mason
20 County where it's located, the property values have
21 gone up 15 percent county-wide, according to the
22 Michigan Board of Realtors printouts, yet his
23 property sold -- in fact, if I tracked that value up
24 by 15 percent, what it sold for was 40 percent less

1 than that. So in current terms it's a 40 percent
2 loss. And that's very much related to his
3 experience with the noise even though he stuck it
4 out and, you know, finally found a buyer.

5 Q. Was he a participant in that wind farm?

6 A. No, he was not, certainly not a willing
7 one.

8 Q. And how close was it to his house?

9 A. I believe the closest one -- have it in my
10 report actually, or PowerPoint. 1,139 foot setback
11 from the nearest turbine.

12 Q. Thanks. Have you seen this letter? It's
13 a letter from Country Financial amending its
14 language on --

15 A. Yes, I have. It has been circulated.

16 Q. How at all does this relate to your
17 opinion on the reduction of real estate values?

18 A. Well, what this particular letter advises
19 the valued client is that they will -- they're now
20 applying an additional exclusion to their coverage.
21 And as it's relevant here, or could very well be
22 relevant here, is that now it excludes pollutants
23 that now include noise, and it goes on with some
24 other things, but it says specifically excluding

1 noise as a covered issue for property.

2 Q. Okay, thank you. This is not much to do
3 with -- this a general question. When you're
4 picking comps, do you prefer -- it's hard to find
5 that house that's exactly the same value. Do you
6 prefer to pick a lower valued house and add up or a
7 higher valued house and add down? It's just I'm
8 curious about it.

9 A. Well, really just whatever the market
10 shows. Can't always find the perfect comp, it's
11 kind of hard to find the perfect comp, so I don't
12 exclude either nor include either, lower or higher,
13 and within, you know, certain parameters. Certainly
14 if it's a million dollar comp, would not adjust it
15 down to a \$100,000 house. That would be way too
16 much adjustment.

17 Q. Okay.

18 MR. SLAGEL: That's it for my questions.
19 Thank you.

20 A. Thank you.

21 CHAIRMAN CORNALE: I believe I had another
22 interested party out there. Please state your name
23 for us and then go ahead with your questions.

24 MR. HAYES: John Hayes.

1 QUESTIONS BY

2 MR. HAYES:

3 Q. There was some I don't know whether to
4 call it testimony or comment earlier tonight about
5 setbacks and the closest setback to the base of a
6 turbine, and I don't remember the exact number,
7 seemed like it was 470 feet or something a little
8 bit less than 500, I believe, to a nonparticipant's
9 property line. Anybody dispute that because I'm not
10 sure I remember that.

11 But I just got to thinking, you know, that
12 the property values of neighbors is not supposed to
13 be diminished by the -- whatever is built, whether
14 it be a landfill or a turbine or whatever. But what
15 if that property owner, that nonparticipant, happens
16 to have 500 feet away from the base of this turbine
17 some ground that's maybe got some trees on it, maybe
18 has a creek goes through it, an ideal place for a
19 subdivision, and they decide to see about putting a
20 subdivision there. And if everything went through
21 and it was granted, what would these turbines 500
22 feet away from the subdivision do to the value of
23 those lots when he puts them on the market to sell
24 them?

1 A. Well, the big picture is I believe it
2 would decrease the marketability and the market
3 acceptance of that location. So under valuation
4 theory, that would certainly indicate the value
5 would go down or the lots would sell for lower
6 prices or they wouldn't sell at all. I think an
7 example could probably be found, or two, of
8 something that, you know, was built by a turbine by
9 somebody that maybe got a great deal on the land and
10 thought, you know, I don't mind looking at them and
11 I don't mind hearing them. Not everybody in the
12 market reacts the same way, but there's certainly --
13 the large amount of data that's out there that shows
14 a negative market reaction pretty well demonstrates
15 that that wouldn't really be a safe subdivision
16 investment as far as they go.

17 Q. Well, I'll take that to be that the
18 property value would be decreased, and if that's the
19 case, in your opinion would this be a violation of
20 county ordinances?

21 A. Well, it certainly isn't consistent with
22 the criteria for approval. Any proposed special use
23 is supposed to be able to prove up a finding that
24 there -- you know, that it won't diminish the

1 neighboring property values, and I don't believe the
2 market evidence shows that at all. I think it shows
3 the opposite, that it does depreciate properties.

4 MR. HAYES: That's all, thank you.

5 CHAIRMAN CORNALE: All right, do I have
6 anybody else in the audience that would like to ask
7 Mr. McCann a question? Please state your name.

8 MR. FOSDICK: Larry Fosdick,
9 F-O-S-D-I-C-K. Just a couple quick questions here.

10 QUESTIONS BY

11 MR. FOSDICK:

12 Q. I never did get -- what's the title of
13 your report? What did they call this?

14 A. I'm sorry, I didn't understand you.

15 Q. The title, did you have a --

16 A. Oh, it's a property value impact study and
17 zoning compliance valuation.

18 Q. Property value impact study. I don't
19 write too fast. Okay, a couple of these questions
20 have already been answered. You did not physically
21 go out and see and appraise and do all this stuff
22 yourself, right?

23 A. Oh, actually I did. I did the majority of
24 the work on this.

1 Q. Oh, you did go and visit these, all these
2 houses and stuff in Livingston County?

3 A. Well, I wouldn't say I visited them all,
4 but I spent a couple days looking at lots of
5 properties in Livingston County including the
6 properties in the study.

7 Q. Did -- did you do just these properties or
8 did you do farmsteads or how did you determine these
9 certain properties you wanted to look at? I mean,
10 when I look in the country, I see houses, I see
11 barns, I see sheds, I see bins, I see all kinds of
12 stuff. What did you look at specifically?

13 A. Well, what I looked at specifically was a
14 basis for empirical measurement of whether or not
15 there's any value difference or value loss here in
16 Livingston County, and for that, I first tracked
17 down the rural residential properties that were
18 within three miles of turbines. And then the rest
19 of the database, after building the database from
20 the MLS, were vetted out to separate properties that
21 were outside that three mile area that were used for
22 comparison purposes. So during that process, I was
23 back and forth, you know, a couple times definitely
24 looking at some of the target sales, I also saw many

1 of the control sales and, for that matter,
2 properties that, you know, were not sold.

3 Q. Did any of those sales include hog houses,
4 anything agriculturally-related?

5 A. I don't recall any --

6 Q. Any barns --

7 A. -- hog houses.

8 Q. -- silos, bins, anything like that?

9 A. Most of them were farmstead properties,
10 but I don't believe any of the comps that I used had
11 any working farms on them.

12 Q. So you mainly looked at houses, is that
13 what you're saying?

14 A. Yeah, definitely houses and on small
15 acreage, you know, rural residential. Some of the
16 properties I looked at certainly were carved out of
17 farms where the landowner sold off the farmstead at
18 some point, and some of them were just houses built
19 just as a residence and never part of a working
20 farm, but the older ones almost all were originally
21 part of working farms.

22 Q. Did you take into consideration when you
23 were looking at your comparisons that one house
24 might be in an area that's economically different

1 than a house four or five miles away?

2 A. Overall I was treating Livingston County
3 as one market because I was using the Livingston
4 County MLS. It's a Livingston County zoning matter.
5 That's what the application is for the project to be
6 built if it's approved. I steered clear -- I
7 excluded, I should say, any of the sales
8 transactions in Pontiac, you know, inside the city
9 limits, some have Pontiac mailing addresses, but as
10 well as, you know, Streator and Dwight, and -- or in
11 town in Odell even. I was focussing on the rural
12 residential where most of the impacts will occur and
13 where the question of proximity is most relevant.

14 Q. You don't take into consideration we've
15 got Class A soils in some spots where a typical
16 farmer there might make \$100, \$200 an acre more than
17 the person that's on top of a ridge that when they
18 go to sell property the local market might not be
19 quite the same?

20 A. I didn't specifically evaluate farmland by
21 soil qualities. I'm aware of what you're talking
22 about though; that certainly the higher the
23 productivity index of land, the more attractive it
24 is for farming.

1 Q. Well, I just know as you drive through the
2 country you see very nice-looking houses, and
3 typically when you get into the poorer farm grounds,
4 you get into poorer, not-quite-so-pristine houses.
5 Doesn't always effect that way, but a lot of times
6 it does. And typically that's where these windmills
7 are going up is in the lower, where you would start
8 off with the lower quality, the lower priced
9 farmstead --

10 AUDIENCE VOICE: Whoa, whoa.

11 Q. -- than what you've got --

12 CHAIRMAN CORNALE: Mr. Fosdick, do you
13 have a question? This is the --

14 Q. The question is did you take any of that
15 into consideration?

16 AUDIENCE VOICE: What in the world?

17 A. I did not evaluate the productivity
18 indexes of any of the land around the property, so
19 the answer is no.

20 Q. Okay. This question is about a couple of
21 my neighbors. I've got two neighbors. One owns a
22 house on small acreage. The other neighbor just
23 owns farm ground. If the wind project is approved,
24 the neighbor that owns the house will probably get a

1 neighbor payment for the life of this project, which
2 could compensate for some of his possible home
3 devaluation. The neighbor that owns only the
4 farmland will also get payments if the wind project
5 is built. However, if it is not built, he stands to
6 lose much more than the homeowner does over the life
7 of this project. How can the homeowner, the county
8 or others compensate him for his lost revenue?
9 You've given us examples here of how the wind
10 companies should compensate if house lost value.
11 How can the property/land be compensated if it's not
12 built? Have you done any studies on that?

13 A. Well, to some degree I have. What I can
14 tell you is that right now we're just cresting the
15 peak, near as I can tell, on land values in
16 Livingston County, McLean County and other good
17 farmland. So if there's anybody with a large tract
18 of land that is anywhere near to investing for
19 compensation, they're sitting on an asset that has
20 never been more valuable and this would be an
21 excellent time to sell. Property owners --
22 homeowners don't necessarily have that same
23 opportunity though, so there's quite a difference.

24 Q. So you didn't come up -- in your

1 presentation, I noticed you came up with examples to
2 compensate homeowners, but you didn't come up with
3 any examples to compensate landowners.

4 A. Well, I have in the past included
5 agricultural property in my studies, and I can tell
6 you that, for example, the Aerial Applicators
7 Association, they've passed a resolution saying that
8 they reserve the right to not fly near --

9 MR. BLAZER: Objection, assumes facts not
10 in evidence.

11 MR. LUETKEHANS: He's putting it into
12 evidence. He asked the question.

13 MR. BLAZER: No, the question was --

14 CHAIRMAN CORNALE: Mr. Fosdick, could you
15 restate your question?

16 Q. My question is on your presentation you
17 show different ways to compensate homeowners. You
18 showed no way to compensate the landowner. The
19 landowner will lose a lot more money than what the
20 homeowner is going to lose. And now county-wide you
21 would think if you're doing a property value input
22 study, that you would have taken all of the
23 properties in the county in consideration, which is
24 also hog buildings, bin sites, I mean everything.

1 What you've concentrated on it seems to me is
2 houses. So I don't know if this is a proper, even a
3 proper name for this study, but it --

4 CHAIRMAN CORNALE: Is there -- Mr.
5 Fosdick, is there a question here? I'm not seeing
6 the question. I understand you -- you're trying to
7 get at the cost for the landowner. I'm not sure
8 what that is. There's --

9 Q. If it's built, the landowners stand to
10 gain financially for every acre of ground that is in
11 the site of this approximately 30,000 acres in this
12 project.

13 MR. LUETKEHANS: I hesitate to object, but
14 that's not the standard that we're looking at. The
15 standard is whether it's injurious to the other
16 people. It's not whether it's --

17 CHAIRMAN CORNALE: This is an opportunity
18 cost issue, yeah, so --

19 MR. FOSDICK: Well, I feel like --

20 CHAIRMAN CORNALE: -- since the turbines
21 are not in place and the homes are, we have to look
22 at the injurious value to the homes rather than the
23 land or the potential opportunity cost to the
24 landowners. So not necessarily a valid question.

1 MR. FOSDICK: Well, I'm just trying to get
2 at how we treat everybody fairly. I think it is a
3 loss to the landowner.

4 CHAIRMAN CORNALE: All right, that's your
5 opinion.

6 MR. FOSDICK: But --

7 CHAIRMAN CORNALE: We'll accept that as
8 testimony later. Questions.

9 MR. FOSDICK: That will be all, thank you.

10 A. Thank you.

11 CHAIRMAN CORNALE: Thank you. Any other
12 individuals in the audience that have a question?

13 MR. STEIDINGER: Brad Steidinger.

14 A. Hello.

15 MR. STEIDINGER: Hi there. Just a few
16 brief questions.

17 QUESTIONS BY

18 MR. STEIDINGER:

19 Q. First of all, you mentioned that you've
20 testified in I believe it's over 21 state and
21 federal courts and that you've also presented
22 seminars to professional appraisal bodies or groups.
23 Were you a member of each body that you presented
24 to?

1 A. No.

2 Q. But they felt that you were worthy to
3 testify at their -- or to present at their meetings
4 or whatever circumstances they were in?

5 A. Well, I think you're referring to probably
6 the most preeminent one, the Appraisal Institute
7 seminar, and I was specifically invited by them. I
8 didn't ask them if they wanted me to. They sought
9 me out.

10 MR. LUETKEHANS: Brad, excuse me.

11 (Discussion off the record.)

12 BY MR. STEIDINGER:

13 Q. Next question. Did you make any
14 adjustments in your paired sales analysis to come up
15 with a predetermined result?

16 A. Of course not. It's the numbers ended up
17 where they ended up. The proper way to do an
18 appraisal is objectively and as unbiased as possible
19 working with the best information available.

20 Q. Okay. The LBNL 13 uses a three to ten
21 mile and states that if there's an effect in the
22 three to ten mile range, the target data losses will
23 be much higher than shown. I believe you show a
24 control group distance of 10.1 miles in one of your

1 studies and MPAC used a five mile setback.

2 A. I actually used 5 kilometers which
3 translates pretty closely to three miles.

4 Q. Okay. What would you consider to be a
5 safe control distance from the turbine?

6 A. That's a real good question and I haven't
7 seen a one-size-fits-all answer. From my
8 perspective, three miles works. I guess it starts
9 with that 1.1 times the height, that's what I call
10 the tipover distance, and then you can have what's
11 in the turbine manuals, some of them at least,
12 they'll refer to like an evacuation zone, it's more
13 like 15, 1600 feet. And there, if a turbine starts
14 on fire or anything within that range, you know,
15 you're supposed to, you know, run downwind and get
16 away from -- at least that far away from the
17 turbine. So that at a minimum seems to be a safety
18 setback.

19 But I also know of instances with blade
20 throw or ice throw that have gone beyond even that
21 evacuation setback, if you will. Recent report out
22 of Ireland, a turbine collapsed and threw a blade
23 chunk I think it was 2600 feet, right about a half a
24 mile. I can't tell you statistically what the

1 chances of a blade coming through your roof are, but
2 I know I wouldn't want it. Well, we're talking
3 about setbacks. And so it progresses as you think
4 of that.

5 I think the next one would really be, you
6 know, the noise impacts. And depending on who you
7 talk to, and, you know, I consider the firsthand
8 reports to be much more reliable from people who
9 actually experience it, and those can extend quite a
10 bit further. I've heard a lot of a mile and a
11 quarter, mile and a half.

12 Then I look at the property value data and
13 see that it's -- as the turbines have gotten larger,
14 it seems that the impacts on property values have
15 gone further. Some of the original information I
16 looked at was with shorter turbines, lower power
17 output. Apparently the impacts were not reaching as
18 far, like some of the early work out of the UK on
19 this subject.

20 I've read a few things, but I can't vouch
21 for them, although I read that low frequency noise
22 can extend quite a bit further than even three
23 miles. So for people that are highly susceptible to
24 that --

1 MR. BLAZER: Objection.

2 A. -- I don't know.

3 MR. BLAZER: Beyond the scope of this
4 witness's expertise.

5 A. That pretty much concludes my remarks on a
6 safe setback. There's a lot of different things to
7 consider.

8 Q. Okay, I'll move on to the next question.
9 You offered some suggestions as ways to lower the
10 risk of nearby property owners that could be
11 adversely affected by the wind farm projects. Do
12 your suggestions, in your opinion, make wind farm
13 construction impossible?

14 A. Of course not. I did an analysis a few
15 years back that, you know, using a typical size of
16 wind farm, number of turbines and the cost, and
17 based on the population density in the example I
18 used, it would only amount to a --

19 MR. BLAZER: Objection, beyond the scope
20 of this witness's expertise. He hasn't testified
21 that he has any knowledge whatsoever on the cost or
22 the development process for constructing a wind
23 farm.

24 CHAIRMAN CORNALE: I believe the question

1 was does his theory or his thought on wind farm make
2 it impossible to develop a wind farm? Is that
3 pretty much --

4 MR. STEIDINGER: That's correct.

5 CHAIRMAN CORNALE: Okay.

6 A. As it relates to the property value
7 guarantee --

8 CHAIRMAN CORNALE: No.

9 A. -- I think he was asking.

10 CHAIRMAN CORNALE: Okay.

11 A. I think.

12 CHAIRMAN CORNALE: Is that --

13 BY MR. STEIDINGER:

14 Q. My question is the suggestions he's made
15 about property value and ways to protect that for
16 the -- for the nonparticipants that could be
17 adversely affected by that, do these conditions that
18 he is suggesting make it impossible to build a wind
19 farm?

20 MR. BLAZER: And this witness hasn't
21 indicated any knowledge whatsoever about what goes
22 into the financing or construction of a wind farm.

23 MR. LUETKEHANS: It's a setback question.

24 MR. BLAZER: No, it's --

1 MR. LUETKEHANS: It's a setback question.
2 Is there a place where you can build it under these
3 setbacks that he's talking about? That's the
4 limitation of the question, and I would like it to
5 be asked if he can answer that question.

6 CHAIRMAN CORNALE: Yeah, why don't you
7 answer. You're not -- this has nothing to do with
8 the financial capabilities of a wind farm, rather
9 the feasibility of this in relation to property
10 values.

11 A. Well, I was prepared to answer regarding
12 an analysis just like that I have done in the past,
13 but I think the real thrust of your question was
14 property value guarantees within the setback that
15 we're talking about, and no, I don't believe it
16 would financially kill the project.

17 Q. Okay. My last question. How long should
18 a homeowner who feels that they are dealing with
19 some adverse effects from a wind farm, how long
20 should they wait to market their property to wait
21 for the market to stabilize and to rebound or
22 recover? Is there a time frame where we would make
23 a recommendation that you should wait a certain
24 amount of time?

1 A. I hesitate to give a recommendation on
2 that because if anybody followed my advice and it
3 didn't work out right for them, you know, I don't
4 think I'd be answering any more questions. But with
5 a property value guarantee in place, that would
6 allow for a more reasonable basis for people to sell
7 properties without being under some artificial
8 deadline that you have to sell within three months
9 or six months or a year or the property value
10 guarantee goes away. It should be something that
11 lasts long enough that people can act in a prudent
12 manner and decide whether or not it, you know,
13 bothers them, because I'm sure they can find a
14 number of people that say it doesn't bother them and
15 that might be perfectly content living amongst
16 turbines, but there's many that won't and don't.

17 MR. STEIDINGER: Okay, I have no more
18 questions. Thank you.

19 CHAIRMAN CORNALE: Thank you. Anybody
20 else from the audience with questions? Anybody else
21 out there? All right. We reserved our right to ask
22 some questions. We may have some. County staff
23 have any? I have just a couple. Of course I have a
24 couple.

1 QUESTIONS BY

2 CHAIRMAN CORNALE:

3 Q. All right. As we went through all these
4 sales earlier, something really jumped out at me,
5 and for those in the audience, of course you don't
6 even have that available at the time, but the CDOM
7 and I think we made some reference to that earlier.

8 A. I'm sorry, what?

9 Q. The CDOM.

10 A. Okay, cumulative days on the market.

11 Q. Okay. What was discerning to me was -- am
12 I reading this right? I mean in several of these
13 instances these people are seeing almost double the
14 time that -- on the market. Is that a -- like,
15 okay, paired sale Lee County three, 133. If I read
16 that correctly, that tells me that Lee sale 2T was
17 on the market for 1,041 days.

18 A. That's correct.

19 Q. Lee sale 3C, 544 days; is that correct?

20 A. Yes.

21 Q. Okay. So that's almost double for the
22 ones near the turbine; is that --

23 A. Well, that's right. It's actually the
24 target area in Lee that was -- the Lee average was

1 635 days, cumulative days on the market, and in the
2 control area, which averaged closer to ten miles
3 from any turbines, it was 297 days, so -- but the --
4 that information frankly was not available on MPAC
5 because I wanted to do the same type of analysis.
6 The Livingston MLS didn't lend itself to
7 backtracking the prior listing, so all I really had
8 was the most recent sale in time and that would
9 include, you know, changes in brokers that -- you
10 know, all it is is the last listing. So I really
11 had to, you know, use the Lee and DeKalb study for
12 purposes of showing what the impact on marketing
13 time is because that data was available.

14 Q. Okay. All right. Next question regarding
15 a similar thing. If you were -- if you were hired
16 by a bank to perform an appraisal on any of these
17 properties, these are the same devaluation or --
18 inflation or devaluations that you would apply to a
19 standard appraisal in your expertise.

20 A. If I was doing an appraisal for a bank,
21 and actually I've seen some where they have
22 started -- appraisers have started discounting, but
23 just like this study, it really shouldn't be done
24 arbitrarily, there should be some basis for it. And

1 frankly, picking comps that are near turbines means
2 you don't need to make an adjustment for the
3 turbines because that impact is already there, but
4 if you're going to use a comp from ten miles away, I
5 would suggest to any appraiser that, you know, look
6 a little further -- look a little closer actually.

7 Q. Okay, okay. But I guess more for my
8 question is you -- just as an example, you devalued
9 a home that had three versus five acres at 10,000 an
10 acre. That was a standard procedure and you would
11 apply that if you had to do an appraisal not just
12 relative to this study group.

13 A. Absolutely. These are fairly typical
14 adjustments. The only thing that's not typical is
15 what we're trying to solve for, and, in fact, I
16 believe did solve for, which is what is that one
17 other category, the one independent variable, what
18 does it do to the dependent variable, meaning the
19 value or the sale price. And with everything else
20 pretty well controlled for, some people might input
21 or adjust it, as appraisers use the term, and that
22 leaves the difference as being the proximity to the
23 turbine. And that could be anything from the visual
24 or the esthetics or the noise. I just call it

1 market resistance because I don't know what's in
2 everybody's mind. I've talked to enough people that
3 I know what's in a lot of their minds, but I don't
4 know for every single sale what's in a buyer's or
5 seller's minds.

6 Q. Okay, thank you.

7 A. Sure.

8 CHAIRMAN CORNALE: Any other questions
9 from the ZBA? County staff? All right. Mr.
10 McCann, I think we're -- we've completed you. All
11 right.

12 A. Thank you.

13 CHAIRMAN CORNALE: All right. So we've
14 gotten through Mr. McCann's property values. I
15 believe the next witness that we'll have, and it's
16 not going to be this evening, is Mr. Steidinger has
17 something to add with property value.

18 I believe just from previous -- I believe
19 there will be opportunity for individuals to again
20 speak following Mr. Steidinger's presentation, so
21 I -- we've got a list here of individuals. We'll
22 leave where we left off. I don't know if maybe we
23 should --

24 MR. LUETKEHANS: Mr. Cornale, I do -- I

1 have been approached by a couple people who are I
2 think on the list who wish to testify tomorrow
3 night. I will send an email out first thing in the
4 morning as to who. Those people will be identified
5 so that everybody --

6 CHAIRMAN CORNALE: How many do you have?

7 MR. LUETKEHANS: I think there's only two
8 or three that have reached out to me at this point.
9 There may be others. I know there's -- I know we've
10 had the mayor of Forrest reach out who's testifying
11 tomorrow night I think.

12 CHAIRMAN CORNALE: Okay.

13 MR. LUETKEHANS: So I guess we'll
14 try and -- I mean whoever is reaching out to me, I'm
15 telling them to come, and then we can go down the
16 list from there if it's acceptable.

17 MR. BLAZER: If I may, Mr. Cornale, we've
18 also been advised that a number of people will be
19 here tomorrow intending to speak. My suggestion is,
20 because a number the last time you did this either
21 weren't prepared or weren't here, I would recommend
22 that you start from the top of the list again and
23 work your way down. I think that's the most
24 equitable way to do it.

1 As for the mayor of Forrest, my
2 understanding is that he's intending to come next
3 week and not tomorrow.

4 MR. LUETKEHANS: Oh, okay, because I
5 thought it was tomorrow. That was -- the 25th,
6 okay. I mean I just -- I don't want to tell people
7 to come and not have them -- I mean who are making
8 special trips. I mean that's just kind of silly,
9 so --

10 CHAIRMAN CORNALE: Okay, okay. Mr.
11 Steidinger, can you give me an indication of
12 approximately on your presentation time? And I --

13 MR. STEIDINGER: 20, 25 minutes.

14 CHAIRMAN CORNALE: 20, 25 minutes.

15 MR. BLAZER: 20 at the most.

16 CHAIRMAN CORNALE: 20, that's an hour,
17 take a break. Okay, so it looks like we'll have an
18 hour and a half of opportunity to probably go
19 through individuals, so if we can kind of plan with
20 that. Can we leave it with that, Mr. Luetkehans,
21 like that?

22 MR. LUETKEHANS: Yeah, that's fine. I'm
23 just trying to -- I don't want to have someone call
24 me and say they're only coming to testify. But it's

1 an hour and a half. These people are talking a few
2 minutes.

3 CHAIRMAN CORNALE: Okay, all right.

4 MR. LUETKEHANS: These aren't hour
5 testimonies by any stretch.

6 CHAIRMAN CORNALE: Okay.

7 MR. BLAKEMAN: Do you know how many you
8 think might be here tomorrow night?

9 MR. BLAZER: Three, four, six probably.

10 CHAIRMAN CORNALE: Okay.

11 MR. BLAZER: Probably a good half dozen
12 from what we've been told.

13 MR. BLAKEMAN: That are not on the list.

14 MR. BLAZER: No, everyone's on the list.

15 MR. BLAKEMAN: Everyone who's already on
16 this list.

17 MR. BLAZER: The sign-up list, correct. I
18 mean I think the general assumption is that you're
19 going to go -- start at the top and work your way
20 down again.

21 MR. BLAKEMAN: We already started. Those
22 people had their first shot. They're going to have
23 another shot.

24 MR. BLAZER: Okay.

1 CHAIRMAN CORNALE: All right, let me leave
2 everybody with this thought, all right? I just want
3 to throw this out there, all right?

4 As we move forward through this arduous
5 process, it is evident that many of you are
6 frustrated or tired out of this process, and I get
7 that. In recent testimonies we have heard much
8 reference to an outdated WECS ordinance and lack of
9 satisfaction testifying in front of this particular
10 board instead of the full county board.

11 I will remind each of you this process has
12 been in place for all special use applications since
13 the inception of county zoning board ordinances.
14 This process has not been altered or varied to
15 accommodate WECS applications. Rather, it is the
16 same process some of you may have taken if you have
17 home-based businesses or special property uses,
18 albeit not as long and not including pounds of
19 exhibits and hours of testimony.

20 This is the correct and appropriate forum
21 to have these discussions, and as a member of the
22 county myself, I can appreciate this open discussion
23 as all governing bodies have not adopted similar
24 processes.

1 Regarding conversations about an outdated
2 WECS ordinance, I will remind each of you that this
3 ordinance is and was in effect when this particular
4 application was presented. A committee has been
5 created to discuss this ordinance, and comments
6 regarding this ordinance should be presented in that
7 particular setting. We must move forward with the
8 ordinance in place at the time.

9 I will admittedly take responsibility for
10 the current ordinance and the details within. Some
11 six to eight years ago, meetings similar to this
12 were held at the historic courthouse to discuss the
13 possibility of any WECS ordinance. Steps were taken
14 to adopt something to allow our county to explore
15 additional property uses and opportunities for our
16 residents and property owners.

17 From these public hearings, which very few
18 of you were in attendance, specific details were
19 omitted in an effort to be more flexible to
20 opportunities. Frankly, most of these conversations
21 revolved around aviation hazards and siting with
22 aerial application in mind. Little, if any,
23 conversation was had regarding flicker, noise
24 studies, health effects, infrasound or avian impact,

1 which now consumes our time almost exclusively.

2 Aviation and aerial application has been
3 touched on briefly by the applicant during these
4 proceedings, but truly is a testament to the
5 flexibility of the process Livingston County
6 residents are afforded. The WECS ordinance omitting
7 specific details is relying on the special use
8 process in public hearings to flesh out
9 considerations that are important to the evolution
10 of our county.

11 I heed the same warning to those involved
12 in the committee today. Specific details allow very
13 little flexibility and provide an irrevocable legal
14 avenue for development. This possibly could
15 generate an application that satisfies all the
16 requirements and must be passed based solely on its
17 ordinance fulfillment. Today our ordinance allows
18 us the liberty to discuss changing circumstances.

19 I've asked Chuck to make available several
20 copies of what we've referred to as Standards for
21 Special Use, Mr. McCann has made reference to those,
22 which I encourage those in attendance to pick up a
23 copy. This document helps guide our board through
24 the process of determining the potential impacts on

1 zoning applications.

2 The Standards for Special Use document
3 accompanies all zoning cases we hear and applies a
4 consistent set of guidelines for us to follow.

5 Granted, each objection may be considered and
6 different weight placed on that consideration.

7 Certain characteristics may even be too large to
8 overlook and a specific condition placed on the
9 application to offset these issues.

10 Moving forward, I would like to give each
11 and every concerned citizen the opportunity and
12 tools necessary to make your voice be heard. I ask
13 that you consider the Standards for Special Use
14 document in your conversations and focus more in the
15 conversation on why the application should be
16 considered for special use, how it meets or does not
17 meet the criteria, and give our board the
18 information and viewpoints necessary to make a
19 reasonable and founded decision.

20 I, however, would like to warn each of you
21 that as you testify, your testimony is subject to
22 cross-examination. Be careful as you include
23 evidence in your conversations that you may not
24 understand as you could be questioned on it. If you

1 make a reference to a fact, I will have to allow any
2 line of questioning regarding it.

3 Additionally, I ask that you somewhat vet
4 your sources. Much of the testimony and comments by
5 all involved has revolved around the Internet. I
6 understand it is a great tool, very efficient and
7 generally reliable. However, I'm here to tell you
8 that for everything you read on the Internet, there
9 is another Internet source that will contradict that
10 first source. Consider the credentials of each
11 source and weigh in your own mind if you feel they
12 would be a believable source. After all, you are
13 putting your own name behind your opinion as well.

14 As the chair of the board, I have been
15 charged with the responsibility to provide a good
16 end product. This product is a recommendation to
17 our county board based upon factual data, weight of
18 testimony, expert opinions and community census --
19 consensus.

20 As we near the homestretch in these
21 proceedings, I will continue to remind everyone to
22 remain involved in the process, continue being a
23 great audience for those speaking, and continue to
24 make the guests in our county feel welcome.

1 Although you may not agree with their feelings,
2 viewpoints or opinions, there may be an equal amount
3 of individuals elsewhere that completely agree.

4 There are two sides to every coin.

5 I offer that statement and I really would
6 like individuals to take a look at the Standards for
7 Special Use. That is our -- our procedural, per se,
8 guidelines for us to follow. And as you guys are
9 going to get the opportunity to speak in front of
10 us, if you can try to focus your efforts on how you
11 feel this project may or may not follow that, I
12 think that will help all of us. We'll get better
13 information instead of information that may be off
14 task or I think it's really a good opportunity to
15 focus our conversations and get through these
16 evenings a little bit better. All right?

17 MR. LUETKEHANS: Mr. Chairman, before we
18 adjourn, I just had a couple follow-up things that I
19 -- people reached out to me. One is I believe
20 Severson Exhibit 1 is now in evidence; is that
21 correct?

22 CHAIRMAN CORNALE: That is correct.

23 MR. LUETKEHANS: Okay. We have what Mr.
24 Slagel asked Mr. McCann about. Could we label that

1 Slagel Exhibit 1 just for reference?

2 CHAIRMAN CORNALE: We can, yeah. We'll
3 take it at the next meeting. We'll get it in there
4 for sure.

5 MR. LUETKEHANS: I just wanted to make
6 sure. And then at the last meeting, because it was
7 during Mr. McCann's cross-examination, I had
8 actually asked that the entire USPAP go into
9 evidence. I had already had copies of that made. I
10 would ask that the entire set of USPAP, instead of
11 certain provisions of it, go into evidence --

12 MR. BLAZER: No objection.

13 MR. LUETKEHANS: -- as UCLC Exhibit 40.
14 And I'll hand it to the board before we go, but I
15 just wanted to --

16 CHAIRMAN CORNALE: All right, yeah, we'll
17 take that.

18 MR. LUETKEHANS: Thank you.

19 CHAIRMAN CORNALE: Okay. Tomorrow when
20 everybody arrives, we'll have a good list of who's
21 going to testify tomorrow evening. If you are
22 represented by counsel, you may want to speak with
23 him to possibly get on that list.

24 I think that's it for the evening, isn't

1 it? It's kind of early, you guys. I've got a
2 motion by Vitzthum. Do I have a second? All right,
3 Kiefer seconds. All in favor.

4 ALL MEMBERS: Aye.

5 CHAIRMAN CORNALE: Opposed.

6 (Adjourned at 9:36 p.m.)
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

1 STATE OF ILLINOIS)
)SS
2 COUNTY OF FORD)

3
4 I, June Haeme, a Notary Public in and for
5 the County of Ford, State of Illinois, do hereby
6 certify that the following Livingston County Zoning
7 Board of Appeals Case SU-7-14 hearing was taken at
8 the Walton Centre, 100 West Locust Street, Fairbury,
9 Illinois, on February 17, 2015.

10 That the said testimony was taken down in
11 stenograph notes and afterwards reduced to
12 typewriting under my instruction and that the
13 transcript is a true record of the testimony given.

14 I do further certify that I am a
15 disinterested person in this cause of action; that I
16 am not a relative, or otherwise interested in the
17 event of this action, and am not in the employ of
18 the attorneys for either party.

19 IN WITNESS WHEREOF, I have hereunto set my
20 hand and affixed my notarial seal this 27th day of
21 February, 2015.

22

23

24

25

JUNE HAEME, CSR
NOTARY PUBLIC

26

27 "OFFICIAL SEAL"
28 June Haeme
29 Notary Public, State of Illinois
30 My Commission Expires:
31 September 27, 2016

32

33

34

35