



Know the facts before you sign!

The Informed Farmers Coalition is a group of Lee County and Bureau County landowners and citizens whose goal is to spread awareness of all facts concerning wind farm development in the area.

The Money Facts

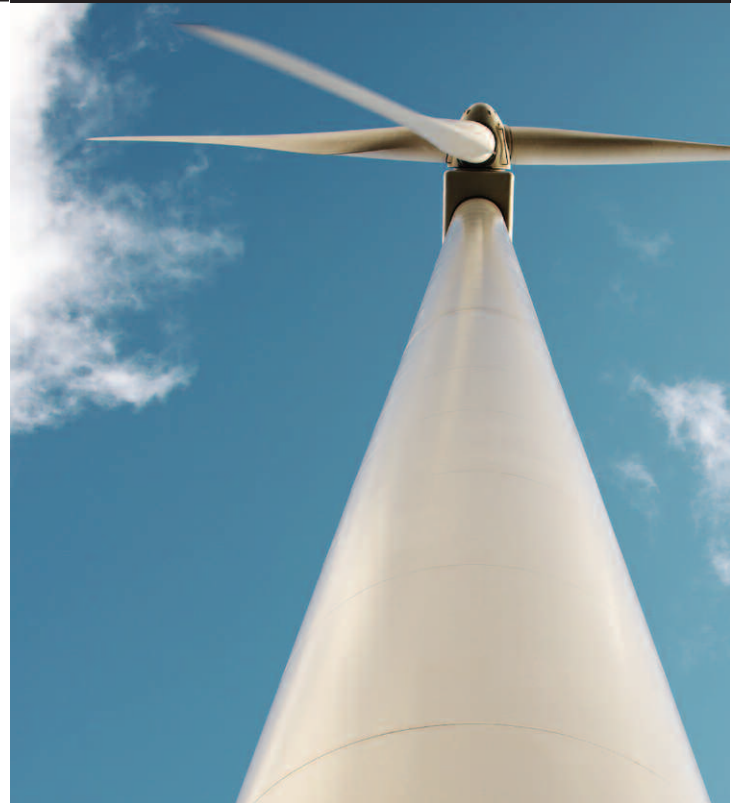
Wind plants lower property values. “At present time, anecdotal data indicates that wind turbines have a depressing effect on nearby land values and are a drag on the ag real estate market. Most recent anecdotal data from Illinois indicates that assessed value on farmland is dropping approximately **22 – 30 percent** on farmland that is near land where wind turbines have been placed.”

*Source Iowa State University Center for Agricultural Law and Taxation, “Wind Energy Production: Legal Issues and Related Liability Concerns for Landowners in Iowa and Across the Nation”

Wind power will generate beneficial local tax revenues for a very short amount of time. The wind farm companies fail to mention there is a sundown provision of the tax statute on the taxes paid from the turbines. After 2011, wind farm companies will be able to state that turbines are personal property, and therefore not taxed as real estate. The turbine companies are known to claim that only the inexpensive cement slab (upon which the turbine is erected) should be assessed as real estate.

*Source – Hinshaw & Culbertson law office, Rockford, IL

Your school district may not receive the tax money it is promised. The nearby Crescent Ridge wind farm has appealed the property tax payments to the school district, claiming only the concrete turbine base is taxable property. The wind farm’s tax assessment was based in 2005 and 2006 on the premise that 100 percent of the value each wind farm structure was taxable property.



Crescent Ridge appealed the county’s taxation decision, saying only the concrete foundation of each wind turbine should be taxed, which was a very small percentage of the value of the structure, which is comprised of a tower, nacelle and three rotor blades.

“The PES [Princeton Elementary School] agreement with Crescent Ridge gives the wind farm a total property tax credit from PES of \$141,223 for the next three years, which means a tax reduction of about \$47,074 for each of the years to PES.”

*Source - Bureau County Republican, January 27, 2010



INFORMED FARMERS COALITION

Wind Turbines Affect Your Land & Your Business

The Illinois Agricultural Aviation Association has voted NOT to treat farmland on which wind turbines have been installed.

President Chuck Holzwarth recently said in an article in *Farmweek* "If you put up a wind farm, that ground can never be treated by an airplane." The IAAA also passed a resolution against treating farmland around wind turbines or adjacent acres as it represents a hazard to the pilot.

Cady Aerial Spray in Deer Grove, IL, recently sent a letter to its customers stating: "Any field within or adjacent to a wind farm that we may deem treatable will likely incur additional cost due to the increased time necessary to make such an application and the risk factors involved."

According to the current Green River Wind Farm contract, landowners cannot construct any buildings on their land without approval of the developer.

"The Landowner covenants and agrees that neither the Landowner nor any Landowner Parties shall: construct or install any structure on the Lands without first meeting with Developer and Developer's engineers so that Developer and Developer's engineers can work with Landowner to determine a site for the structure which does not impact Developer's Leasehold Rights and Easements."

[Excerpt from Mainstream's Green River Contract]

The wind company can place transmission lines and equipment with unlimited amounts of voltage both above and underground.

"The Transmission Easement shall permit Mainstream to erect, install, construct, replace, maintain, repair, operate, upgrade,

re-locate, increase voltage of, and use multiple underground and/or overhead electrical distribution, collection and/or transmission lines, poles, foundations, conduit, cables, junction boxes, meters

and protection equipment including without limitation, all other equipment and facilities related to the transmission of electrical energy and communications (all of which shall also constitute Works) (collectively, "Transmission Equipment") all together with appropriate rights of way on, along, over, under and across the Lands at such locations as Mainstream shall determine in its sole discretion, and to and from adjacent properties."

[Excerpt from Mainstream's Green River Contract]

Landowners must sign a non-disturbance agreement to obtain a mortgage, lien or lease to the property.

This could significantly impact your ability to obtain a mortgage loan or to refinance your current mortgage.

*Source - Richard S. Porter, Attorney, Hinshaw & Culbertson LLP, Rockford, IL

Heavy equipment is damaging to drain tiles.

The trucks and cranes working on the turbines weigh up to 200,000 pounds. Damage to tiles can decrease crop production.

Many wind farm companies state that the payment from salvaging the metal will outweigh the cost to decommission the turbine.

According to Tom Hewson of Energy Ventures Analysis, Inc., the estimated costs for decommissioning [taking down the turbine] may be inaccurate because the methodologies used by turbine companies vary greatly. Mr. Hewson has personally witnessed turbine companies overestimate salvage values (and therefore underestimate decommissioning costs) by as much as 79 percent.

Concerns about Mainstream's Proposed Lease Agreement

Contracts from Mainstream on the Green River wind farm project have been reviewed by Attorney Richard S. Porter of the law offices of Hinshaw & Culbertson in Rockford. Porter points out the following issues in the proposed contracts from Mainstream that all landowners should be aware of:

- One-sided contract
 - Only Mainstream may unilaterally terminate
- Broad easement grants
- Unlimited access and right to build roads
- No limit on size and scope of facility
- Landowner must consent to easements for any effects attributable to the project, including noise, vibration, shadow flicker, electrical & radio interference, etc.
- Decommissioning: No financial assurances
- Assessment Term can be as long as 8 years and the first 4 years is only for a one-time payment of \$10 per acre.
- May be able to tie up land for 70 years and pay just \$5 an acre per year
- Unilateral confidentiality
- Easements for turbine effects are for the subject property & all landowner's adjacent properties.



The Informed Farmers Coalition Recommends Before You Sign

- Talk with an unbiased attorney to review any contracts.
- Talk to your neighbors—have they really signed?

For more information, call 779-423-7589
Email info@informedfarmers.org



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