

**BEFORE
THE OHIO POWER SITING BOARD**

In the Matter of the Application of)	
Kingwood Solar I LLC for a Certificate)	Case No. 21-117-EL-BGN
of Environmental Compatibility and)	
Public Need)	

DIRECT TESTIMONY OF ANDREW LINES

Q.1. Please state your name, title and business address.

A.1. My name is Andrew R. Lines, MAI. I am a Principal of the Valuation Advisory Services group for CohnReznick LLP (“CohnReznick”). My business address is 200 S. Wacker Drive, Suite 2600, Chicago, Illinois 60606.

Q.2. What are your duties as a Principal of Valuation Advisory?

A.2. My duties as a Principal of CohnReznick’s Valuation Advisory group include overseeing a staff of over 40 appraisers and valuation experts in all type of real estate. One of my specialty practices has been property value impact studies. I have testified before numerous governmental bodies regarding proposed new developments, including solar power installations, and addressed community concerns regarding those proposed developments. I have worked on numerous redevelopment projects in multiple states, including determining values for acquisitions of property, easements and leases and the evaluation of impacts caused by proposed projects on real estate values.

Q.3. What is your educational and professional background?

A.3. I have a B.F.A. degree from Syracuse University. I am a designated Member of the Appraisal Institute (MAI), a recognized designation by courts of law, government agencies, as well as financial institutions, with over 19 years of real estate appraisal

1 experience. I am a Certified General Real Estate Appraiser with active licenses in the
2 following states: Florida, Georgia, Illinois, Indiana, New Jersey, New York, Ohio, and
3 Kentucky, as well as the District of Columbia. I have performed valuations on a wide
4 variety of real property types including single- and multi-unit residential (including Low
5 Income Housing Tax Credit properties), student housing, office, retail, industrial, mixed-
6 use and special purpose properties including landfills, waste transfer stations, marinas,
7 hospitals, universities, telecommunications facilities, data centers, self-storage facilities,
8 racetracks, continuing care retirement communities, and railroad corridors. I am also
9 experienced in the valuation of leasehold, leased fee, and partial interests, as well as
10 purchase price allocations (GAAP, International Financial Reporting Standards, and IRC
11 1060) for financial reporting. I have also completed valuations nationwide for a variety of
12 assignments including mortgage financing, litigation, tax appeal, estate gifts, asset
13 management, workouts, and restructuring, as well as valuation for financial reporting
14 including purchase price allocations (ASC 805), impairment studies, and appraisals for
15 investment company guidelines and REIS standards. I have completed valuation impact
16 studies on landfills, big box retail developments, electric power transmission lines,
17 environmental stigma, view amenities, as well as solar farms. I have qualified as an expert
18 witness, in both Federal and State courts, providing testimony for cases in the states of
19 Virginia, Illinois, and Maryland, as well as the District of Columbia. I have been
20 previously accepted as an expert at zoning hearings in the states of Illinois, Indiana,
21 Michigan, Colorado, Hawaii, Kentucky, New York, and Pennsylvania. I have also
22 provided testimony to the Ohio Power Siting Board for the Big Plain Solar proceeding
23 (Case No. 19-1823-EL-BGN), the Yellowbud Solar proceeding (Case No. 20-0972-EL-

1 BGN), the Ross County Solar proceeding (Case No. 20-1380-EL-BGN), the Sycamore
2 Creek Solar proceeding (Case No. 20-1762-EL-BGN), and the AEUG Union Solar
3 proceeding (Case No. 20-1405-EL-BGN).

4 **Q.4. On whose behalf are you offering testimony?**

5 **A.4.** I am testifying on behalf of the Applicant, Kingwood Solar I LLC, in support of
6 its application filed in Case No. 21-0117-EL-BGN on April 16, 2021.

7 **Q.5. What is the purpose of your testimony?**

8 **A.5.** The purpose of my testimony is to evaluate the potential impact of the Kingwood
9 Solar Project (“Project”) on property values in the area surrounding the Project and
10 describe the property value assessment CohnReznick prepared for the Project, which was
11 submitted as Appendix F (“Property Value Impact Studies”) to the Application.

12 **Q.6. Are you familiar with the Project?**

13 **A.6.** Yes. I have reviewed, and am familiar with, the application filed by the Applicant
14 in this case. I have also visited and am familiar with the area in which the Project is
15 proposed to be located.

16 **Q.7. Are you generally familiar with the impact of commercial-scale solar projects on**
17 **property values in the area surrounding a solar project?**

18 **A.7.** Yes. I have been involved in studies evaluating the potential impact of utility-scale
19 (larger than 5 MW) solar projects on surrounding properties in the states of Indiana,
20 Illinois, Michigan, Minnesota, North Carolina, New York, Georgia, Florida, Missouri and
21 Virginia, including one of the largest operational facilities being the North Star Solar plant
22 in Minnesota, consisting of a 100 megawatt (“MW”) facility located on over 1,000 acres.
23 Additionally, I have been involved in over one dozen studies evaluating the potential

1 impact of community-sized solar farms (less than 5 MW) in the states of Illinois, Indiana,
2 Colorado, Hawaii, New York, Florida, Pennsylvania, and Missouri. For both sized
3 projects, I have provided expert testimony at local zoning and County board hearings.

4 **Q.8. Can you explain how the property value assessment study included in the Application**
5 **as Appendix F was created?**

6 **A.8.** The purpose of the study was to determine whether existing solar energy uses have
7 had any measurable impact on the value of adjacent properties. As further described in
8 Appendix F, we included 11 established solar farms in our study that are comparable to the
9 Kingwood Solar Project. Properties adjacent to existing and established solar energy plants
10 were researched and analyzed - focusing on rural and suburban areas with neighboring
11 residential homes that are most comparable to the areas and adjacent uses of the proposed
12 solar facilities. Those sales located physically contiguous to the solar farms, or the Target
13 Group, are then compared to similar properties that are removed from any solar facility
14 influence, referred to as the Control Group. This comparison was made in order to
15 determine if proximity to solar energy uses results in any consistent and measurable impact
16 on property values. As a part of this study, we examined utility-scale solar farms in the
17 Midwest, Southeast, and East as well as the property value trends of the adjacent land uses,
18 including agricultural, single family and residential properties. The basic premise of this
19 comparative analysis is that if there is any impact on the value of adjacent properties by
20 virtue of their proximity to a solar energy use, it would be reflected by such factors as the
21 range of sale prices, differences in unit sale prices, conditions of sale, and overall
22 marketability. When comparing these factors for properties near an existing solar energy
23 use to properties locationally removed from the solar energy use, it would be expected to

1 see some emerging and consistent pattern of substantial difference in these comparative
2 elements – if, in fact, there was an effect. The paired sales analysis is an effective method
3 of determining if there is a measurable and consistent detrimental impact on surrounding
4 properties and has been recognized as so by Randall Bell, PhD, MAI, author of the text
5 Real Estate Damages, Third Edition, published by the Appraisal Institute in 2016. As an
6 approved method, this technique can be utilized to extract the effect of a single
7 characteristic on value, such as proximity to an existing solar energy use. By definition,
8 paired data analysis is “a quantitative technique used to identify and measure adjustments
9 to the sale prices or rents of comparable properties; to apply this technique, sales or rental
10 data on nearly identical properties is analyzed to isolate a single characteristic’s effect on
11 value or rent.”¹ The difference in sale price is considered to be the impact of the proximity
12 to the solar farm. For each existing solar energy use studied, we have identified Test Area
13 Sales (sales adjacent to existing solar energy uses that occurred after announcement and
14 subsequent development of the solar farm) and have compared those to Control Area Sales
15 (sales of comparable properties that are removed from the influence of a solar energy use)
16 that occurred within a reasonable time frame of the Test Area Sales, adjusted to a common
17 date utilizing a Trend Analysis.

18 Ownership and sales history for each adjoining property to an existing solar farm is
19 maintained within our workfile through the effective date of the study. Adjoining
20 properties with no sales data or that sold prior to the announcement of the solar farm were
21 excluded from further analysis. Adjoining properties that sold in a non-arm’s length
22 transaction (such as a transaction between related parties, bank-owned transaction, or

¹ The Appraisal of Real Estate 14th Edition. Chicago, IL: Appraisal Institute, 2013.

1 between adjacent owners) were excluded from analysis as these are not considered to be
2 reflective of market price levels. The adjoining properties that remained after exclusions
3 were considered for a paired sale analysis (Test Area Sales). We have found Control Area
4 Sales data through the local Multiple Listing Service (MLS) and other real estate broker
5 databases and verified these sales through county records, conversations with brokers, the
6 individual county's GIS services, and the County Assessor's office. It is important to note
7 that these Control Area Sales are not adjoining to any solar farm, nor do they have a view
8 of a solar farm from the property. Therefore, neither the announcement nor the completion
9 of the solar farm use could have impacted the sales price of these properties. To make
10 direct comparisons, the sale prices of the Control Area Sales were adjusted for market
11 conditions to a common date. In this analysis, the common date is the date (or median sale
12 date) of the Test Area Sales. After adjustment, any measurable difference between the sale
13 prices would be indicative of a possible price impact of the solar farm, if any.

14 In addition to our research and analysis of existing solar energy facilities, we have reviewed
15 property value trends of the adjacent land uses, including agricultural, single-family and
16 residential properties; reviewed published studies, and held discussions with market
17 participants (real estate assessors and brokers).

18 **Q.9. What were the results of the property value assessment study?**

19 **A.9.** Based upon examination, research, and analyses of existing solar energy uses, the
20 surrounding areas, and an extensive market database, it was concluded that no consistent
21 and measurable negative impact had occurred to adjacent property that could be attributed
22 to proximity to the adjacent, commercial-scale, solar energy use, with regard to unit sale
23 prices or other influential market indicators such as marketing time. In addition, interviews

1 with market participants (local real estate brokers) gave additional insight as to how the
2 market evaluates farmland and single-family homes that are proximate to solar energy uses.
3 These interviews reaffirmed that there was no difference in price, marketing periods or
4 demand for property directly adjacent to existing solar energy uses when compared to
5 similar properties locationally removed from any solar energy use's influence. As noted
6 in Appendix F, this conclusion has been confirmed through interviews with numerous
7 county assessors who have also investigated this use's potential impact.

8 **Q.10. Are there any existing or under construction solar projects in Ohio over 50 MW?**

9 **A.10.** Yes. There are several solar power generation facilities that are planned for
10 construction in Ohio, according to the EIA, that will produce nearly 4,000 MW of power
11 when in service, as of January 2022 information, ranging from 68 MW to 577 MW. Two
12 of these projects are of note: the 320 MW Hardin Solar Energy project (two phases) being
13 developed by Invenergy and the 200 MW Hillcrest Solar project being developed by
14 Innergex. The first phase (150 MW) of the Hardin Solar Energy project was placed in
15 operation earlier this year in 2021; however, due to its recent completion date, at the time
16 of my testimony, there were no homes that sold after its completion that could be analyzed
17 in a paired sale analysis. For the Hillcrest Solar project, which became operational in 2021,
18 at the time of my written testimony, there were no home sales adjacent to the project
19 boundary. However, there were approximately three home sales nearby to the project
20 boundary that sold between late January 2020 (start of construction) and the date of my
21 written testimony. Each of these homes sold during normal marketing time of 30-90 days
22 on market and sold at list to sale price discounts of -2.2% to 12.6% (above list). These
23 homes are not directly adjacent to the Hillcrest Solar project, nor have any direct views.

1 Based on my review of these home sales, it does not appear that the Hillcrest Solar project
2 has had an impact on property values in the local area.

3 **Q.11. Is there any reason to expect that the conclusions of the property value assessment**
4 **study you conducted would be different from a study evaluating the impact of the**
5 **Project after it is completed?**

6 **A.11.** No.

7 **Q.12. What is your overall assessment of the potential impacts of the Project on**
8 **property values?**

9 **A.12.** Based on my experience with other commercial-scale solar projects and my
10 familiarity with the Project, as well as the results of the property value assessment study
11 (Appendix F), I would not expect the Project to be the cause of a decrease in property
12 values in the Project area. My conclusion is supported by my experience on the North Star
13 Solar project in Minnesota, another relatively large solar project which has caused no
14 decrease in property values. I note that our results on the North Star Solar project were
15 also corroborated by the local county assessor who conducted its own study of 15
16 properties that were adjacent to the existing solar array, and over a two-year period were
17 found to have suffered no negative impact on their respective property values. Further, all
18 of the studied properties were found to be appreciating at a rate consistent with the rest of
19 the county. The assessor presented this study in front of the Chisago County Board.

20 **Q.13. Does this conclude your direct testimony?**

21 **A.13.** Yes, it does.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served upon the following via email on
this 23rd day of February 2022.

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Summary: Testimony Direct Testimony of Andrew Lines electronically filed by Mr.
Michael J. Settineri on behalf of Kingwood Solar I LLC