

# Economic Impact of the White Tail Solar Energy Project



Commissioned by White Tail Solar, LLC, April, 2021

White Tail Solar, a utility-scale solar developer, has proposed building a 120 megawatt solar project in Augusta and York Townships, Washtenaw County, Michigan. For the purposes of this analysis, White Tail Solar assumed 50 megawatts of solar would be installed in York Township and 70 megawatts in Augusta Township. The project, known as the White Tail Solar project, will encompass approximately 1,476 acres of land primarily in agricultural use. White Tail Solar is currently seeking the necessary permits for the project and conducting community outreach. White Tail Solar retained Anderson Economic Group to estimate the economic and fiscal impacts of the project.

## Economic Impact

The White Tail Solar project represents an approximately \$130 million investment. Construction will create approximately 150 jobs in Michigan, many of which will be hired locally. Once complete, project operations will create approximately two permanent solar operations jobs.

**TABLE 1. White Tail Solar Project Economic Drivers**

|                                     |               |
|-------------------------------------|---------------|
| Total Investment                    | \$130 million |
| Estimated Construction Jobs Created | 150           |
| Estimated Operations Jobs Created   | 2             |

Source: Anderson Economic Group analysis of base data from White Tail Solar, LLC.

The expenditures that White Tail Solar will make to build and operate the project will recirculate throughout the local and state economies. As these expenditure recirculate, they will support additional indirect jobs and sales for Michigan businesses.

## Fiscal Impact

The White Tail Solar project will generate sales and income tax revenue for the State of Michigan through construction and operations jobs. The earnings for these workers will be subject to state income tax, and a portion of the earnings will be spent on goods and services subject to state sales tax. The project will also generate property tax revenue for local governments. The projected tax liability for the project is based upon current applicable millage rates at the time of this analysis, which are subject to change in the future. The projected first year tax liability for a project of this size is approximately \$1.36 million.

**TABLE 2. White Tail Solar Project Net Property Tax Liability, 2022**

| Washtenaw County <sup>a</sup> | Augusta Township | York Township <sup>b</sup> | Education <sup>c</sup> | Other Districts <sup>d</sup> | Total              |
|-------------------------------|------------------|----------------------------|------------------------|------------------------------|--------------------|
| \$349,776                     | \$23,914         | \$47,761                   | \$922,845              | \$13,624                     | <b>\$1,357,920</b> |

Source: Anderson Economic Group analysis of base data from White Tail Solar, Washtenaw County Assessor, State of Michigan Tax Commission.

(a) County operating, parks and recreation, conservation, roads, veterans, and public safety

(b) Township operations and public safety.

(c) Milan and Lincoln area school debt, Washtenaw ISD, and Washtenaw Community College

(d) Huron-Clinton metropolitan authority and land preservation

The projected property tax liability for a project of this size in its tenth year of service is approximately \$550,000, including \$9,700 for Augusta Township and \$19,300 for York Township, assuming no change in millage rates or property tax laws.

## About Anderson Economic Group

Anderson Economic Group is an economics and public policy consulting firm based in East Lansing Michigan. For more information, see [www.AndersonEconomicGroup.com](http://www.AndersonEconomicGroup.com).