

Impact of the Water Supply Watershed Protection Act (WSWP) on Property Values in North Carolina

A. Nam Tran

North Carolina State University

June 25th, 2010

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- Implemented for a variety of reasons including retaining land for agricultural use and environmental protection
- In theory, these land use restrictions can lead to increased property values from either a shortage of supply or an increased in demand if amenities in the area improve as a result

Previous Literature

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- Decrease in price: Chressanthis, 1986; Netusil, 2005

Previous Literature

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- Unobserved neighborhood characteristics that affect housing prices may also affect a communities propensity to adopt land-use restriction policies

Research Question

What impact do
down-zoning policies have on
developed residential
land-values?

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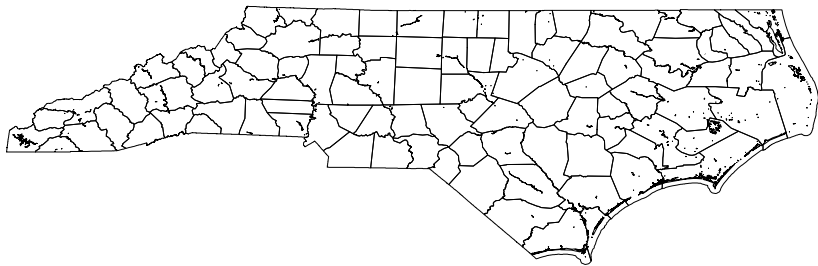
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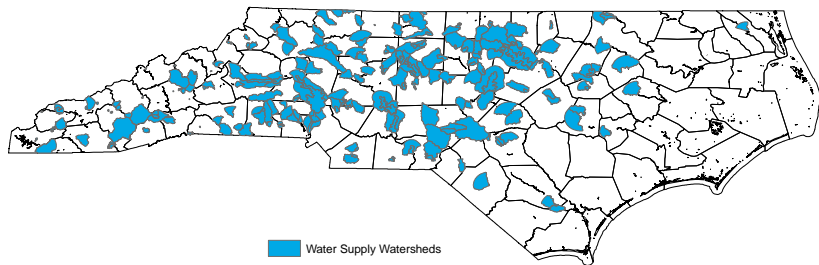
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- Offers an exogenous policy change to consider the impact of down-zoning laws on local land-prices

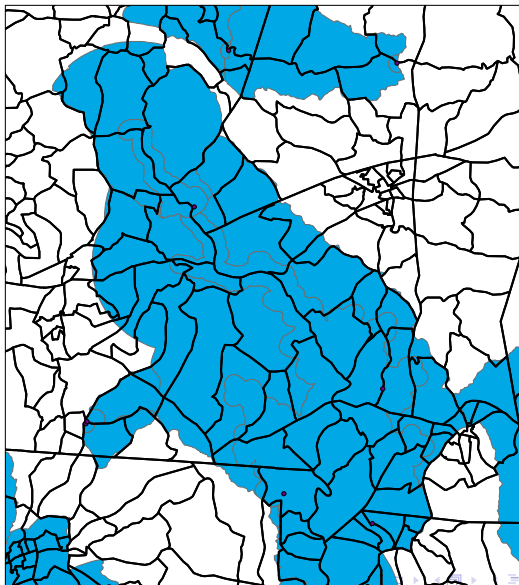
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- Environmental Data
 - Water supply watershed from NCDENR, DWQ and NCCGIA

Methodology

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- Change in property values between 1990 and 2000 for residential properties just inside and just outside of the watershed boundaries
 - Narrow spatial focus helps control for unobserved spatial confounders

Thank You!