

How Will Dam Removals Affect Housing Prices?

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Summary

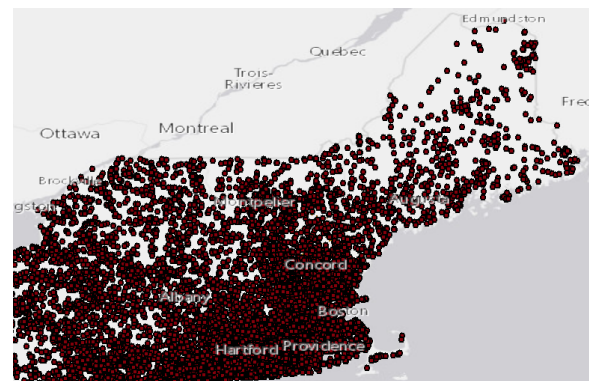
As **dams** across New England are being **removed** homeowners are interested in how the changing stream habitat will affect the **resale value** of their **homes**. When dam removals occur, rivers are able to return to their natural habitat. This return to natural streams may **affect** homes **differently** depending on their **location** on the river relative to the dam and whether there is an **impoundment** behind the dam. This study aims to give a detailed analysis of dam removal's impact on housing prices to give policy makers and **homeowners** more **information** when faced with dam **removal decisions**.

General Context

Communities in New England are facing decisions about whether their dams should be removed. The motivation for removal is often safety about old dams and restoring rivers to natural habitat. When making these decisions communities must have all of the information that is available so that outcomes are as predictable as possible.

Motivation

An important component of the decision communities are facing is how dam removals impact community member house prices. When streams change in response to dam removals people may gain or lose water front property. The change in natural resources near homes may impact how properties are valued. I am interested in identifying the existence and extent of this change.



Dam distribution in New England.

My Study

I will identify the impact of dam removals on housing prices in Connecticut, Massachusetts, New Hampshire, Rhode Island, and Vermont. I expect that dam removals will impact home values differently based on whether the home is upstream or downstream from the dam and whether there is a loss of an impoundment once the dam is removed. I will look at the impact of

dam removals on homes that are upstream from a dam, downstream from a dam, on an impoundment behind a dam, and on a running stream behind a dam.

Policy Impact of the Study

The information that I am going to provide through this study will help communities to make informed decisions when considering removing dams. Armed with information from biologists and hydrologists the information from my study will help decision makers choose the best paths for the future of their dams and streams. My study will allow for policy makers to have an idea of how the removal of their dam, based on physical characteristics and the position of homes around their dam, will impact the local real estate.

Researchers

Jason Walsh is a Ph.D. candidate in Environmental and Natural Resource Economics at the University of Rhode Island. He is interested in providing policy makers with all of the information when making decisions about dam removals.

Dr. Todd Guilfoos is an assistant professor at the University of Rhode Island in the Environmental and Natural Resource Economics department. His research interests include water economics, common pool resource management, dynamic decision making under uncertainty, and complex systems.

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