



Host: Hill, Robert, Univ.-Prof. PhD

## INVITATION

Christopher R. Bollinger (University of Kentucky)

[https://scholar.google.at/citations?user=hq\\_WAtwAAAAJ&hl=en&oi=sra](https://scholar.google.at/citations?user=hq_WAtwAAAAJ&hl=en&oi=sra)

On the topic:

### **“When and How Do School Rezoning and New Schools Affect Property Values? The Impact of Redistricting in Fayette County, KY”**

Date: 1st June 2021  
Starting time: 5.15 p.m.  
Location: Online via Zoom

In the past fifty years, a voluminous literature estimating the value of schools through capitalization in home prices has emerged. Prior research has identified capitalized value using various approaches including discontinuities caused by boundaries. We use changes in school boundaries and the proposal of a new school. Our findings from redistricting in the Fayette County school district (KY) show that prices for homes redistricted from a lower-performing (based on test scores) school into the proposed school catchment area (zones) increase by six percent. For houses in higher-performing school zones redistricted to the proposed new school district, there is a smaller increase in value. Houses redistricted from higher-performing schools to lower-performing schools decrease in value by three to five percent. However, many of the redistricted properties see little or no significant change, suggesting that only extreme changes in school quality are capitalized. Critical to properly estimating the effect of redistricting is to account for when information on rezoning is available. We treat the information about and the effects of zoning occurring in three stage: announcement, approval of specific zoning plan (map) and implementation and find that changes in property values in redistricted areas occurs well before implementation of the redistricting. As we show, failure to account for capitalization occurring before implementation will attenuate and even change the sign of capitalization. Finally, employing our estimates on housing price changes, following \cite{Banzhaf2020} we provide estimates of the welfare changes from rezoning and the opening of a new high school.

All professors, lecturers, assistants and students are cordially invited to this guest lecture! External interested parties, please contact Robert Hill for the link.