Stephanie Kestelman

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Education

Harvard University, Doctoral Student in Economics 2019 – Present

Fields: Real estate economics, urban economics, public economics, industrial organization, environmental economics, political economy

Affiliations: Institute for Quantitative Social Science (IQSS), Harvard Environmental Economics Program (HEEP), Opportunity Insights

Swarthmore College, B.A. in Economics, *Highest Honors* 2012 – 2016

Working papers

Neutralizing NIMBYs: Effect of Community Voice in Land Use Decisions *(Job Market Paper)*

Zoning regulations restrict the size and use of new real estate development. Developers wishing to build larger projects must undergo discretionary review, which entails public hearings, and may ultimately end with rejection. Incumbent residents value having a voice in the approval process, arguing that they can shape their neighborhoods and prevent undesirable development. This paper uses data from Los Angeles to study the role of community discretion in land use decisions. First, I document new facts about new development applications and approvals. Second, I evaluate the impact of reducing discretion on the characteristics and impacts of proposed and built projects. I leverage the rollout of the Transit-Oriented Communities (TOC) program, which reduced discretion over the approval of qualifying multifamily projects near public transit stops. I show that housing supply increased near major public transit stops. In particular, more buildings with over 50 units were developed, due to the TOC program's provision to reduce discretion over buildings of that size. I estimate whether the projects built under the policy would have been approved or rejected under the discretionary review regime. Finally, I describe the general equilibrium effects of upzoning or reducing community discretion in some neighborhoods, but not others.

Environmental Costs of Urban Growth: Evidence from the California Wildfires

Most wildfires in California are human-caused. This paper uses geospatial data to quantify how land development, which increases human activity, affects ignition probability and creates environmental externalities. Housing development affects ignition probability non-monotonically. Converting 2.5 acres of wildland into low-density development in the Wildland-Urban Interface increases the annual probability of wildfire ignition by 0.34 percentage points using OLS estimation or 0.67 percentage points using IV estimation, compared to an average annual probability of 1.74 percent. The probability of ignition decreases as land development intensity increases. However, this relationship becomes less concave, and ignition externalities more widespread, during drier years. These findings suggest the need for managed land development policies along the urban-wildland edge as climate change leads to more frequent droughts. Property buyouts combined with building bans emerge as the most effective form of development restriction, while policies that limit maximum density can increase expected wildfire costs.

Right-to-Counsel in Eviction Court and Rental Housing Markets: Quasi-Experimental Evidence from New York (with Rob Collinson, John Eric Humphries, Scott Nelson, Winnie van Dijk and Dan Waldinger)

"Right-to-counsel" programs provide free legal assistance to tenants in eviction court. Legal assistance can delay or prevent eviction. However, large-scale legal assistance programs can also generate costs for tenants due to equilibrium rental market responses. In this paper, we study how right to counsel impacts rental markets when implemented at scale, and quantify the policy's impact on tenant welfare. Leveraging the geographic rollout of New York City's program, we find listed rent prices rose by 22−38/month within two years of policy implementation, with larger increases in areas with higher baseline eviction rates. We do not find evidence that landlords adjusted on other margins, such as

tenant screening or improvements to habitability. Guided by these results, we develop a framework to evaluate the policy's welfare implications for tenants, incorporating the trade-off between protection from eviction and higher rent prices. We quantify the parameters of our framework using linked data on eviction court cases, rental housing listings, and tenant earnings trajectories. Despite the direct benefits and insurance value of stronger eviction protections, the estimated price increases are large enough to generate a small net reduction in ex-ante tenant welfare.

Select works in progress

"Market power in the residential rental market" (with Rebecca Diamond, John Eric Humphries, Kate Pennington, Winnie van Dijk and John Voorheis)

The concentration of rental ownership plays a pivotal role in shaping housing affordability, yet its effects remain underexplored in urban economics. This study investigates the relationship between ownership concentration and rental prices across U.S. metropolitan areas, integrating novel data sources to improve measurement accuracy. Existing approaches relying on mailing address data suffer from significant misclassification errors, which we address by incorporating Census records, IRS filings, and the Business Register. Our empirical analysis assesses how ownership structures affect rental affordability and tenant characteristics, employing rent regressions, demographic comparisons, and robustness tests to rule out confounding factors. By examining a subset of Core-Based Statistical Areas (CBSAs), we evaluate the representativeness of our sample and explore disparities in landlord size and geographic distribution. We also attempt to integrate additional datasets, such as the RHFS and AHS, but identify limitations in their applicability. Our findings provide crucial insights into the implications of landlord concentration for housing policy, market efficiency, and rental affordability, contributing to broader discussions on measuring housing market dynamics and disparities.

"Time to approve and approval uncertainty in real estate development" (with Rachel Pomeranz)

The lack of housing is one of the most pressing problems facing American cities. Careful research of the process through which new housing is built can hopefully point towards solutions. In most jurisdictions in the US, new housing must be approved by local authorities before being built. How does uncertainty in the approval process affect the supply of new housing and housing cycles? There are two important dimensions of uncertainty in the application process: whether the project will be approved and when that decision will come (Glaeser and Gyourko 2018). This paper studies the time to approval in the construction of residential housing using data from the city of Los Angeles. First, we present novel facts about the approval of housing entitlements. Then, we build a model of the housing market that features an uncertain application process to demonstrate the impact on housing cycles. Finally, we use our empirical results and model to study whether eliminating uncertainty in the time to decision or the likelihood of approval is more important in the supply of new housing.

"Impact of Subnational Responses to a National Crisis: Evidence from Brazil" (with Juan Pablo Chauvin and Edward Glaeser)

Presentations

2025 MIT Center for Real Estate

2024 NBER Summer Institute, NYU Furman Center, UEA North American Meeting, Conference for Urban and Regional Economics

2023 UEA European Meeting, AREUEA National Conference, LSE Environment Week

Grants, Awards and Fellowships

Kenneth C. Griffin Economics Research Award 2024

John R. Meyer Dissertation Fellowship, Harvard Joint Center for Housing Studies 2024

Chae Family Fund Fellowship 2023

Lynde and Harry Bradley Foundation Fellowship 2023

COVID-19 Special Call, International Growth Centre 2020

Mott Fellowship for Graduate Studies, Swarthmore College 2019

Adams Prize in Economics, Swarthmore College 2016

Introduction to Diversity in Doctoral Education and Research (IDDEAS), University of Pennsylvania 2016

Teaching Experience

Market Power in the New Economy (undergraduate), Harvard University

Teaching Fellow for Prof. Myrto Kalouptsidi, Spring 2024

Thesis advising and Stata, R and ArcGIS for research (undergraduate), Harvard University

Instructor, Fall 2023

Introduction to Quantitative Economics (graduate), Harvard University

Teaching Fellow for Prof. Jesse Shapiro, Fall 2022, Fall 2023

Empirical Research in Labor and Public Economics (graduate), Harvard University

Teaching Fellow for Prof. Winnie van Dijk, Spring 2022, Fall 2022

Professional Service

Referee for *Quarterly Journal of Economics, Journal of Public Economics, Journal of Urban Economics*

Member of *American Economic Association, American Real Estate and Urban Economics Association*

Co-Chair of Harvard Graduate Women in Economics 2020 – 2022

– Co-organizer of *Heterogeneity by Gender - Evidence from JMPs* 2020

Participant in the Graduate Student Summit for Diversity in Economics 2018

Past Experiences

Pre-doctoral research assistant to Profs. Owen Zidar and Eric Zwick Feb 2017 – July 2019

Associate, *PricewaterhouseCooper*, New York, NY 2016 – 2017

Other information

Languages: Portuguese (native), English (fluent), French (working proficiency), Spanish (working proficiency)

Programming languages: R, Python, Stata, LaTeX, ArcGIS, pyQGIS, Bash

Citizenship: Brazil

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