Stephanie Kestelman

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Employment

Director of Housing, Arnold Ventures, Washington DC — 2025 – Present

Post-Doctoral Fellow in Economics, Harvard University, Cambrige MA — 2025

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

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

Education

Harvard University, Doctoral Student in Economics — 2019 – 2025
<u>Fields:</u> Real estate economics, urban economics, public economics, industrial organization, environmental economics, political economy
<u>Affiliations:</u> 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

Effects of Transit-Oriented Incentive Programs: Evidence from Los Angeles

This paper examines the effects of transit-oriented development incentives on multifamily housing development, using the implementation of Los Angeles's Transit- Oriented Communities (TOC) incentive program as a natural experiment. Introduced in 2017, TOC streamlined the entitlement process for and granted density bonuses to qualifying projects near major transit stops. Using novel, project-level data covering applications, approvals, and permits from 2004 to 2023, I document a sharp increase in development proposals following the program's rollout. However, this increase in applications did not translate into a rise in the rate of new housing supply. The program did shift the composition of new development: TOC projects were more likely to include income-restricted units and be located in lower-income, renter-occupied neighborhoods. Using a structural framework and estimated approval probabilities, I show that TOC enabled projects that would have faced lower approval chances or higher appeal risk under the previous discretionary regime. These findings highlight how procedural streamlining can shift the type and location of urban development, even if aggregate supply effects are limited.

Environmental Costs of Urban Growth: Evidence from the California Wildfires

Human activity is the primary cause of wildfires in California, suggesting that land development may affect the probability of ignition and create environmental externalities. This paper quantifies these externalities using geospatial data and finds that housing development has a non-monotonic effect on the probability of ignition. Converting 2.5 acres of wildland into low-density development at the urban fringe increases the annual probability of wildfire ignition by 0.34-0.67 percentage points, compared to an average yearly probability of 1.74 percent. The probability of ignition decreases at higher rates of land development under weaker drought conditions. Suppression costs also increase with nearby development; each new housing unit near an ignition site generates up to $23,774 in expected annual suppression costs for small fires. Policy simulations show that limiting greenfield development while relaxing urban supply constraints reduces wildfire-related costs, while restricting supply without offsetting infill development may worsen risk. These results highlight the importance of coordinated land use policy to mitigate wildfire externalities as climate change intensifies fire conditions.

Equilibrium Effects of Eviction Protections: The Case of Legal Assistance (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)

In this project, we use restricted U.S. Census data to construct new measures of rental housing ownership concentration at the CBSA level. We use these measures to document new facts about the supply side of the rental housing market, inclduing landlord size distribution across housing types (single or multi-family), neighborhood characteristics, and geography. We then estimate the impact of portfolio size and landlord typology (business or individual) on pricing, vacancy, and screening behavior. We validate methods commonly used in the literature to measure rental property ownership, as well as ownership-type measures from the Residential Housing and Finance Survey.

"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.

Presentations

2025   MIT Center for Real Estate, Harvard Joint Center for Housing Studies

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

Other information

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

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

Other credentials and affiliations: Special Sworn Status, AREUEA membership

Citizenship: Brazil, permanent US Resident

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