

## **Tipped Off: Estimating the Effects on Property Values of Landfill Closures and Conversions**

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Landfills have long been understood to generate disamenity effects. These include odour, noise, litter, traffic, and real or perceived risks from methane gas or groundwater leachate. It is therefore not surprising that landfills are associated with Not in My Back Yard (NIMBY) conflict. Their unpopularity is both reflected in, and reinforced by, the fact that disamenity effects may be capitalised into lower residential property values. Hedonic pricing and repeat sales studies have established that houses closer to landfills sell for less than similar houses further away.

The literature is less clear about the effects of landfills that are closed and converted. Landfills follow life cycles and in Victoria, as in many locations, tend to ultimately be converted to parks or reserves. Kinnaman (2009) suggests two possible post-closure effects. Residual impacts may persist for a number of years given stigma or risks of contamination; with such risks demonstrated in 2008 at Melbourne's Brooklands Green. Conversely, nearby property values can improve as the more obvious disamenity effects disappear.

This paper uses GIS and modelling techniques to explore the type and scale of relationships between property prices, locational conflict, and landfill life cycles in Victoria. Property sales records over 1976-2010 are combined with a panel dataset of known active and post-closure landfills based on EPA licencing records. The model integrates landfill type, size and age; and housing and locational characteristics. The findings contribute to understanding locational conflict around environmental management.