



## **What is it worth? Impact assessment of urban renewal and protection of cultural heritage**

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*Publication date:*  
2019

*Document version*  
Peer reviewed version

*Citation for published version (APA):*  
Lautrup, M., & Matthiesen, L. L. (2019). *What is it worth? Impact assessment of urban renewal and protection of cultural heritage*. Abstract from Miljøøkonomiske Konference 2019, Denmark.

Abstract DØRS Miljøøkonomi konference

## What is it worth? Impact assessment of urban renewal and protection of cultural heritage

We have investigated the value of investments in urban renewal in the town of Christiansfeld, which was appointed world heritage by UNESCO in 2015 appointed to be. Christianfeld was one of the first planned towns in northern Europe. During the last decade, a philanthropic foundation has invested more than 100 mill. DDK in the restoration and renewal of the historic buildings and roads in Christianfeld. It is a challenge to assess the impact of the investment in Christianfeld: Christianfeld was a special place even before the investment and the investment period drags on through almost two decades. The valuation literature concerned with unique environmental and cultural heritage sites is still open for discussion. We contribute to this discussion on unique sites by devising two methods to assess the impact on local households and companies.

Impact on local households and local companies using two methods. First, the hedonic pricing method in a difference-in-difference setup is used to estimate the impact on the value of housing, relative to other comparable towns in Southern Jutland. In this way, we find the temporal variation of the willingness to pay for living in Christainfeld. The second approach is to estimate a survival model for the supply of service businesses within the town. The aim is to analyze if urban renewal and the appointment as World Heritage has an increasing effect on the lifetime and number of businesses, thereby increasing the urban diversity as a benefit for the citizens and the visiting tourists.