

USC PLUS 661 — Politics and Processes of Urban Development

Course Overview

This course provides an introduction to the challenges and opportunities apparent in the politics of American metropolitan areas. Topics for the course include background on the formation, role, growth, and evolution of cities and political, social, and economic approaches to understanding metropolitan politics and the planning issues in play. This is the first part of a two-part sequence. This part of the sequence begins with a review of the physical, economic, and legal forces that affect urban development. It then examines local government institutions, urban coalitions, distributions of power, and suburbanization and the politics of growth. The second part (PLUS 664 Urban Political Economy and Urban Development) examines how education, culture wars, housing, and poverty, among other forces, influence the planning environment and looks at steps that can be taken to harness or direct these forces for the greatest common good while understanding and minimizing adverse impacts on urban populations and institutions.

Each week, students will learn about critical issues in urban planning, policy, and development. Readings and asynchronous lectures introduce students to foundational material that they will then discuss or apply in the live session. Later in the course, students will be working in assigned teams toward a culminating, final project in which they will analyze an urban project (this project will be common to both PLUS 661 and PLUS 660 Economics of a Productive Development). Each week, students have a unique individual or group activity/assignment. Students will practice critical skills for their individual assignment and work on benchmark activities for group assignments, in which they will receive regular feedback from their professors to set them up for success on their final presentation.

This course requires critical thinking on complicated policy issues, and students often struggle to see that policy issues are not black and white; that there are costs, benefits, and trade-offs to decisions. Frequently, decision making strives to compromise without recognizing that many decisions, once made, preclude alternative courses of action, and that they may also unevenly distribute beneficial and adverse impacts. Understanding that solutions in which everyone is a winner are rare is essential to policy and applied decision making.

Place in Program

Builds on:	This is a foundational course. Students take PLUS 660 Economics of a Productive Development concurrently.
Leads to:	After semester 1 courses (PLUS 660 and PLUS 661), students will complete an in-person intensive consisting of PLUS 662 Planning and Development Case Study (tentative) and PLUS 663 Designing Livable Environments . PLUS 661 is the first course in a two-course sequence and is followed by PLUS 664 Urban Political Economy and Urban Development in semester 2.
Elective or Required?	As it currently stands, all courses in this executive master's program are required to graduate.

Intended Learning Outcomes for the Combined Two-Course Sequence

At the completion of the course, students can be expected to:

Understand the structures and operations of local, city, regional, governmental, and nongovernmental institutions in the United States.

Explain and critique political conflicts in planning from multiple perspectives.

Understand the history and empirical regularities of political institutions on the student's chosen area of interest (community development, housing, transportation, urban design, etc.).
Read, comprehend, and interpret/apply social science research on political phenomena.
Use abstract theory and research methods to understand contemporary planning conflicts and mechanisms to resolve them.
Understand the dynamics of urban growth and decline.

COURSE REQUIREMENTS AND GRADES

- Quizzes and In-Class Exercises	10%
- Class Discussion	20%
- Writing Assignments, Process Work	15%
- Midterm Submission	20%
- Final Project	35%

Grade Description

- A – Work of excellent quality, exceeding requirements and exceeding expectations
 B – Work of good quality, meeting requirements and meeting expectations
 C – Work of fair quality
 D – Work of minimum passing quality
 F – Failure to adequately complete all coursework

To receive an A grade, students must complete all work on time and submit work of superior quality at every stage. Work must address all aspects of the required assignments, exceed the minimum requirements, and demonstrate critical and creative thinking. Students must consistently contribute to class discussion.

Students are expected to attend all synchronous sessions, complete all homework assignments, and complete all asynchronous lessons and exercises and to participate in written and oral discussions. Oral and written exercises are intended to help develop critical thinking and presentation skills. Homework and asynchronous assignments are due at the beginning of the relevant synchronous session. Late assignments will be graded down substantially (one-third of a grade for each 24 hours they are late). Assignments more than 72 hours late will not be accepted unless the lateness involves any of the excuses granted in the USC Student Handbook. A passing grade will not be assigned unless all assignments have been completed and submitted. While allowance will be made for medical or personal emergencies, unexcused absences will be penalized. Make-up work may be allowed on a case-by-case basis at the discretion of the instructor.

COURSE READINGS

The following readings will be available via the USC Library ARES Resource: <https://reserves.usc.edu/ares/>

1. Benner, Chris, and Manuel Pastor. *Just Growth: Inclusion and Prosperity in America's Metropolitan Regions*. Abingdon, UK, and New York: Routledge, 2012.
2. Blakely, Edward J., and Nancey Green Leigh. *Planning Local Economic Development: Theory and Practice*. 5th ed. Thousand Oaks, CA: Sage Publications, 2013. 6th ed. Thousand Oaks, CA: Sage Publications, 2016.
3. Campanella, Thomas. "Reconsidering Jane Jacobs." <http://places.designobserver.com/feature/jane-jacobs-and-the-death-and-life-of-american-planning/25188/>.

4. Dreier, Peter, John Mollenkopf, and Todd Swanstrom. *Place Matters: Metropolitcs for the Twenty-First Century*. Lawrence, KS: University Press of Kansas, 2004.
5. Glaeser, Edward. *Triumph of the City: How Our Greatest Invention Makes Us Richer, Smarter, Greener, Healthier, and Happier*. New York: Penguin, 2011.
6. Jackson, Kenneth. *Crabgrass Frontier: The Suburbanization of the United States*. Oxford and New York: Oxford University Press, 1987.
7. Lynch, Kevin. *The Image of the City*. Cambridge, MA: Joint Center for Urban Studies/Massachusetts Institute of Technology and the President and Fellows of Harvard College, 1960.
8. McHarg, Ian L. *Design with Nature*. Garden City, NY: Natural History Press, 1969.
9. Moynihan, Daniel. "Toward a National Urban Policy." *Public Interest* (Fall 1969).
10. Pastor, Manuel, et al. "Planning, Power and Possibilities: How UNIDAD is Shaping Equitable Development in South Central LA." Summary Brochure/Report, USC Program for Environmental and Regional Equity (PERE), University of Southern California, Los Angeles, CA, 2015.
11. Porter, Michael. "The Competitive Advantage of the Inner-City." *Harvard Review* (May/June 1995).
12. Sloane, David C., ed. *Planning Los Angeles*. Chicago: American Planning Association, 2012.

For the following, students will be able to purchase the digital course reader as a PDF from the USC Bookstore Custom Publishing website: <https://www.universitycustompublishing.com/index.php>

1. Burke, D. Barlow. *Understanding the Law of Zoning and Land Use Controls*. 3rd ed. Newark, NJ: LexisNexis Publications, 2013.
2. Florida, Richard. *The Great Reset: How the Post-Crash Economy Will Change the Way We Live and Work*. New York: HarperCollins, 2011.
3. Jacobs, Jane. *The Death and Life of Great American Cities*. New York: Random House, 1961.

Syllabus Revision

The instructor will regularly assess progress and solicit student feedback regarding the course. If necessary, the syllabus will be revised mid-semester to make it more suitable and/or relevant to the class.

Week No./Live Session	Description and Assignments	Readings
1	<p>Welcome, introductions, review of class purpose and goals, bibliography, readings, basis for grading, office hours/contact and expectations</p> <p>Discussion: What constitutes a good city? How does one "create" a good city? How do people use cities? Why do people live and work in cities?</p>	<ul style="list-style-type: none"> ▪ Jacobs, <i>Death and Life</i>, "The Particular Nature of Cities"; chap. 6, "The Uses of City Neighborhoods," pp. 113–140; chap. 19, "Visual Order: Its Limitations and Possibilities," pp. 373–391; chap. 22, "The Kind of Problem a City Is," pp. 429–448 ▪ Campanella, "Reconsidering Jane Jacobs" ▪ Lynch, <i>Image of the City</i>, chap. 3, "The City Image and Its Elements," pp. 47–90
2	<p>The natural environment and its limitations on growth. Components of the natural environment. Overcoming or addressing natural limits on urban development. Engineered and other methods of addressing limitations. Analysis of an urban place</p>	<ul style="list-style-type: none"> ▪ McHarg, <i>Design with Nature</i>, "Nature in the Metropolis," pp. 55–65; "The Metropolitan Region," pp. 153–162

3	Forces of growth and decline. Why and how do urban areas grow? What are cyclic and "normal" patterns of growth, maturation, and decline of urban places? Mechanisms to address forces of decline, and address, circumvent or break the cycle.	<ul style="list-style-type: none"> ▪ Glaeser, <i>Triumph of the City</i>, chap. 2, "Why Do Cities Decline?" pp. 41–67 ▪ Florida, <i>Great Reset</i>, chap. 1, "The Great Reset," pp. 3–9; chap. 3, "Urbanism as Innovation," pp. 18–24; chap. 12, "Death and Life of Great Industrial Cities," pp. 71–86
4	Land use law and local authority. Historic land use regulation. Basis of legal authority to impose and enforce land use regulation. Interrelation of public and private authorities and limitations.	
5	Property 101 and the police power. Possessory and nonpossessory land rights. History of US zoning. Police power and the health, safety, and welfare bases of law.	<ul style="list-style-type: none"> ▪ Burke, <i>Understanding the Law</i>, pp. 3–11 and 85–95
6	Constitutional issues related to takings. Definitions. Case law. Categories of regulatory takings: permanent physical invasion, forced entry exaction. Inverse condemnation.	<ul style="list-style-type: none"> ▪ Burke, <i>Understanding the Law</i>, pp. 13–38, 205–206, 258–275, and 321–331
7	Policy Frameworks I: Housing, transportation, and urban policy evolution and composition at the federal, state, and local levels. Affordable housing and homelessness. Role of housing in economic development. Resiliency and sustainability.	<ul style="list-style-type: none"> ▪ Moynihan, "Toward a National Urban Policy" ▪ Jackson, <i>Crabgrass Frontier</i>, chap. 12, "The Cost of Good Intentions: The Ghetto-ization of Public Housing in the United States," pp. 219–230 ▪ Dreier, <i>Place Matters</i>, chap. 5, "Urban Politics and City Limits: What Cities Can and Cannot Do to Address Poverty," pp. 152–215
8	Policy Frameworks II: Environmental and social justice. Environmental policy and environmental justice. Gentrification. Competitive advantage of certain areas.	<p>Midterm (asynchronous)</p> <ul style="list-style-type: none"> ▪ Porter, "Competitive Advantage," pp. 55–71
9	Analytical methods and research methodology. Market analysis. Trade areas and business capture. Socioeconomic analysis and data. What data do and don't tell you. Field reconnaissance. SWOT/C analysis. Implicit bias in analyzing data. Economically sound planning.	<ul style="list-style-type: none"> ▪ Blakely and Leigh, <i>Planning Local Economic Development</i>, chap. 5, "The Local Economic Development Process," pp. 113–135; chap. 12, "Detailed Feasibility Analysis," pp. 371–381
10	Comprehensive planning and flexibility devices. History of comprehensive planning. Building a comprehensive plan. Zoning: Forms of zoning. Flexibility devices: Accessory and conditional uses, variances.	<ul style="list-style-type: none"> ▪ Burke, <i>Understanding the Law</i>, pp. 97–105 and 157–172

11	Additional zoning flexibility devices. Grandfathering and nonconforming and noncomplying uses. Overlay and floating zones. Planned use development and special districts. Transfer of floor area rights and adaptive reuse. Value capture.	<ul style="list-style-type: none"> Burke, <i>Understanding the Law</i>, pp. 106–110, 133–137, 207–215, and 373–393
12	More zoning and flexibility tools. Transfer of floor area ratio, adaptive reuse, and other land restrictions. Infrastructure and delivery. Master plans and program delivery: Specific plans.	<ul style="list-style-type: none"> Burke, <i>Understanding the Law</i>, pp. 215–218, 235–251, 269–275, and 396–400
13	Constituencies and community participation. Key constituencies (public and private sector, nonprofit sector, government). Public-private partnerships. Development agreements, community benefit agreements, project labor agreements, and related implementation mechanisms.	<ul style="list-style-type: none"> Sloane, <i>Planning Los Angeles</i>, “Community Benefits, Negotiation and (In)Justice,” pp. 272–278 Pastor et al., “Planning, Power, and Possibilities” (entire report)
14	Entitlements and the application process. Entitlement tools: Vesting. The application process and application review and processing. Site plan review and environmental review. The public hearing process. Outreach and notice. Approvals and conditions and the appeals process for the applicant and for other interested parties. Permits and permit issuance.	
15	Final presentations	

Key Assignments

Week No./Live Session	Deliverable	Notes
1	Lynch map. A map/diagram of the city or portion of the city you are diagramming and a listing of the key Lynch elements identified by category (a key and legend on the map to correspond to this listing would be useful).	Please make sure you have completed the Lynch reading before completing this task. This exercise is to help you think through and understand the format and structure of the city (or portion of a city) you are analyzing. Responses will be shared for discussion in the synchronous session. Your response should be a map/diagram of the city or portion of the city you are diagramming and a listing of the key Lynch elements identified by category (a key and legend on the map to correspond to this listing would be helpful). The diagram should be one page and can be in PowerPoint presentation or PDF (or pasted into a Word document with the listing) and must be posted at least eight hours before the start of

		the live session. Responses will be shared for discussion in the synchronous session.
2	Student analysis of an urban place. In teams of approximately four members, select an urban place with a significant issue related to natural limits. Potential places are Cape Town, South Africa, facing a severe water shortage from prolonged drought conditions, and Houston, Texas, which suffered serious damage from flooding in several recent major storms attributable to overbuilding and failure to preserve space for water flow. The analysis should include an identification of the issue, how it came to be, and potential solutions (those being implemented or of your own choosing) and an analysis of the expected impacts of implementation.	The report should consist of approximately three to five pages of narrative plus illustrations that may support the analysis. There should be a short PowerPoint presentation for each team to present in the live session (maximum 10 minutes), to be followed by interactive discussion. The report and PowerPoint presentation should be posted not less than four hours before the start of the live session.
3	Exercise on growth and decline. Students, in teams, pick a place with a history of good times and bad (e.g., Detroit, Michigan; Cleveland, Ohio; St. Louis, Missouri; Liverpool, England) and do a brief analysis covering (1) the basis for the city's formation; (2) factors that led to decline; (3) consequences, including actions since taken to address the situation; and (4) an evaluation of the outcome.	1. These reports will be peer-reviewed and then presented and discussed in the synchronous session. This should be a roughly five-page targeted discussion (plus maps or illustrations) posted in Word or PDF at least four hours before the start of the live session. Students should spend roughly 30 minutes on this project. 2. Peer review. Teams will exchange results of the exercise and comment on/critique one another's reports for discussion in synchronous session.
4	Assignments to be submitted for grading: None	
5	The police power in your community. Research an example of a threat to health, safety, and welfare that was prevented or could have been controlled through a land use control such as zoning. Submit an article or other reference to the example and submit a paragraph describing how you believe this issue could have been controlled for through your proposed control or a control you have learned about in class. Be prepared to discuss this during this week's synchronous component.	The documents will be peer-reviewed and then presented and discussed in the synchronous session. In addition to the requested article, the written submission should be roughly one paragraph, posted in Word or PDF at least four hours before the start of the live session.
6	Assignments to be submitted for grading: None	
7	Exercise on sustainability and resilience. Referring back to the community selected for the group exercise in the week on the natural environment, what steps are or should be taken to address the most pressing issues of sustainability, including but not limited to the specific condition addressed in that first exercise?	The response should succinctly restate the issue, following this with recommendations. The response should be formatted as a two- to three-page memorandum to an elected official with policy implementation recommendations

		and should be posted not less than four hours before the start of the live session.
8	Green zone exercise. What elements of green zones might work best in affected areas of your community? What process would you propose be followed to raise the issue and seek to implement a green zone or multiple green zones, and what are the intended outcomes if such zones are implemented?	Please review the green zone readings before answering this question. The response can be a narrative or memorandum addressed to a public, institutional, or nonprofit policymaker or makers and posted not less than four hours before the start of the live session.
9	Field reconnaissance exercise. Identify an area in your community in which you are working or in which you have a particular interest. Walk or drive the area and derive a sense of the area's composition, condition, level of activity, and direction (i.e., does it seem to be growing or declining?).	Write up a short (around three, not more than five, pages) analysis of your findings and the basis for them. Include any relevant sketch maps or diagrams you feel will help explain your findings. Post your response not less than four hours before the start of the live session.
10	Assignments to be submitted for grading: None	
11	Create the perfect project. In groups of two or three, create what your team believes is the perfect project for the fact pattern presented. Don't worry about making the project balance financially. Dream big!	See the prompt attached to the week in the LMS. Prepare a one-page project description of your project for review during the week's synchronous component. You'll meet your angry neighbors during the synchronous session, so think through all the details of your proposal! Post your proposal not less than eight hours before the start of the live session so there is ample time for others to prepare themselves to respond.
12	Assignments to be submitted for grading: None	
13	Attend a public hearing. Locate a public hearing on a land use issue in your community or online. Submit a copy of the agenda for the hearing you attended or viewed.	In addition to the hearing agenda, submit a one- to two-page summary of your observations considering what we have discussed in the course thus far. Post this at least four hours before the start of the live session.
14	Assignments to be submitted for grading: None	
15	FINAL PRESENTATIONS	

Statement on Academic Conduct and Support Systems

Academic Conduct

Plagiarism—presenting someone else’s ideas as your own, either verbatim or recast in your own words—is a serious academic offense with serious consequences. Please familiarize yourself with the discussion of plagiarism in SCampus in part B, section 11, “Behavior Violating University Standards” (policy.usc.edu/scampus-part-b). Other forms of academic dishonesty are equally unacceptable. See additional information in SCampus and university policies on scientific misconduct: policy.usc.edu/scientific-misconduct.

Support Systems

Student Health Counseling Services: (213) 740-7711—24/7 on call

engemannshc.usc.edu/counseling

Free and confidential mental health treatment for students, including short-term psychotherapy, group counseling, stress fitness workshops, and crisis intervention.

National Suicide Prevention Lifeline: 1 (800) 273-8255—24/7 on call

suicidepreventionlifeline.org

Free and confidential emotional support to people in suicidal crisis or emotional distress 24 hours a day, 7 days a week.

Relationship and Sexual Violence Prevention Services (RSVP): (213) 740-4900—24/7 on call

engemannshc.usc.edu/rsvp

Free and confidential therapy services, workshops, and training for situations related to gender-based harm.

Office of Equity and Diversity (OED) | Title IX: (213) 740-5086

equity.usc.edu, titleix.usc.edu

Information about how to get help or help a survivor of harassment or discrimination, rights of protected classes, reporting options, and additional resources for students, faculty, staff, visitors, and applicants. The university prohibits discrimination or harassment based on the following protected characteristics: race, color, national origin, ancestry, religion, sex, gender, gender identity, gender expression, sexual orientation, age, physical disability, medical condition, mental disability, marital status, pregnancy, veteran status, genetic information, and any other characteristic which may be specified in applicable laws and governmental regulations.

Bias Assessment Response and Support: (213) 740-2421

studentaffairs.usc.edu/bias-assessment-response-support

Avenue to report incidents of bias, hate crimes, and microaggressions for appropriate investigation and response.

The Office of Disability Services and Programs: (213) 740-0776

dsp.usc.edu

Support and accommodations for students with disabilities. Services include assistance in providing readers/notetakers/interpreters, special accommodations for test-taking needs, assistance with architectural barriers, assistive technology, and support for individual needs.

USC Support and Advocacy: (213) 821-4710

studentaffairs.usc.edu/ssa

Assists students and families in resolving complex personal, financial, and academic issues adversely affecting their success as a student.

Diversity at USC: (213) 740-2101

diversity.usc.edu

Information on events, programs and training, the Provost’s Diversity and Inclusion Council, Diversity Liaisons for each academic school, chronology, participation, and various resources for students.

USC Emergency: UPC, (213) 740-4321; HSC, (323) 442-1000—24/7 on call

dps.usc.edu, emergency.usc.edu

Emergency assistance and avenue to report a crime. Latest updates regarding safety, including ways in which instruction will be continued if an officially declared emergency makes travel to campus unfeasible.

USC Department of Public Safety: UPC, (213) 740-6000; HSC, (323) 442-120—24/7 on call

dps.usc.edu

Non-emergency assistance or information.

INSTRUCTIONS FOR FINAL PRESENTATIONS

PLUS 660 and PLUS 661 will use the same projects for final presentations. Repeated below are the instructions for final presentations for PLUS 660 WITH ADDITIONAL REQUIREMENTS, IN *ITALICS*, FOR THE PLUS 661 FINAL PRESENTATIONS.

PLUS 660 ECONOMICS OF PRODUCTIVE DEVELOPMENT

PLUS 661 POLITICS AND PROCESSES OF URBAN DEVELOPMENT

The following is a description of the formats to be followed in the analysis. Each section of the presentation should have a separate cover page. (See General Notes for a discussion of eligible projects.)

Note that those items marked with an * should reflect the results of personal contact with the developer, his consultants, the city, and its consultants to the greatest extent possible

I. PROJECT DESCRIPTION

1. **Executive Summary**—A narrative description of the project and the site characteristics, including specifically what approvals are being requested by the developer/applicant and which political bodies will be providing those approvals.
2. **Project Summary**—A listing with one line for each of the following items: project type, land area (acres or square feet), existing and proposed general plan designation, existing and proposed zoning, legal description and/or street address, and type of street location, e.g., highway, feeder, freeway.
 - a. If "for rent" commercial, industrial, retail, or multifamily project, include: gross building area by building type or use; net rentable area by building type or use; number of stories and/or building height in feet; number of parking spaces and number; size and mix of apartment units, if applicable; and annual revenues and expenses, NOI, and estimated cap rate.
 - b. If "for sale" single-family detached or land sales project, include: number of homes, unit sizes, number of lots, lot sizes, area of streets, schools, parks, and so on.
3. **Location and Community Context**—This consists of a brief discussion of the project's location and regional context and the community context as being generally pro-growth, antigrowth, sensitized by other particular developments, and so on.
4. **Major Issues***—A listing of each of the major support and opposition issues involved in the review of the project.

II. PROJECT SETTING

1. **The Physical Setting**—A brief paragraph narrative.

Note any specific natural features (forest lands, wetlands, flood plains, coastal areas, etc.) that exist on or affecting the site and how these features are addressed in the project as designed. (These may also have been addressed in the environmental documents prepared for the project and thus might also be covered in Section III The Process of Approval Element 3 EIR Mitigations and Significant Conditions of Approval.)

2. **Access, Traffic Conditions, and Utilities/Infrastructure**—One paragraph or longer on the subject of what kind of road access the project has and whether traffic was a particular problem. The next paragraph should relate to the availability of utilities and infrastructure. The final paragraphs should describe any other issues of significance relating to the projects (e.g., grading, streetscape, fire department, or other special requirements).
3. **Social and Political Institutional Setting**—Include first a listing on a line-by-line basis of the specific political bodies that had review authority over the project, then a separate listing of the informal community organizations or protest groups with specific interest in the project.

III. THE PROCESS OF APPROVAL

1. **Summary**—Describe the specific approvals required for the project including, if applicable, general plan amendment, environmental impact report (if not required, explain why), tentative tract map, conditional use permit, and so on.

Specifically describe deviations from development that are by right on the project site including General Plan or Master Plan land use amendments, zone changes, use of bonus options, conditional use permits or variances sought, and specifics of how those were handled during the approval process, including justifications needed, how they affected the time line, whether they resulted in changes to development cost (positive or negative) and specifics around negotiations for such discretionary actions.

2. **Timetable**—Describe and list a timetable of major events from project inception to project approval.
3. List EIR mitigations and significant conditions of approval, and describe reasons or basis for those conditions.
4. List significant findings by government boards/commissions/city council.

IV. DYNAMICS OF THE PROCESS*

The critical portion of this section consists of the following items:

1. A generic assessment of the process as to the level of antagonism, delay, and complexity.
2. An overall assessment of the extent to which there were winners or losers or a collaborative result.
3. Your own views as a team of the extent to which the process was mismanaged by one or more parties during the process and a better result could have been achieved or a better collaboration realized had one or more of the players behaved differently.
4. Your views as a team summarized in bullet points or short paragraph form consisting of the following items: (1) hidden agendas to the extent that they existed and were identified; (2) the specific role of personalities and/or political goals in the process to the extent that they redirected it or had a particular impact beyond that of the issues at stake; and (3) such other informal items as you may wish to include.

V. A FINANCIAL ASSESSMENT*

This part of the analysis should follow the general format outline shown below. The level of generality and/or specificity is left entirely up to the student group. The object here is to demonstrate the generic sensitivity of the overall cost and profitability to the changes that occurred in the development approval process and not to be a precise pro forma. The table elements may be summarized, for example, triple net rent for retail may suffice for NOI.

In analyzing the project, consider whether the project was "following the market," that is, was of a type and in a location where growth potential and probability of success was generally assumed, or was of a type, in a location, or timed to "bend the market," that is, was being introduced into a high risk area, an area with limited or no recent investment activity or was otherwise being induced or facilitated by the public sector. Specifically address incentives requested/offered and used, such as tax rebates or abatements, land cost writedowns, preferential permit processing, and how they factored into both the approval process and the ultimate financing scheme and success of the project.

1.	<u>Rental Properties</u>	<u>As Proposed</u>	<u>As Approved</u>	<u>Change</u>	<u>Change</u>
	Annual Revenues	\$	\$	\$	\$
	Per Unit or S.F.				
	Total				
	Annual Expenses				
	Per Unit or S.F.				
	Total				
	Net Operating Income (Before Debt Service)				
	Cap Rate				
	Market Value				
2.	<u>For Sale Projects</u>				
	Revenues				
	Per Unit				
	Total				

AN EXPLANATORY (AND HOPEFULLY COMFORTING) NOTE ON FINANCIALS

The instructors recognize that it is often quite difficult to get financial information from the developer. One alternative is to examine carefully the public record for pro forma financial information submitted by developer or city staff in support of some issue. If this fails, then students are invited to re-create the before and after pro forma using available industry data and their best judgment.

Note that the goal here is not to achieve precise historic accuracy; it is instead to illustrate how the changes mandated in the approval process change the economics of a project.

VI. APPENDICES

Exhibits and supporting documents should be put at the end of the report as an appendix, rather than interspersed in the individual sections. Include specifically, if available, copies of the initial study for EIR determination and final EIR mitigation conditions, conditions of approval for tentative tract map, general plan amendment, CUP, and so on and significant staff reports, development agreements, and the like, as well as significant newspaper articles related to the technical and political issues of the project.

Please note that the main document will benefit significantly from cross-references to the appendices. In general, the preferred approach is to summarize or possibly even briefly quote source documents on key issues but to also refer the reader by title and page number to the source document to provide a more complete view of the issue if one is needed.

GENERAL NOTES

1. Do not select projects currently "in process"; select only projects that have received their FINAL approvals. Projects currently under construction or where construction has recently been completed are preferable.
2. Projects from outside Southern California are particularly welcome, and there will be some relaxation of the personal contact requirements as well as the option to present on the later presentation day.
3. Eligible projects will have a completed value in excess of \$20 million (market value or sales revenues).
4. Students should contact the city and/or the developer and then prepare a brief summary or outline of the project for review and approval by instructor *before* proceeding to full report analysis.
5. As noted in the syllabus, each student team should schedule a meeting with the instructor.
6. Examples of prior student reports will be provided for review by students in class.
7. Additional information on the format of the in-class presentation will be provided.