

PPD 624: LOCAL ECONOMIC DEVELOPMENT: THEORY AND FINANCE
SYLLABUS
4 units, Fall 2022
Thursday Evening
August 25 – December 1, 2021
6:00 P.M. – 9:20 P.M.
CPA 155

Instructor: Dion Jackson, MBA, MRED, MPI
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Office Hours: One hour prior to class or by appointment.

Overview

Economic Development Finance focuses on the tools and programs available to the economic development practitioner to address capital needs for businesses and economic development projects. Issues of socioeconomic change, economic development theory, assessment techniques, and economic indicators in the context of planning and development policies and programs are examined with respect to planning and developing platforms for economic development.

Along with an introduction to the role of financing in the economic development process, the course provides a foundation on how firms and development projects are financed and the interpretation and analysis of business financial statements to understand capital needs and evaluate the ability to support financing. We will consider how capital market imperfections result in financing gaps and focus on the policy and institutional models that exist to address these capital gaps and stimulate private investment in local economic development. Lastly, students will be introduced to public finance tools and their application to economic development.

Course Objectives

The course objectives are to provide students with a comprehensive overview of local economic development finance practice in the United States; and to develop the knowledge and skills base sufficient to understand how local economic development finance practitioners apply economic development finance approaches to other fields of planning and development. Students will be introduced to the following knowledge and skills areas in the course:

1. An understanding of the operation of private financial markets and their limitations in serving economic development finance needs.
2. Familiarity with the program models and institutions that can be used to address community and business financing gaps.
3. An understanding of different business capital needs and the appropriate financial instruments and institutions used to address these needs.
4. An introduction to interpreting and analyzing business financial statements.

5. Knowledge of federal economic development financing programs.
6. An understanding of feasible program approaches and models to address specific development financing gaps and business capital needs.
7. An introduction to institutional and program resources that can be used to meet economic development financing objectives.
8. An introduction to public finance tools and their uses for local economic development.

Required Textbook

Sammis B. White and Zenia Z. Kotval, Editors. "Financing Economic Development in the 21st Century"; Second Edition, Armonk, New York: M. E. Sharpe, Inc., Publisher, 2013. ISBN 978-07656-2782-7

Recommended Textbook

Nancey Green Leigh and Edward J. Blakeley, "Planning for Local Economic Development: Theory and Practice"; Sixth Edition, Thousand Oaks, California: SAGE Publications, Inc. Publisher, 2013. ISBN 978-1-4588-4259-0 (paper) or ISBN 978-1-4588-4259-6 (web)

Course Format/Syllabus Revision

This is a lecture class. However, we will interact with and learn from each another. Participation and attendance are expected at each class session. Questions about the readings, discussions of examples from your internships or jobs that relate to the topic, or examples from your hometown or state you live in will be encouraged. During certain weeks, students will be asked to select current articles from newspapers and/or magazines dealing with the subject matter of the upcoming class. Students will present a brief oral summary of the article's relationship to the subject matter to be discussed during the class session.

The instructor will regularly assess progress and solicit student feedback regarding the course. If necessary, the syllabus will be revised to make it more responsive to class needs. This will not, however, extend to the grading criteria.

Grading and Assignments

SYLLABUS REVIEW AND REVISION. During the course of the semester I will regularly review student progress and may revise the syllabus to meet class needs.

GRADES AND EXPECTATIONS: Your grade will be determined by a combination of participation and the completion of written and oral assignments. A person who does not attend class regularly will fail notwithstanding the delivery of written assignments. Rubrics will be provided for each assignment and grades will be assigned accordingly. Individual letter grades will be assigned and weighted based on the following table.

Reading assignments are specified for each class. Additional reading materials may be provided for additional information on key topics.

<u>Assignment</u>	<u>Due Date</u>	<u>Weight/Points</u>
1. Market Analysis	9/29/2022	15%
2. Article Summary Presentations (2)	Throughout	10% Total (5% Each)
3. Balance Sheet Analysis	10/20/22	15%
4. Pro Forma Memo	11/17/22	15%
5. Final Presentation	12/1/22	15%
6. Final Paper	12/8/22	20%
7. Class Participation	Throughout	10%

Guidelines for written assignments:

1. All submitted work must be in MSWord, 12pt Times New Roman font, be left-justified, single-spaced, use indents at the beginning of each paragraph, and have numbered pages.
2. Check to see that your work is spelled correctly, uses language correctly, and provides appropriate citing and documentation for all sources of information using the American Psychological Association (APA) style.
3. Submit your original work on time.

Assignment Instructions

There are two article presentation assignments, four written assignments, and one group presentation. Below is a cursory overview of each assignment and detailed instructions on each will be provided throughout the semester.

I. Market Study Analysis: Due September 29, 2022

Chapter 1 of the “Financing Economic Development in the 21st Century” book provides an overview of population growth, employment trends, household income distribution, drivers of economic growth, taxation, subsidies to encourage development, and sources of financing for local economic developers. Chapter 6 in the recommended text, “Planning for Local Economic Development: Theory and Practice” summarizes the key analytics of an industry. Students will select one of the four provided markets and write a market analysis that will be no more than 5 pages. Guidelines about submission will be distributed when assigned.

II. Balance Sheet Analysis: Due October 20, 2022

Students will perform an organizational deep dive into how an organization operates by analyzing their financial statements. This assignment will be written and is expected to be no more than 5 pages. Guidelines about submission will be distributed when assigned.

III. PowerPoint Presentation of Article: Due dates to be assigned in class

Each student or group (depending on class size) will present and lead the class in discussion on an article related to the chapters or readings they are assigned on the date scheduled in the syllabus. These presentations can be brief (less than 5 slides) but should give a synopsis of the article, connect it to the reading, and probe discussion from fellow classmates. Guidelines about submission will be distributed when assigned.

IV. Pro Forma Memo: Due November 17, 2022

Students will be provided the pro forma for a development project and will perform a fiscal analysis of key metrics such as NOI, total development cost, cost per unit, and operating expenses. At the end of the analysis, students will comment on whether the subject project is financially suitable and worth pursuing. This is meant to be an executive summary and will be no more than 4 pages. Guidelines about submission will be distributed when assigned.

V. Final Presentation: Thursday, December 1, 2022

A presentation will be made on the recommendations in the Final Paper. Guidelines about submission will be distributed when assigned.

VI. Final Paper: Due Thursday, December 8, 2022

Students will write a paper. Guidelines about submission will be distributed and this paper will be due by 9:00 PM on this date via Blackboard.

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.

COURSE EVALUATION

Course evaluation occurs at the end of the semester university-wide. It is an important review of students’ experience in the class. The process and intent of the end-of-semester evaluation is to improve the future delivery of the course.

COURSE SCHEDULE: A WEEKLY BREAKDOWN

The following class schedule identifies the dates for each class as well as the readings and/or assignments **due on that date**.

August 25, 2022

Introductions, Review syllabus, Class structure, Use of Blackboard and Zoom

Class Activity: Urban Plan Exercise

September 1, 2022

Introduction to the Practice of Local Economic Development & Finance

Readings Due:

Required: White & Kotval: Chapter 1

Recommended: Leigh & Blakely: Chapter 1

September 8, 2022

Economic Development Theory & Tools

Readings due:

Required: White & Kotval: Chapters 2 & 3

Recommended: Blakely & Leigh: Chapter 3

Article Presentations (Selected Individuals/Groups)

September 15, 2022

Who we are and how we work

Readings due:

Required: TBD

Recommended: Blakely and Leigh: Chapters 2, 4 & 5

September 22, 2022

Market Analytics & Introduction to Development Finance Tools

Readings due:

Required: White & Kotval: Chapters 5 & 6

Recommended: Blakely and Leigh: Chapter 6

Article Presentations (Selected Individuals/Groups)

September 29, 2022

Understanding Capital Products & Financial Statements

Written Assignment #1 (Market Analysis) Due

Readings due:

Required: White & Kotval: Chapter 4

October 6, 2022

Methods to Spur Private Investment

Form groups for Final Presentation & Assign Topics

Readings Due:

Required: White & Kotval: Chapter 9

Recommended: Blakely and Leigh: Chapter 8

Article Presentations (Selected Individuals/Groups)

October 13, 2020 – Fall Recess

October 20, 2022

Thinking Outside the Box: Workforce Development & Creative Capital

Written Assignment #2 (Balance Sheet Analysis) Due

Readings due:
Blakely and Leigh: Chapter 10
White & Kotval: Chapter 10

October 27, 2022

Urban & Rural Development

Readings due:
Blakely and Leigh: Chapter 11
White & Kotval: Chapter 11 & 13
Article Presentations (Selected Individuals/Groups)

November 3, 2022

Strategic Planning

Readings due:
TBD
Recommended: Blakely and Leigh: Chapter 12

November 10, 2022

Pro Forma Analysis

Readings due:
Required: White & Kotval: Chapter 15
Article Presentations (Selected Individuals/Groups)

November 17, 2022

Putting It All Together

Written Assignment #3 (Pro Forma Memo) Due

Readings due:
Required: White & Kotval: Chapter 14
Recommended: Blakely and Leigh: Chapter 13

Optional Reading Assignment for 12/1/2022:

Blakely and Leigh: Chapter 14

White & Kotval: Chapter 16

November 24, 2022: Thanksgiving Week

December 1, 2022

Make group presentations based on Term Paper.

FINAL EXAM: Thursday, December 8, 2022, 9 PM Due

Upload Final Paper to Blackboard by 9 PM

Example of Writing Format:

All submitted work must use Times New Roman 12pt font, be left-justified and double-spaced, use indents at the beginning of each paragraph, and have numbered pages.

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STATEMENT ON SUPPORT SYSTEMS:

Counseling and Mental Health - (213) 740-9355 – 24/7 on call

<https://sites.google.com/usc.edu/counseling-mental-health/>

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

<https://studenthealth.usc.edu/sexual-assault/>

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

Office of Equity and Diversity (OED) - (213) 740-5086 | Title IX – (213) 821-8298

equity.usc.edu, titleix.usc.edu

Information about how to get help or help someone affected by 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.

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

<https://osas.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.

Bias Assessment Response and Support - (213) 821-8298

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

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

USC Campus Support and Intervention - (213) 821-4710

campussupport.usc.edu

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

Trojans Care 4 Trojans (TC4T) - (213) 821-4710

<https://campussupport.usc.edu/trojans-care-4-trojans/>

USC Trojans Care for Trojans (TC4T) is an initiative within the Office of Campus Wellness and Crisis Intervention that empowers USC students, faculty and staff to take

action when they are concerned about a fellow Trojan challenged with personal difficulties.

The website has a private and anonymous request form for Trojans to help a member of our Trojan Family.

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 infeasible.

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.

END OF SYLLABUS