

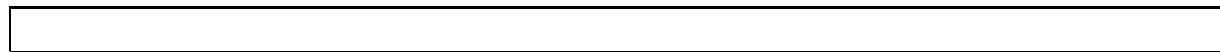


## PPD 531 - Affordable Housing Development in Context and Practice

Fall 2024 | Thursday 6:00 pm – 9:20 pm | VPD 110

**Instructor:** Peter Enzminger, MPL with guest lectures by practitioners  
**Contact:** Phone: 925-683-5129 (cell)  
Email [enzminge@usc.edu](mailto:enzminge@usc.edu)  
**Office Hours:** Thursdays 4-6p, or by Appointment (phone/zoom/in person)

*Students can expect to receive a response within 24 hours*



### Course Description

The recitations of the affordable housing crisis are almost commonplace: the number of rent-burdened households, the number of minimum wage hours needed to afford a median apartment, the soaring construction costs, the steady loss of rent-controlled units, the growing count of unhoused Californians and Angelenos, the trauma of housing loss and housing insecurity, and the disproportionate amount of Black, Indigenous and people of color households experiencing housing insecurity. How did we get here, and what tools exist to create more affordable housing? This course will explore the intersection of real estate development, planning, policy, and design in the production of affordable housing in a U.S. and specifically California context. We'll focus on the main instrument of production, the low income housing tax credit (LIHTC), how it works, how it doesn't, and where we can go from here. As a studio, our orientation will be toward a practical and critical understanding of affordable housing development in our current policy environment, with historical context and policy analysis playing a necessary but supporting role. Students will learn all aspects of affordable housing development by conceiving and underwriting a project of their own.

Each class will focus on a specific topic of affordable housing development. The beginning of the semester will include a historical overview to assess and understand the role and functionality of current public policy in the context of 20<sup>th</sup> century US housing policy, while exploring legacies of redlining and disinvestment. From there, the course will methodically move through the various aspects of contemporary affordable housing production, including private and public financing sources, site planning, site acquisition, and recent innovations in affordable housing finance structure.

There will be a midterm project and a final project in which students will implement course topics by developing an affordable housing project concept and underwriting it. At the end of the course, all students should be able to analyze site feasibility and perform basic functions of financial underwriting in the LIHTC model, including updating financial pro formas, creating a financing plan, a basic site plan, and project description.

## Learning Objectives

- Students will be able to describe and explain current affordable housing production policy and evaluate it in historical context
- SWBAT evaluate a site for use as an affordable housing development based on zoning, amenities/neighborhood, and financial viability
- SWBAT describe, manipulate, revise, and update financial pro forma analytical tools
- SWBAT create a financing plan and project description for an affordable housing project of their own conception, including a complete pro forma model
- SWBAT create a simple site plan and feasibility study for an affordable housing development on a given site

**Prerequisite(s):** none

**Co-Requisite(s):** none

**Concurrent Enrollment:** none

## Recommended Preparation

It is recommended that students have an interest in affordable housing development, history, and/or policy in the United States, and in particular, California. This course will be taught with affordable housing development in mind, and in so doing, explore relevant policies. A background in real estate or policy analysis is not required. An interest in how to effectively use public resources to address housing insecurity is essential.

## Course Structure

Classes will generally be conducted in three parts: the first hour will include the presentation of information and/or discussion of reading and HW assignments. Lectures may on occasion be an asynchronous assignment for students to watch before class. The second hour will include a guest speaker practitioner involved in the production of affordable housing. The third hour will include a group or individual learning exercise, assignment, or activity to practice concepts presented or explored earlier in class.

## Technological Proficiency and Hardware/Software Required

The class will be taught in VPD 110 123 and in-person attendance is required—classes are prepared for synchronous work. However, given the unpredictability of current events, there will likely be a zoom option, particularly if you are experiencing symptoms, have a positive Covid-19 test, or other extenuating circumstances. For technological predictability, it is helpful to have advance notice to prep zoom functionality, but it's understood that this is not always possible.

A laptop and internet connection are essential components of the course. Software requirements include Microsoft Excel & Word (Mac or Windows environment OK), or

Google Sheets & Docs; Adobe Acrobat or Reader (to read pdfs and to convert spreadsheets and documents into pdf); and an internet browser. If needed, loaner laptops can be rented from Leavey Library. Students will need access to a laptop or computer to complete most if not all assignments. Please contact the instructor if alternate arrangements or accommodations are necessary.

Assignments will be submitted via Brightspace, email, or hard copy. Expectations will be made clear for each assignment.

Class information will be posted on the class Brightspace site, including assignments and lecture slides.

### **Required Readings and Supplementary Materials**

All readings and supplemental materials will be provided via Blackboard.

### **Grading Breakdown**

Assignments will be weighted using the following breakdown:

-	<b>In-Class Participation (Discussions &amp; Exercises)</b>	<b>10%</b>
-	<b>Individual Assignments (AKA Homework)</b>	<b>30%</b>
-	<b>Midterm Project: RFP Response</b>	<b>20%</b>
-	<b>Final Project: Development Proposal</b>	<b>40%</b>

### **Key Assignments**

Class Participation: All students are expected to contribute to class discussions, in-class assignments and group project work.

Weekly readings: Students must complete assigned readings and review of background materials. This will be evaluated based on participation in class discussions and integration of assigned readings into submitted assignments.

Weekly assignments: Weekly assignments will reflect the content presented in class, and will include financial exercises, problem sets, short writing assignments, or local site visits in the neighborhood in which you reside. Weekly assignments are due in hard copy at the beginning of each class.

Midterm: students will create an “RFP Response” to a pre-selected site in which they will propose and underwrite an affordable housing development.

Final Project: students will evaluate and select a site, create a simple site plan, and create a full project proposal including a financing plan, project description, and pro forma financial analysis.

## **Grading Scale**

Course final grades will be determined using the following scale

A	95-100
A-	90-94
B+	87-89
B	83-86
B-	80-82
C+	77-79
C	73-76
C-	70-72
D+	67-69
D	63-66
D-	60-62
F	59 and below

## **Assignment Submission Policy**

All assignments must be turned in hard copy and/or via email (or other stated submission method) by the deadline provided. Late work is accepted with a 1 letter grade penalty per week the assignment is late. For the one-pagers and work graded on a 1-10 scale, this is a 1-point penalty per week. Other work may have larger or smaller point penalties equating to a letter grade deduction per week late.

## **Grading Timeline**

Grading will be done in a timely manner to provide feedback that will inform the final project.

## **Attendance**

Every student is expected to be present in person for the entirety of every scheduled class. As mentioned above, zoom attendance may be an option pending unpredictable events we all face. My preference is for zoom attendance to be by prior approval only; this may not always be possible.

Every student may have one mulligan, or no-show, due to any reason at all, and may be either excused or unexcused (ie notice provided to me or not). Missing more than one class will reduce the participation and/or overall grade in the class in an increment proportional to the number of classes missed. If there are extraordinary circumstances leading a student to miss more than one class, please contact me via email or cell phone.

## **Syllabus Revision**

The instructor will regularly assess progress and solicit student feedback regarding the course. This could include increasing or decreasing weekly assignments, changing assignments, reconsidering the sequence of topics, or anything of this nature. All revisions will be done with a north star of increasing student mastery of stated course objectives.

## Weekly Course Schedule

### 1. August 29, 2024 – How did we get here? Pt 1

Welcome, introductions, orientation & norms

Essential questions

Lecture: How did we get here? Pt 1

1-pagers: expectation setting

### 2. September 5, 2024 – How did we get here? Pt 2

Due:

- Selections from *The Warmth of Other Suns* by Isabel Wilkerson (p. 8-11, 12-15, 31-46, 95-106, 148-149, 165-170, 183-184, 260-275, 394-398)
- Selection from *Color of Law* by Robert Rothstein: Ch 3-5 (p. 39-91)
- Documentary: "The Pruitt-Igoe Myth" (1hr 23m)
- One page response essay synthesizing and citing each assigned reading/viewing/lecture

Discussion of reading

Lecture/Exercises: How Did We Get Here Pt 2 / Defining key terms & mortgage fundamentals

### 3. September 12, 2024 – How did we get here Pt 3

Due:

- Selections from *Race for Profit* by Dr. Keeanga Yamahtta Taylor (p. 29-44, 48-54)
- Selection from *The Color of Money* by Mehrsa Baradaran (p. 87-96)
- Article: "Wall Street Veterans Bet on Low-Income Home Buyers", New York Times
- Web Article: "The devaluation of assets in Black neighborhoods"  
(<https://www.brookings.edu/research/devaluation-of-assets-in-blackneighborhoods/>)
- One page response essay synthesizing and citing each assigned reading/viewing/lecture

Discussion of readings

Lecture: How did we get here?

Pt 3 Exercise: Defining Affordability

### 4. September 19, 2024 – What is the timeline of a deal?

Due:

- Selections from *Race for Profit* by Dr. Keeanga Yamahtta Taylor (p. 88-92, 113-165, 244-251)
- Selections from *The Color of Money* by Mehrsa Baradaran, (p. 234-238, 257-260)
- One page response essay synthesizing and citing each assigned reading/viewing/lecture

Discussion of readings

Lecture: LIHTC Introduction / timeline of development activities

Guest Speaker: Developer

Exercises: ID/categorize development activities by phase

## **5. September 26, 2024 – What is the LIHTC Program?**

Due:

- LIHTC site visit/walk-by & contextual research on neighborhood & developer
- Article: “Learning from the Low Income Housing Tax Credit: Building a New Social Investment Model” by Barry Zigas
- Sacramento Bee Article: “Corporate tax cuts blocked at least 15,000 affordable homes in California. Here’s how.”
- Fact Sheet: “California Affordable Housing Needs Report 2021”; “California’s Housing Emergency 2018” by CA Housing Partnership Corporation
- One page response essay synthesizing and citing each assigned reading/viewing/lecture

Discussion of readings

Lecture/exercises: pro forma overview, AMIs, rent, cashflow, & debt service

Guest speaker: Banker

Exercises: rents & debt

## **6. October 3, 2024 – Where do LIHTC funds come from?**

Due

- Debt & Income problem set
- Pro Forma – Annotate with questions
- Lender LOI – Annotate with questions
- Tax Credit Investor LOI – Annotate with questions

Lecture/exercises: LIHTC fundamentals, basis, using a pro forma to calculate equity

Guest Speaker: Tax Credit Equity Investor

Exercises: costs, basis, and equity

## **7. October 10, 2024 – Where do the public funds come from?**

Due:

- Tax credit equity problem set
- Readings on State funding sources

Lecture: gap financing, policy, and timing; cashflow intro Guest  
Speaker: Public Sector Lender  
Overview of Public Financing Visual Assignment

## **8. October 17, 2024 – No class, Fall Break**

Bookmark: Possible group site visit/tour of affordable housing development. Not mandatory, and feasibility is subject to current events.

## **9. October 24, 2024 – How much can you fit on a site?**

Due:

- Public Financing Visual Assignment
- Selected readings re affordable housing design standards
- One page response essay synthesizing and citing each assigned reading/viewing/lecture

Lecture: fundamentals of site planning for developers aka “close enough for jazz”  
Guest Speaker - Architect  
Presentations/Gallery: Public Financing Assignment Introduce  
Midterms

## **10. October 31, 2024 – Pro Forma misc. and What Are Bonds Anyway?**

- Due: Midterm Draft

Lecture: Cashflow, developer fee, rental subsidy, tiebreaker, bonds & other pro forma questions  
Midterm work time & check-ins

## **11. November 7, 2024 – Midterm Presentations**

Due:

- Midterm Project – written submission
- Midterm Presentations

## **12. November 14, 2024 – Where should projects be built?**

Due:

- Selected readings on Fair Housing / TCAC Opportunity Areas
- Short blog post on Blackboard Discussion Forum

Lecture: site considerations, zoning, amenities, politics, bonuses, wonkery  
Guest Speaker – Planner

Exercise: using loopnet to search for sites, analyzing sites

## **13. November 21, 2024 – How does housing the homeless work?**

Due:

- Identify 2-3 sites on loopnet that you have determined are feasible for multifamily development per available zoning, amenity info, and context

Lecture/Discussion: supportive services overview

Guest Speaker: service provider

Exercise: Intro Final. Group time to share and rank sites. Instructor approval of #1 and/or #2 option required as ticket to leave.

## **14. November 28, 2024 – No Class, Thanksgiving**

## **15. December 5, 2024 – What are alternatives to LIHTC?**

Due:

- DRAFT site plan, DRAFT financing plan, DRAFT project description  
OR
- OPTION 2: Early Submission of Final Project

Lecture: LIHTC alternatives and innovations

Guest Speaker(s)

Exercise: peer review of draft materials

## **16. December 12, 2024 from 6:00-9:00 p.m. PST – Final Examination**

Due:

- Final project – written submission
- Final presentation

Guest jury introductions

Student presentations, Q&A, feedback/crit



## Statement on Academic Conduct and Support Systems

The University of Southern California is foremost a learning community committed to fostering successful scholars and researchers dedicated to the pursuit of knowledge and the transmission of ideas. Academic misconduct is in contrast to the university's mission to educate students through a broad array of first-rank academic, professional, and extracurricular programs and includes any act of dishonesty in the submission of academic work (either in draft or final form).

This course will follow the expectations for academic integrity as stated in the [USC Student Handbook](#). All students are expected to submit assignments that are original work and prepared specifically for the course/section in this academic term. You may not submit work written by others or "recycle" work prepared for other courses without obtaining written permission from the instructor(s). Students suspected of engaging in academic misconduct will be reported to the Office of Academic Integrity.

Other violations of academic misconduct include, but are not limited to, cheating, plagiarism, fabrication (e.g., falsifying data), knowingly assisting others in acts of academic dishonesty, and any act that gains or is intended to gain an unfair academic advantage.

The impact of academic dishonesty is far-reaching and is considered a serious offense against the university and could result in outcomes such as failure on the assignment, failure in the course, suspension, or even expulsion from the university.

For more information about academic integrity see the [student handbook](#) or the [Office of Academic Integrity's website](#), and university policies on [Research and Scholarship Misconduct](#).

Since creating, analytical, and critical thinking skills are part of the learning outcomes of this course, all assignments should be prepared by the student working individually or in groups. Students may not have another person or entity complete any substantive portion of the assignment. Developing strong competencies in these areas will prepare you for a competitive workplace. Therefore, using AI-generated tool for written or financial/excel work is prohibited in this course, will be identified as plagiarism, and will be reported to the Office of Academic Integrity. Using AI-generated work for visual "architectural" renderings is allowable with attribution; however, the use of real-world precedent images, sketches, watercolors/etc is STRONGLY encouraged and will be looked at more favorably in assessment.

## **Course Content Distribution and Synchronous Session Recordings Policies**

USC has policies that prohibit recording and distribution of any synchronous and asynchronous course content outside of the learning environment.

Recording a university class without the express permission of the instructor and announcement to the class, or unless conducted pursuant to an Office of Student Accessibility Services (OSAS) accommodation. Recording can inhibit free discussion in the future, and thus infringe on the academic freedom of other students as well as the instructor. ([Living our Unifying Values: The USC Student Handbook](#), page 13).

Distribution or use of notes, recordings, exams, or other intellectual property, based on university classes or lectures without the express permission of the instructor for purposes other than individual or group study. This includes but is not limited to providing materials for distribution by services publishing course materials. This restriction on unauthorized use also applies to all information, which had been distributed to students or in any way had been displayed for use in relationship to the class, whether obtained in class, via email, on the internet, or via any other media. ([Living our Unifying Values: The USC Student Handbook](#), page 13).

## **Students and Disability Accommodations:**

USC welcomes students with disabilities into all of the University's educational programs. [The Office of Student Accessibility Services](#) (OSAS) is responsible for the determination of appropriate accommodations for students who encounter disability-related barriers. Once a student has completed the OSAS process (registration, initial appointment, and submitted documentation) and accommodations are determined to be reasonable and appropriate, a Letter of Accommodation (LOA) will be available to generate for each course. The LOA must be given to each course instructor by the student and followed up with a discussion. This should be done as early in the semester as possible as accommodations are not retroactive. More information can be found at [osas.usc.edu](https://osas.usc.edu). You may contact OSAS at (213) 740-0776 or via email at [osasfrontdesk@usc.edu](mailto:osasfrontdesk@usc.edu).

## **Support Systems:**

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

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

### [988 Suicide and Crisis Lifeline](#) - 988 for both calls and text messages – 24/7 on call

The 988 Suicide and Crisis Lifeline (formerly known as the National Suicide Prevention Lifeline) provides free and confidential emotional support to people in suicidal crisis or emotional distress 24 hours a day, 7 days a week, across the United States. The Lifeline is comprised of a national network of over 200 local crisis centers, combining custom local care and resources with national standards and best practices. The new, shorter phone number makes it easier for people to remember and access mental health crisis services (though the previous 1 (800) 273-8255 number will continue to function indefinitely) and represents a continued commitment to those in crisis.

### [Relationship and Sexual Violence Prevention Services \(RSVP\)](#) - (213) 740-9355(WELL) – 24/7 on call

Free and confidential therapy services, workshops, and training for situations related to gender- and power-based harm (including sexual assault, intimate partner violence, and stalking).

### [Office for Equity, Equal Opportunity, and Title IX \(EEO-TIX\)](#) - (213) 740-5086

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.

### [Reporting Incidents of Bias or Harassment](#) - (213) 740-5086 or (213) 821-8298

Avenue to report incidents of bias, hate crimes, and microaggressions to the Office for Equity, Equal Opportunity, and Title for appropriate investigation, supportive measures, and response.

### [The Office of Student Accessibility Services \(OSAS\)](#) - (213) 740-0776

OSAS ensures equal access for students with disabilities through providing academic accommodations and auxiliary aids in accordance with federal laws and university policy.

### [USC Campus Support and Intervention](#) - (213) 740-0411

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

### [Diversity, Equity and Inclusion](#) - (213) 740-2101

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  
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) 442-1200 – 24/7 on call  
Non-emergency assistance or information.

[Office of the Ombuds](#) - (213) 821-9556 (UPC) / (323-442-0382 (HSC)  
A safe and confidential place to share your USC-related issues with a University Ombuds who will work with you to explore options or paths to manage your concern.

[Occupational Therapy Faculty Practice](#) - (323) 442-2850 or [otfp@med.usc.edu](mailto:otfp@med.usc.edu)  
Confidential Lifestyle Redesign services for USC students to support health promoting habits and routines that enhance quality of life and academic performance.