

PLAN 761 - Housing and Public Policy
Monday and Wednesday 2:30-3:45 New East #301

Fall 2015

Instructor: Dr. Roberto G. Quercia
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This course is designed to expose students to contemporary theoretical and empirical work related to metropolitan housing/urban problems and public policies designed to overcome these problems. But more than simply presenting this information, the course attempts to build students' capabilities for diagnosis of problems, incisive critiques of policy, and written and oral presentation of these findings in both group and individual contexts.

The central intellectual theme of the course is that effective problem diagnosis and policy prescription depends on a thorough understanding of how the metropolitan housing/urban market operates. Thus, significant attention will be paid to developing a working knowledge of the pre-eminent theoretical model of the urban housing market, presented in Rothenberg, et al., The Maze of Urban Housing Markets.

Assignments and Grading

Various tools to estimate learning and provide vehicles for student evaluation will be employed. Students will deliver two short professional presentations, prepare a policy memo/class paper, and participate in class discussions.

The first presentations, "Policy Diagnosis", are scheduled for September 21, 23, and 28. The goal of the presentations is to help students focus on a particular housing/urban problem of their choosing. More narrowly, students are expected to talk about the nature, extent, consequences and origins of the problem.

The second presentations, "Policy Critique", are scheduled for October 26, 28 and November 2. In the presentations, students are expected to evaluate critically policy alternatives designed to address the problem.

You will be graded both on content (evidence of solid preparation, a clear logic in the flow of ideas of your talk, inclusion of the latest research and literature, etc.) and delivery (preparedness, coherence, etc.). Two students will also prepare a written evaluation of your presentation.

The final assignment is a more comprehensive policy paper or “Policy Proposal.” In it, students are expected to build upon the two class presentations and propose a policy response to the problem of interest. (If you decide to change your topic, submit a 1-paragraph summary of the topic selected for your term paper no later than November 4.) Papers are typically 15 pages long (double-spaced). Papers are due on December 2, 2015 COB.

Topics to be covered in the course include:

- **Evolution of housing and urban policy**
- **State and local programs**
- **Urban markets and submarkets**
- **The current crisis, issues and policy solutions**
- **Promotion of Homeownership**
- **Housing and the land use connection**
- **Housing and schools**
- **Discrimination**

Grades will be assigned based on the following weights:

- 40% Presentations
- 40% Term paper/case study (individual term paper)
- 20% Class Participation

It is expected that all assignments will be submitted when they are due in order to receive credit. It is also expected that all readings will be done prior to the date for which they are assigned.

Core text: Jerome Rothenberg, George Galster, Richard Butler and John Pitkin. 1991. The Maze of Urban Housing markets: Theory, Evidence and Policy. University of Chicago Press. (referred to as Maze in the schedule below).

Roberto G. Quercia, Allison Freeman, and Janneke Ratcliffe. 2011. Regaining the Dream: How to Renew the Promise of Homeownership for America’s Working Families. Washington, DC: Brookings Institution Press.

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Class Topics and Reading Assignment

Wed August 19

Course Introduction

State of the Nation's Housing 2015. Joint Center for Housing Studies, Harvard University.

http://www.jchs.harvard.edu/research/state_nations_housing

Introduction to the crisis, its aftermath, and the future

Mon August 24

Evolution of U.S. Federal Housing and Urban Policy I

At the Movies

Quercia, Roberto G.; Allison Freeman, and Janneke Ratcliffe. 2011. *Regaining the Dream: How to Renew the Promise of Homeownership for America's Working Families*. Washington, DC: Brookings Institution Press. Chapters 1 and 2.

von Hoffman, Alexander. 2008 *Enter the Housing Industry, Stage Right: A Working Paper on the History of Housing Policy*

http://www.jchs.harvard.edu/sites/jchs.harvard.edu/files/w08-1_von_hoffman.pdf

Wed August 26

Evolution of Housing and Urban Policy II

At the Movies

Quercia, Roberto G.; Allison Freeman, and Janneke Ratcliffe. 2011. *Regaining the Dream: How to Renew the Promise of Homeownership for America's Working Families*. Washington, DC: Brookings Institution Press. Chapter 3

Kat Aron, Predatory Lending: A Decade of Warnings, *The Economist*, May 6, 2009 (recommended)
<http://www.publicintegrity.org/2009/05/06/5452/predatory-lending-decade-warnings>

von Hoffman, 2010. The Quest for a New Frontier in Housing (recommended).

http://www.jchs.harvard.edu/sites/jchs.harvard.edu/files/w10-5_von_hoffman.pdf

Mon August 31

The Foreclosure Crisis, The Great Recession

Financial Crisis Inquiry Report, February 25, 2011. Conclusions of the Financial Crisis Inquiry Commission, pp. XV-XXVIII
<http://www.gpo.gov/fdsys/pkg/GPO-FCIC/pdf/GPO-FCIC.pdf>

Financial Crisis Inquiry Report, February 25, 2011. Before Our Very Eyes, pp. 3-24.
<http://www.gpo.gov/fdsys/pkg/GPO-FCIC/pdf/GPO-FCIC.pdf>

Financial Crisis Inquiry Report, February 25, 2011. Dissenting Statements, pp. 413-70. <http://www.gpo.gov/fdsys/pkg/GPO-FCIC/pdf/GPO-FCIC.pdf>

National Fair Housing Alliance. 2014. Zip Code Inequality: Discrimination by Banks in Maintenance of Homes in Neighborhoods of Color.
http://www.mvfairhousing.com/pdfs/2014-08-27_NFHA_REO_report.PDF

Students choose topic for first assignment.

Wed Sept. 2

Housing and Urban Programs Pre and Post Great Recession

Policies of President Bush (Chapters on Tax Relief, No Child Left Behind, Faith Based Initiatives, Energy and Climate Change, Conservation and Environment)
http://georgewbush-whitehouse.archives.gov/infocus/bushrecord/documents/Policies_of_the_Bush_Administration.pdf

The Obama administration's vision for housing: A look at the FY 2016 budget request.

<http://www.nhcopenhouse.org/2015/02/the-obama-administrations-vision-for.html>

Comparison of Presidents and Obama's Policies

<http://useconomy.about.com/od/candidatesandtheeconomy/a/Obama-Bush-Economy.htm>

Policy responses to the crisis: Timeline of interventions

http://www.newyorkfed.org/research/global_economy/Crisis_Timeline.pdf

Mon Sept. 7

Labor Day

Wed Sept. 9

State and Local Housing Policy II

HousingPolicy.org

Karki, Tej Kumar. 2015. Mandatory versus incentive based state zoning reform policies for affordable housing in the United States: a Comparative Assessment. Housing Policy Debate 25(2): 234-62.
<http://www.tandfonline.com/loi/rhpd20#.U-uES1a5dFw>

Orange County, NC. Program Years 2015-2020 Five Year Consolidated Plan and FY 2015 Annual Action Plan.

http://www.orangecountync.gov/Final_Consolidated_Plan_5_5_2015.pdf

Mon Sept. 14

Guest speaker

NC Low Income Housing Coalition. 2009. Affordable Housing Primer.

http://www.nchousing.org/research-data/affordable-housing-primer/2009-affordable-housing-primer/Affordable_Housing_Primer_2009_final.pdf

Wed Sept 16

Guest speaker: Homelessness

Mon Sept. 21

Student presentations

Wed Sept. 23 **Student presentations**

Mon Sept. 28 **Student presentations**

Wed Sept. 30 **How Housing Markets Operate**

Maze, chapters 1, 2, and 3

Adam J. Levitan and Sustain M. Wachter, *Explaining the Housing Bubble*, Georgetown University Law Center: Business, Economics and Regulatory Policy Working Paper Series, Research Paper No. 1669401

http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1669401

Mon Oct. 5 **How Housing Markets Operate II**

Maze, chapters 7 and 8

Galster and Rothenberg, 1991. Filtering in a Segmented Model of Urban Housing Markets. Journal of Planning Education and Research, 11:37-50.

John F. Kain and John M. Quigley. 1970. Measuring the Value of Housing Quality. *Journal of the American Statistical Association*, 65 (330), June, 532-548 (recommended)

Wed Oct. 7 **Neighborhood and Housing**

Maze, ch. 9

Rolf Pendall and Carl Hedman. 2015. Worlds Apart: Inequality between America's Most and Least Affluent Neighborhoods. Urban Institute.

http://www.urban.org/research/publication/worlds-apart-inequality-between-americas-most-and-least-affluent-neighborhoods/view/full_report

Goetz, Edward G. 2010. Better Neighborhoods, Better Outcomes? Explaining Relocation Outcomes in Hope VI. 12(1):5-32

<http://www.huduser.org/portal/periodicals/cityscape/vol12num1/ch1.pdf>

de Souza Briggs, Xavier. 2014. Looking Back and Looking Ahead: CDBG and the Future of Federal Urban Policy. *Housing Policy Debate* 24(1) 303-309
<http://www.tandfonline.com/loi/rhpd20#.U-uES1a5dFw>

Mon Oct. 12 **Planning and Markets: Guest speaker**

Wed Oct. 14 **Demand Side Policies**

Maze, ch. 10.

McClure, Kirk.; Alex F. Schwartz, and Lydia B. Taghavi. 2015. Housing Choice Voucher Location Patterns a Decade Later. *Housing Policy Debate* 25(2): 215-33.
<http://www.tandfonline.com/loi/rhpd20#.U-uES1a5dFw>

Rosin, Hanna. 2008. American Murder Mystery. *The Atlantic Monthly* <http://www.theatlantic.com/doc/200807/memphis-crime>

Dreier and Briggs. 2008. Not a Mystery: Mistaken Identity
<http://www.shelterforce.org/article/special/1043/>

Mon Oct. 19 **Supply-side Policies I: Substantial Rehab and Filtering**

Maze, ch. 11

Ira S. Lowry. 1960. Filtering and Housing Standards: A Conceptual Analysis. *Land Economics*, XXXVI (4), 362-370

James C. Ohls. 1975. Public Policy Toward Low Income Housing and Filtering in Housing Markets. *Journal of Urban Economics*, 2 (2), April, 144-71

George Fallis and Lawrence B. Smith. 1984. Uncontrolled Prices in a Controlled Market: The Case of Rent Controls. *American Economic Review*, 74 (1), march, 193-200 (recommended).

Wed Oct. 21

Supply-side Policies II: Public Housing

Quercia, Roberto G. and George C. Galster. 1997. The Challenges Facing Public Housing Authorities in a Brave New World. *Housing Policy Debate* 8(3): 535-69.

<http://content.knowledgeplex.org/kp2/img/cache/kp/2286.pdf>

Abravanel, Martin D., Diane Levy, and Margaret Mc Farland. 2009. The Uncharted, Uncertain Future of Hope VI Redevelopments. The Urban Institute.

http://www.urban.org/uploadedpdf/411935_uncharteduncertain.pdf

Rangel, Charles. 2015. Senator Brooke's Legacy. The Huffington Post.

http://www.huffingtonpost.com/rep-charles-rangel/senator-brookes-legacy_b_6755366.html

Edgar O. Olsen. 1972. An Econometric Analysis of Rent Control. *Journal of Political Economy*, 80 (5), September/October, 1081-1100 (recommended).

Mon Oct. 26

Student presentations

Wed Oct. 28

Student Presentations

Mon Nov. 2

Student Presentations

Wed Nov. 4

Special Topics: Promoting Homeownership

Quercia, Roberto G.; Allison Freeman, and Janneke Ratcliffe. 2011. *Regaining the Dream: How to Renew the Promise of Homeownership for America's Working Families*. Washington, DC: Brookings Institution Press. Chapters 4 and 5.

Christopher E. Herbert and Eric S. Belsky. 2008. The Homeownership Experience of Low-Income and Minority Households: A Review and Synthesis of the Literature. *Cityscape* 10(2): 5-59

<http://www.huduser.org/periodicals/cityscpe/vol10num2/ch1.pdf>

Harkness, Joseph and Sandra J. Newman. 2002. Homeownership for the Poor in Distressed Neighborhoods: Does This Make Sense? *Housing Policy Debate* 13(3): 597-630. (recommended)
http://content.knowledgeplex.org/kp2/kp/text_document_summary/scholarly_article/refiles/hpd_1303_harkness.pdf

Home Ownership: Shelter or Burden? *The Economist*
http://www.economist.com/displayStory.cfm?story_id=13491933&fsrc=nwlgafree

Roland Artle and Pravin Varaiya. 1978. Life Cycle Consumption and Homeownership. *Journal of Economic Theory*, 18, 38-58 (recommended).

Mon Nov. 9

Rental Housing

Joint Center for Housing Studies. 2013. America's Rental Housing: Evolving Markets and Needs. Harvard University.
<http://www.jchs.harvard.edu/americas-rental-housing>

Immergluck, Dan and Jonathan Law. 2014. Investing in Crisis: The Methods, Strategies, and Expectations of Investors in Single-Family Foreclosed Homes in Distressed Neighborhoods. *Housing Policy Debate* 24(3): 568-593.
<http://www.tandfonline.com/loi/rhpd20#.U-uES1a5dFw>

National Housing Law Project, *Without Just Cause: A 50-State Review of the (Lack of) Rights of Tenants in Foreclosure*, February 25, 2009.
http://www.nlchp.org/content/pubs/Without_Just_Cause2.pdf

Wed Nov. 11

Special Topics: Discrimination

Margery Austin Turner, et al. 2012. *Housing Discrimination Among Racial and Ethnic Minorities*. Washington, DC: The Urban Institute.
http://www.huduser.org/portal/publications/fairhsg/hsg_discrimination_2012.html

Wing, Nick. 2015. Obama Administration Unveils Ambitions Plan to Combat Residential Segregation. *The Huffington Post*.
http://www.huffingtonpost.com/2015/07/09/obama-hud-housing-segregation_n_7758196.html

Department of Housing and Urban Development. HUD. 2015. Affirmatively Furthering Fair Housing. Final Rule. http://www.huduser.org/portal/sites/default/files/pdf/AFFH_Final_Rule.pdf

Wing, Nick. 2015. Supreme Court Keeps Key Housing Discrimination Protection Intact. The Huffington Post. http://www.huffingtonpost.com/2015/07/09/obama-hud-housing-segregation_n_7758196.html

**Mon Nov. 16 Housing, Real Estate Development, and Transportation:
Guest Speaker**

Wed Nov. 18 International Perspectives on Housing I

Housing Europe. 2015. The State of Housing in the EU 2015. <http://www.housingeurope.eu/resource-468/the-state-of-housing-in-the-eu-2015>

Mon Nov. 23 International Perspectives on Housing II

<http://unhabitat.org/books/international-guidelines-on-urban-and-territorial-planning/>

Wed Nov. 25 Thanksgiving Recess

Mon Nov. 30 Remaking National Housing Policy

Quercia, Roberto G.; Allison Freeman, and Janneke Ratcliffe. 2011. Regaining the Dream: How to Renew the Promise of Homeownership for America's Working Families. Washington, DC: Brookings Institution Press. Chapter 6 to end of book.

Center for Large Public Housing Authorities (CLPHA). ND. Future of Public Housing Policy Framework. http://www.clpha.org/future_of_public_housing_policy_framework

Economic Policy Program. Housing Commission. 2013. Housing America's Future: New Directors for National Policy. Washington, DC.

http://bipartisanpolicy.org/wp-content/uploads/sites/default/files/BPC_Housing%20Report_web_0.pdf

Wed Dec. 2

Last Day of Class – Student Presentations