

**Course: URBG 728**  
**Section: 001**  
**Hunter College**  
**Department of Urban Affairs and Planning**  
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**Housing and Community Development Seminar**  
**Wednesdays, 7:45 – 9:35 pm, room 1640**  
**Spring 2008**

This seminar is an introduction to government housing and community development policies, programs and issues with a focus on the real estate finance and development processes in relation to urban planning and development. The seminar is designed to achieve several goals:

- to familiarize students with the evolution of the statutory and regulatory framework of major housing and community development programs from the 1930s to the present;
- to provide students with an overview of housing policies and trends that have influenced regional, community and neighborhood development;
- to foster a deeper understanding of specific housing and community development programs designed to produce, revitalize or preserve healthy urban neighborhoods; and
- for students to gain the knowledge and skills necessary to understand and describe policy and program strategies used by planners and other housing market participants.

Topics to be highlighted in the course will include capital market activity in support of home ownership housing finance, rental housing investment, secondary mortgage markets, and the historical context and politics surrounding the formulation of major housing and community development policies and programs. Students will review major current government laws, regulations and policies concerning housing and community development, and review current policy options for influencing rental and ownership housing markets. Particular attention will be focused on issues of power, social justice, race, housing affordability, housing for lower-income groups, and housing needs that are not adequately met by providers of “market-rate” housing.

Discussion and study of real estate finance and investment markets will form the skeleton on which other community development topics will be fleshed out. Students will also focus on housing and community development program design, drawing on their evolving knowledge of real estate finance. We will review current issues of particular importance to planners in the New York metropolitan area. US public housing policies and programs will also be compared with social housing policies and programs in a limited number of other countries.

### **Course Requirements**

Discussions: A key seminar requirement is active interaction among students, so attendance is mandatory to receive credit for this component of your grade. To receive full credit for class participation, students must read the key readings, arrive on time, and contribute to discussions.

Writing and editing assignments: Each student will be required to complete several relatively short writing and editing assignments, including one program memorandum, integrating relevant course readings. These writing assignments are designed to sharpen the ability of students to articulate housing and community development issues clearly and succinctly. Expectations regarding the form and content of the writing and editing assignments will be discussed in detail

in class, and written guidance will be provided for each assignment. The writing and editing assignments are due at the scheduled starting time of class on the dates indicated in the written assignment. In the first few weeks of class we will discuss the first writing/editing assignment.

The final grade component for the writing and editing assignments will be based on the clarity, comprehensiveness, presentation and style of student papers. By style I mean that I reward students who learn how to write and present clear, terse, well-organized assignments.

I do not necessarily expect you to have excellent writing or discussion skills at the onset of this seminar, but I do expect you to have improved your skills when you complete it. I am aware that students at Hunter have had very different levels of preparation for graduate school. Therefore, student effort and improvement will be richly rewarded.

I will spend class time on how to write papers. Students will have the opportunity to revise or rewrite their writing and editing assignments (once, with my permission) for a better grade. Rewritten assignments will be due at the beginning of the second class following the initial due date for the assignment. Submitting a revised assignment will never lower the initial grade.

**Tests:** Several short tests will be distributed on Blackboard and students will submit their answers via Blackboard. These will be based primarily on readings in Brueggeman, but also on other required readings and topics discussed in class. These will be “take-home,” open-book tests on which students are free to collaborate with one another by comparing notes and discussing possible answers before submitting their responses individually.

**Grades:** Final grades will be established as follows: 40 percent will be based on the writing and editing assignments; 30 percent will be based on preparation for and participation in class discussions, and; 30 percent will be based on the tests. **There will be no grades of “incomplete” given in this course.**

**Calendar:** Please note that the Hunter calendar is subject to change (by Hunter) without notice; due dates for papers will not change unless I so indicate to the class, in writing.

**Readings: One required book has been ordered and is available in the Hunter bookstore:**

*Real Estate Finance and Investment, 13<sup>th</sup> Edition, Brueggeman & Fisher*

Readings listed in the following Course Outline will be supplemented with, and in some cases replaced by, articles and electronic/web resources distributed in class or on Blackboard.

I strongly suggest that every student develop a library of reference works, including at least one style manual or technical writing guidebook, and a specialized dictionary. My suggestions:

*Writing with Precision. Revised edition (2000) Bates, Jefferson D.*

*The Elements of Style. Strunk and White.*

*Manual of Style for Technical Publications. Third Edition. Microsoft.*

*Barron’s Dictionary of Real Estate Terms. Sixth Edition. By Friedman, Jack P., et al.*

Each student must subscribe to the free weekly internet news service available here:

[www.knowledgeplex.org](http://www.knowledgeplex.org) (click on “register” in the upper right corner of the screen)

Each student will need a financial calculator (such as HP 10BII), or some other means of gaining familiarity with “time-value of money” calculations, e.g., a spreadsheet program or on-screen financial calculator (free, on-screen calculators are available at this website:

[www.rlmttools.com](http://www.rlmttools.com)

## Course Outline

Note: additional reading assignments will be distributed in class and on Blackboard

### January 30: Class 1

#### Introduction

Introductions; discussion of class requirements; informational questionnaire (not graded)

### February 6: Class 2

#### Legal and Policy Foundations;

Brueggeman Preface, and Chapter 1 (Introduction to Real Estate Investment: Legal Concepts).  
Navigate to and explore the resources at the Real Estate Online web site at  
[www.mhhe.com/bf13e](http://www.mhhe.com/bf13e).

CHP Visit the Center for Housing Policy (CHP) website: [www.housingpolicy.org](http://www.housingpolicy.org)  
Click on “Getting Started” and explore the information listed under the first two  
“questions” (“what” and “why”), including “What is affordable housing?”; “What  
is subsidized housing?”; “Who is eligible...?”; “What is workforce housing?”

NLIHC Housing affordability summary by Congressional District (sample excerpt).  
National Low Income Housing Coalition (NLIHC), January 2007, based on  
American Community Survey (US Census Bureau data, 2005).

### February 13: Class 3

#### Time Factors and the Time Value of Money in Real Estate

Brueggeman Chapter 3 (The Interest Factor in Financing). In reading this Chapter you may  
skim over the heavy math discussions, except those highlighting the use of  
financial calculator solutions.

IREM “Timeline: History of Government Assistance; Assisted Housing Program  
Status,” in training materials, Institute of Real Estate Management (IREM).

Orlebeke The Evolution of Low Income Housing Policy, 1949-1999, in *Special Issue,  
Housing Policy Debate*, vol. 11, issue 2, 2000.

### February 20: Class 4

#### Foundations of Single-Family Mortgage Financing

Brueggeman Chapter 2 (Financing: Notes and Mortgages), and 4 (Fixed Rate Mortgage Loans)

CHP Visit [www.housingpolicy.org](http://www.housingpolicy.org)  
Click on “Getting Started.” Under the question “how,” explore the information  
and links found under the question “How does the government support  
homeownership?”

Husock Why We Don’t Need Subsidized Housing” in *City Journal*, Winter, 1997.

### February 27: Class 5

#### Creative Single-Family Mortgage Finance

Brueggeman Chapter 5 (Adjustable Rate Mortgages), 6 (Residential Financial Analysis).

HUD Qrtly Selected readings in *US Housing Market Conditions, 3<sup>rd</sup> Quarter, 2007*. US Dept of Housing and Urban Development

**March 5: Class 6**

**Single Family Investment, Tax and Risk Considerations**

Brueggeman Chapters 7 (Single Family Housing: Pricing, Investment and Tax Considerations), and 8 (Underwriting and Financing Residential Properties).

NW Visit the NeighborWorks website ([www.nw.org](http://www.nw.org)) and explore the resources there, particularly the “Foreclosure Resources.”

**March 12: Class 7**

**The Business of Income Property**

Brueggeman Chapters 9 (Intro to Income-Producing Properties...) and 10 (Valuation of Income Properties: Appraisal and the Market for Capital). In reading both of these chapters you may skim sections on non-residential property.

**March 19: Class 8**

**Income Property: Investment Analysis and Leverage**

Brueggeman Selected readings in Chapters 11 (Investment Analysis and Taxation of Income Properties), and 12 (Financial Leverage and Financing Alternatives).

**[NO CLASS ON MARCH 26 (CLASSES FOLLOW MONDAY SCHEDULE)]**

**April 2: Class 9**

**Rehabilitation, Preservation and Disposition**

Brueggeman Chapter 14 (Disposition and Renovation of Income Properties)

HUD Selected program descriptions in “Programs of HUD”

**April 9: Class 10**

**Bringing it All Together: Projects**

Brueggeman Chapter 16 (Financing Project Development)

Enterprise Housing Development Tutorial, available on the Enterprise Community Partners website: [www.enterprisecommunity.org/resources/tutorials/housing\\_development](http://www.enterprisecommunity.org/resources/tutorials/housing_development)

**April 16: Class 11**

**Housing and Community Development Tools: Tax Credit Syndication**

Brueggeman Chapter 18 (Joint Ventures, Syndications and Partnerships)

Enterprise Tutorial: Tax Credits 101. Enterprise Community Investment Website: <http://www.practitionerresources.org/showdoc.html?id=19468>

[NO CLASSES ON APRIL 23 – SPRING BREAK]

**April 30: Class 12**

**Programs and Policies that Drive Community Development**

- Brueggeman Selected readings from Chapter 19 (Secondary Mortgage Market: Pass-Through Securities), and Chapter 20 (CMOs...).
- DHCR Unified Funding Application: [www.dhcr.state.ny.us/ocd/nofas/2008NOFA.htm](http://www.dhcr.state.ny.us/ocd/nofas/2008NOFA.htm)
- HPD NYC 10-Year Housing Marketplace Plan

**May 7: Class 13**

**Housing and Services for Special-Needs Populations**

- CSH Toolkit for Developing and Operating Supportive Housing, on the website of the Corporation for Supportive Housing: [www.csh.org](http://www.csh.org)
- UI “Homelessness: Programs and the People They Serve. Findings of the National Survey of Homeless Assistance Providers and Clients.” Prepared for the *Interagency Council on the Homeless*, Urban Institute, December, 1999.

**May 14: Class 14 (last class)**

**International Models: Social Housing Models**

- HDB Selected readings in Annual Report, 2003-2004, Housing and Development Board [Singapore].
- Yeung Selected readings in *Fifty Years of Public Housing in Hong Kong: a Golden Jubilee Review and Appraisal*, Y.M. Yeung.

**Student Questionnaire**  
**URBG 728**  
**Housing and Community Development Seminar**  
**Spring 2008**

Name: \_\_\_\_\_

This questionnaire is designed to help me understand

- the level and breadth of knowledge you have regarding housing and community development issues;
- your relative levels of interest regarding selected housing topics, and;
- your housing market knowledge and experience.

The survey results may contribute to my decisions regarding selection of course readings, and assist me in evaluating my own effectiveness in meeting course objectives.

Submission of the questionnaire is required of all students, although it is informational only and your responses will not contribute to (or detract from) your grade. If you would prefer not to answer a question, simply leave your answer blank.

**Section A. What is your experience in the housing and community development market? (Circle your answers.)**

I have...

- |  |   |   |
|--|---|---|
| 1. or have had, a real estate sales license or appraisal credential  | Y | N |
| 2. previously taken a housing course, i.e., URBG 727 Introduction to Housing, or another comparable housing course(s). (If other(s), list below) | Y | N |
| 3. worked for a community organization involved in housing/community development   | Y | N |
| 4. worked for a business involved in housing or community development  | Y | N |
| 5. worked for a gov't agency in housing or community development   | Y | N |
| 6. an understanding of the federal low income housing tax credit program   | Y | N |
| 7. other specialized knowledge or experience in the field of housing, community development, finance, policy or program development or analysis  | Y | N |

(if you answered yes to question 7, explain briefly below)

**Section B. What are your particular areas of interest?**

I am particularly interested in the following subject areas and issues (check all that apply).

1. History and evolution of US government housing policies & programs
2. History and evolution of NY City housing policies and programs
3. History and legacy of slum clearance and urban renewal programs
4. Public housing, and public housing reform
5. Tenant-based rental housing assistance programs (for example, “Section 8”)
6. Public and social housing programs in other countries
7. International issues regarding housing needs, rapid urbanization, slums, etc.
8. Design factors that affect the affordability of housing
9. Design factors that contribute to safety and security, and “defensible space”
10. Housing for formerly homeless individuals and families
11. Housing for the elderly and disabled
12. Housing sustainability, “green building” and energy efficiency
13. Issues of and neighborhood and open-space design, and recreational amenities
14. “Sprawl,” impact fees, growth boundaries and density controls
15. Multi-family housing project finance and development, including tax credits
16. Single-family housing project finance and development
17. Secondary mortgage market issues such as Fannie Mae and mortgage securitization
18. Social justice issues such as predatory lending and fair-housing laws
19. Inclusionary zoning and density bonuses to promote affordable housing development
20. Role of non-profit housing and community development organizations
21. Housing preservation, historic preservation and adaptive re-use of structures
22. Other topics, issues or aspects of housing and/or urban development (list below)

**Section C. What is the meaning of each acronym or abbreviation listed below? (Write out your answers; partial answers and guesses are encouraged.)**

1. HUD (federal agency)
  - a. PIH (part of HUD)
  - b. CPD (part of HUD)
  - c. FHA (part of HUD)
  - d. FHEO (or FH&EO (part of HUD)
2. DHCR (NY State Agency)
3. HPD (NYC Agency)
4. GSEs (special type of corporation)
5. CDBG (federal program)
6. NOI (finance term)
7. LTV (financial ratio)
8. IRR (finance term)
9. ARM (type of mortgage)
10. FRM (type of mortgage)
11. RMBS (category of financial instruments)
12. REIT (investment vehicle)
13. TOD (sustainable-design term)
14. TND (urban design term)
15. CPTED (urban design term)
16. FAR (site/building design term)
17. HAP (Section 8 program contract type)
18. BEDI (federal funding program)
19. HOPWA (federal funding program)
20. NOFA (gov't funding jargon)
21. CFR (part of a legal citation)
22. FHLB (gov't financial institution)

23. CRA (federal statute)
24. HMDA (federal statute)
25. ADA (federal statute)
26. UFAS (federal design standards)
27. “URA” (federal statute)
28. CDC (type of organization)
  - a. CHoDO (sub-type of CDC)
  - b. CDFI (type of financial institution)
29. ConPlan
  - a. CHAS (ConPlan supcomponent)
  - b. AIFH (ConPlan subcomponent)
30. LISC (nationwide non-profit intermediary organization)
31. NRC (quasi-governmental national intermediary organization)
32. LP (type of corporation)
33. LLC (type of corporation)
34. LIHTC (federal prog)
35. NAHB (industry assoc)
36. NIMBY (community reaction)
  - a. NOTE (severe community reaction)
  - b. BANANA (extreme community reaction)

**Section D. Please write a short paragraph to answer this question. What is (are) your primary interest(s) in the field of housing and urban development?**

### Answer key to Section C.

1. HUD: Housing and Urban Development [US Department of...]
  - c. PIH: Public and Indian Housing (a division of HUD)
  - d. CPD: Community Planning and Development (a division of HUD)
  - e. FHA: Federal Housing Administration (division of HUD; was a separate agency prior to 1965)
  - f. FHEO: Fair Housing and Equal Opportunity (civil rights-enforcement division of HUD)
2. DHCR: Department of Housing and Community Renewal (New York State agency)
3. HPD: Housing Preservation and Development (New York City department)
4. Government-Sponsored Entities (refers to Fannie Mae, Freddie Mac and Ginnie Mae)
5. Community Development Block Grant (federal program operated by HUD CPD)
6. Net Operating Income
7. Loan-To-Value (the ratio of debt to total valuation of a property)
8. Adjustable Rate Mortgage
9. Fixed Rate Mortgage
10. Internal Rate of Return
11. Residential Mortgage Backed Security
12. Real Estate Investment Trust
13. Transit-Oriented Design
14. Traditional Neighborhood Design
15. Community Planning Through Environmental Design
16. Floor/Area Ratio (ratio of building floor area to site area)
17. Housing Assistance Payment (contract between local housing agency and landlord under which the Section 8 rental subsidy is provided to the landlord)
18. Brownfield Economic Development Initiative (HUD program)
19. Housing Opportunities for People With AIDS (HUD program administered by CPD)
20. Notice of Funding Availability (public announcement, published in the Federal Register, of a competitive federal grant application process)
21. Code of Federal Regulations (codification of federal statutes, e.g., 24 CFR part 983)
22. Federal Home Loan Bank
23. Community Reinvestment Act
24. Home Mortgage Disclosure Act
25. Americans with Disabilities Act
26. Uniform Federal Accessibility Standards (established uniform site and building accessibility designs for used by multiple federal agencies)
27. "Uniform Relocation Act" (shorthand for the "Uniform Relocation and Real Property Acquisitions Policy Act of 1968")
28. Community Development Corporation (generally, local public or private non-profit organizations)
  - a. Community Housing Development Organization (certification that may be issued by HUD to locally-controlled non-profit organization that works on housing issues)
  - b. Community Development Financial Institution (typically, a credit union or specialized financial intermediary with a community development orientation, and/or serving non-profit organizations)
29. Consolidated Plan (planning framework and analysis of local needs and priorities that most local-government grant recipients must produce in order to qualify for HUD grants)
  - a. Comprehensive Housing Affordability Strategy
  - b. Analysis of Impediments to Fair Housing
30. Local Initiatives Support Corporation (national intermediary started by Ford Foundation to support local CDCs)
31. Neighborhood Reinvestment Corporation (now operates as "NeighborWorks," with several hundred local affiliate "NeighborWorks" organizations)
32. Limited Partnership
33. Limited-Liability Company (or ...Corporation)
34. Low Income Housing Tax Credit (federal program under the Treasury Dept (IRS))
35. National Association of Home Builders (very large and influential trade association)
36. NIMBY: "Not-In-My-Backyard" (typical community reaction to proposed development that is perceived to be a "LULU" or Local Undesirable Land Use)
  - a. NOTE: "Not-Over-There-Either" ("...in fact, don't build that project across town either!")
  - b. BANANA: "Build-Absolutely-Nothing-Anywhere-Near-Anybody!"