

Columbia University
Graduate School of Architecture Planning and Preservation
Masters of Science in Real Estate Development Program

Affordable Housing Finance, Development and Policy – Part 2

Professor Edward Poteat
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Course # PLA 212
Time: Tuesday 2-4 pm
Room: 200 Fairweather

Class Assistant: Gregory Pietrycha

Course Overview

By now, you have spent two (2) semesters learning the intricacies of affordable housing finance. This course uses the affordable housing techniques discussed in previous semesters to design and plan an actual affordable housing development. Besides utilizing affordable housing techniques such as tax credit and tax exempt bond financing, the course will also look at the other aspects of affordable housing development such as design and constructability elements, community involvement and political considerations.

Developers must be a “jack of all trades” to successfully execute a new project. Although a keen understanding of affordable housing finance is a necessity for any successful developer, development requires an understanding of several disciplines. Political considerations have stymied many feasible affordable housing developments. Design and constructability issues have severely delayed or bankrupted a financially feasible project. Finally, this course will also discuss the role of intermediaries and government agencies in the creation of affordable housing.

The course will primarily be taught through case studies and guest lecturers. Development can truly only be taught through various “hands on” methods. We will supplement classes with required reading about various aspects of noteworthy developments.

Course Requirements and Assignments

Remaining class materials will be posted on the university's web site at <https://courseworks.columbia.edu>. It's STRONGLY recommend to read all materials posted to Courseworks prior to class.

There will be reading assignments and / or case studies. Active class participation based on the assignment will be expected. You will be expected to submit a 1 page paper for every class on the readings. Part of every class will also be spent reviewing financial models for tax exempt bonds and tax credit deals.

The midterm will be a 5 – 7 page analysis of a proposed affordable housing development.

The final will be a group project involving a proposed new development project. Students will be expected to analyze and describe all aspects of a proposed development including a financial analysis, political / community considerations, and design considerations.

Course Grading Criteria

Grading will be based on the following:

- Group assignment affordable housing development case study: 40%
- Midterm small case study: 20%
- Homework and Readings: 30%
- Class Participation 10%

Readings

1. Hecht, Ben. Developing Affordable Housing: A Practical Guide for Nonprofit Organizations, New Jersey: John Wiley & Sons, Inc., 2006 (Text book)

Poteat, Edward. The Fiscal Cliff, South Carolina: CreateSpace, 2013

Recommended Texts (excerpts available on Courseworks):

ULI – the Urban Land Institute. Workforce Housing: Innovative Strategies and Best Practices, Washington, D.C., Urban Land Institute, 2006

Office Hours: By appointment: either immediately following class or at my office at other times.

Course Schedule

SESSION	DATE	TOPIC
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Ø **Affordable Housing Finance Overview**

1	January 16	Ø Introduction to financial modeling
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Ø **The Role of Community in Affordable Housing**

Ø **Introduction of Midterm**

Required Texts :

2	January 23	Ø Columbia Community Benefit Agreements – Case Study Ø The Fiscal Cliff – Chapter 1
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Recommended Text

Ø **The American City - Chapter 12, p279- p302 (Coursework)**

3	January 30	Ø Affordable Housing Preservation Ø Municipal Finance and Affordable Housing
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Required Text

Ø Developing Affordable Housing- Chapter 18 (Textbook)

Ø Case Study – TBD

Recommended Text

Ø The Fiscal Cliff- Chapter 2-3

Ø The Role of Public Agencies

Ø Guest Speaker: Nathan Simms, Assistant Commission New Construction - HPD

Ø Submission of Midterm

Ø Introduction of Final

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February 6

Required Text:

Ø Workforce Housing: Innovative Strategies and Best Practices (Coursework)

Ø The Fiscal Cliff – Chapter 4

Recommended Text

Ø Developing Affordable Housing – Chapter 7, p 107- p 138 & Chapter 8, p. 236 (Textbook)

Ø Developers Roundtable

Required Text

5	February 13	Ø TBD
6	February 20	Ø Discussion of Final
7	February 27	Ø Final Exam

Midterm and Final Exam

The midterm will involve an in depth financial analysis of one of the development sites at the Atlantic Yards. Students will use the underwriting skills learned in the first three classes to devise a feasible mixed use and mixed income project on this site.

The final exam will be a small group project and will analyze a large development site in Central Harlem. The groups will be composed of 3 students and will be required to design, underwrite, and market a large scale mixed use development project. The group will also need to be sensitive to the various community and political needs of the local area. The group will be required to give an oral presentation and present a written development plan.

