

Affordable Housing Finance, Development and Policy – Part 2

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Class Assistant: XXXX

Course # 25847
Time: Tuesday 2:00 am – 4:00pm
Room: 200 Fayerweather
Office Hours: By appointment

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

Class materials will be posted on the university’s website (<http://courseworks.columbia.edu>). It is STRONGLY recommended that you 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. It 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 missed use and mixed income project on this site.

The final will be a group project involving a proposed new development project. Students will be expected to 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 on the local area. The group will be required to give an oral presentation and present a written development plan.

Course Grading Criteria

Grading will be based on the following:

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| 1) Group assignment affordable housing development case study: | 50% |
| 2) Midterm small case study: | 25% |
| 3) Homework and Readings: | 15% |
| 4) Class Participation | 15% |

Readings

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

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

Recommended Texts (excerpts available on Courseworks):

Garvin, Alexander. The American City: What Works, What Doesn't, Second Edition, New York, McGraw-Hill, 2002

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

Course Schedule

DATE	TOPIC
January 17	<ul style="list-style-type: none"> • Affordable housing finance overview • Introduction to financial modeling
January 24	<ul style="list-style-type: none"> • The role of community in affordable housing • Introduction of midterm <p><u>Required texts:</u></p> <ul style="list-style-type: none"> • The American City - Chapter 12, p279-302 (Courseworks) • Columbia Community Benefit Agreements - Case Study • The Fiscal Cliff - Chapter 1

January 31	<ul style="list-style-type: none"> • Affordable housing preservation • Municipal finance and affordable housing <p><u>Required texts:</u></p> <ul style="list-style-type: none"> • Developing Affordable Housing - Chapter 18 • The Fiscal Cliff - Chapter 2-3 • Case Study TBD
February 7	<ul style="list-style-type: none"> • The role of public agencies • Guest speaker • Submission of midterm • Introduction of final <p><u>Required texts:</u></p> <ul style="list-style-type: none"> • Developing Affordable Housing - Chapter 7 p. 1027-138, Chapter 8 p. 236 (Textbook) • Workforce Housing: Innovative Strategies and Best Practices (Courseworks) • The Fiscal Cliff - Chapter 4
February 14	<ul style="list-style-type: none"> • Developers Roundtable <p><u>Required texts:</u></p> <ul style="list-style-type: none"> • TBD
February 21	<ul style="list-style-type: none"> • Discussion of Final
February 28	<ul style="list-style-type: none"> • Final Exam