

**SAN JOSÉ STATE UNIVERSITY**  
**DEPARTMENT OF URBAN AND REGIONAL PLANNING**  
**URBP 223: Housing Economics and Policy**  
**Fall 2020**

**Course and Contact Information**

Instructor(s):	T. William Lester Associate Professor, Department of Urban and Regional Planning
Office Location:	Online
Telephone:	Email preferred
Email:	<a href="mailto:thomas.lester@sjsu.edu">thomas.lester@sjsu.edu</a>
Office Hours:	Students are welcomed and encouraged to make individual meetings with the instructor by signing up online at <a href="https://thomaswlester.youcanbook.me/">https://thomaswlester.youcanbook.me/</a>
Class Days/Time:	Wednesdays 4:30 – 7:15pm, Online via Zoom.
Classroom:	Canvas
Prerequisites:	None
Units:	4

**Course Description**

URBP 223: Overview of the housing situation in the United States; examination of the theory of housing markets and framework for analyzing housing policies; in-depth study of the problem of affordable housing and critical examination of the steps that the public, private, and non-profit sectors have taken to alleviate the problem.

**Course Overview**

URBP 223 is a seminar style course that introduces students to critical aspects of U.S. housing policy and the economic theory of housing markets. The material is presented in a mostly chronological manner and aims to explain how U.S. housing policy became one of the foundations of racial inequality in the 20<sup>th</sup> century. It also covers past, current and emerging policy solutions aimed at remedying the impacts of policies that led to segregation by race and class in U.S. metropolitan areas.

**Course Format**

This course will be taught online via Zoom. The format of the course will consist of a brief lecture by the instructor aimed at introducing key facts, laws, historical context and introductory housing economics and policy analysis. This brief lecture will be followed by a student-led “critical case” (see description below) that reviews the week’s readings and provides a “real world” example of how the theories or policies introduced that week are put into practice. The remainder of the class will be devoted to class discussion. Active student

involvement in discussion is essential to creating a productive learning environment. Students are welcome and encouraged to bring their own experience and backgrounds into the discussion.

### **Course Learning Outcomes (CLO)**

Upon successful completion of this course, students will gain:

- A basic understanding of housing market dynamics including the drivers of supply and demand;
- A familiarity with how to use housing economics to evaluate proposed housing policies;
- Knowledge of the historical context and political factors that led to 20<sup>th</sup> century housing regulations, including mortgage rules and tax subsidies;
- A basis for understanding the role of race in shaping housing policy and ultimately segregation and structural inequality;
- An understanding of the major federal and local housing programs used to finance and develop affordable housing;
- An appreciation of how housing policy impacts neighborhoods, cities, and urban spatial structure in the US;
- And, an awareness of housing data sources and the ability to use data to describe current housing conditions and advocate for policy solutions.

### **Required Texts/Readings**

#### **Textbook**

The required textbook for this course is Schwartz, Alex [Housing Policy in the United States](#) 3<sup>rd</sup> Edition (New York: Routledge, 2015 ISBN: 978-0-415-83650-0). Enrolled SJSU students can access a digital e-book edition of this book from the [San Jose State Library](#) (accessed at: <https://library.sjsu.edu/>) by searching by the book's title and logging in. In addition this book is available in paperback and Amazon kindle for about \$60.

#### **Other Readings**

All other readings will be made available on the [course website](#).

#### **Other technology requirements**

All students are required to have access to a computer which can access the internet.

### **Course Requirements and Assignments**

**Reading Responses:** Students are expected to complete all required readings each week. As a mutual accountability mechanism, each student should post a reading response before class each week on the course website. The responses should critically summarize the each of the week's readings and include an argument, angle, or comparison that allows the student to present their own ideas. While there is no required length, each post should cover all readings and should be no shorter than 500 words.

**Critical Case Presentation:** Each student is expected to prepare a "critical case" presentation during class at least once during the semester. The student will coordinate with the instructor before their assigned week to choose the case study and discuss the presentation medium (e.g. powerpoint). The student presenting that week is excused from the regular reading response post.

**Attend a Public Meeting/Reflection Paper:** As part of the engagement unit of this course. Students should attend an (online) public hearing on a state or local housing related issue. This could be a re-zoning hearing by a Planning Commission, or a legislative bill being debated at either the local or state level. Student can choose whichever meeting they like (as long as it is housing related) and are encouraged to contact the instructor for help. Students will then write a reflection paper that discusses the policy/project in question and the political and institutional context therein. (Approximately 5 pages). This is part of the engagement unit for this course.

**Affordable Housing Data Profile:** Students will use relevant housing data from the US Census and other state and local data sources to prepare a housing profile for a California city, county, or metropolitan region of their choice. This report will document the changes in housing supply and demand, measure the need for affordable housing by unit type, location and price level. This report will be approximately 5-10 pages and include accompanying data visualizations. This assignment is also part of the engagement unit for this course.

**Research Paper:** As the final evaluation for this paper, students will write a 15-20 page policy research paper on a housing related topic or program (e.g. housing vouchers, desegregation policies) and make specific policy recommendations for the same city/region they chose to profile in the previous assignment. The paper will be due on the day of the scheduled final exam for this class (December 9<sup>th</sup> at 11:59pm).

## Grading Information

### Grading

Assignments	Due	Points
Reading Summary	Weekly	10
Critical Case Presentation	TBD	20
Attend a Public Meeting/Reflection Paper	9/23	20
Affordable Housing Data Profile	11/4	20
Research Paper	12/9	30

Grades for the course will be assigned based on your percentage of total points earned on all assignments according to the following distribution:

A plus = 100 to 96; A = 95 to 93 points; A minus = 92 to 90 points; B plus = 89 to 87 points; B = 86 to 84 points; B minus = 83 to 81 points; C plus = 80 to 78 points; C = 77 to 73 points; C minus = 72 to 70 points; D plus = 69 to 67 points; D = 66 to 63 points; D minus = 62 to 60 points; F = 59 points or lower

## University Policies

Per [University Policy S16-9](http://www.sjsu.edu/senate/docs/S16-9.pdf) (<http://www.sjsu.edu/senate/docs/S16-9.pdf>), relevant university policy concerning all courses, such as student responsibilities, academic integrity, accommodations, dropping and adding, consent for recording of class, etc. and available student services (e.g. learning assistance, counseling, and other resources) are listed on [Syllabus Information web page](http://www.sjsu.edu/gup/syllabusinfo) (<http://www.sjsu.edu/gup/syllabusinfo>), which is hosted by the Office of Undergraduate Education. Make sure to visit this page to review and be aware of these university policies and resources.

## **Recording Zoom Classes**

This course or portions of this course (i.e., lectures, discussions, student presentations) will be recorded for instructional or educational purposes. The recordings will only be shared with students enrolled in the class through Canvas. The recordings will be deleted at the end of the semester. If, however, you would prefer to remain anonymous during these recordings, then please speak with the instructor about possible accommodations (e.g. temporarily turning off identifying information from the Zoom session, including student name and picture, prior to recording). Students are prohibited from recording course materials and/or distributing downloaded recordings outside of the class.

## **Land Acknowledgement**

The San José State University community recognizes that the present-day Muwekma Ohlone Tribe, with an enrolled Bureau of Indian Affairs documented membership of over 550, is comprised of all of the known surviving American Indian lineages aboriginal to the San Francisco Bay region who trace their ancestry through the Missions Santa Clara, San José, and Dolores, during the advent of the Hispano- European empire into Alta California; and who are the successors and living members of the sovereign, historic, previously Federally Recognized Verona Band of Alameda County. The San José State University community also recognizes the importance of this land to the indigenous Muwekma Ohlone people of this region, and consistent with our principles of community and diversity strives to be good stewards on behalf of the Muwekma Ohlone Tribe whose land we occupy.

## **Citation style**

It is important to properly cite any references you use in your assignments. The Department of Urban and Regional Planning uses Kate Turabian's *A Manual for Writers of Research Papers, Theses, and Dissertations*, 8th edition (University of Chicago Press, 2013, ISBN 780226816388). Copies are available in the SJSU MLK Library. Additionally, the book is relatively inexpensive, and you may wish to purchase a copy. Please note that Turabian's book describes two systems for referencing materials: (1) "notes" (footnotes or endnotes), plus a corresponding bibliography, and (2) in-text parenthetical references, plus a corresponding reference list. The instructor prefers the latter.

## **Accommodation for Disabilities**

If you need course adaptations or accommodations because of a disability, or if you need to make special arrangements in case the building must be evacuated, please make an appointment with me as soon as possible, or see me during office hours. Presidential Directive 97-03 at [http://www.sjsu.edu/president/docs/directives/PD\\_1997-03.pdf](http://www.sjsu.edu/president/docs/directives/PD_1997-03.pdf) requires that students with disabilities requesting accommodations must register with the Accessible Education Center (AEC) at <http://www.sjsu.edu/aec> to establish a record of their disability.

## **Library Liaison**

The SJSU Library Liaison for the Urban and Regional Planning Department is Ms. Peggy Cabrera. If you have questions, you can contact her at [Peggy.Cabrera@sjsu.edu](mailto:Peggy.Cabrera@sjsu.edu) or 408-808-2034.

## **SJSU Writing Center**

The SJSU Writing Center is located in Clark Hall, Suite 126. All Writing Specialists have gone through a rigorous hiring process, and they are well trained to assist all students at all levels within all disciplines to become better writers. In addition to one-on-one tutoring services, the Writing Center also offers workshops every semester on a variety of writing topics. To make an appointment or to refer to the numerous online

resources offered through the Writing Center, visit the Writing Center website at <http://www.sjsu.edu/writingcenter>.

### **SJSU Counseling and Psychological Services**

The SJSU Counseling and Psychological Services is located on the corner of 7th Street and San Fernando Street, in Room 201, Administration Building. Professional psychologists, social workers, and counselors are available to provide consultations on issues of student mental health, campus climate or psychological and academic issues on an individual, couple, or group basis. To schedule an appointment or learn more information, visit Counseling and Psychological Services website at <http://www.sjsu.edu/counseling>.

### **Planning Accreditation Board (PAB) Knowledge Components**

This course partially covers the following PAB Knowledge Components:

- A1-D) Human Settlements and History of Planning
- A2-B) Written, Oral and Graphic Communication
- A2-C) Quantitative and Qualitative Methods
- A3-B) Equity, Diversity and Social Justice
- A3-C) Governance and Participation
- A3-E) Growth and Development

A complete list of the PAB Knowledge Components can be found at <http://www.sjsu.edu/urbanplanning/courses/pabknowledge.html>.

## URBP 223 Housing Economics and Policy Fall 2020 Course Schedule

<b>Week</b>	<b>Date</b>	<b>Topic</b>
1	8/19	Class Overview: Introduction: Why Housing is Important
2	8/26	History of Urban Settlement Form and Early Housing Advocacy: Definitions and Data Sources
3	9/2	Housing Economics I- Introduction
4	9/9	Regulating Housing Markets- The Crisis of the Great Depression and the Invention of Housing Policy
5	9/16	Separate and Unequal- The Racial Foundation of Housing Policy
6	9/23	Planning the Unequal City I- Urban Renewal, Public Housing and Racial Segregation
7	9/30	Planning the Unequal City II - Zoning, Suburbanization, Home ownership
8	10/7	Shifting Priorities, New Housing Tools, and the Deconcentration of Poverty (Section-8/HCV, HOPE VI)
9	10/14	Market Solutions: Low Income Housing Tax Credit, Opportunity Zones
10	10/21	Market Solutions: Housing Policy at the State and Local Level
11	10/28	Housing Economics II- Evaluating Local Housing Tools
12	11/4	Housing Finance: From Your Neighborhood to the Giant Pool of Money
13	11/11	NO CLASS: Veterans Day
14	11/18	Connecting Inequality and Housing I: California's Affordable Housing Crisis and Homelessness
15	11/25	NO CLASS- Thanksgiving
16	12/2	Connecting Inequality and Housing II: Gentrification

## Reading List (by week)

### 1) Class Overview: Introduction and Why Housing is Important

[The Joint Center for Housing Studies. 2019. State of the Nation's Housing 2019. Cambridge, MA: Harvard University.](#)

Schwartz, Alex. *Housing Policy in the United States*. Ch. 1 & 2 (Textbook)

Moore, Natalie K. (2016) "The South Side" Chapters. 1-3

### 2) History of Urban Settlement Form and Early Housing Advocacy: Definitions and Data Sources

Riis, Jacob (1890) *How the Other Half Lives*, Chapters 1 and 15. (Available online at <https://www.gutenberg.org/files/45502/45502-h/45502-h.htm>)

Hall, Peter (1996) Chapter 2 "The City of Dreadful Night" in Cities of Tomorrow

Fishman, R. The American metropolis at century's end: Past and future influences. *Housing Policy Debate*, 11(1): 199-213.

### 3) Housing Economics I- Introduction

Whitehead, Christine M. E. 1999. "Urban Housing Markets: Theory and Policy," in E. S. Mills and P. Cheshire, eds, *Handbook of Regional and Urban Economics*. North Holland, Elsevier Science Direct B.V. 3. pp 1559 - 1594.

O'Flaherty, B, 2004. *City Economics*, Chapter 6, Land 116-144, Harvard University Press.

McCann, Philip. 2001. *Urban and Regional Economics*. Oxford: Oxford University, Ch 3 & 7

### 4) Regulating Housing Markets- The Crisis of the Great Depression and the Invention of Housing Policy

Schwartz, Alex. *Housing Policy in the United States*. Chapter 3. "Housing Finance" (Textbook)

Kenneth T. Jackson, "Federal Subsidy and the Suburban Dream" Chapter 11 in *Crabgrass Frontier: The Suburbanization of the United States*, (New York: Oxford University Press, 1985) pp. 190-218.

Rothstein, R. (2017). *The color of law: A forgotten history of how our government segregated America*. Liveright Publishing. Chapter 4 "Own Your Own Home"

#### *Recommended*

Watts, Jill (2020) "[As Coronavirus Magnifies America's Housing Crisis, FDR's New Deal Could Offer a Roadmap Forward](#)" *Time Magazine*.

Park, Robert E. and Burgess, Ernest W. (1925) The City Chapters 2 "The Growth of The City" and 3 "The Ecological Approach"

## 5) Separate and Unequal- The Racial Foundation of Housing Policy and its Legacy

Rothstein, R. (2017). *The color of law: A forgotten history of how our government segregated America*. Liveright Publishing. Chapter 5 “Private Agreements, Public Enforcement”

Aaronson, Daniel, Daniel Hartley and Bhashkar Mazumder. [The Effects of the 1930s HOLC “Redlining” Maps](#). Federal Reserve Bank of Chicago Working Paper 2017-12.

Bobo, L., & Zubrinsky, C. L. (1996). Attitudes on residential integration: Perceived status differences, mere in-group preference, or racial prejudice?. *Social forces*, 74(3), 883-909.

## 6) Planning the Unequal City I- Urban Renewal, Public Housing and Racial Segregation

Schwartz, Alex. *Housing Policy in the United States*. Chapter 6 “Public Housing”

Birch, E. L. (1999). The Housing and Slum Clearance Act and its Effects on the Urban Planning Profession.

Hirsch, Arnold 1985 Making the Second Ghetto (chapters 4 & 5)

Fullilove, M. (2005) Root Shock: How Tearing Up City Neighborhoods Hurts America and What We Can Do About It. Intro and Chapter 3.

*Recommended:*

Hall, Peter Chapter 7. “The City of Towers: The Corbusian Radiant City: Paris, Chandigarh, Brasilia, London, St. Louis” in Cities of Tomorrow. pp. 204-240.

Documentary Film - The Pruitt-Igoe Myth (2010)

## 7) Planning the Unequal City II - Zoning, Suburbanization, Homeownership

Hirt, S. (2015). The rules of residential segregation: US housing taxonomies and their precedents. *Planning Perspectives*, 30(3), 367-395.

Whittemore, A. H. (2012). Zoning Los Angeles: a brief history of four regimes. *Planning Perspectives*, 27(3), 393-415.

Rothstein, R. (2017). *The color of law: A forgotten history of how our government segregated America*. Liveright Publishing. Chapter 8 “Local Tactics”

*Recommended Readings*

Ritzdorf, M. (1997). Locked out of paradise: Contemporary exclusionary zoning, the Supreme Court, and African Americans, 1970 to the present. *Urban Planning and the African American Community in the Shadows*.

Ritzdorf, M. (1997). Family values, municipal zoning, and African American family life. *Urban planning and the African American community: in the shadows*.

Florida, Richard (2017) “Suburban Crisis” in The New Urban Crisis: How Our Cities Are Increasing Inequality, Deepening Segregation, and Failing the Middle Class-and What We Can Do About It (New York: Basic Books) pp. 151-166

## **8) Shifting Priorities: Community Reinvestment, Poverty Deconcentration and Redevelopment**

Immergluck (2004) “Mobilizing for Credit: Community Activism, Policy Adoption and Implementation through 1987” in Credit to the Community.

Schwartz, Alex. *Housing Policy in the United States*. Chapter 8 “Vouchers” and Chapter 11 “Fair Housing and Community Reinvestment”

Taylor, Keeange-Yamahtta (2019) Race for Profit: How Banks and the Real Estate Industry Undermined Black Homeownership. (Chapel Hill: University of North Carolina Press). Chapters 1 & 3.

Popkin, S. J. (2004). [A decade of HOPE VI: Research findings and policy challenges](#).

Vale, Lawrence (2013) Purging the Poorest Chapter 7 “Bringing the Gold Coast to the Slum: Cabrini-Green’s Redevelopment and the Litigation of Inclusion” 254-317.

## **9) Market Solutions: Low Income Housing Tax Credit, Opportunity Zones.**

Schwartz, Alex. *Housing Policy in the United States*. Chapter 5 “The Low Income Housing Tax Credit.”

McClure, K. (2000). “The low-income housing tax credit as an aid to housing finance: How well has it worked?” *Housing Policy Debate*, 11(1), 91-114.

Theodos, B., Hangen, E., González, J., & Meixell, B. (2020). “An Early Assessment of Opportunity Zones for Equitable Development Projects”

## **10) Market Solutions: Housing Policy at the State and Local Level**

Schwartz, Alex. *Housing Policy in the United States*. Chapter 9 “State and Local Housing Policy and the Nonprofit Sector”

Thaden, E., & Wang, R. (2017). *Inclusionary housing in the United States: Prevalence, impact, and practices*. Lincoln Institute of Land Policy..

Nicholas J. Marantz (2015) “What Do Community Benefits Agreements Deliver? Evidence From Los Angeles,” *Journal of the American Planning Association*, 81:4, 251-267, DOI: 10.1080/01944363.2015.1092093

## **11) Housing Economics II- Evaluating Local Housing Tools**

W. Dennis Keating (1986) Linking Downtown Development to Broader Community Goals: An Analysis of Linkage Policy in Three Cities, *Journal of the American Planning Association*, 52(2), 133-141.

Diamond, R., McQuade, T., & Qian, F. (2019). [The effects of rent control expansion on tenants, landlords, and inequality: Evidence from San Francisco](#). *American Economic Review*, 109(9), 3365-94.

Lens, Michael C. and Paavo Monkkonen. 2016. Do Strict Land Use Regulations Make Metropolitan Areas More Segregated by Income? *Journal of the American Planning Association* 82(1): 6-21.

## **12) Housing Finance: From Your Neighborhood to the Giant Pool of Money**

Schwartz, Alex - *Housing Policy in the United States*. Chapter 13 “The Foreclosure Crisis and Policy Response” (Textbook)

Immergluck, D. (2015). *Preventing the next mortgage crisis: The meltdown, the federal response, and the future of housing in America*. Rowman and Littlefield. (selected chapters)

This American Life Podcast [“Giant Pool of Money”](#)

“The Economics of Inclusionary Development” *Urban Land Institute*, 2016.

## **13) No Class- Veteran’s Day**

## **14) Connecting Inequality and Housing I: California's Affordable Housing Crisis and Homelessness**

Stone, Michael (2006) “What is housing affordability? The case for the residual income approach” *Housing Policy Debate*. 17(1): 151-184.

Schwartz, Alex - *Housing Policy in the United States*. Chapter 10 “Housing for People with Special Needs”  
Desmond, Matt (2017) [Eviction](#) Chapters 1 and 2. Explore data in the [Eviction Lab](#).

## **15) No Class: Thanksgiving**

## **16) Connecting Inequality and Housing II: Gentrification**

Florida, Richard (2017) “Gentrification and its Discontents” in [The New Urban Crisis: How Our Cities Are Increasing Inequality, Deepening Segregation, and Failing the Middle Class-and What We Can Do About It](#) (New York: Basic Books), pp.57-78.

Sanneh, Kalefa (2016) “Is Gentrification Really a Problem?” *The New Yorker*.

Freeman, L. (2005). Displacement or succession? Residential mobility in gentrifying neighborhoods. *Urban Affairs Review*, 40(4), 463-491.

Smith, Niel (2002). "New Globalism, New Urbanism: Gentrification as Global Urban Strategy." *Antipode* 34(3): 427-450.

Lester, T. W., & Hartley, D. A. (2014). The long-term employment impacts of gentrification in the 1990s. *Regional Science and Urban Economics*, 45, 80-89.