

SAN JOSÉ STATE UNIVERSITY
DEPARTMENT OF URBAN AND REGIONAL PLANNING
URBP 208, Real Estate Development Studio

SPRING 2020

Course and Contact Information

Instructor(s):	Paula Kirlin, Instructor Kelly Snider, Deputy Instructor
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Office Hours:	By appointment
Class Days/Time:	Thursdays, 7:30 – 10:15 p.m.
Classroom:	DMH 347
Prerequisites:	URBP 205, URBP 206, and URBP 225 or instructor consent

Course Catalog Description

This is a capstone studio course designed to immerse students in the real world of urban property development. Students will explore this world by taking part in a major mock-development project of an actual site in San Jose.

Course Description

At the beginning of the course, the instructors will introduce a project site in San Jose that will be our “focus” site for the semester. Throughout the semester, we will apply lessons learned in relation to potential development of our “focus” site.

Additionally, at the beginning of the semester, students will be assigned to “teams” for their final assignment, which is a written report and oral presentation evaluating a certain development scenario on the “focus” project site. Throughout the session we will schedule work sessions during class, so teams can collaborate, ask questions of instructors, and get live feedback as they prepare the final written report and oral presentation.

The written report must address key components of a development feasibility analysis:

(1) executive summary; (2) site analysis and as-of-right entitlements; (3) market analysis; (4) entitlement strategy and risk, including legal risk; (5) height, mass, and bulk “best fit” and reference images to evoke the proposed site design; (6) mock pro-forma with development soft costs, hard costs, cash flow, and exit strategy

identified; (7) financing proposal and return-on-costs projections; and containing a clear (8) recommendation for action. The report must also address issues of sustainability, equity, and community.

In place of a final exam, during exam week we will have a special class session, when team will make a 20-minute oral presentation of their proposal, which must include a slide deck and other appropriate visual/graphic materials. Each team’s presentation will be followed by a 10-minute question & answer session during which other students, instructors, and guest “judges” will ask questions about the presentation.

The goal of the focus site and the final presentation assignment is for students to actively engage in the process of preparing a development proposal and analyses required to support the proposal, as well as to thoughtfully incorporate and communicate themes of sustainability, equity, and community. We strongly encourage students to be creative and draw on their own backgrounds, interests, and experience for the final assignment.

Course Learning Outcomes (CLO)

Upon successful completion of this course, students will be able to:

1. Identify the key criteria for evaluating a land parcel as suitable for development.
2. Recognize and explain the key aspects of a project’s feasibility (or infeasibility), including an assessment of entitlement risk; site design and programming; analysis of soft costs and hard cost projections; measuring stakeholder support; ways to measure Return on Investment; and investment exit strategies.
3. Create a feasible development proposal containing an executive summary, simple financial pro forma, recommendation for action, and detailed sections supporting the recommendation.
4. Effectively present a development proposal which can be tailored and modified depending on the audience, such as: investors/lenders; land use decision-makers; civic and neighborhood leaders; community groups; elected officials; and property owners and neighbors.

Required Texts/Readings

None. Articles, lecture notes, and PowerPoint presentations will be distributed electronically via “Google Drive” or e-mail.

Course Requirements and Assignments

Your grade for the course will be based on the following assignments and other activities:

Assignments	Due Date(s)	Percent of Course Grade	Course Learning Objectives Covered
Class Participation	N/A	25%	1, 2, 3 & 4
Written Assignment 1 – Property Tax Exercise	2/27	10%	2
Written Assignment 2 – Cash Flow and Return on Costs	3/26	10%	2, 4
Final Presentation – Team Written Report/Slide Deck	5/14	30%	1, 2, 3 & 4
Final Presentation – Team Oral Presentation	5/14	25%	1, 2, 3 & 4

Final Examination or Evaluation

There is no final examination. The studio course culminates in a written report and oral presentation of a development proposal.

Grading Information

Grades for written assignments and final assignments will be assigned as letter grades using a 4-point scale (A = 4.0, A- = 3.67, B+ = 3.33, B = 3, B- = 2.67, C+ = 2.33, C = 2.0, C- = 1.67, D = 1, and F = 0). The letter grade will be converted to a number of points and weighted based on the table above. The final grade will be converted from points to a letter grade (A = 3.85+, A- = 3.50 – 2.84, B+ = 3.17 – 3.49, B = 2.85 – 3.16, B- = 2.50 – 2.84, C+ = 2.17 – 2.49, C = 1.85 – 2.16, C- = 1.50 – 1.84, D+ = 1.17 – 1.40, D = 0.85 – 1.16, F = 0 – 0.84).

Late assignments will lose one letter grade (A to B, B to C, etc.) for each day the assignment is late.

Class participation is based on regular attendance at all classes; listening to and engaging thoughtfully with guest lecturers; active engagement during in-class work sessions for your final projects; and out-of-class engagement with other students, instructors, and guest lecturers.

Classroom Protocol

Students should attend every class. Please notify the instructors or a classmate via email or text beforehand if you cannot attend. All students are expected to be attentive, engaged, ask questions, and interact regularly with other students, guest lecturers, and the instructors.

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.

Course Number / Title, Semester, Course Schedule

Please note that the course schedule is subject to change.

Course Schedule

Week/Lesson /Module	Date	Topics, Readings, Assignments, Deadlines <i>(If appropriate, add extra column(s) to meet your needs.)</i>
1	1/23	<ul style="list-style-type: none"> - Introduction + Overview <ul style="list-style-type: none"> o Instructor Intros/Backgrounds o Student Intros/Backgrounds o Why are you taking this class? o What do you hope to get out of your experience in class? - Overview of the semester - Introduction of Focus Project Site - In-class Exercise: What does X\$ get you in the Bay? [live search Craigslist, Zillow, apartments.com, etc.]
2	1/30	<ul style="list-style-type: none"> - Real Estate Development <ul style="list-style-type: none"> o Process: design, funding, entitlements, construction, stabilization o Real Estate Industry “quadrants”: Developers, Money, Public/Community, Tenants/Residents/End Users - Deep dive into Focus Project Site <ul style="list-style-type: none"> o History of Focus Project Site development proposals o Overview of final presentation assignment (carries through semester)
3	2/6	<ul style="list-style-type: none"> - <i>Guest Lecture: Civil Engineer</i> - Infrastructure and Site Preparation - Subdivisions, Grading, Natural Resources, Utility Plans
4	2/13	<ul style="list-style-type: none"> - <i>Housing Module 1: Kelly Snider</i> - Residential development pro formas - Discussion of 2020 Prop. 13 “split roll” initiative? - Overview to an “Equity Lens” on land use (gentrification, displacement, structural and systemic racism in real estate) *** - Assignment #1: Property Tax Calculations [due 2/27]
5	2/20	<ul style="list-style-type: none"> - <i>Guest Lecture: Co-living Company Representative</i> - Co-living, short-term rentals, and other residential real estate trends *** - Work session for final presentation
6	2/27	<ul style="list-style-type: none"> - <i>Housing Module 2: Kelly Snider</i> - Housing and Mixed-Use Development projects *** Assignment #1 due
7	3/5	<ul style="list-style-type: none"> - <i>Retail + Commercial Module 1: Michael Strahs</i>

Week/Lesson /Module	Date	Topics, Readings, Assignments, Deadlines (If appropriate, add extra column(s) to meet your needs.)
		<ul style="list-style-type: none"> - Retail + Commercial Development [retail ground-up; simple pro forma]
8	3/12	<ul style="list-style-type: none"> - Retail + Commercial Module 2: Michael Strahs - Value-Add Strategies + how to build a value add pro forma <p>***</p> <ul style="list-style-type: none"> - Assignment #2: VP memo to investors analyzing development opportunity [due 3/26]
9	3/19	<ul style="list-style-type: none"> - Guest Lecture: For-Sale Housing Developer - Developing For-Sale Housing <p>***</p> <ul style="list-style-type: none"> - Receive Assignment #1 grades and feedback
10	3/26	<ul style="list-style-type: none"> - Guest Lecture: Architect/Builder - Alternative Construction Techniques <p>***</p> <ul style="list-style-type: none"> - Work session for final presentation
11	4/2	<i>SJSU Spring Break – No Class</i>
12	4/9	<ul style="list-style-type: none"> - Guest Lecture: CEQA/Land Use Expert - Local Control vs. State Control" <ul style="list-style-type: none"> o CEQA (why it exists; exemptions; why some want it modified; why others don't) o SB35 o SB50 o Housing Accountability Act reinforcements o SB330 Housing Crisis Act <p>***</p> <ul style="list-style-type: none"> - Submit First Draft of Final Presentation – Team Written Report/Slide Deck
13	4/16	<ul style="list-style-type: none"> - Guest Lecture: Advocacy Organization; Public Space Designers - Homelessness - Public Placemaking <p>***</p> <ul style="list-style-type: none"> - Receive Assignment #2 grades and feedback
14	4/23	<ul style="list-style-type: none"> - Guest Lecture: Government + Community Relations Consultant - Community outreach - Land use regulation/policy and intersections with issues of sustainability and equity
15	4/30	<ul style="list-style-type: none"> - Guest Lecture: Policy Advocacy Organization - Public advocacy <p>***</p> <ul style="list-style-type: none"> - Receive Feedback on First Draft of Final Presentation – Team Written Report/Slide Deck - Work session for final presentation
16	5/7	<ul style="list-style-type: none"> - Guest Lecture: Real Estate Developer/Consultant - “Follow the money in real estate”: <ul style="list-style-type: none"> o Investments

Week/Lesson /Module	Date	Topics, Readings, Assignments, Deadlines <i>(If appropriate, add extra column(s) to meet your needs.)</i>
		<ul style="list-style-type: none"> ○ Partnerships ○ Waterfall payouts ○ Deal structures
17	5/14	Final presentation – venue and date TBD; week of 5/11-5/15

Plagiarism and Citing Sources Properly

Plagiarism is the use of someone else's language, images, data, or ideas without proper attribution. It is a very serious offense both in the university and in your professional work. In essence, plagiarism is both theft and lying: you have stolen someone else's ideas, and then lied by implying that they are your own.

Plagiarism will lead to grade penalties and a record filed with the Office of Student Conduct and Ethical Development. In severe cases, students may also fail the course or even be expelled from the university.

If you are unsure what constitutes plagiarism, it is your responsibility to make sure you clarify the issues before you hand in draft or final work.

Learning when to cite a source and when not to is an art, not a science. However, here are some common examples of plagiarism that you should be careful to avoid:

- Using a sentence (or even a part of a sentence) that someone else wrote without identifying the language as a quote by putting the text in quote marks and referencing the source.
- Paraphrasing somebody else's theory or idea without referencing the source.
- Using a picture or table from a webpage or book without reference the source.
- Using data some other person or organization has collected without referencing the source.

The University of Indiana has developed a very helpful website with concrete examples about proper paraphrasing and quotation. See in particular the following pages:

- Overview of plagiarism at www.indiana.edu/~istd/overview.html
- Examples of plagiarism at www.indiana.edu/~istd/examples.html
- Plagiarism quiz at www.indiana.edu/~istd/test.html

If you still have questions, feel free to talk to me personally. There is nothing wrong with asking for help, whereas even unintentional plagiarism is a serious offense.

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 King Library. Additionally, the book is relatively inexpensive, and you may wish to purchase a copy.

