

Fall Semester 2011

Tufts University, Graduate Department of Urban and Environmental Policy and Planning

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Course Objectives

Through lecture, case studies, and research assignments, this course will help students:

- Explore the range of strategies and tools available to address economic issues and understand the underlying principles that guide economic development efforts (in all communities with some special emphasis on distressed communities and lower income populations);
- Become familiar with analytical tools, methods and data sources used to assess local economies;
- Acquire a basic knowledge of technical skills necessary to evaluate feasibility and carry out economic development initiatives involving business development, commercial real estate finance, downtown/business district revitalization and social enterprise creation.
- Develop a framework to evaluate the costs and benefits of economic development programs.

What's new this year?

This year, we will use Boston's newest **smart growth corridor** as a laboratory for studying and applying community economic development methodologies. Light rail service will be increased on the Fairmont Indigo Line and several new stations are being developed in Dorchester, Mattapan and Hyde Park. We will examine models for business district planning adjacent to transit stations, study the impact that the expanded rail service might have on the potential for commercial development and explore business recruitment opportunities.

Course Outline at a Glance

<i>Date</i>	<i>Reader</i>	<i>Topics</i>
12-Sept	1	Course Overview; Introduction to CED, Key Players, Info Resources
19-Sept	2	Selected CED Concepts, Industry Clusters, Smart Growth, Transit Oriented Dev.
26-Sept	3	Community Economic Development Objectives, Strategies and Tools
3-Oct	4	Commercial District/Downtown Revitalization--Part 1
10-Oct		No Class – Columbus Day
17-Oct	5	Commercial District/Downtown Revitalization--Part 2
24-Oct	6	Economic Analysis Tools, Methods and Information Sources
31-Oct	7	Healthy Food Access Issues & Strategies, Commercial Real Estate Development --Part 1
7-Nov	8	Commercial Real Estate Development and Finance--Part 2
14-Nov	9	Commercial Real Estate Development and Finance--Part 3
21-Nov	10	Business Development Tools Overview; Business Incubators
28-Nov	11	To Be Announced
5-Dec	12	Team Project Presentations

Course Outline

Class 1

I. Course Overview; Introduction to Community Economic Development, Defining CED, Key Players, Information Resources

- Course Objectives
- Course overview and syllabus
- Reader & Trunk Site, Requirements, Policies, etc.
- Defining community economic development
- Defining community, defining constituency
 - Key Players in Economic Development
 - CDCs – characteristics, operation of for-profit ventures, typical CED activities
 - Information resources
 - Team Project Discussion

Discuss Homework Assignment

Required Reading

Peg Barringer, "Introduction to Community Economic Development" (reader & available on Trunk)

Bibliography/information resources (with live links) (in Reader and available on Trunk)

Homework Assignment:

1. Form teams of 2 or 3 students (might be assigned). This team is just for this 1 assignment - not necessarily the same team as for the other team project assignments. Each team must sign up for one business districts (adjacent to the planned new/expanded stations) for which you will conduct a field visit. Sign up at the first class.
2. Review the report available on Trunk:
 - a. Goody Clancy, "Boston's Newest Smart Growth Corridor: A Collaborative Vision for the Fairmont/Indigo Line"
 - b. A Link to a Google Map with the Station Locations (except Columbia Road) is available on Trunk. For the Columbia Road location, refer to the report cited above.
2. Drive around the business district to get an overall perspective and then walk around the business district. You can make your own observations and conduct informal interviews with business owners and people on the street. Summarize the following.
 - a) List at least 5 Strengths/Assets of the business district
 - b) List at least 5 Weaknesses/Challenges of the business district
 - c) List at least 3 Opportunities
3. Take digital photos to illustrate each of the strengths, weaknesses & opportunities you identified
4. Prepare a simple concise powerpoint presentation for next class (e.g., 3 minutes)
5. While you are out, drive thru other business districts so you can get a sense of all of them.

Class 2

II. Selected ED Terms & Concepts, Industry Cluster/Sector Strategies, Smart Growth, Transit Oriented Development

- Selected Economic Development Terms & Concepts
 - Industry Cluster Development/ Sector Development Strategies
 - Smart Growth Principles
 - Transit Oriented Development
 - Fairmont Smart Growth Corridor
 - Team Assignment Discussion
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- Student Presentations – Station Area Strengths, Challenges and Opportunities (Homework Due for this Class)

Required Readings

Peg Barringer, “Selected Economic Development Terms” (rev. 2011)

Goody Clancy, “Boston’s Newest Smart Growth Corridor: A Collaborative Vision for the Fairmont/Indigo Line”

Be Prepared to discuss:

- What are the potential CED benefits for neighborhood residents?
- What actions could be taken to maximize the CED benefits to the community?

Skim/Reference

Greg Last, Economic Development Terms (available on Trunk)

Supplemental Reading

Ten Principles for Successful Development Around Transit, Urban Land Institute, 2011, (available on Trunk)

Reconnecting America and the Center for Transit-Oriented Development, Station Area Planning: How To Make Great Transit-Oriented Places, 2008, (available on Trunk)

Stephanie Pollack, Barry Bluestone, Anna Gartsman, Maintaining Diversity In America's Transit-Rich Neighborhoods: Tools for Equitable Neighborhood, 2010

Extending public transportation to a metropolitan neighborhood for the first time can, in some cases, raise rents, and attract wealthier residents who would drive rather than ride the train and lead to gentrification which prices out renters and low-income households. This study urges planners and policymakers to consider the unintended consequences. (available on Trunk)

Class 3

III. Community Economic Development Objectives, Strategies and Tools

- Case Study (will get in class)
- Determining CED Priorities
- Typology of Strategies
- CED Objectives, Strategies and Tools
- Overview – Evaluating Potential CED Ventures
- Economic Development Plan - Homework Assignment Discussion

Required Readings

Peg Barringer, “Improving Economic Well Being of Residents: A Typology of Strategies” rev. 2010

Peg Barringer, “CED Objectives, Strategies and Tools, rev. 2009

Peg Barringer, “Determining Economic Development Priorities”, excerpted from Community Economic Development: A "How to" Manual for Community-based Development Corporations, (U.S. Dept. of Housing and Urban Development, Washington, D.C.)

“The Range of Economic Development Strategies and Projects” excerpted from Community Economic Development: A "How to" Manual for Community-based Development Corporations, (U.S. Dept. of Housing and Urban Development, Washington, D.C.)

Portland Economic Development Strategy : A Five Year Plan for Promoting Job Creation and Economic Growth

Homework Assignment (due for this class)

Review the Portland economic development plan. Formulate a preliminary concept for at least one project or program that could be implemented by a community development corporation or other community based economic development entity that would be consistent with accomplishing each of the 3 major objectives of the plan:

1. Grow trade sector jobs through implementation of a cluster strategy targeting four industries.
2. Create the next generation built environment
3. Build the capacity of local entrepreneurs to innovate and compete in the global economy through establishment of an economic gardening program.

Class 4

IV. Commercial District/Downtown Revitalization (Part 1)

- Organizational Models
- The Planning Process
- Components of a Revitalization Strategy
- Business Development – Attracting the Right Tenants, Assisting Existing Businesses to Prosper, Arts Districts, Physical Improvements – Enhancing Aesthetic Appeal, Management, Promotion & Marketing Targeted Real Estate Development

- Team Presentations (Part 1 Assignments)

Required Readings

Peg Barringer, “Commercial District Revitalization Planning Process Chart”

Rick Jacobus and Maureen Hickey, Commercial Revitalization Planning Guide: A Toolkit for Community Based Organizations

“Successful Organizational Models for Downtown/Commercial District Revitalization Programs”, Main Street Center, National Trust for Historic Preservation

Supplemental Reading:

Independence Square Revitalization Plan, Independence, MO (Available on Trunk)

Karl Siedman, Revitalizing Commerce for American Cities: A Practitioner’s Guide to Urban Main Street Programs (Available on Trunk)

Class 5

V. Commercial District/Downtown Revitalization (Part 2)

- Case Study Discussion – DC Retail Road Map
- 12 Steps for Economic Success in Downtowns & Neighborhood Commercial Districts
- Case Study – Rainier Valley

Required Readings

Peg Barringer, 12 Steps to Economic Success for Commercial Districts, (rev. 2009)

DC Office of Planning, Retail Action Road Map: The Future of DC's Retail Markets, 2011

Read and be prepared to discuss the following:

1. Identify at least 5 strategies/actions from the DC Plan that might be appropriate for consideration in the Fairmont Business Districts (and identify which station areas/commercial districts where they would be appropriate).
2. After reading the strategic advantages and key retail opportunities for the DC neighborhood business districts, list what you think might be some strategic advantages and key retail opportunities for the Fairmont Business Districts.

Community Land Use and Economics Group, LLC, Retail Development Strategy for Rainier Valley, 2009

Read and be prepared to discuss the following:

1. Identify at least 5 conditions in Rainier Valley that you think are similar to the Fairmont Corridor
2. Identify at least 5 strategies/actions from the Rainier Valley report that might be appropriate for consideration in the Fairmont Business Districts (and identify which station areas/commercial districts where they would be appropriate).

“Retail Attraction” Posts and Blogs from www.commercialdistrictadvisor.com

“Good Walking is Good Business”, Walk Boston

Previous Plans/Initiatives for Fairmont Business Districts (Undetermined if and to what degree these plans were ever implemented)

Retail Market Study and Action Plan for Cleary and Logan Squares in Hyde Park, MA, ConsultEcon, Inc 2009 Summary – full report available on Trunk)

Mattapan Economic Development Initiative, 2006

Supplemental Reading:

Rochester, Minnesota: Market-Based Downtown Plan , Part III: Recommendations for Moving Forward (All 3 Parts Available on Trunk)

Class 6

VI. Economic Analysis Tools & Methods Used in Community Economic Development

Bring calculator to class!

- Using data effectively
- Quantitative versus qualitative analysis
- Primary vs. secondary data
- Tips for analyzing data
- Using Ratios for Comparison
- Adjusting for Inflation
- North American Industry Classification System (NAICS)
- Identifying Basic Industries using Location Quotient Analysis
- Data Sources
- Commercial data firms

Required Reading

Peg Barringer, Analytical Tools & Methods for Community Economic Development (exercises will be done in class)

Reference/For more information:

[Community Economic Analysis: A How to Manual](#), by R. Hustedde, R. Shaffer, & G. Pulver, revised 2005. pp 1 – 45

Available at:

<http://ncrcrd.org/Publications/BestoffromNCRCDatIowaStateUniversity.aspx>

Class 7

VII. Healthy Food Access Issues for Lower Income Communities, Consequences & Strategies

- Access Issues
- Health & economic consequences
- Strategies to close access gaps

Commercial Real Estate Development and Finance – Part 1

- Role of Commercial Real Estate Development in CED
- Healthy Food Initiatives and Commercial Real Estate
- Introduction to Commercial Real Estate Development, Development Process, Key Players & Roles, Feasibility Analysis Process

Required Reading

Rebecca Flournoy, Healthy Food, Healthy Communities, PolicyLink, 2011, (available on Trunk)

Read and be prepared to discuss:

- Summarize the issues – who has limited access? Why does it matter?
- What are some strategies to increase access to healthy food?
- Is access the only issue?
- Is access to healthy food an issue in the Fairmont corridor? Where? In what way?
- What are some strategies that are appropriate to consider for the Fairmont corridor (and where would they be appropriate)?
- What actions steps would you recommend?

Peg Barringer, Commercial Real Estate Development: A Guide for Economic Development Professionals, 2011

You can skim this guide ahead of time; we will be working thru it in class. We will be using this Guide for this class and the following 2 classes. (The exercises will be done in class.)

Bring calculator to class!

Supplemental Reading

Hannah Laurison and Nella Young, Oakland Food Retail Impact Study, Public Health Law & Policy in collaboration with Food First Institute for Food and Development Policy, 2009 (Available on Trunk)

Class 8

VIII. Real Estate Development and Finance – Part 2

Bring calculator to class!

- Market Analysis & Leasing Issues
- Financial Feasibility Analysis and Financial Statements, Development Financing Process, Development Budget and Income/Expense Pro forma
- Determining Debt Capacity and Finance Structuring, Understanding the Lender Perspective, Types of Loans and Amortization
- Valuation of commercial real estate

Required Readings - **Bring the Commercial Real Estate Guide Materials from Part 1 class also!!!**

Class 9

IX. Real Estate Development and Finance – Part 3

Bring calculator to class!

- Valuation of commercial real estate
- Finance Structuring, Weighted Average Cost of Capital
- Financing Tools and Resources
- Financial Investment Analysis, Reviewing the Ratios

Required Readings - **Bring the Commercial Real Estate Guide Materials from Part 1&2 classes!!!**

Class 10

X. Business Development Tools, Business Incubators

- Definition of small business
- Definition of microenterprise
- Roles for CED organizations/agencies
- Selected tools
- Business incubators

Required Reading

Peg Barringer, Business Development and Selected Economic Development Tools

“Business Incubation Frequently Asked Questions”, National Business Incubation Association
www.nbia.org

“Business Incubator Case Study” – Northside CDC

“Boston Area Business Resources” - Technical and Financial Assistance Providers

Class 11

To Be Announced

Class 12

Team Project Presentations

Requirements

All students are expected to complete required readings and actively participate in class. Many of the assignments and deadlines are listed below. In addition, other assignments are listed under each class in the syllabus and/or might be given out during class. In most cases, assignments will be distributed thru Trunk.

	<u>Assigned</u>	<u>Due Date</u>
Strengths, Weaknesses, Opportunities Assessment	Class 1 (9/12)	Class 2 (9/19)
Economic Analysis Tools	Class 6 (10/24)	Class 8 (11/7)
Team Project - Part 1	Class 2 (9/19)	Class 4 (10/3)
Team Project - Part 2	Class 2 (9/19)	Class 6 (10/25)
Planning & Strategies Team		Class 6 (10/25)
Retail Development Team		Class 7 (10/31)
Business Recruitment Team (presentation date TBD)		Class 7 (10/31)
Commercial Real Estate Development & Finance	Class 8 (11/7)	Class 10 (11/21)
Team Project - Part 3	Class 2 (9/19)	Draft -Class 11 (11/28) Final -Class 12 (12/5)

Weight of Assignments

Class Participation/in class case studies/exercises, etc.	14%
Strengths, Weaknesses, Opportunities Assessment	8%
Economic Analysis Tools	10%
Real Estate Development & Finance	15%
Team Assignment -- Part 1	15%
Team Assignment -- Part 2	23%
Team Assignment -- Part 3	<u>15%</u>
	100%

UEP 271 - Policies

1. Several classes will require the use of a calculator. Please come prepared.
2. Bring copies of required readings, case studies and other materials to class.***
3. If you have to miss a class, **it is your responsibility to make arrangements with another student to pick up copies of handouts and assignments that you might miss.**
4. If you request an extension on an assignment, there will be a 5% grade penalty. All late assignments must be received no later than 1 week after the due date.
5. Please include the following information on the front cover of your assignments

Course: UEP 271

Submitted to: Peg Barringer, Tufts University, UEP Department

Submitted by: (your name or all team member names)

Date: (date of submittal)

Reader

The Readers will be available for purchase at Gnomon Copy. Please plan to pick up your reader at Gnomon Copy in time to complete readings for class #2.

Some readings will also be distributed via the Trunk website (see below).

Trunk Site

Trunk.tufts.edu

Assignments, some readings and other information will be distributed to students via the Trunk Site for UEP 271. Students may also communicate with other students via this site. Please do not communicate to Peg Barringer via this website; instead, you must email her directly.