PPA 251: URBAN PROBLEMS, ECONOMICS, AND PUBLIC POLICY

PUBLIC POLICY AND ADMINISTRATION
CALIFORNIA STATE UNIVERSITY, SACRAMENTO

Fall 2010

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Office: Room 3037, Tahoe Hall.
Office Phone: (916) 278-6304.
Office Hours: Monday and Wednesday, 4:00 – 5:30 p.m. and if necessary by appointment.
Course Held: 3009 Academic Resource Center (ARC) between 6:00 and 8:50 p.m.

Required Texts:


(3) ArcView 9.3.1 Evaluation CD Set, available free by signing up at http://www.esri.com/software/arcgis/arcview/eval/evalcd.html. This is a 60-day trial so please do not sign up for it before November 1.

SacCT, Internet, Windows Access:
Outlines of material covered in class posted on SacCT at least 24 hours before the class scheduled to meet. Information on SacCT found at https://online.csus.edu/. Please visit the site after you have secured a SacLink account number and password from CSUS. I will also correspond with you by e-mail through SacCT. You will also read material off the Internet.

If you do not have Internet access at work or home, access provided to students at the Sacramento State’s Library or various campus computer labs. Access to some links may require the use of a Sacramento State internet portal. We will discuss the use of SacCT on the first day of class. In addition, the free trial version of ArcView is only a Windows version so you will need to install it on a computer that supports this operating system.
**Student Photos:**

One of my downfalls is the ability to remember the names of people. This is a real hindrance to facilitating discussion in class. Thus, I have decided to do something proactive for my name-learning process. I ask that each of us, including myself, subject ourselves to having a digital picture taken on the first class meeting that I will then post on our SacCT site with identifying names attached. I hope this also assists you in a quicker learning of your classmates’ names.

**Overview:**

The structure of this course is around some of the most pressing problems facing central cities and urban areas in the United States (poverty, education, housing affordability, traffic congestion, urban abandonment/suburban sprawl, edge cities, deteriorating infrastructures, infill development, fiscal stress, segregation, etc.). We will approach all of these issues by first learning some of the economics behind them, look at specific applications in the Sacramento Metropolitan Area and California, and then discuss possible policy solutions. Much of the first half of the course deals with the shape and look of urban areas. While much of the second half of the course looks at contemporary urban issues and problems within urban areas. I am in the process of securing speakers from the professional and policy communities to supplement our learning.

PPA 251 is an elective course for Master's students in the PPA Program, a required course for Master's students in the ULD Program, and an elective for Master's students in economics (cross-listed as ECON 251).

The course consists of 14 meetings of 170 minutes each between 6:00 and 8:50 p.m. on Monday night. We will take a 15-minute break at 7:30 p.m. To prepare you for participation in class discussions, I ask that you submit a typed, double-spaced, two-page maximum answer to the numbered discussion questions listed below for the readings for each meeting that corresponds to the first letter in your last name. You alone must submit these on the day of the meeting due. I will look them over and return them to you by the next class meeting with a grade. Grades assigned based upon not just a “right or wrong” answer, but the writing style (grammar, punctuation, organization, etc.), thought, effort, and thoroughness that I judge you put into your answer. A grading rubric is at the end of this syllabus. **One of these write ups is due at our first class meeting (August 30). One is not due at the last class meeting (December 6). Thus, at total of 13 of these assignments.**

You will also complete two assignments given out on October 18 and December 6. These will each take no more than a few hours to complete and be due respectively on October 25 and December 13.

I would very much like to conduct this class in an active learning format. In my mind, this consists of about a third lecture and two-thirds organized discussion amongst us. To accomplish this you will need to complete all of the assigned reading before the night it is covered. We will also conduct structured student group discussions in class.
Please ask questions and offer comments pertaining to that evening’s material during class. Other questions answered during my office hours or during class breaks. Office hours are also for suggestion on pedagogy, a general discussion of economics and urban policy, the PPA or ULD program, or your career plans.

If there are concepts or ideas covered in a Monday session that you did not understand, it is important to your overall success that you get these misunderstandings resolved before the next time that we meet. You can do this by talking to your fellow classmates (I would encourage you to form study groups or electronic study networks), visiting me in my Monday or Wednesday office hours, sending an e-mail question to me at rwassme@csus.edu (please do not send by WebCT because I check less often), or phoning me at (916) 278-6304. My promise to you is that if I am not in my office, I will respond to your Monday through Friday e-mail or call within 24 hours.

Previously, students have suggested using a more student-based discussion of the material. I plan to accommodate this suggestion and am pleased to do so. However, to accomplish this, students will need to come well prepared to class in the form of completing all reading assignments, looking over my notes, formulating answers to the discussion questions poised each week, and actively participating in the discussion. I will call on students who chose not to participate.

**Grading Procedure:**

Where appropriate, grades calculated using the following formula:

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I will assign a number grade to all weekly answers to discussion questions. Your final grade calculated based on these number grades. Anything above a B- in the course is a passing grade.
The average grade assigned to the answers you provide to discussion questions each week will account for 60 percent of your final grade. The grades assigned to your two assignment sets will each account for an additional 15 percent your grade. Your classroom participation makes up the remaining 10 percent.

**University policy for dropping this course followed. You must complete both of the two assignment sets to receive a passing grade in this course.**

**Schedule:**

The following schedule lists the major topics covered and the assigned reading that accompanies them. I reserve the right to make minor changes and additions to the following schedule. Underlined material is hyperlinked.

**You need to also print out and review the outlines I have prepared for each week’s meeting. They will be available on SacCT at least 24 hours before the class meets.**

**Meeting 1 (August 30)**

- O’Sullivan, Chapter One, *Introduction and Axioms of Urban Economics*

- *Sacramento Urbanized Area Map*

- *State of California Metropolitan Area Map*

  (Last Name A-E) Using your own words describe the difference between an urbanized area, a micropolitan statistical area, a metropolitan statistical area, and a combined statistical area. If you wanted to study the prevalence of urban sprawl, what would be the best measure to use? What are the benefits of using the UA definition to quantify what is truly “urban” in the Sacramento Region? Is there any downside to using the UA definition?

- O’Sullivan, Chapter Two, *Why Do Cities Exist?*

  (Last Name F-K) Answer Questions 7 and 11 on p. 33 in O’Sullivan.


  (Last Name L-Z) Summarize for either a private infill developer or central city councilperson definitions of the following terms: “urban sprawl” and “smart growth”.

**Meeting 2 (September 13)**

- O’Sullivan, Chapter Three, *Why Do Firms Cluster?*
(Last Name L-Z) Answer Questions 8 and 10 on p. 65 in O’Sullivan.

**Industry Clusters: Definition, Analysis, and Action**

(Last Name F-K) Develop a brief memo to the Sacramento County Supervisors that lays out the desirability of a clustering strategy for promoting economic development in the county. Be specific on what to cluster and how to go about it.

-Planetizen, *A Tipping Point* and *The Argument Against Smart Growth*, pp. 6 – 17.

(Last Name A-E) Both Flint and Cox offer some of the downsides of pursuing smart growth. List these downsides and then write an opinion piece that uses them to argue against smart growth, or dismisses them as not important enough to stop the pursuit of smart growth.

**Meeting 3 (September 20)**

- O’Sullivan, Chapter Four, *City Size*

(Last Name A-E) Answer Questions 6 and 9 on p. 84 in O’Sullivan.

**The Rise of the Creative Class**

(Last Name L-Z) Develop a brief memo to Sacramento Mayor Johnson on an economic development strategy for the city based upon the premise laid out by Richard Florida.

-Planetizen, *Prescription for Urban Sprawl* and *What is the New Suburbanism?*, pp. 18 – 22 and pp. 28 – 33.

(Last Name F-K) Choose either the City of Sacramento for the Woo article, or the City of Elk Grove for the Kotkin article, and based upon your own observation and a brief internet search, assess whether there has been any attempts in the place you choose to implement the suggestions made in the respective article.

**Meeting 4 (September 27)**

- O’Sullivan, Chapter Five, *Urban Growth*

(Last Name F-K) Answer Questions 8 and 10 on pp. 110 -111 in O’Sullivan.

- The Benefits of Growth

(Last Name A-E) The citizens of the City of Davis are notoriously known (on average) to be against further growth in their own community. While is it
consistent for the average Davis citizen to also be in favor in further growth of the Sacramento Metropolitan Area (NIMBYism). Write a briefing memo, to your private sector boss who is a home developer in the region, explaining why this occurs

- Economic Effects of State and Local Government Capital Projects

(Last Name L-Z) Write a brief memo to the authors of a technical report that claims that the building of a new King’s Arena with a partial public subsidy from the City of Sacramento will always exert a positive effect on the size of the city’s employment and economy. Be sure to explain your argument against this possibility in a manner that a layperson can follow.

Meeting 5 (October 4)

Outside speaker(s) sought to discuss Sacramento City economic development and/or new King’s Arena

- Sports, Jobs, and Taxes (1998), (Go to this link and search for this article by looking for articles by Timothy J. Bartik)

(Last Name F-K) Compose an Op-Ed piece for the Sacramento Bee that argues against the use of public sector resources to construct a new King’s Arena in Sacramento. Be sure to use the two main themes that Bartik points out in his article.

- O’Sullivan, Chapter Six, Urban Land Rent

(Last Name A-E) Answer Questions 1 and 8 on pp. 146 - 148 in O’Sullivan.

-Planetizen, Zoning in a Time Warp, pp. 39 – 44.

(Last Name L-Z) Why is it that Sacramento Area homebuilders continue to produce primarily “iceberg lettuce” instead of other varieties? Are there exceptions? Have they been successful? What does Tregoning think is needed to change this?

Meeting 6 (October 11)

Outside speaker(s) sought to discuss the occurrence of sprawl in Sacramento Region and policies needed to change

- O’Sullivan, Chapter Seven, Land Use Patterns

(Last Name L-Z) Answer Questions 2 and 5 on pp. 183 - 184 in O’Sullivan.
- Truly ‘Smart’ Growth

(Last Name F-K) According to Mills, what type of sprawl should most concern policymakers? Are there benefits to suburbanization as well as costs? What does he advocate for the correction of this market failure?


(Last Name A-E) O’Toole seems to believe that Smart Growth, as traditionally prescribed, is “incompatible with the American Dream.” Explain why he feels this way and offer the reasons why you agree or disagree with this statement.

Meeting 7 (October 18)

- O’Sullivan, Chapter Eight, *Neighborhood Choice*

(Last Name A-E) Answer Questions 8 and 9 on p. 223 in O’Sullivan.

- Urban Spatial Segregation

(Last Name L-Z) Summarize Wassmer’s arguments regarding the benefits and costs of Tiebout sorting. Do you agree with his policy suggestions to deal with the downside of such sorting? Why or why not?


(Last Name F-K) How is gentrification a by-product of Smart Growth? Who is gentrification good for and bad for? Are there ways of preserving the good while mitigating the bad?

Meeting 8 (October 25)

Outside speaker(s) sought to discuss the SACOG Blueprint Project in Sacramento Region

- O’Sullivan, Chapter Nine, *Zoning and Growth Controls*

(Last Name L-Z) Answer Questions 3 and 8 on pp. 244 - 246 in O’Sullivan.

- Sacramento County USB Map

-Sacramento County May Open 20,000 Acres to Development

(Last Name A-E) Describe to a community activist what Sacramento County’s Urban Service Boundary is all about regarding development opportunities within the county? Should they support the recent proposal to expand the boundary?
Will expanding the boundary create more or less sprawl in the entire Sacramento Metropolitan Area?
- Sacramento Blueprint Project Video

(Last Name F-K) How does SACOG’s Blueprint Project differ from the growth plan used in Portland, Oregon? Is the SACOG approach likely to achieve its goals? Will the adoption of SB375 help?

Meeting 9 (November 1)

- O’Sullivan, Chapter Ten, Externalities from Autos

(Last Name F-K) Answer Questions 4 and 7 on pp. 279 - 280 in O’Sullivan.

- O’Sullivan, Chapter Eleven, Mass Transit

(Last Name L-Z) Answer Questions 4 and 10 on pp. 302 - 304 in O’Sullivan.


(Last Name A-E) Compare and contrast performance-based pricing for curb parking to HOT lanes as a way to deal with transportation concerns in an urban area. What is the intent of each policy? Do they work toward the same purpose, or to cross-purposes?

Meeting 10 (November 8)

Outside speaker(s) sought to discuss the creation of new cities in Sacramento County

- O’Sullivan, Chapter Fifteen, Role of Local Government

(Last Name A-E) Answer Questions 3 and 5 on pp. 399 - 400 in O’Sullivan.

- Urban Devolution and Metropolitan Local Governance in California’s Next Half Century of Growth

(Last Name F-K) Wassmer argues that there are too few city governments in California. Offer the evidence that he offers in support of this argument. What could be done policy wise to bring it to fruition? Do you agree?


(Last Name L-Z) How and why is “Fiscalization of Land Use” practiced in California? How has it influenced the shape of its urban areas? What are other
unique institutional aspects of California that has shaped its urban form (refer to previous article)?

Meeting 11 (November 15)

- O’Sullivan, Chapter Thirteen, Why is Housing Different?

  (Last Name L-Z) Answer Questions 1 and 8 on pp. 354 - 356 in O’Sullivan.

- The Downturn in Facts and Figures and Anatomy of Train Wreck: Causes of the Mortgage Meltdown

  (Last Name A-E) An elected official has asked your boss (a large residential land developer in the Sacramento) to prepare a short briefing paper on the causes of the recent mortgage foreclosure process. Prepare this based upon the info in the above articles.


  (Last Name F-K) What is “New Urbanism”? Relate to economic housing concepts discussed above in O’Sullivan to the role that housing plays in New Urbanism.

Meeting 12 (November 22)

- O’Sullivan, Chapter Fourteen, Housing Policy?

  (Last Name F-K) Answer Questions 8 and 10 on p. 377 in O’Sullivan.

- The Effects of Inclusionary Zoning on Local Housing Markets

- A Developers Guide to the Mixed-Income Housing Ordinance of the City of Sacramento Establishing an Inclusionary Housing Program

  (Last Name L-Z) Explain to your developer boss: (1) the purpose of the City of Sacramento’s Inclusionary Housing Program, (2) whether programs like this have been successful in other places across the country, and (3) what does she need to do to comply to it.


  (Last Name A-E) The implementation of Smart Growth and New Urbanism requires that middle-income families desire to live in high-density neighborhoods. The above articles discuss some policies that may make such neighborhoods attractive to such. Describe these policies and offer an opinion of whether they
would achieve this goal. What are some other obstacles that also needs to be overcome?

**Meeting 13 (November 29)**

Outside speaker(s) sought to discuss Smart and LEED Building Practices (more reading may be added based upon their suggestions)

- **Growing Cooler**

  (Last Name A-E) AB32, SB375, and a “three-legged stool”? What does this all mean for an urban land developer in California?


  (Last Name F-K) Much has changed in midtown and downtown Sacramento in the decade. Assess how well these changes adhere to the principles discussed in these two articles.

- **Infill Design**

- **Folsom Boulevard and 65th Street Infill Simulation**

  (Last Name L-Z) Would you advise your developer boss from a private profit perspective to undertake the infill development proposed at Folsom Blvd and 65th Street? Would you advise the Mayor of Sacramento to pursue such a project and if necessary offer subsidies to get it done? In both cases explain why or why not?

**Meeting 14 (December 6)**

GIS Introduction

- **ArcView Tips and Tutorials, University of Texas at Austin**

- **A Regional View of Social Disparities**
Grading Rubric for Weekly Discussion Questions

PPA 251

Fall 2010

Excellent = 10, Good = 9, Acceptable = 8, Needs Improvement = 7, Poor = 6, Absent = 0

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