

URPL 6450 URBAN ECONOMIC ANALYSIS (3 UNITS)
FALL 2016

Class meets: Mondays, 2:00-4:45 p.m.
CU Building Room 340

Instructor: Assistant Professor Carolyn McAndrews
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Office hours: Tuesdays, 12:15-2:15 p.m.
or e-mail to schedule an appointment

1. Course Information

This course introduces students to the fundamentals of urban, land, and environmental economics, covering topics such as the value of land, environmental regulation, infrastructure and service finance, impact fees, land value capture, pricing incentives, decision analysis, and cost-benefit analysis. In addition to covering core concepts in economics that relate to urban and regional planning, the course offers training in analysis of economic data.

This is a graduate-level course with no prerequisites. Students should be ready to engage with concepts and methods from economics, geography, sociology, ecology, law, public policy, and urban planning.

The course is organized as an interactive seminar. Class sessions are used for discussion of readings, in-class exercises, discussion and review of assignments, and other topics of interest. Assignments are generally in the form of problem sets with data analysis questions requiring the use of Excel. There is a midterm and a final exam.

Schedule

Week	Date	Topic	Learning
Part 1: Land economics in urban and regional contexts			
1	Aug 22	Compelling issues and course overview	Course operations, learning objectives, compelling issues
2	Aug 29	Land and its value	Scarcity, formation of cities, firm and residential location choice
3	Sep 5	No class, Labor Day	
4	Sep 12	Infrastructure and public services	Context of transportation and information technologies, housing quality, public services
5	Sep 19	Land use controls	Economic framing of zoning, growth boundaries, etc.
6	Sep 26	Urbanization processes	Urbanization, exurbanization, counter-urbanization
7	Oct 3	Special cases	Mountain towns in Colorado
8	Oct 10	Implications for urban form	Deconstructing popular discourse: back to the city, aerotropolis
9	Oct 17	Midterm	
Part 2: Transportation, parking, and environmental applications			
10	Oct 24	Parking 1	Supply of parking, demand for parking, parking pricing and in-lieu fees
11	Oct 31	Parking 2	Case example of AHEC parking
12	Nov 7	Transportation 1	Externalities, congestion
13	Nov 14	Transportation 2	Pricing/fees/taxes, I-70 corridor in Colorado
14	Nov 21	Environment 1	Non-market valuation, cost-benefit analysis
15	Nov 28	No class, fall break	
16	Dec 5	Environment 2	Conservation easements in Colorado
17	Dec 12	Take-home final exam during exam week	

Attendance

You are expected to attend every class. Attendance is taken at each class using the Roll Call function in Canvas.

You must arrive on time to class to avoid disrupting other students' attention and learning. Arriving up to 10 minutes late to class reduces attendance points for the class session by 50% (from 10 points to 5 points). If you arrive later than 10 minutes to class, then you may not receive attendance credit for the class session.

This policy applies to all absences.

Readings

You are expected to complete all reading assignments before class. Most course materials will be available electronically. Occasionally, additional materials will be handed out in class.

Readings are intended to familiarize you with a range of applied topics and underlying theories. Readings are a form of self-directed learning, and they prepare you to do group-based learning during class sessions. They bring everyone in the class to the same starting point.

Lectures, Class Discussions, and Exercises

The course is not organized around lectures, although sometimes they may be used. Generally, class time is spent in discussion and exercises, which review and extend the material covered in the readings and assignments.

You are expected to be active participants and leaders in these discussions and exercises, and to integrate information from lectures, readings, discussions, and exercises into your assignments.

Most students will be more expert in certain areas than in others because of disciplinary backgrounds and prior experience, but everyone has a lot to learn from one another. You should prepare to share your learning with the class to facilitate peer instruction. Additional readings, meetings with subject-matter experts, or meetings with the instructor during office hours may also help you become more proficient in topics outside of your home discipline.

Communication

Unless otherwise noted, we will use Canvas for all official course communication and it is your responsibility to use Canvas settings that enable reliable communication. For example, this may mean selecting a personal e-mail address as the default in Canvas. I may use Canvas for course announcements, announcing changes to the schedule and/or syllabus, returning graded assignments, personal communication, or other course-related business. All assignments, unless otherwise noted, must be submitted on Canvas. You should be familiar with Canvas's assignment submission procedures.

Learning Objectives

After completing this course, you will understand major debates, issues, and theories in contemporary urban economics and policy. You will also have practical knowledge and experience analyzing urban economic problems.

Per the Planning Accreditation Board's educational outcomes criteria, the course has the following learning objectives:

1. Human settlements and history of planning: understanding the growth and development of places over time and across space.
2. Quantitative and qualitative methods: data collection, analysis and modeling tools for forecasting, policy analysis, and design of projects, policies, and plans.
3. Governance and participation: appreciation of the roles of officials, stakeholders, and community members in planned change.
4. Growth and development: Appreciation of economic, social, and cultural factors in urban and regional growth and change.

Grading Policy

Date Due	Assignment	Points	Proportion
Each class	Attendance and participation	260	0.34
August 29	Question about the syllabus	10	0.01
September 26	Problem set #1	100	0.13
October 10	Problem set #2	100	0.13
October 17	Take-home midterm exam	100	0.13
December 5	Housing/transportation/environment essay	100	0.13
December 12	Take-home final exam	100	0.13
	Total	770	1.00

Allocate about three hours each week for reading, and about 15 hours total for each major assignment and exam.

Final grades will be based on the total number of points earned.

770-693 = A/A-
692-616 = B+/B/B-

615-539 = C+/C/C-
538-462 = D+/D/D-
461 or below = F

All assignments, unless otherwise noted, must be submitted in PDF format on Canvas by 14:00 on the due date. Please compile multiple pieces of an assignment into a single PDF.

Grading will be based primarily on the quality and depth of the work presented, but organization, composition, presentation, and copy-editing will also be taken into account.

You are expected to turn in both graded and ungraded assignments on time (see schedule). Out of respect and fairness for all members of the class, extensions will be granted only in the case of an actual emergency. Late assignments lose up to 25 points per day.

Academic Honesty

Education at the University of Colorado Denver and in the College of Architecture and Planning (CAP) depends on honesty and integrity, as well as appropriate conduct. CAP students are required to follow the Student Code of Conduct and the Honor Code. Please refer to [http://www.ucdenver.edu/academics/colleges/ArchitecturePlanning/discover/Documents/HonorCode-Graduate Students-Fall 2009.pdf](http://www.ucdenver.edu/academics/colleges/ArchitecturePlanning/discover/Documents/HonorCode-Graduate%20Students-Fall%202009.pdf) for details.

All University and College policy, as well as common sense, regarding academic honesty applies in this course. Plagiarism and cheating are not tolerated and will be handled through the University's official process. When working in a group, it is the responsibility of everyone in the group to maintain the norms of academic integrity.

You may do joint work with other courses only with the permission of all instructors and when the work is suitable for the topic and the course.

Accommodations

If you need accommodations, or if you are not sure whether you need accommodations, then you need to contact the Disability Resources and Services Office on campus. See <http://www.ucdenver.edu/student-services/resources/disability-resources-services/accommodations/Pages/accommodations.aspx> for more details.

2. Assignments

2.1 Participation

Due: At each class session

Total points: 130

Class participation traditionally means demonstrating one’s knowledge verbally and hiding any evidence of gaps in knowledge, doubts, and questions. These traditional expectations of class participation do not support learning in the classroom. They are particularly difficult for students who are less verbal. Instead, positive participation for this course means having positive externalities on others’ learning.

Norms of participation in this course include the following aspects of engagement (adapted from: Lathrop A. 2006. Teaching How to Question: Participation Rubrics. The Teaching Professor, 20(2): 4-5):

- **Preparation:** Demonstrate being prepared for class by arriving on time, taking notes, bringing notes and copies of the readings to class, researching unfamiliar or interesting topics found in the readings, and setting an intention for the class meeting.
- **Engagement:** Actively engage with other members of the class in respectful and inclusive discussion and active listening. It is usually more important to listen than to talk. It’s also important to engage with people who you perceive as different from you. This means being curious about and open to what other people think and experience.
- **Initiative within a group:** Ask questions during discussion that focus, clarify, and summarize what the group is talking about. Help others express themselves when they have trouble communicating. Create space for shy people. Don’t monopolize conversation. In general, try to have a positive effect on other people.
- **Discussion:** Discussion is about increasing collective understanding, not only individual understanding. Successful class discussion requires having compassionate and respectful relationships with peers, and these relationships reflect higher order intellectual and emotional skills (analysis, synthesis, compassion, etc.). In contrast to the traditional classroom, discussion in this class is not about showing other people how much you know.

Each week, you may earn up to 10 points for participation. These points will be added to the assignment in Canvas each week until they total 130 at the end of the semester.

Grading Rubric: Participation			
	Excellent	Good	Poor
Demonstrating engagement during class sessions, 13 total, 10 points each	Reliably has positive externalities for classroom learning	Is present during class, doesn’t actively disrupt other people, not clear what contributions are being made, if any	Participation regularly disrupts and disturbs others’ learning

Total	117-130 points	104-116 points	≤ 104 points
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2.2 Syllabus Question

Due: August 29, 2016, 14:00

Total points: 10

Please post one clarifying question about the content of the course syllabus to the discussion in Canvas. As a group, we will review and discuss these questions in class on the 29th, and I will likely make changes to the syllabus based on them. Please check Canvas for updated versions of the syllabus throughout the semester, and make a habit of asking clarifying questions about the course.

There is no rubric for this assignment. Syllabus questions that are submitted on time receive full credit.

2.3 Problem Set #1

Due: September 26, 2016

Total points: 100

The problem set is posted on Canvas and it is accessible immediately. Detailed instructions are included in the document. Certain questions from the problem set are due in class before this final due date because we use them as exercises.

2.4 Problem Set #2

Due: October 10, 2016

Total points: 100

The problem set is posted on Canvas and it is accessible immediately. Detailed instructions are included in the document. Certain questions from the problem set are due in class before this final due date because we use them as exercises.

2.5 Midterm

Due: October 17, 2016, 11:59 p.m.

Total points: 100

The midterm will be a take-home exam. The exam will be available at 7:00 a.m. on Canvas on Monday, October 17 and will be due by 11:59 p.m. the same day.

2.6 Housing/Transportation/Environment Essay

Due: December 5, 2016
Total points: 100

Respond to one of the following prompt in an essay no longer than 3,000 words in length.

What do you think should be the role of [select one: the federal government, local government] in [select one: housing/transportation/environmental] policy?

2.7 Final Exam

Due: December 12, 11:59 p.m.
Total points: 100

The final will be a take-home exam. The exam will be available at 7:00 a.m. on Canvas on Tuesday, December 6 and will be due by 11:59 p.m. on Monday, December 12.

3. Course Schedule and Readings

Week 1. August 22: Compelling issues and course overview

Optional readings:

1. Duane, Daniel. 2016. "Dinner, Disrupted." *The New York Times*, August 7, 2016. <http://nyti.ms/2aX05C7>.
2. Schwartz, Nelson D. 2016. "Why Corporate America is Leaving the Suburbs for the City." *The New York Times*, August 1, 2016. <http://nyti.ms/2aIG9mh>.
3. Shiller, Robert J. "Why Land and Homes Actually Tend to Be Disappointing Investments." *The New York Times*, July 15, 2016. <http://nyti.ms/2a3Rv5s>.
4. Sassen, Saskia. 2000. "The Global City: Strategic Site/New Frontier." *American Studies*, 41(2/3):79-95.

Video:

5. WIRED. 2016. "Shenzhen: The Silicon Valley of Hardware." <https://www.youtube.com/watch?v=SGJ5cZnoodY>.

Week 2. August 29: Land and its value

Required readings:

1. Moore, Terry, Paul Thorsnes, and Bruce Appleyard. 2007. "Market forces in the history of urban land development." In, *The transportation/land use connection*. Chicago, IL: American Planning Association, Planning Advisory Service, 2007.
2. Brueckner, Jan K. 2011. "Chapter 1. Why Cities Exist," in *Lectures on Urban Economics*. Cambridge, MA and London, England: The MIT Press.

3. Brueckner, Jan K. 2011. "Chapter 2. Analyzing Urban Spatial Structure," in *Lectures on Urban Economics*. Cambridge, MA and London, England: The MIT Press.

Optional reading:

4. OECD. 2014. "Chapter 2. Drivers of city performance: The evidence," in *Regions and Cities: Where Policies and People Meet*. OECD Regional Outlook. Paris: OECD Publishing. Pp. 47-64.

Week 3. September 5: No class—Labor Day

Week 4. September 12: Infrastructure and public services

Required readings:

1. Brueckner, Jan K. 2011. "Chapter 3. Modifications of the Urban Model," in *Lectures on Urban Economics*. Cambridge, MA and London, England: The MIT Press.
2. Brueckner, Jan K. 2011. "Chapter 8. Local Public Goods and Services," in *Lectures on Urban Economics*. Cambridge, MA and London, England: The MIT Press.
3. World Bank. 2013. "1. Planning cities," in *Planning, Connecting, and Financing Cities—Now: Priorities for City Leaders*. Washington, D.C.: World Bank. Pp. 15-33.
4. World Bank. 2013. "2. Connecting cities," in *Planning, Connecting, and Financing Cities—Now: Priorities for City Leaders*. Washington, D.C.: World Bank. Pp. 41-61.

Optional reading:

5. OECD. 2014. "Chapter 4. Public investment: Smart, co-ordinated and efficient," in *Regions and Cities: Where Policies and People Meet*. OECD Regional Outlook. Paris: OECD Publishing. Pp. 99-131.

Week 5. September 19: Land use controls

Required readings:

1. Brueckner, Jan K. 2011. "Chapter 4. Urban Sprawl and Land Use Controls," in *Lectures on Urban Economics*. Cambridge, MA and London, England: The MIT Press.
2. Whitehead, Christine M.E. 1983. "The Rationale for Government Intervention," in *Urban Land Policy*, Harold B. Dunkerly, ed. Oxford University Press/The World Bank, pp. 108-131.

Optional readings:

3. Kim, Jae Hong. 2011. "Linking Land Use Planning and Regulation to Economic Development: A Literature Review." *Journal of Planning Literature*, 26(1):35-47.

4. Bertaud, Alain and Jan Brueckner. 2005. "Analyzing building-height restrictions predicted impacts and welfare costs." *Regional Science and Urban Economics*, 35:109-125.

Week 6. September 26: Urbanization processes

Required readings:

1. Scott, Alister, Alana Gilbert, and Ayele Gelan. 2007. "The Urban-Rural Divide: Myth or Reality?" Socio-Economic Research Group.
2. Johnson, Kenneth M. and Calvin L. Beale 2002. "Nonmetro Recreation Counties: Their Identification and Rapid Growth." *Sociology Scholarship*, 75.
3. Champion, Tony. 2001. "Urbanization, Suburbanization, Counterurbanization and Reurbanization," in *Urban Studies Handbook*, pp. 143-161.
4. McGranahan, David A. 1999. "Natural Amenities Drive Rural Population Change." Economic Research Service, U.S. Department of Agriculture. Agricultural Economic Report No. 781.

Optional readings:

5. Brady, Joanne E. and Beth C. Weitzman. "Inconsistencies in place definition: How different operational place definitions affect estimates of adolescent smoking and drinking risk." *Health & Place*, 13: 562-568.

Week 7. October 3: Special cases—Mountain towns in Colorado

1. Riebsame, William E., H. Gosnell, and D.M. Theobald. 1996. "Land Use and Landscape Change in the Colorado Mountains I: Theory, Scale, and Pattern." *Mountain Research and Development*, 16(4): 395-405.
2. Nelson, Peter B., Alexander Oberg, Lise Nelson. 2010. "Rural gentrification and linked migration in the United States." *Journal of Rural Studies*, 26: 343-352.

Week 8. October 10: Implications for urban form and design

Required readings:

1. Storper, Michael and Michael Manville. 2006. "Behaviour, Preferences and Cities: Urban Theory and Urban Resurgence." *Urban Studies*, 43(8): 1247-1274.
2. Shapiro, Ari. 2015. "A South Korean City Designed for the Future Takes on a Life of Its Own." October 1, 2015. All Things Considered, National Public Radio.
<http://www.npr.org/templates/transcript/transcript.php?storyId=444749534>
3. Bertolini, Luca. 1996. "Nodes and places: Complexities of railway station redevelopment." *European Planning Studies*, 4(3): 331-346.

Week 9. October 17: Midterm exam, take home

Week 10. October 24: Parking 1: Parking supply, demand, in-lieu fees, shared economy

Required readings:

1. Victoria Transport Policy Institute. 2013. "Parking Management: Strategies, Evaluation, and Planning.
2. Shoup, Donald C. 1999. "In Lieu of Required Parking." *Journal of Planning Education and Research*, 18:307-320.
3. Manville, Michael and Donald C. Shoup. 2004. "People, Parking, and Cities." *Access*, 25:2-8.

Optional readings:

4. Crompton, John L. 1999. "Chapter 10. Acquiring Resources through Exactions," in *Financing and Acquiring Park and Recreation Resources*. Champaign, IL: Human Kinetics.

Week 11. October 31: Parking 2: Is parking on the Auraria campus optimized?

Required readings:

1. Auraria Higher Education Center. "Master Plan Update 2012."
2. Shoup, Donald C. 2008. "The Politics and Economics of Parking on Campus," in *The Implementation and Effectiveness of Transport Demand Measures: An International Perspective*. Aldershot, UK: Ashgate Publishing.
3. Department of Public Works. 2010. "Denver Strategic Parking Plan."

Week 12: November 7: Transportation 1: Congestion

Required readings:

1. Brueckner, Jan K. 2011. "Chapter 5. Freeway Congestion," in *Lectures on Urban Economics*. Cambridge, MA and London, England: The MIT Press.
2. Deakin, Elizabeth and Greig Harvey. 1996. "Transportation Pricing Strategies for California: An Assessment of Congestion, Emissions, Energy, and Equity Impacts." Final Report for the California Air Resources Board.

Week 13. November 14: Transportation 2: The I-70 Corridor

Required readings:

1. The Louis Berger Group, Inc. 2014. "Sketch Level I-70 Mountain Corridor Traffic and Revenue Study." Prepared for Colorado Department of Transportation.

Week 14. November 21: No class—Fall Break

Week 15. November 28: Environment 1: Economic framing of environmental problems

Required readings:

1. Brueckner, Jan K. 2011. "Chapter 9. Pollution," in *Lectures on Urban Economics*. Cambridge, MA and London, England: The MIT Press.
2. Viscusi, W. Kip, John M. Veronon, Joseph E. Harrington, Jr. 1995. "Chapter 19. Introduction: The Emergence of Health, Safety, and Environmental Regulation," in *Economics of Regulation and Antitrust*, 2nd edition. Cambridge, MA: The MIT Press.
3. Ostrom, Elinor. 2010. "Beyond Markets and States: Polycentric Governance of Complex Economic Systems." *American Economic Review*, 100:1-33.

Optional readings:

4. Rose, Carol. 1986. "The Comedy of Commons: Custom, Commerce, and Inherently Public Property." *The University of Chicago Law Review*, 53(3):711-781.

Week 16. December 5: Environment 2: Economics of conservation easements

Required readings:

1. Sargent-Michaud, Jessica. 2009. "A Return on Investment: The Economic Value of Colorado's Conservation Easements." *The Trust for Public Land*.
2. Ebers, Anna and David Newman. 2014. "Economics of Conservation Easements," in *Handbook of Forest Resource Economics*, Shashi Kant and Janaki R.R. Alavalapati, eds. Earthscan.
3. Wallace, George N., David M. Theobald, Tawnya Ernst, and Katherine King. 2008. "Assessing the Ecological and Social Benefits of Private Land Conservation in Colorado." *Conservation Biology*, 22(2):284-296.