R. E. DEVELOPMENT PLANNING II  
USP 546 [CRN# 44504]  
Department of Urban Studies & Planning  
College of Urban and Public Affairs [PSU Ofc-350 B]  
Center for Real Estate  
Portland State University

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COURSE SYLLABUS

Winter Term 2012 USP 546: Tuesdays/Thursdays, 4:40 - 6:30 p.m., URBN 220

Real Estate Development Planning II

Description: In USP 546, Real Estate Development II we take a variety of different approaches to explore urban development undertaken by a multiplicity of actors, whether they be private developers, public entities, public/private partnerships, non-profit corporations, universities, cooperatives or health care organizations.

One of the approaches we use is a case study approach that gives students a rich array of actual projects, people and places. I have found that students really enjoy getting away from general principles and into real life examples of how development actually is practiced. We deal with examples in many places, including both downtown and suburban mixed-use projects, urban, retirement and affordable housing, new communities, urban waterfront development and sustainable green building. And we explain important new tools for maximizing density with cost-effective shared parking, community associations and ground leasing.

In addition, we include many of the articles I have written about innovative solutions to design and development problems which were published in Urban Land magazine and Urban Land Institute books. I provide these cases, articles and materials free of charge for your academic use during the term. You will get the opportunity to answer a selection of questions about your reading at the end of each of the 10 chapters in my cases and materials, which will assist you in getting the most out of them. We will talk about some of them in class. Universal participation in those exercises will enable us to forego a final examination.

Finally, during the whole term you will get the opportunity to develop your own original development plan for redevelopment of an existing building or vacant site in one of eight urban renewal areas in Portland. Students have found that this is a creative learning experience that lets them apply and demonstrate the concepts and tools they have learned in the two development courses. Frankly, some of the students' proposals have been better than what actually got developed on the site.

I welcome your enrollment in USP 546 and look forward to getting to know you. Please take the opportunity now to let me know your background so that I can get a better idea of how I can make the course more responsive to your needs. Please send me current resume to help me do that.

Students: This sequence is designed for the graduate planning student, or qualified undergraduate admitted by special permission, who desires to understand, and eventually participate in, the development process, either in the public or private sectors. It is also designed for the practicing professional who already participates in the development process in a planning, design, financing, leasing or property management capacity, and who desires to place that experience in the context of the whole development process.
**Professor:** William Macht is President of the development firm Macht & Company, which undertakes mixed-use urban projects. It completed adaptive re-use of historic Officers' Row as developer for the Vancouver Area Development Authority. Officers' Row is a 21-acre mixed-use downtown historic project implemented through a public-private partnership. Macht & Company, in a joint venture with OTAK, Inc, was selected as one of two finalists, from a field of six developers, to plan, design, finance and construct a new Vancouver City Hall and downtown central Library and headquarters for the 3-county Fort Vancouver Library District. Professor Macht is also a development consultant whose clients include Transpacific Development Company, Norris, Beggs & Simpson, Riverview Properties Company, Landsing Property Corporation, Smith-Ritchie Development Company, American Property Management, ROSE Community Development Corporation, D.M. Stevenson Ranch, Inc. and Multnomah County. As a Commissioner, he organized development efforts for the Port of Hood River, redeveloping a 750,000 SF downtown mixed-use project and urban waterfront development projects. He was appointed to the founding board of the Hood River Urban Renewal Agency.

Professor Macht was formerly a Development Director of the Rouse Company [developer of mixed-use urban centers, festival marketplaces, and the new city of Columbia, Maryland]. He was an aide to Senator Javits working on the Atlantic Community Development Group for Latin America (ADELA) and an aide to Senator Robert Kennedy working on the Appalachian Regional Development Commission. He was an attorney drafting the Caribbean Development Bank charter for the U.S. Treasury. He was also International Counsel for the Gates Rubber Company and Gates Land Company. Mr. Macht is a graduate of the Woodrow Wilson School of Public and International Affairs at Princeton University, holds a J.D. degree from the University of Virginia Law School and is admitted to the Washington D.C. bar. He has taught courses on Small Cities, Planning Law and Development Planning and Development Workshops at the School of Urban and Public Affairs for the past 33 years. He has lectured at the Urban Land Institute [ULI], the University of Washington Cascade Center for Public Service, the National Association of Housing & Redevelopment Officials [NAHRO] and the Oregon Community Development Training Institute. He writes and edits the Solution File column for Urban Land magazine, the national publication of the Urban Land Institute. He has published law review articles in the field of development, written several chapters in a ULI book “Remaking The Urban Waterfront” and is the author of a proposal for a Columbia Gorge Development Bank supported by both Oregon and Washington Governors and Senators. He was appointed by Governor Roberts to the Oregon Investment Board. He was also appointed to be a founding board member of GorgeTrust, a bi-state non-profit corporation supporting sustainable development, and has served as its President. He is also an Adjunct Professor of Architecture at the University of Oregon School Of Architecture, Portland Center.

**Case Study Method:** In order to reflect the integrated nature of the development process for each development project, the course primarily uses the case study method. The case study method will ground the student each week in the way in which design, development, market, finance, construction, management and public policy is inter-related and integrated to make each project unique. The case method will also demonstrate the iterative nature of development planning.

**Materials:** The required reading material is W.P. Macht, *Cases & Materials [2007]*, distributed on CD-ROM for academic purposes only. In addition, selected portions of a comprehensive textbook by M.E. Miles, G. Berens, M.A. Weiss et. al., *Real Estate Development: Principles and Process, Fourth Edition*, Urban Land Institute [2007], is used for affordable housing. It is also a useful reference for the current or future practitioner. Supplemental reference materials for the case studies are the Development Case Studies published online by the Urban Land Institute; R.Peiser, *Professional Real
Independent Development Plans: In Development Planning II, each student, or student team will undertake an original Independent Development Plan for a new project. The project will be selected from among potential infill sites or potential rehabilitation/redevelopment projects in the following areas:

1. Central Eastside/Rose Quarter
2. Gateway Renewal Area
3. Interstate Renewal Area
4. River District
5. South Waterfront
6. University District
7. Vancouver Downtown
8. West End

Each Development Plan must be complete including a:

1. Development Strategy
2. Target Market Comparables
3. Development Program
4. Design (site, floor, unit, elev. plans)
5. Economic Model
6. Capital & Operations Budgets
7. Marketing Plan & Absorption
8. Management Plan

and submitted with one hard copy, as well as in an electronic copy in PDF format (<8MB) plus the student’s PowerPoint presentation. Where feasible, the design component may be done in cooperation with a design studio class. Visiting developers and architects may also assist or critique the student's Development Plan. The student's Development Plan will demonstrate and apply mastery of the development concepts and tools learned.

Class Participation: The Socratic method used in the class and the emphasis on the study of real cases requires active class participation from each student. The interaction between professor and students and the stimulation of lively debate enriches the learning experience and makes it fun. Therefore, class attendance is mandatory and will be monitored. Guest Lecturers who are development practitioners may be invited for specific topics and students should be prepared to ask intelligent questions.

Substantive Topics: The 11 weeks of the term will cover the substantive material outlined on the following pages. Readings assigned must be performed before each class in order to facilitate informed class discussion. Each student will understand how to formulate an economic model.

Grading: The objective of the course is for the student to gain skills to recognize, identify, define and solve development problems and then to explain those problems and solutions in clear and concise English both in writing and orally before the class and in public. Grading will be based on each student’s ability to do so interactively in class, in written learning summaries, in independent development plans, in oral presentations and, potentially, in quizzes and examinations.

In order to obviate the need for examinations in Development II, each student must submit via email a bi-weekly learning summary concisely stated in no more than 300 words of the answers to four of the questions posed at the end of each chapter of the Cases & Materials (W.P. Macht, Cases & Materials [2007]), distributed on CD-ROM for academic purposes only. If the collective performance of the class in these weekly learning summaries is adequate, a class discussion of the term’s learning will substitute for a final examination.
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