

**Course and Contact Information**

Instructor(s):

capture-based finance tools? How can the method of financing such facilities impact urban development? How do we ensure that planning and funding of facilities are coordinated? This course discusses these and such other questions/issues related with public financing of urban infrastructure and services.

Financing of public facilities for an urban area is a very dynamic and complex process. The complexity arises, in part, because of the diversity of organizations involved in the decision-making process. The process is political as well as technical in nature. Moreover, there is an ever-increasing competition for limited funds, especially during times of budgetary cutbacks. In this course we will first get introduced to the field of public finance with an overview of the government structure under which public financing works in the US. Next, we will discuss the normative theory of public finance. Thereafter, we will examine public finance at the local government-level. The discussion will include study of the major sources of expenditure and revenue, the budgeting process, and the exploration of the links between budgeting and planning. Next, we will review two important evaluation tools used in the field of public finance, namely, fiscal impact analysis and cost-benefit analysis. In the end, we will examine the traditional as well as the innovative public financing methods. These include property tax, sales tax, user fee; and land-value-capture tools such as impact fee, tax increment financing, special assessments district, joint development, and land pooling and reconstitution.

### Course Learning Outcomes (CLOs)

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

1. Identify and describe the budgetary process of a local jurisdiction;
- 2.
3. Understand the role of short- and long-term debt in financing public infrastructure and services;
4. Critically evaluate the impact of various public finance tools on urban development; and
5. Use program evaluation tools like fiscal impact analysis and cost-benefit analysis

This course partially covers the following PAB Knowledge Components: 3B to 3E.

3B) Governance and Participation: appreciation of the roles of officials, stakeholders, and community members in planned change.

3E) Social Justice: appreciation of equity concerns in planning.

### Required Texts/Readings

#### Textbook

John R. Bartle, W. Bartley Hildreth, and Justin Marlowe. 2013. *Management Policies in Local Government Finance, 6th Edition*. Washington DC: International City/County Management Association. Cost: Approximately \$100 (purchase); \$45 (rent)

#### Other Readings

system (LMS), Canvas by Instructure. A quick guide on how to access CANVAS is at <http://www.sjsu.edu/ecampus/docs/Canvas-Student-Quick-Guide.pdf>. I may also hand out a small number of additional articles in class, and at times may ask you to read material available on the web.

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## Course Requirements and Assignments





## **Week 4 (February 22)**

### *Local Government: Expenditure and Revenue*

#### Reading:

*Management Policies in Local Government Finance*, ed. John R. Bartle, Hildreth W. Bartley and Justin Marlowe.

Washington DC: International City/County Management Association.

\* Crane, Randall. 2006. *Public Finance Concept for Planners*. Lincoln Institute of Land Policy Working Paper Series. Cambridge, MA: Lincoln Institute of Land Policy.

#### *Term Paper Introduced*

*Draft Due April 5*

*Final Due May 24*

## **Week 5 (March 1)**

### *Local Government Budgeting*

Guest Speaker: TBD (no discussion question required)

#### Reading:

*Management Policies in Local Government Finance*, ed. John R. Bartle, Hildreth W. Bartley and Justin Marlowe. Washington DC: International City/County Management Association.

\* Zhang, Yahong, and Yuguo Liao. 2011. Participatory Budgeting in Local Government: Evidence from New Jersey Municipalities. *Public Performance and Management Review* 35(2): 281-302.

## **Week 6 (March 8)**

### *Determining Infrastructure Needs*

#### Reading:

\* Hanousek *Project Infrastructure Development Handbook*.

Washington, DC: Urban Land Institute.

\* White, Mark. 1996. *Adequate Public Facilities Ordinances and Transportation Management*. Planning Advisory Service Report Number 465. Washington, DC: American Planning Association.

## **Week 7 (March 15)**

### *Capital Improvement Planning*

Guest Speaker: TBD (no discussion question required)

#### Reading:

*Management Policies in Local Government Finance*, ed. John R. Bartle, Hildreth W. Bartley and Justin Marlowe. Washington DC: International City/County Management Association.

\* Bowyer, Robert. 1993. *Capital Improvement Programs: Linking Budgeting and Planning*. Planning Advisory Service Report Number 442. Washington, DC: American Planning Association.

\* Mathur, S. 2019. Linking Planning with Budgeting: Examining Linkages between General Plans and Capital Improvement Plans. *Journal of Planning Education and Research* 39(1):65-78.

**Week 8 (March 22)**

*Fiscal Impact Analysis*

Reading:

\* Burchell, Robert, and David Listokin. 1994. Fiscal Impact Analysis. In *Development Impact Assessment Handbook*. Washington, DC: ULI.

*The Economics of Planning*. New Brunswick, NJ: CUPR Press, Center for Urban Policy Research, Rutgers University.

Recommended Reading

\* Burchell, Robert, Listokin, David, and William Dolphin. 1985.

*Impact Analysis*. New Brunswick, NJ: CUPR Press, Center for Urban Policy Research, Rutgers University.

*Fiscal Impact Exercise Introduced (Due April 12)*

**Week 9 (March 29) no class, Spring Break!!!**

**Week 10 (April 5)**

*Cost Benefit Analysis*

Reading:

Cost- *The Economics of Planning*. New Brunswick, NJ: CUPR Press, Center for Urban Policy Research, Rutgers University.

*Debt Management*

Reading:

*In Management Policies in Local Government Finance*, ed. John R. Bartle, Hildreth W. Bartley and Justin Marlowe. Washington DC: International City/County Management Association.

\* Mathur, Shishir. 2007. , ed. John R. Bartle, Hildreth W. Bartley and Justin Marlowe. Washington DC: International City/County Management Association.



## Week 15 (May 10)

### *Tax Increment Financing*

#### Reading:

- \* Weber, Rachel, and Laura Goddeeris. 2007. *Tax Increment Financing: Process and Planning Issues*. Cambridge, MA: Lincoln Institute of Land Policy.
- Mathur, Shishir. 2017. Use of Tax Increment Financing to Fund Public Transportation: Enabling Environment and Equity Impacts. *Public Works Management and Policy* 22(3): 201-225.

## Week 16 (May 17)

### *Public Private Partnerships (PPPs); Land Pooling and Reconstitution (LPR)*

#### PPP

- \* Yescombe - *Management Policies in Local Government Finance*, ed. John R. Bartle, Hildreth W. Bartley and Justin Marlowe. Washington DC: International City/County Management Association.
- \* Siemiatycki, Matti. 2010. Delivering Transportation Infrastructure Through Public-Private Partnerships: Planning Concerns. *Journal of American Planning Association* 76(10): 43-58.
- \* Mathur, S. 2017. Public-Private Partnerships for Municipal Water Supply in Developing Countries: Lessons from Karnataka, India, Urban Water Supply Improvement Project. *Cities* 68: 56-62.

#### LPR

- \* Mathur, Shishir. 2013. Self-financing Urbanization: Insights From the Use of Town Planning Schemes in Ahmadabad, India. *Cities* 31: 308-316.
- \* Sorensen, Andre. 2002. *Consensus, Persuasion, and Opposition: Land Readjustment Organizing in Japan*. Cambridge, MA: Lincoln Institute of Land Policy.

## Class 17 (May 24)

Please note: Since this is exams week, the class will begin at 5:15 pm

Course reflection

*Final Term Paper due (email to instructor with t*

*150/250*

### **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 <https://plagiarism.iu.edu/overview/index.html>

Examples of plagiarism at [www.indiana.edu/~istd/examples.html](http://www.indiana.edu/~istd/examples.html)

Plagiarism quiz at [www.indiana.edu/~istd/test.html](http://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