This course is focused on infrastructure planning and finance and, more generally, on the relationship between planning and budgeting. The course is divided into three parts.

The course begins with an introduction to several infrastructure systems: water and sewer services, solid waste disposal, transportation, and fire services. In this segment of the course, infrastructure planning is distinguished from and related to budgeting and finance. We explore basic concepts, legal frameworks, politics, and processes used in the systems studied, including techniques in infrastructure planning aimed at estimating demand and predicting the effects of infrastructure projects on land use.

The second part is focused on local government finance. We study government’s conceptual economic framework, budgeting approaches, and taxes such as property tax, sales tax, and user fees. We examine arguments for and examples of outcome-based, client-oriented programming and budgeting. The features of local finance are introduced with reference to the economic theories with which they are associated, including neoclassical, public goods, club goods, game theory, and transaction costs.

Infrastructure finance is the subject of the final part of the course. We examine the relationship between sources of funds and their uses for infrastructure. Our study includes all common forms of finance, such as pay-as-you-go, user fees, special districts, public and private debt, impact fees, exactions, and tax increment finance. We devote considerable attention to the equity and distributional issues that arise from alternative forms of finance. We study the assessment and prioritization of infrastructure investments in changing economic climates, the development of Capital Improvement Programs (aka Capital Investment Plans), and the implications of alternative forms of project and program delivery, such as public-private partnerships, design-build contracts, and privatization.

Required Texts:


Disabled students are always welcome in my class. If you have a disability (physical, learning, or psychological) that makes it difficult for you to carry out the coursework as outlined and/or you require accommodations, such as note-takers, readers, or extended time on assignments and exams, please contact Disability Resources for Students. DRS is available at 206-543-8924 (Voice & Relay), or at uwdrs@uw.edu and will be able to provide you with information and review appropriate arrangements for reasonable accommodation. For more information: [http://depts.washington.edu/uwdrs/](http://depts.washington.edu/uwdrs/).
Instructional Objectives

+ Describe the roles of local finance and political organization in urban planning
+ Explain the relationship between public facilities, growth, and local finance, and relate these issues to contemporary urban problems, such as urban sprawl.
+ Analyze a local infrastructure system.
+ Explain the local finance process, including key concepts, relationships, processes, theories, and approaches in local finance.
+ Address equity, long-range, and distributional issues in infrastructure planning and finance.
+ Analyze local budgets and fiscal issues through concepts and theories, and gain experience in capital improvement programming and budgeting.
+ Identify and apply the rules of thumb (standards and equations) employed in infrastructure planning and local finance, and analyze the assumptions and values underlying financing techniques.

Course Requirements (perfect grade = 400 points):

- Quizzes based on readings 50
- Participation in class discussions 50
- Systems paper 100
- Group project 100
- Final exam (short essay answers) 100

Academic Standards

Turn assignments in printed, in person, at the beginning of class; with an additional electronic version submitted online. Grading will be based on content, organization, and measures of style appropriate to writing at the upper undergraduate or graduate level. Style refers to your method of citing sources, grammar, punctuation, and related issues. I (strongly!) urge you all to refer to the Chicago Manual of Style (16th Edition, University of Chicago Press) as you compose and edit your work. When in doubt, check it out. Papers that do not conform to Chicago Style will be marked down, lose credit for this assignment and impact your grade. See this site: http://guides.lib.uw.edu/research/citations/citation-basics. Please make use of the expertise and resources available to you. Odegaard Library has one of numerous writing centers on campus, available to you free of charge, as shown: http://guides.lib.uw.edu/c.php?g=342041&p=2300216.

Plagiarism is defined as the use of creations, ideas or words of publicly available work without formally acknowledging the author or source through appropriate use of quotation marks, references, and the like. Plagiarizing is presenting someone else's work as one's own original work or thought. This constitutes plagiarism whether it is intentional or unintentional. The University of Washington takes plagiarism very seriously. Any student who is uncertain whether his or her use of the work of others constitutes plagiarism should consult the course instructor for guidance before formally submitting the course work. At minimum, visit the following site, which articulates University policy: http://depts.washington.edu/pswrite/plag.html. The State regulations governing student conduct can be found here: http://apps.leg.wa.gov/WAC/default.aspx?cite=478-120-020. Plagiarism is not acceptable, so I advise each of you to read a style manual in order to learn how to avoid it. You, as the author of your paper, are ultimately responsible for this. Anyone found to plagiarize will be given a failing grade for this assignment and their case reported to the Associate Dean for Academics for formal review.
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<th>Date</th>
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| 16 Oct| State v. Local Capital: Transportation and the Evolution of Technology| Dowall and Whittington, Chs 3, 4, and 10  
| 18 Oct| Local Finance I: Rational Planning, Public Goods Theory Systems Paper Due| Bartle, Chs 1, 2 and 3  
| 23 Oct| Local Finance II: Neoclassical Economic Theory, Public Choice, and the Property Tax | Bartle, Ch 8  
| 25 Oct| Local Finance III: Forecasting, Club Goods, and Non-Property Taxes Assign Group Project | Bartle, Chs 9 and 10 (plus excerpt from Aronson and Schwartz, Ch 5)  
California Constitution, Article 13A.  
[http://www.youtube.com/watch?v=xCueOgnluDg&feature=related](http://www.youtube.com/watch?v=xCueOgnluDg&feature=related)  
On the Block, “Do you really understand Proposition 13?” SF Gate,  
[http://www.youtube.com/watch?v=oTtAdJi1AjQ&feature=related](http://www.youtube.com/watch?v=oTtAdJi1AjQ&feature=related) |
| 30 Oct| Local Finance IV: Strategic Planning, Budgeting, Transaction Cost Theory | Bartle, Chs 4 and 6 (7 optional)  
Dowall and Whittington, Ch 5  
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Marlow, Ch 1 and 2  
| 6 Nov | Capital Financing                          | Bartle, Chs 11 and 12  
Marlow, Chs 5 and 6  
Dowall and Whittington, Ch 9  
| 8 Nov | Bond Finance                               | Marlowe, Chs 7 and 8  
Dowall and Whittington, Ch 8 |
| 13 Nov | User Fees and Special Districts           | (excerpt from Aronson and Schwartz, Ch 12)  
Dowall and Whittington, Chs 6 and 7  
| 20 Nov | Public-Private Partnerships and Privatization | Marlowe, Ch 4 and 9  
Bartle, Chs 15 and 16  
| 27 Nov | Presentations                              | *Group Project: Third Deliverable Due* |

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<tr>
<td>29 Nov</td>
<td>Discounting and Cost-Benefit Analysis</td>
<td>(excerpt from Aronson and Schwartz, Ch 6)</td>
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<td>4 Dec</td>
<td>Public-Private Partnerships and Private Project Finance</td>
<td>Marlowe, Ch 4</td>
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<td>Presentations</td>
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<td><strong>Group Project: Fourth Deliverable Due</strong></td>
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<td><strong>Exam Review</strong></td>
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<td>13 Dec</td>
<td>Final Exam</td>
<td>4:30-6:20pm, GLD 100</td>
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