ANNUAL REPORT
2011-2012

by
Keith Ihlanfeldt
Director
Introduction

During the 2011—2012 academic year the DeVoe Moore Center (DMC) made great strides in continuing to advance its teaching, research and outreach missions. These missions are to 1) educate Florida State University students about the effects, both positive and negative, that government regulations have on a market economy and on individual participants within the economy, 2) increase our knowledge of the latter effects by conducting research and disseminating our findings in journal articles, books and policy briefs and 3) personally interact with local and state policymakers and stakeholders, informing them of our interest in improving state and local regulation and offering them our expertise. In the rest of this report I highlight the major accomplishments of the DMC over the past year and identify the DMC’s agenda for the next academic year (2012—2013).

II. Accomplishments Over the Past Year

The DMC’s past year accomplishments are separately broken down into those related to our teaching, research and outreach missions.

A. Teaching Accomplishments

**Undergraduate Economics Courses**

This academic year we restructured the course offerings provided through the DeVoe Moore Center and economics department. These courses were taught by DMC
Managing Director Sam Staley and are both upper level undergraduate economics courses:

ECP 3617 Economics of Land Use, Housing, and Mortgage Markets (fall)
ECP 4618 Research Methods in Land Use, Housing, and Government Regulation (spring)

The research methods class is a new, innovative class that emphasizes field research by students. The class is open to any student who has taken at least one statistical methods course. Students identify, design and implement a research project and empirically evaluate a topic of their choosing as long as it is related to housing, land use, growth management or permitting and has a regulatory (policy) component.

ECP 4618 is a requirement for the Certificate in Political Economy program; and the DMC has been heavily marketing the Certificate to student groups, so we expect enrollment in ECP 4618 to increase significantly in the future. Enrollment is targeted at 15—20 students for the spring 2013 offering and 20–plus students for 2014.

Our intent is also to use research generated by this course that is consistent with the DeVoe Moore Center’s mission as content for commentary, policy briefs, blogs and other products designed to inform the general public and policymakers on timely issues in Florida and Tallahassee. For example, two current projects—on property insurance claims and taxi regulation—may have impact on public policy in Florida and/or Tallahassee.

**Urban Planning Courses**

In addition to the DMC’s two land use regulation classes, Managing Director Sam Staley taught two professional master’s level courses in the Department of Urban and
Regional Planning during the 2011—2012 academic year. These are high impact classes because they target students who are either professional planners or contemplating a career in professional planning:

- URP 5540 State and Local Economic Development (fall)
- URP 5939 Consequences of Planning (spring)

The economic development course is a rejuvenated offering and incorporates specific content on the effects of regulation on job creation and business development within the context of a conventional planning curriculum. *DeVoe Moore was an invited guest speaker for this class.*

The Consequences of Planning class takes a controversial topic in planning each week, such as the effects of land use regulation on housing values and affordability, impact fees, Smart Growth, or the future of growth management in Florida. The first half of the week is devoted to understanding the research on the topic and the second half is focused on developing a more complete understanding of the practical implications of these policies through a pro—con debate and facilitation. DeVoe Moore Center sponsored research is incorporated into the class readings, and the debate format has forced students to more completely understand and appreciate opposing points of view.

**DMC Workshop on State and Local Government**

Every fall semester the DMC teaches a “Workshop on State and Local Government Regulation.” This interdisciplinary workshop is attended by DMC faculty members and by graduate students throughout the College of Social Sciences and Public Policy who have an interest in government regulation. The course is taught by DMC Director Keith Ihlanfeldt. The workshop gives students and faculty who are working on
regulatory issues the opportunity to present, and thereby improve upon, their current research projects. The workshop is especially useful to graduate students who are entering the job market, because the DMC workshop provides them a practice run of their job market seminar, one of the most important seminars they will ever give. The DMC workshop is unique in that it is one of the few forums on campus where both students and faculty from different departments come together to critique an individual’s research and the quality of his/her presentation.

**Graduate Students Working with Director Keith Ihlanfeldt**

Another important teaching function of the DMC is to give graduate students the opportunity to work with Director Keith Ihlanfeldt, who in 2009 was named a Regional Science International Fellow, a distinction at the time held by only 50 professors worldwide. Students who did research this past year on regulatory issues and who were directed by Dr. Ihlanfeldt are Pamela Dowd, Brad O’Connor, Austin Boyle, Kate Towers and Will Doerner. These students have all had remarkable achievements over the past year and without exception they have acknowledged the guidance and assistance provided by the DMC. Dowd is working for the Disney Corporation in Orlando in a management position and passed the oral defense of her dissertation on May 11, 2012. O’Connor has a new position as Research Economist with the Florida Association of Realtors. He will be defending his dissertation on July 2, 2012. Boyle is a DeVoe Moore Fellowship awardee. His research focuses on the local fiscal impacts of Florida’s new property tax portability provision, which allows homeowners who move within Florida to apply their Save Our Homes property tax savings on their prior home to their new home.
There has been much controversy surrounding this policy change but to date no study has been done. Will Doerner successfully defended his dissertation on June 19, 2012, and will be starting his new job at the Federal Housing Assistance Administration in Washington, DC, in August. Will’s new position is a highly coveted position, which his involvement with the DMC over the years helped him to obtain. Will’s dissertation provided new findings on three important topics falling within the mission of the DMC: 1) how have local governments’ budgets and budgeting decisions been impacted by the boom and subsequent bust in real estate values, 2) how have the wide swings in housing values affected the vertical and horizontal equity of property tax payments, and 3) does the property tax appeals process “work,” in the dual sense of improving the efficiency and equity of the administration of the property tax?

Further, regarding DMC graduate student accomplishments, the career advancements of two of our former students also merit recognition, since they both have stated the DMC helped them land their current positions. Gregory Burge received his Ph.D. in economics from FSU in 2006. Gregory worked at the DMC the entire time he was at FSU. We are proud to announce that this past academic year he was promoted to Associate Professor with tenure at the University of Oklahoma. Tim Mayock received his degree in 2010 and this past year secured a position with the Comptroller of the Currency within the U.S. Treasury Department. Like Will Doerner’s position, Tom’s position is a high profile, important (and very well paid) position within the federal government.
Outside Speakers

The DMC stresses the importance of having real estate development professionals come to campus to share with FSU students their real world experiences dealing with government regulations. This past year the DMC promoted, jointly with the Business School’s Center for Real Estate Education and Research, the following speakers:

1. Jim Dahl, Founder and Partner
   Rock Creek Capital, Jacksonville, Florida
   “A Conversation with Jim Dahl: Career Strategies”

2. Michael Cheezem, Chairman and CEO
   JMC Development Corporation, St. Petersburg, Florida
   “Development: Building Communities”

3. Ash Williams, Executive Director and CIO
   Florida State Board of Administration, Tallahassee, Florida
   “Florida’s Pension Fund, Investment Strategies, and the Role of Real Estate”

Informal receptions held after each talk allowed the students to interact personally with each speaker.

B. Research

Critical Issues Symposia

Every year the DMC sponsors Critical Issues Symposia that have both instructional and research components. This past year there were three symposia:

February 2012 “The Local Benefits of Sustainability”
March 2012 “Commercial Real Estate Issues: Markets, Values and Risks”
May 2012 “Market–Oriented Transit Reform”

The first symposium was organized by DMC Director Keith Ihlanfeldt, DMC faculty member Richard Feiock and Assistant Professor of Urban and Regional Planning Christopher Coutts. The paper presenters included scholars throughout the U.S. with
expertise in the area of urban sustainability policy and programs. Ihlanfeldt has arranged that the papers presented at the conference be published in *Cityscape*, which is the U.S. Department of Housing and Urban Development’s policy journal. The special issue will be edited by Feiock and Coutts. One of the published papers is by Ihlanfeldt and Gregory Burge (a former DMC student) and deals with how land use regulations can be improved to encourage more sustainable development. *Cityscape* has a large readership and is provided free by HUD on its web site. This will provide great exposure for the DMC.

The second symposium was jointly sponsored by the DMC, the FSU Business School’s Center for Real Estate Education and Research, and the Bergstrom Center for Real Estate Studies at the University of Florida. Keith Ihlanfeldt, DMC Director, was a conference organizer and served as a paper discussant. Select papers presented at the conference will be published in a special issue of *The Journal of Real Estate Finance and Economics*, which is co–edited by C.F. Sirmans, a DMC faculty affiliate.

The third symposium was organized by Sam Staley, Managing Director of the DMC, and was co–sponsored by the prestigious Rockefeller Foundation. Staley intends to find a book publisher that will publish the papers presented at the conference.

**Urban Economics Association**

In November, the DMC hosted a cocktail party at the annual meeting of the Urban Economics Association, which was held in Miami, Florida. Membership of the UEA consists of top economists throughout the world who work on issues relevant to the DMC mission. Having a close relationship with the UEA will help the DMC achieve its research objectives and enhance its international reputation. The DMC is a UEA
sponsor, joining in this capacity with such prestigious institutions as Harvard University’s Kennedy School and the University of Pennsylvania’s Wharton School.

Publications

The DMC faculty published its typical plethora of articles on government regulations this past academic year. The topics covered the effect that swings in housing prices have had on local government budgets, the reluctance of city councils to adopt policy changes that are inimical to individual counselors’ political futures, the effect that property tax portability in Florida has had on residential mobility, the effects that alternative local government institutions have on minority neighborhoods, and the relationship between search costs and housing prices.

C. Outreach and Government Affairs

During the past academic year, the DMC made a renewed commitment to raise the visibility of its programs and work within the FSU student community and the Florida policymaking community. Sam Staley, Managing Director of the DMC, took the lead on this and below are listed a number of his accomplishments. (A full list can be found on the DMC web site.)

Certificate in Political Economy

Staley promoted the DMC Certificate in Political Economy program. Long dormant, the Certificate program had six students enrolled in the spring semester 2012. The Certificate program was revised to add more content and value to the participants. Beginning in the 2012—2013 academic year, all students entering the CPE program with
junior status or lower will be required to have at least a 3.0 grade point average and to participate in an applied policy internship.

**Center–Right Coalition Meetings**

To expand the DMC visibility in the community, Staley organized a lunch for the Center–Right Coalition, featuring Lt. Gov. Jennifer Carroll, in February. In addition, DMC graduate student Will Doerner spoke to the group on reforming the Florida property tax. The Center–Right Coalition members are high profile lobbyists and government affairs representatives.

**Web Site Development and Blog**

The DeVoe Moore Center web site has been redesigned to be more user friendly, more effectively present research, and generally highlight the events and successes associated with the Center’s work. Our web site will also be the principle means by which we distribute commentary, policy briefs and other research to the general public, media and policymakers. The redesigned web site should launch mid-summer 2012.

In addition, the DeVoe Moore Center will launch a blog (web log) to feature journalistic articles on the Center’s research and report on new developments in housing, development and land use on a daily basis, targeting audiences in Tallahassee and Florida. Blogs are an increasingly important form of journalism, and our long term goal is to establish the DMC blog as a local and statewide resource for researchers, policymakers, journalists and students on the latest news and insights into local regulation. The blog will also be a tool for professional development because affiliated
students and staff will make regular contributions, allowing them to further enhance their writing, analytical and research skills.

The Center now has a twitter account (@DeVoeMooreCtr) that allows us to report news relating to Florida housing, land use and regulatory issues in real time. We currently have more than 60 followers (users who have requested and now receive news from our account), and our goal is to build this to over 100 followers by the end of the summer and 150 followers by the end of the year.

III. Highlights of Forthcoming Academic Year (2012—2013)

- In August 2012, DMC Director Keith Ihlanfeldt will be meeting with officials at the U.S. Department of Housing and Urban Development in Washington, DC, to comment on HUD’s research and policy programs, drawing upon the research that the DMC has produced since its inception.

- In April 2013, the DMC will host the symposium “Housing Market Issues: Initiatives, Policies, and the Economy.”

- In September 2012, two new graduate students will be joining the DMC: Erich Cromwell from Economics and Jason Varee from Geography.

- Also in September, Keith Ihlanfeldt and former DMC student Tom Mayock will be presenting their paper “Foreclosures, Crime, and Housing Values: Toward a Better Understanding of the Contagion Effect” at a special conference on Housing and the Economy, to be held at Syracuse University. The paper will be published in Public Finance Review.
• The research focus of the DMC in the next academic year will be on “Regulation and the Foreclosure Crisis.” A number of projects are planned or are underway, including a recent piece completed by Keith Ihlanfeldt on the impact that mortgage foreclosures have had on city and county budgets.