DeVoe Moore Center  
Past Year’s Accomplishments and  
Next Year’s Agenda  
Keith Ihlanfeldt, Director

I. Introduction

During the 2012—2013 academic year the DeVoe Moore Center (DMC) made significant 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 and policies have on a market economy and on individual participants within the economy, 2) increase our knowledge of these effects by conducting research and disseminating our findings in journal articles, books and policy briefs and 3) share with the public, especially local and state policymakers, our research findings and knowledge of policy issues, respectively. 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 (2013—2014).

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

The Center offers two upper level undergraduate classes every academic year and last year was no exception. These courses were taught by DMC Managing Director Sam Staley. The titles of these courses indicate their relevance to the Center’s mission:
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 relatively 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 Specialized Studies in Political Economy program; and the DMC has been heavily marketing the program to student groups with great success, so we expect enrollment in ECP 4618 to increase significantly in the future. Enrollment is targeted at 15—20 students for the spring 2014 offering and 20–plus students for 2015.

Some of the research generated by this course that is consistent with the DeVoe Moore Center’s mission is being used as content for commentary, tweets and blogs on the Center’s web page. This has greatly enhanced the role played by undergraduate students within the Center.

**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 2012—2013 academic year. Unlike our two undergraduate course offerings, these are not Center courses but they deserve mention because they are taught by Dr. Staley and the course content is focused on topics within our mission
statement, especially those related to the unintended consequences of land use regulation. 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.

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 and state and local policy issues the opportunity to present their research, and
thereby improve upon their current research projects. The workshop is especially beneficial 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.

This past year the workshop was especially helpful to two of our DMC Dissertation Fellows, Austin Boyle and Torsha Bhattacharya. Austin is joining the economics department at Penn State University and Torsha is headed to the University of Hawaii as an assistant professor. This continues a tradition we have within the DMC of helping the academic departments within the college place their students in jobs that are both prestigious and that will enable them to teach others about the unintended consequences of government regulation and policies, thus carrying on the mission of the Center.

**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 Erich Cromwell of the economics department and Jason Varee of the geography department. Erich is doing research with Ihlanfeldt on the impact of fiscal stress on county and city budgets and how these governments respond to this
stress. Specifically, to what extent do they raise taxes versus cutting expenditures? Jason is part of a DMC team investigating the impacts of REO sales on neighborhoods and schools. REO stands for Real Estate Owned and represents the properties held by banks and other mortgage institutions that have been foreclosed upon. Clearly this is an important research project and part of this research is already forthcoming in the *Journal of Real Estate Finance and Economics*.

**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. Manuel de Zárraga, Executive Managing Director
   Holliday Fenoglio Fowler, L.P., Miami, Florida
   “Commercial Real Estate Finance: Strategies for Success”

2. Peter H. Collins, Managing Principal
   Forge Capital Partners, LLC, Tampa, Florida
   “The Private Equity Model as a Basis for Real Estate Investing”

3. Brian Smith, President and COO
   Regency Centers, Jacksonville, Florida
   “The Carriage Gate Renovation: A Case Study”

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

**B. Research**

**Critical Issues Symposia and Other Conferences**
Every year the DMC sponsors Critical Issues Symposia that have both instructional and research components. This past year there was one symposium on “Housing Market Issues: Initiatives, Policies, and the Economy” that was organized jointly by the DMC, the FSU Center for Real Estate Education and Research, and the Bergstrom Center for Real Estate Studies at the University of Florida. We were able to attract an extremely impressive and varied group of scholars to present and discuss papers. Among the participants were:

- James Kau of the University of Georgia and editor of the *Journal of Real Estate Finance and Economics*
- W. Scott Frame and Larry D. Wall, senior economists at the Atlanta Federal Reserve Bank
- Ruben Hernandez–Murillo, senior economist at the St. Louis Federal Reserve Bank
- Karen Pence, economist at the Federal Reserve Board of Governors
- Ed Coulson, Pennsylvania State University and editor of *Real Estate Economics*
- James Follain of the Rockefeller Institute.

Other participants came from the University of Connecticut, Ohio State University, University of North Carolina, University of Wisconsin, and Louisiana State University. Having representatives from prestigious universities, the Federal Reserve Banks, the Board of Governors, and the esteemed Rockefeller Institute serves to enhance the reputation of the DMC and spread the ideas embodied in our mission statement. Center Director Keith Ihlanfeldt was also a paper presenter and the title of his paper is “The
Impact of REO Sales on Neighborhoods and Their Residents.” The conference papers will form a special issue of the *Journal of Real Estate Finance and Economics*. The latter is an important accomplishment, because with but two exceptions, all of the DMC symposia since the Center’s inception have resulted in either a book by a well-known publisher or a special issue of a high quality journal. The continuous publication of our symposia proceedings has given the Center much notoriety and provides FSU faculty and graduate students a regular opportunity to publish their research in quality outlets.

In addition to the Critical Issues Symposium, the DMC in concert with the Department of Urban and Regional Planning brought to campus ex–Secretaries of the Florida Department of Community Affairs to get their perspectives on what they think the role of the state should be in the area of growth management, now that Governor Scott and the state legislature have decreased state oversight of local government planning. Attendees included the following ex–Secretaries:

- Steven Seibert
- Jim Murley
- Colleen Castille
- Billy Buzzett

Another ex–DCA Secretary, Tom Pelham, was invited but had a time conflict at the last minute and was not able to attend. The purpose behind the conference was to help the DMC with its future research agenda and to generate ideas for a DMC symposium to be held in November 2014 on “The Future of Growth Management in the State of Florida.”
This conference is being organized by Tim Chapin, the Chairman of the Department of Urban and Regional Planning and a Center faculty member.

**Urban Economics Association (UEA)**

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 helps 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 and policies this past academic year, but two of these publications merit special mention. First, the DMC’s symposium on “Urban Sustainability” that occurred during the 2011—2012 academic year resulted this past academic year in a special issue of HUD’s policy journal *Cityscape*. This is one of the most highly distributed journals of its kind and is read by both urban scholars and policymakers at all three levels of government. Previous special issues have been done by Harvard University and New York University, so we are in good company. The title of our special issue is “Climate Change and City Hall” and was edited by two of our own family—Rick Feiock of the Askew School (and also a Center faculty member) and Chris Coutts of the Department of Urban and Regional Planning. Center Director Keith Ihlanfeldt contributed a paper to the special issue titled “Promoting Sustainable Land Development Patterns Through Impact
Fee Programs.” Given the involvement of HUD and the interest in the effects of climate change and policies to deal with it, our Cityscape special issue promises to further enhance the DMC’s reputation throughout the nation.

A second publication worth special mentioning is a paper that the Center Director has co–authored with Tom Mayock, who is a graduate of the DMC and is now with the OCC of the U.S. Treasury Department. The reason this paper, which is being published by Land Economics, is important is because it is at the heart of the DMC’s mission to study the unintended consequences of land use regulation and it is on a topic of great importance to the state of Florida. The paper, titled “Housing Bubbles and Busts: The Role of Supply Elasticity,” demonstrates that Florida’s stringent land use regulation played an important role in the state’s recent roller coaster ride in housing prices. Both the boom and bust in real estate markets have been more severe in Florida than in almost any other state and the causes for this were unknown until the DMC’s research was done.

C. Outreach and Government Affairs

During the past academic year, the DMC continued its 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, has taken the lead on this. His efforts this past academic year have focused on moving the DMC firmly into social media. 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. The web site is the principle means by which we distribute commentary, policy briefs and other research to the general public,
media and policymakers. This past year the DMC launched 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 is also a tool for professional development because affiliated students and staff make regular contributions, allowing them to further enhance their writing, analytical and research skills. In addition, the DMC 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 (2013—2014)

- The DMC has three symposia planned for the 2013—2014 academic year. Charles Barrilleaux will be organizing a conference that focuses on the tendency of states to rely on national lobbying organizations for drafts of proposed legislation. To what extent does this practice serve the lobbyists and not the public interest? The second symposium is being organized by Tim Chapin and will focus on local land use planning as we move into an era with substantially less state oversight. He will be bringing both academics and policymakers together for this conference. Finally, Keith Ihlanfeldt is organizing a symposium
jointly with the OCC of the U.S. Treasury that will bring to campus top researchers from universities and the federal government. The focus of the conference will be on housing finance. Specifically, what role should the government play in the mortgage market now that traditional roles are all being questioned? These are all very important topics and it looks to be a very exciting year at the DMC.

- In August Chris Clapp of the University of Virginia will be joining the Center and the Department of Economics. Chris is a fresh Ph.D. who will be co-authoring papers with Keith Ihlanfeldt. They are currently initializing research on the fiscal impacts of alternative land uses that will aid local governments in their land use zoning and approval process. We are all excited about Chris joining the Center.

- The DMC will be looking for a publisher of a book that includes the many papers that DMC faculty has written on “the unintended consequences of land use regulation.” The DMC has done more research on this issue than any other organization worldwide and a collection of our works into a book should be welcomed by both the academic and policy communities.