



The [Bright Side Family](#), a Teaneck-based non-profit provider of affordable housing and supportive services to older adults, would like to address some questions that have been raised about a project we are co-developing with our partner, [The Alpert Group](#).

We expect to break ground later this summer on a 40-unit affordable senior apartment building that will replace a long-vacant and outmoded public works building at 1425 Teaneck Road.

This 5-story accessibly-designed building will have a ground-floor community center offering a range of health, wellness and social engagement programs for its tenants, neighborhood residents, and older adults from throughout Teaneck. Our Age-Friendly Community Initiative will develop programming for the center, based on input and guidance from the community, and will also lead a campaign to provide information and assistance to eligible Teaneck residents in applying for these new affordable senior apartments

The financing and building plans for this project were reviewed and approved by the Teaneck's planning board and Council in multiple public meetings over the past three years. In addition, this project has been scrutinized by the [New Jersey Housing and Mortgage Finance Agency](#) (NJHMFA) and [was selected](#) for its highly competitive [Low-Income Housing Tax Credit](#) program. As such, it is subject to a higher level of government oversight than market-rate developments.

Our non-profit runs Bright Side Manor, an affordable assisted living residence in Teaneck, as well as [Age-Friendly Teaneck](#) and other programs that help enable residents to age in their homes and communities. We also co-developed and co-own The Brookdale Senior Residence, a 60-unit affordable senior apartment building at 60 Bergen Avenue.

As with The Brookdale, our non-profit is co-developing this new building with The Alpert Group, a 4th-generation family-owned company that has won numerous awards for its affordable housing projects. We are also joined in this project by [Monarch Housing Associates](#), a non-profit organization with 30 years of experience working with clients to develop affordable and mixed-income rental housing for seniors, families and persons with special needs.

Concerns have been raised about this project being a “bad deal” for Teaneck Township. Quite the opposite. This project will generate new revenue, help Teaneck meet its court-mandated affordable housing obligation and add new community space for older-adult programs.

We believe 1425 Teaneck Road – located in a walkable neighborhood close to shops and transportation – is a forward-looking response to our region's housing affordability crisis, which is deepening as Teaneck's older population grows at double-digit rates.

Its federally determined rents for one-bedroom units will range from \$336 a month for extremely low-income tenants to \$1,197 for moderate-income older adults. That's compared to the \$2,500 monthly rents being charged for one-bedroom units in some newly built market-rate apartment buildings in Teaneck – a price out of reach to many young professionals, much less to retirees on fixed-incomes.

This attractively landscaped building will replace a decaying facility not currently generating municipal tax revenue and provide Teaneck with \$400,000 over 15 years through what is called PILOT (payment in lieu of taxes) revenue. That is money paid directly to the Township that does not need to be shared with other taxing districts.

It's worth noting that when the Township Council put out a Request for Proposals more than three years ago for a developer to construct affordable housing at this site, there were no bidders. That's likely because developing affordable housing in one of the country's most expensive real estate markets is a difficult and financially risky undertaking. The task is not just to erect a building and but also come up with a plan to manage the property for decades to come, knowing that operating costs will rise but rental income will remain largely fixed.

To ensure long-term viability, NJHMFA carefully evaluates all projects competing for Low-Income Housing Tax Credits, a federally funded and monitored program to spur the construction of affordable housing. One of every five projects competing for this program is awarded, and our project was chosen because it ranked high on a scoring scale that factors in the suitability of the location, the quality and array of services that will be provided on site, as well as the experience of the development team. The \$10 million of equity raised through the sale of these tax credits will finance the bulk of the \$14 million total project costs. The Project will also have an NJHMFA permanent mortgage in the amount of \$1.3 million.

In addition to the state financing, Teaneck has committed \$900,000 from its [Affordable Housing Trust Fund](#) toward this project. This is a pot of money *not funded through homeowner taxes* but instead raised through hotel and commercial developer fees that municipalities *can only spend on the construction of low- and moderate-income housing*.

Of that sum, \$200,000 will be paid back to the Township as a purchase price for the municipal-owned land. This is not a give-away, as some have mistakenly perceived it, and here's why:

- Because this project is being financed through state and local programs, the land will be deed-restricted, meaning it must remain affordable housing for at least 45 years. This restriction prevents The Alpert Group from later selling the building to a buyer who would convert it into market-rate housing.
- The Affordable Housing Trust Funds are loaned to the project, with the principle, plus 5 percent compounding interest, “ballooning” at the end of 45 years, climbing to an amount that the building's rental income would never reach. That

means the Township of Teaneck would essentially regain ownership of the property as it is serving in a role akin to a home-equity mortgage-holder.

- Because the project is state financed, construction and material costs must be well-documented and reviewed by the state and profit is capped to a margin well-below market-rate development.
- The ground floor of the building is being dedicated for the community's use. As Teaneck's older population grows and space at the Rodda senior recreation center and in other Township programs reaches capacity, Township officials will have another site to offer services that the municipality doesn't have to pay to build and operate. Many government agencies and non-profit providers – including the [Township Social Services department](#), [Holy Name Medical Center](#), [Jewish Family and Children's Services of Northern New Jersey](#) and [Bergen County Division of Senior Services](#) – have already committed to providing services at the site, which will be a benefit to all Teaneck older adults.

Beyond the budgetary questions, another primary concern being raised is that units in this building can't be set aside for Teaneck residents. As a proponent for older adults' right to age in their homes and communities, we too wish that federal guidelines allowed for that.

We have advocated for such a change in federal fair-housing rules, but absent such a new policy, this project will need to adhere to [New Jersey's Affirmative Fair Housing Marketing Plan](#).

Some have suggested that Teaneck should seek to finance, build and manage affordable housing on its own – without use of the state and federal financing mechanisms that prohibit senior housing units from being set aside for existing residents. But not following Fair Housing marketing guidelines would mean this project could not be counted toward Teaneck's court-mandated affordable housing obligations. And while our project is not funded by homeowner property taxes, it's hard to envision any way for Teaneck to self-finance a long-term endeavor like this without it costing Teaneck taxpayers a considerable sum.

Our non-profit shares in the goal of Teaneck residents being able to age in place, and much of our work centers on advocating on behalf of and creating programs that support that goal.

To help ensure Teaneck's older adults have all the information and assistance they need to apply for units in this building, Age-Friendly Teaneck will organize and host a Housing Fair and also will coordinate with civic, neighborhood and faith groups in the Township to conduct an information-and-outreach campaign. The goal will be to ensure that details of the application process are widely communicated to and understood by qualified Teaneck applicants age 62 or older, and that application assistance is offered to any who might need it. **We encourage all older Teaneck residents interested in learning more details (as they become available) to sign up to receive Age-Friendly Teaneck's newsletter or to email us at info@agefriendlyteaneck.org**