


Governor Phil Murphy

Murphy Administration, St. Joseph's Health Announce First Affordable Rental Development Under Agency's Hospital Housing Partnership Program

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Development to Provide Affordable Apartments for Families, Supportive Housing for Residents with Special Needs and those Experiencing Frequent Emergency Department Use  (<https://www.snapchat.com/add/philmurphy>)

PATERSON – Today, the Murphy Administration and St. Joseph's Health unveiled the first project under an innovative state partnership program to promote hospital investment in affordable and supportive housing in their communities, including homes for residents with special needs and experiencing high utilization of emergency services.

"New Jersey is leading the way in developing groundbreaking tools that strengthen communities, grow our economy, and create housing opportunities that enable families to succeed," said Governor Murphy. "By supporting these partnerships and providing stable housing and supportive services to help vulnerable residents, we are reinforcing our core values and investing in a stronger New Jersey."

Under the New Jersey Housing and Mortgage Finance Agency's (NJHMFA) \$12 million Hospital Partnership Subsidy Program, the agency is matching funding contributions from participating hospitals to provide rental housing affordable for low- and moderate-income families. The developments also must include units set aside for special needs residents and/or individuals experiencing frequent utilization of hospital emergency department (ED) services.

Studies have shown that permanent supportive housing can improve the quality of life and health of individuals experiencing frequent use of the emergency department, as well as help hospitals save on ED costs. While health care systems and hospitals have begun to recognize the importance of affordable housing in promoting and sustaining health, this program is the first to be created, financed, and led by a state housing agency.

"This groundbreaking public and private partnership is the latest in the State's efforts to collaborate with New Jersey hospitals to provide affordable, safe housing with supportive services for those most in need in our communities," said Lt. Governor Sheila Oliver, who also serves as Commissioner of the Department of Community Affairs (DCA) and chair of the NJHMFA board. "It is innovative new partnerships and projects like this that give us long-term solutions for reducing the number of people experiencing homelessness in New Jersey while improving quality of life."

The proposed Barclay Street housing development, the first project announced under the partnership program, involves the construction of a multi-story building, in an Opportunity Zone, to house one- to three-bedroom apartments affordable to families, potentially including hospital employees. The project's developer will be Paterson-based New Jersey Community Development Corporation.

"Housing as a key variable to maintaining good health cannot be underestimated. Quite simply, housing is health care," said NJHMFA Executive Director Charles A. Richman. "As anchor institutions in their communities, hospitals can play a leading role in the creation of housing that is affordable to families, nurses, and other hospital staff, and also take specific measures to help reduce the health and hospital costs associated with the frequent and unnecessary use of emergency hospital services and get them the supportive housing they need to sustain healthy living."

The Hospital Partnership Subsidy Program is initially expected to fund four to five developments with partnering hospitals, with St. Joseph's leading the way. Eight hospitals have expressed interest in participating in the program. Additional hospital partners will be announced later this year.

Residents accepted for special needs housing will be offered medical care through St. Joseph's Health with the anticipation that housing and care management will reduce unnecessary ED use. The Barclay Street housing project will also include space for the delivery of social, health, and wellness services, including workshops to inform and guide tenants centered around issues affecting health, and an information hub to link tenants to a broad range of services and providers. (https://twitter.com/GovMurphy) (https://facebook.com/governorphilmurphy)

The development, which will cost approximately \$20.3 million (https://www.youtube.com/watch?v=...) contributed by NJHMFA under the partnership program with about \$3 million contributed from St. Joseph's. St. Joseph's owns the Barclay Street site and is donating it for the development. In addition, DEAH will provide 10 project-based housing vouchers for the project upon completion. (https://www.instagram.com/govmurphy/) (https://www.snapchat.com/add/philmurphy) The developer is expected to apply to NJHMFA for four percent Low Income Housing Tax Credits, which would generate \$7.6 million in private equity. NJHMFA is also expected to provide approximately \$10.9 million in construction and permanent financing and \$1 million from its Special Needs Housing Trust Fund, which provides financing to create permanent supportive homes in the community for residents with special needs.

"We are very proud to build the first housing unit as part of the Hospital Partnership Subsidy Program and to create a space outside our hospital walls that addresses the health needs within our community," said Kevin J. Slavin, President and Chief Executive Officer of St. Joseph's Health. "Access to safe, quality, affordable housing – and the supports necessary to maintain that housing – constitute one of the most basic and powerful social determinants of health." Rents will be affordable, based on the U.S. Department of Housing and Urban Development guidelines. The development will also include a 15,000 square foot community meeting space, which will be open to the public. The site is close to bus and train service, as well as the Garden State Parkway and routes 46, 80, and 19.

Construction on the Barclay Street housing development is expected to begin in winter 2020, with completion expected in spring 2021.

"As a community organization committed to Paterson's revitalization, we are very pleased to partner on this project with St. Joseph's Health," said Robert F. Guarasci, New Jersey Community Development Corporation's Chief Executive Officer. "Like St. Joseph's, NJCDC believes that healthy communities include a lot more than health care itself, and that truly healthy communities include things like decent and affordable housing, job training programs, high quality education, and youth recreation. Working together, St. Joseph's and NJCDC can build a stronger, healthier Paterson by addressing these and other social determinants of health."

St. Joseph's Health is a world-class hospital and healthcare network supported by leading and renowned physicians, nurses and care teams. The organization operates a full continuum of care, including a regional tertiary care medical center, a state-designated children's hospital, an acute care hospital, rehabilitation and long-term facilities, and comprehensive home care.

NJCDC is a private, nonprofit community development and social service agency focused on neighborhood

revitalization in Paterson, positive youth development, education, affordable and supportive housing, the preservation of the Great Falls Historic District, and direct public-policy innovation. For more information on NJHMFA and its programs, visit njhousing.gov.

Governor Phil Murphy

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