

# MADISON AFFORDABLE HOUSING CORPORATION

## BACKGROUND

In 1990 the Board of Commissioners of the Housing Authority of the Borough of Madison and several concerned citizens of the Borough of Madison realized that there was a need for additional affordable housing in the Borough as well as the entire county. At the same time HUD was substantially reducing funds to build affordable housing, which caused the supply of affordable housing to lag far behind the demand.

These concerned citizens created the MAHC, a 501 (c) 3 Corporation with three goals in mind: 1) to develop affordable housing for low-income families, 2) to reduce the homeless population in Morris County, 3) to generate revenues that would enable the authority to continue to develop affordable housing and provide additional services to residents not currently afforded them.

This entity would have the ability to work not only in Madison, but also with other municipalities in the county and state. The primary objective was to alleviate the problem of insufficient affordable housing for the elderly in the area who were either homeless, living in substandard housing, overcrowded housing or paying more than 50% of their income for housing. The secondary objective was to create a user-friendly entity that would partner with a municipality to develop their "Mt. Laurel" housing.

The Corporation is comprised of seven Trustees who live in the community. There are two Madison Housing Authority Commissioners, two low-income public housing residents and two private citizens. One slot remains open. The composition of the Board meets all standards of a Community Housing Development Organization (CHDO) as defined in the HUD HOME Investment Partnership Program regulations. It was the first in Morris County and first approved by the State of New Jersey.

The first venture of the MAHC was to develop 12 units of affordable senior citizen housing in Madison. This was done by purchasing a condemned two family house, demolishing it and constructing the units in place. This was possible through the leveraging of funds from the private and public sectors. Several of the units were specifically designated for the homeless.

The corporation has been so successful that it has generated excess revenues that have been used as seed capital for additional projects and to provide additional services to the residents of the Authority. In addition, because of its successful first venture several municipalities needing assistance in their efforts to develop affordable housing have approached the Corporation. The Township of Denville, New Jersey used the MAHC as the developer, of 70 units of senior housing. Occupancy took place in August 2000.

Another completed venture was the development of five townhouses in Madison. These were the first affordable homeowner units development in Madison. They were sold to income eligible families and meet all of the COAH guidelines. The latest endeavor was a joint effort between the MAHC and the Church of God In Christ (COGIC) in developing a duplex affordable unit in Morristown. This development consisted of the demolition of a derelict two-family house and the construction of a new duplex apartment building with 2 three bedroom units. The building is unique and has a wrap around front porch.

The MAHC is currently working with Habitat for Humanity on the demolition and construction of two three bedroom units. Furthermore, the MAHC is exploring developments with two additional clients at present and a possible third. These will develop five for sale first time homebuyer opportunities and one five bedroom rental unit for a very large family. The Corporation is also looking at other ways to assist the low-income population as well as generate additional revenues. It is exploring the possibility of operating coin-operated laundry services, developing an assisted living facility and operating a nutrition center.

# **Madison Affordable Housing Corporation**

## **Affordable Housing Experience**

- 1994 Development of 12 low income age restricted units – 44 Cook Avenue, Madison, New Jersey
- 1999 Development of 70 low income housing tax credit age restricted units – Cook’s Pond Senior Housing, Denville, New Jersey
- 2000 Housing Consultant for the development of low income senior housing, Vernon, New Jersey
- 2001 Affordable Housing Administrators for the Borough of Chatham.
- 2003 Housing Consultant for development of 24 low income family units, Harding, New Jersey  
Administration of affordable housing - Keansburg Housing Authority
- 2004 Development of 5 low income for sale units, 27 Elm Street, Madison, New Jersey
- 2005 Housing Consultant for development of low income for sale family units, Somerville Manor Civic Association, Bridgewater, New Jersey  
Development of low income rental duplex, 8 George Street, Morristown, New Jersey
- 2006 Development of 3 low income for-sale units, Dover, New Jersey
- 2007 Development of low income for sale units in conjunction with Habitat for Humanity, 6 George Street, Morristown, New Jersey
- 2008 Development of 6 low income for sale units, Summit Housing Authority, Summit, New Jersey