

# MEMO

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**TO: WILLIAM BROUGHTON, MUNICIPAL MANAGER**

**FROM: JAMES R. TIGHE, TAX ASSESSOR**

**DATE: FEBRUARY 2, 2016**

**RE: TAX IMPACT VARIOUS DEVELOPMENTS**

Mr Broughton:

You had provided a list of proposed development projects in Teaneck and requested a projection of possible tax impacts of each. I have listed below the various projects cited along with ballpark estimates of possible tax impacts. Be advised that this is a speculative exercise based on current conditions which may not prevail at a future date. Also be advised that I have little or no information on the physical characteristics and projected rents for any of these projects. In fact, some of these projects have not yet broken ground and there is a possibility that they may be significantly altered, or never built.

(Projected taxes are based on 2015 tax rate.)

**1775 Windsor Road**  
**Block 5201 Lots 1 & 2**

Proposed 428 unit rental apartment complex on site occupied by "World of Wings" building. No info provided on number of market rate units vs. affordable rent units, assumed is 90% market rate/10% affordable.

Est. Assessment: 385 market rate units @ \$180,000/unit = \$69,300,000

Est. Taxes: \$69,300,000 x .0305 = \$2,113,650

**Current Assessment: \$6,367,000      Current Taxes: \$194,200**

**1500 Teaneck Road**  
**Block 5002 Lot 18.01**

Proposed 250± unit rental apartment complex on site occupied by former Verizon building. Assumed 90% market units/10% affordable.

Est. Assessment: 225 market rate units @ \$180,000/unit = \$40,500,000

Est. Taxes: \$1,235,250

**Current Assessment: \$3,500,000      Current Taxes: \$106,750**

**60 Bergen Avenue**

**Block 3408 Lot 7**

61 unit low-moderate income rental building. A PILOT agreement is in place to collect 12.5% of gross rent generated by the project when complete.

**Current Assessment: \$1,600,000**      **Current Taxes: \$48,800**

**1475 Queen Anne Road**

**Block 5001 Lot 3.01**

Proposed 130 unit rental apartment building on former oil storage site. Assumed 90% market rent units/10% affordable units.

Est. Assessment: 117 units @ \$180,000/unit = \$21,060,000

Est Taxes: \$21,060,000 x .0305 = \$642,330

**Current Assessment: \$1,960,000**      **Current Taxes: \$59,780**

**Glenpointe Hotel**

**Block 4403 Lot 1**

1.22 acre site approved for construction of 350 unit hotel. Will share parking garage and infrastructure with existing Glenpointe complex.

Est. Assessment: 350 room @ \$100,000/room = \$35,000,000

Est Taxes: \$35,000,000 x .0305 = \$1,067,500

**Current Assessment: \$9,975,000**      **Current Taxes: \$303,938**

**227 Teaneck Road**

**Block 3502.01 Lot 4**

Former gas station site approved for 24 market rate apartment units.

Est. Assessment: 24 units @ \$180,000/unit = \$4,320,000

Est. Taxes: \$4,320,000 x .0305 = \$131,760

**Current Assessments: \$506,000**      **Current Taxes: \$15,417**

**520 Palisade Avenue**

**Block 2402 Lot 1**

6.75 acre site improved with fire damaged industrial building. There are currently no known proposals for this site and I cannot speculate on its future assessed value.

**Alfred Avenue**

Recently rezoned area consisting of 11 separate, mostly industrial, properties. Total area involved is 23± acres which has been rezoned to permit multi-family residential and mixed commercial uses. This is a long-range speculative redevelopment which may never happen. There is no information currently available which can be used to speculate about the future assessed value of this area.