

Affordable New York

Helping meet the affordable housing demand



When Jackson Development Group, LTD. (JDG) was formed in the mid-90s, it was primarily a homebuilder, working on single-family homes in New York City. Now, it has found a niche, almost exclusively building affordable multifamily rental housing.

In other words, it's giving the people what they want.

"We originally just built homes in the Bronx, Queens and Brooklyn, but we shifted our focus due to the natural growth and demand of the city," explains Eli Weiss, Director of Finance for JDG. "It's a very large city—almost nine million people live here—and if you look at the demographics, the multifamily business makes sense both in the near and long term."

For 15 years, JDG has been pioneering innovative development

strategies in New York City. In 2008, JDG began developing and building an additional 1,500 affordable and mid-income rental units, along with 195,000 square feet of commercial and community space throughout the city. Currently, 1,000 units are in development and JDG co-owns eight buildings with key partners.

Everything JDG does goes back to its objective—to improve the neighborhoods and change residents' lives there via quality construction.

"We are very invested in the community, both from a community relations point of view and in terms of developing what we think the community needs," says Weiss. "We own everything that we develop and all of the residential rents are regulated by either federal, state or city programs that maintain the affordability for New York City families."

JDG also performs all of its development services in house, developing and building the portfolio it then owns and oversees. The company remains integrally involved in the development, design, and management of its properties.

Jackson Development Group, LTD.

Neil J. Weissman | President

Location: Floral Park, New York

“To us, it really is a very heartwarming experience to see people’s lives change by moving into a brand new apartment, paying an affordable rent and not having to worry about a landlord evicting them for the purposes of raising the rent.”

Recently, JDG completed a 103-unit affordable housing building in Brooklyn and leased the commercial space to a supermarket—one of the first supermarkets to be developed in the community. But that’s just the tip of the iceberg for the company’s innovative work.

ST. ANN’S TERRACE

“Developing and building quality workforce housing is our mission,” says Neil J. Weissman, President of JDG. “Luckily, New York has state and city governments that understand the importance of such housing and continuously support our efforts. This public-private partnership has allowed us to develop in neighborhoods that had been neglected by private investment for decades.”

One example of this is St. Ann’s Terrace, an eight-building affordable housing development project in the Melrose neighborhood of the Bronx. The 3.5-acre site started out as the Ebeling Brewery—a property shut down during prohibition and later torn down completely.

“It was a parking lot for buses and zoned for manufacturing, so it was essentially this huge blighted eyesore in the middle of this growing and revitalized residential community,” says Weiss. “Melrose has been a neighborhood that has benefited greatly from the Bloomberg administration’s rezoning initiative—it’s a wonderful example of the revitalization of the South Bronx. There are so many beautiful new affordable housing buildings and new commercial space that it seemed from a planning point of view that this site was zoned for the wrong use.”

JDG acquired the site in 2007 and spearheaded a year-long rezoning process. However, that meant the project came out of rezoning, ready for development, in 2008.

“Of course, in that year the financial world changed significantly,” says Weiss. The partnership and support of the city, though, allowed JDG to move forward on St. Ann’s despite economic uncertainties.

The project is of special interest to JDG as the company generally develops one-off buildings and St. Ann’s would be its first affordable housing community. When completed, the community will include 640 units of affordable housing with common indoor and outdoor community space.

New design features abound and a retail component especially makes the development stand out. “The retail was important to us because there would be such a large concentration of people living there, even though getting the retail financed in this environment was extremely difficult and a weight on us,” explains Weiss. “We could have redesigned it and removed the retail for the sake of making the project easier to finance, but we were thinking about the long-term best interests of the community. This financial turmoil can’t last forever and in five years retail services would be the best fit for St. Ann’s Terrace.”

Green elements are also incorporated into the development, even though JDG generally does not apply for official LEED certification due to additional costs. That means JDG isn’t being sustainable for marketing purposes, but because it provides the best long-term benefits for both its tenants and the environment.

The first phase of St. Ann’s, comprised of six buildings, is underway and JDG successfully closed its \$130 million construction loan in June 2009. Completion is expected in summer 2011. The second and final phase—two buildings with 160 affordable units—has an anticipated closing date of spring 2010.

“We were able to close 480 units of affordable housing with 40,000 square feet of retail and 254 parking spaces right in the middle of the

greatest financial storm in the last 70 years,” declares Weiss. “That’s what we’re most proud of in the last year.”

THE YEARS AHEAD

JDG plans to move forward, developing further affordable housing in New York City while looking into other markets as well, particularly senior housing. The company intends to streamline its process so it can continue building a housing type that seems to be endlessly in demand in New York City.

In fact, nearly 95 percent of JDG’s work is in affordable housing while its other development types, such as retail, are generally byproducts of the affordable projects.

“To us, it really is a very heartwarming experience to see people’s lives change by moving into a brand new apartment, paying an affordable rent and not having to worry about a landlord evicting them for the purposes of raising the rent,” says Weiss. “All of us at JDG are New Yorkers, so it’s really great to wake up every morning and improve the city in which we all live.”

HUGO S. SUBOTOVSKY AIA ARCHITECTS LLC

Hugo S. Subotovsky AIA Architects LLC has been designing luxury and affordable housing projects as well as mixed-use and commercial developments for over 35 years. “We are passionate about contributing to the creative and efficient development of our cities and towns to enhance the quality of life of the people who live in and around our buildings”—Ariel Aufgang AIA, Principal

Congratulations to
JACKSON DEVELOPMENT GROUP
for a job well done developing
ST. ANN’S TERRACE



Thank you for entrusting our team to plan
and design this great Bronx development

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