



Office of the Mayor

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Media Release

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City Council to Consider Adding Affordable Housing to Gateway Building Project

New Brunswick City Council will consider a resolution tonight that would clear the way for 38 new units of affordable housing to be included in the Gateway Building under construction at Easton Avenue and Somerset Street.

“This is a great opportunity to broaden the housing options in the project so that this new gateway to downtown New Brunswick and Rutgers University will also serve as a home to all income levels in our diverse City,” said Mayor Jim Cahill. As proposed, the building will consist of 192 one and two bedroom units, including 42 for-sale-condos and 150 rentals, with rents for 38 units priced according to state regulations for low and moderate-income tenants.

With Council’s approval, the New Brunswick Development Corporation and Pennrose Properties, the developer of the residential portion of the project, will seek tax exempt financing for the affordable unit through the New Jersey Housing and Mortgage and Finance Agency. Last week, the New Jersey Economic Development Authority awarded the project a \$27 million tax credit under the Urban Transit Hub Tax Credit program, the first project to do so since the program was established in 2007.

“This multi-faceted building will be mixed-use, mixed-income and directly connected to mass transit. There is no better example of urban smart growth in the State of New Jersey,” says Christopher J. Paladino, president of Devco. Previously, the state Department of Transportation approve a \$14 million Local Aid Infrastructure Grant to help fund the parking and access improvements to the train station.

The City, Rutgers University and the New Brunswick Development Corporation first unveiled plans for the project nearly five years ago. The building will also be home to 58,000 square feet of retail including the new Rutgers University Barnes & Nobel University Bookstore and 58,000 square feet of office space. The project will also create direct pedestrian access from the foot of College Avenue to the train platform, providing an elevated promenade alongside the bookstore and establishing an inviting public space.

In December, City Council approved the construction schedule for the project and work began last week to build the underground utilities that will serve the building. Construction of the 657-space public parking garage at the building’s base is set to begin in February.

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