

# FAITH-BASED ORGANIZATIONS AND AFFORDABLE HOUSING

YES IN GOD'S BACKYARD (YIGBY)

Montclair Township  
Housing Commission

Montclair Township  
Department of Planning &  
Community Development



March 27, 2024

# It's Time for City Planners To Be Proactive About Church Property Transitions

Around the country, churches are closing, downsizing and selling their real estate. Urban planners need to be prepared.

STORY BY  
[Kurt Paulsen](#)

PUBLISHED ON  
Feb 21, 2024

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## PROACTIVE CITY PLANNING FOR CHURCH PROPERTY TRANSITIONS

BY KURT PAULSEN

AFTER THEIR INTERNAL PROCESS CHURCHES BECOME ENTRENCHED IN COMMERCIAL REAL ESTATE AND PUBLIC PLANNING...



### 5 REASONS PLANNERS SHOULD THINK ABOUT THIS

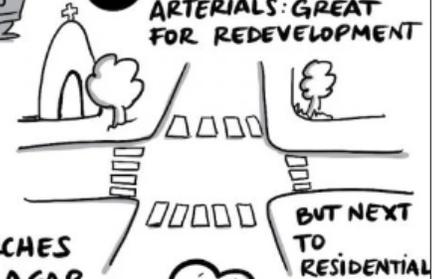
1 "CHURCH" IS AN INTERESTING CATEGORY — ALWAYS ALLOWED



2 CHURCH BUILDINGS HAVE A UNIQUE ARCHITECTURE



3 LOCATION! ARTERIALS: GREAT FOR REDEVELOPMENT



4 CHURCHES ARE MISSION-DRIVEN



5 CHURCHES FILL A GAP IN SOCIAL SERVICES



WHAT CITIES CAN DO

BUILD CAPACITY

WHAT CHURCHES SHOULD CONSIDER

WILL YOU SURVIVE THE PROCESS?

UNDERSTAND HOW MONEY FLOWS

HIRE A TECHNICAL CONSULTANT BEFORE YOU SHOP AROUND YOUR PLAN

(Illustration by Coté Soerens)

# CHURCH PROPERTIES — OPPORTUNITIES FOR AFFORDABLE HOUSING

# DISCUSSIONS AT STATE AND LOCAL LEVELS

## Faith-based institutions take on the affordable housing crisis

“Land-rich and cash-poor” religious institutions are among those looking at how they can meet their communities’ low-income housing needs while shoring up their finances.

Published Feb. 16, 2024



The historic All Saints Church campus is situated in Midtown Atlanta adjacent to Norfolk Southern's new campus. TAP PANEL

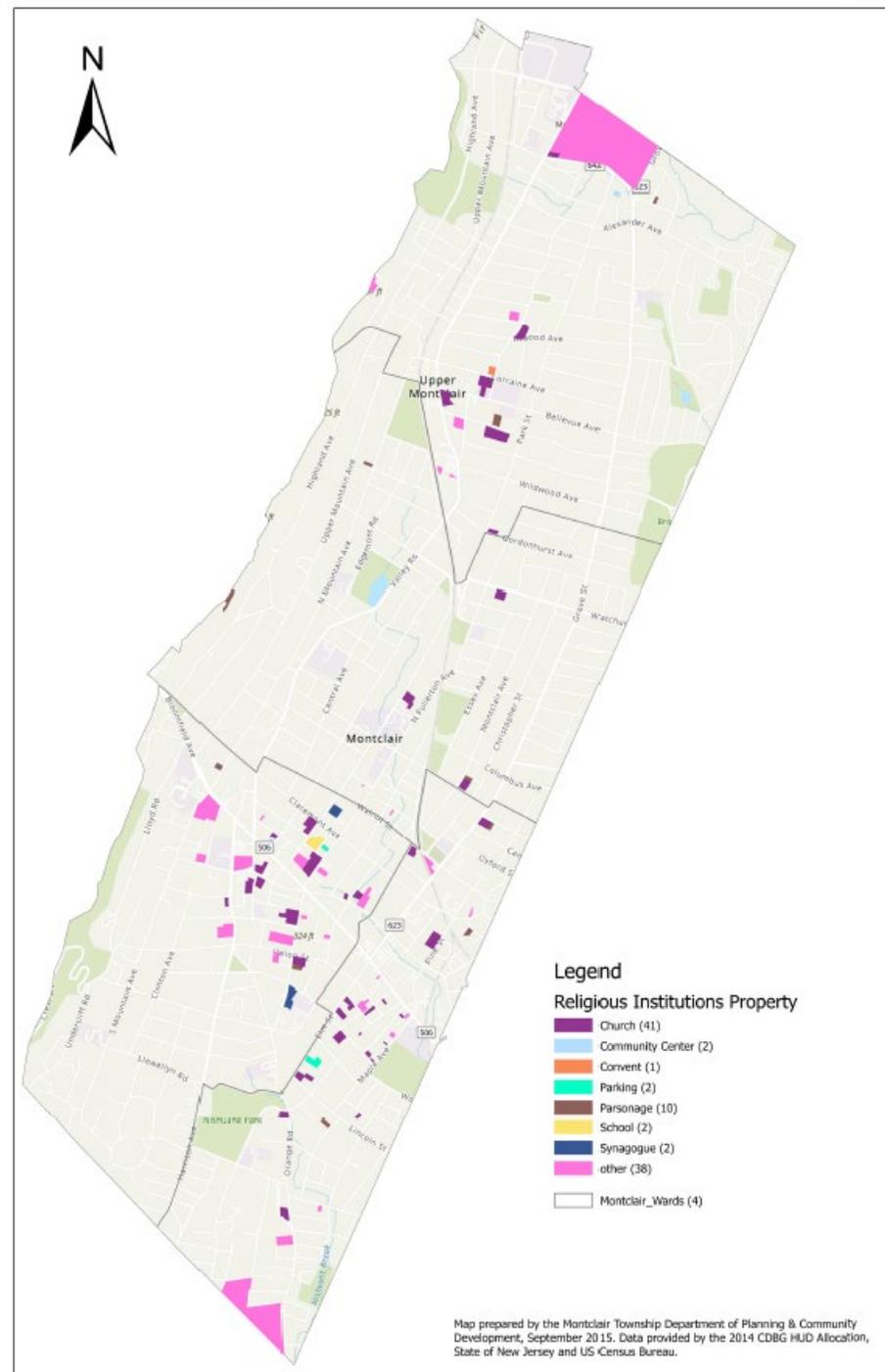
### URBAN LAND

## Affordable Housing: YIGBY (“Yes in God’s Backyard”) Movement Seeks to Counter NIMBY Movement

By [Rick Reinhard](#)  
February 20, 2024



# RELIGIOUS PROPERTIES IN MONTCLAIR





# PROJECT EXAMPLE - FAIRFAX FACTORY VILLAGE

# PROJECT STEPS



DEVELOP PROJECT  
CONCEPT



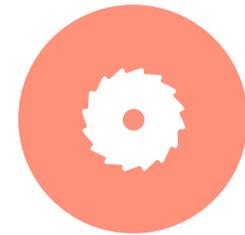
IDENTIFY PROJECT  
PARTNERS



PREPARE SITE PLAN



SECURE  
FINANCING



CONSTRUCTION

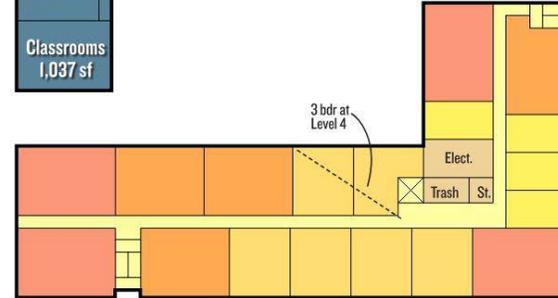
## Site Plan/ Ground Floor



## Church Upper Level



## Housing Levels 2 to 4



## Statistics

SITE STATS							
Zone	Site Area (sf)	Site Area (ac)	FAR	Units	Density		
R-MD-2 (1)	65,484	1.50	1.83	60	40	dua	
BUILDING AREAS							
Gross Area	Residential	Circ./Serv.	Common	Open Space (REQ: 250sf/u = 15,000 sf)	Setbacks/ walkways	Church (REQ: Sanctuary 4,750 sf   Other uses 6,250sf)	Parking
66,254	6,353	2,739	1,270	16,737	10,944	7,548	20,664
20,308	13,770	2,839	-	-	-	3,699	-
16,609	13,770	2,839	-	-	-	-	-
16,609	13,770	2,839	-	-	-	-	-
<b>119,779</b>	<b>47,661</b>	<b>11,256</b>	<b>1,270</b>	<b>16,737</b>	<b>10,944</b>	<b>11,247</b>	<b>20,664</b>
PARKING SUMMARY				PARKING REQUIREMENTS			
Church				Spaces			
Surface parking (20 compact spaces)				51			
				Sanctuary (1sp / 5 seats)			
				Allows for 250 congregants. Additional parking accommodated off-site			
				Other uses (1sp / 300sf)   Spaces to be shared with assembly use			
Housing				Spaces			
Garage parking (8 compact spaces)				21			
				Supportive Hsg 0 sp / unit, Affordable Hsg .5 sp / unit			
<b>TOTAL</b>				<b>72</b>			

# CONCEPT PLAN

# FINANCIAL FEASIBILITY

## Draft Estimate of Development Costs Sweet Home Church Affordable Housing

	\$/GSF	\$/Unit	Total	%Directs	% Total
Gross SF	60,188	60			
Net SF	47,376				
<b>Acquisition</b>					
Estimated Land Acquisition <sup>1</sup>	\$39.54	\$39,662	\$2,379,748	8.2%	5%
<b>Directs</b>					
Offsites	\$0	\$0	\$0	0.0%	0%
Demolition	\$0	\$0	\$0	0.0%	0%
Sitework	\$23	\$23,088	\$1,385,252	4.8%	3%
Residential Structures	\$366	\$366,948	\$22,016,770	75.6%	49%
Garage (21 spaces)	\$21	\$21,000	\$1,260,000	4.3%	3%
General Requirements	\$24	\$24,333	\$1,459,992	5.0%	3%
Contractor Overhead and Profit	\$14	\$14,386	\$863,171	3.0%	2%
General Liability Insurance & bond	\$3	\$2,795	\$167,702	0.6%	0%
Contractor's Contingency	\$12	\$12,331	\$739,861	2.5%	2%
Owner's Contingency	\$20	\$20,552	\$1,233,101	4.2%	3%
Total Directs	\$484	\$485,431	\$29,125,848	100.0%	65%
<b>Indirects</b>					
A&E	\$19	\$19,417	\$1,165,034	4.0%	3%
Fees & Permits	\$44	\$44,398	\$2,663,889	9.1%	6%
Legal	\$1	\$1,456	\$87,378	0.3%	0%
Marketing	\$1	\$1,500	\$90,000	0.3%	0%
Furnishings	\$1	\$1,030	\$61,800	0.2%	0%
Market Study and Appraisal	\$0	\$250	\$15,000	0.1%	0%
Other consultant and professional services	\$1	\$1,400	\$84,000	0.3%	0%
Reserves	\$4	\$4,493	\$269,596	0.9%	1%
Builders Insurance	\$5	\$4,854	\$291,258	1.0%	1%
Contingency	\$4	\$3,940	\$236,398	0.8%	1%
Developer Fee	\$92	\$92,475	\$5,548,474	19.1%	12%
Total Indirects	\$175	\$175,214	\$10,512,826	36.1%	24%
<b>Financing</b>					
TCAC Fees	\$1	\$825	\$49,500	0.2%	0%
Construction Loan Interest	\$31	\$31,177	\$1,870,614	6.4%	4%
Construction Loan Fees	\$8	\$8,351	\$501,057	1.7%	1%
Perm. Loan Fees	\$2	\$2,135	\$128,071	0.4%	0%
Total Financing	\$42	\$42,487	\$2,549,242	8.8%	6%
<b>Total Development Costs</b>	<b>\$740</b>	<b>\$742,794</b>	<b>\$44,567,664</b>	<b>153.0%</b>	<b>100%</b>

## Permanent Sources of Funds Sweet Home Church Affordable Housing

	\$/Unit	Total	%Total
	60		
<b>Private Funds &amp; Tax Credits</b>			
Permanent Loan	\$142,301	\$8,538,060	19.2%
Tax Credit Proceeds (4% Tax Credit)	\$329,066	\$19,743,945	44.3%
FHLB AHP	\$8,800	\$528,000	1.2%
Deferred Developer Fee / GP Equity	\$50,808	\$3,048,474	6.8%
Subtotal	\$530,975	\$31,858,479	71.5%
Total Costs		\$44,567,664	
Estimated Funds before Local and State		\$31,858,479	
<b>Gap to be Funded by State and Local Sources</b>		<b>\$12,709,185</b>	
Estimated HCD MHP or AHSC Funds (15% of costs)		\$6,685,000	
<b>Gap to be Funded by Local Sources</b>		<b>\$6,024,185</b>	

**\$2,379,748**

LAND VALUE

**\$44,467,664**

PROJECT COST!

~\$500,000 PER UNIT

FINANCIAL FEASIBILITY

**PLANNING DEPT  
“ENTITLEMENT”**

**BUILDING DEPT  
APPROVALS**  
OFTEN 3-4  
REVISIONS

**BUILDING DESIGN TEAM**

ARCHITECT, SURVEYOR, GEOTECH, CIVIL,  
LANDSCAPE ARCHITECT, STRUCTURAL,  
MECHANICAL/PLUMBING/ELECTRICAL,  
ACOUSTICS, TRASH, WATERPROOFING

**BIDDING &  
NEGOTIATION**

**FIRE DEPT**  
FIRE ALARM, SPRINKLERS,  
FIRE DEPT ACCESS

**UTILITIES**  
SEWER, WATER  
STORM, PG&E

**PUBLIC  
WORKS**  
STREET  
SIDEWALKS  
BIKE LANES

**IMPLEMENTATION  
PHASE**