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September 23, 2024

Subject: 244 Old Tappan Road (Proposed Memory Care Facility)

Dear Friends & Neighbors:

As you may or may not be aware, Old Tappan has been involved in litigation opposing a proposed memory care facility at 244 Old Tappan Road. I wanted to take this opportunity to review the past proceedings and current decisions that have recently been made.

During much of 2022, the Old Tappan Planning Board heard testimony from the applicant, traffic experts, planning professionals, residents, environmental groups, concerned citizens and others about the impact such a facility may have on Old Tappan. After 11 public hearings, the Old Tappan Planning Board adopted a resolution on February 8, 2023, approving the application to construct the 83-unit memory care facility with a substantial number of concessions requested by the Planning Board.

Shortly after, the Borough received two Notices of Appeal by Old Tappan residents. The Mayor and Council held a Special Meeting of Notice on May 8, 2023, to consider the appeal. After reviewing the exhibits and testimony of the appellants and applicants, the Council voted 5-1 to reverse the decision of the Planning Board. As expected, on August 7, 2023, the applicant filed a lawsuit in Superior Court against the Borough of Old Tappan requesting the courts reverse the decision of the Council.

Earlier this summer, the courts assigned a judge, and the Borough of Old Tappan retained legal counsel to represent us. Over the past several months, we met frequently with our legal counsel and after a couple of mediation sessions we were advised of the options the Borough of Old Tappan could consider:

- ***Continue to litigate*** - we were advised by counsel that continued litigation would be a poor & costly option with little chance for victory. If we were unsuccessful, our taxpayers would be responsible for all legal costs, and we would lose all concessions the developer agreed to with the Planning Board. Costs would exceed 10 million dollars and would put a severe financial strain on Old Tappan for years to come.
- ***Purchase of the property*** - the developer was willing to sell the property to the Borough for an irresponsible price tag which was well over 5 million dollars. The Council researched several options to secure the funding such as grants and organizational donations, but none were guaranteed, and our CFO was required to certify that these funds would be readily available for the purchase. We also researched municipal bonds and raising property taxes to pay it off, but this option would have burdened our residents for generations to come. Old Tappan's average property assessment is \$822,000 and homeowners at this level would have seen an estimated \$200+ yearly increase in their

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municipal taxes compounded over the next 15 years. That amount would be on top of the yearly increases needed to fund the rising costs in items such as insurance, capital, park maintenance and infrastructure, and any County and School District increases which your local government has no control over.

- ***Settlement negotiation with the developer*** - this option would allow the Borough to negotiate better terms and, in turn, allow for the memory care facility to be built.

At the September 16th Mayor & Council meeting, the majority of the council believed that the best option for the residents of Old Tappan was to negotiate a settlement with the developer. This settlement would include the subdivision and deeding to the Borough of 1.7 acres of property containing the environmentally sensitive wetlands and vernal pool. The historic building, as previously agreed, would be relocated to the Borough's portion of property.

With this difficult decision comes many positives:

- Old Tappan will get credits towards our mandated 4th round Affordable Housing obligation without the strain of adding more multifamily housing, which the developer had suggested they would propose if we continued to challenge the building of the facility.
- This project will have no impact on our school enrollment.
- During the construction phase, we are told that our construction officials and police can mandate certain construction routes and work hours that will remove the construction interference with school traffic. Once built there will be little to no impact on traffic.
- The facility will generate over \$100,000 in tax revenue that can be used to fund necessary future initiatives Old Tappan will be faced with over the next decade.
- Eliminating the exorbitant debt that Old Tappan would have suffered had we purchased this property or continued to litigate will allow us to be ready to purchase more reasonably priced and useful properties to preserve our open space and promote wellness in our community.

I am a strong advocate of transparency in government, even when the message is difficult to deliver. I hope this letter helps you understand the challenges your local Council was faced with, and that the decision made was done because it best served the majority of the residents of Old Tappan.

Warm regards,

*Thomas Gallagher*

Mayor  
Borough of Old Tappan