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**Breaking Ground Begins Transformation of 90 Sands Street:  
Former Jehovah's Witnesses Hotel To Become Affordable & Supportive Housing  
in DUMBO**

*90 Sands will bring much-needed 491 new affordable and supportive housing units to Brooklyn*

*Nonprofit celebrates 30 years of building and restoring lives in New York City*

**BROOKLYN, NEW YORK** – Breaking Ground, New York's largest supportive housing developer, today announced the nonprofit is moving ahead with the repositioning of 90 Sands Street to turn the former Jehovah's Witnesses hotel into 491 units of affordable and supportive housing. With the closing of the building's construction loan, the renovation will break ground this month. 90 Sands is an important marker in Breaking Ground's history. The nonprofit launched 30 years ago, in 1990, focused on transforming old hotels in Manhattan into supportive housing, giving the city's homeless a way to get off the streets and have a place to call home. It was a revolutionary concept at the time that is still critical today.

"For 30 years, Breaking Ground has been redefining the meaning of 'home' for vulnerable New Yorkers. We started out in Manhattan in the 1990s rehabbing old hotels that had fallen into disrepair, and later moved on to designing and developing our own ground-up supportive housing projects throughout New York. At 90 Sands, we return to our roots and further our mission to enable people to forever escape the trauma of homelessness," said **Brenda Rosen, President and CEO of Breaking Ground**. "With the construction closing for 90 Sands, we are on our way to bringing 491 much-needed affordable units to DUMBO, one of the most expensive neighborhoods in the city."

"The closing of financing for the Breaking Ground development at 90 Sands Street in DUMBO is welcome news," said **Council Member Stephen Levin**. "This project will usher in 490 apartments of affordable and supportive housing, including housing for the formerly homeless. The problems our City has long faced

have been even more pronounced as a result of the Coronavirus pandemic. Now more than ever, we need to ensure that individuals and families have a place to live and can leave shelter for secure, stable, and affordable housing. Breaking Ground has embarked on this critical work and I look forward to welcoming our future neighbors to the community."

"As we push forward with the Mayor's housing plan, serving the most vulnerable New Yorkers is a key priority, as is creating affordable housing opportunities in all our City's neighborhoods. 90 Sands will transform an old hotel into 491 affordable homes in the heart of DUMBO, with critical supportive services to help more than 300 formerly homeless New Yorkers get back on their feet." said **HPD Commissioner Louise Carroll**. "We commend Breaking Ground and all our partners for taking on this ambitious project, which will bring lasting change to the hundreds of New Yorkers who will soon call 90 Sands home."

"HDC is proud to provide critical financing to support the creation of 490 affordable homes at 90 Sands," said **NYC Housing Development Corporation President Eric Enderlin**. "The supportive services provided by CUCS will be invaluable to the more than 300 formerly homeless households who will now have a safe, stable place to call home. Congratulations to Breaking Ground, CUCS, and all our partners for their ongoing efforts to bring this development to fruition."

"Enterprise was proud to provide a \$10 million grant to 90 Sands Street, which will create 491 units of much-needed affordable and supportive housing in a well-resourced neighborhood of Brooklyn, including critical homes for individuals who have experienced homelessness," said **Judi Kende, vice president and New York market leader of Enterprise Community Partners**. "As New York City's homelessness crisis grows exponentially due to the pandemic and its economic fallout, so many new affordable homes will make an immediate difference. To prevent community spread, our city urgently needs stable homes like these to keep people safely housed and out of crowded shelters. We commend Breaking Ground, CUCS, the City and all partners involved for moving this project forward at such a dire time for low-income New York City residents."

"JPMorgan Chase is proud to have provided the financing necessary to assist Breaking Ground in the transformation of the 90 Sands building that will, upon completion, provide 491 units of affordable and supportive housing for Brooklyn residents," said **Dave Walsh, Northeast Regional Manager, Community Development Banking, Chase**. "We continue to be committed to supporting critical community development projects like 90 Sands that's creating a life changing opportunity for its future residents. We congratulate Breaking Ground for celebrating 30 year of transforming neighborhoods."

"The Leviticus Fund recognizes the extraordinary impact the 90 Sands Street project will have in advancing Breaking Ground's mission of ending homelessness," said **Greg Maher, the Leviticus Fund's Executive Director**. "That mission is consistent with ours, as is increasing access to deeply affordable housing that combines supportive services to improve the quality of life and health outcomes for vulnerable individuals and families within our area."

The Center for Urban Community Services (CUCS) will provide onsite social services to residents of 90 Sands. Breaking Ground and CUCS have a longstanding partnership and 90 Sands marks their tenth building together to provide housing and onsite support for formerly homeless individuals and families. Services provided at 90 Sands will be available to all tenants and will include: case management, primary medical care, mental health services, employment readiness, and benefits counseling, among others.

Of the 491 apartments at 90 Sands, 185 will be affordable to a wide range of New Yorkers, from extremely low-income to moderate-income households. 305 units will be home to formerly homeless individuals. One unit will be for an onsite building superintendent. Half of the units (246) will be permanently affordable, and the balance will be affordable under a 60-year regulatory agreement. The 30-story building will feature a 24-hour attended lobby, security camera system throughout, multipurpose room for community events and meetings, a digital library, a fitness room, and reimagined plaza space for public use at the corner of Sands and Jay Streets. Breaking Ground seeks to bring in community-serving uses to occupy more than 28,000 square feet of community facility and commercial space on the ground floor and two lower levels.

90 Sands was previously a residential hotel operated by the Watchtower Bible and Tract Society until August 2017, and Breaking Ground purchased the hotel in August 2018 for \$170 million. For the acquisition of 90 Sands, Breaking Ground received \$2 million from the New York City Council, a \$155 million loan from the NYC Department of Housing Preservation and Development (HPD), and a \$10 million grant from Enterprise Community Partners, Inc. Breaking Ground provided a \$6.7 million sponsor loan to finance acquisition and pre-construction costs. The Leviticus Fund also provided \$1.5 million in pre-construction financing. In April of this year Breaking Ground obtained a zoning change for the project after an approval pursuant to the City's land use review procedure.

The renovation and repositioning of the building as supportive and affordable housing will be financed by 501c3 and taxable bonds totaling more than \$70.4 million issued by the New York City Housing Development Corporation (HDC). HDC provided an additional \$6 million in capital subsidy. JPMorgan Chase is providing a construction letter of credit. Nixon Peabody provided counsel on the acquisition and construction financings. Bryan Cave Leighton Paisner and Holland & Knight provided counsel on land use matters. Monadnock Construction, Inc. is the general contractor and Beyer Blinder Belle is the project architect. Construction completion is expected in the first quarter of 2022.

"The need for affordable and supportive housing, during the novel coronavirus pandemic, is now more crucial than ever," said **Joe Lynch who led Nixon Peabody's team** that advised Breaking Ground. "Congratulations to Breaking Ground and their leadership for closing this deal during this difficult and unprecedented time."

In addition to public financing, key philanthropic support for the project has enabled Breaking Ground to carry out this project, including grants from Robin Hood Foundation, Deutsche Bank's DB SHARE program, and National Grid.

**About Breaking Ground**

Breaking Ground is New York's largest supportive housing developer. With 24 transitional and permanent housing residences under management, primarily in New York City, Breaking Ground provides safe, stable, beautiful housing for those who need it most. Breaking Ground also runs, under contract with the Department of Homeless Services, street homeless outreach services in all of Brooklyn, Queens, and a portion of Manhattan. Each Year, Breaking Ground's programs and housing touch the lives of more than 8,000 vulnerable New Yorkers.