



Breaking Ground opens 90 Sands - 491 affordable/supportive units

November 22, 2022 - Design / Build



Brooklyn, NY Breaking Ground celebrated the opening of 90 Sands, a former Jehovah's Witnesses hotel converted into 491 affordable and supportive apartments in DUMBO. Breaking Ground launched 32 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. 90 Sands marks Breaking Ground's fourth hotel conversion project in New York City.

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. Subsequent to the acquisition, Breaking Ground

obtained a zoning change for the project in 2020 after an approval pursuant to the City's land use review procedure.

The renovation and repositioning of the building as supportive and affordable housing was financed by 501c3 and taxable bonds totaling more than \$70.4 million issued by the New York City Housing Development Corp. (HDC). HDC provided an additional \$6 million in capital subsidy. Construction financing was also supported by a grant from the Federal Home Loan Bank of New York's Affordable Housing Program. JPMorgan Chase provided a construction letter of credit.

Monadnock Construction, Inc. is the general contractor, Beyer Blinder Belle is the project architect, and W Architecture and Planning designed the public plaza space at the corner of Jay and Sands St.

Key philanthropic support for the project has enabled Breaking Ground to create new supportive and affordable housing at 90 Sands, most prominently a \$3 million lead grant from Wells Fargo. Additional support was provided by Deutsche Bank's DB SHARE program and National Grid.

"We are thrilled to open 90 Sands at such a critical time for New York City to abate a relentless homelessness crisis and provide much needed housing for low-income and formerly homeless New Yorkers," said Brenda Rosen, president and CEO of Breaking Ground.

"Over the course of two years the redevelopment of 90 Sands remained on schedule and in turn was scaled for impact to help more than 300 people leave homelessness behind and find dignity and security with a home of their own. Our first hotel conversion project to open amid the pandemic, 90 Sands advances key goals of equity and inclusion, bringing an additional 185 affordable apartments for New Yorkers with extremely low- to moderate incomes in one of the city's most expensive neighborhoods. Breaking Ground is grateful to New York City mayor Eric Adams, HPD and all our partners for working hand-in-hand with us to bring this extraordinary project to life."

"When we launched 'Housing Our Neighbors,' I said that safe, stable, and affordable housing is fundamental to a prosperous, inclusive city. That is what we are delivering today," said New York City mayor Eric Adams. "90 Sands demonstrates exactly why we fought for hotel conversion legislation in Albany: To create affordable housing more quickly and efficiently than we can starting from scratch. And I promised we would celebrate New Yorkers getting into homes, not people signing deals, and I am proud to say that with our innovative referral pilot, we housed 80 people here in just one week."

"As a lifelong supportive housing advocate, I am so proud to celebrate the opening of 90 Sands with Breaking Ground, CUCS, and all of our new neighbors who now have a home of their own. This project was not easy, including a lengthy and expensive land use rezoning, but it is a model of the type of work we can do to house all New Yorkers," said chief housing officer Jessica Katz. "Beyond housing for almost 500 more people, a top priority of the Adams administration strategic housing blueprint, 'Housing Our Neighbors,' is to tackle administrative burdens that delay housing access. In an incredible feat, Breaking Ground and CUCS worked with the city to house people in a new direct

referral pilot that we hope to explore as a way to get people out of the shelter system and into permanent housing faster.”

“In line with this administration’s ‘Housing Our Neighbors’ blueprint, serving the most vulnerable New Yorkers is a key priority, as is creating affordable housing opportunities in all our city’s neighborhoods. As we look to convert vacant hotels into affordable and supportive housing, 90 Sands serves as an important model,” said HPD commissioner Adolfo Carrión. “An old hotel is now 491 beautiful affordable homes in the heart of Dumbo, with critical supportive services to help more than 300 New Yorkers formerly experiencing homelessness get back on their feet. We commend Breaking Ground and all our partners for bringing this ambitious project to fruition.”

“I’m so proud that 90 Sands is part of our movement to ensure Brooklyn remains a place accessible to all,” said Brooklyn Borough president Antonio Reynoso. “Faced with a profound housing crisis, we must be creative and relentless as we together build solutions for families facing displacement and housing insecurity. These hundreds of homes for formerly homeless New Yorkers and New Yorkers with low or moderate incomes are a model for how we can continue to pursue a city that creates stability and a foundation to grow. Thank you to Breaking Ground and everyone across this city who had a hand in bringing these many affordable and supportive apartments to Dumbo.”

“The 90 Sands development is providing hundreds of households with safe and affordable housing alongside extensive services ranging from case management to healthcare and career counseling,” said NYC Housing Development Corp. president Eric Enderlin. “Congratulations to all the residents on their new homes and thanks to our many partners who remain deeply committed to providing safe and stable housing to New Yorkers in need.”

“I’m thrilled to celebrate the opening of 90 Sands and the addition of 491 affordable and supportive apartments to the DUMBO community,” said New York City councilmember Lincoln Restler. “Congratulations to Breaking Ground on opening the largest new supportive housing development in New York City in decades. The solution to homelessness is housing and 90 Sands represents a major victory.”

“Good homes not only provide us with a roof over our heads, but they also give us the foundation upon which families can grow and thrive,” said Baaba Halm, vice president and New York market leader of Enterprise Community Partners. “Enterprise was proud to contribute a \$10 million grant for this inspiring development, which will provide almost 500 low- and moderate-income and formerly homeless tenants with affordable homes and crucial supportive services to empower them and their families. Thank you, Breaking Ground, CUCS, the City, and all other partners involved who helped this development come to fruition to serve our City and its people.”

“The development of 90 Sands is an example of what is possible when private and public sectors work together to make lives better,” said William Daley, vice chairman of public affairs for Wells Fargo. “Making housing more affordable and accessible is critical to opening up pathways to economic stability, well-being and long-term growth for individuals and families but also for neighborhoods across New York City. We applaud the collaboration between Breaking Ground,

Mayor Adams, the city and its partners to make supportive housing at 90 Sands a reality.”

“We were so pleased to help Breaking Ground pay architectural and engineering expenses for 90 Sands with a predevelopment loan, which can be hard to secure early in a project,” said Greg Maher, executive director of the Leviticus Fund. “This was our first loan to this strong and highly respected nonprofit. We were happy to provide patient, flexible capital to help move this much-needed project from concept to reality.”

“For more than 30 years, Chase has partnered with Breaking Ground to help address the urgent and ongoing need for affordable housing in New York City,” said David Walsh, managing director, Community Development Banking at Chase and member of Breaking Ground’s board of directors. “We’re proud to support the development of 90 Sands and continue to be committed to community development projects like this one, which will provide nearly 500 vulnerable New Yorkers with the high-quality housing and supportive services they deserve.”

“Deutsche Bank Americas Foundation is proud to have supported Breaking Ground through our SHARE program on such a unique and iconic development”, said Lisa Talma, vice president of philanthropic initiatives for Deutsche Bank’s Community Development Finance Group. “With 90 Sands, Breaking Ground has re-envisioned a beautiful setting where people will be able to heal and rebuild their lives. We are excited for the potential for this property and the services provided onsite to help so many.”

“Beyer Blinder Belle is honored to have partnered with Breaking Ground on 90 Sands Street, helping contribute to its mission of ending homelessness via adaptive reuse of existing buildings,” said Carlos Cardoso, AIA, partner, Beyer Blinder Belle Architects & Planners.

“The Center for Urban Community Services is honored to partner once again with Breaking Ground to provide social, medical and psychiatric services to the residents of 90 Sands” said Joe DeGenova, the president and CEO of CUCS. “At the core of our work is helping people exit homelessness and we do that by ensuring dignity, inspiring trust, and committing to the highest quality of care. Permanent supportive housing is the best opportunity for formerly homeless people to live healthy lives. In 2021, with the collaboration of many partnerships such as this one with Breaking Ground, CUCS was able to provide services to over 2000 clients in supportive housing.

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 12th 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 are affordable to a wide range of New Yorkers, from extremely low- to moderate-income households. 305 units are home to formerly homeless individuals. One unit is for an onsite building superintendent. Half of the units (246) are permanently

affordable, and the balance are affordable under a 60-year regulatory agreement. The 30-story building features a 24-hour attended lobby, security camera system throughout, multipurpose room for community events and meetings, a digital library, a fitness room, and extensive bike storage.

Breaking Ground worked closely with New York City mayor Eric Adams' administration to implement a unique pilot program that allows for the direct referral of homeless clients from street outreach and transitional housing programs to a supportive apartment at 90 Sands. This streamlined process, made possible by cross-agency collaboration, cuts the time it typically takes to complete a permanent housing placement by more than two months.

90 Sands includes a newly activated plaza for public use at the corner of Sands and Jay Sts., adding a new green space to the Downtown Brooklyn and DUMBO communities. Breaking Ground plans to bring in community-serving uses to occupy more than 20,000 square feet of community facility and commercial space on the ground floor and lower level.

New York Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540