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“Case Study of Redevelopment of a Roofing Material Factory Site for Mixed Use”

The following is an abstract of the presentation given during Session VII, Remediation for Reuse, on Saturday, April 3, 2004:

The former GAF roofing materials factory is located on the banks of the Delaware and Raritan Canal in South Bound Brook, New Jersey. The D & R Canal provides raw water to several water purveyors serving hundreds of thousands of customers in Central New Jersey.

The site is a series of abandoned buildings that was owned by a small businessman who bought the property from GAF who manufactured asphalt shingles at the site for decades. Prior asphalt related manufacturing was active back to the Pre-Civil War era. In fact, “tar paper” was invented by the first company to use the site for asphalt based products.

SAI, through its subsidiary, Princeton Brownfields Redevelopment, Inc. (PBR) proposed to the Borough of South Bound Brook back in 2001 that they be designated redeveloper of the site. At the time PBR was selected, the now bankrupt GAF Company had performed limited site investigation for soils, but had obtained approval of a No Further Action for groundwater. GAF was proposing an impermeable cap and limited hot spot removal. PBR was selected by the Borough because of its vision that the site could not only be cleaned up, but could provide an attractive mixed use development at the center of a Borough of 4,000 people.

After PBR was selected, it conducted extensive due diligence to determine the limits of contamination, identify potential off site migration issues, study site permitting issues, and develop costs for an extensive asbestos and building demolition program.

PBR and its real estate development partner, Renewal Realty, worked with the Borough to obtain a State Grant to complete the Remedial Investigation and obtain a No Further Action letter for soil. The PBR/Renewal Partnership negotiated a buyout from the current property owner and sought partial cost recovery from the successor to the currently bankrupt, responsible party, GAF. Finally, the Partnership negotiated with various end use developers to determine the best redevelopment plan for the site.

The Partnership entered in contract with Matzel & Mumford (M&M), one of New Jersey’s premiere homebuilders. M&M developed a plan whereby approximately 140 townhouses and approximately 30,000 ft<sup>2</sup> of retail space would be provided along the Borough’s Main Street.

SAI, on behalf of the Partnership (and now working for M&M) obtained approval for a Remedial Action Workplan involving removal of soils contaminated with PCBs, PAHs, petroleum and metals so as to meet the State’s Non-Residential Standards. The building foundations, asphalt parking and roadways, and landscaped areas will serve as a cap to

prevent direct contact with contaminated soils that will remain on-site. A deed notice will serve as an institutional control for the property to maintain the integrity of the cap in perpetuity.

The project is now entering the construction phase, with demolition and remediation work scheduled in the next several months.

While SAI has designed and permitted many cleanups in New Jersey, this project involves redevelopment planning as the driving force to shape the cleanup and change the parties involved, from responsible party to local government and a developer.

While the former GAF site is not that large (12 acres), its redevelopment will have a dramatic impact on the community because of its central location. The site is a prime example of the State's Smart Growth policy because it:

- reuses a contaminated site;
- provides denser development within an existing developed area;
- provides a range of uses from residential to commercial/retail;
- takes advantage of existing infrastructure;
- provides access to State owned waterfront (canal bank); and
- is serviced by a nearby commuter rail station (within walking distance).