

Business Models for Deconstruction and Building Materials Salvage

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Why Salvage Building Materials?

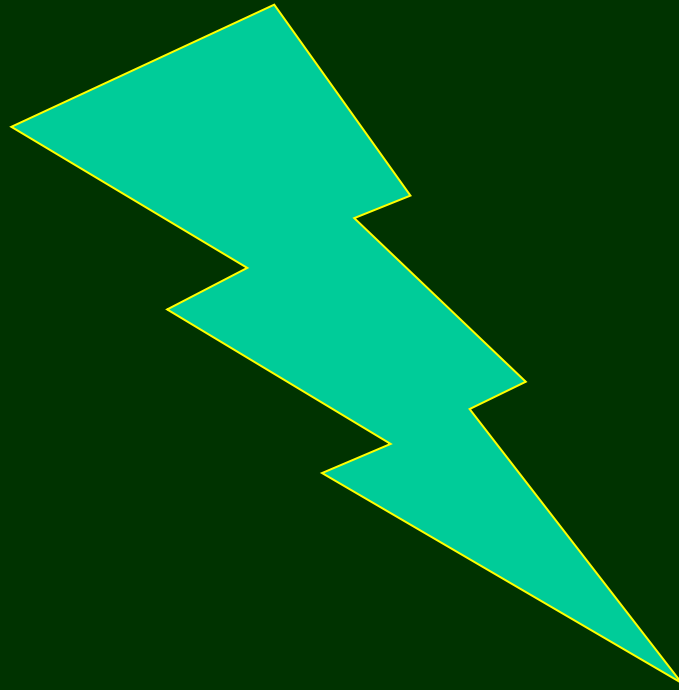


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Improves the Environment



Saves Embodied Energy



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Provides Green Jobs Training



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Improves the Standard of Living



How Much Can Be Diverted?

- Average house is 2,000 sq. ft. & weighs 80 tons*
- 250,000 single family residences are demolished each year*
- That represents 20,000,000 tons
- Between concrete recycling and materials reuse we can divert from our landfills about 90 to 95%
- Only 5 to 10% (5 to 8 tons) need to be landfilled



What Materials Can Be Salvaged?

- Appliances
- Bricks
- Cabinets
- Doors
- Flooring
- Hardware
- Heating & Cooling
- Lighting fixtures
- Lumber
- Plumbing fixtures
- Roof tiles
- Sinks
- Trim
- Windows
- Vanities



Appliances



Bricks and Pavers



Cabinets



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Doors



Flooring



Hardware



Heating and Cooling



Lighting



Bulk Lumber



Self-Service Lumber Rack



Plumbing Fixtures



Roof Tile



Windows



Vanities



Solution

Deconstruction and Distribution



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Symbiotic Relationship

- With deconstruction only – we would have above ground landfills
- With distribution only – there would be no supply



Existing Models

Deconstruction

- Primarily residential
- Some commercial
- Most are for profit
- Nonprofit – most are formed to fund other activities
- Complete deconstruction
- Soft-strip not considered
- Typically very localized
- Small - 1 to 5 people

Distribution

- Primarily residential
- Very few commercial
- For profit – architectural salvage
- Nonprofit – most are used to fund other activities
- Most offer only higher grade materials
- Most are very localized
- Small – 1 – 5 people and less than \$500,000



Business Considerations

- Deconstruction or Resale?
- Commercial or residential?
- For profit or nonprofit?
- Brick and mortar or virtual?
- Variable costs or fix costs?
- What is local business & political climate?
- State of the local economy?



Personal Considerations

- What are your personal goals?
- Do you enjoy detail or are more big picture?
- Do you want a family business?
- What would you like your business mission to be?
- How much money do you have to invest?
- Do you need outside investors?
- How long is your planning horizon?



Summary of Environmental & Economic Benefits

- Saving landfill space
- Retaining embodied energy
- Providing green jobs and green job training
- Improving the standard of living
- Knowing that you are doing the right thing



What do the following mean?

250,000

.001



Economics – Environment – Economics Environment – Economics - Environment



The ReUse People



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Benefits to Owner



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The Benefits to a Private Owner (residential, commercial/industrial, developer)

- Eligible for tax donations
- Reduces overall project costs
- Reduces disposal costs
- Improves the local standard of living
- Extends the life of local landfills
- Knowing you have done the right thing



Actual Donation Values

City	Sq. Ft.	Donation Value
San Diego (remodel)	2,100	\$ 57,000
Los Angeles	2,800	\$ 97,321
Oakland	1,650	\$ 63,690
Seattle	1,400	\$ 41,000
Boulder	5,800	\$232,000
Kansas City	3,000	\$121,300
Chicago	2,100	\$102,900

Cost-Benefit Analysis

- A 2000 s.f. San Francisco Bay Area home
- 3 Bedrooms & 2 ½ baths
- Raised foundation
- Composite (asphalt) shingles
- Single paned wood windows with divided lights
- Redwood siding
- Carpeting & 5/8” hardwood flooring
- 12 x 20 redwood deck
- The following does not include removal of concrete or asphalt



Deconstruction

Demolition

Lowering of house	\$21,738	\$ 6,000
Disposal	4,100	4,100
Appraisal cost	<u>2,500</u>	<u>0</u>
Total costs	<u>28,338</u> =====	<u>10,100</u> =====
Donation value	84,000	0
Cash Value (after tax value of donation at 35%)	29,400	0
Total cost (from above)	<u>28,338</u>	<u>10,100</u>
After Tax Benefit (Cost)	\$ 1,062 =====	\$(10,100) =====



Types of Projects

- Residential deconstruction and salvage
- Commercial deconstruction and salvage
- Specialty deconstruction and salvage
- Green jobs training, consulting & project management



Types of Projects



Residential Deconstruction & Salvage



Commercial Deconstruction & Salvage



Specialty Deconstruction & Salvage Matrix Freeway Overpass



Specialty Deconstruction & Salvage

Is the overpass a railroad car or is it a bridge



Specialty Deconstruction & Salvage Matrix Freeway Walls



Specialty Deconstruction & Salvage Matrix Freeway Walls

Walls on a Truck



Walls on a Roof



Matrix Metrics

95.2% of all materials were diverted from the landfill, representing 10% of the City of Alameda's annual solid waste

- 31 Tractor-trailer loads of lumber salvaged for reuse
- 1,500 Tons of steel salvaged for reuse
- 1,000 cubic feet of EPS salvaged for reuse
- 7,000 tons of concrete recycled as base rock



Thank You



The ReUse People

