

NJIT/NJTPA Brownfield Redevelopment Study

Summary of Case Study

Site Name: Albert Steel Drum Site

Location: Newark, NJ

1.0 General Site Description

The 13.7-acre Albert Steel Drum (ASD) Site is located in the “Ironbound” section of Newark on the southeast corner of Wilson Avenue and Avenue L intersection. The ASD site consists of three parcels of land defined as Block 5038, Lots 70, 108 and 109 of the City of Newark Tax Assessor’s map. Two of the lots, Lots 70 and 108 were sold by the Newark Housing Authority (NHA) to Tony Pallet, Inc in May 2000 while the third lot, Lot 109 is still owned by the NHA (Figure 1). The site is bordered on the north by Wilson Ave. to the east by an active railroad owned by Conrail, to the south by the Welch, Holme and Clark Company and to the west by Ave. L. Abutting the property to the southwest is an active chemical manufacturing facility (Troy Chemical Company). Trucking, chemical manufacturing, meat processing, and various other industrial activities surround the site. The nearest residential/commercial area is located approximately one-quarter mile to the west across a major limited access highway (Rtes 1&9) (Figures 2 and 3)

Currently, the site is vacant. However, the site has been industrialized since the early 1900’s. Aerial photography shows that by 1951 the site was occupied by numerous industrial buildings, perhaps associated with an American Cyanamid facility. The Prentiss Drug and Chemical Company (PDC) and Albert Steel Drum (ASD) eventually used these buildings. The PDC operated on the site from 1956 to 1982 and manufactured pesticides. Albert Steel Drum leased their facility in 1974 and operated a drum recycling and reconditioning business until 1977. The site was purchased by the NHA in 1980 with the intention of rehabilitating the property for future industrial activities.

The site is in an area zoned Industrial (H-3) by the City of Newark. This zoning classification allows for a variety of industrial uses including warehouse and distribution. Additionally, all major utilities are available in sufficient capacity to support redevelopment. These include sanitary sewer, public water, natural gas and electrical service. However, storm water management is an issue because the area floods. The City of Newark has prepared designs for a storm water drainage system to be installed, with a major interceptor pipe to be located along Ave. L. There are no wetlands on the property.

2.0 Transportation Access

Close proximity to several key regional highways, including Doremus Avenue, Route 1 & 9, the New Jersey Turnpike and the future Portway, make the Albert Steel Drum site desirable for access to Newark International Airport and the surrounding marine ports. Although Wilson Avenue provides the vital link to these facilities, direct site access to Wilson Avenue is not feasible due to physical constraints in the immediate vicinity. Instead, it is recommended that driveway access be provided on Avenue L. The City of Newark has initiated efforts to reconstruct the intersection of Wilson Avenue and Avenue L as part of its overall plans to reconstruct Wilson Avenue. It is recommended that the city consider several improvements in the design and construction of this project.

The site is particularly important because of its accessibility to Portway. Currently, the first section of Portway is being built from the Port area to the intersection of Doremus Ave. and Wilson Ave. Included in this construction project is a rebuild of the Doremus Ave. Bridge over the Oak Island Rail Yards. This bridge is designed to handle heavy weight trucks, which when complete will allow overweight containers to be trucked off the port directly into warehouse and distribution facilities. The ASD site is ideally located to enable trucks to move quickly from the port area to a modern building with out impacting major regional roadways. (Figure 4)

Although the Albert Steel Drum is relatively small in terms of being a viable rail service customer, there is a strong potential to serve this site from both the north and south with rail. Conrail maintains an active track along the east side of the ASD site, which connects to Brills Yard to the North and the Oak Island Yard to the south. Additionally, NJ Transit operates bus service along Wilson Avenue with designated stops where Wilson Avenue intersects Avenue L.

3.0 Environmental Assessment

This site has a long history of environmental investigation and remediation. Initial site investigations began in 1980 when the NJDEP Division of Water Resources installed 20 soil borings and collected 80 soil samples. From 1987 to 1993, a major RI/FS was conducted at the site by TRC Environmental Corporation. This effort included two phases of investigation and a feasibility study that identified clean up options. Investigations included collection of surface soil samples, excavation of test pits, collection of soil samples from test borings, installation of monitoring wells, groundwater sampling and sediment sampling. Volatile organic compounds (VOCs), PAHs, pesticides, PCBs and metals were found to exist in site soil and to a limited extent in shallow groundwater. PCBs were also found in the sediment in the drainage ditch located in the southwest portion of the site. Based upon the results of the sampling, several subsurface and surface “hot spots” were identified to contain site contaminants above site clean up levels (1000 ppm VOCs soil & 50 ppm PCBs soil). In 1994, NJDEP issued a Draft Decision Document which recommended clean up activities consisting of: excavation, stabilization and off site disposal of contaminated sediments; excavation of VOC

contaminated subsurface soil “hot spots” with treatment and disposal; construction of a 1.5 ft thick cap over the entire site, demolition of the PDC building and groundwater monitoring. The building subsequently was demolished in the mid 1990’s.

In 1999 Kimball & Assoc. was contracted by NJDEP to perform additional investigations at the site to further define the “hot spot areas” and develop a 65% design document for the remediation. During this effort an additional PCB “hot spot” was identified and include in the final design. This effort estimated the volumes of soil needing removal, identified disposal options and provided more detail for the cap design. In May 2000, the NHA sold the site to Tony Pallet, Inc, which entered into an Administrative Consent Order (ACO) with NJDEP regarding the ASD Site in June 2000. The ACO specified the responsibilities of Tony Pallet, Inc for implementing the Remedial Action. A Remedial Action Work Plan (RAWP) was prepared and approved by NJDEP in August 2001. In the spring of 2002, the specified remedial actions were implemented. In October 2002, a revised RAWP was submitted to NJDEP that reflected changes to the cap design in order to accommodate the construction of a W&DC building.

Geologic strata at the site consist of an initial layer of historic fill that ranges in thickness from 6 to 12 feet. This layer is composed of a wide variety of materials including concrete, brick, plastic, metal and wood. Beneath the fill is the meadow mat, which is fairly thin (six inches to 1 foot). The geologic layer beneath the meadow mat is a silt layer. Permeability analysis of soil samples from this layer indicates a low hydraulic conductivity. Beneath the silt is red fine sand that is fairly thick. Bedrock beneath the site is shale and is encountered at 65 to 75 feet below the site. Groundwater consists of a shallow perched zone above the clay and a deeper zone in the fine sand. Also, the shale bedrock is a regional aquifer. Groundwater flow in the shallow perched zone is from south to north and the quality of the shallow groundwater is generally poor, containing low levels of VOCs. Groundwater in the area is not used for potable supplies.

4.0 Market Assessment

The site is within the Newark/Airport/Sea Port sub market of the Northern and Central NJ industrial real estate market. This sub market contains approximately 72 million sq. ft of industrial space as of 1st quarter 2002, consisting of 456 building over 50,000 sq ft. The availability rate was 6% and the average asking rent was \$5.15 per sq. ft. However, the key market aspect of this site is it’s proximity to the Newark/Elizabeth Port complex and the ease of access once the Portway construction on Doremus Ave. is complete.

Overweight containers can be directly trucked from the port area to this site along an upgraded transportation infrastructure. Thus, this site holds tremendous potential for constructing a modern value added distribution center that can service the region’s air and seaports.

Conceptual plans have been developed for a building that can range in size from 250,000 sq. ft to 350,000 sq. ft (Figure 6). The size of the building will be controlled by various factors including storm water management, building coverage allowed by zoning, truck access and geotechnical considerations. The market study indicates potential users could

be spirits & wine distribution, clothing or dry goods repacking and distribution. Estimated land values when remediated to non-residential standards are \$3000,000 to 350,000 per acre. Based upon possible building sizes, there is the potential to generate up to 300 jobs for the local urban workforce and between \$ 500,000 to \$ 600,000/yr in tax revenue to the City of Newark.

Of all the Case Study sites, this one has the most potential as an example of the concepts behind the study. It is within close proximity to the ports; it will be connected to modern transportation infrastructure designed specifically for truck traffic (thus trucks will not travel regional highways to access the site); it is within a heavily industrialized section of Newark (thus freight related redevelopment will not impact residential areas); it can provided much needed jobs for the urban workforce; the workforce can use existing mass transit; a large modern W&DC can be built on the site which will be designed to support modern logistics requirements and the site will redeveloped with an environmentally friendly use.