

Turning Eyesores Into State-of-the-Art C-stores

Gas Land Petroleum remediates and transforms contaminated properties in New York State By Danielle Romano

GAS LAND PETROLEUM — known today as one of the largest independent wholesale petroleum distributors in New York's mid-Hudson Valley region — is entering new territory. Dilapidated, contaminated territory, that is.

Rather than building new sites on virgin land, Kingston, N.Y.-based Gas Land recently began shifting its focus to remediating contaminated properties that stand as eyesores and transforming them into modern, state-of-the-art facilities to the community's benefit.

Seeing as commercial properties are scarce in the southern region of New York, Gas Land decided to go this route as a way to acquire new properties and expand its business by revitalizing existing, albeit contaminated, lands. The company also seeks to benefit the communities in which it does business by eliminating environmental hazards and cleaning up eyesores that decrease property values and create a host of other issues in these communities.

"Our experience as builders and designers of gas stations, and our understanding of environmental compliance issues not known to the general public, give us the advantage of being able to carry out these plans efficiently and seamlessly," said Gas Land Vice

President Zeidan Nesheiwat.

From the (Under)Ground Up

Gas Land's remediation strategy got its start after federal regulations surfaced in 1998 that required existing underground steel storage tanks to be upgraded to double-wall fiberglass. The company complied with these regulations and used them as a jumping-off point to expand the renovations already occurring at those gas stations.

"Although Gas Land was able to comply with the remediation requirements and then some, other station owners and operators found them too burdensome and ended up abandoning their properties instead. My dad [Gas Land President and CEO Mitch Nesheiwat] saw these properties as an open market that held great opportunity for growth and so he began purchasing the sites, remediating them, and converting them into new and modern facilities that were both environmentally compliant and great additions to their communities," Zeidan explained.

For Gas Land, there is no set protocol when it comes to finding a site to remediate. Because the company doesn't have a real estate team whose sole purpose is to survey an area, Gas Land executives always keep an eye out for open properties — especially those that are underdeveloped.

Once a site is spotted, the company assesses and determines whether or not the location has the potential for success, or if it's beyond repair. To make this determination, Gas Land collects six key pieces of information on a site when assessing its viability:





Depending on the severity of the site, the construction process can take anywhere from six to 15 months.

1. Current status of environmental conditions;
2. Future anticipated cleanup actions;
3. Current or future restrictions on the use of the site;
4. Compatibility between anticipated use and the cleanup or restrictions on use;
5. Liability protections that are available; and
6. Liens associated with the cleanup work.

“Ironically, the riskiest parts of rehabilitation aren’t the toxins, it’s the site plan review process associated with the project,” Zeidan shared. “It’s not a matter of whether the municipality desires the site to be remediated; it’s a matter of what zoning currently permits, and whether there are other existing community issues within the vicinity of the site that the municipality is seeking to address.”

Prior to redeveloping a site, a thorough zoning analysis is performed to bring to light any significant issues that may exist, such as acquiring variances, approvals and/or zoning changes, especially at older gas station sites where local zoning ordinances may have changed over the years.

In total, the zoning process, including site plan review, may take many months — even years — to complete and may involve substantial public input.

Once a site has been selected and purchased, it undergoes the site plan review process within its respective municipality. Because most land in New York State is privately owned, municipalities have enacted zoning to regulate land development, which enables communities to regulate land uses and population densities based on comprehensive land development planning.

Site development plans depict the intended layout, consisting of the arrangement and uses of the land to be improved, and describe the proposal’s physical, social and economic impacts on the community. Then, approval involves its own review process, including: submitting the initial application; responding to comments and site plan revisions; public hearings; and a written decision summarizing the components considered in reaching project approval or denial.

If approved, the next step in the process is the actual site cleanup and redevelopment. This phase can be a “truly interdisciplinary effort,” as projects involve aspects of environmental science, land use planning, architectural design and public health, according to Zeidan.

The remediation and renovation presents its own challenges, like: maintaining pedestrian and vehicle access while keeping open excavations; completing work within a short timeframe; and effectively handling existing and unknown conditions without negatively impacting the budget, schedule, staff, tenants or customers.

Because the construction process can take anywhere from six to 15 months, Gas Land has developed a strategy to limit the impact to existing businesses:

- Have a clear vision and objective for each project.
- Define standards for the time, cost and quality of the project.
- Outline and link scopes of work to the project’s objectives.
- Develop a schedule that creates a seamless transition for c-store operations.
- Present plans to tenants and staff to communicate the



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The most sites Gas Land Petroleum has ever purchased to rehabilitate at once was a package from Bottini Fuels, which included 11 sites.

- vision and intent of the renovation.
- Hire qualified contractors who understand the undertaking and have viable resources and experience.

"The company philosophy recognizes that the most important project stakeholder is not Gas Land, but rather the members of the community who we serve," Zeidan expressed. "Based upon the review process and company philosophy, stations and stores are therefore designed individually to cater to the needs of a particular community without a company brand. Instead, locations are designed by the architectural standards of the community and branded by the fuel."

Gas Land's store designs have earned accolades, including several consecutive wins in the annual *Convenience Store News* Store Design Contest.

Home Field Advantage

At the end of the day, Gas Land is attracted to good businesses and focuses less on the size of the purchase and number of stations involved, and more on the viability and quality of the sites.

"Though we may cast a wide net, we tend to limit our targets to stations that Mitch firmly believes will be profitable. In his words, 'I'm

a sniper. I don't buy stations just to say I bought them. I only go after properties that I know for sure are winners,'" Zeidan explained. "So, as long as the deal makes sense, the company does its best to close and make the deal."

With a number of successful redevelopment projects completed, Gas Land has witnessed the "significant and enduring" economic, environmental and social benefits that remediation and redevelopment can provide, according to Zeidan. Just some of the ways remediation projects help communities are local job creation, an increase in property values, reduced threats to public health, and neighborhood revitalization, he pointed out.

Once sites are completed, they are leased to independent operators. However, Gas Land does have a hand in what is offered at each location. During the design process of remediated sites, the company sits down with potential operators and shares with them its plans and vision for the locations. For example, Gas Land will share if it recognizes a need in that community for a cozy coffeehouse aesthetic with indoor seating, or fresh options like deli foods and a salad bar.

"We explain to the operators our vision and products we want to serve. The operator will understand what we are doing, and we work together to accomplish our goals," said Zeidan.

While Gas Land also distributes fuels to New Jersey and Connecticut, the company intends to continue playing its home field advantage in New York State, for the time being.

"Here in the Hudson Valley, we know the demographic of the community, the roads and traffic patterns, the value of the property, and the codes, etc. This background knowledge protects us from overpaying or purchasing properties that are not conducive to gas stations," Zeidan said. "Our decisions to build or purchase properties aren't based on traffic numbers that normally make a property attractive for a developer — they're based on our seasoned, personal knowledge. So, while we remain open to exploring expansion, it would have to be an incredible deal for us to venture into the unknown." **CSN**