

Case Studies of Reuse Centers:

The Rebuilding Center

By David Hess

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The Rebuilding Center in Portland, Oregon, is a nonprofit organization that was founded in 1998 by Shane Endicott. The reuse center grew rapidly from diverting approximating 500,000 pounds of construction debris in 1999 to over 9,000,000 pounds (4,500 tons) in 2005. By 2005 it was the largest nonprofit reuse center in the United States. I spoke with Shane Endicott, the executive director, and Jennifer Jako, the marketing/outreach coordinator.¹

The Rebuilding Center has been so successful that it launched a \$2 million capital campaign to fund an expansion of its warehouse of over 28,000 square feet. Portions of the new building, which I was able to see when I visited in June, 2005, use recycled materials. A demonstration project along the east side of the building also utilizes cob, a clay-like material that can be drawn from local sources. As Ms. Jako explained, “The expansion will double our capacity and allow us to increase foot traffic from approximately 200 people per day to 300 per day. We’re currently keeping about five tons of material from the waste stream, and we see that figure doubling to approximately ten tons.”

In addition to the quantity of materials that the Rebuilding Center diverts from landfills, the organization also takes in a wide range of materials. As Jako explained, “We accept an item based on its reusability, not based on the profit that we can make from it. Most reuse centers, particularly for-profit entities, look at an item in terms of how much revenue it will generate. They look at materials as products, not recyclables. We look at an item and ask if it is reusable. If we can answer yes to that question, we accept the item, as long as it does not contain hazardous materials or is not in such a deteriorated condition that it cannot be used for its original purpose or interpreted into a new use.”

When asked about how the organization handles lead paint and other hazardous materials, Jako explained, “At this time our policy is to accept lead-coated items, as long as the material is not deteriorated and the paint is not chipping or flaking. We have a warning label that we place on all lead-painted or coated items, and we also distribute lead abatement and lead safety information with every purchase. It is the same for other hazardous materials, such as window glazing that has asbestos in it. We haven’t established a service to customers to accept other hazardous waste, but we will direct them to an appropriate hazardous waste site.”

Although a grant provided help to get the Rebuilding Center off the ground, the organization is largely supported by the revenue generated from the sale of reused materials and its deconstruction services. According to Mr. Endicott, the deconstruction business brings in about 90% of the lumber, but it only brings in about 25% of the

kitchen cabinets and about 15-20% of other materials, such as windows and doors. Some of the material that the organization cannot sell is donated. For example, The Rebuilding Center also sends surplus materials overseas. For example, it donated two 40-yard containers worth of materials to Hondurans who had been struck by a hurricane.²

According to Endicott, the deconstruction service evolved with the organization from its beginning: “We always worked with deconstruction, but we didn’t always have it in house. When we first started, we worked with a private company that did deconstruction, and I would refer people to that for-profit company. Probably 30% of the time it worked out that the materials were donated to the Rebuilding Center. As time went on and volume increased, the contractor wasn’t able to take on the capacity of buildings that we were interested in, so we explored developing our own deconstruction services in house. We seem to be able to maintain three jobs at a time. The department has been as low as twelve to fifteen employees and as high as thirty employees, depending on the volume.”

As Jako explained, one of the attractions of deconstruction is the tax write-off that some clients can take: “For example, a client paid us \$20,000 to deconstruct an average-sized family home of about 2500 square feet. After his tax deduction, he had only paid out \$5,000, because he was an individual who was able to take a large tax deduction from the project. We provide a detailed catalog and description of all items gleaned from the site, and it is up to the owner to obtain an independent, appraised inventory for their tax preparation.”

The Rebuilding Center also sponsors “ReFind,” which employs two people to remanufacture furniture from salvaged lumber such as the Douglas fir. There is a section of the warehouse dedicated to the display of the furniture. Jako explained, “We make these gorgeous tables and benches that have nail holes that were part of it being an integral structural member of the home or building. Our ReFind furniture is priced quite a bit higher than our other items; it’s priced comparably to retail of similar quality. In general we like to inspire people to make furniture out of reused lumber, or picture frames out of reused molding. It also allows us to demonstrate another idea of reuse. We also have an education component in our plan for the new space.”

Equity and Sustainability

Some reuse centers emphasize the community development, job creation, and affordability goals as the primary objective, and some emphasize environmental goals. No matter what goal is emphasized, reuse centers generate both social and environmental benefits. The mission of the ReBuilding Center indicates that the organization balances both types of goals:

- divert reusable building and remodeling materials from the waste stream;
- provide affordable, quality used building and remodeling materials to people of all income levels;
- generate physical, financial, and social resources for Our United Villages' community enhancement efforts.³

Regarding the question of how the organization balances environmental and social goals, Endicott answered, “It’s full circle. The goal is getting people involved in their communities and realizing their full potential, but the ReBuilding Center provides a perfect model to demonstrate to people that over 90% of what we get here would have

ended up in a landfill. If we had continued the practices of seven years ago before we started this place, we wouldn't have created the forty-three jobs that we currently have. We don't call ourselves an environmental organization; we are an organization that is trying to demonstrate that people have the capacity in their communities to make a big difference just by their day-to-day choices."

The ReBuilding Center originated as a project of Our United Villages, whose work Endicott explained as follows: "We work in one neighborhood for a year at a time. We canvass an entire neighborhood and get people to come together around a common interest. That's the soul of this organization. Our goal is get people to realize their common interest and realize their full potential as a community. Part of the motivation that started this organization was recognizing that most of our communities are fragmented and people don't know their neighbors. As soon as we bring people together, we create a stronger social fabric to foster healthy communities."

The ReBuilding Center provides affordable building materials to people with limited incomes, but it does not specifically describe its mission as assisting low-income residents. Endicott clarified, "We don't want to brand anyone as low-income. We say that our materials are affordable to people of all income levels. Everything here is priced 50-90% less than what it would cost new on the market. The staff understand that we have wants and we have needs. About 80% of our inventory doesn't really pay to be here, and the want items subsidize that 80%. If you've been to other building material places, you won't see a lot of hollow-core doors and the marginal materials. You'll see some, but not the quantities that you see here. The high-end materials like the jacuzzi tubs and the kitchen cabinet sets subsidize everything else. The lumber pays for itself but is priced at half of what it costs new."

Both Endicott and Jako noted that customers come to the store for a variety of motivations. As Jako commented, "We have two mindsets that drive people to come here. There are people who love the bargains and are able to make home repairs and improvements that otherwise would not be affordable. There are other individuals who could acquire new building materials, but they choose to come here because they know that they are giving new life to material that would otherwise go to waste. They know that they are having a positive effect on the environment." She added that the two mindsets are not mutually exclusive; for some people the environmental and affordability aspects sometimes go together.

The ReBuilding Center also works hard to hire a diverse workforce and provide people with new opportunities. From my visit to the store, it was clear that the forty-three employees are a diverse group. They also receive better wages than most other entry positions. As Endicott explained, "The minimum wage here is \$10 an hour for an entry position, and we pay full medical and dental. Most of our staff—about 80%—have no prior experience, so we train them from the ground up, and most of the staff come from minimal low-income families." Many of the employees speak Spanish, and there are interpreters available at group meetings.

Some of the employees live in the ethnically diverse northeast neighborhood, but the neighborhood is changing very rapidly. When the ReBuilding Center moved into its Mississippi Street location in Portland's northeast section, the neighborhood was much more of a low-income area than it is today. When I walked around the neighborhood, it was quite diverse ethnically, but evidence of gentrification and construction was

everywhere. The blocks of Mississippi Street where the Rebuilding Center is located are characterized by a mixture of run-down buildings and new, gentrified coffee shops and stores. There was also a new station along the light rail system that was located a few blocks away, so the neighborhood was now easily accessible on the new light-rail system. I wondered if the Rebuilding Center had contributed to the evident changes, or if the gentrification was a parallel process. It turned out that the neighborhood had been targeted for redevelopment by the Portland Development Commission.

Endicott explained, “I grew up here, and I live up the street, but we could have ended up anywhere in the city. When we started the ReBuilding Center, we put in the business plan that we wanted EX zoning, 16,000 square feet, and a location close to the city and close to a freeway. That was based on my visiting twenty-four used building places and what I found out were the factors that people told me helped or hurt their access to the public. I was mainly focused on the industrial area in northwest Portland near the transfer station, but we were looking all over the city. When I was coming to work one day, I was walking down this street and noticed that there was a sign up on this building that I hadn’t seen before. The zoning and square footage were what we wanted, and we ended up buying this place.

“I had no idea that this was an empowerment zone. Last night they had a Second Thursday, and there were hundreds of people on the street. It looked nothing like the way it looked when I was growing up. I remember right across the street here, when I was fourteen, I had a knife stuck to my stomach and my leather jacket stolen. And I remember my grandmother’s tavern that was at the end of the street. Those were the things that came to mind when I thought of North Mississippi. Everybody’s perception is that the ReBuilding Center is anchoring the revitalization of the neighborhood, but the credit goes to people who were working on this street years before we came here.” So the ReBuilding Center cannot claim credit for the revitalization of the neighborhood, but, as Jako pointed out, having 200 people coming to the store every day probably contributed to a process that was already taking place.

Endicott has mixed feelings about the gentrification, and he discussed how it is going on throughout the city. Although gentrification is occurring in many cities, in Portland it is accelerated because of the urban growth boundary to the west and the river to the north and east. The ReBuilding Center is located in the inner portion of the northeast quadrant, which is, according to Endicott, one of the last of the urban neighborhoods to undergo gentrification. When he was growing up, the banks were redlining loan applicants, and the neighborhood was one of the few places where African Americans could get loans to purchase homes. His grandmother was among the few white families that did not leave for the suburbs. Today, the tide has turned, and African Americans are being pushed out of the neighborhood as home values increase.

Policy Issues and Recommendations

Some of the issues that have emerged in other reuse centers have not been barriers for the ReBuilding Center. As Endicott explained, “Currently there are no barriers that are preventing us from doing what we’re doing. We’re at a half-way point, and we’re about to double what we’ve been doing. We see many possibilities just with what exists.” According to Endicott they have been able to cover insurance rates through the revenue from the deconstruction services. Likewise, some organizations are too small to support

their own regrading staff person, so the lumber cannot be graded for use in load-bearing structures. However, at the ReBuilding Center, regrading of lumber is not a problem because the organization is large enough to have two staff members certified as regraders.

One policy change that Endicott thought would be beneficial to the reuse and deconstruction industry would be to have governments—especially local governments—recognize the value of deconstruction. “We employ about four to six people for every one person that standard demolition employs. We also provide millions of pounds of affordable resources to our community that most of our shoppers couldn’t afford new. We also provide resources to community building that could not be sustained by grant funding. What if policies were changed so that people could not demolish a building, but it had to be deconstructed?”

He added that if laws were passed that favored deconstruction, the process needs to be defined clearly. The city of Portland already requires deconstruction in its RFPs for work on its own buildings, but Endicott added that the bids and work need to be monitored carefully. For example, in a recent case where a contractor bid on deconstruction for a home, “We had bid on the job, and I was actually happy that the contractor got it, because we were changing the culture. But then I found out that his interpretation of deconstruction was to take out the doors, windows, and molding, then demolish the building. I called the city on it. They didn’t know what was going on, and they went out and stopped the job.”

Endicott noted that deconstruction is not always more expensive than demolition, and in some cases his bids were below demolition. “I would say that 80% of our bids were within 5% of demolition.” Yet, as he emphasized, there were many other benefits to deconstruction, and the message needs to get out to policymakers. “We’re going to summarize the social, economic, and environmental benefits of salvage and deconstruction. We want to quantify it in social capital terms, so that we can give the information to our governor and mayor.”

Web site: <http://www.rebuildingcenter.org>

Based on an interview by David Hess with Jennifer Jako, on June 8, 2005, and with Shane Endicott on June 10, 2005.

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