### The Dollars and Sense of the Deconstruction and Reuse Industry

#### Re-Imagining the Built Environment By Michigan State University

May 7, 2018



**TRP** Salvaging the built environment<sup>TM</sup>

### Benefits

- Many markets and uses for lumber
- Saves embodied energy
- Provides training opportunities
- Removes blight from neighborhoods
- Reduces fire and police calls



### Challenges

- Higher cost to tax payers
- Time
  - To get everyone organizedTo deconstruct
- Minimal training value for workers
   Not a life-time career
   Need to learn more
- Grant funding will run out
  - High turnover of workers

## Solutions

- Find money from other sources
   ➢ Michigan Department of Corrections
   ➢ Work force initiatives
   ➢ Private foundations
- Reduce city fees negotiate among silos
- Get utilities to grant disconnect costs
- Open your own retail warehouses
- Work in the private sector



# Direct Expenses – 1500 s.f. House

- Labor (5 workers) -\$800/day X 10 days = \$8,000
- Disposal \$600/debris box x 3 boxes =
- Supplies -5% of labor = 400
- Supervision 3hrs x 10 days x 40/hr = 1,200
- Trucking 2 trips x \$200 =
- Total direct expenses =
- Overhead 10%

#### Grand total



12,980

1,800

400

11,800

1,180

## Additional Expenses

• Permits	\$	50
<ul> <li>Utility shut-offs</li> </ul>		500
• Removal of concrete/asphalt	5	,000
• Storage facility		200
• Selling costs		500
• Backfill & seed	1	,000
Total Additional Expenses	7	,250



## Summary

Direct Expenses	\$12,980
<ul> <li>Additional Expenses</li> </ul>	7,250
Total Expenses	20,230
Revenue	
• City	10,000
• Lumber	5,000
Total Revenue	15,000
Deficit	5,230
	1 1 1

Not including cost of tools and vehicle







#### **Thank You**



