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REAL ESTATE NEWS

Builder honored for impact on North Jersey industry

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In the past 12 months, Hackensack-based Russo Development has built some of the largest new industrial projects in North Jersey.

In January, the company secured the Pepsi Bottling Group Inc. as a lease tenant for its 135,000-square-foot Saw Mill Park development in Kearny. The site will be one of Pepsi's largest distribution centers in North America.

Russo Development also has more than 2 million square feet of ongoing development under way across North Jersey. The projects include the Brookline Corporate Center, 316,000 square feet of flex and industrial space in Mahwah; Meadowlands Park, a 450,000-square-foot warehouse development in Carlstadt; 50 Madison, a 126,000-square-foot flex building in Totowa; Rockaway Commons, a 253,000-square-foot flex project in Rockaway; and Schuyler Crossing, a mixed-use project of 32,000 square feet of retail and 250 rental units.

In recognition of these efforts, the company recently received the New Jersey chapter of the National Association of Industrial and Office Properties' Impact Award, acknowledging Russo Development's influence on the industrial and office real estate markets.

Russo Development is well-known in the real estate community for its skill at transforming often heavily contaminated brownfield sites into large, Class A industrial buildings, said Michael McGuinness, executive director of NJ-NAIOP. By giving the Impact Award to Russo Development this year, NJ-NAIOP hopes to illustrate the importance of redevelopment initiatives in the current market.

"Brownfield redevelopment is very key -- we're actively working with state policymakers to streamline the procedures and standardize the process," McGuinness said. "The fact that [Russo] has stepped forward and are active in that way, we think, makes a definite statement."

Building on brownfields has increased in popularity in the last five years, as readily available land for new construction has all but vanished in North Jersey. As such, few if any of Russo Development's projects involve buying virgin soil and putting shovels in the ground, said company President and Chief Executive Officer Ed Russo.

When Russo Development bought the Saw Mill Park property, it was a former landfill, and the Meadowlands Park was a heavily contaminated brownfield. The approval and remediation process at the Saw Mill Park took 3½ years; at Meadowlands Park, it took four.

"I think we've been fairly successful because we're very patient buyers," Russo said. "We're a privately held company, so we don't need to buy a property and develop it right away. We can buy and sit on it for years through a long approval process."

Founded in 1969, Russo Development has worked on many projects in Bergen County. But in the past year, the company has branched out to projects in Morris County, Orange and Rockland counties in New York and areas in Connecticut. It has also expanded into developing mixed-use, retail and office buildings. In the next 12 months, Russo Development plans to move to a new building in Mahwah from its main office in Hackensack, where it has operated for the past 25 years.

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