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Wayne Edwards Represents Company in Conversion of Gulf Gas Station in East Hills to Dunkin Donuts

*Growing Trend in Commercial Real Estate as More Gas Stations Close Down, Are Made
into Other Uses*

UNIONDALE, NY — Wayne Edwards, a Partner with [Sahn Ward Coschignano & Baker, PLLC](#), recently represented a client which converted a building at the site of the former Gulf gas station at 300 Powerhouse Road in East Hills into a Dunkin Donuts. The new 1,600-square-foot facility is located and now open at the end of the 8,000-square-foot shopping center.

The gas station closed down when the lease expired. Before the Dunkin Donuts was built, the property had to undergo remediation as the operator was required by state law and the lease to remove the underground storage tanks.

Mr. Edwards was responsible for obtaining the parking variances for the eatery, which will have eleven parking spots, and a certificate of occupancy. He also negotiated with Nassau County and New York State for curb cuts on the property and with Nassau to have Dunkin Donuts connect to the county's sewer system.

“This new facility is at a prime location, right at a busy intersection,” Mr. Edwards said. “Our firm has handled several conversions in recent years. Considering the increasing number of gas station closures, I expect this trend to continue and grow.”

The conversion of gas stations into other uses — such as restaurant and retail — is a growing trend in the commercial real estate market. Many stations on Long Island have shut down as owners face rising gas prices, increased credit card transaction fees, competition from wholesale clubs, and regulations mandating the installation of new underground storage tanks or else face stiff fines. There were 1,060 gas stations on Long Island in 2010 but, since then, that number has declined.

Gas station owners have faced environmental issues as well, leading to the shuttering of many stations. Owners must comply with state and local regulations concerning petroleum storage. Both Nassau and Suffolk Counties have legislation on the books requiring gas stations to replace their single-wall storage tanks with double-wall fiberglass tanks. According to the Long Island Gasoline Retailers Association, it costs between \$150,000 and \$300,000 to replace each tank. Failure to comply may result in fines up to \$500 per tank per day. In addition, upon removal, contamination may be found. Remediation costs can be very steep, depending on whether the groundwater has been impacted.

As part of these unique conversions, an experienced attorney is needed to oversee environmental due diligence and help the client with the contract and any clauses addressing environmental issues to protect the client's interest.

“Environmental due diligence is a necessary part of any type of commercial transaction. Gas stations, along with dry cleaners and manufacturing facilities, present more complicated

environmental concerns, making due diligence before a transfer more important,” says Miriam Villani, a Partner with the Firm. “The economic climate and potential liability for cleanups are helping to close many gas stations, but with the proper due diligence and legal advice, gas station conversions should not be feared and can be good investments.”