2020 Comprehensive Plan Implementation Guidance #1

Employment Center – Warehousing Overlay (EC-W) clarification of the definition of large distribution warehouses

Intent

The 2020 Comprehensive Plan has two land use designations that provide land for employment uses: Employment Center (EC) and Employment Center – Warehousing Overlay (EC-W). These two land uses differ in that large distribution warehouses are only allowed in the EC-W land use areas. This policy provides clarification on the distinction between large distribution warehouse types of uses and smaller warehouse uses.

Comprehensive Plan Context

The achievement of the vision and goals of the Comprehensive Plan relies on the guidance and decision-making of City Council, and implementation by city staff. The Comprehensive Plan identifies eight Vision Themes that are critical to ensuring the type of growth the City envisions in the future, one of which is "Fostering Economic Vitality (EV)". The Comprehensive Plan also identifies a number of goals, policies, and strategies to foster economic vitality.

The Employment Center – Warehousing Overlay implementation guidance is intended to support Goal EV 1 (Create, attract, and retain employers that provide high-quality and well-compensated jobs) and Goal EV 4 (Preserve land capacity for businesses and accommodate for future employment growth). Implementation guidance is also drawn from Policy EV 4.4, which calls on staff to accommodate large-scale warehouses and distribution facilities in targeted locations near major transportation routes and where there are limited impacts to residential uses. Specifically, Policy EV 4.4 states that these uses should not be located in areas better suited for more jobintensive uses. Furthermore, the Employment Center – Warehousing Overlay implementation guidance carries out Strategies EV-a, EV-b and EV-c, which focus on ensuring a strong economic future for the city, increasing the jobs-to-housing ratio, and facilitation of the development of important employment sites.

<u>Implementation Guidance: Distinguishing characteristics of large scale warehousing</u> and distribution warehousing

The following criteria apply to distribution warehouse uses located within land designated as Employment Center (EC) on the Future Land Use Map:

- a. The maximum dock door-to-building (including both ground level and dock-height doors) square foot ratio for warehouse/distribution uses within EC designated areas is 1:4,500.
 - For example a warehouse/distribution business occupying 120,000 sq. ft. with 20 dock doors would have a dock door-to-floor area ratio of 0.75:4,500 ((4,500 X 20)/120,000). This is aligned with the vision for developments within the EC land use designation.
 - In contrast, a 120,000 sq. ft. warehouse/distribution user with 30 dock doors would have a ratio of 1.13:4,500, which exceeds the threshold; therefore, would not be appropriate within the EC

land use designation. However, such developments would be suitable within Thornton's EC-W designated areas.

- b. To meet the vision outlined in the EC land use designation, buildings must be smaller than 150,000 sq. ft. if occupied by a single warehouse/distribution user (or other appropriate business type), in addition to meeting the dock door ration threshold. A building that is 150,000 sq. ft. or larger is allowed in EC if it is occupied by two or more occupants which are entirely distinct and separate from one another.
- c. "Industrial-Inside" uses and "Office showroom/warehouse" uses that meet the requirements of Section 18 of the City Code are not subject to the requirements a. and b. referenced above. Further clarification is provided below:
 - i. Office showroom/warehouse means a facility that has the combined uses of office and showroom or warehouse for the primary purpose of wholesale trade, display, and distribution of products. Office and/or showroom uses must make up at least 20 percent of the total floor area of the office showroom/warehouse use.
 - ii. Industrial-inside use means an industrial facility where all processing, fabricating, assembly, or disassembly takes place wholly within an enclosed building.
- d. Areas designated as Employment Center Warehousing Overlay (EC-W) would not have these constraints.

Rationale behind establishment of policy

The intent and purpose of these distinguishing criteria are to mitigate potentially adverse impacts of industrial developments on neighboring uses. Such impacts may include, but are not limited to, sounds, odors, light, traffic congestion, exhaust, heat, and visual impressions. The criteria also aims to maintain a discernable difference in the general nature and character of the EC designated areas in contrast to the EC-W designated areas over the course of time.

One of the most severe impacts of these larger uses is the increased truck traffic that they generate. It has been established that a restriction on tenant building size and a constriction on number of dock doors would, in effect, reduce the amount of truck traffic and other adverse impacts generated by a facility. In an effort to provide market-based thresholds, surveys of employment areas that were building flex/light industrial product in the Metro Denver area were conducted. These areas helped establish the dock doors-to-building size ratio threshold and maximum size of space used. In addition, developers' opinions were sought regarding these criteria to ensure they were market-based and would not eliminate development opportunities.

History

In 2017, the City's Economic Development and City Development staff worked to better define language on what constitutes large distribution and warehouse uses. In September 2017 Council approved a resolution amending the 2012 Comprehensive Plan (plan prior to the recently approved 2020 Comprehensive Plan) to include a new subcategory within the existing Employment Center land use category called the "Employment Center – North Washington Overlay" which allowed for large distribution warehouses. This allowed the opportunity for these types of uses but also

because it was recognized that large distribution uses have a greater impact on surrounding areas and therefore, need to be carefully located. The 2020 Comprehensive Plan rewrite (adopted in July 2020) carried forward Council's direction and includes an "Employment Center – Warehouse Overlay" land use category based on the resolution approved by Council in 2017.

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