



Evergreen

Development | Services | Investments

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July 28, 2023

City Council
City of Commerce City
7887 East 60th Avenue
Commerce City, CO 80022

Re: Zoning Case Z-989-23 (SWC of 88th & Rosemary)

Dear City Council Member,

I lead Evergreen's Industrial Development business line. We are a real estate development company with offices in Denver, Phoenix, Salt Lake City, and Southern California. Over its 49-year history, Evergreen has completed over 650 projects for a myriad of customers throughout the United States. We are disciplined in our approach and uncompromising in the core values that create the foundation for our sustained success. We do not strive to be the biggest or most well-known developer in the market, rather we take pride in our reputation for integrity and performance, and in our positive contributions to the communities where we live and work.

The subject 6.7 acre property has been owned by the Agazio family for three generations, and they are ready to sell their land in preparation for retirement. Witnessing the growth of Commerce City firsthand, Frank and Julia Agazio believe the timing is right for their family to sell their land and they have selected Evergreen to be its developer. Evergreen is very excited to have this opportunity, because we've been looking for industrial sites to develop smaller format industrial buildings targeted towards manufacturers. In recent years, as investor interest in industrial real estate has surged, developers have built larger and larger buildings geared towards Fortune 500 Companies with little regard for what potential small business users of these buildings might need. As a result, the market has little to no availability of free standing buildings below 100,000 square feet. Many small manufacturing businesses require some amount of outdoor storage for raw materials and equipment as part of their manufacturing process. The availability of small buildings with some amount of outdoor storage is practically nonexistent. We've included, in our materials, a market study developed by THK Associates that illustrates this condition.

We have been working diligently with city staff to refine our plans over the last year and a half. During that time, we've been marketing our building to a range of potential users, and the interest from small businesses has been immense. We've fielded over 80 inquiries for our building, and we've yet to break ground. 50 of those inquiries are from the last six months alone. 18 of the recent inquiries were specifically from manufacturing groups. Many of these groups are not interested in the dock-high loaded buildings commonly built right now, because they are not a great fit for their operations. Our development strategy is to construct a building and adjacent outdoor storage yard to cater to these small manufacturing businesses, versus constructing a dock-high warehouse like most of the new industrial

Arizona

2390 E. Camelback Rd., #410, Phoenix, AZ 85016
Phone: 602-808-8600 Fax: 602-808-9100

California

200 N. Maryland Ave., #201, Glendale, CA 91206
Phone: 818-240-8727 Fax: 818-240-1823

Colorado

1873 S. Bellaire St., #1200, Denver, CO 80222
Phone: 303-757-0401 Fax: 602-808-8600



buildings that have been built in Commerce City in recent years. Furthermore, by constructing a building that isn't designed to receive large tractor trailer vehicles, we do not believe our development will negatively increase traffic on 88th Avenue or Rosemary Street. We estimate a "dock-high" building designed to receive tractor trailer trucks would generate approximately 35% more vehicle trips than the building we've designed.

The purpose of our rezoning request is to allow for the construction of this smaller format industrial building with an accessory outdoor storage yard. I-2 zoning is required for outdoor storage. The property is abutted by existing I-2 zoning on its southern property line and is adjacent to I-2 zoned land across East 88th Avenue. In 2010, Commerce City adopted its current Comprehensive Plan and, through a citizen-led process, determined this area should continue to develop as industrial. The subject property is located in the Irondale Focus Area and the Comprehensive Plan included a specific section on Irondale where it provided policy direction to "Improve the image of the area (especially through coordinated zoning, property maintenance, and code enforcement)". Additionally, in 2018, Commerce City adopted the Irondale Neighborhood & Infrastructure Plan. This plan also involved community meetings and public hearings and it was affirmed the area where the subject property resides should develop as "General Industrial" which "would allow for I-1 (Light Intensity Industrial) or I-2 (Medium Intensity Industrial)."

Evergreen's development will dramatically improve a prominent corner at 88th Avenue and Rosemary and provide a unique opportunity for a local small business to relocate to or remain in Commerce City providing jobs and economic activity.

We look forward to our presentation to you at the August 7th City Council meeting, and we hope our rezoning request is received positively for the reasons noted above.

Sincerely,

Brian V Dietz, Industrial Business Line Leader

CC: Tyler Carlson, CEO
Jazzmine Clifton, Development Manager