

Memorandum

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COMPREHENSIVE PLAN ANALYSIS

DATE: April 10, 2025

TO: City of Commerce City Planning Department (Attn: Dalton Guerra)

FROM: Rami D. Jordan

RE: Nexus North at DIA PUD Amendment (PA-3) – Analysis of PUD Approval Criteria Including Consistency with the Commerce City 2045 Comprehensive Plan

This memorandum is an analysis of how the proposed Nexus North at DIA PUD Amendment (PA-3) satisfies the approval criteria for a PUD zone document and is consistent with and fulfills the goals of the Comprehensive Plan.

Nexus North Background:

Nexus North at DIA PUD ("Nexus North") is a planned development project in a unique location that allowed for the creation of a new employment center that is well suited to accommodating a variety of airport related land uses. The Nexus North PUD zone document (the "PUD Document") was approved in March 2019 concurrently with Nexus North's annexation into the City of Commerce City (the "City"). The PUD Document details four specific development areas (each a "Planning Area") with an enumerated list of permitted land uses. The PUD Document created a planned development that primarily allowed (i) industrial distribution, (ii) warehouse, (iii) flex campus, and (iv) office land uses. Nexus North was intended to serve as a regional community employment and commercial center, taking advantage of its strategic location near other distribution centers and close to the Denver International Airport, Pena Boulevard, and Tower Road. The surrounding properties include open space and the Buffalo Highlands residential PUD to the north and northeast, the Nexus at DIA Development PUD (the "Nexus Tech PUD") which consists warehouse and distribution facilities to the south, the Second Creek open space and floodway to the east, and the Rocky Mountain Arsenal National Wildlife Refuge (the "Rocky Mountain Arsenal") to the west.

The first amendment to the PUD Document was approved in January 2020. This amendment made certain allowances for the construction of larger warehouse distribution facilities (900,000 sq. ft. or more), while maintaining the same development areas as the original Nexus North PUD. A second

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amendment to the PUD Document (the “2021 Amendment”) was approved in May 2021 and added an adjacent 12-acre parcel, that was formerly part of Nexus Tech PUD, to the south end of Nexus North. This 12-acre parcel was an unused remnant piece of land, and incorporating it into Nexus North provided more flexibility for future projects to be developed in Nexus North that would be consistent with the PUD Document’s stated intent of reinforcing the community and regional connectivity. The 2021 Amendment also reconfigured of the Planning Areas, reflecting the new size and shape of the Nexus North planned development area. The current version of the PUD Document, with amendments, has been included in this submittal package.

Nexus North Lot 4 Owner LLC (the “Owner”) purchased the last undeveloped parcel (the “Property”) within Nexus North, which consists of entire “PA-3” area (“Planning Area 3”), in February 2022. During the intervening years, the Property has been marketed to a wide variety of potential tenants; however, little interest has been shown in the uses that are currently allowed-by-right in Planning Area 3. Becknell Industrial (the “Applicant”) requests to modify the PUD Document to provide a more flexible Planning Area 3 with the hope of driving the growth of uses that are already allowed in the majority of the Nexus North. Approving this modification to the PUD Document simply extends a small subset of the uses that are allowed-by-right in “PA-1” (the primary Planning Area in Nexus North) to Planning Area 3 allowing more flexibility for the Property to attract the type of businesses that are most interested in operating in this unique location.

Nexus North’s Planning Areas are carefully configured to maintain the natural integrity of the Second Creek corridor that meanders through the northeast area of the PUD. After a robust dialogue with the surrounding community and City staff, the Applicant has prepared a development plan that calls for the Property, situated at the northernmost point of Nexus North, to be specially designed to preserve and enhance the visual and functional amenities of the Second Creek corridor. For example, the proposed development calls for creating a new detention pond on the east side of the Property and building a new multi-modal path along the north side of the Property. Adding a detention pond will benefit the community because it increases local and regional stormwater drainage connectivity while also preserving the space nearby for pedestrian access. Similarly, the Applicant’s proposed construction of a multi-modal pathway along the Property boundary on 88th Avenue will contribute to the City’s greater goal of creating a comprehensive pedestrian and bicyclist trail network connecting to open spaces and other communities in the region. To better screen the building and commercial traffic, the Applicant seeks to remove the maximum building setback to allow more flexibility locating the proposed building so that all loading docks can be faced to the south, pointing away from the residential areas to the north and northeast.

Development Philosophy:

The Applicant desires for the Property to be developed in way that appeals to high value tenants such as established national or international brands, helping to drive job and economic growth in the City.

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Owner and its partners have already constructed two successful developments within Nexus North, including buildings that are leased to GE Appliances, TJX Ryder, and Symbia Logistics. Those projects have brought anywhere from 100 to 200 jobs per building and provided employment opportunities for the residents of the surrounding area of the City. One of these previous projects also includes an Amazon facility that distributes products for delivery throughout the City and region. Owner's past projects have successfully drawn these major corporations as tenants—corporations with robust job training programs and who invest in the markets in which they operate. Owner's desire is to attract just such a tenant to the Property once developed.

Owner intends to build a Class A warehouse building on the Property that will differ from a typical industrial building. This will be a brand new modern building with reinforced concrete walls, thirty two feet in height inside, with interior climate control, high speed internet, and fiber-optic communications. The proposed building will provide safe working conditions for the future workers and will help satisfy the growing demand for warehouse and distribution space in this area, drawing more business to the City.

Approving this application will also create jobs during the eighteen months to two years of construction, when anywhere from seventy five to one hundred employees will be employed as contractors for the development of the project. Contracting jobs are consistently noted as high paying in employment periodicals, and creating more demand for these jobs supports the continued development of the community's workforce. In its development projects, Owner utilizes primarily local contractors, with a majority of the construction workforce for its past developments coming from the five to ten miles around a project.

While this project is still in the early stages, Owner estimates that the project will ultimately pay around three to five million dollars in impact fees directly to the local government, bolstering budgets and contributing to financial needs. For example, the impact fees that will be paid to South Adams County Water & Sanitation District can help pay for improvements to the surrounding community's domestic and irrigation water services and sanitary sewer systems. Impact fees can also help finance capital improvements, such as expanding service networks or building new treatment plants, that may be required for the District's future needs.

As part of its commitment to being a good neighbor, Owner has already developed projects on other parcels in Nexus North and in the surrounding community. These investments have contributed to the steady growth of the City. The impact fees that were paid as part of those developments have already helped pay the ongoing operation costs, and for capital improvements, for the City's public facilities, such as parks, schools, and police and fire departments. In addition to impact fees, Owner's previous development included the installation of a water main loop connecting Nexus North to the water main located on 88th Avenue that currently serves the single family residential area to the north and the Buffalo Highlands subdivision. Installing this water main loop created additional

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redundancy in the water system and helped provide better service for all customers in the area. It is the hope of the Applicant to work with the City and City staff to make this another successful project.

Requests:

The Applicant proposes to amend the Nexus North PUD Document (the "Amendment") in the following ways:

1. Add three (3) "Allowed by Right" uses for the last undeveloped parcel (PA-3) in the northwest corner of Nexus North. These uses are "Produce storage and warehousing"; "Retail sales in conjunction with warehouse establishment"; and "Warehousing and storage, general".
2. Remove the maximum building setback in PA-3 to allow a building setback of 450'.

Approval Criteria to Amend a PUD Zone Document

Requests to modify an approved PUD zone document are subject to the same review and approval process as adopting a new PUD zone document. *Commerce City Colorado Land Development Code* (the "Code"), § 21-3251(5)(a). A PUD zone document should be approved if it meets the following criteria:

- (a) The PUD zone document is consistent with the policies and goals of the comprehensive plan, any applicable adopted area plan, or community plan of the city, or reflects conditions that have changed since the adoption of the comprehensive plan;
- (b) The PUD zone document is consistent with any previously reviewed PUD concept schematic;
- (c) The PUD:
 - (i) Addresses a unique situation, confers a substantial benefit to the city, or incorporates creative site design such that it achieves the purposes set out in section 21-4370 (PUD Zone District) and represents an improvement in quality over what could have been accomplished through strict applications of the otherwise applicable district or development standards. This may include but is not limited to improvements in open space; environmental protection; tree/vegetation preservation; efficient provision of streets, roads, and other utilities and services; unique architecture or design, or increased choice of living and housing environments; or

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- (ii) The PUD is required to avoid completely prohibiting a legal, permitted business use within the city;
- (d) The PUD complies with all applicable city standards not otherwise modified or waived by the city;
- (e) The PUD is integrated and connected with adjacent development through street connections, sidewalks, trails, and similar features;
- (f) To the maximum extent feasible, the proposal mitigates any potential significant adverse impacts on adjacent properties or on the general community;
- (g) Sufficient public safety, transportation, and utility facilities and services are available to serve the subject property, while maintaining sufficient levels of service to existing development;
- (h) As applicable, the proposed phasing plan for development of the PUD is rational in terms of available infrastructure, capacity, and financing; and
- (i) The same development could not be accomplished through the use of other techniques, such as height exceptions, variances, or minor modifications.

Code, § 21-325(3).

As the following analysis shows, this Amendment satisfies all PUD zone document approval criteria.

(a) The PUD zone document is consistent with the policies and goals of the comprehensive plan, any applicable adopted area plan, or community plan of the city, or reflects conditions that have changed since the adoption of the comprehensive plan:

The Commerce City 2045 Comprehensive Plan (the “Comp Plan”) is a key planning document that provides a roadmap for the future of the City. The Comp Plan is meant to be a framework to guide the location and character of future industrial, business, and commercial development. *Comp Plan*, p. 232. Recognizing that the City contains unique neighborhoods with distinct and different characteristics, the Comp Plan outlines thirteen “Character Areas” with specific recommendations for how each area should be developed. These Character Areas are the foundational guide for the City’s future land use, growth, and development decisions. To achieve the recommendations for the Character Areas, the Comp Plan provides the following four aspirational statements, the “Core Principles”, that reflect the community’s values and goals and represent what the City intends to be by the year 2045:

- Welcoming and Equitable City

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- Safe, Healthy, and Livable City
- Economically Thriving City
- Environmentally Responsible City

The City's Core Principles are referenced throughout the Comp Plan and are intended to inform the City's policies. The Comp Plan also includes certain specific objectives, recommendations, and actions that will help the City achieve these goals. As demonstrated by the application materials and explained further below, approving this Amendment is consistent with the policies and goals of the Comp Plan and will further the City's Core Principles.

Character Area – DEN Gateway District:

Character Areas describe the City's long-range planning objectives for growing in a way that is consistent with the existing development and the City's goals. *Comp Plan, p. 77.* The Character Areas provide specific land use policies and recommendations for each of the distinct neighborhoods, districts, and corridors in the City, and outline what land uses the City envisions for each. Nexus North is in an area designated by the Comp Plan as "DEN Gateway District." *Comp Plan, p. 81.* The Comp Plan describes the DEN Gateway District as follows:

The DEN Gateway District benefits from its proximity to the airport and strategic location near E-470. Light industrial uses, such as manufacturing, assembly, fulfillment centers, and warehousing and distribution facilities that benefit from large land areas, proximity to the airport, and easy access to the interstate are ideally suited.

Comp Plan, p. 91. As expressly stated above, light industrial uses, such as the warehouse and distribution proposed in this Amendment, are suitable for this area because they benefit from the proximity to the airport and access to the interstate. These uses are also appropriate for this location because there is sufficient infrastructure already in place to accommodate them.

The Comp Plan provides certain "Primary Land Uses" that are suggested in the DEN Gateway District and these specifically include the "Warehousing and Distribution/Logistics" this Amendment seeks to expand. *Comp Plan, p. 81.* Approving the Amendment and allowing these general Warehousing and Distribution/Logistics uses to be permitted by right on the Property is in alignment with the Comp Plan's intent for this Character Area and is consistent with the Comp Plan's goals.

Community Goals:

Approving the Amendment supports the long-term objectives of the City and will positively improve the physical, social, and economic environment of the community. In preparing the Comp Plan, the City conducted extensive outreach, and the major themes from that outreach are incorporated into

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the Comp Plan's enumerated goals. Approving the Amendment furthers many of these, and the following ones in particular:

Character and Land Use –

- Goal 2: “Manage growth and annexation in a strategic, positive, and compatible way to accommodate the City’s growing population.”
 - 1. Ensure future growth is consistent with the Character Areas Plan and map.
- Goal 3: “Ensure industrial areas continue to provide a strong employment base while working to improve their overall impact on Commerce City residents.”
 - 1. Ensure separation and buffering of incompatible land uses.
 - 5. Review industrial development standards to determine ways to improve both new and existing sites.
- Goal 6: “Prioritize infill projects as well as redevelopment within the City to minimize the need for additional infrastructure improvements.”

As explained above, the Amendment is consistent with the Character Areas Plan. Also contained within the Comp Plan are a series of plans for promoting commerce and employment, including an “Economic Development Framework Map” that provides individualized recommendations for each the City’s economic zones. On this map, the Property is located within the “Airport Employment Areas.” The Comp Plan suggests that the City leverage the Airport Employment Areas’ proximity to the airport to the advantage of the City’s industrial and business activities. *Comp Plan*, p. 123. This makes sense—Denver International Airport is a growth engine for the region and numerous businesses have relocated to be near the airport as it has expanded. The evidence supporting this policy is abundant; the Property is the final vacant lot in Nexus North, meaning that approving this Amendment would allow the Property to be developed consistent with the rest of Nexus North, and it demonstrates how this location is sought out by warehouse and distribution users who seek to be close to both the Denver International Airport and the numerous communities surrounding the City—just as the Comp Plan has envisioned.

The Comp Plan also identifies certain areas as “key corridors” for travel because the City covers such an expansive geographic area. *Comp Plan*, p. 97. One of those key corridors is Tower Road north of 81st Avenue, which is located immediately to the east of Nexus North. In the future, Tower Road is planned to be realigned into High Plains Parkway north of 104th Avenue, opening up opportunities for new development in the area. All traffic (other than emergency vehicles) that enters and exits Nexus North does so at the signaled intersections on Tower Road. Approving this Amendment will further support the anticipated business and employment development along the Tower Road key corridor. Additionally, the Applicant plans to build a modern, contemporary warehouse building with attractive

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landscaping to screen its northern edge. As the Comp Plan suggests for the Tower Road corridor area, this will provide a buffer between the light industrial and warehouse oriented uses and the residential uses farther to the northeast. *Comp Plan, p. 117.*

The development that will be realized if this Amendment is approved will be consistent with the Character Area and the City's land use goals. The previous amendments to Nexus North have expanded the general warehouse and distribution uses requested, demonstrating that these are in demand and the highest and best uses for the Property. This application simply seeks to extend these uses to the last vacant parcel in the PUD to allow consistency throughout the development. Approving this Amendment is an opportunity to encourage the development of the final parcel in the PUD in a way that supports the Comp Plan's goals.

Health and Environmental Sustainability –

- Goal 5: “Address food security concerns and Increase access to fresh, healthy foods.”
 - 2. Work with local and regional food systems to promote the preservation of working farms, agricultural lands, community gardens, and other components of the local food system throughout the City.

While this ultimately depends on the tenant's business after the Property is developed, allowing “Produce storage and warehousing” and “Retail sales in conjunction with warehouse establishment” uses has the potential to directly contribute to the distribution of fresh food throughout the City. If a retail component is also included, it could create an additional shopping opportunity for the neighborhood.

Commerce and Employment –

- Goal 4: “Reinvest in the City's existing commercial and industrial areas.”
 - 1. Promote and strengthen industry and jobs in strategic areas.
 - 3. Enhance existing commercial developments.
- Goal 6 “Attract and support quality retailers to become a more balanced City.”
 - 1. Expand commercial uses in the City.
 - 2. Encourage the development of new centers with an emphasis on commercial/retail.
- Goal 7: “Reduce economic leakage by having more retail and service options for residents within Commerce City.”
 - 2. Pursue strong and compatible primary employers in the City's industrial districts.

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“Wholesale Trade” is one of the City’s top economic sectors, and the Comp Plan encourages the City to support it as a critical employment source and a driver of the economy. *Comp Plan, p. 47.* Furthermore, warehouse and distribution users provide the logistical infrastructure that is necessary to support other local industries and businesses. The Comp Plan’s Economic Development Framework calls for the City to build on existing economic assets, such as its significant transportation and trucking industry and access to the Denver International Airport. *Comp Plan, p. 127.* The Comp Plan also recommends that the City encourage and promote industrial, business, and office uses near the airport to take advantage of its national and international trade connectivity. *Comp Plan, p. 129.* Approving this Amendment does exactly that and supports the Core Principle of the City Economically Thriving. The area close to the Denver International Airport is a desirable location and it has attracted major brands, including Lowe’s, Amazon, and GE Appliances, that are already current tenants at Nexus North. In order for local industries to continue to diversify, Warehousing and Distribution/Logistics companies are necessary to support the growth, and this Amendment has the potential to attract another major brand to relocate to the City.

Approving this Amendment also has the potential to support workforce training because several existing Nexus North tenants currently provide workforce development programs. For instance, two current tenants, Amazon and Lowe’s, are companies that seek to hire from within and each has a program to develop the skillsets necessary to staff open positions. One example of this workforce development is the “AWS Cloud Institute” or “AWS Educate”. Another example is Lowe’s “Track to the Trades”. The respective programs offered by Amazon and Lowe’s not only are available to their existing workforce to develop new skills, but can also contribute to the surrounding educational institutions, including universities, colleges, and high schools, such as by providing updated curriculums and supporting education in these vital trades. These are precisely the kind of programs the Comp Plan encourages the City to foster, as shown by the Comp Plan’s action matrix item # 7-6.1. Approving this Amendment will make it more likely for the Property to draw another major brand who potentially could provide additional new workforce training programs.

Parks, Open Space, and Natural Environment –

- Goal 2: “Design and build future inter-connected parks to ensure they are accessible and inclusive of all residents.”
 - 1. Improve pedestrian and bicycle connectivity between the City’s parks, open spaces, and the Rocky Mountain Arsenal National Wildlife Refuge.

The Comp Plan emphasizes how highly the community values the open space and recreational opportunities in Rocky Mountain Arsenal. One additional benefit of approving this Amendment is that, if approved, the applicant will seek to develop a new multi-modal pathway along the northern boundary of the Property, on 88th Avenue. Adding this new strip to the City’s sidewalk network will enhance pedestrian connectivity at the point where 88th Avenue reaches Rocky Mountain Arsenal.

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This advances the Comp Plan's recommendation to close gaps in the sidewalk network and increase connections to the regional trail network, namely, the Rocky Mountain Arsenal. *Comp Plan, p. 170, 172-73.* This stretch of multi-modal path will also be located on 88th Avenue, which is where the Comp Plan envisions its "Walk-Bike-Fit Plan" to ultimately extend an active pedestrian and bike route. Contributing to this route supports the Comp Plan's Transportation and Mobility Goal 5.3 and action matrix item # 10-1.1, both of which call for the City to fully implement the Walk/Bike/Fit plan. As the Comp Plan provides, the Walk-Bike-Fit plan is an important goal because completing it will advance the City's Core Principles of being Welcoming and Equitable; Safe, Healthy, and Livable; and Environmentally Responsible. *Comp Plan 172.*

Public Facilities and Infrastructure –

- Goal 5: "Ensure appropriate, high-quality infrastructure to accommodate community needs and future growth."
 - 4. Encourage development in areas where adequate public facilities are already in place
- Goal 6: "Ensure the long-term financial stability of Commerce City with fiscally responsible land use policies and actions."
 - 2. Retain and increase revenue-producing land uses.

The public facilities and utilities, public roads, and other infrastructure necessary for the development of this Property are already in place. Encouraging development here by approving this Amendment is in line with the Comp Plan's goals and will require substantially less construction activity, resources, and environmental impact than would the development of a similar project in a greenfield. Encouraging development of the Property also supports the Comp Plan's goal of encouraging environmental responsibility and avoiding incompatible land uses. Additionally, access roads to the Property are all internal to Nexus North, with traffic ultimately entering and exiting via Tower Road. This keeps the cars and trucks accessing this development within the existing traffic patterns in an established key traffic corridor and supports the Comp Plan's Transportation and Mobility Goal 6.1, which calls for directing truck traffic away from residential neighborhoods. As demonstrated by the Traffic Compliance Letter included in this application, developing the project as contemplated by this Amendment still results in less traffic than was originally anticipated for the development when Nexus North was first approved, which ultimately means there will be less pollution than expected in this part of the City.

The Comp Plan also calls for the City to look for ways to ensure its fiscal stability. The Comp Plan's action matrix item # 12-10.1 puts this in concrete terms and suggests that the City encourage "Revenue-Generating Land Use and Development", which includes retaining and expanding the existing industrial and employment uses that have long contributed to the City's tax base, where doing

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so is consistent with the Character Areas framework. *Comp Plan*, p. 215-16, 255. As discussed above, this Amendment is consistent with the Character Area framework, and development of the Property will provide numerous opportunities to help the City with its goal of fiscal sustainability. For example, impact fees paid during the building permit process will help fund local parks, schools, and roads. Other impact fees paid to the local water and sanitation district will help fund utility infrastructure improvements and the extension of service to the future development anticipated by the Comp Plan.

In addition to impact fees, Nexus North is a proven development that has already attracted major companies as tenants. Currently, the Property remains vacant with a very low assessed value. This has meant multiple years of little to no tax revenue being generated by the Property, including no tax revenue from any construction and development activity or from any business operations. Most of Nexus North allows the uses requested by this Amendment and all other lots in the PUD have been developed, which shows how attractive these uses have been to businesses looking to locate in this area. Approving this Amendment will enhance the Property's utility and value, increasing the income taxes and real estate taxes paid on a yearly basis which can help fund capital improvements across the City. Approving this Amendment will advance the Comp Plan's Core Principle of fostering an Economically Thriving City.

(b) The PUD zone document is consistent with any previously reviewed PUD concept schematic

The Nexus North PUD concept schematic called for the project area to be designated for I-1, "Light-intensity Industrial". The Amendment proposes to extend warehouse and distribution uses, which are considered light-intensity industrial uses and are allowed in I-1 zone districts. Accordingly, approving the Amendment is consistent with the previous PUD concept schematic.

(c) (i) Addresses a unique situation, confers a substantial benefit to the city, or incorporates creative site design such that it achieves the purposes set out in section 21-4370 (PUD Zone District) and represents an improvement in quality over what could have been accomplished through strict applications of the otherwise applicable district or development standards

The Code provides this purpose for PUD zone districts:

The purpose of the planned unit development district (PUD district) is to allow projects of innovative design and layout that would not otherwise be permitted under this land development code because of the strict application of zoning district or general development standards. Typically, the PUD consists of a combination of land uses that provides a higher level of standards through innovative land planning and site design concepts. The PUD district shall not be used merely as a mechanism to avoid the application of the requirements of other zone districts. The PUD district is further intended to:

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- (a) Promote more economical and efficient use of land while providing a harmonious grouping of a variety of land uses;
- (b) Promote innovative design of residential areas and allow for greater densities when additional site amenities are included in the development;
- (c) Create physical connections between existing and proposed developments in order to achieve an integrated community with common open space, transportation, transit, and public service networks; and
- (d) Allow for innovative development projects that assist in the implementation of the comprehensive plan and not as a device to circumvent development regulations, standards, and good planning practice.

Code, § 21-4370 (1).

Promoting economical and efficient use of land and harmonious grouping–

Planning Area 3 currently allows uses that include (but are not limited to) office flex, research and development, quasi-retail sales, wholesale operations, manufacturing (including apparel, machinery, wood product, and textile), as well as publishing industry and data center, all uses that are similar in intensity to the requested warehouse and distribution uses. This Amendment would extend warehouse and distribution uses that are already common throughout Nexus North to the last undeveloped parcel. While planning this project, the Applicant determined that adding these three warehouse and distribution uses to the uses allowed by right in Planning Area 3 would best for the development of the Property because they provide the most flexibility, have proven attractive to high caliber tenants before, and extending them is the most likely way of reaching full development of the PUD, which will achieve the highest and best use of the existing planned development area. Extending these uses will allow the Property to be developed harmoniously and consistently with the established properties in Nexus North, and grouping similar uses here is a more economical and efficient use of the land due to the existing infrastructure which is well designed for it.

Furthermore, office flex use is currently allowed by right in Planning Area 3. Per the Code, office flex is defined as a type of development designed to be versatile, which may be used in combination with office, research and development, quasi-retail sales, wholesale operations, and including but not limited to craft manufacturing, warehouse, and distribution uses. The primary uses for the Property once the proposed building is developed will likely include distribution, warehouse, office, and some level of light manufacturing, all of which is similar to flex office and aligns with the intent of Nexus North. Extending the requested warehouse and distribution uses will allow development of the Property with uses that would be allowed by right in a traditional I-1 district.

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Incorporating creative site design–

The Amendment also requests an adjustment to the setbacks to allow more flexibility in the exact site design to better tailor the proposed development to the surrounding community. This will provide the Applicant with a better opportunity to create an enhanced landscape front to screen the proposed building from the view in residential areas to the north and north east. The architectural and design standards for this project will be compatible with the existing buildings in the area.

Benefits to the City–

The City, much like the rest of the Denver Metropolitan Area, has seen tremendous residential growth over the last three to five years. But for residential growth at this level to be sustainable, the City also needs to increase the revenue it receives from business taxes and commercial real estate taxes. This project provides an excellent opportunity to encourage the full development of Nexus North and fully utilize an existing commercial employment park.

Nexus North is located in the Denver International Airport Area, a location that is ideal for supporting the airport and its role as a major economic driver for Commerce City, the City and County of Denver, and the State of Colorado as a whole. Denver International Airport, its tenants, and operators have expanded over the years which has created an ever increasing demand for additional businesses to support it, including additional warehouse and distribution companies that serve as suppliers. More suppliers will be needed as the airport continues to expand in the future because they provide fuel for the economic engine of other businesses to flourish. Investments that improve the distribution network such as this project allow more businesses to function in the airport area, while also improving the logistics of commercial distribution in the surrounding communities.

Development of this parcel will provide construction, warehouse, and managerial jobs starting as early as next year, and these will continue for up to twenty years after completion. It is estimated that a warehouse/light industrial/distribution facility of approximately 162,000 square feet, such as could be built if this Amendment is approved, will provide an estimated 150-175 employees, depending on the tenant. Similar sized buildings have often met or exceeded this amount of employees in the first one to two years of operation. Many of these jobs are full-time and high paying, and these potential employers frequently offer programs that pay for additional training and technical advancement programs. These are benefits to the surrounding community and the City.

Additionally, Owner has committed to creating a multi-modal pathway at the northern property line, along 88th Avenue, that will provide connectivity to City trails and a way for residents in the Buffalo Highlands community to more easily and safely access the Rocky Mountain Arsenal and surrounding open spaces. This trail will be accompanied by complimentary landscaping around the building and the creation of a detention pond that will enhance the look and feel of Nexus North. All of these

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improvements are proposed as part of the Applicant's commitment to providing an above standard design for an industrial park and partnering with the community.

(d) The PUD complies with all applicable city standards not otherwise modified or waived by the city

This Amendment would only change the allowed-by-right uses and setbacks on Development Area 3. If approved, the PUD Zone Document will continue to meet all applicable city standards and will remain consistent with the Comp Plan's Character Areas Land Use Map.

(e) The PUD is integrated and connected with adjacent development through street connections, sidewalks, trails, and similar features

In preparing this application, the Applicant has endeavored to be a good neighbor and to create a design that contributes to the surrounding community and enhances the area. Nexus North is nearly fully developed, and the existing buildings utilize an internal network of roads and pathways. The Property will be accessed by all non-emergency vehicles via Quintero Road, one of these internal roads, which is to the south of the proposed building. Developing this project will also add pedestrian and bicycle connectivity, such as by constructing a new multi-modal trail at the Property's edge along 88th Avenue, and improve nonvehicle access to the adjacent entrance to Rocky Mountain Arsenal.

(f) To the maximum extent feasible, the proposal mitigates any potential significant adverse impacts on adjacent properties or on the general community

The Property is surrounded by existing warehouse and distribution uses in Nexus North. The Buffalo Highlands subdivision is more than 1,000 ft. northeast of the Property. As discussed above, the development of the site will include enhanced landscaping to hide and screen the Property from north. The Applicant has also taken great care in designing the conceptual site plan to situate the proposed building so that its office and storefront portions will face to the north, keeping all truck docks to the south and directed away from any residential areas nearby. If the Amendment is approved and the setback requirements are adjusted, the development is designed to minimize its effects on the surrounding community and residential areas to the north by carefully controlling commercial traffic and shielding the building from view.

(g) Sufficient public safety, transportation, and utility facilities and services are available to serve the subject property, while maintaining sufficient levels of service to existing development

The Property has been included into the E-470 Commercial Area General Improvement District which provides financing for the installation and maintenance of utilities and services. It is also in the service area of the South Adams Water and Sanitation District and the South Adams County Fire Department.

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This already developed area of the City has well established service providers and is prepared for further growth.

Additionally, the infrastructure that supports Nexus North always contemplated the development of the Property and the existing development in the PUD has proven to be less intensive than was estimated at its original approval. For example, the traffic study that was prepared for Nexus North's original PUD zoning applications made estimates based on the proposed buildout of each building. However, the buildings as developed have proven to be less intense than what was estimated in the original report, and the included Traffic Compliance letter, prepared by Kimley-Horn and included with this application, contains updated traffic counts and analysis for the Applicant's proposed development. It shows that the total daily trips expected has decreased from the original traffic study's estimated 586 trips for all warehouse and office uses associated with this development parcel to only 324 daily trips based on the Applicant's proposed uses for the Property. This is a net decrease of 262 daily trips from the site, with traffic being directed towards Tower Road and ultimately Pena Boulevard.

The Traffic Compliance Letter also shows that daily vehicle trips on the developed properties have proven to be lower across the board, with a majority of the truck traffic entering and leaving the site during off-peak hours. The updated estimate on the daily vehicle trips shows that there will be less wear and tear on public roads in the vicinity of the project and less congestion for commuters utilizing Pena Boulevard to access their communities. This demonstrates that the level of development that was originally expected in Nexus North ultimately ended up being less intense than was predicted when the PUD was approved, providing added flexibility for the continued growth and this proposed development to be built without overburdening public facilities.

(h) As applicable, the proposed phasing plan for development of the PUD is rational in terms of available infrastructure, capacity, and financing

There is no phasing plan being proposed for this project so this criteria is inapplicable.

(i) The same development could not be accomplished through the use of other techniques, such as height exceptions, variances, or minor modifications

The only way that the requested warehouse and distribution uses would be allowed is to amend the Nexus North PUD Zone Document by changing the uses in Planning Area 3.

Conclusion:

These major themes highlight why amending the PUD at Nexus North satisfies the Code's approval criteria and is consistent with the Comp Plan. Considering the Property's location in proximity to Denver International Airport, other warehouse developments, and other nearby communities in the

COMPREHENSIVE PLAN ANALYSIS

region, removing the current restrictions on general warehouse and distribution uses will make the Property more appealing to a wider range of tenants and will provide a better opportunity to attract another high class company to the City. Allowing the uses proposed in the Amendment is consistent with the other developed parcels nearby. Approving this Amendment supports and advances the goals that are stated in the Comp Plan and the City's desire for land use compatibility, fiscal sustainability, workforce development, and utilizing untapped growth opportunities. Encouraging new development by approving the Amendment will also maintain the City's reputation of providing strong employment opportunities and encouraging investment in modern commercial development.

The Applicant, Becknell Industrial, and its financial partners have made significant investments in Commerce City and believe in the City's growing economy, population, and future potential. Approving this application will allow the Applicant develop the Property for a use that is compatible with other development nearby and to activate the last vacant lot in Nexus North. As detailed above, the application meets or exceeds the approval criteria and is consistent with policies, goals, and themes contained in the Commerce City 2045 Comprehensive Plan. Thank you for your consideration.

Becknell Industrial
Nexus North at DIA PUD – Amendment No. 3
Commerce City 2045 Comprehensive Plan Goals

| Comp Plan Goals: | Amendment's Support: |
|--|---|
| Character Areas– | |
| Goal 1.2 | Provides opportunity for industrial at this key node that is consistent with the City's Character Areas. |
| Goal 2.1 | Encourages growth consistent with the Comp Plan's Character Areas Plan. |
| Goal 3.1 & 3.3 | Groups compatible uses while protecting adjacent neighborhoods from incompatible development. |
| Goal 6 | Supports infill development in an established planned development. |
| Health & Environmental Sustainability– | |
| Goal 4.3 | Provides an opportunity to partner with business community to help realize Commerce City's Walk/Bike/Fit Multi-Modal Active Transportation Plan. |
| Goal 5.2 | Promotes the distribution of fresh, healthy food throughout the City. |
| Goal 7.1, 7.2, & 7.8 | Encourages development that protects the Second Creek area, enhances stormwater management, and improves access to the Rocky Mountain Arsenal National Wildlife Refuge. |
| Commerce & Employment– | |
| Goal 2.4 | Supports the recruitment of new primary employers to the City. |
| Goal 4.1 & 4.3 | Promotes and strengthens warehouse and distribution industry in an appropriate strategic that enhances an existing commercial development. |
| Goal 7.2, 7.3, & 7.4 | Will attract a strong and compatible primary employer to the industrial area to provide stable, high paying job opportunities in a building constructed to high industrial standards. |
| Goal 8.1 | Leverages the City's proximity to Denver International Airport to draw new business. |
| Housing & Neighborhoods– | |
| Goal 6.1 | Increases walkability at an entrance to Rocky Mountain Arsenal National Wildlife Refuge open space. |
| Transportation & Mobility– | |
| Goal 1.1 | Improves multimodal connectivity in the area. |
| Goal 5.3 | Contributes to the implementation of the Walk/Bike/Fit Multi-Modal Active Transportation Plan. |

Becknell Industrial
 Nexus North at DIA PUD – Amendment No. 3
 Commerce City 2045 Comprehensive Plan Goals

| | |
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| Parks, Open Space & Natural Environment– | |
| Goal 2.1 | Improves pedestrian and bicycle connectivity between the Rocky Mountain Arsenal National Wildlife Refuge and the City’s other parks and open spaces. |
| Goal 4.1 & 4.2 | Enhances public access and multi-modal trail connectivity to open spaces by providing a new trail connection at Rocky Mountain Arsenal National Wildlife Refuge. |
| Public Facilities & Infrastructure– | |
| Goal 5.2 | Creates a detention pond that will be aesthetically pleasing with pedestrian space. |
| Goal 6.2 | Retains and increases the surrounding revenue-producing land uses. |