

Rezoning Narrative

Re: Property located at 4850 E. 60th Ave., Commerce City, CO 80022

SUMMARY

The owners of 4850 E. 60th Ave. are requesting a zoning change from the current C-3 designation to I-2. Owners of this land share common ownership with both the land of the adjacent property (4540 E. 60th Ave) and the business that operates there (C&D Energy Services, Inc. dba Colorado Scaffolding [CDE]). CDE is a dynamic, growing business, and its brand “Colorado Scaffolding” has been part of the Commerce City business community for nearly 50 years.

CDE/Colorado Scaffolding has grown immensely in the last 9 years, since the new owners purchased the business, land, and building in which it operates in 2016. Annual revenues have increased 10-fold, from \$3MM in 2015 to nearly \$30MM by the end of 2024. The 1.8 acres, where the business operates, no longer supports the number of employees, nor the equipment needed for the business to thrive and grow. To support its growing business, the owners of CDE, purchased the adjacent (located next door – 4850 E. 60th Ave.) parcel. They hope and desperately need to use the land to support their growing business. The property has not been used, sitting vacant for almost 50 years, generating zero revenue or benefit for Commerce City, its residents, or those employed within the city limits.

The owners of the land are requesting a zone change from C-3 to I-2 and need the city’s support to grow its business. The adjacent property, where the business currently operates is zoned I-3. A change to I-2 zoning of the newly purchased parcel would allow the business to use the land for employee parking as it employs an annualized average of 150 people, many of whom reside in Commerce City. A zone change would also allow for outdoor storage, as the business’ main revenue generator is scaffolding, which needs to be stored when it is not in use on a job site. Simply put, a change in the zoning allows the business to grow, generating more tax revenue for the city, while also allowing CDE to employ more people which benefits commercial businesses in the area. Upon approval, the owners would make a significant capital investment in the property to include grading, paving, lighting, and fencing.

OUR STORY

In 2016, C&D Energy Services purchased Colorado Scaffolding from the Ammerman family. Colorado Scaffolding was founded in 1978 by Ron Ammerman and has operated in Commerce City since its inception. For nearly 40 years before CDE purchased it, Colorado Scaffolding mainly serviced the masonry business, providing scaffold rental and sales generating \$2-\$3MM in annual revenues and employing 20-25 people. Today the company employs 150 people and generates nearly \$30MM in annual revenues.

Since acquiring the company in 2016, new ownership has grown the company 10-fold. They have purchased over 100 truckloads of scaffolding and landed highly visible projects along the way, including The Gaylord Hotel and Conference Center, The Zuni Power Plant and many others.

Obviously, this growth requires more space to operate the business. When the opportunity arose to purchase the lot next door (4850 E. 60th Ave), Ownership acted quickly and purchased the land. The lot was purchased on June 30, 2021, with the intent of using the lot to satisfy CDE's need for more space due to its rapid growth. Approximately 3 months after closing, ownership was informed by CDOT that part of its land might be taken for the purpose of reconfiguring the intersection and traffic flow at 60th Ave and Vasquez Blvd. That project, while approved, is still pending final drawings, leaving the owners to wonder how much land CDOT might take.

Because of the accelerated growth in the last 2 years, made possible by a sizeable PE investment, the company can no longer wait for the CDOT project to be finalized. Its employees need a place to safely park, and the company needs the available land for storage, prompting the immediate request for a zoning change.

CONCLUSION AND REASONING

Rezoning 4850 E. 60th Ave. from C-3 to I-2 fits perfectly within the scope of Commerce City's 2045 Plan. The parcel falls in the "heart" of the 270 Industrial District and a zone change fulfills the City's Economic Development Framework. According to the Plan, primary uses for the 270 Industrial District include Employment, Industrial, and Warehousing and Distribution...exactly what this zone change would promote. Furthermore, goal 4 of the City's Comprehensive Plan is to reinvest in the city's existing businesses. In fact, subpoint #2 reads "Incentivize certain site improvements for older industrial businesses, such as storage/parking lot paving or adaptive reuse". This is what the owners of this "older industrial business" want to do.

The four Core Principles of the City's Comprehensive Plan are as follows:

- **Welcoming and Equitable City:** A diverse, resilient economy provides opportunities for individuals and businesses to succeed.
- **Safe, Healthy, and Livable City:** A safe environment, healthy workforce, and affordable access to housing, transportation, and other amenities offer the infrastructure and environment for businesses to be productive and successful in Commerce City.
- **Economically Thriving City:** The City's commercial and employment areas increase the range of goods and services to meet a broader spectrum of need and support the whole community.
- **Environmentally Thriving City:** Long-term thinking in adopting environmentally-responsible practices ensure businesses can attract customers, reduce energy costs, and establish continuing viability.

A zone change to I-2 supports ALL four principles. Furthermore, and more specifically with regards to the **270 Industrial District**, The Economic Development Framework states to "Use the findings from the

ongoing environmental assessment to determine strategies to mitigate any adverse health or environmental impacts caused by the refinery and concentration of industrial uses. Ensure sufficient screening, buffering, and distance from lower intensity uses such as residential neighborhoods to reduce environmental impacts.” Storage and parking will not advance any aggravating environmental impacts, and the land is in the “heart” of the 270 Industrial District, away from neighborhoods and other lower intensity uses.

Commerce City’s Comprehensive plan talks about “Reinvestment in Existing Commercial and Industrial Areas” in Chapter 7. Again, the subject property is located within the 270 Industrial District.

Recommendation #1 is to “Work with business owners to upgrade facades, internal and perimeter parking lot landscaping, and screening of utility areas”. The company would work with the city to achieve these goals. Within the same chapter the plan discusses “LEGACY INDUSTRIAL AREAS” and states “In alignment with the 270 Industrial District, the City should work to improve the character of its legacy industrial areas and support the long-term transition to new uses where appropriate.”

A recommendation is to “Update the zoning code to phase out over time instances of incompatible, isolated residential properties surrounded by industrial development as redevelopment occurs.”

CDE operates in a Legacy Industrial area, and the subject property located next door is also in the area. A zone change now would satisfy the city’s long-term plan sooner than later. The land to the North, West and South is Industrial (I-3). There are 2 lots to the east that are commercial where Starbucks and Arby’s operate. I-2 for this parcel is a natural transition from the Industrial 1-3 lots to the commercial lots to the East.

A Zone Change also fits within the City’s Approval Criteria found in Section 21-3232 (5b).

(i)The proposed zone district and allowed uses are consistent with the policies and goals of the comprehensive plan, any applicable adopted area plan, or community plan of the city;

Analysis: See Comp Plan Analysis above.

(ii)The proposed zone district and allowed uses are compatible with proposed development, surrounding land uses and the natural environment;

Analysis: As stated above, most land to the West, North, and South are all designated I-3. This land which falls between the I-3 properties and the C-3 properties would make for a nice transition if rezoned to I-2

(iii)The proposed zone district will have, or future development can provide, efficient and adequate provision of public services, including but not limited to, water, sewerage, streets, and drainage;

Analysis: While there is no running water currently, there are available hookups to the city’s water supply and sewage. Drainage is a big part of the CDOT project and grading to conform with that project as well as the city requirements would be adhered to before paving the lot for storage and parking.

(iv)The proposed zone district will have, or future development can provide, efficient and adequate provision of public uses including but not limited to, parks, schools, and open space;

Analysis: The increase in Tax Revenue and Permits because of a zone change will benefit parks, schools and open space. The property has been vacant for 50 years, generating almost zero revenue for the betterment of the city.

(v)There is a community need for the zoning district in the proposed location, given need to provide or maintain a proper mix of uses both within the city and the immediate area of the proposed use; and

Analysis: Zoning this land I-2 would adhere to the city's comp plan of "Mixed Land Use". This property could serve as a normal progression, a "buffer" from Commercial to the East and Heavy Industrial to the West. It makes sense.

(vi)The area for which zone change is requested has changed or is changing to such a degree that it is in the public interest to allow a new use or density.

Analysis: CDE will be able to employ more people because of the zone change, which will serve as a catalyst for growth. Employment and healthy, thriving businesses within the city limits are in the public's interest.

In closing...To sustain current levels and continue to grow, CDE desperately needs to use the adjacent lot, 4850 E. 60th Ave., for the purposes of outdoor storage and employee parking. By rezoning the proposed land, Commerce City would greatly benefit a large employer while bolstering its own vision for the future.