

**RECOMMENDATION ON THE VARIANCE APPLICATION OF
Washington SG LLC / Amazon Parking Facility (Use Variance)
FILE # 19-547**

I. INTRODUCTION

An application for one use variance has been filed with the New Jersey Sports and Exposition Authority (NJSEA) by Rick Diedrich of Amazon.com Services, Inc. (“Amazon”), for the premises identified as 801 Washington Avenue, Block 131.01, Lots 4 and 5, in the Borough of Carlstadt, New Jersey. Lot 4 has been merged into Lot 5 in the Borough of Carlstadt tax records. The subject property is located within the Hackensack Meadowlands District’s Light Industrial A zone. The variance is sought in connection with the applicant’s proposal to utilize the existing warehouse and vehicular use areas on the site for the parking of e-commerce delivery vehicles, to be used as off-premises parking associated with the applicant’s distribution operations at its 118 Moonachie Avenue site in Carlstadt.

Specifically, the applicant is requesting use variance relief from the following:

1. N.J.A.C. 19:4-5.73(a), which does not permit the parking of e-commerce delivery vehicles as a principal use in the Light Industrial A zone.

Notice was given to the public and all interested parties as required by law. The public notice was published in The Record newspaper and posted on the NJSEA website. No written objections were submitted to the Division of Land Use Management. An electronic public hearing was held virtually using Zoom video conferencing on Tuesday, July 7, 2020. All information submitted to

the Division of Land Use Management relative to this application is made part of the record of this recommendation.

II. GENERAL INFORMATION

A. Existing and Proposed Use

The subject property is a 5.12-acre site with frontage along northbound Washington Avenue (CR 503), south of the Terminal Lane jughandle to Empire Boulevard. The subject property is comprised of two lots, identified as Lots 4 and 5 within Block 131.01; however, Lot 4 has been merged into Lot 5 in Borough of Carlstadt tax records. Official consolidation of the lots for zoning purposes will be required during the zoning review process through either (1) a subdivision in accordance with the provisions of N.J.A.C. 19:5-1.1 et seq.; or, (2) a zoning lot of record in accordance with the provisions of N.J.A.C. 19:4-3.22.

The subject property is located in the Light Industrial A zone of the Hackensack Meadowlands District, and is currently improved with an existing 101,443-square-foot warehouse and distribution facility. Amazon proposes to utilize the property for the parking of e-commerce delivery vehicles, both within the building and on the site's exterior vehicular use areas. A total of 220 parking spaces for delivery vans are proposed, consisting of 81 interior van parking spaces within the building's existing 86,520-square-foot warehouse space and 139 exterior van parking spaces. The applicant also proposes to maintain the existing 14,917 square feet of office space on the premises.

The neighboring property to the north of the site is a vacant parcel bordering Terminal Lane. The remaining properties in the surrounding vicinity predominantly contain warehouse and distribution facilities, including such facilities either currently occupied by Amazon (2 Empire Boulevard in Moonachie) or proposed to be occupied by Amazon (118 Moonachie Avenue and 600 Washington Avenue in Carlstadt). The vans proposed to be parked at the subject

premises would be utilized in association with Amazon’s distribution operations at its 118 Moonachie Avenue site in Carlstadt.

B. Response to the Public Notice

No written objections were received prior to the public hearing.

III. PUBLIC HEARING (July 7, 2020)

A public hearing was held via Zoom on Tuesday, July 7, 2020. NJSEA staff in attendance were Sara J. Sundell, P.E., P.P., Director of Land Use Management and Chief Engineer; Sharon A. Mascaró, P.E., Deputy Director of Land Use Management and Deputy Chief Engineer; Mia A. Petrou, P.P., AICP, CFM, Supervising Planner; and Lyndsay Knight, P.P., AICP, Senior Planner.

A. Exhibits

The following is a list of the exhibits submitted by the applicant at the public hearing and marked for identification as follows:

<u>Number</u>	<u>Description</u>
A-1	“Aerial Exhibit – Existing Conditions” prepared by Kimley-Horn and Associates, Inc., dated July 7, 2020.
A-2	“Site Plan Exhibit,” Sheet CE-1, prepared by Kimley-Horn and Associates, Inc., dated July 7, 2020.
A-3	“Overall Architectural Plan,” Dwg. A1.00, prepared by Gensler, dated December 17, 2019.
A-4	“Exterior Elevations,” Dwg. A3.00, prepared by Gensler, dated December 17, 2019.
A-5	“Site Location Map” prepared by Langan Engineering and Environmental Services, Inc., dated December 2, 2019, last revised April 30, 2020.

B. Testimony

Thomas J O'Connor, Esq., of Waters, McPherson, McNeill, P.C. represented the applicant at the hearing. The following five witnesses testified in support of the application:

1. Tony W. Diggan, P.E., Kimley-Horn and Associates, Inc.;
2. Jack Paruta, R.A., Gensler;
3. Alan Lothian, P.E., Langan Engineering and Environmental Services, Inc.;
4. Sean Moronski, P.P., AICP, Langan Engineering and Environmental Services, Inc.; and
5. Rick Diedrich, Director of Real Estate Services, Amazon.com Services, Inc.

Staff findings and recommendations are based on the entire record. A transcript of the public hearing was prepared and transcribed by Beth Calderone, Certified Shorthand Reporter.

C. Public Comment

No members of the public were present at the public hearing

IV. RECOMMENDATION

A. Standards for the Granting of a Use Variance from the Provisions of N.J.A.C. 19:4-5.73(a), which does not list the parking of e-commerce delivery vehicles as a permitted use in the Light Industrial A zone.

The Hackensack Meadowlands District Zoning Regulations at N.J.A.C. 19:4-4.14(e) state in part that, *a variance shall not be granted unless specific written findings of fact directly based upon the particular evidence presented are made that support conclusions that...*

1. *Concerning use variances:*

- i. The strict application of these regulations will result in peculiar and exceptional practical difficulties to, or exceptional and undue hardship upon, the property owner.*

The strict application of the regulations will result in exceptional practical difficulties and undue hardship to the property owner. The subject site and building are intended to accommodate the parking of e-commerce delivery vehicles, to be used as off-premises parking supporting Amazon's distribution operations at 118 Moonachie Avenue, Block 127, Lot 24, in the Borough of Carlstadt. The proposed use is not a permitted use in the Light Industrial A zone in which the property is located.

E-commerce has had a transformative impact on the traditional logistics model, where, customarily, tractor trailers deliver and/or distribute products to a business that would then sell the product to the general public at brick and mortar retail locations. E-commerce logistics involve the direct distribution of merchandise from a warehouse to the consumer, usually using cargo vans or passenger vehicles. This logistics model results in higher parking demand to accommodate the greater number of smaller delivery vehicles, as well as the personal vehicles of their drivers, versus the number of tractor trailers required to deliver the same volume of goods.

The 118 Moonachie Avenue site, which has an area of 9.5 acres, is among the larger properties in its vicinity, but it is not of sufficient size to accommodate parking for both the employees of the distribution facility and delivery vehicles; therefore, the applicant

seeks to park its delivery vans in a location proximate to its distribution operations. No contiguous sites are available to accommodate the proposed parking. However, the subject property is an available property located within one mile of the 118 Moonachie Avenue site. The applicant proposes to utilize the subject site and the existing warehouse building, with minimal alterations, to park its delivery vans.

The inability to utilize the subject property to provide the requested parking of the e-commerce delivery vehicles needed to support Amazon's delivery operations would result in exceptional and undue hardship upon the applicant and property owner, as the applicant would be unable to implement efficient delivery operations. This could, in turn, result in adverse impacts to the general public, particularly in the form of regional traffic and circulation inefficiencies, by requiring the applicant to find parking at a location outside of the District, more distant from its delivery station.

- ii. The variance will not result in substantial detriment to the public good and will not adversely affect the public health, safety, morals, order, convenience, prosperity or general welfare.*

The proposed use at the subject premises is intended to provide off-premises parking for an existing warehouse and distribution facility located proximate to the site. The requested variance would promote public health, safety and convenience by allowing the applicant to effectively service the needs of its customers, particularly during the current pandemic period, since many

people are curtailing retail trips and increasingly using e-commerce to limit exposure to illness.

The proposed use can be accommodated within the existing building in accordance with all building codes, and vehicles will not be left idling on the site. Proposed building alterations, including fire protection upgrades, a new purge exhaust fan system, and the installation of roll-up doors, will promote public health and safety, as well as orderly and efficient on-site circulation. However, it is important to ensure that parking sufficient to serve the other uses within the building is available on-site, and not occupied by e-commerce delivery vehicles. Therefore, as a condition of this recommendation, the applicant will be required to ensure that parking to serve on-site uses other than the parking of e-commerce delivery vehicles shall be provided pursuant to the requirements of N.J.A.C. 19:4-8.4, Table 8-1, and that such number of required parking spaces shall not be occupied by e-commerce delivery vehicles at any time.. As the nature of e-commerce continues to evolve, a further condition is recommended to restrict the size of e-commerce delivery vehicles to 27 feet in length, which corresponds to the depth of the parking spaces for delivery vans on the site plan, provided as Exhibit A-2.

With the recommended conditions, the granting of the requested variance to permit the parking of e-commerce delivery vehicles on the subject property will not result in a substantial detriment to the public good and will not adversely affect the public health, safety, morals, order, convenience, prosperity or general welfare.

iii. Adequate infrastructure, including storm and sanitary sewers, utilities, access roads, will be provided and shall be so designed to prevent and/or minimize negative impacts upon the existing infrastructure. In addition, the proposed use will not decrease the ability of said infrastructure to perform in a safe and efficient manner.

The granting of the requested variance to permit the parking of e-commerce delivery vehicles at the subject premises will not result in significant negative impacts to the existing infrastructure. There will be no impact to storm sewers, sanitary sewers, or utilities. The applicant proposes to adapt the existing building interior to accommodate the parking of delivery vans, and will utilize existing impervious surfaces at the site's exterior, some of which were previously used for truck parking, to park the e-commerce delivery vehicles.

The applicant's traffic expert has demonstrated that the adjacent roadway system contains sufficient capacity to accommodate site-generated traffic, including the necessary movements between the subject property and the Amazon warehouse and distribution facility at 118 Moonachie Avenue, without substantial detriment to the public. According to the traffic study submitted, the proposed development will not significantly impact traffic operations at the intersections during peak hours as compared to prior utilization of the sites, and the adjacent roadway network has sufficient capacity to accommodate the site-generated trips associated with both the proposed delivery station at 118 Moonachie Avenue and the support parking at the subject property. The traffic generated will not cause a discernable difference to area traffic operations as

compared to the area traffic operations that existed when the light industrial facilities were fully occupied.

In addition, Amazon proposes adjustments to its operations to make deliveries during off-peak times, which will further decrease impacts to peak hour traffic.

As such, the granting of the variance will not negatively impact the existing utility infrastructure.

iv. The variance will not have a substantial adverse environmental impact.

The granting of the requested variance to permit the parking of e-commerce delivery vehicles at the subject premises will not result in substantial adverse environmental impacts. No wetlands or other environmentally-sensitive areas located on the site will be disturbed.

The proposed parking will occur both within the building and on existing impervious areas of the site. As part of this application, an 0.6 percent increase in open space is proposed on the site, bringing the property to a conforming 15.2 percent minimum open space. Landscaping is proposed to increase area aesthetics and to screen headlight glare.

NJSEA environmental performance standards will be met for noise, vibration, glare, air emissions, and hazardous and radioactive materials. As such, the granting of the requested variance will not result in any substantial adverse environmental impacts.

v. The variance will not substantially impair the intent and purpose of these regulations.

The stated purpose of the Light Industrial A zone is to accommodate on large lots a wide range of industrial, distribution, commercial and business uses that generate a minimum of detrimental environmental effects.

The proposed use of the premises as a facility for the parking of e-commerce delivery vehicles is an emerging use that is not permitted as a principal use in any zone of the District Zoning Regulations. However, the proposed use is supportive of warehouse and distribution uses, which are permitted in the Light Industrial A zone in which the property is located. The delivery vehicle parking at the subject location is intended to service the applicant's permitted warehouse and distribution facility located at 118 Moonachie Avenue in Carlstadt, which is proximate to the subject property. If the e-commerce delivery vehicles were proposed to be parked on the 118 Moonachie Avenue site, they would be permitted on that site as an accessory use. Furthermore, it is important to note that, not only the subject site's parking lot, but also the interior of the building itself, will be utilized to accommodate the e-commerce delivery vehicles and their operations. This is an important differentiation from proposals seeking to occupy only exterior parking spaces that would leave existing buildings vacant and/or unsupported by sufficient on-site parking to service uses within the building. Accordingly, as a condition of this recommendation, the applicant will be required to ensure that parking to serve on-site uses other than the parking of

e-commerce delivery vehicles shall be provided in accordance with the District Zoning Regulations, and that such number of required parking spaces shall not be occupied by e-commerce delivery vehicles at any time.

The intents and purposes of the District Zoning Regulations include to provide sufficient space in appropriate locations for a variety of uses, and to promote development in accordance with good planning principles that relate the type, design and layout of such development to both the particular site and surrounding environs. Accordingly, the requested use variance to accommodate the parking of e-commerce delivery vehicles will not substantially impair the intent and purpose of the regulations.

vi. The variance at the specified location will contribute to and promote the intent of the District Master Plan.

The Hackensack Meadowlands District Master Plan Update 2020 designates the subject premises as a part of the District's Employment Center Planning Area, which calls for centers with a concentration of industrial and warehouse distribution businesses, business and professional services, and the continuation of office development. The proposed use is complementary to the uses envisioned, and existing, in this Planning Area.

A specified goal of the Master Plan is to foster the Meadowlands economy in a manner that stimulates job growth and prosperity. The Master Plan acknowledges the expansion of e-commerce companies in the District, and states that "Growth in different sectors of the economy, including e-commerce, has led to changes

in consumer demand that impact goods movement patterns.” (page 6-14). The requested use variance for the parking of e-commerce delivery vehicles as a principal use is an emerging operational component of e-commerce logistics.

Accordingly, the proposed use variance to accommodate the parking of e-commerce vehicles on the subject premises will contribute to and promote the intent of the NJSEA Master Plan.

V. SUMMARY OF CONCLUSIONS

A. Standards for the Granting of a Use Variance from the Provisions of N.J.A.C. 19:4-5.73(a), which does not list the parking of e-commerce delivery vehicles as a permitted use in the Light Industrial A zone.

Based on the record in this matter, the use variance application to permit the parking of e-commerce delivery vehicles on the subject premises in the Light Industrial A zone, to be used as off-premises parking associated with the applicant's distribution operations at its 118 Moonachie Avenue site in Carlstadt, is hereby recommended for APPROVAL WITH THE FOLLOWING CONDITIONS:

1. Parking required to serve on-site uses other than the parking of e-commerce delivery vehicles shall be provided pursuant to the requirements of N.J.A.C. 19:4-8.4, Table 8-1. Such number of required parking spaces shall not be occupied by e-commerce delivery vehicles at any time.
2. E-commerce delivery vehicles shall not exceed 27 feet in length.

Conditional Approval 9/1/20

Recommendation on
Variance Request

Date

Sara J. Sundell, P.E., P.P.
Director of Land Use Management and
Chief Engineer

Conditional Approval

Recommendation on
Variance Request

9/1/20

Date

Frank Leanza

Frank Leanza, Esq.
Senior Vice President
Chief of Legal & Regulatory Affairs