OSHTEMO CHARTER TOWNSHIP PLANNING COMMISSION MINUTES OF A MEETING HELD OCTOBER 24, 2024

Agenda

Zoning Ordinance Text Amendments – Warehouses and Miscellaneous

Planning Commission to review a draft of proposed amendments regarding warehouses, distribution/fulfillment centers and other minor amendments.

A meeting of the Oshtemo Charter Township Planning Commission was held Thursday, October 24, 2024, commencing at 6:00 p.m. at the Oshtemo Township Hall, 7275 West Main Street.

MEMBERS PRESENT: Philip Doorlag, Chair

Deb Everett, Vice Chair

Scot Jefferies Scott Makohn Alistair Smith Jeremiah Smith

MEMBERS ABSENT: Zak Ford, Township Board Liaison

Also present were Jodi Stefforia, Planning Director; James Porter, Township Attorney; Jennifer Wood, Recording Secretary; and 3 interested persons.

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Chair Doorlag called the meeting to order at 6:00 p.m. Those in attendance joined in reciting the Pledge of Allegiance.

APPROVAL OF AGENDA

Chair Doorlag asked if there were any changes to the agenda. Hearing none, he let the agenda stand as published.

Mr. Jefferies <u>made a motion</u> to approve the agenda for October 24, 2024. Mr. A. Smith <u>seconded the motion</u>. The <u>motion was approved</u> unanimously.

PUBLIC COMMENT ON NON-AGENDA ITEMS

Chair Doorlag asked if anyone present wished to speak on non-agenda items. There were none.

APPROVAL OF THE MINUTES OF THE MEETING OF OCTOBER 10, 2024

Chair Doorlag asked for additions, deletions, or corrections to the minutes of the meeting on October 10, 2024. There were none.

Ms. Everett <u>made a motion</u> to approve the Minutes of the Meeting of October 10, 2024, as presented. Mr. A. Smith **seconded the motion**. The **motion was approved** unanimously.

ZONING ORDINANCE TEXT AMENDMENTS – WAREHOUSES AND MISCELLANEOUS

Ms. Stefforia presented a draft of proposed amendments concerning warehouses, distribution and fulfillment centers, and other minor amendments. During the meeting, she distributed a one-page update with additional modifications.

Initially, a text amendment to permit warehouse and distribution centers in the I-R district was proposed by an applicant; however, the language recommended by the Planning Commission was not adopted by the Board. Additional details and requirements have since been drafted to address Board concerns, directing distribution and fulfillment centers to the I-2 district due to the externalities associated with these uses, which align more closely with the district's statement of purpose.

The Planning Commission discussed zoning regulations regarding industrial developments, particularly focusing on setbacks, the distinction between warehouses and distribution centers, and the implications for nearby residential areas. Ms. Stefforia provided insights into the current setback requirements and clarified that the proposed changes aim to address concerns related to emissions and the operational characteristics of different facilities. Key points included discussions on truck idling regulations and the anticipated increase in warehouse developments.

The conversation emphasized the need for balancing industrial growth with residential quality of life.

Setbacks and Regulations:

Chair Doorlag inquired about the 100-foot setback requirement. Ms. Stefforia clarified that this setback is necessary to mitigate impacts on residential areas, noting that buildings already have to be setback that far when industrial zoning abuts residential zoning.

Distinctions Between Facilities:

The Commission explored the differences between warehouses, distribution centers, and truck terminals. Mr. Porter explained that a truck terminal focuses on breaking down larger loads without product storage, while the distinction between warehouses and distribution centers largely relates to the duration of storage.

Impact on Residential Areas:

Concerns were raised about the potential emissions from trucks, particularly at distribution centers with trucks idling.

Proposed Changes and Concerns:

Several Commissioners voiced their thoughts on the necessity and practicality of the 100-foot setback. Discussions included potential regulations on truck idling and the implementation of berms for visual and noise mitigation. The Planning Department developed these setbacks based on research to balance industrial growth and community concerns. Chair Doorlag shared he did not have any reason to be for or against the 100-foot setback. As for item B and item C, Chair Doorlag agreed with the 150-foot set back and not requiring it if a property line is on a utility corridor that is already providing some setback makes sense. A setback from the public right of way also makes sense. Mr. A. Smith stated he has no objection to the setbacks.

Future Development Opportunities:

The availability of industrial-zoned properties for future development was also discussed. Ms. Stefforia identified areas near N Avenue and 9th Street as potential sites for new warehouses and distribution centers as these areas were identified as possible industrial expansion on the Place Types Map shared last week as part of the update on development of the Comprehensive Master Plan. An opinion survey will be sent out next year to the community on the draft document. Concerns were raised about the limited opportunities for large-scale developments.

Ms. Stefforia emphasized the need for further input from industry experts to determine the appropriate regulations that support both economic development and community interests.

Chair Doorlag moved to item four, discussing the potential impact of a maximum of 600 trucks operating daily near residential properties, which would equate to approximately 60 trucks per hour over a 10-hour day if a facility had 25 loading docks. A question was raised about hours of operations and the disruption this could potentially cause. Ms. Stefforia informed the Commission that as proposed outdoor activities, including loading and unloading, are restricted from 11:00 PM to 7:00 AM, although trucks could arrive during those hours.

Chair Doorlag noted the need for industry input to determine a feasible number of trucks for a successful distribution fulfillment center, cautioning against setting limits that are too high or too low.

Mr. A. Smith expressed concerns about item eight, which proposes restrictions on the fuel types used by vehicles on industrial sites. He argued that such restrictions could be overly burdensome due to the rapidly changing technology. Ms. Stefforia suggested that instead of mandates, incentivizing electric vehicles could be a more effective approach. Chair Doorlag asked about the objective of these incentives, and Ms. Stefforia explained that they are intended to address emissions and noise. Mr. Porter added that offering incentives could allow businesses to enhance their operational capacity or offset setbacks when using electric vehicles (EVs).

Chair Doorlag then inquired whether item nine differs from the existing ordinance concerning building heights. Ms. Stefforia indicated that she has seen designs for very tall structures. Chair Doorlag requested clarification on how item 9 would differ from current regulations. Ms. Stefforia offered to bring this information with review of the next draft.

Chair Doorlag asked if the Commission for any further discussion on the distribution centers or fulfillment centers. There was none.

Chair Doorlag inquired about the inclusion of truck terminal provisions in the proposed amendments. Ms. Stefforia responded that specific conditions for truck terminals were not included, as they are permitted only in the I-3 zoning district.

Chair Doorlag requested comments from the Planning Commission regarding the revised language stipulating plans not received within 90 days of issuance. This language change will protect the Township in case of zoning changes during that period. Both Ms. Everett and Mr. A. Smith expressed their agreement with this approach.

Chair Doorlag initiated a discussion regarding the requirement for the record drawings to be signed by an engineer. Mr. A. Smith suggested that the developer could provide an as-built drawing without a professional stamp to streamline the process. However, Ms. Stefforia noted that this approach has not been successful in the past due to numerous changes made in the field. Mr. Porter added that ensuring proper completion of these drawings has been a challenge, and the proposed change would significantly benefit the Township.

Chair Doorlag invited the guest from Clark Logic up to the podium.

Mr. Matt Conlee, Director of Leasing at Clark Logic, addressed the Commission, sharing his criteria for distinguishing between a warehouse and a distribution center. He explained that a warehouse primarily services manufacturers, while a distribution center focuses on direct-to-consumer or retail delivery. Most of Clark Logic's operations involve warehousing to provide manufacturers with additional space.

The duration for which a product is stored can range from a week to several years; ideally, shorter storage times are preferable for business efficiency. Mr. Conlee noted that the definitions include concepts like "first in, first out" and "just in time" delivery, applicable to both warehousing and distribution. He provided an example of receiving multiple sea containers from overseas that may service a local manufacturer, where material influx occurs, but the outflow could be limited to five barrels or pallets daily over the next 60, 90, or 120 days. This scenario illustrates a warehousing operation rather than a distribution center.

Mr. Conlee emphasized the importance of understanding the varied operations of businesses and material flow. He provided examples, such as salt being stored short-term for winter and pick-and-pack operations, where orders are fulfilled as they come in.

Mr. Conlee highlighted a recent project in Pavilion Township, where they constructed a 600,000 square foot facility for Allen Distribution. This facility sees approximately 100 trucks daily, utilizing 60 cross docks to manage full truckloads of materials from manufacturers to this global hub, from which products are distributed to smaller warehouses for fulfillment to retailers like Menards or Lowe's. He clarified that while distribution is in the name, it does not operate like Amazon, with constant truck traffic. Most warehouses built by Clark Logic are speculative, allowing for quick market entry. The end user and specific activities are often unknown at the project's outset, leading to adjustments midway through construction and the need for reapproval once a user is identified. Currently, there is an existing user who has approached Clark Logic with specific building needs. There is a location in Oshtemo that is suitable near an intersection.

For Clark Logic to continue its development strategy, flexibility in the ordinance is essential, as the end user is often unknown when starting a speculative building. They aim to attract a broad audience when investing significant capital.

Mr. Conlee requested that the Commission consider exempting employee parking from the 100-foot setback requirement if a dedicated drive for employees is established. In all sites constructed by Clark Logic, there is a separation between employee and truck entrances, with major façade improvements on the employee-facing sides of the buildings, typically opposite the docks.

Clark Logic does not currently employ EVs due to their operational requirements. Full truckloads tend to exceed the weight limits that EVs can accommodate, and concerns about range pose challenges for regional transportation.

The Commission discussed modifying the language from mandating the use of EVs to incentivizing their adoption, which could include provisions for additional loading bays or adjustments to setbacks.

Mr. Conlee stated that the industry standard for warehouse storage is 30 days, with a focus on volume and efficient operations to keep employees engaged and forklift traffic active within the facility.

The Commission expressed gratitude to Mr. Conlee for the insights he provided.

Mr. Conlee reiterated that Clark Logic is committed to being a good neighbor and delivering quality products to the community. The company supports buffering, façade improvements, and the creation of buildings they can be proud of. He cautioned that increasing setbacks could reduce the available developable land, making it increasingly difficult for projects to be financially viable.

Mr. Conlee emphasized that when considering warehousing, it is essential to also consider its relationship with manufacturing. This includes the warehousing of both raw materials and finished products. Clark Logic serves as a developer on behalf of manufacturers. As the industry has evolved, many manufacturers find they lack the space or rationale to maintain their own warehousing facilities. Consequently, they often turn to developers like Clark Logic to lease buildings that can accommodate their warehousing needs, allowing them to efficiently produce and distribute their products. The ability to maximize production is critical for their success.

Chair Doorlag inquired about examples of previous projects completed by Clark Logic. Ms. Stefforia noted that she has relevant information from a prior meeting and will share those examples with the Commission.

A question arose regarding the use of diesel trucks. Mr. Conlee responded that newer trucks typically do not idle for extended periods, as doing so can damage their exhaust systems. Clark Logic employs an electronic monitoring system in their trucks that automatically shuts off the engine if it idles for more than one or two minutes.

Mr. Conlee agreed that the 100-foot setback from parking is reasonable, provided that employee parking is exempt. He also agreed that a 150-foot setback for truck docks, overhead doors, and trailer staging areas is appropriate.

Chair Doorlag sought Mr. Conlee's industry insight regarding whether the Planning Commission is inadvertently imposing restrictions that could hinder development in areas where industrial zones adjoin residential neighborhoods. Mr. Conlee affirmed that the Commission's measures are not unnecessarily restrictive.

Recommendation:

No action is required by the Commissioners at this time. Ms. Stefforia will update the text amendments based on the discussion tonight and will present revisions at the next meeting.

PUBLIC COMMENT

Chair Doorlag opened the floor to public comments, there were none.

OTHER UPDATES and BUSINESS

Alamo Township Master Plan

Ms. Stefforia shared the Alamo Townships Master Plan – Future Land Use Map which is in the public comment period. Ms. Stefforia recommend that the Planning Commission direct her to prepare an email to the Alamo Township Planning Commission via the Planning Consultant thanking them for the opportunity to comment and indicate that Oshtemo has no comments on the draft Master Plan. The Commissioners agreed.

Planned Meeting Dates

Ms. Stefforia shared with the Commission the proposed meeting dates for 2025, incorporated herein.

Mr. A. Smith <u>made a motion</u> to accept the proposed meeting dates for 2025 as presented. Mr. Jefferies <u>seconded the motion</u>. The <u>motion was approved</u> unanimously.

ADJOURNMENT

There being no further business, the meeting was adjourned at 7:29 p.m.

Minutes Prepared: October 25, 2024 Minutes Approved: November 14, 2024