

Sierra Club, New Jersey Chapter
WAREHOUSE POLICY STATEMENT
7-8-2023

At the end of 2021, the latest date for available statistics, more than 18 million square feet of warehouse space was under construction in Northern and Central New Jersey alone¹. That would add to the more than 1.3 billion square feet of existing space in those same geographies². And as of 2020, according to CoStar, a commercial real estate information company, New Jersey had almost 2,000 operating warehouses, with more than 100 more projected by the end of 2023³.

Future construction of warehouse and distribution centers is being driven by expansion of on-line retailing and increased cargo handling at our ports and airports. E-commerce sales in the US surpassed \$1 trillion in 2022, which is more than 14% of total US retail sales⁴. By 2024, 1 in 5 retail sales will be from e-commerce⁵. Direct delivery from retailers, manufacturers, and warehouses relies heavily on distribution centers for order fulfillment, cross docking, packaging and other value-added services. That will require many more truck movements per day. As an example, "North Jersey's marine terminals generate nearly 22,000 truck movements each day, but projections show growth up to 62,000 by 2026⁶."

The accelerating demand for cargo storage space creates opportunities for communities. Vacated commercial malls, industry sites, and remediated contamination sites are excellent sites to locate warehouses. These warehouses and distribution centers provide economic benefits and employment. If properly integrated into the transportation systems, the added ratable comes without burdening schools, garbage, sewage, water, and other public services.

Issues related to warehouse and distribution center developments impose challenges in community and regional planning. Truck traffic may result in congestion, roadway damages, air or noise pollution. Approval of site location and conditions needs to consider the impacts on neighborhoods, nearby communities, environmentally sensitive land, scenic vistas, and flood zones. Extension of sewage, water, highways, and other accommodations may stimulate sprawl development and adversely impact tourism, farm communities and residential patterns. The addition of nonresidential ratable may affect affordable housing obligation creating other development issues. Facility design and purpose may impose special safety and first responder requirements.

Policy: The New Jersey Chapter of the Sierra Club insists that warehouse and distribution center development must minimize its impacts upon this planet's resources and create an environment that is highly efficient and non-polluting. To achieve these objectives, it shall be Chapter's policy to:

1. Ensure the warehouse is properly integrated into the regional and community plan. Effort should be made to avoid warehouse development in farming and residential communities, population centers, etc. The use of brownfields and abandoned commercial and industrial properties

should be encouraged. Before any warehouse is approved, traffic, air quality and environmental impact studies should be conducted.

2. Warehouses, regional redistribution centers and distribution centers shall be located to maximize use of all major transportation systems. These systems include highways, rail & seaports. Smart siting provides additional transportation options for the tenant and/or property owner and can lead to reduced operating cost and lower overall emissions in the transit of goods.
3. Construction of the facility should comply with the highest standards to incorporate clean energy technology and to reduce emissions. This includes solar generation systems on roofs and parking lots, efficient use of exterior/interior lighting to reduce energy use and light pollution, electric or thermal exchange heating systems, and EV charging for cargo delivery trucks, forklifts, and local delivery trucks. For vehicles that require continuous power, electric power should be made available in lieu of engine idling.
4. To reduce excessive storm water runoff, the best available current technology (for example, permeable pavement or water gardens) for stormwater management should be used. If the design includes a “green roof”, it should include planting of native plants, wildflowers, plants beneficial to pollinators, and endangered or threatened species where feasible.
5. To minimize land use, vertical warehouse designs are preferred.
6. Warehouse and distribution center design should consider the ease of converting to another use or ease of disassembly.

- (1) Report from JLL, a commercial real estate services firm
- (2) Report from CBRE, a commercial real estate services firm
- (3) Report from CoStar, a commercial real estate information company
- (4) Department of Commerce, as reported by Marketplace Pulse, 11/18/22
- (5) E-Marketer, June 2022
- (6) <http://www.infrastructurereportcare.org/state-item/new-jersey>