



Delivering Logistical Efficiency for Denver Industrial Operations



Challenges:

Overcoming Space Constraints in Denver Facility

Faced with untenable limitations at their old facility on the north side of downtown Denver, Home Depot urgently required a larger space with additional outdoor storage capabilities, as well as improved inbound and outbound access to accommodate heavy loads efficiently. With a growing preference for rail transport amid rising trucking costs and driver shortages, Home Depot aimed to increase inbound shipments by rail. Despite an initial preference to stay close to their existing location and reluctance to consider areas north of E-470, a number of factors prompted Home Depot to expand their location search to North Metro Denver along I-25, including limited availability of large parcels, restrictions on outside storage, and the logistical inefficiencies caused by shared freight lines with commuter trains.

Solution:

Logistics, Labor, Location

Recognizing the historic limitations of short line rail opportunities in the market, Broe Real Estate Group, in partnership with its sister company and rail leader OmniTRAX, proposed a bold solution within Access 25 Industrial Park: Create a state-of-the-art, rail-served distribution center for the home improvement giant, complete with the ability to unload rail cars within the building. Strategically located adjacent to I-25 and CR-34, the 386,000-square-foot facility grants Home Depot many competitive advantages, including advancement in efficiency and safety. Featuring cutting-edge design that allows for efficient transloading of heavy items, the facility ensures optimal operations with direct rail access and outdoor storage for both products and rail cars. This streamlined process translates to reduced product damage, faster delivery times, and increased inventory turnover, enhancing overall performance and customer satisfaction. Access 25 provides several tactical benefits to Home Depot, including:

Logistics – Dual Served Rail Access:

The facility at Access 25 is the only site within the greater Denver metro area with access to both the BSNF and Union Pacific railroads via Great Western Railroad, the short line rail owned by OmniTrax—a rarity in Colorado. Additionally, Access 25 Industrial Park provides superior visibility and access to both the Denver metro area and Northern Colorado for store and direct-to-customer deliveries.

Labor – Available Labor with Strong Work Ethic

The North Metro Denver market has an exceptional labor pool sourced from both Denver and the surrounding Colorado communities; Boulder, Loveland, Fort Collins & Greeley.

Location – High Quality of Life

The City of Mead, Colorado, offers a variety of advantages for the company and its workforce. A town defined by its strong community values, quality of life, well-rated schools, limited commuting time, Mead's pro-business nature also favors flexible and sensible permitting timelines.



Results:

Optimized Performance & Efficiencies

Significant Savings

Once Home Depot realized the benefits of aligning itself with a competitive short line railroad, the cost savings became obvious. The company is positioned to save an millions annually through dual rail access and negotiated rates with the Class 1 Railroad.

Improved Shipping Efficiency

Both the location and the facility's strong workforce streamlined shipments to retail stores and other distribution centers across the region, and outbound productivity was further enhanced by direct access to I-25, benefiting both retail stores and direct-to-consumer shipments. The cost-saving solutions found at Access 25 were transformative between rail rates, new opportunities for heavy rail transport and the overall increased efficiency provided by the location, allowing Home Depot to successfully address delivery challenges.

Positive Employee Experience

In addition to retaining many of its original employees, Home Depot quickly hired 80 new associates due to the attractive location, quality of life and amenities offered in the community.

Looking Ahead:

The Future of Industrial Operations

As the second major corporation in past years to select the Access 25 Industrial Park for its strategic location, infrastructure and strong economic growth, the project was named NAIOP Industrial Development of the Year in 2022 and continues to pave the way for further commercial expansion in the area. Providing access to the only distribution location with access to two Class 1 rail lines continues to support Home Depot's mission of efficiently shipping building materials to stores across the region.

“ We are very happy with the Mead facility and the overall development. We would welcome the opportunity to work with Broe on another facility based on the flexibility and problem-solving ability of the Broe team.
- Jacob Williams — Director of Industrial Real Estate, Home Depot

For additional information visit: access25.com