



## MEMORANDUM

**DATE:** September 30, 2025  
**TO:** Ways and Means Committee  
**FROM:** Otis Rolley, President and CEO   
**POSITION:** Favorable  
**SUBJECT:** Council Bill #25-0093

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### INTRODUCTION

The Baltimore Development Corporation (BDC) is reporting on City Council Bill 25-0093 introduced by Councilmember Dorsey.

### PURPOSE

This bill proposes to create an overlay district, combining the areas of Harford Road that currently encompass two separate urban renewal plan (URP) areas, and additional properties. This district is intended to: incorporate and replace the URPs, support the development of new small businesses, minimize auto-oriented businesses uses, and encourage the development of additional housing units while maintaining the existing character of the community.

### BRIEF HISTORY

The Harford Road Overlay District will run along Harford Road from Argonne Drive northeast to the boundary line of the city, at the intersection of Harford Road and Hillcrest Avenue. The use of an Overlay District is a somewhat unique Land Use tool in Baltimore City. Unlike an Urban Renewal Plan, which create restrictions that would otherwise be permitted by zoning, the Overlay creates both restrictions and additional permissions beyond what zoning will permit.

In the Harford Road Overlay District these additional permissions take the form of additional flexibility in the development of Multifamily Housing, and the restrictions are primarily restrictions on certain business uses and vehicular curb cuts.

#### *Harford Rd. Overlay District – Area Summary*

The Overlay District encompasses 1795 properties centered on Harford Road and extending approximately one block off of Harford Road in either direction. The overlay includes a full range of commercial and residential uses and zoning types, the most prominent being:

- R-3 Residential (793 Properties – 45.06% of the total)
- R-4 Residential (216; 12.27%)
- OR-1 Office-Residential (189; 10.74%)
- C-2 Commercial (179; 10.17%)
- C-1 Commercial (176; 10.00%)

As well as C-3, IMU, R-1, R-5, R-6, and R-7 which comprise the remaining 12% of properties.

Though a primary commercial corridor in Northeast Baltimore, the overlay district has a significantly lower population density (6788/mi) than the City as a whole (7088/mi) or other North Baltimore commercial districts like Hampden (10229/mi), Waverly (13296/mi) or Belair Rd (9052/mi), and in fact has the lowest population density among a group of 15 commercial districts that BDC has analyzed, representing a cross section of the City's commercial areas.

Furthermore, in terms of Daytime Population Density, the Overlay District (4960/mi) is well below that of the City (8434/mi), Hampden (9771/mi), Waverly (13463/mi), Belair Rd (12773/mi), and is also the lowest among any commercial area evaluated by BDC.

Despite the low population density, a Median Household Income of \$77,276 well exceeds the average for the City (\$55,224) and is the fourth highest among BDC-evaluated commercial districts, below only Highlandtown (\$98,388), Greektown (\$84,974) and just above Hampden (\$76,893). The relatively high incomes allow for the ongoing support of two small but successful commercial areas within the Overlay District.

One of the most notable characteristics of the Overlay District area is the extremely high proportion of owner-occupied properties to renter-occupied properties - there are nearly 4x as many owner occupied properties as rental properties, where the City as a whole is almost a 50/50 split, and no other commercial corridor that BDC has studied exhibits more than a 2:1 owner to renter split.

#### *Business Use Restrictions*

The use restrictions in the Overlay District, as proposed under the amended bill, closely align with the existing permissible uses in the underlying zoning and existing Urban Renewal Plans. The main exception to this is the elimination of certain auto-oriented uses such as new Gas Stations, Drive-through establishments, Motor Vehicle Dealerships and Repair Shops, which are permitted in some portions of Harford Road today. These changes will not meaningfully affect existing businesses which are allowed to continue operation, but will allow for changes over time to a more neighborhood-oriented commercial district with a widely permissible range of small business uses.

An important feature of the Overlay District is that it retains underlying property zoning and therefore continues to limit commercial uses to commercially zoned properties which are predominantly located on Harford Road itself, and don't stretch into the residential areas of the neighborhood that are included in the Overlay District.

#### *New Multi-Family Development*

While the bill retains underlying property zoning, it also reduces restrictions on Multifamily Development. First, it allows any property within the Overlay District to be developed into a

multifamily building. Second, it allows a multifamily building to be developed under *either* the C-1, R-9 or R-10 bulk and density standards.

Providing the choice of zoning standards is an important feature of this bill given the wide variation in property sizes and types, and bulk and density standards. By way of example:

The average OR-1 property in the district is approximately 31.5 feet wide and 127 feet deep. Both R-9 and R-10 require interior side yard setbacks of 10 feet. If the owner of an OR-1 property was limited to R-9 or R-10 standards of redevelopment, the developable footprint of the property would be reduced to only 11.5 feet wide and the property would be functionally undevelopable.

Relatedly, the average R-3 property in the district is 7700 square feet. If limited to a C-1 development standard, 100% of that property footprint could be built upon, leaving no space between the property and a R-3 neighbor’s lot line. However, if developed to a R-9 or R-10 standard, the overall lot coverage is limited and lot line setbacks are required, which may be a better overall outcome for the development and neighboring properties.

By employing a flexible development standard it allows multifamily development to be tailored to the specifics of each property. Picking just one standard will either result in various property types being rendered undevelopable (e.g. the average OR-1, R-5, R-6, and R-7 will be too narrow to develop to a R-9 or R-10 standard) or less desirable (100% lot coverage for an R-3 or R-4 property developed to a C-1 standard, compared to lower lot coverage and greater setback requirements if developed to a R-9 or R-10 standard).

*Projected Development Impacts*

BDC ran a projection for additional housing units within the Overlay District under the following assumptions: each property is developed to the maximum number of units allowed, and only the densest units are provided (500 Square Foot studio apartments). Under this “maximum density” model, the following table describes the additional housing units that could be developed in the Overlay District and the impact those changes would have on the overall Population Density of the District:

% of Properties Developed into Multifamily	100%	50%	25%	10%	5%	1%	0%
New Housing Units Added	40262	20131	10065	4026	2013	403	0
Population Density	18067	12428	9608	7916	7352	6901	6788

It only takes approximately 2% of all properties in the Overlay district being redeveloped to reach the average population density of Baltimore city but approximately 25% of all properties in the Overlay being redeveloped to reach the median population density for the Commercial Corridors studied by BDC.

The implication here is that the development ramifications on the overall look and feel of the neighborhood will be incremental, but that even small changes can start to bring the overall population density to the point where more commercial businesses can be sustained in the area. By limiting new multifamily development to the Overlay Area, the predominantly single-family home characteristics of the constituent neighborhoods are retained and the additional density is focused on the corridor itself. Even so, there is essentially no scenario where the Multifamily Development standards would result in a building that is more than 5 stories tall, which is less than the effective maximum height of C-1 buildings currently allowed on Harford Road.

Finally, it should be noted that the multifamily market would certainly not support all studio apartments in the area, and that there would be significant demand for 1-bedroom and 2-bedroom apartments that could support couples and small families that may not otherwise have access to purchasing a single-family home in the neighborhood.

**FISCAL IMPACT [to BDC]**

None.

**AGENCY POSITION**

In light of the above analysis the Baltimore Development Corporation believes that this bill has the potential to positively impact the viability of commercial businesses in the Harford Rd corridor and believes that it can do so without significantly changing the overall characteristics of the surrounding neighborhoods that has made them desirable places to live for generations.

The Baltimore Development Corporation respectfully submits a **favorable** report on City Council Bill 25-0093. If you have any questions, please contact Kim Clark at 410-837-9305 or [KClark@baltimoredevelopment.com](mailto:KClark@baltimoredevelopment.com).

cc: Nina Themelis, Mayor's Office of Government Relations  
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