



CITY OF BALTIMORE  
MAYOR BRANDON M. SCOTT

|                |                                                                    |
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| <b>TO</b>      | The Honorable President and Members of the Baltimore City Council  |
| <b>FROM</b>    | Veronica P. McBeth, Director, Department of Transportation (BCDOT) |
| <b>CC</b>      | Mayor's Office of Government Relations                             |
| <b>DATE</b>    | September 30, 2025                                                 |
| <b>SUBJECT</b> | 25-0040 • Zoning – Uses – Retail: Small Box Establishment          |

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**Position: Favorable**

**BILL SYNOPSIS**

Council Bill 25-0040 limits the creation of new small box discount stores in all commercial districts by requiring conditional use approval through the Board of Municipal Zoning Appeals (BMZA). Discount stores are defined as chain stores with ten or more locations in the City which sell discounted goods and operate in properties with between five and twelve thousand square feet of floor space. In the long term, the Bill would limit the concentration of discount stores by requiring that new establishments are no less than half a mile apart.

Under current law, discount retailers are not regulated. As a result, these retailers operate numerous locations in the city, many of them densely clustered in low-income communities. Discount stores may act as a valuable source of food and household goods in areas underserved by more conventional grocery stores. However, these stores tend to have an overall negative impact on the neighborhoods they serve. Local businesses and larger stores with higher-quality offerings may struggle to compete with these extremely low-cost retailers, limiting the choices available to residents in the long term.

From a transportation perspective, the proliferation of small box stores offers a more accessible alternative to residents who lack access to automobiles and live far from a grocery store. However, these stores tend to carry low-quality goods and rarely offer perishable items like fresh produce. The City's efforts to expand access to grocery stores in underserved neighborhoods are generally hampered by discount stores. Finally, discount stores, despite their general proximity to transit and residential neighborhoods, are rarely conducive to the pedestrian-focused, transit-oriented development the City has worked to prioritize in recent years.

## **SUMMARY OF POSITION**

BCDOT has reviewed the proposed legislation and does not anticipate any immediate fiscal or operational impact resulting from the changes. Furthermore, the legislation should not immediately impact existing discount stores; any land use changes resulting from the legislation would manifest over the long term. Therefore, BCDOT respectfully requests a favorable report on Council Bill 25-0040.