# **FINDINGS OF FACT**

To: The Mayor and City Council of Baltimore
From: Chase Hoffberger, on behalf of Saffo Contractors, Inc.
Date: April 2, 2025
Re: CCB25-053, to rezone 4001 E. Baltimore Street from I-2 to IMU-1

On April 7, 2025, at the request of Saffo Contractors, Inc., District 1 Councilmember Mark Parker introduced legislation to rezone 4001 E. Baltimore Street from I-2 to IMU-1. 4001 E. Baltimore Street is an irregularly shaped parcel on the south side of Baltimore Street just west of Haven Street in the Highlandtown neighborhood. The property has a historical industrial use as headquarters for the Fedco Packaging Company. Prior to Saffo's purchase of the property at auction, the building had been unused and unoccupied. Saffo would like to rezone the property to IMU-1 so that the property can be redeveloped for mixed-use.

## 1. 4001 E. Baltimore Street

4001 E. Baltimore Street is currently being used as a storage site and office space while Saffo manages a contract with the Maryland State Highway Administration. Saffo is headquartered in Wilmington, North Carolina, and does large-scale infrastructure work throughout the country. The company's *modus operandi* on long-term jobs that will require storage space and an administrative headquarters is to purchase a property within the jurisdiction of their active contract, use that property for those purposes, and then maintain the asset as a redeveloped space after the company completes its work.

Saffo intends to conclude its work with the MDHA in 2026, at which point it would like to redevelop 4001 E. Baltimore Street as a mixed-use building with 5,000 square feet of ground-level office, commercial, and light industrial space and 13 apartment units on the second, third, fourth, and fifth floors. The redevelopment will accommodate 18 parking spaces and preserve the mural on the building's tower, which was commissioned by the Southeast Community Development Corporation in 2019. Floor plans and artistic renderings are provided as an amendment to this memorandum.

## 2. Map Amendments & Required Findings of Fact

As required by the State Land Use Article and Baltimore City Zoning Code § 5-508(b)(1), the City Council may approve the legislative authorization based on a finding that there was either: (i) a substantial change in the character of the neighborhood where the property is located; or (ii) a mistake in the zoning classification.

Saffo proffers that there has been a substantial change in the character of the neighborhood where the property is located since the property in question was first zoned for industrial use. This part of Highlandtown has historically been used for industrial purposes. Prior to Transform, the Haven Street corridor was almost exclusively zoned M-3. However, since Transform, the neighborhood has assumed an increasingly patchwork zoning map, with C-1, C-3, residential, and IMU-2 zoning intermixed within that industrial zoning. The epicenter of that change is located across Haven Street from the subject property, at 1 N. Haven Street, where old industrial buildings have been converted into breweries and entertainment hubs like Urban Axes, altering the neighborhood's character.

Like 1 N. Haven Street, 4001 E. Baltimore Street is primed for a rezoning from an industrial district to an industrial-mixed use district. The IMU zones are intended to encourage the reuse of older industrial buildings for either light industrial use or a variety of non-industrial uses, and are designed to blend in among residential and non-industrial uses, often serving as an intermediary between more traditional industrial uses and those non-industrial uses. Such is the case with 4001 E. Baltimore Street, which abuts the commercially zoned Highlandtown Shopping Center, is neighbored by industrial and non-industrial uses, and has generally outlived its own utility as an industrial site. Whereas the neighboring Kelco building never ceased operations as a steel fabrication facility, 4001 E. Baltimore is no longer equipped with the infrastructure necessary to facilitate industrial use. The property can better serve the city's interests by providing housing, commercial, and office use to this evolving neighborhood. That's one reason why the Highlandtown Community Association supports this rezoning: the HCA recognizes that the most productive use for this property is for something other than its historical use.

In making the determination required by ZC § 5-508(b)(1), the City Council must also make findings of fact that address: (i) population changes; (ii) the availability of public facilities; (iii) compatibility with existing and proposed development for the area; (v) the recommendations of the City agencies and officials; and (vi) the proposed amendment's consistency with the City's Comprehensive Master Plan.

i. Population changes

According to census data, the Highlandtown neighborhood increased in population by 300 residents between 2010 and 2020, from 2,666 residents to 2,915 residents. The Baltimore Highlands neighborhood increased in population by 400 residents during that same time period, from 2,703 residents to 3,143 residents.

ii. The availability of public facilities

The area is well-served by public facilities.

iii. Present and future transportation patterns

A rezoning of this property would not impact truck or other industrial traffic along N. Haven Street or E. Baltimore Street.

iv. Compatibility with existing and proposed development

Rezoning this property from I-2 to IMU-1 would be compatible with the proliferation of new uses and zoning districts in the area following the city's comprehensive rezoning in 2017. Haven Street is becoming more pedestrian-oriented north of Canton and Eastern Avenue. The redevelopment of this property in an IMU-1 zone would represent a continuation of that trend.

v. The recommendations of the City agencies and officials

The applicant looks forward to the recommendations of City agencies and officials in advance of a hearing before the City Council's Transportation & Land Use Committee.

vi. The proposed amendment's consistency with the City's Comprehensive Master Plan

An IMU-1 zoning conforms to the land use plan laid out in the City's Comprehensive Master Plan. Saffo's redevelopment plan also conforms to the City's Comprehensive Master Plan by providing the Highlandtown neighborhood with new and diverse housing options and facilitating a smooth transition between industrial and residential areas along E. Baltimore Street.

## 3. Additional Standards

In addition to the necessary findings of fact outlined in § 5-508(b)(2), the Zoning Code requires that the City Council consider the following additional standards.

i. Existing uses of property within the general area of the property in question;

This section of Highlandtown has experienced material change since the comprehensive rezoning of the city in 2017. What was previously almost an exclusively industrial area now accommodates commercial zoning, IMU zoning, and even some residential zoning.

ii. The zoning classification of other property within the general area of the property in question.

4001 E. Baltimore Street is abutted by industrial zoning, and commercial zoning. IMU-2 zoning is located across Haven Street at 1 N. Haven Street.

iii. The suitability of the property in question for the uses permitted under its existing zoning classification.

The property was the longtime headquarters of the Fedco Packaging Company/ Prior to Saffo's acquisition, the property had not been used in quite some time. The existing structure could conceivably be rehabilitated in a manner that would allow it to accommodate industrial use; there are plenty of uses permitted in I-2 zoning districts

that would fit into the building. However, the viability of this property as an industrial site may be best represented by the fact that it had to go to auction to be acquired in 2024. There was no market for the property as an industrial site.

iv. The trend of development, if any, in the general area of the property in question, including changes, if any, that have taken place since the property in question was placed in its present zoning classification.

This section of Highlandtown has seen new non-industrial development since Transform, notably across Haven Street, where Monument City Brewing, Key Brewing, and Urban Axes have created a new social hub.

## **Summary & Conclusion**

4001 E. Baltimore Street was previously the site of a viable industrial facility. That is no longer the case, however, and the property has not been used in a productive industrial manner in quite some time. A rezoning of the property from I-2 to IMU-1 will open the property up to a new range of potential uses and provide for a complete and sustainable redevelopment. This rezoning is the best way to make productive use of this older and still structurally sound industrial building. For these reasons, the rezoning should be recommended for approval.