


MEMORANDUM

DATE: February 24, 2022
TO: Economic and Community Development Committee
FROM: Colin Tarbert, President and CEO 
POSITION: Favorable
SUBJECT: City Council Bill No. 21-0113
Zoning Code – Modifications

INTRODUCTION

The Baltimore Development Corporation (BDC) is reporting on City Council Bill No. 21-0113 introduced by Council President Mosby on behalf of the Administration.

PURPOSE

This Bill revises provisions of the comprehensive Zoning Code overhaul passed in 2017, known as “Transform Baltimore.” Over the past several years, the Planning Department found that the provisions under review failed to function as intended. As a result, the Planning Department has investigated ways to mitigate for the unintended consequences of these provisions and has proposed changes to the code to solve these problems. These include administrative procedural changes within the Board of Municipal & Zoning Appeals and the office of the Zoning Administrator. They also clarify requirements for outdoor seating, off-street parking, bicycle parking design standards, different types of signage, and different types of zones.

BRIEF HISTORY

The Baltimore City Code, Article 32, regulates zoning in Baltimore City. In 2017, the City Council passed the Zoning Code overhaul known as “Transform Baltimore” and the Mayor signed it into law. Bill 21-0113 comes four years later and reflects the Department of Planning’s opinion of needed modifications to the Code. BDC understands the rationale behind the bill in general and does not object to most of the provisions of the bill, particularly those sections that promote the functionality of BMZA, that make “farmers’ markets” a permanent use, and that encourage the development of bicycle parking. BDC strongly supports the IMU District section. The Planning Department addressed BDC’s concerns about the section pertaining to painted/mural signs.

IMU Districts

In particular, BDC supports the following two amendments: (1) the removal of section 11-203(d), the floor area exception for IMU properties located within 300 feet of a residential zoning district (“the IMU loophole”); and (2) the inclusion of the uses titled “Art Studio: Industrial” and “Food Processing: Light” as *permitted* in all Commercial Zoning Districts (Table 10-301).

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In June 2019, Smart Growth America, Recast City, and the US Economic Development Administration (EDA) collaborated on a 6-month stakeholder engagement and research initiative that aimed to identify opportunities to support the growth of small-scale manufacturing in Baltimore City as a means of encouraging reinvestment and commercial redevelopment. The resulting report, *Small-Scale Manufacturing & Place Based Economic Development: Baltimore, Maryland*, recommended several changes to the Zoning Code. Staff from BDC's Made in Baltimore program met with Planning Department (DOP) Staff in Fall 2019 to discuss the implementation of these recommendations. DOP agreed to close the IMU loophole and to add *Arts Studio: Industrial* and *Food Processing: Light* as permitted uses in Commercial Districts. These changes appear before you in Bill 21-0113; they fully capture the real estate needs of small businesses operating in Baltimore's "maker economy."

Transform Baltimore introduced Industrial Mixed-Use (IMU) as a new type of zoning district. This category allows light-industrial, commercial, and residential uses of a single property. This zone primarily targeted older, multi-industrial properties no longer suited to large-scale manufacturing. This new category aimed to foster the redevelopment of this type of properties by allowing residential units while preserving affordable space for small-scale manufacturers in historically industrial buildings. Typically, residential units lease for as much as 10x the rate of industrial units. Recognizing that the market incentivizes developers' conversion of as much space possible to the higher-yield residential uses, the Code requires that a use other than residential or parking must account for a floor area equal to at least 60% of the total ground-floor area of all buildings on the lot.

However, Section 11-203(d) of Transform Baltimore creates a loophole by exempting properties from that requirement if they were located within 300 feet of a residential property. Since the Code considers IMU a "transitional" zone between residential and heavy industrial areas, nearly all IMU properties qualify for this exemption. By removing the exemption, the City will allow the IMU category to exist as intended by requiring commercial or light-industrial uses in these properties.

The Zoning Code defines the uses "Art Studio: Industrial" as a "a studio for artisan-related crafts, such as small-scale metal-working, glassblowing, furniture making, pottery, leathercraft, and similar activities. The Code defines "Food Processing: Light" as "an establishment for preparing, processing, canning, or packaging food and beverage products, where all these activities are within an enclosed structure and create no outside impacts."

Businesses that fit under these two uses do not pose nuisances in Commercial Areas. In fact, they fit well into the building typologies found in many of Baltimore's commercial corridors and main streets. These buildings do not require "foot traffic"; this makes them well-adapted to some of Baltimore's disinvested commercial areas which suffer from high vacancy rates.

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By permitting these uses in commercial areas, the City accomplishes two objectives: Firstly, the City expands the potential users for commercial areas experiencing high-vacancy rates, attracting small businesses that speed revitalization. These areas will experience higher demand from light-industrial users, who typically cannot afford the rents of wealthier commercial areas. Secondly, the City makes more space available to small-scale manufacturers, who currently suffer from a lack of available, affordable real estate. Baltimore has lost light-industrial zones for decades – reducing the supply and increasing the demand for these properties. As a result, many small-scale manufacturers choose to leave the City when they cannot find suitable space.

Together, the proposed amendments will make Baltimore City a friendlier place for small-scale manufacturers to do business and will help revitalize disinvested commercial areas without negatively impacting residents' quality of life.

Painted / Mural Signs

BDC had concerns about the requirements for painted / mural signs enumerated within Title 4, "Development Reviews," particularly the requirement for Design Review by BMZA. The corporation regularly works with small businesses to help them fund aesthetic upgrades to their façades, principally through BDC's Façade Improvement Grant (FIG) program. Hand-painted signs frequently result from fruitful collaboration between business owners and local artists, benefitting both entities financially and enlivening the surrounding neighborhoods.

Based on our discussions with the Department of Planning, BDC understands that the additional oversight and approval requirements for painted/mural signs will not unduly burden small businesses and the artist community.

FISCAL IMPACT

None

AGENCY POSITION

The Baltimore Development Corporation respectfully requests a **favorable** report on City Council Bill No. 21-0113. If you have any questions, please do not hesitate to contact Kimberly Clark at 410-837-9305 or kclark@baltimoredevelopment.com.

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