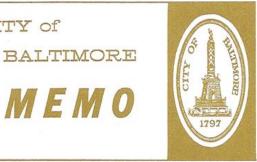
	_	NAME & TITLE	CHRIS RYER, DIRECTOR	CITY of
	T O R T	AGENCY NAME & ADDRESS	DEPARTMENT OF PLANNING 8 TH FLOOR, 417 EAST FAYETTE STREET	BALTI M E
		SUBJECT	CITY COUNCIL BILL #22-0296/ REZONING – 810 LEADENHALL STREET	



TO

The Honorable President and Members of the City Council City Hall, Room 400 100 North Holliday Street DATE: February 13, 2023

At its regular meeting of February 9, 2023, the Planning Commission considered City Council Bill #22-0296, for the purpose of changing the zoning for the property known as 810 Leadenhall Street (Block 0902, Lot 006), as outlined in red on the accompanying plat, from the IMU-1 Zoning District to the TOD-4 Zoning District.

In its consideration of this Bill, the Planning Commission reviewed the attached staff report which recommended approval of City Council Bill #22-0296 and adopted the following resolution, with eight members being present (seven in favor):

RESOLVED, That the Planning Commission concurs with the recommendation of its departmental staff, adopts the findings and equity analysis outlined in the staff report, with consideration for testimony and facts presented in the meeting, and recommends that City Council Bill #22-0296 be **approved** by the City Council.

If you have any questions, please contact Mr. Eric Tiso, Division Chief, Land Use and Urban Design Division at 410-396-8358.

CR/ewt

attachment

cc: Ms. Nina Themelis, Mayor's Office

Mr. Ethan Cohen, Mayor's Office

The Honorable Eric Costello, Council Rep. to Planning Commission

Ms. Nikki Thompson, City Council President's Office

Mr. Colin Tarbert, BDC

Ms. Rebecca Witt, BMZA

Mr. Geoffrey Veale, Zoning Administration

Ms. Stephanie Murdock, DHCD

Ms. Elena DiPietro, Law Dept.

Mr. Francis Burnszynski, PABC

Mr. Liam Davis, DOT

Ms. Natawna Austin, Council Services

Mr. Joe Woolman, Esq.



PLANNING COMMISSION

Sean D. Davis, Chair; Eric Stephenson, Vice Chair



STAFF REPORT

February 9, 2023

REQUEST: City Council Bill #22-0296/ Rezoning – 810 Leadenhall Street:

For the purpose of changing the zoning for the property known as 810 Leadenhall Street (Block 0902, Lot 006), as outlined in red on the accompanying plat, from the IMU-1 Zoning District to the TOD-4 Zoning District.

RECOMMENDATION: Adopt findings and Approve

STAFF: Eric Tiso

PETITIONER: J.R. Woolman, LLC o/b/o MOSB Holdings, LLC

OWNER: MOSB Holdings, LLC

SITE/GENERAL AREA

<u>Site Conditions</u>: 810 Leadenhall Street is located on the west side of the street, between the intersections with Henrietta Street and West Montgomery Street. The property contains 0.959± acres of land, is zoned IMU-1 (Industrial Mixed-Use), and is currently improved by a brick warehouse.

General Area: 810 Leadenhall Street is located on the southern edge of the Otterbein neighborhood, near the edge of the Sharp-Leadenhall neighborhood. The Otterbein neighborhood is predominantly comprised of residential uses, ranging from townhomes to large multi-family buildings. There are also a number of institutional uses, from religious institutions to the Federal Reserve Bank of Richmond facility.

HISTORY

This property was zoned M-2-2 Industrial prior to being rezoned IMU-1 as part of the City-wide comprehensive rezoning effort that was enacted in 2017.

ZONING CODE REQUIREMENTS

Below are the approval standards under §5-508(b) of Article 32 – *Zoning* for proposed zoning map amendments:

- (b) Map amendments.
 - (1) Required findings.
 - As required by the State Land Use Article, 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 existing zoning classification.
- (2) Required findings of fact.

In making the determination required by subsection (b)(1) of this section, the City Council must also make findings of fact that address:

- (i) population changes;
- (ii) the availability of public facilities;
- (iii) present and future transportation patterns;
- (iv) 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.
- (3) Additional standards General

Additional standards that must be considered for map amendments are:

- (i) existing uses of property within the general area of the property in question;
- (ii) the zoning classification of other property within the general area of the property in question;
- (iii) the suitability of the property in question for the uses permitted under its existing zoning classification; and
- (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.

ANALYSIS

Staff has received a memorandum from the applicant with a justification for rezoning based on both a change in the community, as well as under the mistake criteria. Staff agrees with the determination based on a change in the community, but disagrees with a finding of mistake. Below is the staff's review of the required considerations of §5-508(b)(3) of Article 32 – *Zoning*, where staff finds that this change is in the public's interest, in that it will eliminate the remaining industrial zoning in this predominantly residential neighborhood, and will provide for viable redevelopment options for additional residential development that are more compatible with the neighborhood.

REQUIRED FINDINGS

Maryland Land Use Code – Requirements for Rezoning:

The Maryland Land Use Code requires the Planning Commission to study the proposed changes in relation to: 1. The plan; 2. The needs of Baltimore City; and 3. The needs of the particular neighborhood in the vicinity of the proposed changes (*cf.* MD Land Use Code § 10-305 (2019)). In reviewing this request, the staff finds that:

1. The Plan: The Comprehensive rezoning of the City, enacted in 2017, designated this property as Industrial Mixed-Use (then designated as IMU), which was a shift away from heavy industrial uses under the prior M-2-2 zoning. The initial IMU zoning category included the option for residential uses. In 2019, when the newly-created IMU zoned was split into two sub-categories, where one allowed for residential use (IMU-1) and the other did not (IMU-2) since not all IMU properties are appropriate for residential redevelopment, this property was rezoned IMU-1 confirming that residential redevelopment was an appropriate option.

- 2. The needs of Baltimore City: While staff has historically supported the retention of industrial zoned land, especially where it is actively threatened with intrusion by residential or commercial zoning, we will only do so where it makes sense to preserve that industrial zoned land. In this case, the property is not part of a larger industrial zone, nor is it located along a truck route. The existing IMU-1 zoning for this parcel, which is the only non-residential and non-commercial property in the neighborhood, was initially designated to preserve the existing use of a building that would otherwise be nonconforming if it were zoned to a residential category. In this case, retention of industrial zoning for this parcel would not serve any larger City need.
- **3.** The needs of the particular neighborhood: This neighborhood, and adjacent neighborhoods, have seen shifts in zoning towards residential use, especially higherdensity zones such as Transit-Oriented Development zones (TOD), in recognition of its location near the Light Rail stop at Hamburg Street. This shift to more residential use is compatible with the vast majority of the neighborhood, as opposed to retaining industrial uses.

Similarly, the Land Use article requires the City Council to make findings of fact (MD Land Use Code § 10-304 (2019)). The findings of fact include:

- **1. Population changes;** The Otterbein neighborhood saw an increase in population between 2010 and 2020, growing from 1,823 to 2,677 (almost 32% growth).
- **2.** The availability of public facilities; This site is well-served by public services and utilities, which can also support redevelopment or reuse of this site.
- **3. Present and future transportation patterns;** There are no significant changes forecasted for this area, and rezoning to TOD-4 would recognize the proximity to the existing Light Rail station within several blocks of this property.
- **4.** Compatibility with existing and proposed development for the area; This rezoning would recognize trend in changes to zoning in this neighborhood, and immediately adjacent neighborhoods since the Comprehensive Rezoning of the City in 2017. TOD-4 zoning for this property would provide for redevelopment of this property for residential redevelopment at a density appropriate for its proximity to the Light Rail station.
- 5. The recommendations of the Planning Commission and the Board of Municipal and Zoning Appeals (BMZA); For the above reasons, the Planning Department will recommend approval of the rezoning request to the Planning Commission. The BMZA has not yet commented on this bill.
- **6.** The relation of the proposed amendment to the City's plan. The proposed rezoning is compatible with the surrounding neighborhoods, and retention of the existing Industrial Mixed-Use zoning is not supported by the Comprehensive Plan or the Department's policy.

There are additional standards under §5-508(b)(3) that must be considered for map amendments. These include:

- (i) existing uses of property within the general area of the property in question; The vast majority of surrounding properties within surrounding blocks are zoned for residential use in R-7 or R-8 zones. The nearest Industrial zoned land is five blocks to the south, in the Spring Garden Industrial Area south of Stockholm Street.
- (ii) the zoning classification of other property within the general area of the property in question; The majority of the neighborhood is zoned R-7 and R-8 for residential use. The northern edge of the community is zoned C-5-DC as part of the Downtown Commercial zone. There are two small clusters of Commercial zoning (C-1 and C-2, respectively) and one node of OR-2 Office-Residential zoning. The only industrially-zoned property in the neighborhood is the subject property at 810 Leadenhall Street, which is IMU-1.
- (iii) the suitability of the property in question for the uses permitted under its existing zoning classification; and The property is currently improved with a brick warehouse building, which may be used for a variety of uses approvable under the current IMU-1 zoning, though any use that isn't an industrial use would likely lead to redevelopment of the 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. There is a multi-block node of TOD-4 zoning three blocks to the south, nearly equidistant to the south from the Light Rail stop. TOD zones didn't exist under the former zoning code. That TOD node was formed from land that was previously zoned M-2 Industrial, B-2 Commercial, and OR Office Residential Districts. This bill would be similar in recognizing that the existing Industrial Mixed-Use zoning is no longer needed to accommodate existing light industrial uses (warehousing) and can be updated to complement surrounding residential zones.

Per §5-508(b)(1) of Article 32 – *Zoning*, and as required by the State Land Use Article, 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 existing zoning classification. Staff believes that a continuing trend of change in the area moving away from heavier industrial and commercial uses, and towards higher-density residential options with supporting light commercial uses exists, and satisfies the need to demonstrate a change in the neighborhood.

Background: While staff needs to evaluate this bill in a general sense, we acknowledge that there is a proposal in review for this property that would lead to a residential redevelopment of the site to a five-story building with over 160 dwelling units. We note that the existing IMU-1 zoning would only allow for a residential density of 139 units, but only a building of 60' in height. The proposed project would not be developable under the existing IMU-1 zoning without substantial zoning variances for lot area, height, and setbacks. Our analysis only extends to the proposed rezoning. While there is a proposed project, there is no guarantee that it will continue to final permits, that it will not be changed in some way, or disappear altogether.

Equity:

• Impact:

- This proposed rezoning will provide for the redevelopment of the existing warehouse building, and will remove the potential for industrial use impacts on the surrounding community.
- O This rezoning by itself will not impact any patterns of inequity that may exist in this neighborhood. We understand that the proposed project intends to fill a market gap by providing smaller residential units with one or two bedrooms, that aren't currently beign provided in the area.

• Engagement:

• We believe that the community been meaningfully engaged in discussing this rezoning and the proposed redevelopment project that may result, including residents who may have been historically excluded from planning processes, through several meetings between the property owner and community. Staff have heard from several individuals that are concerned with or opposed to that project, and their letters will be in the Commission's file for review. Staff again highlights that this bill for the rezoning of the property only. Any future redevelopment would need to go through the regular, but separate, review processes.

• Internal Operations:

• There will not be any additional staff time dedicated to this bill than otherwise incurred in the routine legislative process. We do not expect any follow-on impacts to operations.

Notification: The Historic Sharp Leadenhall Community Association and the Otterbein Community Association have been notified of this action, in addition to the 19,334 unique e-mail addresses in our City-wide e-mail distribution list.

Chris Ryer Director