

Building on Baltimore's History:

The Partnership for Building Reuse

November 2014





Executive Summary

Baltimore is a city of diverse and distinctive neighborhoods. Most were developed before World War II and contain a mix of single-family rowhouses, apartments, commercial blocks, and industrial buildings. After decades of population loss, many of these areas are being rediscovered, attracting new residents and increased investment. Baltimore has become a nationally recognized leader in the creative reuse of older buildings. Private developers, public agencies, and nonprofit organizations are creatively retrofitting and repurposing Baltimore's remarkable architectural heritage to serve the needs of a 21st century city.

While building reuse has brought new life and opportunity to many areas of the city, other neighborhoods have not yet turned around. What can be done to extend the benefits of revitalization to more neighborhoods and citizens of Baltimore?

The Partnership for Building Reuse explores one aspect of this challenge – making it easier for property owners and investors to renew and repurpose older buildings. A joint effort between the National Trust for Historic Preservation and the Urban Land Institute, the Partnership fosters market-driven reuse of vacant and underused buildings in cities across the country. Baltimore is one of five cities participating in this initiative.

Led locally by the ULI Baltimore District Council, the Partnership engaged more than 90 real estate developers, historic preservation advocates, government agency staff, land use professionals, and community leaders. With the help of six volunteer working groups, these stakeholders identified opportunities and developed recommendations for how to increase building reuse and revitalization in Baltimore.

As part of this effort, the National Trust's Preservation Green Lab conducted research into the connections between the vitality of Baltimore neighborhoods and the character of the city's existing building stock. The Green Lab's findings show that Baltimore's older, smaller buildings contribute in key ways to the vitality of the city. For example:

 Older neighborhoods provide space for Baltimore's local economy. Areas of the city characterized by older, smaller buildings and mixed-vintage blocks average more than twice the number of jobs in small businesses found in areas of Baltimore with mostly newer, larger buildings.

- Young people love old buildings. People between the age of 18 and 34 make up at the majority of the population in twice as many parts of Baltimore with older, smaller buildings and mixed vintage blocks, compared to areas with mostly newer, larger buildings.
- Old buildings attract good restaurants. More than 83 percent of *The Baltimore Sun's* 2014 "Top 50 Restaurants" and 2013 "Top 50 Bars" are located in buildings constructed before 1920, well above the citywide total of 50 percent of commercial businesses located in buildings of that vintage.

Working with local practitioners, the Green Lab also developed an analytical tool to identify areas of the city that have not yet benefitted from reuse and revitalization, but have high potential for near-term success (see map on following page).

To encourage building reuse in these areas and other neighborhoods citywide, the Partnership identified major obstacles that make building reuse challenging — including market, financial, technical, and regulatory barriers. These include:

- Weak market demand due to oversupply of building inventory
- Acute social and economic challenges in many neighborhoods
- Conflicts between reuse of existing buildings and energy and building code requirements
- Difficulty in adapting certain building types for modern needs
- Complexity, unpredictability, and high cost associated with many reuse projects
- Difficulty in using tax credits and other incentives, especially for smaller projects

With these and other barriers in mind, the Partnership recommends key strategies to optimize building reuse in Baltimore in Baltimore, including:

 Adopt key provisions of the city's proposed new zoning code, Transform Baltimore. Create neighborhood commercial districts that allow selected commercial and other non-residential uses that align with the existing character of older neighborhoods. Create new industrial mixed-use zone districts that make it easier to repurpose vacant industrial structures for residential, commercial, and light industrial use. Eliminate parking requirements for structures more than 50 years old. Streamline the process for conversion of non-conforming uses into specific commercial uses through a conditional use process.

- Promote creative building and energy code solutions. Create a "Code Solutions Database" for common code compliance issues, based on lessons learned over the years by designers, contractors, and code officials. Create "Code Innovation Zones" to model creative building and energy code solutions and facilitate reuse of small commercial blocks and industrial buildings.
- 3. **Improve and promote incentive programs.** Increase funding for the Maryland Sustainable Communities Tax Credit (SCTC). Promote the use of the recently-enacted-by-right SCTC for small commercial

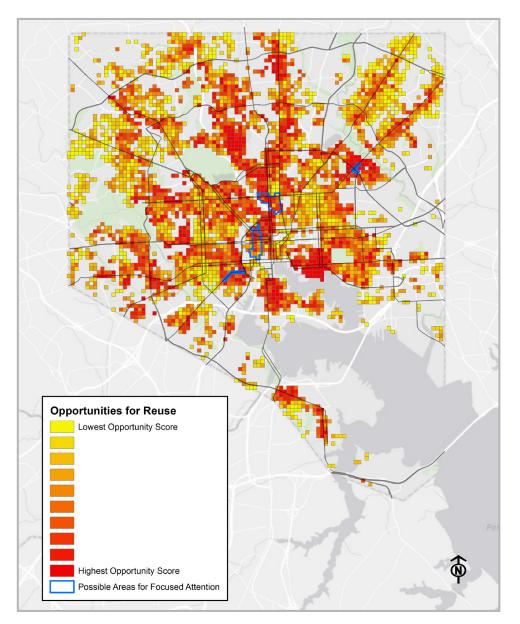
projects in designated historic districts, including Main Streets and older commercial corridors. Package local, state and national incentives and promote greater use in areas of the city with high opportunity for successful revitalization. Develop a matrix of all existing reuse incentives to identify critical gaps and needs. Create a citywide map illustrating areas of reuse potential. Explore the use of federal demolition mitigation funding to support the creative reuse of older and historic properties.

4. Focus attention in high-opportunity neighbor-hoods and districts. Encourage building reuse and test innovative approaches in specific geographic areas. Focus policy, programs, and resources on areas that have both a concentration of older, smaller

buildings as well as healthy social, economic, demographic, and real estate indicators. For example, efforts could build on existing Main Street or Arts and Entertainment Districts that suffer from vacancy and disinvestment but are well-positioned for successful, near-term revitalization.

In the coming months, ULI Baltimore and the National Trust will work with local partners and city leaders to advance these recommendations and bring the benefits of building reuse to more Baltimore neighborhoods and residents.

Areas to consider for focused efforts to promote and assist market-driven **building reuse.** The red grid squares shown on this map are areas of high opportunity for successful building reuse, according to a new methodology developed as part of the Partnership for Building Reuse. The map shows concentrations of high opportunity grid squares in diverse neighborhoods across the city. Areas outlined in blue are select Main Street and Arts and Entertainment Districts where vacancy and disinvestment could be addressed through targeted efforts from public officials and the development community.



THE PARTNERSHIP FOR BUILDING REUSE

The National Trust for Historic Preservation and the Urban Land Institute created the Partnership for Building Reuse in 2012 to enhance opportunities for building reuse in major U.S. cities. Recognizing the environmental, economic, and community benefits of reusing vacant and underused property, the Partnership for Building Reuse brings together preservationists, community groups, real estate developers, and civic leaders around the common goal of making it easier to reuse and retrofit these valuable assets.

For a full copy of the report, visit baltimore.uli.org or preservationnation.org/greenlab.



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