

## **My Take on Crystal Spring** *Alderman Jared Littmann*

The Crystal Spring project is an enormous (by Annapolis standards) project, which, if approved, will have profound impacts on all of Annapolis and its residents, businesses, and visitors. The impacts include the environment, schools, jobs, tax base, commercial growth, senior living, traffic, and property rights; the issues are intertwined and complicated. For most of us, the impacts aren't going to be all good or bad, but a mix of both.

Ultimately, I'm not for or against this project, but instead for a modified project only approved once the significant impacts are comprehensively mitigated. I'd like to see the project modified to reduce some of the biggest impacts, while preserving a significant portion of the developers' objectives. I outline my specific recommendations below.

When I talk with people about the Crystal Spring project, almost all under-appreciate its size and scope. Therefore, while describing my specific suggestions, I mix in a rough description of the major elements of this project in an effort to put its size in context. Keep in mind that some of the "facts" are hard to nail down, because draft plans change and the developers have not filed a final site plan.

### **My Opinion**

The owner of the property bought the property with the expectation and zoning rights to build some level of development. While individuals might wish that the owner would chose to not develop the property, it is her right. Therefore, I don't think it is fair to suggest that the City deny the entire project. Instead, so long as the project complies with the law, the owner's rights should be respected and protected by the City. Those rights, however, must be balanced with the City's obligations to apply restrictions on size and impacts for the benefit of the rest of the citizenry.

Even without this project, the projected traffic congestion on Forest Drive is a serious concern. As you'll see from the studies referenced below, fixing the traffic concerns is complicated and so far, incomplete. Before the City approves further development projects, it and the County must give serious consideration and funding to the solutions contemplated by their respective Comprehensive Plans.

The environment, traffic, and overall building mass are the biggest unknowns in terms of what the City staff will accept as lawful under the terms of the Comprehensive Plan and applicable Planning and Zoning considerations. Also, we do not know what the County might decide with respect to granting an access permit for a new intersection onto Forest Drive. The County has authority to "condition the permit with specified requirements that preserve and maintain the public health, safety, welfare, and convenience." Remember: this project goes from staff to the Planning Commission; *it does NOT come to City Council*. On the one hand, the property is zoned and slated in the 2009 Annapolis Comprehensive Plan for some development. On the other hand, the project is enormous by Annapolis standards and would create an entire village out of near undisturbed forests. The current draft plan seems to exceed the provisions of the 2009 Annapolis

Comprehensive Plan, does not contemplate its impact on schools, and exacerbates significant traffic concerns. I believe in property rights, but they must be balanced and restrained to some degree for the best interests of the citizenry.

**In summary, I contend that the City staff should:**

- 1. Implement directly and with the contributions of developers (those of Crystal Spring and others with pending or future applications for development) the necessary traffic remediation options found in the City's and County's Comprehensive Plans;**
- 2. Require the developer to shrink the commercial portion significantly;**
- 3. Require the developer to eliminate the non-age restricted townhouses (or reduce and add a 55+ age restriction); and,**
- 4. Require the developer to reduce and relocate the senior residences away from Crab Creek and closer to Forest Drive and otherwise maximize the preservation of priority forests in support of the City's stated environmental requirements, goals, commitments, and values.**

**In addition, I also advocate:**

- 1. The City Council to pass the school capacity legislation (O-19-13) so that the development review process considers the impact of residential developments on school capacity;**
- 2. The City staff require that the tree reforestation is equivalent to the acreage cleared, to the extent that the City permits forest clearing;**
- 3. The developer scale back or eliminate the proposed inn and cultural arts center; and,**
- 4. The City's administration seeks an independent economic analysis that would determine if the developers' jobs estimates and tax implications are reliable for such a development, and if the economic growth on the Crystal Spring property will come at the expense of existing businesses and lead to more vacancies, or instead lead to economic growth for the City as a whole.**

Those policies and compromises would address the traffic, environment, and school impacts that citizens are rightfully concerned about, while still leaving a significant development that would generate a profit for the property owner, tax revenue for the City, jobs for citizens, and senior living opportunities in a village setting, albeit a smaller one than currently envisioned.

I look forward to representing the interests of Ward Five and the City of Annapolis as this project unfolds.

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## I. Significant elements of this project

### A. Size and scope of Crystal Spring (CS):

- Acreage (how much land is used): **The CS project is about 111 acres; the CS developers will build upon about 62 acres.** For perspective, consider the Annapolis Towne Centre (ATC) at Parole, which is denser and taller, but covers less acreage. The ATC **project area is 35 acres, and all 35 acres are built upon.** So, the CS project covers over three times (111 vs. 35 acres) the land that ATC does, and the building footprint of CS is about 1.75 times (62 vs. 35 acres) that of the ATC.
- Square Feet (what is the density of the buildings):
  - 176,000 square feet (SF) of retail space, plus
  - 967,560 SF of residential space, comprised of 528 residential units as follows:
    - 262,200 SF for 126 units of three story *non-age restricted* townhouses
    - 705,360 SF of age restricted (60+) senior living (referred to as the CCRC or Continuing Care Retirement Community) with:
      - 362 residences in the CCRC of which 22 are single and duplex cottages
      - 40 age-restricted apartments above retail that will be supported by a service arrangement with, but not formally part of, the CCRC, plus
  - 132,800 SF of additional non-residential space for office, inn, and civic use, for a total of . . .
  - **1,276,360 SF total** and the tallest building, a main residence, will be 6 stories tall
  - For perspective, the ATC's tallest building is 14 stories tall and houses 674,850 SF for retail, 1,080,000 SF for residential use, and 221,700 SF for office and hotel, for a total of **1,976,500 SF total.**
  - In other words, the CS project would have a much larger footprint, but because the buildings are lower, the total floor space (square footage) would be less:
    - Total project area footprint: CS = 111 acres, ATC = 35 acres
    - Total building area footprint: CS = 62 acres, ATC = 35 acres
    - Total square footage: CS = 1,276,360 SF, ATC = 1,976,500 SF

**B. Retail:** To put the retail portion of the Crystal Spring project in further perspective, the proposed 178,000 retail square feet, in aggregate, is roughly the same size as a Home Depot, Whole Foods, AND a large West Marine (bigger than the existing one on Forest Drive) combined.

**C. Townhouses:** The 126 townhouses are non-age restricted, meaning young families with children could live there, or middle-age couples downsizing may move there. Any elementary age children living there and going to public school are in the Hillsmere Elementary district. According to the County formula, those 126 townhouses would generate 23 elementary age children. Hillsmere already faces an over-capacity issue.

- One potential partial solution I've discussed with the developers is an agreement whereby they can offset their impact to overcapacity schools with corresponding improvements to those schools. This happens on the County level periodically; this concept should be further explored with the County and Board of Education.
- Another potential solution is making those townhouses age restricted, say 55+.

**D. Senior living (age restricted):** The 528 proposed residences include 402 senior living residences and a six-story main building. This is where a detour into the applicable guiding planning document, the 2009 Annapolis Comprehensive Plan, is helpful. Below are direct (admittedly select) quotes from that plan:

- “The 2009 Comprehensive Plan was developed to chart the City’s direction for the next ten years and respond to relevant State law.” It is an important document developed after extensive City staff and citizen input to plan for where and how the City should grow in the future.
- State law provides it is to “[s]erve as a guide to public and private actions and decisions to insure the development of public and private property in appropriate relationships . . . .” It serves to provide concrete facts to guide governments in making decisions on future growth. Development should be consistent with the Comprehensive Plan. Indeed, one of the express purposes of the City Zoning Code is “to ensure the integrity of, and help implement, the Comprehensive Plan.”
- “Large open areas or vacant lands are not readily available for development within Annapolis or adjacent to the City. This means that City will need to take care over the next two decades to direct growth into proper arrangements that sustain and support the goals of this Plan.”
- “This Comprehensive Plan seeks to direct future growth into planned arrangements and in areas presently within the corporate limits of Annapolis. In planning where future growth should occur, this Plan considers the development potential of vacant land.”
- “Four Opportunity Areas are proposed,” including the “Forest Drive Opportunity Area” which is the Crystal Spring property. “The future land use-based projection assumes a maximum build-out scenario, i.e., making the assumption that the opportunity areas redevelop to the full extent and at the maximum density.” In other words, the road improvements described in the plan are necessary for the contemplated developmental growth. Because the Crystal Spring plans far exceed the contemplated growth in the Plan, the transportation remedies need to be scaled up accordingly unless the Crystal Spring project is significantly scaled back.
- “Forest Drive Opportunity Area: This area is largely undeveloped now but does contain about 82,000 square feet of commercial space with frontage on Forest Drive and little residential use. *As direction to future master planning, this Plan anticipates that new mixed use development could yield 167,000 square feet of commercial space, of which 162,000 square feet would be a net increase, and about 140 housing units* [emphasis added].”
- I emphasized this portion for a reason. The 2009 Comprehensive plan envisions and encourages certain growth to correspond with improvements in infrastructure, such as traffic improvements. However, the draft plan for Crystal Spring far exceeds the envisioned number of dwelling units (528 vs. 140 units) and the envisioned square feet of retail (over 300,000 vs. 167,000 SF). Further, and just as important, the road relief envisioned for accommodating the growth stated in the plan has not been developed or committed to in response to the Crystal Spring plan and other major developments underway or seeking approval along the Forest Drive corridor. In fact, plans have gone backwards, as the Director of

Planning & Zoning has called the suggested “relief road” that would parallel Forest Drive a nonstarter.

- In summary, the Crystal Spring plan contemplates growth well beyond the growth described in the Plan, but the transportation infrastructure has been reduced. Lose-lose.

- E. Inn:** The project envisions a 69,000 SF, four-story 80-room inn and spa. While it certainly sounds lovely, it would be another contributor to traffic.
- F. Wellness House:** The project envisions the property owner donating a two acre site upon which the Wellness House would be moved and enlarged to 4,000 SF. The Wellness House is a non-profit that provides free services and programs to those who have been touched by cancer. Without question, this would be a positive impact from this project.
- G. Cultural Arts Center:** The project envisions the creation of a cultural arts center of between 26,000 – 40,000 SF. This is another lovely addition that also contributes to traffic congestion. Perhaps this center is superfluous with Maryland Hall and other existing and pending cultural destinations so close and the developers’ repeated promises about providing shuttle service to local amenities for its residents.

## II. Significant Project Impacts

### A. Environment:

- **Clearing of Forest.** The developers propose clearing about 47 acres of forest, but would also offset all or part of that clearing with trees planted elsewhere in the City or County with a stated priority toward reforesting critical watershed areas. Many environmentalists question the quantity and quality of the offset in that the benefits of mature trees to the environment cannot be substituted with seedlings. Meanwhile, while the developers question the quality and non-native character of the existing trees in the existing 47 acres. For perspective on 47 acres, consider that the Annapolis Towne Centre (ATC) at Parole covers 35 acres. I don’t know what the right balance in acreage is, but 47 acres of trees certainly sounds substantial – again using the ATC as a reference, 47 acres is about 1.34 times the size of the entire ATC property.
- **Stormwater.** The developers currently plan to “voluntarily remediate, by removing polluting nutrients from, two offsite unregulated storm water outfalls adjacent to the property that flow into Crab Creek.” The South River Federation has given its endorsement to the Crystal Spring project, presumably because of these efforts.
- **Tree Canopy.** The City of Annapolis has a stated goal of achieving a 50% tree canopy by the year 2036. In recent years, the canopy level has been between 36-42%. For every tree removed, the City is further from this goal. Importantly for the Crystal Spring project, this initiative is often misstated as being a goal of keeping 50% of the tree canopy from each project. That is not the case. Keeping an excess of 50% of the trees of the owner’s property is still a large step in the wrong direction from the City’s stated goal of 50% tree canopy. On the other hand, if the required reforestation is complete by 2036, this project could theoretically have no net impact on that goal.

- **Wetlands.** There is disagreement over the value and importance of particular wetlands on the site, and what should be done to protect the wetlands with the highest value. The developers state that they “will provide greater than 50’ setbacks from all MDE regulated wetlands and 100+ft setback from a ‘vernal pool’.” City staff says that all critical wetlands will be protected, but not all the wetlands on the site are critical. Members from the environmental community are concerned that those efforts won’t be satisfactory, particularly for the non-MDE regulated wetlands and that the stated buffers are not sufficient. I’m confident that the City staff has the statutory discretion and experience to protect the most important wetlands and trust that they will exercise the appropriate balance. However, the Forest Conservation Act should be re-examined to ensure that it provides our City staff with the tools found in “best practices” cities around the state.
- B. Schools:** This is one of my major concerns, partly because the process is so flawed. As mentioned above, the proposed Crystal Spring development would generate, according to County data, an estimated 23 elementary age children who will be assigned to Hillsmere Elementary School, which is currently over capacity.
- Meanwhile, along with two co-sponsors, I’ve tried to improve the process, so that the City would be forced to consider the impact of its residential development decisions on school capacity. When it comes to a vote on October 28, I call on the City Council to pass this legislation (O-19-13) – the public hearing is on October 14. Because the townhouse portion of this project is less connected to the larger goals of senior living with a supportive retail component, I think the City should eliminate the townhouses from the project.
  - As an alternative, for a mutually beneficial result, I hope to work with the County, School Board, City, and developers to require the developers to improve over-capacity schools that they would impact. While this legislation would apply to the Crystal Spring development, it is intended to address all applications for residential developments.
  - Even if O-19-13 passes, I don’t expect that the impact of the additional school age children expected at Crystal Spring will be significant enough in the minds of Planning Commission members to stop the project on those grounds. Regardless, the process of evaluating every major impact is important, and the City should consider the school capacity impact on Hillsmere Elementary.
- C. Jobs:** The developers have said that this project would bring construction jobs (1600 job years) and 1200 full & part time permanent on-site jobs. That is a significant number of jobs and, if it’s a reliable estimate, it is a significant benefit. These jobs would be welcome to many un- or under-employed residents of the City and County. The developers estimate that these jobs would include 245 professional or management positions and 952 property, maintenance, or service related positions. *I would like the City to seek an independent economic analysis that would determine if these figures are reliable for such a development.* In addition, the developers tout employee recruitment targeted for city residents, employee transportation, job training, and a returning veteran initiative.
- D. Tax base:** I’ve recently heard the concern expressed that residents of the senior living center will not pay real property taxes, because that is a church-related project. That

would eliminate a portion of the perceived benefit to the City. However, the developers and the City's Director of Planning and Zoning advised that this would not be an issue, because it would be resolved with a Payment In Lieu Of Taxes (PILOT) document that would require payment to the City a fee equivalent to the taxes that would otherwise be due if this was not a church-related project. There are further details to consider, such as whether the PILOT payments would be annual and equivalent to and fluctuate with real property taxes, but that is an important issue to consider. As far as the tax revenue itself, the developers state that \$2.3 million in net (after municipal costs) revenue will be shared by the City (\$0.9M) and County (\$1.4M). That is certainly significant revenue to the City (about 1% of the current budget) if materialized. *It is incumbent upon the City to perform its own analysis to provide its own unbiased, thorough economic analysis.*

- E. Economic Impact:** The developers' plan for the retail portion of the project includes a Harris Teeter grocery store, a West Marine (a larger version of the existing store on Forest Drive), and an additional 102,000 SF of restaurants, boutique shops and "neighborhood-serving conveniences."
- Assuming all of these projects come to fruition, I question the impact of these new stores on existing businesses such as the nearby Safeway, Giant Food, Fresh Market, Shoppers, and Whole Foods. In August 2012, the Sage report (prepared on behalf of the developers) was reviewed by the Maryland Department of Business and Economic Development (DBED) at the request of the Annapolis Economic Development Corporation (AEDC). With regard to the number of proposed restaurants, DBED expressed concern that this "seems like a great deal of capacity for the area. A marketplace potential report . . . shows that in the area approximately 10 miles around this location, there is a surplus of full-service restaurant capacity."
  - *I call for an economic analysis with the City as the client to address questions like: will the economic growth on the Crystal Spring property come at the expense of existing businesses and lead to more vacancies?* Local commercial landlords, tenants, and business owners will want to know if this project will bring a new customer base or competing businesses.
- F. Senior Living:** I'm certainly no expert in this area and trust the developers when they say they have ample interest in their proposal on the part of potential residents. Overall, opinion pieces in *The Capital* support that notion, though not uniformly. I don't doubt that this project appeals to a number of seniors or seniors-to-be, and that is a benefit of the project.
- G. Traffic:** This is a complicated and significant component. I'm significantly concerned about the potential traffic generated by this project and present to you four separate reasons:
1. The options considered by the 2009 Annapolis Comprehensive Plan have not been adequately pursued or considered. Again, I provide relevant excerpts:
    - "As shown, by 2030 all major radial and cross-town routes will experience severe congestion including significant sections of Forest Drive (MD 665), Hilltop Lane, Bay Ridge Road (MD 181), Spa Road (MD 387), Taylor Avenue (MD 435), West

- Street (MD 450), and Rowe Boulevard (MD 70). Sections of these roadways will operate at failing levels of service during peak travel periods.”
- “The City has studied enhancing the capacity of Forest Drive (MD 665) through construction of a relief road. Many other improvements have been recommended over time, studied, and documented, and the City continues to seek cooperation and opportunities for joint planning with Anne Arundel County.”
  - “The goals of the improvements in the Forest Drive Corridor are to:
    - ▶ reduce peak-period congestion,
    - ▶ provide some measure of redundancy in the arrangement of streets by expanding connectivity in the existing road system and between neighboring grids, thus enabling short trips to be made without accessing Forest Drive (MD 665),
    - ▶ advance the City’s commitment to alternative forms of transportation and reduced dependence on the automobile. In determining the future use of the Forest Drive parallel service route, priority should be given to alternative forms of transportation – transit, bicycles, [and] pedestrians.”
  - “Furthermore, the City should:
    - ▶ Aggressively lobby the State and the County to begin and complete the study of the 665/Forest Drive/Chinquapin intersection within the next year; and
    - ▶ Request that the County consider the use of traffic circles in lieu of traffic signals on Forest Drive.
  - Forest Drive Opportunity Area: Network improvements are needed to tie the development into the surrounding road network, including the conceptual Forest Drive Relief/Service Route (see Policy 5). Gemini Drive should cross Forest Drive (MD 665), and a road should be constructed parallel to Forest, extending Skipper Drive, to provide redundancy and enhance connectivity. A road linkage is also recommended from the Safeway Food & Drug parking lot to the Opportunity Area such that there is a continuous side street from Chinquapin Round Road to Spa Road.”
  - Again, the relief road mentioned above appears to be off the table. *So, how will the State / County / City address the existing traffic concerns, let alone increased demand?*
2. Keep in mind that Forest Drive is a County Road and the Crystal Spring developers will have to apply to the County for a major new intersection to access Forest Drive. The Anne Arundel County General Development Plan (the equivalent of the Annapolis Comprehensive Plan for the County) predicts in the future the Forest Drive corridor will operate at a Level of Service rating equal to “F”. This represents conditions where the demand has exceeded the capacity and typically resulting in long queues and delays. *2009 General Development Plan, Figure 9-3, Page 159 – Transportation Level of Service Forecasts*. The County has concerns as many developments in addition to Crystal Spring are planned that will adversely impact traffic. In a communication from the County Public Works department to the City in 2011, it was noted that “The [Forest Drive] corridor is on the edge of capacity, and we would hope that approval of new developments wouldn’t be given if it is likely that they will force Forest Drive into over-capacity operations.” *Note from Anne Arundel County Traffic Engineering Division to Annapolis Planning and Zoning -*



August 2011. In light of these concerns, the County has asked for a traffic study to assess the impacts of the aggregate effect on traffic of the various proposed projects and the traffic improvements planned for each (e.g., new intersections, more turn lanes, additional lanes).

3. Traffic Concepts, Inc. completed a DRAFT of this study (<http://bit.ly/GRonuw>) at the request of and provided it to the City’s Director of Planning and Zoning on August 8, 2013. This DRAFT study examined the best-case future traffic conditions along Forest Drive/Bay Ridge if only the **pending** applications for new residential and commercial developments are approved. This includes six residential developments with over 950 total new residences (over ½ from Crystal Spring), and numerous new commercial space projects. The best-case scenario is not a good outcome. Traffic levels of service for most Forest Drive intersections from Chinquapin Round all the way to Arundel on the Bay to the east were assessed. These levels of service rank from A through F, with “A” being the best traffic situation with essentially no waiting, and an “F” rating constitutes failing. An “F” rating represents conditions where the traffic has exceeded road capacity, typically resulting in long queues and delays to pass through an intersection. A sample of the predictions for traffic changes due to the aggregate of planned new development is in the table below.

INTERSECTION	EXISTING PM PEAK	FUTURE PM PEAK
Forest at Chinquapin	C	F
Forest at Bywater	B	D
Forest at <b>new intersection</b> for Crystal Spring	N/A	D
<b>Forest at Spa Road</b>	<b>C</b>	<b>F</b>

The predictions from this study concern me from both a public convenience and public safety perspective. Just as important, is the question of whether there are any potential fixes to this growing traffic problem, or whether the situation will only continue to deteriorate in the future. ***There are no known fixes at this time.*** The County has no current plans to widen Forest Drive and does not even know if that is feasible. Widening Forest Drive further provides minimal benefits if the State does not also widen Aris T Allen Blvd. (RT. 665). ***There are no plans to do this.***

4. Lastly, the City has published a DRAFT traffic study (<http://bit.ly/GRonuw>) of the Crystal Spring project funded by the developers but procured by the City. Referring to the conclusions starting on page 37, the study will require the developers to complete certain traffic improvements, after which the expected traffic will be worse but acceptable on the state’s grading system. The improvements required include: an additional traffic light on Forest Drive at Crystal Spring Farm Road, an additional lane on Forest, heading southeast from Hilltop Lane to Spa Road and an additional turn lane on Spa toward Forest Drive. ***There are no required improvements on Forest Drive heading northwest toward Rt. 50.***
  - The developers argue that the seniors living at the property would not significantly add to the traffic during rush hour. Assuming that is accurate and a scientifically-

based assumption, the large commercial and non-age restricted housing *would* add to that traffic – the 1200 full-time employees, 1,000 new residents, and many new retail customers will come and go. *A reduction in the size of the commercial component and the elimination of the non-age restricted townhouses (or conversion to age-restricted townhouses) would reduce the traffic burdens and impacts.*

### **III. The Process**

The City staff is working hard to apply the best professional standards. The developers are trying to propose a project that is legally permissible, and citizens and environmental groups are raising valid concerns that must be addressed. The developers have submitted to City staff the Forest Stand Delineation (FSD) which identifies the natural features (forest stands, wetlands, streams, fragile soils, etc) which exist on the site prior to any development-related activities such as clearing. The City staff (DNEP) approved the FSD, so the developer followed the next step and submitted a preliminary Forest Conservation Plan (FCP). The City provided the developers with its review of the preliminary FCP in June 2013. The next step is for the developer to respond to that review until it has a completed and accepted FCP from DNEP, and then apply for a site plan with Planning and Zoning. DNEP posts these documents on its website: <http://bit.ly/11wpY0W>.

### **IV. Other Issues**

The City of Annapolis annexed a total of 190 acres from the property owners (the primary owner owns 180 acres and other entities own 10+ acres fronting on Forest Drive). Of the 190 acres, 111 acres are being acquired by the Developers which comprise the master planned development area. The primary property owner's 180 acres includes a horse farm, meadows, and forested acres. As part of the agreement to annex all of this property into the City, she volunteered to put a significant amount of land into an open space conservation easement.

Based on the developer's most current plan, they state that of the total 190 acres, 125-130 acres will be placed in open space and forest conservation easements required by the Forest Conservation Act. However, no details have been worked out regarding the conservation easements either regarding specific terms or even what organization will hold the easement. I'm also not clear on what building restrictions the easements will contain, for instance whether they would permit additional buildings related to the horse farm. Meanwhile, environmentalists have argued that putting non-forested land into conservation is not a substitute for destruction of forested lands.