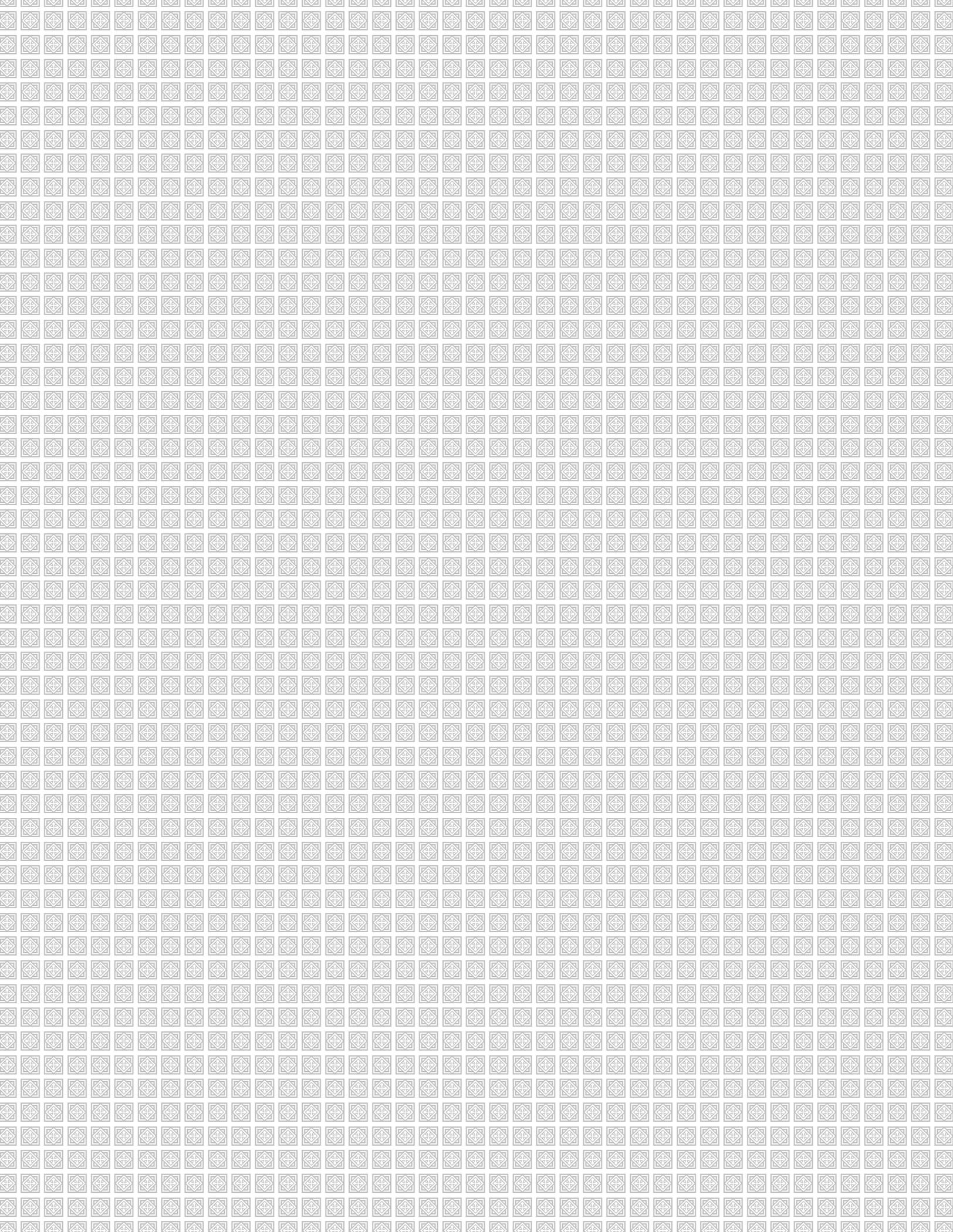
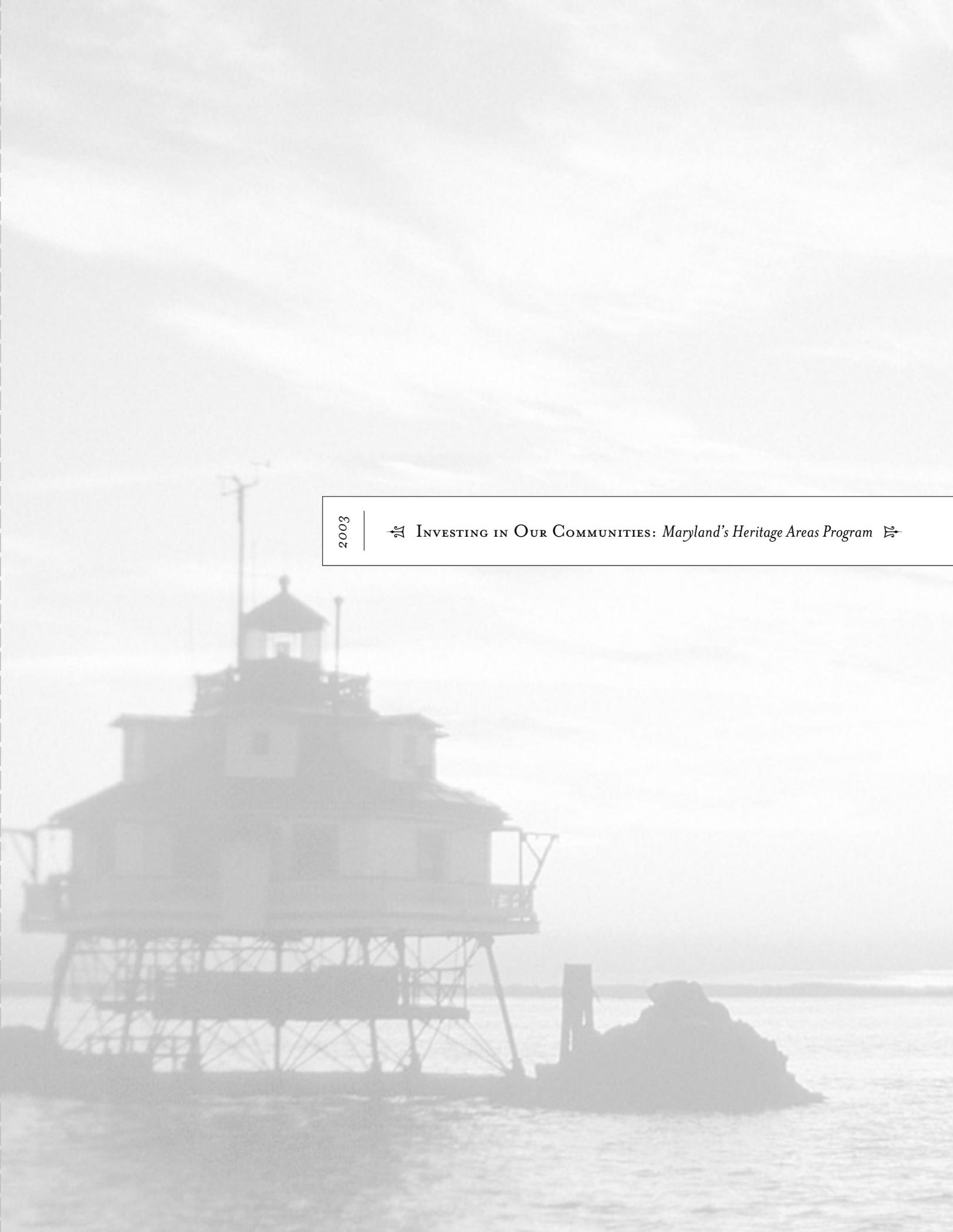




2003

INVESTING IN OUR COMMUNITIES: *Maryland's Heritage Areas Program*





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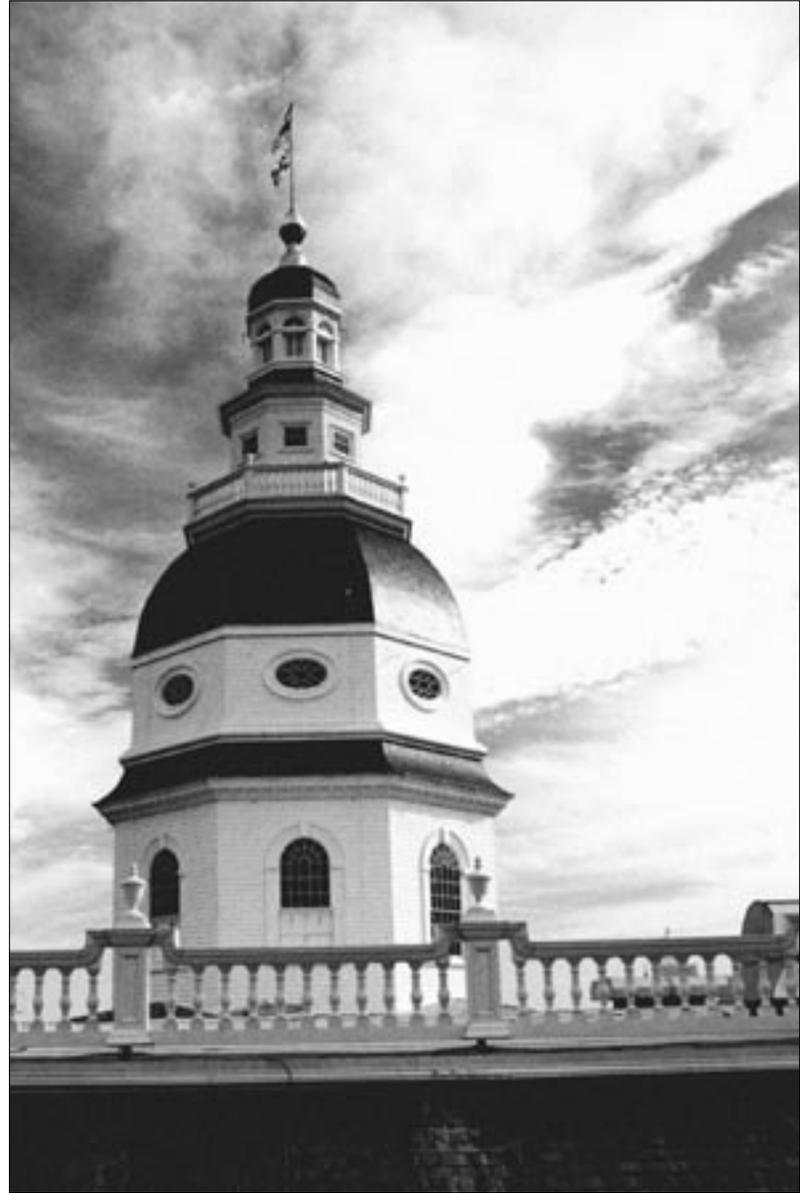
INVESTING IN OUR COMMUNITIES: *Maryland's Heritage Areas Program*

PREFACE

HERITAGE TOURISM IS GROWING NATIONWIDE, AND MARYLAND'S HERITAGE PRESERVATION AND TOURISM AREAS PROGRAM IS A NATIONAL LEADER. SINCE IT BEGAN IN 1996, THE PROGRAM HAS CERTIFIED NINE HERITAGE AREAS ACROSS THE STATE, AND THREE MORE ARE UNDERWAY.

The heritage areas program combines heritage tourism and small business development with preservation, cultural conservation, recreation, natural resource conservation, and education in an effort to revitalize Maryland's communities.

While this report — prepared for the Department of Legislative Services' 2004 legislative session — meets all of the mandated requirements, it also details Maryland's strategy for heritage preservation and tourism development. Many parties have contributed to this document, beginning with the Maryland Heritage Areas Authority staff. The lead author is Governor's Policy Fellow Rodney Harrell. Maryland Historical Trust Deputy Director Elizabeth Hughes provided program information. The Department of Housing and Community Development (DHCD) Office of Research provided economic impact analysis, and the Department of Business and Economic Development's Office of Tourism Development provided research assistance. Each of the 12 heritage areas provided crucial information and many of those involved in the heritage area effort provided comments and additional editing. The DHCD Office of Communications provided editorial and design and production services. This report, much like the heritage area effort statewide, required a focused effort and great cooperation at all levels. ■



ROBERT L. EHRLICH, JR.
*Governor
State of Maryland*

MICHAEL S. STEELE
*Lt. Governor
State of Maryland*

VICTOR L. HOSKINS
*Secretary
Department of Housing and Community Development*

SHAWN S. KARIMIAN
*Deputy Secretary
Department of Housing and Community Development*

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EXECUTIVE SUMMARY

TO MAXIMIZE SUCCESS AND FINANCIAL IMPACT, HERITAGE PRESERVATION AND TOURISM DEVELOPMENT REQUIRES A COLLABORATIVE EFFORT. ACTIONS AT THE MUNICIPAL, COUNTY AND STATE LEVELS MUST FOCUS ON COMMON GOALS UNDER A COLLECTIVE STRATEGY. THE STATE LEGISLATURE DESIGNED THE MARYLAND HERITAGE PRESERVATION AND TOURISM AREAS PROGRAM FOR THIS PURPOSE.

Public and private interests came together to form the necessary coalitions to apply for recognition and certification of Maryland heritage areas. The two-step process requires a tremendous amount of work. Each area must prove its historical significance and its need and potential to achieve economic development through heritage tourism. They must also produce a detailed management plan for developing the area. Completing this process is difficult; several heritage areas have not yet finished the procedures despite beginning their efforts years ago. Heritage areas that have completed the process received financial support for their development plans from their communities, local and county governments, and from the Maryland Heritage Areas Authority (MHAA).

When the heritage area planning process begins, local organizers do so with the understanding that the state government will support their efforts. County and municipal time, effort and funding are all

dedicated to the development of the heritage tourism initiative. Those involved are motivated by the belief that the state will provide the necessary additional leverage to complete their projects when the time comes. The volunteer effort often includes many parts of the local community, ranging from local managers of heritage sites to business owners to concerned citizens. Before certification, a consensus must be reached on the location of the tightly focused target investment zones, the only areas within each heritage area that qualify for capital grants and most other financial incentives.

To date, the MHAA has certified nine heritage areas. Three recognized areas are currently working towards certification. The MHAA has awarded nearly \$4.4 million in grants, which has leveraged about \$2.5 million from local governments, over \$2.5 million from the private sector, and more than \$600,000 in additional federal funds. In other words, the state's \$4.4 million investment

has enabled \$10.3 million for heritage area projects.

The percentage of leverage has been higher in recent years, as leveraged funds have become more important and strongly encouraged. For the seven most mature certified heritage areas, analysis of the five-year construction period is possible. A financial analysis indicates that the return on investment in these areas, as measured by the ratio of annual tax receipts from the first full year of certified heritage area operations to total grant awards, is \$4.61. In other words, every grant dollar generates a total of \$4.61 in annual, ongoing state and local tax revenues. As such, the return on investment is quite significant.

Data for this analysis were derived from TravelScope tourism statistics and information from the individual heritage area management entities. Using the Maryland Department of Housing and Community Development's Resource Allocation Model, the economic and fiscal impacts were calculated for both the five-year construction phase and the annual ongoing operations. During the construction phase, these certified heritage areas generate 328 full-time equivalent jobs and an estimated \$403,096

RETURN ON INVESTMENT FOR THE SEVEN OLDEST MARYLAND CERTIFIED HERITAGE AREAS

Heritage Areas	Total Grant Awards	Total Development Costs	Annual Full-Time Equivalent Jobs	Annual State and Local Tax Receipts	Return on Investment
Canal Place	\$ 623,500	\$ 1,384,755	96	\$ 546,885	\$ 0.88
Baltimore City	586,330	2,054,882	2,370	16,038,577	27.35
Annapolis, Lontontown, and South County	787,044	1,646,897	459	2,972,148	3.78
Anacostia Trails	451,600	1,213,526	240	1,364,453	3.02
Lower Susquehanna	725,893	1,627,083	119	668,332	0.92
Lower Eastern Shore	307,680	669,859	65	311,142	1.01
Heart of Chesapeake Country	195,893	392,286	16	87,545	0.45
Total	\$ 3,677,940	\$ 8,989,288	3,364	\$ 16,980,154	\$ 4.61

Source: DHCD Office of Research

in state and local tax receipts. During the first full year of operations (after the construction phase), the heritage area effort generates \$248 million in total economic expenditures, 3,364 full-time equivalent jobs, \$68.6 million in wages and salaries, and an estimated \$17 million in state and local taxes. Since a majority of the visitors (about 70 percent) visit sites in the Baltimore City Heritage Area, the overall economic and fiscal impacts of the seven certified heritage areas are heavily influenced by the tourism activity in Baltimore.

A financial analysis of the present value of the sum of all seven certified revenues and expenditures indicates that it takes just five and a half years for the state to recoup its grants to certified heritage areas. In other words, the sum of the estimated benefits almost pays for the sum of the estimated costs within five years. While additional heritage area grants will be awarded in the future and visitors will continue to visit these areas for years to come, this "snapshot" of the economic and fiscal impacts of Maryland's heritage areas program is representative of future impacts. Put simply, the program pays for itself.

The state's heritage areas program has remained a vital part of heritage tourism development as efforts have progressed. The program provides loans to businesses, project grants to local jurisdictions and nonprofit organizations, operating support for local heritage area management entities, and technical assistance to all of these groups. This assistance ensures that previous efforts and state financial support are used to the greatest possible extent.

It is important to note that individual projects are not envisioned or developed by the MHAA. That body approves funding requests from local governments and other



Maryland's heritage areas program not only helps to preserve the state's most important heritage resources, but also provides an important foundation for economic development in some of the state's older communities.

organizations for projects that are conceived at the local level. Without this state support, the potential for new tourism and the related economic development would disappear from some heritage areas and be severely weakened in others.

The heritage area management entities have estimated their need at \$300,000 per certified heritage area per year. Total needs are estimated at \$2.7 million to \$3.3 million per year over the next five years, while the current \$1 million per year allows operations to continue on a minimal level.

In the state's first heritage area, Canal Place, this fiscal year's visitation is predicted to more than double visitation from the first year of the heritage areas program (1997). If all of the heritage areas were to double their visitation from the most recent measurements

in 2000, there would be an additional 14.7 million heritage visitors to sites around the state, dramatically increasing the economic impact of heritage tourism. Several of the heritage areas have the opportunity for much greater amounts of development, so visitation could surpass this amount with the proper investment. This would maximize the returns from the Office of Tourism Development's continued activities promoting heritage tourism.

In hard economic times, each state funding appropriation must be viewed carefully. Maryland's heritage areas program not only helps to preserve the state's most important heritage resources, but also provides an important foundation for economic development in some of the state's older communities. ■

INTRODUCTION

MARYLAND'S
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BEGAN IN 1996, AS HOUSE
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THE SIGNIFICANCE THAT THOSE
RESOURCES HAVE ON OUR SENSE
OF PLACE AND QUALITY OF
LIFE AS MARYLAND RESIDENTS,
AND AN UNDERSTANDING OF
THE ECONOMIC DEVELOPMENT
POTENTIAL OF THESE ASSETS.

In short, the program cultivates community revitalization through a combination of heritage tourism and small business development with preservation, cultural conservation, recreation, natural resource conservation and education. Heritage areas can best be described as "heritage enterprise zones," where investment is targeted into tightly defined geographic areas to achieve economic development through heritage preservation and tourism. To date, the heritage areas program has certified nine heritage areas across the state. Three more are underway.

During the 2003 legislative session, the Department of Legislative Services called for the creation of a program review for Maryland's heritage areas program to allow for a full review of the program by the General Assembly during the 2004 legislative session. The need for the program review arose out of analysts' concerns regarding program costs, the size and number of heritage areas being created, and the relevancy of the program to the Office of Tourism Development's (OTD) initiatives. The Maryland Heritage Areas Authority, in partnership with OTD and the Maryland Historical Trust, was charged with creating this report for submission to the legislature by November 2003. Specifically, the document is required to "provide a blueprint for the future development of each certified and recognized heritage area, including one-time and ongoing state funding requirements for each designated area, an assessment of local government participation, the

planned level of private sector involvement and leveraged funds, and a statistical evaluation of the tourism that will be generated at each certified and recognized area."

This document contains the required elements of the program review mandated by the General Assembly, but goes even further, outlining the purpose, strategy and potential for the program in order to provide decision-makers with a valuable reference tool for evaluating Maryland's heritage areas program.

The body of the plan is organized into several sections. First is a discussion of the potential for economic development through heritage preservation and tourism and a description of how other states have taken advantage of this method of diversifying and enhancing their economies. The next section focuses on Maryland's heritage areas strategy, beginning with a brief history of the initial impetus for the program, an examination of the program's mission and goals, and a description of the program structure and emphasis. This element is followed by an economic impact assessment of the heritage areas program, using performance data from a detailed input-output analysis adapted for the program that will help estimate both the impact to date and the future success of the program. The next section of the plan includes a funding needs forecast for the five-year period beginning in 2003.



This narrative portion of the plan is followed by detailed profiles of each recognized and certified heritage area. These profiles provide a brief overview of each area's developmental history, organizational structure and boundaries, and measure the area's projected one-time and ongoing funding requirements, local government participation in the heritage area effort, and the planned level of private sector involvement and funding in the heritage area. Notably, only certified areas are capable of addressing anticipated funding requirements and private and public sector involvement in a detailed fashion, since this is the purpose of the management plan as a requirement of heritage area certification. Each profile concludes with a discussion of the area's successes and challenges to date. ■

Heritage areas can best be described as "heritage enterprise zones," where investment is targeted into tightly defined geographic areas to achieve economic development through heritage preservation and tourism.

ECONOMIC DEVELOPMENT

NEED FOR A HERITAGE AREAS PROGRAM

Across the nation, the recent recession has led to many problems for the state economies. Most economic indicators have shown signs of relative decline in current years. For instance, consumer spending has dropped, job creation is stagnant or declining, unemployment has been rising, and tax revenues are becoming increasingly significant, as state and local governments are more and more strapped for cash. Many reasons and justifications have been made for the economic decline, but it results in a precarious situation that can lead to unstable communities.

During periods of economic decline, the areas hit hardest are often older communities. These neighborhoods are at a comparative disadvantage due to older infrastructure and a host

and disinvestment in our older communities should be much more concerning. Its widespread and complicated nature requires forward-thinking ideas and comprehensive solutions. Without new tools to fight these problems, success and recovery of these communities is all but impossible.

Maryland's heritage areas program is one tool available to communities across the state. The program focuses on heritage tourism, and allows older communities to capitalize on one of their significant assets: a strong history and culture that developed over generations. The program creates heritage tourism growth through historic preservation by creating local, county, regional and state partnerships that strategically plan and provide resources for this kind of development. This program does far more than many heritage tourism programs that merely market heritage

the heritage areas program is part of comprehensive state and regional efforts to improve economic development by the public and private sector.

HERITAGE TOURISM'S ECONOMIC BENEFITS

Achieving economic growth through heritage tourism and preservation has been a relatively recent advancement in the field of economic development. While industries such as manufacturing and telecommunications have long been acknowledged as effective ways to enhance Maryland's economy, the activities undertaken by the heritage areas program represent two more recently recognized sources of economic development: heritage tourism and historic preservation.

The economic benefits of the entire tourism sector have long been known. According to a recent study prepared for the Office of Tourism Development (OTD), in the last year for which statistics were available, domestic travelers spent nearly \$8.5 billion in the state, payroll income generated by domestic travel spending exceeded \$2.5 billion, and these expenditures generated 105,400 jobs and \$1.8 billion in tax revenue.¹ Research has shown that the heritage traveler generally spends more money and stays longer than other types of tourists. OTD commissioned a report on heritage tourism in 2001, and found that in the previous year, heritage travelers spent \$2.3 billion in Maryland, \$1.9 billion of which came from nonresident travelers.²

Nationwide, heritage tourism has one of the strongest components of the tourism industry. Heritage tourism has been recognized as a significant segment of the tourism industry.

One of the reasons behind the heritage areas program was to use the natural advantage of Maryland's rich heritage to create more tourism "product." Tourism product development is the creation of heritage-related elements that entice people to visit. OTD and destination marketing organizations across the state can then promote this heritage product to potential visitors. While it is impossible for any program to actually "create" the historical, natural and cultural elements necessary for heritage tourism, the program takes areas where those elements currently exist and makes them "tourism-ready." Enhancing heritage sites and coordinating linkages between them and heritage areas accomplishes this. In this way, the heritage areas program creates more tourism product that in turn will increase Maryland's draw of the lucrative heritage tourism market in the future.

Historic preservation is also becoming acknowledged as an important source of economic development. In a 1997 study, Rutgers University researchers Listokin and Lahr conducted an extensive analysis of the economic impact of historic preservation activities, and found that it compared favorably to investment in industries such as electronic component production and pharmaceutical production. Most notably, they found a higher direct economic impact in historic preservation rehabilitation of single-family homes than in highway construction. This is a significant conclusion, as government investment in highway projects is often justified due to the potential impact of these projects

As the economic cycle changes, a region must be able to evolve and adapt to the new circumstances or it may otherwise face serious decline.

of other issues that are intrinsic to these areas. As the economic cycle changes, a region must be able to evolve and adapt to the new circumstances or it may otherwise face serious decline. Large corporate closings, like that of the Black & Decker plant on Maryland's Eastern Shore, can eliminate over 1,000 jobs in one visible action. Because closings of this magnitude are large and newsworthy, they may receive special assistance from the government. In contrast, the larger pattern of job loss

tourism sites to out-of-state travelers.

Experiences in other states show that this preserved and enhanced heritage is marketable to the tourism market. Responsible and well-planned development that fits the area's character helps create improved neighborhoods and towns by building community partnerships and preserving important resources. These factors help make an area more attractive to future residents and businesses. All across Maryland,

and the ability of these projects to increase economic development within a region.

In older communities, the options for meaningful economic development are often more limited than in newer areas. If left unchecked, this would cause many of our older communities to miss out on economic development opportunities. Historic rehabilitation activities allow both small and large communities to have a competitive advantage over other areas, and a proven way to increase economic development statewide. State support of historic preservation activities is well justified, not only for the intrinsic value of maintaining heritage resources, but also as a means to increase economic development.

REINVESTMENT IN COMMUNITIES:

The Benefit of Heritage Areas to Local Residents

The opportunity for reinvestment in existing communities across the state is an important part of historic preservation and tourism, even if it has only recently been acknowledged. This investment helps raise the quality of life for current and future residents and Maryland as a whole. These efforts have the rare ability to claim positive spillover effects, the “extra” benefits that are a result of program investments. Historic preservationists find economic benefits to be an unintended benefit of the important work of preserving heritage. Economic development specialists discover the preservation of heritage resources to be an unintended benefit of creating jobs in the short term, and attracting more in the long term. The ability of a well-planned program to achieve

all of these goals results in a single type of public investment that is leveraged for a variety of benefits for a wide range of state residents.

The historic preservation side of Maryland’s heritage areas program allows local citizens to augment locally funded efforts for property acquisition and development (within small, locally designated zones), and the ability to use the rehabilitation tax credits to restore certain historic buildings and other buildings important to heritage tourism. The preservation and rehabilitation of historic buildings and the opportunity for adaptive re-use of underused and derelict buildings for heritage purposes is important to the program’s goals. It not only attracts more outside dollars from heritage travelers, but it simultaneously creates better neighborhoods for those living there.

With well-planned and improved historic sites, museums and other heritage activities, residents reap the benefits of living in an improved community. Heritage areas are required to coordinate with other local revitalization planning, so neighborhoods in need of revitalization can leverage all of their available resources to maximize their potential. The heritage areas program helps to enhance both the “sense of community” and the “sense of place” in these areas by making their historical context easier to understand. The interpretation and programming grants available through the heritage areas program help educate not only visitors, but also residents. From grandparents to grandchildren alike, such initiatives create and reinvigorate pride in a community — an important element in reversing a pattern of decline.

The strengthening of older communities is also critical to



With well-planned and improved historic sites, museums and other heritage activities, residents reap the benefits of living in an improved community.

reducing the effects of sprawl, and the heritage areas program is an incentive-based program that combines local government and private sector interests to help make these communities better. Notably, the intense planning process that leads to the creation of a heritage area plan (a requirement of certification) has been invaluable as an impetus of regional cooperation. It is a difficult task to get citizens, local governments, county governments, and business and economic development interests together on an issue. These groups are brought together with historic preservationists, nonprofit organizations, and the tourism industry for a common purpose: to help Maryland’s heritage tourism sector reach its fullest potential, something that each of those groups realize is in their best interests. The state’s program provides a valuable foundation for regional cooperation, both in the present and future to advance these communities.

OTHER HERITAGE TOURISM PROGRAMS

The movement toward heritage tourism is not happening only in Maryland; in fact, other forms of heritage tourism development have been implemented across the nation and beyond. Formal heritage area programs have been realized in communities and states around the country. Many states maintain a heritage tourism program without formally designating heritage areas. These programs range considerably in the services that they provide.

Often, state tourism offices have complete management of these programs. These offices focus their efforts on promotion: promotion of heritage sites to visitors, and promotion of heritage tourism to businesses and other sites. This works best for two groups of states: those with a network of well-developed, tourism-ready sites, and those that generally benefit from the coordination of advertising and other marketing efforts.

Another group of states that benefit from heritage tourism programs are at the opposite end of the spectrum: those with a relatively small amount of heritage sites and those in the very early stages of heritage tourism development. These states need to demonstrate to their business and historic preservation communities that heritage tourism can be beneficial to all of their interests. These programs can achieve these ends through the efforts of a motivated tourism office.

Several elements are missing from many of these efforts, however: community involvement; using a variety of state, local and private sector resources; and a planned system of improving resources that focus on the regional nature of the heritage tourism. Maryland's program was developed after learning from the experiences of others and addresses each of these.

The idea of a heritage area means different things to different people. In their 1998 study, Listokin, et al, defined these efforts a "broad based collaboration to protect a regional landscape, preserve historic resources, enhance recreation, or stimulate economic development and regional strength through heritage tourism." They estimated that nearly 100 regional heritage area efforts existed across the country.³ At minimum, the designation of these areas serves as an acknowledgement of regions with a high level of historical and cultural importance. In the best programs, the heritage area serves as the basis for a broad-based program that addresses different needs that exist in a heritage area, and complements other existing programs.

Selected programs include:

- National Heritage Areas (National Park Service, U.S.

- Department of the Interior)
- New York State Heritage Area System (New York Department of Parks, Recreation and Historic Preservation, formerly known as the Urban Cultural Park System)
- Ohio Heritage Area Program (Ohio Division of Travel and Tourism)
- Pennsylvania Heritage Parks Program (Pennsylvania Department of Conservation and Natural Resources)

These programs all use a regional approach to maximize the resources and potential for success in their efforts. To a varying degree, they involve planning and promote public-private partnerships. Most provide technical assistance and many provide financial assistance to heritage tourism-related projects within their states. There are, however, several missing elements. The national program is often seen primarily as a designation. Congress creates these areas, but there are no rules on size, content, activities, and so forth within the areas. This causes the national areas to vary broadly in what kind of heritage tourism development exists therein or in the services that are provided.

Many of state programs have received criticism, too. Some state governments overly structure their programs with little community input. Some heritage areas are too large to really indicate anything to the traveler. Other programs do not leverage enough resources to make a difference.

Some states heritage tourism programs are criticized because they:

- Raise property values too much, leading to the displacement of current residents
- Hurt small businesses if they cannot afford to survive
- Lead to "overdevelopment"
- Fail to attract visitors because of a lack of a strong tourism product

- Fail because they don't have proper amenities and businesses for visitors to patronize

Maryland's program is envisioned and structured to address all of these criticisms. Most important is the extensive planning process that requires state, county and local officials to agree with the local citizens, business groups and historic preservation interests to create management plans for the heritage areas. This process takes great effort, political will and years of planning, but results in a program that is one of the nation's most respected, with the potential to become the most successful.

The second arm of the program consists of the resources, incentives and technical assistance currently available through the Maryland Heritage Areas Authority. While years of planning organized the efforts, assistance is crucial to the eventual development of heritage tourism in these areas. ■

¹ Research Department, Travel Industry Association of America. "The Economic Impact of Travel on Maryland Counties 2001." December 2002.

² D.K. Shifflet and Associates. "2000 Year-End Maryland Heritage Regional Travel Report." Prepared for Maryland Office of Tourism Development. August 2001.

³ David Listokin, Barbara Listokin, and Michael Lahr. "Housing Policy Debate." Volume 9, Issue 3, 1998.

THE PENNSYLVANIA HERITAGE PARKS PROGRAM

The Pennsylvania Heritage Parks Program is one of the more successful heritage area programs. Established in 1989, the program has designated large, multi-county areas across the state as "heritage parks," which, aside from their large size, are similar to Maryland's heritage areas. The program awards grants to local governments and designated nonprofit organizations on behalf of the park. Grants for feasibility studies, management action plans, special purpose studies, implementation projects and the funding of heritage park managers are awarded on a competitive basis. The management grants are for the administration and management of the region, and require no matching funds. Other grants require between 25 and 50 percent of the project cost to consist of cash matching funds, and between 5 and 20 percent of the grant to consist of private contributions. A 1999 study showed that "core" heritage travelers were a small portion of visitors to the state, but spent 25 percent of the leisure tourism dollars (roughly \$3 billion) spent in the state. Pennsylvania has tied many of their tourism promotions into the heritage region concept and has created one of the country's best programs, and shaped the way that visitors and potential businesses and visitors feel about the state.

PROGRAM DESCRIPTION

MARYLAND HERITAGE AREAS PROGRAM

The Maryland Heritage Preservation and Tourism Areas Program, created by legislation in 1996, uses many of the concepts contained in the establishment of the Canal Place Preservation and Development Authority. Created by the General Assembly in the 1993, the group was charged with creating and developing a historic Chesapeake and Ohio (C&O) preservation district in Cumberland to be known as "Canal Place." The group's mission, which is still being carried out today, was to serve as "a catalyst for the preservation, development and management of the lands adjacent to the C&O Canal in Cumberland, and be the advocate for preservation and development with the Canal Place Preservation District and the greater Cumberland area, for the purpose of enhancing heritage tourism in Western Maryland."

The success of this pilot heritage area project, which focused on re-watering the C&O Canal and rehabilitating the Western Maryland Railroad Station, generated interest in the creation of a statewide program that would help local governments foster economic development through heritage tourism. Elements of the Canal Place model, combined with best practices learned from the New York and Pennsylvania state heritage area programs, formed the basis for Maryland's program. Now in its seventh year of operation, the Maryland system of heritage areas continues to enjoy steady growth and accomplishment.

VISION AND MISSION

The Maryland Heritage Areas Authority (MHAA) helps communities use heritage tourism to build their economies while protecting, developing and promoting their cultural, historical and natural resources. It does this by targeting financial and technical assistance on a limited number of areas designated as "certified heritage areas."

Certified heritage areas are geographic areas in Maryland that contain high concentrations of historical, cultural and natural resources, and where motivated community partners are dedicated to the protection and development of those resources for economic development through heritage tourism. This approach to revitalization combines heritage tourism and small business development with preservation, cultural

conservation, recreation, natural resource conservation and education in a strategic effort to enhance a community's economic activity. At the same time, heritage areas focus community attention on under-appreciated aspects of history, living culture and heritage, fostering a stronger sense of pride.

STRATEGIC GOALS

Among its first and most essential activities, MHAA charted the future course for the program by developing the following program goals:

- Enhance the visitor appeal and enjoyment of the state's history, culture, natural environment and scenic beauty by enhancing the overall "product" — the visitor experience
- Increase the economic activity



Certified heritage areas are geographic areas in Maryland that contain high concentrations of historical, cultural and natural resources, and where motivated community partners are dedicated to the protection and development of those resources for economic development through heritage tourism.

associated with tourism, creating opportunities for small business development, job growth and a stronger tax base

- Encourage preservation and adaptive re-use of historic buildings, conservation of natural areas important to the state's character and environment, and the continuity and authenticity of cultural arts, heritage attractions and traditions indigenous to the region
- Enable residents and visitors alike to have greater access to and understanding of the history and traditional cultures of the state and to understand the important events that took place here
- Foster linkages among and between heritage attractions that encourage visitors to explore, linger and sample the diverse offerings of the state's distinctive regions
- Balance the impact of tourism activity with the quality of life enjoyed by residents
- Accomplish these goals via partnerships among local and regional leaders, nonprofit organizations, businesses and state agencies

AUTHORITY STRUCTURE

The body responsible for leading Maryland's heritage areas program is the Maryland Heritage Areas Authority (MHAA). Created by the program legislation, MHAA is an independent unit of state government housed in the Maryland Department of Housing and Community Development (DHCD), and chaired by DHCD Secretary Victor L. Hoskins. The 17-member body is appointed by the Governor and consists of seven state officials representing the departments of Housing and Community Development,

Transportation, Business and Economic Development, Natural Resources, Planning, the Maryland Higher Education Commission, and the Maryland Historical Trust's Office of Preservation Services. It includes one representative each from the Maryland Association of Counties and the Maryland Municipal League, one public member each from the Maryland Greenways Commission and Maryland Tourism Development Board, one public member with historic preservation experience, and one public member with heritage tourism experience. The MHAA holds business meetings on a quarterly basis and is supported by a Technical Advisory Committee consisting of representatives of each of the state departments that serve on the authority, and the departments of Agriculture and General Services.

The interagency collaboration that has resulted from this structure has been worthwhile. In the same way that the heritage areas program compels diverse stakeholders to cooperate at the local level, MHAA's interagency structure has encouraged state agencies to work together to pool funding resources and share staff expertise. Perhaps most rewarding has been the prominent role that has played in shaping Maryland's heritage areas program.

Notably, the director of the Office of Tourism Development (OTD) serves on the MHAA Technical Advisory Committee and represents the secretary of the Department of Business and Economic Development on the MHAA. Tourism provides regular and invaluable guidance to ensure that Maryland's heritage areas program complements, rather than duplicates, statewide tourism development initiatives. In 2003 alone, OTD developed a Maryland heritage areas logo and statewide heritage areas brochure as the first step towards

establishing a statewide heritage areas "brand."

Certainly, the mission of the OTD "to develop, package and market the resources of Maryland to a buying tourist audience for specific revenue benefits to be derived by the state" is closely aligned with the overall goals of the state's heritage areas program. Regional heritage tourism product development initiatives led by OTD's development unit, such as the Historic National Road and Civil War Trails projects, enhance high-demand, close-to-market-ready products. OTD completes the process by providing professional-quality collateral materials and significant market exposure to bring the greatest return on investment in the shortest amount of time. Yet, OTD is limited in its ability to provide assistance for locally driven, long-term heritage tourism product development initiatives. The heritage areas program fills this gap by building local capacity and a local heritage tourism product that OTD and its partner destination marketing organizations then, in turn, may market to the heritage traveler.

PROGRAM STRUCTURE

Maryland's heritage areas program involves a two-stage competitive process. First, communities prepare an application to become "recognized." This application can be developed from existing information and generally outlines what is unique about the area's history or resources and addresses what the goals and objectives of creating a heritage area might be. Further, the recognition application must include a map identifying preliminary boundaries for the area and must be accompanied by letters of support submitted by all those local jurisdictions

included within the proposed boundaries of the area.

Once recognized by the MHAA, the area is eligible for a matching grant to prepare a management plan. The purpose of the management plan is to provide a strategic action blueprint for the future of the heritage area. Broadly speaking, it should outline the economic development goals and strategies for the area, the interpretive strategy for the place, anticipated rehabilitation and conservation projects, and the necessary partnerships and dollars required to achieve local goals. Currently there are two recognized heritage areas actively working to complete a heritage area management plan. These are the Caroline, Kent, Queen Anne, and Talbot County Heritage Area on the Eastern Shore and the Civil War Heritage Area, a partnership between Carroll, Frederick and Washington counties.

The heritage area management planning process is complex and time consuming. Most plans average one to two years to complete, due in part to the amount of public outreach necessary to enable key stakeholders to reach consensus on what role they will play in the development and implementation of the heritage area and to determine how and where to focus public investment within heritage area "target investment zones." These zones are subsets of the certified heritage area boundary and constitute specific priority areas into which the community is attempting to attract significant capital investment. The target investment zones must overlap to the optimal extent with other local, state and federal revitalization designations and local governments and private interests must be prepared to commit resources to economic development within the zones. MHAA funds for capital projects are restricted to these areas and

are available only for five years following designation of a target investment zone.

Once county and municipal governments approve an area's management plan, the MHAA holds a public hearing. After the hearing, MHAA votes on whether or not to "certify" the heritage area. No funds are released to a heritage area until all local governments within the area's boundaries amend their comprehensive land use plans to incorporate the heritage area management plan. This program requirement formalizes local governments' long-term commitment to the heritage area.

There are now nine certified heritage areas in Maryland:

- Anacostia Trails Heritage Area in Prince George's County
- Annapolis, Londontown, and South County Heritage Area in Anne Arundel County
- Baltimore City Heritage Area
- Canal Place Heritage Area in Allegany County
- Heart of Chesapeake Country Heritage Area in Dorchester County
- Lower Eastern Shore Heritage Area in Somerset County
- Lower Susquehanna Heritage Greenway in Harford and Cecil counties
- Montgomery County Heritage Area
- Southern Maryland Heritage Area in Calvert, Charles and St. Mary's counties

Maryland's heritage areas vary considerably in size, governance, and thematic focus and in the maturity of the local tourism industry where they exist.

Heritage areas may be as small as a portion of a municipality — such as the original boundary of the Canal Place Heritage Area in downtown Cumberland — or encompass a network of nodes and corridors in an area as large as the three-county Lower Eastern Shore Heritage Area. Some heritage areas are led by nonprofit management entities, such as

<p>Lower Susquehanna Heritage Greenway, while others are based in local government, such as the Baltimore City Heritage Area, which is part of the Mayor’s office. Significantly, Maryland’s heritage areas program defers to local communities to determine what structure will best satisfy local needs, while at the same time meeting the program’s overall tourism development and preservation goals.</p>	<p>preservation and restoration projects are available for projects located within target investment zones only during the first five years following activation of a target investment zone. Local governments and nonprofit organizations are eligible grant applicants. Private individuals and for-profit corporations may seek assistance for these activities in the form of low-interest loans.</p> <p>Besides low-interest loans, rehabilitation tax credits are available to private individuals and for-profit corporations seeking assistance for capital projects located in heritage area target investment zones. Both National Register eligible properties and non-historic structures certified by MHAA as contributing to the significance of the heritage area are eligible for tax credits. Non-historic structures must meet specific heritage tourism use, physical improvement, and other standards in order to be found eligible. Though used only sparingly to date (twice), this element of the rehabilitation tax credit program has shown great promise in supporting the redevelopment of underutilized and eyesore properties located within certified heritage areas.</p> <p>Besides the award of grants and loans and the approval of tax credits, MHAA may issue revenue bonds to support income-producing capital projects initiated by local governments and nonprofits within target investment zones. Unlike state General Obligation (GO) bonds, which are backed by the full faith and credit of the state, any bonds issued by MHAA are limited obligations of the authority, meaning that they are payable solely from receipts or other property of the authority. Practically speaking, MHAA will require facilities financed with the proceeds of revenue bonds to produce a revenue stream sufficient to support the debt service on the bonds.</p>	<p>The MHAA may not issue “tax-exempt private activity bonds” that are subject to the Maryland state volume cap. Generally, this means that the proceeds of such bonds may not be used to finance a private loan or a facility that supports a private business (other than an eligible 501(c)(3). Though IRS rules on tax-exempt private activity bonds are constantly changing, as of July 2001, the types of projects that may be funded from the proceeds of the sale of revenue bonds include any project owned by a local government or a 501(c)(3) that will produce a revenue stream sufficient to support the debt service on the bonds. The construction of marinas and parking garages are examples of projects that may be eligible for bond financing. The MHAA may also issue taxable bonds. While the MHAA may have an aggregate outstanding and unpaid principal bond balance of up to \$15 million, bond issues of less than \$10 million are less likely to be financially feasible due to the high cost of issuance fees. To date, MHAA has not issued any revenue bonds.</p> <p>Financial support is not the only benefit afforded to certified heritage areas. The heritage areas statute also calls for state agencies to prepare program statements. These statements must detail agency actions that provide support for compatible planning, development, use, regulation and other activities within certified heritage areas. They must also address: 1) what departmental planning actions and development actions will be undertaken to support and assist the area, 2) how the department will assure that actions that impact the use of heritage area resources will support and assist the area, 3) what forms of assistance the department will provide to the area and, and 4) what regulatory actions the department will undertake to support and assist the area. In practice, state agency</p>	<p>representatives that serve on the Technical Advisory Committee are already providing preferential treatment to heritage areas in terms of funding decisions and are taking certified heritage areas into account when undertaking planning and development actions. However, these state agency program statements still need to be formalized.</p> <p>Finally, the heritage areas statute provides a role for the heritage area management entity and MHAA when units of state government conduct or support activities affecting a certified heritage area. Specifically, the statute states that state government units that conduct or support activities affecting heritage resources in a certified heritage area shall consult, cooperate and coordinate their activities with the heritage area management entity, carry out the activities in a manner consistent with the heritage area management plan, and assure that the activities will not have an adverse effect on the historic and cultural resources of the certified heritage area, unless there is no prudent and feasible alternative. Though this provision has never been tested, it provides heritage areas with a powerful tool that can help them to further the heritage tourism and preservation goals outlined in their management plan. ☐</p>
<p>PROGRAM BENEFITS</p>			
<p>Once a heritage area is certified, MHAA provides operating assistance in the form of a matching grant to the heritage area management entity for the first five years following certification. These funds can pay for staffing and contractual services associated with implementation of the heritage area management plan. Furthermore, matching grants for planning, interpretation, design and seed money for new programming are available to local governments and nonprofit organizations located anywhere within the heritage area.</p> <p>While the heritage areas program is primarily about the development of a new tourism product, the program funds some marketing activities. Marketing grants, while not available to individual sites, are available to the heritage area management entity provided that the heritage area submits an application in concert with its local Destination Marketing Organizations (DMO) and that the heritage area and DMOs submit basic heritage area marketing plan. Eligible activities include advertising placement, participation in consumer and travel trade shows, the production of printed materials (brochures, exhibits, videos), and Web development.</p> <p>Matching grants for acquisition, development,</p>			

STRATEGIC GOALS

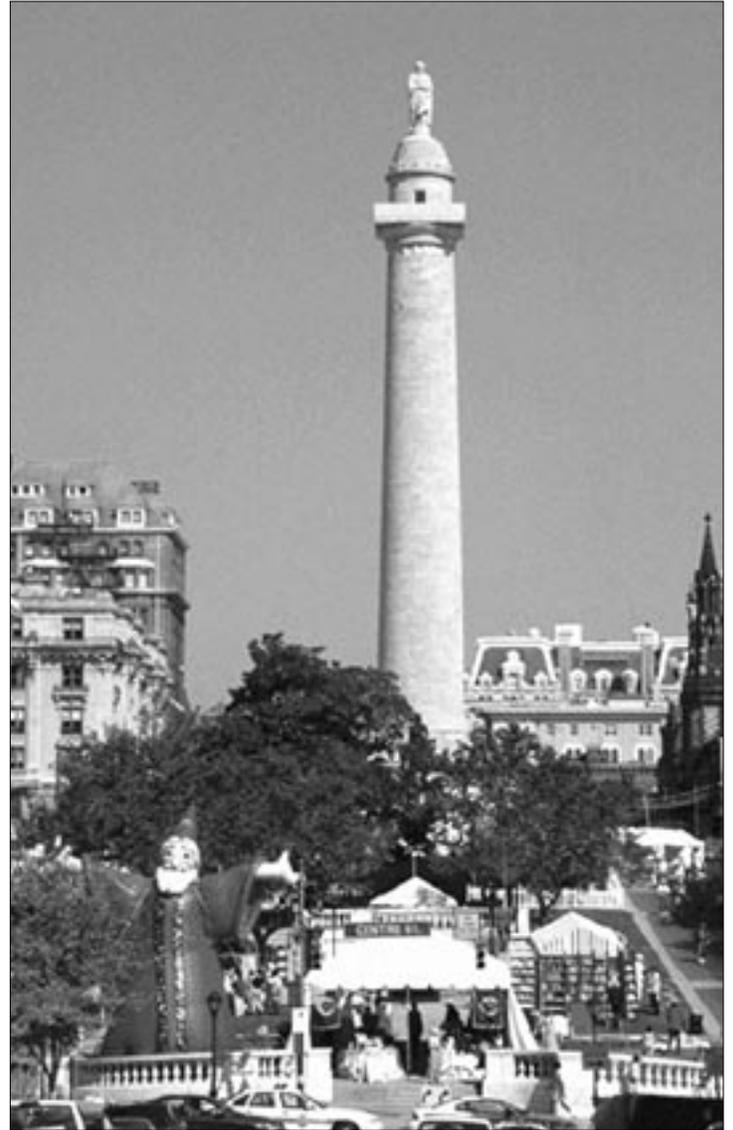
THE HERITAGE AREAS PROGRAM BEGAN WITH SEVERAL OBJECTIVES TO INCREASE THE STATE'S ROLE IN HERITAGE TOURISM AND PRESERVATION DEVELOPMENT. A PRIORITY AIM WAS PRODUCT DEVELOPMENT TO ENHANCE VISITOR APPEAL, FOSTER LINKAGES BETWEEN ATTRACTIONS, AND ENABLE RESIDENTS AND VISITORS TO HAVE BETTER ACCESS TO, AND UNDERSTANDING OF, HERITAGE RESOURCES.

Economic development goals sought to increase economic activity and balance increased tourism with quality of life. A preservation goal encouraged preservation and adaptive re-use of historic buildings, conservation of natural resources, and the continuity and authenticity of indigenous cultural arts, attractions and traditions. Finally, a partnership goal encouraged cooperation and support between the private sector and local, county, regional and state levels of government.

The phases of heritage tourism development are:

1. *Planning:* Completing the planning process, which ends in certification
2. *Short-term economic development:* Project grants and funding of management entities. The heritage "product" is developed to make it ready for tourism
3. *Promotion:* Begins when a marketing campaign is established and operating, after start-up activities are complete
4. *Long-term economic development:* The point at which most of the economic development occurs, after capital projects are complete and marketing is underway

These phases overlap, and can last for different lengths of time depending on the area. General planning comes first, and then promotion and economic development all happen in the same general time frame. Measurements are kept on certified heritage areas that are in each particular phase and are based on the following data sources: management entity annual reports, data maintained



A preservation goal encouraged preservation and adaptive re-use of historic buildings, conservation of natural resources, and the continuity and authenticity of indigenous cultural arts, attractions and traditions.

at the Maryland Historical Trust, and economic analysis of project impacts using the Resource Allocation Model developed for use with the heritage areas program.

Extensive analysis of heritage areas by zip code, an independent evaluation of heritage tourism product, and surveys of visitors, businesses and local residents could possibly be undertaken at some later date, given proper funding and desire for further analysis. At present, they would be prohibitively expensive,

and it would be premature to collect them at this point in the program's development. Each of these methods can provide valuable information when the state's heritage tourism product is fully developed, and the program's expenditures grow to the point to where they justify such analysis.

PHASES

This subsection outlines the phases and their associated goals, and notes possible outcome indicators for future collection. After the heritage area's plan is developed, the designated management entity can implement only so much of the plan at one time. Many elements of any heritage area's plan are prerequisite to other elements. As a result, a healthy heritage area requires the completion of successive phases before all goals can be addressed.

Planning Phase Goals

- To balance the impact of tourism activity with the quality of life enjoyed by residents
- To accomplish these goals via partnerships among local and regional leaders, nonprofit organizations, businesses and state agencies
- To enable Marylanders and visitors alike to have greater access to, and understanding of, the history and traditional cultures of the state, and to understand the important events that took place here

The planning phase begins when local officials conceive a heritage area with significant historical, cultural or natural resources. To measure success of planning is not a direct measurement of the state program's success, as it depends upon the successful ability of local citizens and officials to apply for funds and complete a management plan.

The state does give support during this phase, and gives matching grants for the creation of a plan once an area is recognized. It also includes program initiatives that can be achieved during the other phases — all of the goals that the program can be expected to make progress on as soon as a heritage area is established.

Funding support comes from a variety of sources, including local and federal government and the private sector. Statewide, the \$4.4 million in grants approved by the Maryland Heritage Areas Authority (MHAA) has leveraged \$5.9 million from other non-state sources, for 72 projects at a total cost of \$10.3 million.

Measures for this phase also include the number of management plans approved and related statistics regarding plan development. To date, nine heritage areas have completed a plan and become eligible for financial incentives. Three more are in various stages of the planning process. Other measures regarding the number of structures on historic registers and other lists, protected open space, and community support are also collected.

Short-Term Economic Development Phase Goals

- To encourage preservation and adaptive re-use of historic buildings, conservation of natural areas important to the state's character and environment, and the continuity and authenticity of cultural arts, heritage attractions and traditions indigenous to the region
- To enhance the visitor appeal and enjoyment of the state's history, culture, natural environment and scenic

beauty by enhancing the overall "product"—the visitor experience

The product development phase begins when an area is a certified. At that point, a management plan is in place, and MHAA funding is available to match local investment in heritage tourism-related development projects. This is the base upon which the further success of the program rests. Management entities in certified heritage areas apply for operating support during this phase, and MHAA funding that they receive to implement their management plans. Local support for initiatives can be measured, in part, by the non-state leverage that all MHAA grants are required to have and also by other major projects underway.

Measures may include the number of improved exhibits and attractions in each heritage area, as well as the number of grants and projects that have been undertaken in the heritage area after completion of their plan.

Promotion Phase Goal

- To foster links between heritage attractions that encourage visitors to explore, linger and sample the diverse offerings of the state's distinctive regions
- This phase begins in earnest once a marketing campaign is

established and operating, after start-up activities are complete. Individual heritage areas and the statewide program may begin some marketing efforts early on, in order to build awareness as product is developed. Significant success at drawing visitors can be expected only after product development is largely complete, however.

Specific measures of the impact of marketing have not been determined, as significant marketing of heritage areas has not begun. Collection of these or other relevant measures would require the retention of outside consultants or additional staff to collect measures specific to heritage areas, and perform surveys necessary to collect much of this data. Further, while marketing activities are important, the heritage areas program does not directly market the heritage areas. Visitation data was collected by the heritage areas and used in the economic analysis for the program, and is one measure of success.

Tourism data usually takes at least a year to process, and heritage areas are certified at different times. Most of the current certified heritage areas, however, have collected visitation data for 2000, allowing use of that year as a baseline for future development. This data includes all visitors to all sites, and relies on the individual sites to develop

CERTIFIED HERITAGE AREA VISITATION

Anacostia Trails (2001)	1,742,767
Annapolis, Loundontown, and South County	372,381
Baltimore City	9,142,000
Canal Place	110,674
Heart of Chesapeake Country (2002)	109,068
Lower Eastern Shore	978,035
Lower Susquehanna	707,661
Montgomery County	160,900
Southern Maryland	1,371,515
Total	14,695,001

Note: Data from 2000 unless noted otherwise

CANAL PLACE HERITAGE AREA VISITATION

Fiscal year	Visitation
1997	79,514
1998	81,742
1999	88,547
2000	106,124
2001	113,515
2002	131,331
2003*	147,000
2004*	164,500

Notes: Data from 2003 and 2004 are estimates by management entity. All other years reflect actual visitation.

accurate visitor counts and estimates.

One heritage area has been in existence long enough to accurately measure the development of heritage area visitation effort. Canal Place Heritage Area's first year of certification was in 1997, and the first MHAA grant was awarded in 1998. Visitation is predicted to double pre-MHAA levels by the end of the current fiscal year.

Long-Term Economic Development Phase Goal

- To increase the economic activity associated with tourism, creating opportunities for small business development, job growth and a stronger tax base

The economic development phase is next, and it may overlap considerably with the promotion phase. Development is based on increased spending from new visitors to the heritage areas. In the long term, this spending should spur new economic development, primarily in target investment zones. In some cases, the rest of the heritage area will also see increased economic activity.

This phase cannot begin in earnest until the building phase ends and the non-capital and capital projects are completed. The program regulations build in a five-year window for target investment zones to receive capital grants, at which time it would be logical to expect the greater economic development to begin.¹ The economic impact analysis is explained in detail elsewhere in this document.



Achieving substantial economic activity from heritage tourism requires product development and marketing and the creation of awareness within the public and business community of the program incentives.

REACHING GOALS

The program has many initiatives and requirements in place to achieve these goals, most of which take place through the individual heritage areas and are coordinated by the heritage area management entities. However, as the program operations are largely decentralized, and the objectives of the program are varied, every strategic goal cannot be reached at the outset of the program. Some require other steps to be substantially undertaken before they can be achieved. The most prominent example of this is the economic development goal that directs the program to increase economic activity from tourism: Achieving substantial economic activity from heritage tourism requires product development and

marketing and the creation of awareness within the public and business community of the program incentives.

Some activity will occur whether or not the program supports it, and some improvement may happen even if one or more of these activities are abbreviated or omitted. To maximize success, however, all steps must be undertaken. Performance measurement must be adapted to reflect this fact. Potential measures for the program are currently being evaluated and refined to produce a system of measurement that accurately reflects the ability of the program to achieve its varied goals in each relevant phase. The individual heritage area profiles in this document detail other ways the areas have worked to achieve these goals. ■

¹ The five year window for capital project funding in a target investment zone can be extended in some cases by the MHAA.

ECONOMIC AND FISCAL IMPACT OF HERITAGE AREAS

THE DHCD OFFICE OF RESEARCH HAS RECENTLY CONCLUDED THE FIRST ECONOMIC AND FISCAL ANALYSIS OF MARYLAND'S HERITAGE PRESERVATION AND TOURISM AREAS PROGRAM.¹ THE INFORMATION IN THIS SECTION HAS BEEN ADAPTED FROM THAT REPORT.

This study estimates the economic and fiscal impacts of certified heritage areas in Maryland using DHCD's Resource Allocation Model (RAM-DHCD). The model provides an objective framework within which the department can allocate its financial resources among competing projects. RAM-DHCD incorporates a cost-benefit analysis that estimates economic and fiscal impacts, public costs and the return on investment from state-funded projects. The economic impact multipliers in RAM-DHCD are based on the nationally recognized IMPLAN input-output model of the Minnesota IMPLAN Group.

RAM-DHCD estimates various Maryland-specific direct and secondary economic and fiscal impacts, such as gross expenditures, employee wages and salaries, employment (full-time equivalent jobs), state retail sales tax revenues, state personal income tax receipts, local personal income surtaxes, local real property tax receipts, and local admissions and hotel occupancy taxes. These impacts are estimated both for the construction phase (which occurs once) and the annual operations phase (which typically is ongoing). The sum of the direct and secondary impacts for each phase equals the total estimated economic and fiscal impact for a given certified heritage area.

Beginning in 1996 with the certification of the Canal Place Heritage Area in Allegany County, the Maryland Heritage Areas Authority (MHAA) has certified nine heritage areas.

Because MHAA awarded only grant funds for management plan preparation, there are insufficient data to undertake an impact analysis for the three recognized heritage areas and for two certified heritage areas (Montgomery and Southern Maryland). For the other seven certified heritage areas, the data are sufficient to analyze each area's economic and fiscal impacts, as shown in Table 1 on page 17.

CONSTRUCTION AND OPERATIONS DATA

To date, each of the certified heritage areas has been awarded various MHAA grants. Each certified heritage area has a five-year construction phase that begins with a grant for development activities. Of the seven heritage areas in the analysis, the construction phase for Canal Place (2000-2005) is the oldest, while those for the Heart of the Chesapeake and the Lower Eastern Shore heritage areas (2003-2008) are the youngest. Because none of the seven construction phases has ended, the development costs for consultants, operations, and

building and road renovations, as shown in Table 1, understate the eventual total development costs.

Revenue for each of the certified heritage areas is derived from heritage tourism activity. Tourism data in this study for the year 2000 are derived from two sources, the Travel Industry Association of America (TIA) and the respective heritage area management entities. The TIA tracks tourism throughout the United States and publishes the results in TravelScope. TIA data are derived from an annual national survey of 300,000 households. The respondent households' travel behavior is considered to be representative of all U.S. households' travel behavior. The survey reports detailed information for all travel 50 miles or more away from home and overnight stays by all members of the household. TIA measures "travelers" and not "tourists." They make this distinction because the data are to be used in an economic impact analysis and the purpose of such analysis (based on an input-output model) is to capture the economic gain derived from outside of a community (such as a heritage area). Some of the heritage areas (specifically, Montgomery County and Anacostia Trails in Prince George's County) have a strategy that focuses on attracting residents from the local region and from outside of the area. These areas realize the opportunity to use the expendable income of local

All of the certified heritage areas attempt to increase the quality of life for local residents, and the positive spillover effects of improving local heritage should help improve each community.

residents to help their economic development. All of the certified heritage areas attempt to increase the quality of life for local residents, and the positive spillover effects of improving local heritage should help improve each community.

The TIA survey also has a larger margin of error when measuring sites with relatively low numbers of visitors. Many Maryland heritage sites are small, especially those in rural counties, and, as such, may be underrepresented in a nationwide survey of heritage travelers. Although the TIA provides no conceptual definition of a "heritage

traveler," it does employ an operational definition (visitors that participate in cultural, arts, historic or heritage activities). The TIA data used in this analysis includes visitors from the following categories: historic sites and museums and those that participated in cultural events or festivals.

The National Trust for Historic Preservation defines cultural heritage as "traveling to experience the places and activities that authentically represent the stories and people of the past and present." Cultural heritage tourism includes historic, cultural and natural resources. As a consequence,

each certified heritage area has developed its own definition of a "heritage visitor." In other words, each area has identified the type of visitors they want to attract and the specific sites they want to promote. For example, among other sites, the Baltimore City Heritage Area survey includes visitors to the Great Blacks in Wax Museum, Fort McHenry and Baltimore & Ohio Railroad Museum, as well as visitors to the National Aquarium, Lexington Market and Baltimore Zoo.

The heritage area's tourism data are derived from local surveys of visitors to sites in their respective heritage areas. This includes all visitors to any

of the heritage sites identified in their management plans. As a result, the travel data includes local residents and long-distance travelers, and measure similar, yet different groups than those included in the TravelScope survey. Certified heritage area data include visitors to locally designated "heritage" sites that may not be included in the TravelScope data, and need only meet the definition of heritage sites that is established by their local management plans. Both the TIA and certified heritage area tourism data are shown in Table I.

TABLE I
HERITAGE AREA DEVELOPMENT COST AND TOURISM DATA

GRANT AND DEVELOPMENT COSTS

Selected Certified Heritage Areas	Grant Amount	Total Development Cost	Development Costs Consultants	Development Costs Operations	Development Costs Buildings	Development Costs Roads
Canal Place	\$ 623,500	\$ 1,384,755	\$ 174,000	\$ 425,533	\$ 151,004	\$ 634,218
Baltimore City	586,330	2,054,882	225,440	1,329,578	499,864	0
Annapolis, Lontontown, and South County	787,044	1,646,897	177,040	1,042,721	426,933	0
Anacostia Trails	451,600	1,213,526	232,115	981,411	0	0
Lower Susquehanna	725,893	1,627,083	459,710	812,373	255,000	100,000
Lower Eastern Shore	307,680	669,859	221,780	399,079	36,000	13,000
Heart of Chesapeake Country	195,893	392,286	130,000	174,786	25,000	62,500
Subtotal	\$ 3,677,940	\$ 8,989,288	\$ 1,620,085	\$ 5,165,481	\$ 1,393,801	\$ 809,718
Other Heritage Areas						
Patapsco Heritage Greenway	\$ 80,000	\$ 160,000	\$ 41,500	\$ 118,500	\$ 0	\$ 0
Montgomery County (certified)	100,000	200,000	190,000	10,000	0	0
Southern Maryland (certified)	69,236	148,000	109,615	38,385	0	0
Caroline, Kent, Queen Anne, and Talbot	242,785	485,904	60,400	425,504	0	0
Civil War	83,000	166,000	150,000	16,000	0	0
Subtotal	\$ 575,021	\$ 1,159,904	\$ 551,515	\$ 608,389	\$ 0	\$ 0

TOURISM DATA: NON-RESIDENT TRAVEL

Selected Certified Heritage Areas	TravelScope		Heritage Areas		Heritage Areas/TravelScope Difference	
	Daytrips	Overnights	Daytrips	Overnights	Daytrips	Overnights
Canal Place	13,369	51,530	11,513	44,377	-1,856	-7,153
Baltimore City	348,173	1,271,258	1,849,564	6,753,058	1,501,391	5,481,800
Annapolis, Lontontown, and South County	80,483	242,743	80,483	242,743	0	0
Anacostia Trails	39,280	127,869	372,691	1,213,227	333,411	1,085,358
Lower Susquehanna	23,454	61,988	172,497	455,906	149,043	393,918
Lower Eastern Shore	9,727	34,628	149,303	531,409	139,576	496,781
Heart of Chesapeake Country	3,048	8,158	16,346	43,750	13,298	35,592
Total	517,534	1,798,174	2,652,397	9,284,470	2,134,863	7,486,296

Source: DHCD Office of Research

Notes: Grant awards include all those made between calendar year 2000 and 2003. Alternative tourism data for calendar year 2000 are derived from the Travel Industry of America's TravelScope and from heritage areas surveys. Tourism data for multicounty heritage areas are calculated as simple average values for the relevant counties.

ECONOMIC AND FISCAL IMPACTS

In general, MHAA grants result in both direct and indirect increases in expenditures or purchases, employment, wages and taxes as the number of visitors to the certified heritage area increases as the grants and other leveraged funds are spent and re-spent. For instance, this cycle of economic activity begins when heritage visitors purchase a wide range of goods and services — the direct economic impact. Using the money from these sales, hotels, restaurants, souvenir stores, taxis and other travel-related businesses purchase goods and services from their suppliers and pay wages to their employees. These suppliers, in turn, purchase goods and services from their own suppliers, and

so forth—the indirect economic impact. During this process, all suppliers pay wages and other income to their employees. The households of these employees use this income to buy other goods and services — the induced economic impact — and may become tourists themselves, beginning the cycle again. At all stages of this process, the visitors and employees also pay the relevant state and local taxes — the fiscal impact.

This analysis measures the economic and fiscal impacts from both the construction phase and the operations phase (such as tourism activities) for seven certified heritage areas, as derived from DHCD’s Resource Allocation Model. As depicted in Table 2, the economic and fiscal impacts resulting from the construction phase are minor

In general, MHAA grants result in both direct and indirect increases in expenditures or purchases, employment, wages and taxes as the number of visitors to the certified heritage area increases as the grants and other leveraged funds are spent and re-spent.

compared with the operations phase. Moreover, regardless of which tourism data are used to generate the annual operations impact, the impact for the construction phase remains the same. Specifically, \$16.3 million worth of expenditures are generated. An estimated 328 jobs are created, paying \$6.4 million in wages. Finally, \$403,096 in state and local tax revenue is generated during the construction phase.

Conversely, the economic and fiscal impacts generated during the operations phase,

also depicted in Table 2, vary significantly depending upon which of the tourism data are employed. For example, using the more conservative TravelScope data, \$248.1 million in total economic expenditures (the sum of the direct and indirect expenditures) are generated during the first full year of the certified heritage area operations. Using the more expansive heritage areas tourism data, \$1.3 billion in total economic expenditures are generated. Comparatively, 3,364 full-time equivalent jobs, earning \$68.6 million in wages are created (using the TravelScope data), while 17,242 full-time equivalent jobs, with employees earning \$351.4 million in wages are created (using the heritage areas data). Roughly \$17.0 million in state and local taxes also are generated (with the TravelScope data), and \$86.2 million in state and local taxes are generated (with the heritage areas data).

Since a majority of the travelers (about 70 percent) visit the Baltimore City Heritage Area, the total economic and fiscal impacts of the seven certified heritage areas are heavily related to activity in Baltimore. For example, as illustrated in the impact analysis table for the Baltimore City Heritage Area (using the more conservative TravelScope tourism data), \$174.9 million (roughly 70.5 percent) of the \$248.1 million in total economic impact that is generated during the annual operations phase is derived from visitors to the Baltimore City Heritage Area. Similarly, 2,370 (or 70.5 percent) of the 3,364 full-time tourism-related jobs are located

TABLE 2

ECONOMIC AND FISCAL IMPACT FOR SELECTED MARYLAND HERITAGE AREAS

ECONOMIC IMPACT ANALYSIS

Impact	Construction Period		Annual Operations (With TravelScope Data)		Annual Operations (With Heritage Areas Data)	
	Direct Impact	Total Impact	Direct Impact	Total Impact	Direct Impact	Total Impact
Expenditures (\$ millions)	\$ 9	\$ 16	\$ 154	\$ 248	\$ 788	\$ 1,271
Wages and Salaries (\$ millions)	4	6	43	69	221	351
Employment (FTE jobs)	254	328	2,398	3,364	12,290	17,242
State Taxes (\$ thousands)	165	284	9,488	10,712	48,611	54,881
Retail Sales	68	101	8,462	8,844	43,361	45,319
Personal Income Tax	98	183	1,024	1,866	5,249	9,561
Real Property Taxes	NA	NA	2	2	2	2
Local Taxes (\$ thousands)	67	119	5,738	6,269	28,580	31,297
Personal Income Surtax	67	119	709	1,239	3,684	6,401
Real Property	NA	NA	21	21	21	21
Other Taxes	NA	NA	5,009	5,009	24,875	24,875
Total State and Local Taxes (\$ thousands)	\$232	\$ 403	\$ 15,227	\$ 16,980	\$ 77,191	\$ 86,178

PRESENT VALUE OF REVENUES AND EXPENDITURES

Present Value of Additional State Revenues (\$ millions)	\$17	\$85
Present Value of Additional State Expenditures (\$ millions)	\$4	\$4
Net Present Value of Additional State Tax Receipts (\$ millions)	\$13	\$81
Discount Term (average)	5	5
Discount Rate (average)	2.60%	2.60%
Number of Years to Break Even	5.47	4.46

Notes: The analysis summarizes the economic and fiscal impact for seven certified heritage areas: Anacostia Trails; Baltimore City; Annapolis, Londontown, and South County; Canal Place; Heart of Chesapeake Country; Lower Eastern Shore; and Lower Susquehanna. Statistics are expressed in 2003 dollars. FTE denotes full-time equivalent jobs. Expenditures category encompasses all expenses, including operations, payroll and benefits.

in Baltimore City, as are almost all (94 percent) of the state and local taxes generated. If the tourism numbers derived from the respective certified heritage area surveys were used to calculate the economic and fiscal impacts, the impact of the Baltimore City Heritage Area on the total is even greater.

Additionally, a financial analysis of the present value of the sum of all seven certified heritage area's revenues and expenditures (with a discount term of five years and a discount rate of 2.6 percent) indicates that it takes only five and a half years for the development activities based on the TravelScope data to break-even verses four and a half years for those based on the heritage areas data. In other words, the estimated benefits of both alternatives almost pay for the estimated costs of the seven heritage areas within five years. All of these benefits result directly and indirectly from \$3.7 million in MHAA grants and millions of non-resident travelers. While additional MHAA grants will be awarded in the future and travelers will continue to visit these areas, this analysis of the economic and fiscal impacts of the MHAA program is representative of future impacts.

RETURN ON INVESTMENT

To date the sum of the grant awards to the seven certified heritage areas totals \$3.7 million. The return on this investment, as measured by the ratio of annual state tax receipts from the first full year of operations to total grant awards, is 4.61. This return on investment is derived from DHCD's Resource Allocation Model and shown in Table 3. This calculated return on investment is based on the more conservative TravelScope tourism

RETURN ON INVESTMENT FOR THE SEVEN OLDEST MARYLAND CERTIFIED HERITAGE AREAS

Heritage Areas	Total Grant Awards	Total Development Costs	Annual Full-time Equivalent Jobs	Annual State and Local Tax Receipts	Return on Investment
Canal Place	\$ 623,500	\$ 1,384,755	96	\$ 546,885	\$ 0.88
Baltimore City	586,330	2,054,882	2,370	16,038,577	27.35
Annapolis, Lodontown, and South County	787,044	1,646,897	459	2,972,148	3.78
Anacostia Trails	451,600	1,213,526	240	1,364,453	3.02
Lower Susquehanna	725,893	1,627,083	119	668,332	0.92
Lower Eastern Shore	307,680	669,859	65	311,142	1.01
Heart of Chesapeake Country	195,893	392,286	16	87,545	0.45
Total	\$ 3,677,940	\$ 8,989,288	3,364	\$ 16,980,154	\$ 4.61

Source: DHCD Office of Research

data. A similar calculation using the tourism data collected by individual heritage areas was not calculated, in order to avoid possible overstatement of impact due to the inclusion of sites that may not directly benefit from the program. Such a calculation would be comparing revenue and taxes generated from tourist sites "in general" with costs for more narrowly defined heritage-related development funded by the state program.

In conclusion, the analysis indicates that the prospective economic and fiscal impacts of Maryland's heritage areas program are substantial. During the first full year of operations, the certified heritage areas generate an estimated \$248 million in total economic expenditures in Maryland. These expenditures resulted in the creation of 3,364 full-time equivalent jobs, \$68.6 million in wages, and about \$17 million in annual state and local tax receipts.

To date the sum of the grant awards to the seven certified heritage areas totals \$3.7 million. Financial analysis indicates that the return on state investment in the heritage areas, as measured by the ratio of annual state and local tax receipts from the first full year of operations to total grant awards, is \$4.61. In other words, every heritage area grant dollar generates a total of \$4.61 in annual, ongoing tax revenues. As such, the return on investment is quite significant.

Additionally, the present value of the sum of all seven certified heritage areas revenues and expenditures indicate that it takes just five and a half years for the state to recoup its grants to the area. While the MHAA will award grants in the future and travelers will continue to visit these area for years to come, this "snapshot" of the economic and fiscal impacts of Maryland's heritage areas program is representative of future impacts. ■

¹ Penny Davis. "Economic and Fiscal Impact of Maryland Certified Heritage Areas." Office of Research, Maryland Department of Housing and Community Development. September 2003.

In conclusion, the analysis indicates that the prospective economic and fiscal impacts of Maryland's heritage areas program are substantial.

HERITAGE AREA NEEDS

ACTIVITIES TO BENEFIT HERITAGE AREAS

If the heritage areas program is to fully make use of Maryland’s potential to develop heritage tourism in the state, two kinds of activities are required. The first is the completion of required program elements, specifically the adoption of state agency program statements. The second is adopting new initiatives to address the needs of the heritage areas as they develop.

ADOPTION OF AGENCY PROGRAM STATEMENTS

According to § 13-1112 of the Code of Maryland, officials of certain state agencies must create “program statements” that list actions that support the establishment and management of certified heritage areas. The various departments required to complete this important requirement have not done so. These statements are designed to make conscious support of the heritage areas program a part of each department’s agenda. Heritage area development is multidisciplinary by nature, as evidenced by the different groups that come together to support the creation and development of each area. The support of different state agencies is likewise crucial to ultimate success.

The relevant actions are in the following areas: planning, development, use, assistance and regulation. The officials include the secretaries of Housing and Community Development, Business and

Economic Development, Natural Resources, Higher Education, Transportation and General Services, all of whom represent their respective departments.

Beyond creating statements to help heritage areas, employees in these departments must consult, cooperate and coordinate their activities with the management entity of heritage areas and carry out their activities in accordance with the approved management plan. They must also ensure that actions have no adverse affects on the cultural and historical resources of the heritage area, unless there is no “prudent and feasible alternative.”

State agencies are to play an important role in heritage area development by contributing their resources and directing their efforts to the goals identified in the management plans. These departments have not formally adopted program statements, however, even though interagency cooperation towards a common goal is essential to the ultimate success of the program.

Within each department, there are several ways to help support the heritage areas program. Some of these activities are already undertaken informally; in other cases, steps need to be taken to ensure that the program receives the assistance that is required. An established, well-formulated system of interagency cooperation is a key element to the program’s success.

The Department of Housing and Community Development (DHCD) houses the heritage areas program staff, and so a relatively large amount of support exists for the program within that department. Within DHCD, the Maryland Historical Trust offers

expertise on historic preservation activities and offers technical support to heritage areas in all stages of planning, development and management. Moreover, this staff provides overall program management, including the management of all program grants and loans and staffing the MHAA and its technical advisory committee.

There is a growing level of enhanced cooperation with other DHCD programs. The Community Legacy grant program has given favorable consideration for projects within a heritage area, and the Main Street Maryland program considers the development of a heritage area as a positive factor when designating areas for that program. In addition, nonprofit heritage area partners have been encouraged to apply for tax credits from the Neighborhood Partnership Program to use as incentives for business contributions. Other revitalization projects within the department should ensure that they work with the revitalization efforts currently underway in heritage areas.

The Department of Business and Economic Development houses the Office of Tourism Development (OTD). That group has been an integral part of the heritage areas program, providing a linkage to tourism

State agencies are to play an important role in heritage area development by contributing their resources and directing their efforts to the goals identified in the management plans.

promotion and providing the expertise to begin the MHAA marketing grant program. Further research and analysis of the heritage sector of the Maryland tourism market by OTD will encourage the future success of the program, as the state’s most recent comprehensive study on the heritage tourism market predates the certification of most heritage areas. Within the rest of the department, the economic development and job-creation opportunities that exist can be used to help support the economic development of these areas.

Program Open Space, Rural Legacy and other conservation programs within the Department of Natural Resources (DNR) can help preserve the lands within heritage areas that are crucial to preserving the character of those regions. The potential for linkages between DNR’s nature tourism program and the heritage areas program is extremely high, as nature tourism and heritage tourism are inherently linked. Future methods of cooperation should be explored.

Downtown streetscape renovations alongside state highways can be a critical part of attempts to attract visitors. Likewise, the proper design and landscaping of other roads can contribute to a heritage area. The State Highway Administration of the Department of Transportation should consider this when planning new projects.

The previously mentioned agencies and the other agencies listed in the statute support the program through the

participation of representatives on the MHAA Technical Advisory Committee (TAC) and by providing other forms of support as required. There has been a great deal of personal assistance and informal collaboration by members of the TAC, but recent staff turnover across state government means that many of those who have been involved with the program have left. New employees should have a framework to continue and strengthen their agencies' support for the heritage areas program. Also, the heritage area effort will be better supported if each group within each agency is aware of the program and their responsibility to support it. This is both inexpensive and a more efficient use of state resources.

Other opportunities for collaboration abound in these agencies, and must be addressed in their program statements. These are a required and important element of the program, and would ease the dependence upon informal staff relationships that has been formed to this point.

Within these agencies, programs that are related to the heritage areas program goals must reinforce the state investment by helping with their development. To accomplish this, other programs could give additional consideration to funding requests from heritage areas. Opportunities for this kind of synergy exist in all of these agencies.

As the program has developed, management entities and other partners within the heritage areas have expressed a desire for other state agencies to become involved with the heritage areas program. The mapping and data collection abilities at the Department of Planning could be used to obtain better measures of the program's performance and affect on the targeted areas that

it has been designed to address. Partnering with the Department of Agriculture could help Maryland become a leader in the growing field of agritourism, and bring more economic development to rural sections of heritage areas. The adoption of program statements by these agencies is not yet required by the state, but the refocus of some of these resources on the heritage areas program would be of great benefit to the program, and respond to concerns expressed by the local management of heritage areas.

FUTURE INITIATIVES

Many initiatives have been considered to help the heritage areas program better reach its goals. Unfortunately, many of these would require additional staff and funding. The program is currently operating with a minimum level of staffing, which severely limits the program's ability to give full support to the efforts on the local level. The program administrator position is vacant due to the hiring freeze. Other staff members who are responsible for the program must contribute to the program in addition to numerous other duties. The high workload of the staff forces them to focus mainly on essential administrative functions of the program, leaving less time to focus on the program's effects on communities and how to best benefit them.

The long-term effectiveness of this program is compromised by this lack of resources. The heritage areas program has found several new ways to help encourage its goals, but most require additional funding. The need to find better ways to encourage the economic development of heritage areas was a goal expressed by authority

members at several points in the program's development.

The MHAA commissioned a Governor's Policy Fellow's report on private sector assistance in early 2003, "MHAA Assistance to Private, For-Profit Heritage Tourism Development Businesses in Certified Heritage Areas." The report covered many of the issues regarding economic development in heritage areas, and proposed several ideas that could be adopted by the program in the future. MHAA and local heritage area management embraced several of the ideas, although lack of funding and staff availability precludes their full implementation at this time.

Among the ideas was the introduction of a technical assistance program for businesses in certified heritage areas that would enable them to benefit from tourism. It would encourage the start-up of new businesses and the expansion of current businesses where possible. This is a crucial element of the economic development of heritage areas, but cannot be directly addressed by the program at present. Without this crucial link, many small businesses within heritage areas may not know about the potential benefits from being involved in the heritage area. Others who are aware of the benefits may not have the expertise to take advantage of them. A related suggestion was increased marketing and development of the loans program, which is a great motivator for business expansion.

This technical assistance program would require the hiring of additional staff or the transfer of existing state employees to provide this targeted assistance to businesses within heritage areas. Alternatively, other state programs that provide similar assistance could be adapted to include heritage tourism business development. This kind

of expertise does not currently exist in the Maryland Historical Trust, which provides heritage areas program staff. Despite the lack of funding, the staff was able to make an informal connection with the Maryland Small Business Development Center Network, which can provide several of those services to targeted business.

Also embraced was the idea of a "designation program" that would create more business partnerships with the heritage areas, and increase promotion of the efforts within those areas. Variations of this program have been successful in other states, most notably in Pennsylvania. Under the proposal, an entity could qualify for designation by the program as a partner in the heritage area effort, and receive several associated benefits, including promotion in official materials and Web sites. They could also benefit from their designation by using the heritage area logos and trademarks in their own marketing. Individually, each heritage area (or the program on a statewide level) could determine which commercial establishments, museums, historic sites and other entities would qualify for the designation. Preliminary discussions with heritage area businesses show that there would be interest from the commercial sector to pay for the "heritage-friendly" designation, possibly subsidizing program costs. An additional staff person would be needed to implement this program.

The authority has the ability to issue bonds, but to date no revenue-generating project has been large enough to warrant bond issuance. Further examination of the issue should be done. Several other suggestions were also made in that report and encouraged in principle. Minimal staffing and funding has slowed progress on implementation of these

<p>initiatives, particularly due to the amount of resources that have been expended to compile this program review.</p>	<p>should be increased as soon as economically viable.</p>	<p>is important to the other, non-economic goals of the program (particularly preservation) that the management of the program remains in the MHT, other skills are needed in order to accomplish all of the program's goals.</p>	<p>This would require much knowledge in various sectors. It would be necessary to be familiar with state programs, economic development (especially tourism), and also have a strong familiarity with the heritage areas program. This is an expensive set of skills: while it may cost a substantial amount to acquire, the benefit to the state would be enormous in the long run. The economic effectiveness of the program will be strongly increased if these skills were available. Today, relatively few businesses are taking advantage of the incentives available through the heritage areas program. As the heritage areas grow, the development of small businesses, new businesses and the established businesses must coincide with such programmatic expansion to achieve success.</p>
<p>FUNDING NEEDS FORECAST</p>	<p>All certified heritage areas were asked to give projection of their future funding needs in this report. Heritage areas that are not yet certified have not fully developed a management plan, and as a result, cannot give meaningful estimates. Estimates received are summarized in the heritage area profiles.</p>	<p>The MHAA should consider the expansion of the program staff to include an economic development manager, heritage development coordinator, or some similar position, as well as additional staff to implement the proposals in this document. These people would oversee outreach to the private sector so they would know about, and be able to, take advantage of MHAA programs and initiatives. In the immediate future, this would include overseeing the expansion of the heritage areas Web site to serve the multiple purposes listed above (providing more information for individuals and links to all related programs). Currently, the Web site is most useful to heritage area management entities, but it could be made friendlier to the needs of individual businesses and the general public. This also requires creating linkages between this and other revitalization programs, so that the heritage areas program could maximize its effect.</p>	<p>Proper performance management for the program requires additional expertise. Several sources may provide this, including outside consultants, additional staff hired for the program, or resources moved from elsewhere in state government. Accurate visitation measurement and the evaluation of methods and services in attractions are both critical to measuring the success and failure of all of the state's heritage tourism initiatives. Currently, many heritage sites and management entities do not have the expertise on staff to perform such tasks. If Maryland is to maximize its potential to stay competitive with other states' heritage tourism programs, the state must invest in the continued development of the industry. ■</p>
<p>The Maryland Coalition of Heritage Areas, the organization of heritage area management entities, estimated the minimal funding needs of a mature heritage area at \$300,000 per year. This includes \$100,000 for operating expenses, \$100,000 for one capital project, and \$100,000 for two non-capital or marketing projects.</p> <p>Currently, there are nine certified heritage areas. At \$300,000 per heritage area, this would mean that \$2.7 million is needed for next year's grants. Two more heritage areas are on schedule to finish their management plans and become certified in the next year, making them eligible for grants. That would bring the total number of certified heritage areas to 11. According to the formula, this would require \$3.3 million in years two through five. This figure does not include program administration costs for the state.</p>	<p>Without further development, the amount of work done by the heritage areas program will continue to have some beneficial effects for each heritage area. The partnerships already created between the public and private sector, and between different forms of government, are a continuing benefit, as well as the investment in the state's culture and preserving resources, and the creation of a basic structure for heritage tourism. This creates a great deal of potential — potential that cannot be maximized without continued investment in heritage tourism from all sides, including state government.</p>	<p>In the longer term, this would mean that these people would serve as a point of contact for businesses and individuals with economic interest in the heritage area and develop a full plan and new initiatives that MHAA should undertake in order to reach its goals. Another important role is a point of contact for economic development policies that would work with all of the state agencies (especially the departments of Business and Economic Development and Housing and Community Development) to ensure that the heritage areas program is coordinated with, and taking advantage of, as many programs as possible statewide.</p>	
<p>The heritage areas program currently receives \$1 million per year from the collection of the real estate transfer tax. This funding, while sufficient in early years, has become minimal as heritage area needs increase. Once eleven heritage areas are certified, current funding levels would allow about \$91,000 per heritage area per year, less administrative costs for staffing the statewide program. This amount of funding will be inadequate to cover simple operating costs for heritage area management entities and funding for other grants and loans. While the program can temporarily be maintained with low funding levels, funding</p>	<p>STAFFING</p> <p>Throughout the history of the heritage areas program, the heritage areas staff has been extremely small (one staff member with some administrative support). Currently, no positions are dedicated full time to the program. Because staff comes from the Maryland Historical Trust (MHT), no expertise exists for economic development issues relating to heritage areas. The staff's high workload forces them to focus mainly on essential administrative functions of the program, leaving little time to address the effects of the program on communities and how to best benefit them. The program's effectiveness in the long-term is compromised by this lack of resources. While it</p>		

HERITAGE AREA PROFILES

PROFILES FOR EACH HERITAGE AREA FOLLOW. EACH CERTIFIED HERITAGE AREA PROFILE INCLUDES BACKGROUND INFORMATION, FUTURE PLANS, ESTIMATED FUNDING REQUIREMENTS FOR THE NEXT FIVE YEARS, AND SUCCESSES AND CHALLENGES OF THE HERITAGE AREA EFFORT. SINCE CERTIFIED HERITAGE AREAS HAVE ESTABLISHED MANAGEMENT PLANS, THEY WERE ABLE TO GIVE PROJECTED FUNDING REQUIREMENTS.

The seven oldest certified areas also have associated economic impact analysis information on their tourism-related benefits. These are shown in the tables beginning on page 46. The calculations are performed twice for each heritage area, once with TravelScope tourism data, and once with data derived from heritage area management entity surveys, for reasons detailed in the economic impact section. Previous levels of local government and private sector funding were collected from grant applications, and future percentages of outside leverage should maintain current levels.

workshops and the planning board held a public forum. Later in 1999, the council approved goals, concepts, guidelines, and a public participation program for the development of the ATHA management plan.

The vision driving the ATHA initiative is to create a major tourist destination where visitors can enjoy a variety of attractions along the trail system, visit well-maintained communities, stay overnight at comfortable hotels, eat at different restaurants, and conduct research if so inclined. All while spending tourist dollars and thereby contributing to the economic growth and quality of life of ATHA.

The organization's goals are to:

- Promote the significance of the area's historic sites to the history of Maryland and the United States
- Conserve and interpret natural and recreational resources and open spaces in the area in support of heritage tourism
- Preserve and enhance historic sites and cultural resources
- Expand and enhance linkages among heritage attractions
- Expand existing partnerships and create new opportunities for partnerships to achieve the heritage area's goals
- Promote development of the arts in the heritage area
- Improve the image of towns, the Anacostia River, and the entire area through heritage tourism efforts
- Organize and unite communities and facilities by disseminating information and interpreting the area's shared history
- Increase economic activity, create jobs, boost small business development, and

create a stronger tax base as a result of expanded heritage tourism opportunities

The area's unique character and historical significance include:

- Historical resources that chronicle the invention, development and improvement of transportation and communication firsts in the nation
- Examples of settlement and growth patterns of communities that resulted from their proximity to the nation's capital
- The site of one of the most significant events in the War of 1812, the Battle of Bladensburg
- The natural resources of ATHA and the history of the area's use of these resources, from Native American settlements to the space program, help interpret the heritage of Maryland and the nation

CERTIFIED HERITAGE AREAS

ANACOSTIA TRAILS HERITAGE AREA

History and Current Status

In 1996, the Anacostia Heritage Area Partnership and Prince George's Heritage (PGH) successfully applied for heritage area recognition. PGH further secured a management-planning grant that was matched by the Anacostia Trails Heritage Area (ATHA), the Maryland-National Capital Park and Planning Commission (M-NCPPC), Prince George's County government, and private organizations.

ATHA hired a consulting firm in 1998, and in 1999, the Prince George's County Council granted permission to initiate the planning process. ATHA leaders sponsored two public visioning

Organizational Structure

The Redevelopment Authority (RA) of Prince George's County serves as the management entity for the implementation of the ATHA plan. Created to plan and coordinate the implementation of revitalization and redevelopment improvements in the county, the authority strives to strengthen the community development capacity of municipalities, nonprofit organizations, and neighborhoods that are currently economically undeserved and in need of revitalization, many of which are located in the heritage area.

The RA manages the heritage area in collaboration with ATHA, which is a nonprofit, 501(C)(3) grassroots organization. ATHA consists of 14 municipalities and communities; representatives of cultural, historic and business groups; transportation, tourism,

real estate and business experts; and county businesses and citizens.

As management entity, the RA provides technical assistance to ATHA sites and communities to develop heritage tourism and preservation projects consistent with the ATHA management plan. The authority develops and implements fundraising strategies to facilitate the implementation of the ATHA plan, designates and administers the area's target investment zones, promotes and facilitates the use of the state and federal historic preservation tax credit programs within the area, and compiles and reports state-mandated performance measures of the success of the ATHA initiative.

ATHA performs marketing and business development outreach functions for the heritage area and services as a lobbying body for heritage tourism related issues.

Boundary Description

ATHA is a territory of some 83.7 square miles. It is bounded on three sides by Prince George's County and on the east by the Baltimore-Washington Parkway and in part by federal land ownership to the Patuxent River. It includes the following older and historically-significant communities in Prince George's County: Beltsville, Berwyn Heights, Bladensburg, Brentwood, College Park, Colmar Manor, Cottage City, Edmonston, Greenbelt, Hyattsville, Laurel, Mount Rainier, North Brentwood, Riverdale Park and University Park.

Funding Requirements

The driving force behind the ATHA initiative — the 14 municipalities and communities that participated in the development of the plan — are represented on the ATHA Board of Directors, and facilitate

the conceptualization and development of ATHA projects. Many of the projects identified in the ATHA plan are owned or targeted for ownership and development by local governments. Existing and future funding for these projects are contributed in part, or expect to be leveraged with, local government cash and in-kind support.

There is significant private sector involvement in ATHA by the following nonprofit organizations: the Route One EDI Partnership Committee, the Gateway Community Development Corporation, the Hyattsville Community Development Corporation, and the Prince George's County Visitor's and Convention Bureau. These groups participate in economic development and heritage tourism project development and funding and event planning, all of which contribute to the implementation of ATHA's goals.

Private corporate participation is currently limited to representation of a few major companies on ATHA's board. The organization will attempt to recruit and solicit the support of hotels, restaurants and other hospitality-oriented businesses to provide some financial support for the initiative.

More importantly, product development efforts envisioned will involve creating partnerships with the business community to create "packages" and events to attract additional visitors to the heritage area sites and communities.

For the next five years, ATHA has identified nine capital projects and 10 non-capital projects with a total cost of about \$9.86 million. These will require \$1.757 million in Maryland Heritage Area Authority (MHAA) funds, and ATHA will raise the remaining \$8.103 million from local governments, private sector

contributions, the M-NCPPC, and the federal government. ATHA will also need MHAA operating assistance, estimated at \$100,000 per year.

To date, ATHA has received \$451,600 in MHAA grants for completion of the management plan, operating assistance and four projects. These grants leveraged \$761,926 in matching funds: \$279,094 in cash and in-kind contributions from local government, \$272,188 in cash and in-kind contributions from the private sector, and \$210,644 from the federal government.

Successes

Key milestones for ATHA after one year of certification include:

- Identified and obtained approval of three phase one target investment zones: Gateway arts and entertainment district; Laurel; and the College Park, Greenbelt and Berwyn Heights areas
 - Secured a \$200,000 operating grant
 - Developed a five-year fundraising strategy
 - Developed and submitted funding proposals to the following organizations: Meyer Foundation, Cafritz Foundation, and National Endowment for the Humanities
 - Began outreach to business community to promote heritage area
 - Completed an interpretive plan
 - Designed a comprehensive signage and way-finding system
 - Created marketing publications, including an ATHA brochure and membership outreach brochure
- Most of these milestones can be considered as "capacity" building for the successful implementation of the plan. Realistically, after one year there are no visible physical changes in the heritage area.

Challenges

Four main challenges exist for ATHA:

1. Development of tourism-related products recommended in the management and interpretative plans that are necessary to facilitate an increase in visitors, such as driving and walking tours and interpretive trails
 2. Funding to address interpretative and visitor "readiness" needs of many sites in the heritage area
 3. Full-time staffing for ATHA, in order to effectively perform marketing and outreach functions
 4. Poor physical appearance of the Route One Corridor, ATHA's "main street"
- Recommendations for overcoming obstacles:
1. Organize a "product development" task force to coordinate and develop trails, tours, and so on, to attract visitors
 2. Increase and coordinate heritage tourism activities between ATHA, the Prince George's County Convention and Visitor's Bureau, and M-NCPPC, which owns and manages the majority of visitor ready sites within ATHA
 3. Work with ATHA's board to clearly define works plan for marketing and outreach functions
 4. Funding of a full-time executive director for ATHA, to coordinate product development, marketing and outreach efforts
 5. Facilitate public sector coordination to enhance and improve ATHA's physical appearance

Anacostia Trails Heritage Area

7612 Old Muirkirk Road
Beltsville, MD 20705
301-210-3788
301-210-3789 (fax)
www.anacostiatrails.org

ANNAPOLIS,
LONDON TOWN,
AND SOUTH COUNTY
HERITAGE AREA

History and Current Status

Annapolis, London Town, and South County Heritage Area (ALTSCHA) — originally the Annapolis and London Town Heritage Area — became a recognized heritage area in 1997. In 1999 South County was added to the organization to include the rural landscape and small villages in southern Anne Arundel County.

A steering committee of about 45 people representing the public and private sectors and community, historic, business and visitor interests guided the development of an ALTSCHA management plan. Issues and ideas were identified through interviews with the committee members and other stakeholders and through a series of public meetings.

Maryland Heritage Areas Authority (MHAA), Annapolis and Anne Arundel County provided funding to develop a management plan completed by Wallace Roberts & Todd in 2000. ALTSCHA was approved and authorized by Anne Arundel County, added to the Annapolis comprehensive plan, and certified by the state in 2001. A full-time executive director was hired in 2001.

ALTSCHA holds a wealth of historic, cultural and natural resources, many of which have retained their integrity of setting and character, including:

- Annapolis, one of the nation's first examples of city planning
- National Historic District
- U.S. Naval Academy and its own National Historic District
- The "lost" tobacco port of London Town and its National Historic Landmark William Brown House

- Pastoral landscapes and watermen's villages of South County
The organization's goals are to:
- Preserve and enhance the area's historic, cultural and natural resources for the enjoyment of current and future residents and visitors
- Promote research, education and appreciation for the authentic history, culture, traditions and natural resources of the area
- Encourage development of new facilities, businesses and services that supports heritage tourism while maintaining resources and quality of life for residents
- Create thematic and programmatic linkages among the many heritage sites within ALTSCHA to better tell the stories of this rich and diverse region

Organizational Structure

Created in 2001, ALTSCHA's Coordinating Council is comprised of 19 representatives, several of whom sat on steering committees of civic, nonprofit, business and governmental entities. Originally formed under the auspices of the Annapolis and Anne Arundel County Conference and Visitors Bureau, ALTSCHA recently filed Articles of Incorporation and for 501(c)(3) nonprofit status.

Several heritage area partners are represented on the council. Heritage area partners and the wider community recognize ALTSCHA as an umbrella organization that fosters regional partnerships and shared resources.

Boundary Description

Nestled along 400 miles of waterfront, ALTSCHA stretches from Sandy Point State Park at the Chesapeake Bay Bridge through Southern Anne Arundel County to Rose Haven and the Calvert County line. Framed by

the Chesapeake Bay to the east, Route 2 marks ALTSCHA's western boundary.

ALTSCHA includes four target investment zones, including Annapolis and Inner West Street; Eastport, Mayo Road and London Town in Edgewater; and Deale in southern Anne Arundel County. These zones overlap with city and county revitalization designations.

Funding Requirements

Since certification, ALTSCHA and its heritage partners have received \$787,044 in MHAA funding. These grants and loans include 14 projects and heritage area operating assistance worth over \$1.6 million, creating jobs and purchases of goods and services in the local economy, an impressive investment in local economic development. Local government has contributed \$286,916 in cash and in-kind contributions and \$567,684 have come from the private sector.

Beginning its third year of operation, ALTSCHA has received \$35,000 from Annapolis each year, and \$30,000 and in-kind contributions worth over \$6,000 from Anne Arundel County for the past three years. Future support from the city and county is anticipated but not committed at this time. The Annapolis mayor, the Annapolis director of economic development, and the city's chief of historic preservation are members of ALTSCHA's Coordinating Council (the latter is also the chair). A personal representative of the Anne Arundel Economic Development Corporation, the county's planning and zoning program administrator, and the county's historic sites planner also sit on the council.

There are no current long-term funding commitments for future projects other than those in-process projects funded

with matching MHAA grants and loans. ALTSCHA has filed for 501(c)(3) status to increase its appeal to potential private sector donors and is developing a fundraising strategy.

ALTSCHA has specifically identified four capital and two non-capital projects for future funding. The projects have a total cost of \$2.05 million, and will require MHAA grant funds of \$415,000 and MHAA loan funds of \$49,000. Matching funding will come from the private sector and the local and federal government. ALTSCHA will also require operating assistance at \$100,000 per year.

Successes

After two years of operation, ALTSCHA is building momentum in the community by providing service and value with its projects and programs. ALTSCHA has proven to be an economic development engine through the generous state grants it has brought to the region, with its generation of jobs and purchases in the local economy, and with its potential to increase heritage tourism and successful heritage tourism-related businesses. These fully matched grants have made possible many projects suggested by or consistent with the goals and themes of the organization's approved management plan. ALTSCHA's partner, Discover Annapolis Tours, received the first MHAA low-cost loan to purchase an additional tour trolley, allowing this small heritage tourism business to expand its group tour offerings and hire at least one additional driver.

ALTSCHA is reaching out to help the Southern Anne Arundel County Chamber of Commerce rewrite county zoning laws to allow small bed and breakfasts in South County, an economic development initiative consistent with the management plan, the

county's small area plans, and with the character of the region.

As an "umbrella" organization, ALTSCHA facilitated the first-ever program collaboration among heritage sites in the southern part of the heritage area in this past summer's "South County Sundays" promotion. Each Sunday, one of four sites hosted a special event, program or celebration. Two of the more developed or "tourist-ready" sites (which have benefited from MHAA grants to improve facilities and programs) — Historic London Town and Gardens in Edgewater and the Captain Salem Avery House in Shady Side — enjoyed a more than 10-fold increase in the numbers of visitors on the days they hosted an event. This proves the value of grant-funded improvements, partnership and resource sharing, and the organization plans to expand the program next summer.

ALTSCHA will soon launch *Roots & Tides*, a new "travelogue" CD audio tour and map of South County — a project suggested in the management plan and the first interpretive product of its kind in the state heritage program. Local scholars and residents have lent their voices to a journey through the history and heritage of "lost towns" and tobacco ports, watermen and their villages, and horse farms, and local musicians have contributed original music to the project. This format will appeal to "armchair" travelers and to individual and small groups of heritage travelers and will also increase heritage awareness and pride of place among residents.

ALTSCHA has also produced a walking tour brochure of Annapolis' historic Cornhill and Fleet streets that has been well received by residents and tourists. ALTSCHA is participating as a lead partner in a working group to create a

National Register Travel Itinerary that the National Park Service will host and promote on its Web site — a perfect match with ALTSCHA's mission to increase heritage tourism.

Challenges

Sustained funding remains the biggest challenge, especially in this economic climate. Although tourism remains a major and "clean" Maryland industry, the heritage areas program was dealt a blow with the "recapture" of \$3 million of MHAA funding and the months-long but ultimately temporary "hold" on fiscal year 2003 funding.

The organization has a strategic guide (management plan), a committed management entity, an office with one staff member, several early successful projects, and good ideas for future projects and programs that will help ALTSCHA and its heritage partners fulfill their preservation, conservation, interpretation and economic development goals.

The organization has filed a 501(c)(3) application to achieve nonprofit status to be eligible for, and more appealing to, private and corporate donors and other grant sources. For the foreseeable future, however, the organization needs support from the state, county and city to provide significant long-term return on investment in the heritage areas program.

Annapolis, London Town, and South County Heritage Area

Arundel Center
P.O. Box 2700
44 Calvert Street, MS1106
Annapolis, MD 21401
410-222-1805
410-263-9591 (fax)
www.heritagearea.org

BALTIMORE CITY HERITAGE AREA

History and Current Status

The Baltimore City Heritage Area (BCHA) management action plan was overseen by a steering committee comprised of community leaders, agency representatives and individuals from diverse interest groups. Between 2000 and 2001, the committee held meetings to address accessibility (strategies to promote revitalization, circulation and linkages, and interpretation), economic development (business development), and management (organizational structure and funding strategies to support the plan implementation). The Maryland Heritage Areas Authority (MHAA) accepted the plan and certified BCHA in 2001. In 2002, the BCHA association and director began working toward implementing the plan.

BCHA's goals are to:

- Provide a cost-effective management structure to establish a collaborative effort with existing initiatives to implement BCHA's vision
- Promote discovery of Baltimore's tourist attractions beyond the Inner Harbor
- Create and foster the stewardship of Baltimore's heritage resources by residents and visitors
- Create business and development opportunities and more jobs for city residents through increased visitor activity
- Clean up and revitalize neighborhoods to make them attractive to visitors and to improve the quality of life for residents

BCHA provides an unparalleled opportunity for total immersion in historical, cultural and natural resources of national significance in an urban setting.

An economic and industrial powerhouse founded on the shores of the Chesapeake Bay in 1729, between 1830 and 1860, Baltimore was America's second most populous city.

The inheritance from the past is evident in its remarkable historic neighborhoods and buildings, more than 40,000 of which are listed in the National Register of Historic Places — more than any other city in the country. No city has played as many roles as Baltimore in the growth and defense of the new nation in the War of 1812; as port of immigration and starting point for westward migration on the National Pike and the country's first railroad; as incubator of religious faith, including American Roman Catholicism; as home to more free blacks than any other city at the outbreak of the Civil War; and as home through the centuries to an American blend of mobs and socialites, artists and iconoclasts, visionaries and scoundrels, a role that continues today.

Baltimore's attractions are of incredible diversity, and tell scores of stories central to understanding the American experience of the 18th, 19th, and 20th centuries. Always in historic neighborhood settings, the experiences range from the finest "high culture" institutions and living environments in the world (such as Mount Vernon) to some of the most authentically engaging everyday neighborhoods and homegrown traditions (such as Fells Point). BCHA attractions are linked and accessible by foot, bicycle and car and by water- and land-based public transportation.

Organizational Structure

The 29 members of the BCHA Association are appointed by the Baltimore Mayor and represent a cross-section of heritage area attractions, community

development organizations, foundations, advocacy organizations, private business, city government and elected officials.

Boundary Description

The certified heritage area boundary includes those portions of Baltimore with an especially dense concentration of significant historical, cultural and natural resources, and which already provide a rich visitor experience or realistically have the capacity to provide such an experience within five years of certification.

The 11 target investment zones span the full range of historical, cultural and natural resource types. The six activated zones are Druid Hill Park, Fells Point, Great Blacks in Wax and Oliver, Jonestown and Little Italy, Mount Vernon and Historic Charles Street, and Pennsylvania Avenue. Zones yet to be activated include Canton and Patterson Park, Jones Falls Valley, Locust Point, Market Center and Railroad and National Road.

Funding Requirements

The Baltimore Mayor, Baltimore City Council and city government units have enthusiastically embraced the BCHA and supported its activities financially and with significant in-kind support. The Mayor's office is BCHA's "home." Beyond providing cash match for the operating costs of the BCHA, the city has provided cash match for a variety of non-city capital projects assisted by the MHAA financing fund. In addition, the city provided \$200,000 in its fiscal year 2003 capital budget for other BCHA projects, and will provide funding again in fiscal year 2004. Numerous city agency officials are on the BCHA board, including the heads of the departments of Housing and Community Development, Planning, Public Works, and

Recreation and Parks, as well as the directors of the Baltimore Development Corporation and the Office of Promotion and the Arts. The strong financial and in-kind support of the city of Baltimore is anticipated for the future.

Private sector support for the BCHA has been enormous. For example, there is over \$1 billion in mostly private expenditures now being made within the BCHA to enhance communities and improve the experience for visitors to Baltimore, particularly the cultural tourist. Because of the large number of designated historic properties in Baltimore and within the BCHA eligible for city, state and federal rehabilitation tax credits, much private sector investment has been leveraged which would otherwise would not have taken place.

In 1998, BCHA received an MHAA grant for its management plan. Since certification, nine project grants and operating assistance have been awarded. MHAA assistance has totaled \$586,330 to date, enabling BCHA to undertake projects worth \$2.029 million. Baltimore has contributed \$663,190 in cash and in-kind matching contributions, and \$779,862 has come from the private sector.

BCHA has identified 16 capital projects, one start-up marketing project, and 11 non-capital projects for the next five years. The total cost for these projects is \$28.915 million, and they would require \$3.32 million in state funds. The anticipated state funds include a \$50,000 capital grant from the Maryland Historical Trust, \$50,000 in tax credits from the Neighborhood Partnership Program, and additional funding from the Department of Transportation, in addition to MHAA funds.

Successes

The most significant signs of progress may be the more than \$1 billion in private sector investment being made within the heritage area. In addition, the following has been accomplished in the BCHA's first full year of operation:

Leveraging investment

- Activated six target investment zones: Druid Hill Park, Fells Point, Great Blacks in Wax and Oliver, Jonestown and Little Italy, Mount Vernon and Historic Charles Street, and Pennsylvania Avenue
- Awarded \$150,000 in grants from the BCHA Small Cap Grant Fund to eight projects throughout the BCHA, leveraging more than \$2 million in non-city investments

Developing new product

- Initiated design and helped secure construction funding for the Star-Spangled Heritage Trail, connecting the Inner Harbor Visitor Center with Penn Station, in partnership with Museum Walk
- Organized a process to engage key community leaders to produce an African American cultural tourism strategic plan
- Secured a commitment from the National Park Service (NPS), with the help of Congressmen Cardin and Cummings and Senators Mikulski and Sarbanes, to examine Baltimore's cultural resources and stories of national significance as the basis for an expanded partnership with NPS

Reaching out

- Created the BCHA Web site
- Conducted workshops, "Funding Sources for Cultural Heritage and Tourism Development," reaching more than 150 organizations
- Created and distributed 15 issues of BCHA's e-newsletter, Authentic Baltimore, to a mailing list of more

than 1,000 people and organizations

- Celebrated accomplishments to date with Baltimore Mayor Martin O'Malley, Mayor Joseph Riley of Charleston, S.C., the Mayor's Council on Cultural Tourism, and more than 200 community leaders
- The potential for an expanded partnership with NPS — which could result in the creation of a new or expanded unit of the national park system in Baltimore — could not have happened without BCHA's efforts and management plan. This is a great sign of progress and provides great hope for the future. That Baltimore is just months away from initiating construction on the Star Spangled Heritage Trail — modeled after Boston's Freedom Trail, which attracts more than 700,000 visitors and generates about \$1 billion in direct visitor expenditures annually — would not have happened without the BCHA.

Challenges

The biggest challenge to the Baltimore program's success has been the need to continuously project forward momentum for the BCHA to the community, community leaders and elected officials. Beginning in 1997, Baltimore government, businesses, foundations and nonprofit community and advocacy groups enthusiastically got engaged in the heritage area process and invested considerable time and funds into the lengthy BCHA planning and implementation process. Unfortunately, at precisely the moment when projects in the BCHA were eligible to receive state funding to implement the plan, accumulated state funding for the program was recaptured by the state. Remaining funds were held up for nearly a year in a budget amendment process. Even though the BCHA was awarded funding in July 2002, funds did

not become available until July 2003. The organization's ability to project that it has moved forward has been largely through the significant investments by local government and the private sector until now. Hopefully, despite severe budget issues, the state will continue to invest in the Maryland heritage area programs because the returns to the state and local communities are so huge. Providing a sustainable source of state funding that can increase as the investments make returns to the state would be one way to overcome this challenge.

Baltimore City Heritage Area

City Hall
 100 Holliday Street, Third Floor
 Baltimore, MD 21202
 410-396-1954
 410-396-5136 (fax)
www.baltimorecity.gov/government/heritage

CANAL PLACE HERITAGE AREA

History and Current Status

Created as an independent state agency in 1993, the Canal Place Preservation and Development Authority (CPPDA) completed its management plan in 1996. An update to the management plan in 2002 identifies the goals and objectives of the Canal Place Heritage Area (CPHA) and recognizes the diverse collaboration required to successfully implement the projects proposed as part of the area's growth and development.

Initially, the focus of the CPPDA was on the acquisition and rehabilitation of properties associated with the Canal Place Preservation District. Since then, much of the physical development has been completed, including the rehabilitation of, and enhancements to, the Western Maryland Railway Station, construction of a pedestrian bridge between the station and Riverside Park, completion of the Trestle Walk connection between the station and the Chesapeake and Ohio (C&O) Canal towpath, renovation and expansion of parking facilities, and construction of the Shops at Canal Place. Several other capital improvement projects are in various stages of design and development, including construction work on the Crescent Lawn Festival Grounds and the re-watering of the C&O Canal terminus.

As the area's physical aspects take shape, Canal Place finds itself in the position of needing to shift its focus to marketing and programming for the area. CPPDA has already begun to build a schedule of regular heritage area activities and has implemented thriving annual events such as C&O CanalFest, musical events, Halloween activities and the holiday open

house. By partnering with other public and private entities, the authority is working to build recognition of Canal Place as a hot spot for activities and events for the community and visitors. With the opening of the Shops at Canal Place in May 2003, the area added another attraction to its assets, which already included the Cumberland (a full-scale canal boat replica), the Western Maryland Scenic Railroad, the C&O Canal National Historical Park's Cumberland Visitor Center, the C&O Canal towpath, and charming shops and historic buildings.

CPPDA's mission is to be the catalyst for the preservation, development and management of the lands adjacent to the C&O Canal in Cumberland, and be the advocate for preservation and development within the Canal Place Preservation District and the greater Cumberland area, for the purpose of enhancing heritage tourism in Western Maryland.

Organizational Structure

The independent state agency Canal Place Preservation and Development Authority (CPPDA) manages CPHA. The authority is comprised of an appointed board of directors, an executive director, an administrative specialist, a public affairs specialist, and an office assistant. Additionally, two contractual positions provide maintenance and construction management services to the heritage area.

Under the supervision of the executive director, the staff manages daily operations. The board of directors holds monthly meetings at which the staff gives members an update on progress and activities at the heritage area and the board votes on contract issues, certain expenditures, and any other action items requiring their approval.

Boundary Description

Cumberland originally defined the CPHA boundary (also known as the Preservation District) in 1996. It included parts of the B&O Railroad, Chessie System's Main Lines, Canal Parkway and the C&O Canal, and the Western Maryland Railroad.

In 2001, the CPPDA and Cumberland approved expansion of the heritage area to include a portion of the Allegheny Highlands Trail, which extends from the railroad bridge in the vicinity of Old Cash Valley Road (in the northern area of Cumberland known as the Narrows) to the Western Maryland Railway Station, paralleling the Western Maryland Scenic Railroad right-of-way.

Funding Requirements

Throughout its development, Canal Place has been a partnership between the state, Cumberland, Allegany County and the federal government. The C&O Canal National Historical Park has been, and continues to be, one of CPPDA's most important collaborators as the agency works toward the eventual re-watering of the western terminus of the C&O Canal, but Cumberland and Allegany County have also played a crucial role.

Cumberland has been an ongoing supporter of Canal Place events and activities. A financial contributor to the annual C&O CanalFest, the city also partners with the heritage area to present and promote activities such as holiday events and concert series. Cooperation between the city and Canal Place has also resulted in improved signage and more visible linkages between Town Center and the area surrounding the Western Maryland Railway Station. It is expected that the city will continue to be a supporting partner in the development of new programs and activities.

The agency's relationship with Allegany County is also expected to continue and grow. Recently, the county created a Department of Tourism to consolidate and direct the activities of the Allegany County Visitors Bureau and the Western Maryland Scenic Railroad. Canal Place will continue to be an active member of the tourism program and pursue partnerships for the mutual benefit of the heritage area and the county's tourism efforts. Already, Allegany County supports and promotes the heritage area through the agency's membership in the county's Internet service provider, which hosts the Canal Place Web site and offers technical support to help promote activities and events. Plans include the expansion and redesign of the site to better coordinate with other county tourism efforts and attractions.

The private sector has played a role in Canal Place's development by sponsorship contributions to support the annual C&O CanalFest, by participating in public forums and committee meetings to plan new activities and events, and by providing promotional opportunities for the area. Each year, private sector contributions account for about 90 percent of the budget for CanalFest, and a volunteer-driven steering committee works year-round to plan and promote that festival. Volunteers from the community also play a vital role in the canal boat tour program, providing tour guide services and helping with upkeep and maintenance of the boat.

Canal Place plans to encourage increased private sector participation in the heritage area through the development of a nonprofit fundraising group. Friends of Canal Place will help the organization with financial development, volunteer recruitment and community outreach.

Canal Place also encourages private sector participation in the area's growth and development through its rental properties. Currently, businesses rent space in the Western Maryland Railway Station and at the Shops at Canal Place. A private developer will soon renovate the historic Footer's Dye Works building to include a permanent visitor information center on the first floor and the relocation of the Thrasher Carriage Museum to the three upper floors. New construction will include a 100-room hotel and two 100-seat chain restaurants, along with associated parking and landscaping. Projected private sector investment in this project is anticipated to be about \$10 million.

To date, Canal Place has received \$623,500 in Maryland Heritage Area Authority (MHAA) funds for its updated management plan and 12 more projects. The total cost for these projects is \$1.385 million, with \$519,618 contributed by the local government, \$113,000 from the federal government, and \$128,637 from the private sector.

For the next five years, Canal Place has identified six annual projects and three one-time projects. As an independent state agency, CPPDA has separate operating funds from the state, which cannot be used as matching funds for MHAA grants. Total state needs for these projects total \$2.532 million. State funding will come from MHAA grant funds, Canal Place operating funds, and state bonds (PAYGO). Matching funds will come from donation revenue, Friends of Canal Place, and the National Park Service.

Successes

Signs of CPHA's success and progress can be seen all around the Preservation District. Already, numerous projects in the management plan have been

completed, and the physical changes have been dramatic. Additionally, the involvement of private business owners and volunteers shows confidence in and support for the activities at Canal Place.

Annual visitor counts also reflect the growth at Canal Place. In 2002, visitor figures for combined attractions within the Preservation District topped 131,300. This was a dramatic increase over the 88,500 visitors to the area just three years earlier, and a jump from less than 82,000 in 1996. As new attractions such as the relocated Thrasher collection, the Allegany County Museum, the Allegheny Highlands Trail, and the completed canal re-watering project come into being, visitor figures will continue to rise.

Challenges

No development of this magnitude is without its challenges. Among those facing CPHA is a lack of public understanding of all that the development entails. While considerable progress has been made in educating the public about Canal Place and garnering community participation and support, CPPDA still has a long way to go. Word-of-mouth advertising is far more valuable, in most cases, than paid ads, and unless the local community is fully aware of the resources and attractions available at Canal Place, it will not be able to share that information with visitors and the surrounding community. It is for this reason that the agency's outreach efforts need to be ongoing and Canal Place needs to continue to offer activities and programs which will encourage the public to visit the area facilities and learn more about the area and the rich transportation and industrial heritage of Western Maryland.

Another considerable challenge facing Canal Place

is funding. With the area's growth and acquisition and construction of new properties, the operational expenses of Canal Place continue to increase, as does its need for more staff to oversee projects and programs. Since CPPDA is an independent agency of Maryland, it is not eligible for certain types of state grants as the majority of the agency's resources are state funds and are ineligible for use as matching funds. Additionally, since Canal Place does not have a federal 501(c)(3) designation, it is also ineligible for support from certain private entities whose giving guidelines require that designation. With budget cuts at the state level, Canal Place is faced with the challenge of continuing to offer high-quality activities while reducing spending to implement and promote these activities. With the development of Crescent Lawn underway and the re-watering project on the horizon, the Canal Place is at a critical point where promotion and activities are paramount in order to ensure its continued viability. The agency's challenge is to identify new sources of funds to support existing and potential new activities at Canal Place, and the implementation of a private nonprofit group will play a vital role in doing so.

For the past few years, Allegany County's tourism program has undergone several changes in an ongoing effort to develop the most effective entity to drive the tourism and hospitality program in the county. Throughout these changes, numerous directors of the tourism program have come and gone, and the county is currently advertising for a new executive director to oversee its tourism department. Because of the ongoing flux of the tourism program in the county, it has been difficult for Canal Place to clearly identify its role in a partnership effort with county tourism to jointly promote

Allegany County and the Canal Place Heritage Area.

Finally, an ongoing challenge that faces Canal Place is its efforts to promote unity and cooperation among individual attractions and entities within the county and the region. A true cooperative marketing effort requires all parties to change the way they have traditionally approached promotion of themselves and their activities, but many agencies and attractions continue to promote themselves with little to no thought of including the activities of others for more unified marketing and exposure. For example, several entities in Allegany County produce annual events calendars, including the Visitors Bureau, the Chamber of Commerce, and several independent Web sites. Ideally, one calendar of events should exist for the county, combining all these events, but no effort has been made to pull the county's event information together in one official calendar. Instead, each individual entity seems reluctant to give up control of their calendars in order to create one complete calendar for the benefit of visitors and residents of Allegany County.

Canal Place Heritage Area

Canal Place Preservation and Development Authority
13 Canal St., Room 301
Cumberland, MD 21502
301-724-3655
301-724-3655 (fax)
www.canalplace.org

HEART OF
CHESAPEAKE COUNTRY
HERITAGE AREA

History and Current Status

Dorchester County has a proud history of early leadership and contributions to the state's development. A major producer of seafood, it is a significant part of the state's economy. As a maritime community, it is one of the state's most important ecological areas, with outstanding natural resources. Its wetlands and habitats are vital not only to Maryland, but to the Chesapeake Bay and the United States.

The Heart of Chesapeake Country Heritage Area (HCCHA) was established to preserve Dorchester County's heritage, market the area's heritage to visitors and residents, and improve the area's economic health.

Priority areas the group has focused on include museums and attractions, signage, visitor's center and marketing. Other areas the group hopes to address are publicity, preservation, and the establishment of a nonprofit organization for the area.

Organizational Structure

A management board formed by the Dorchester County government created HCCHA and its management plan. The county provides staff, partial funding and offices for the program, and disperses monies received from the Maryland Heritage Areas Authority (MHAA) and other public and private sources.

The HCCHA management board is comprised of 11 members: two Dorchester County commissioners, one official from each municipality within the heritage area (Cambridge, Church Creek, East New Market, Hurlock, Secretary and

Vienna), and three community representatives.

Boundary Description

The boundary for the heritage area includes most of Dorchester County. Beginning in Secretary, the boundary nearly encircles the county by water, following the Choptank River to the Chesapeake Bay. It continues along the bay and up the Nanticoke River to Vienna. From there, the boundary follows Route 50 west to the railroad that parallels Linkwood Road and goes north to East New Market and west to Secretary. The town of Hurlock is included as a noncontiguous area.

The heritage area includes Cambridge, the county seat and commercial core. The historic towns of Church Creek, East New Market, Hurlock, Secretary and Vienna are picturesque resources, each of which has played a role as a transportation, trade or boat building center in the county's development. The area includes the fishing communities of Taylor's Island, Hooper Island and Elliott Island, with their working waterfronts and expansive views. The vital marsh and wildlife areas of central and southern Dorchester County provide important ecological and recreational resources. Areas including Wingate and Bishop Head, as well as Fishing Bay, have been havens for American Indian communities.

Currently there are five target investment zones for early implementation. Two are in Cambridge, and there is one each in Vienna, Bucktown Village and Blackwater National Wildlife Refuge.

Funding Requirements

Cooperation between the city of Cambridge and the five towns within the heritage area has been a positive and rewarding evolution. The towns helped each other move through the levels of

acceptance to receive certification status, and all participated in the final, most critical six months of the development of the management plan.

Dorchester County, Cambridge, Vienna and Hurlock have supported the management plan project financially. Dorchester County, Cambridge and Vienna have all made steps to include heritage tourism initiatives in their future development plans. Vienna, which has created and invested in its own development plan, is in the midst of a project plan that is funded in part by various grants on the Nanticoke Watershed. Cambridge is a major funding source for the Main Street Maryland program in the city. Their focus is to work in conjunction with the HCCHA's efforts to create opportunities for development in the city's target investment zones and surrounding areas.

HCCHA was granted state certification in the midst of an economic downturn. Despite challenges to pursue some strategies outlined in the management plan, the group is working to fully develop them. The management board is gearing toward building partnerships with the private sector at a pace that is appropriate for the current financial climate.

Developers are potential contributors to the heritage area's future. For instance, the Hyatt Chesapeake is creating opportunities for change since it opened in 2002. Another example is Cambridge's significant increase in the housing market with over 3,000 new units in the pipeline for development. Currently, there is a reasonable mix of corporate and foundation support throughout the heritage area for smaller initial projects in the target investment zones of Vienna, Blackwater and Bucktown.

To date, HCCHA has received \$195,893 in MHAA funds for the creation of a management plan, operating assistance and five other projects. The total project costs were \$392,286. Dorchester County and local governments contributed \$183,893 in cash and in-kind contributions. An additional \$12,500 was leveraged from the private sector.

For the next five years, HCCHA has identified 10 capital projects and five non-capital projects in addition to operating assistance for the heritage area. Cost estimates for several projects are incomplete, but those with total cost estimates total \$1.389 million, and will require \$237,000 in MHAA funds. MHAA operating assistance is estimated at \$50,000 per year.

Successes

While much has been happening since the Heart of Chesapeake Country was designated as a state heritage area, the group has only begun to implement the program. One of the first projects was to secure Dorchester County as one of the first counties with the State Highway Administration's new attraction signage program.

Revitalizing downtown Cambridge was another key issue for the group. HCCHA board members initiated a community-based movement to spark improvements in the downtown area. Several public forums were held and specific action groups were formulated. As a result of this campaign, in conjunction with the city's effort, the designation was awarded as a Main Street Maryland community. The action groups continue to meet, having outlined strategies with defined objectives. The design action group has made an appeal to the city council to put a moratorium on new construction until they provide recommended design guidelines that are appropriate

for the current architecture to preserve the community's character.

As part of the downtown movement it became apparent that there was a void at the local level for small business development, particularly retail and commercial. The HCCHA envisioned the creation of a business development resource network. Currently, the Rural Development Center of the University of Maryland Eastern Shore is considering funding the start up of "Dorchester First!" through a grant. The initial project elements include developing collaterals that feature the network of resources that will help potential small businesses or entrepreneurs, a Web site and other promotion efforts.

An HCCHA committee also launched a Visitor Center Enhancement program. Improvements will include the creation of interpretive exhibits that will inform and educate visitors on the area's heritage, cultural and natural resources. The goal is to incorporate a mix of displays that will entice travelers to explore the county's treasures. As a result of their work, the county has been awarded a grant from the Chesapeake Bay Gateways Network to establish an exhibit on Harriet Tubman and the Underground Railroad. The community has provided several other displays already, including two with a working waterfront village theme. One is a rare example of a shell button-making factory from the southern part of the heritage area. The other is a 130-year-old log canoe that was made in Dorchester County. It is possibly the oldest of its type in the United States and has created quite a draw for visitors and local residents alike.

Under the heritage area guidance, the Mid-shore Underground Railroad Network (MSUGR) was developed. The



group applied to the Chesapeake Bay Gateways Network (CBGN) for designation of the Underground Railroad Scenic Byway in Dorchester and Caroline counties. The CBGN has accepted the trail as their first scenic byway in the network. MSUGR includes Dorchester and Caroline county tourism offices, the Caroline County Historical Society, Bucktown Village Foundation, and the Harriet Tubman Organization.

This same group applied for a Bartus Trew grant (under the National Trust) to develop a comprehensive Harriet Tubman and Underground Railroad Strategic Plan. The third project initiated was the application of funding for a corridor management plan, which could lead to national designation of the Underground Railroad Scenic Byway. This trail was identified as a state scenic byway in the late 1990s. The strategic plan is a critical step in developing a working program that encompasses all aspects of this important icon in Dorchester's heritage.

HCCHA has also brought the various levels of government together interested in preserving the legacy of Harriet Tubman and the Underground Railroad.

This group has been continually meeting to discuss the various roles and levels of interest in memorializing Tubman. HCCHA has been working closely with the Maryland Historical Trust on specific preservation projects in the Bucktown area, Harriet Tubman's birthplace, and the National Park Service on the Harriet Tubman Special Resource Study.

HCCHA secured grant funding for two Dorchester County organizations to begin two Harriet Tubman Experience programs for visitors and residents. Although the programs differ, they both focus on Tubman's life in Dorchester County and use the landscape and natural resources that remain relatively unchanged in the Bucktown area to provide participants with a living history experience.

The heritage program in Dorchester County has presented the opportunity for the community to join together to work on common goals. Coupled with the opening of the new resort in Cambridge, the area has received favorable publicity and growth. There has been a significant increase in housing developments and small businesses.

Challenges

The instability of the state program can have an adverse affect on the local community's interest in investment of time and resources. The economic climate has most entities wary on moving forward with planned projects. The uncertainty makes it difficult for partners to evaluate their effort in the program when there is unsteady publicity on its future. Available financial resources in Dorchester County have long been a challenge and will continue in the foreseeable future. Realizing this, HCCHA will consistently search for potential partners on projects from both private and public sectors, despite the perceived limitations. Leveraging support is a primary component in the effort to accomplish the group's project goals.

Heart of Chesapeake Country Heritage Area

Dorchester County
Office of Tourism
2 Rose Hill Place
Cambridge, MD 21613
410-228-1000
410-221-6545 (fax)
www.tourdorchester.org

LOWER EASTERN SHORE HERITAGE AREA

History and Current Status

The Lower Eastern Shore Heritage Committee (LESHC) was founded in 1990 to promote historic, cultural and environment preservation and heritage tourism in the lower tri-county region on the Maryland Eastern Shore. One of the first such organizations in the nation, LESHC has successfully produced marketing materials and public information forums that highlight the area's historic, natural, agricultural and cultural arts attractions. LESHC has been a leader in a range of planning projects and sought grant funding for projects such as the Pocomoke River Discovery Center.

Through the efforts of LESHC, the tri-county area was designated a recognized heritage area in 1998. In 2002, this area was approved as a certified heritage area, designating LESHC as the coordinating entity for regional effort. LESHC applied for operating funds to hire staff for the organization to implement a heritage plan. Funding, caught in fiscal hold by the state legislature, was released in June 2003. LESHC hired an executive director this fall. In addition, three targeted investment zone projects have had funding released and are moving forward.

LESHA has participated in the creation of:

- *Beach to Bay Trail*: A National Recreation Trail that links Somerset and Worcester counties and highlights the region's scenic landscapes and cultural resources
- *Delmarva Birding Weekend*: Renowned as an excellent location for birding due to the coastal areas and waterways combined with large tracts of

undeveloped forests and fields, this event draws hundreds of watchers from the mid-Atlantic region during spring migration

- *Delmarva Lo-Impact Tourism Experiences*: Known as DLITE, this group promotes kayak trails, biking and other eco-friendly activities in the area
 - *Passport Program*: Initiated by Worcester County to draw tourists to places outside of Ocean City, this program has resulted in a cooperative marketing effort for many sites and attractions in Delmarva
 - *Plans for Maryland's Coastal Bays*: In 1996, an agreement to create a joint conservation plan to protect Maryland's coastal bays was signed by Worcester County, Berlin, Ocean City, Maryland, and the U.S. Environmental Protection Agency
 - *Pocomoke River Projects*: Projects include an "Inn to Inn" canoe trail connecting lodging establishments along the river and the Bogiron water trail along the Nassawango Creek
 - *Brochures*: A series of brochures, including *African-American Historic Sites, Home Grown Farms, Cultural Arts Tour, and Adventures in Travel: A Historic Cultural Crossroad*
 - *Web site*: www.skipjack.net/le_shore/heritage
 - *Other Projects*: Salisbury Urban Greenway, Smith Island Cultural Center, Snow Hill Rail-Trail and Viewtrail 100
- Current project focus is on joining the network of scenic routes into a designated state and national scenic byway as the artery to move visitors around the core of heritage region.
- The key goal of the LESHA plan is to stimulate tourism growth and its associated economic benefits while preserving their unique historical, natural and cultural heritage. Components in the vision to achieve this goal are:
- Market a regional destination

that is broader and more diverse than the beach resort it once was

- Provide visitors with a choice of attractions that are linked together to give them a broad understanding of the region's heritage
- Offer events and activities that invite visitors to visit LESHA's communities
- Celebrate the cultural diversity and contributions of all residents
- Create a visible recognition of heritage treasures and educate both visitors and residents about its regional significance
- Protect fragile habitat for wildlife and aquatic life
- Uphold sustainability of heritage amidst intense growth and development
- Maintain peaceful, relaxing and uplifting areas where visitors can experience a slower pace
- Offer visitors multiple ways to tour the countryside with or without a car

Organizational Structure

LESHA is as a regional partnership for the interpretation, stewardship and appropriate development of the area's natural, historic and cultural resources. The area's 13 municipalities within three counties have amended their comprehensive plans to participate in the certified heritage plan implementation. The heritage area undertakes a coordinated regional marketing program, and heritage partners cooperate in the ongoing stewardship of the region's land and resources.

The LESHA Board of Directors governs the organization. Comprised of 24 people (eight from each county with two local government appointees from each jurisdiction), members come from private industry, tourism, economic development,

environmental activists, historians, nonprofits, museums and cultural organizations. An executive director and an administrative assistant staff the organization. Local heritage partners are invited to be members of the organization and participate on board committees and planning meetings, and submit projects for funding.

Boundary Description

LESHA is the only place in Maryland where the ocean and the Chesapeake Bay are only an hour drive away from each other. There is a sparsely populated agricultural and wetland area between small towns and one urban center in Salisbury. Many 17th and 18th century historic sites remain in excellent condition through private stewardship. Quaint villages abound amid natural beauty of marshland and tracts of forests. Wildlife is abundant and easily seen along the highways.

The heritage area boundaries are the circular scenic byways that move travelers around the region from beach to bay. The target investment zones include Salisbury’s historic downtown area, Princess Anne’s historic village, Pocomoke and Ocean City’s historic downtown area.

Funding Requirements

LESHC received a commitment of \$5,000 from each county annually for two years while developing the heritage plan. With economic downturn and revenue cap in Wicomico in fiscal year 2004, however, no commitments have been made to continue this support. In-kind support with use of meeting space, copying and staff dedicated to work on projects continues. The plan is cited in the Lower Shore Tri-County Council Comprehensive Economic Development

Strategy and each county’s comprehensive plan.

Private sector contributions have not been fully explored by the LESHC. Funds are received from dues and from community foundations. Private sector involvement has been strong through board participation. This is an area that the new executive director will focus on, as there are good prospects that can be developed in the area for support.

Although LESHC has been able to identify over 30 possible projects for the next five years, estimates were possible for only a portion of those projects. Over \$10.523 million in project costs were identified, as was a need for \$975,000 in Maryland Heritage Area Authority funds. The need for operating assistance was estimated at \$32,000 per year.

Successes

The organization’s goals have always included drawing tourists from Ocean City for day trips. The three-county cooperation is very strong, and a sense of regional marketing is increasing. As a result, the area is starting to see more tourists in inland communities. Through the organization’s public relations efforts, *The Washington Post* published a full-page article on the Cultural Arts Trail. Most recently, the funding of an Ocean City Lifesaving Station Museum exhibit was a direct result of the organization’s certification.

Interest in heritage preservation has increased due to the focus of media and local government support through loans and advocacy. As the organization is just launching the implementation of their plan in fiscal year 2004 due to funding delays, the sense is that the time is ripe for this concept. Projects gaining in momentum include:

- Renovation of the Boulevard Theatre in Salisbury as an arts cultural center is moving ahead with private donors and local government support
- Pocomoke River Discovery Museum received federal funds to advance planning and development of this site; there is good private and public support for this project
- The renovation of the Ocean City Boardwalk is moving ahead with facade finished and street-scraping underway

Challenges

LESHC faces several challenges. One is lack of resources for state matching funds. LESHC hopes to position the organization by contracting with a fund developer for private sector donors and grant writers to find funding to match the state on certified heritage area projects. Local governments have not been able to commit funds to the organization due to the budgetary situation. Wicomico County, the largest jurisdiction in the area, is under a voter-mandated revenue cap, which has forced it to eliminate grants to nonprofits, including LESHC, in fiscal year 2004. LESHC is seeking ways to diversify funds away from dependence on public funding to more private support and establish a network of private supporters. This is a major priority of the new executive director.

The heritage area is also challenged with the task of developing a common “branding” logo for use by all three county tourism offices. Traditionally, there has been a competitive relationship between the counties; LESHC will use a facilitator from the local university’s marketing department to mediate a common theme and visual logo for the area.

LESHC also needs to raise awareness of heritage issues and

build a collaborate process for projects with many jurisdictions and interests involved. LESHC plans to use the Scenic Byways Plan development to educate and build awareness through a series of public forums to encourage communities to revitalize their thoroughfares along this route.

Public awareness and outreach has always been LESHC’s toughest challenge with limited staff and budget. Many local residents are still not familiar with the organization or its mission. Without large industry and in tight economic times the organization is faced with an even bigger challenge to find the operating funds needed to run a professional organization.

Lower Eastern Shore Heritage Area

Lower Eastern Shore Heritage Committee
 11696 Church St.
 Princess Anne, MD 21853
 410-651-4420
 410-651-4460 (fax)
www.skipjack.net/le_shore/heritage

LOWER
SUSQUEHANNA
HERITAGE
GREENWAY

History and Current Status

The Lower Susquehanna Heritage Greenway (LSHG) was established in 1992 when a group of local community activist, public officials and private citizens from both Harford and Cecil counties met to discuss a vision. The Susquehanna River historically played a role in forging these two counties apart; however, this time the each county's diversity brought them together to achieve a single goal.

Specifically, the concept of a 38-mile looped greenway along the banks of Susquehanna River was deemed an appropriate vehicle to promote economic development and job creation. The trail system was deemed the catalysis for community revitalization by linking existing communities with rural areas via an extensive water and land trail system. By providing a network of trails, scenic byways and tour routes, residents and visitors to Harford and Cecil counties can enjoy natural recreational parks and faculties throughout historic towns, shopping districts and restaurants.

The group incorporated in 1997, and with the help of state, county and local governments, the business community and private citizens, developed a management plan. Legislatively adopted by all jurisdictions (Harford and Cecil counties, Perryville, Port Deposit and Havre de Grace), it became the first management plan to earn state certification.

Since then, the LSHG has developed a vast network of volunteers, partners and staff to implement the plan's vision and execute construction of some \$38 million for regional capital projects. The group has achieved

much success and is drafting an amendment to the original plan that will describe completed and ongoing projects and future endeavors.

The LSHG is the fund and project manager for nearly \$1 million of federal capital project funds earmarked to develop the greenway system. The group has complete preliminary project review for consistency with the bill language and the master plan. Technical review is underway and funding recommendations will be forwarded to the board of directors in the fall. Projects will be selected for funding based on consistency with the management plan. Construction of capital projects totaling more than \$5 million will commence by years end.

The group is also developing an extensive water and land trail map of the entire heritage area. Under LSHG's leadership and the cooperative effort of the Department of Natural Resources, Harford and Cecil county governments, and the National Park Service (Chesapeake Bay Gateways Network), this one-of-a-kind map will serve multiple users. Although state and federal mapping requirements differ, the product will be enhanced through the spirit of cooperation and compromise.

Organizational Structure

Governed by the LSHG Board of Directors with the legal accountability for its operations and policy development, the organization is a nonprofit 501(c)(3). Each year, the board elects a president, vice president, secretary and treasurer, who comprise the executive board. The board consists of balanced representation from Harford and Cecil counties, key agencies, interest groups, organizations, stakeholders and jurisdictions.

The board hired an executive director to carry out the

management plan and oversee the daily operations and budget. A trail manager and administrative assistant staff the office.

Boundary Description

Where the Susquehanna River meets the Chesapeake Bay, nature and heritage converge in the certified heritage area known as the Lower Susquehanna Heritage Greenway. It is the backdrop for Native American settlements and a stop along the Underground Railroad. Visitors can view the wonders of nature, historic sites and commerce. They can also stroll the waterfront promenades of quaint towns and enjoy shops, eateries, museums and bed and breakfasts. One can enjoy the serenity of Susquehanna State Park's pristine woods, view the Victorian splendor of Havre de Grace or the remarkable 19th century granite architecture in Port Deposit, and even experience a tavern in Perryville where President George Washington often hung his hat.

Funding Requirements

LSHG has experienced unprecedented and unwavering support from local government and elected officials. To date no request for services, support or funding has been denied. In these challenging fiscal times, each jurisdiction has included the LSHG in their annual budget, thus pledging operating assistance. In addition to monetary support, the counties of Cecil and Harford have provided countless hours of technical support and access to their resources. In-kind services have included geographic information systems mapping, data collection, technical review, engineering and analysis. LSHG receives monetary support from the municipalities of Perryville, Port Deposit and Havre de Grace. The group meets regularly with members of the Harford and Cecil County Delegation. Their

support has been in word and deed.

State agencies such as the Office of Planning; the departments of Natural Resources, Housing and Community Development, and Business and Economic Development; and local tourism offices continue to support the group's efforts with technical expertise. Federal agencies such as the National Parks Service, Federal Transportation Administration and the Army Corps of Engineers provide in-kind services, technical support and project funding.

The LSHG has developed an extensive work program in cooperation with its government and private partners. The key to this work program is the group's ability to leveraging resources within the scope of LSHG's plan. Because of this, numerous commitments have been made for future projects.

LSHG has recently cast a net to involve the private sector. The group has joined and is now an active member of the Cecil and Harford counties' chambers of commerce and each municipality's chamber. The group has developed a regional marketing plan to educate the business community of LSHG's positive impact on the local economy. For this purpose, LSHG has engaged in many public forums and often presents the group's message before civic and business groups.

This outreach has been implemented through public speaking engagements, profiles in business and local print media, paid advertisement, and through local cable outlets. Outreach efforts have been successful. In addition to existing corporate support from the Exelon Corporation, Connective Power and the Arundel Corporation, LSHG has expanded its base of financial support to include small area businesses and the

industries of banking, real estate, construction and health care.

LSHG's annual gala and benefit auction is testimony to the group's renewed strength and commitment within the private sector. The percentage of new donors has dramatically increased and partnerships have been forged with the thoroughbred, accounting, homebuilding and importing industries. Each has contributed large monetary donations or valuable items to the benefit auction.

To date, LSHG has received \$725,893 in Maryland Heritage Areas Authority (MHAA) funding for the development of the management plan, operating expenses and four projects. This has been matched with \$316,312 from local governments, \$203,370 from the federal government, and \$364,998 from the private sector.

LSHG has planned about 80 projects, but have only identified 10 as requiring MHAA funding beginning in 2004. They have total costs of \$1.29 million, and may require up to \$789,000 in state funding from MHAA, the Maryland Historical Trust, and the Department of Natural Resources. Matching funds of \$348,000 have been identified from private sources and local governments. LSHG managed funds will also be used.

Successes

With LSHG's renewed focus, clear objectives, solid work program and five-year regional capital project plan, exciting things are happening. LSHG's new partners have provided funds and resources to implement the regional management plan.

MHAA funds help LSHG leverage resources from other sources to complete capital projects and build the area's trail system. For example, each of the following projects is being completed with the use of various combinations of

federal, state, local and private funds: Marina Park in Port Deposit, the Rodger's Tavern in Perryville, the O'Neill House in Havre de Grace, and the Exelon Trail in Cecil County. LSHG has taken on the responsibility of coordinating and leveraging public and private funds to implement the regional management plan.

This fall, construction plans will be placed on bid for projects such as the Swan Harbor Farm Park, Susquehanna Museum and O'Neill House additions, dock rehabilitation in Havre de Grace, dock construction in Perryville, and Marina Park in Port Deposit. The total economic impact of these projects exceeds \$5 million.

Challenges

Although its projects provide enormous positive impact on the local economy, LSHG's challenges are systematic. There is always too much to accomplish with not enough staff. As a regional organization, LSHG is most suited to coordinate numerous capital projects, local priorities and leverage funding for the good of the whole region. The group's greatest challenge, however, is choosing to do less and document more. It would benefit all parties if organizations would minimize non-essential paperwork and emphasize instead the succinct reporting of results.

Lower Susquehanna Heritage Greenway

4948 Conowingo Road
Darlington, MD 21034
410-457-2482
410-457-2488 (fax)

susquehannagreenway@direcway.com
www.lshgreenway.org

MONTGOMERY COUNTY HERITAGE AREA

History and Current Status

Montgomery County was approved as a recognized heritage area in 2000, and as a certified heritage area in 2003. The Montgomery County Heritage Area (MCHA) management plan describes four aims for the heritage area effort:

- Raise the profile of Montgomery County's heritage
- Foster stewardship of historic buildings and sites
- Bring the county's history alive
- Encourage residents to become tourists and entice visitors to stay longer and return often

The initial focus for heritage area programming lies within the portions of Montgomery County approved for designation as a certified heritage area. This area encompasses a concentration of heritage resources in settings that retain historic character distinct from surrounding contemporary development. There are three initial interpretive themes: farming history, Quakers and the Underground Railroad, and technological innovation. Two target investment zones have been designated: Poolesville in the farming history cluster in the western part of the county, and Sandy Spring in the Quaker and Underground Railroad cluster in the eastern part of the county.

Implementation of the management plan is just beginning, with the establishment of a management entity and hiring of staff to move forward with projects and programs that support the plan's goals and strategies.

Organizational Structure

The Heritage Tourism Alliance of Montgomery County is establishing a management entity, hiring staff and expanding the MCHA Board of Directors.

The board is currently comprised of people who served on the management plan advisory committee and representatives from the Montgomery County Conference and Visitors Bureau, the Arts and Humanities Council, local museum and preservation organizations, and businesspeople in the target investment zones. The expanded board will include more business leaders and civic groups, particularly from the target investment zones.

Initially, the management entity will share office space and administrative support with Montgomery County Historical Society. The goal, however, is have the group working as an independent 501(c)(3) within the next several years.

Boundary Description

MCHA's boundary is based on the three theme clusters: Quakers and the Underground Railroad, farming history and technological innovation. The Underground Railroad and Quaker cluster is in the eastern part of the county and follows the Rock Creek, Northwest Branch and Sligo Creek Stream Valley parks ending up in the communities of Sandy Spring and Brookville in the north. The farming history cluster follows the boundary of the 93,000-acre agricultural reserve in the northwestern part of the county. The technological innovation cluster includes resources along the Potomac River, C&O Canal and the Metropolitan Branch of the B&O Railroad.

Funding Requirements

Montgomery County received a \$100,000 grant from the Maryland Heritage Areas Authority, which was matched by an additional \$100,000 from Montgomery County. These funds were used for the management plan (\$140,000) and initial implementation of

the plan's recommendations (\$60,000).

Capital projects include the Woodlawn Barn Interpretive Center (\$2.8 million) and the Farming Historic Gateway Exhibit in Poolesville (\$500,000).

Planning and development projects include:

- Interpretive framework plan: \$50,000
- Graphic identity system: \$50,000
- Audio guides: \$25,000
- Heritage area map guides: \$30,000
- School programs: \$40,000
- Two traveling exhibits: \$40,000
- Trail interpretive panels: \$45,000
- Underground Railroad thematic maps: \$15,000
- Farming history map guides: \$15,000
- Scenic byway corridor management plan: \$80,000
- Coordinated heritage area signage system: \$20,000
- Poolesville interpretive kiosks and waysides: \$12,000
- Sandy Spring interpretive kiosks and waysides: \$12,000
- Technological innovation interpretive kiosks: \$18,000
- Annual staffing and operations

costs include a heritage area coordinator and operations (\$68,250), Web site service (\$20,000), and capacity-building grants (\$250,000).

Montgomery County has already contributed \$100,000. Additional support for ongoing staffing and operations is anticipated from the county government and from local municipal governments in the certified heritage area, but not yet committed.

The Maryland-National Park and Planning Commission (M-NCPPC) is committed to help fund heritage tourism projects on parkland. Funding committed in the M-NCPPC's Capital Improvement Program (CIP) budget is about half of the costs of renovation of the Woodlawn Barn as an interpretive center. CIP is also providing funds for trail signage.

The Montgomery County Historical Society is providing in-kind support for the management entity by making office space and administrative support available. Other private for-profit and nonprofit partners have promised future support, although no funding is committed at this time.

Successes

The Montgomery County Heritage Area is just getting started and no major projects have broken ground. There is, however, a great deal of enthusiasm for this effort among county leaders, preservation groups and business people.

The renovation of the Woodlawn Barn as an interpretive center will be the first major capital project to be undertaken and it is moving forward in a positive way. MNCPPC has completed a feasibility study for the adaptive reuse of the building, is beginning short-term stabilization of the structure, and anticipates beginning development of construction documents in summer 2004. MNCPPC also acquired the historic property across the road from the Woodlawn Barn (known as the Holland Store) through its Legacy Open Space program. This will preserve, in perpetuity, the visual gateway to the Quaker and Underground Railroad Heritage Cluster.

Challenges

The heritage area management plan clearly identifies challenges facing the heritage area, including low profile for the county's heritage resources, encroaching development, lack of a critical mass, and competition in the market.

However, the plan also outlines a variety of strategies to address the challenges, including:

- Identity and image creation
- Awareness campaign
- Virtual online visitor center
- Signage
- Packages offered through convention and visitor's bureau partnerships
- Comprehensive heritage activities calendar
- Creation of gateways to each heritage cluster
- Themed day and tours
- Publicly accessible marketing language

Montgomery County is convinced that the recognized challenges can be overcome by implementing these strategies. Funding will be a continual challenge; however, there is continuing optimism that a dynamic heritage tourism program — which reaps economic development benefits for the county — will generate significant private and public funding.



Montgomery County Heritage Area

8787 Georgia Ave.
 Silver Spring, MD 20910
 301-563-3400
 301-563-3412 (fax)
www.montgomeryheritage.org

SOUTHERN MARYLAND
HERITAGE AREA

History and Current Status

The concept of a heritage tourism management plan and program within the Southern Maryland region, comprised of Calvert, Charles and St. Mary's counties, began some 10 years ago, due largely to the efforts of a committee of state, county, and municipal representatives and private agencies formed to gauge its feasibility. In 1999, the Southern Maryland Heritage Area (SMHA) partnership formed to assume leadership in developing a heritage tourism management plan in pursuit of official status under the terms of the Maryland Heritage Preservation and Tourism Development Program. The partnership applied for and received recognized heritage area status.

In 2001, the partnership undertook the preparation of a SMHA tourism management plan to secure state certification. Under the leadership of the Southern Maryland Travel and Tourism Committee (SMTTC), a steering committee worked with the planning firm of Redman/Johnston Associates to prepare the plan, which was funded by local governments, the National Park Service and a grant from Maryland Heritage Areas Authority (MHAA). Over a two-year period, the general public, local organizations, and state, county, and municipal officials were actively engaged in its development.

In 2003, the plan received the endorsements of county and municipal governments and was certified by the MHAA pending provision of additional performance measurement benchmarks. The three counties are now in the process of amending their local plans to include the management plan.

A management framework in the form of a consortium is being established as a first step toward plan implementation.

SMHA's mission is to serve as a catalyst to coordinate regional efforts to recognize the importance, conserve the physical resources, and galvanize the human resource base of the region to increase both the quality and quantity of heritage tourism in Southern Maryland. It is envisioned that in three to five years, tourism promotion will focus on clearly developed themes, will emphasize transportation links that encourage people to explore diverse areas of the regional and stay longer, and that through a strong and effective management entity, this effort will be coordinated with other economic and community development efforts to make best use of scarce resources.

The goals and objectives of the consortium as set forth in the management plan are grouped into six areas:

- *Interpretation and Education:* Develop interpretive and educational projects, programs and activities designed to strengthen the traditions and authenticity of the area and improve understanding of the area's heritage resources
- *Linkages, Infrastructure and Facility Development:* Develop efficient transportation and way-finding systems, thematic tours, interpretive facilities, information centers, and gateways to improve movement and connectivity and support visitors
- *Community and Economic Development:* Develop strategies that are scaled to the overall character of the region and that support heritage tourism, and to enhance public and private investment in community revitalization and economic development

- *Preservation and Resource Stewardship:* Develop and enhance preservation mechanisms, programs and initiatives for local jurisdictions, and preservation organizations to improve conditions for long-term stewardship
- *Marketing and Outreach:* Develop marketing strategies, public awareness campaigns and outreach programs that promote the heritage area to a wide audience and increase visitation
- *Managing Implementation and Partnerships:* Develop an effective management platform, strategies and partnerships to ensure successful implementation of the heritage area's goals

The region's character and significance rests in Southern Maryland's abundant historic, cultural, natural and recreational resources that reflect distinctive rural landscapes and historical development along the tidal creeks, rivers and the Chesapeake Bay. These resources reflect Maryland's beginnings, from 17th-century European settlement and the earliest footholds of religious freedom, to the booming prosperity of the 18th- and 19th-century tobacco plantations and unique culture of the bay's watermen and boat builders.

Organizational Structure

In accordance with the management plan, SMTTC will establish the Southern Maryland Heritage Area Consortium. The consortium will bring together the many heritage area partners currently at work in the region and provide a forum to yield greater regional benefits from their collective efforts.

As the umbrella agency for the consortium, the Tri-County Council for Southern Maryland will assume responsibility for financial administration and

houses the consortium. The nonprofit status of the parent organization will enable the consortium to seek private sector funding for operations and programs to supplement those funds committed by local government and state funds available through MHAA and other state programs.

The consortium's Board of Directors will be comprised of 15 members representing a broad base of heritage partners. The board's responsibilities will include maintaining legal accountability, ensuring financial solvency, producing an annual report, developing policy, and evaluating the executive director. Its principal objectives will be to ensure fulfillment of the plans and objectives of the heritage area, determine those projects and activities that should receive priority attention and be included in funding requests, and monitor progress in management plan implementation.

A technical advisory committee comprised of the three county tourism directors and a part-time executive director will support the board. Eventually, a part-time assistant will be added. A subsidiary friend's group will assist with fundraising efforts and serve as a volunteer network of interested individuals to help with consortium operations and projects.

Boundary Description

SMHA encompasses about 200,000 acres in Calvert, Charles and St. Mary's counties. The SMHA boundary includes 11 clusters linked by corridors. Each cluster represents a concentration of key heritage resources and includes: Chesapeake Beach, North Beach, Solomon's and Prince Frederick in Calvert County; Port Tobacco, Indian Head and



Benedict in Charles County; and St. Clement's Island, Piney Point, Point Lookout and the Patuxent Naval Air Station in St. Mary's County. The corridors follow scenic trails and byways and connect the various components of the heritage area.

SMHA includes eight initial target investment zones, including portions of Chesapeake Beach, North Beach and Solomon's in Calvert County; Indian Head, Port Tobacco, Friendship Farm Park and Nanjemoy in Charles County; and Leonardtown, Piney Point, St. George Island, St. Mary's College and St. Mary's City in St. Mary's County.

Funding Requirements

SMHA received a grant of \$69,236 from MHAA for the

heritage area management plan. Other contributions to this project included local governments (\$28,000), the federal government (\$30,000), and the private sector (\$23,000).

Projects planned for fiscal year 2004 have a total cost of \$84,000. SMHA will request \$42,000 in MHAA grants. Matching funds will come from county governments, the Tri-County Council for Southern Maryland, and SMTTC. Funds will be used for operating expenses, reprints of the area's driving tour brochure and bicycle map, and development of the Southern Maryland Map Network in conjunction with the Maryland Office of Tourism Development.

Future projects are estimated to cost between \$1.938 and

\$29.365 million. The MHAA grant requirements have not been determined. Beyond current matching sources, additional funds should come from the Chesapeake Bay Gateways Network within the National Park Service, and the private sector.

Through SMTTC, the three county governments contributed a total of \$18,000 toward the matching grant for the SMHA management plan. These governments also committed \$4,000 each (\$12,000 per year) for the next five years (total: \$60,000) for operating expenses support. Local government has also pledged matching funds for the reprinting of the area's driving tour brochure and map reprints and the map network project.

Many of the projects listed

in the management plan also have commitments from local government. The Southern Maryland Heritage Area Consortium will work closely with the jurisdictions in all of the target investment zones in Southern Maryland to determine the priority for and the necessary funding required for projects as they are prioritized.

The amount of private sector involvement and funding will be determined at a later date when the consortium and the "Friends of Southern Maryland Heritage" organizations are formed. The Tri-County Council for Southern Maryland has agreed to allow the consortium to use their nonprofit status and be the umbrella organization for the consortium.

Successes

Since SMHA was only certified in July 2003, it is difficult to designate and describe signs of progress in the area due to the impact of heritage area certification or related heritage tourism development initiatives. However, the Boards of County Commissioners has recognized the importance of this initiative by funding operating support over the next five years and the Tri-County Council for Southern Maryland will form a relationship with the Southern Maryland Heritage Area Consortium. SMTTC will be the marketing arm of the organization. This relationship will provide funding for heritage area promotion, Web site design, advertising, trade show participation and other brochures and literature development as outlined in the tourism management plan. As the consortium develops goals and objectives and an action plan for the next five years using the management plan, it is anticipated that new stakeholders will be identified and new partnerships will be formed. SMHA has the potential to parlay a plethora of resources from both the private and public sectors to fund and complete many of the projects that have been suggested for implementation in the plan.

Challenges

Funding will always be a difficult obstacle to overcome, particularly in these problematic and challenging economic times. SMHA is fortunate that there is an established marketing committee (SMTTC) empowered and funded by the Boards of County Commissioners in the three counties. This heritage area is also fortunate to have a positive relationship with the Tri-County Council for Southern Maryland and exceptional support from the state legislative delegation. In order for the heritage areas program to continue and to manifest itself into a program that is viable and has the ability to provide matching funds from MHAA, additional state funding is crucial.

Southern Maryland Heritage Area

Department of Economic
Development
Courthouse
Prince Frederick, MD 20678
410-535-4583
410-535-4585 (fax)
www.southernmdisfun.com

**RECOGNIZED
HERITAGE AREAS**

**CAROLINE, KENT,
QUEEN ANNE’S,
AND TALBOT
HERITAGE AREA**

History and Current Status

The directors of tourism for Kent, Queen Anne’s, and Talbot counties — together with the executive secretary of the Caroline County Commissioners (Caroline County had no formal tourism program at the time) — joined forces in 1996 to examine the possibility of designating their four counties as a joint heritage area. They first undertook a “feasibility study,” under a grant from the Maryland Historical Trust, and working with a consultant. That study was completed in 2000. The recognition application for the Caroline, Kent, Queen Anne’s, and Talbot Heritage Area (CKQATHA) was accepted in 2002. The organization received funds in 2003 for the management plan, which is expected to be complete in spring 2004.

Organizational Structure

From an informal committee of four (plus an adviser from the Maryland Historical Trust who is also a resident), the organization expanded in 2001 to a nonprofit 501(c)(3) incorporated membership organization. Dues are \$10 per individual and \$50 for organized partner groups. The CKQATHA Board of Directors includes 14 appointed seats (one each from tourism, local government and the county-wide chamber of commerce, plus one representative each from the Chesapeake Bay Maritime Museum and Washington

College) and 13 seats filled by vote of the membership, which meets annually. The board meets bimonthly.

Boundary Description

The recognized heritage area boundary comprises the outermost boundaries of the four counties. CKQATHA is employing a cultural landscape assessment and scenic assessment to help define the final certified heritage area boundary. Analysis of interpretive opportunities and visitor needs will aid both the assessments themselves and the final decision making on the boundary.

Funding Requirements

A grant of \$242,875 was received from the Maryland Heritage Area Authority (MHAA) for the heritage area management plan. Other plan contributions came from local governments (\$60,000), the federal government (\$10,000), and private sources (\$164,121).

CKQATHA is hopeful that counties and municipalities will support the organization directly with funding; they are expected to participate financially in the implementation of many projects that have so far been identified. One municipality (Millington) has given \$300 to the planning program; the four counties have been the primary source of local funding since inception, which has been substantial (in one year, it was \$15,000 per county; most recently, last year, it was \$5,000 per county, although only two county governments covered the county share in that year).

An inventory of heritage tourism-related businesses in the four counties is expected to lead to multiple initiatives to reach out to the business community for financial support, and the nonprofit community is well on board. As with local government, CKQATHA is hopeful that the private sector will support

the organization directly with funding; certainly, businesses and nonprofits are expected to participate financially in the completion of future projects.

Successes

As CKQATHA is still in the planning stages, the group has little to point to yet in terms of success. The group is, however, already seeing signs of cooperation among various entities. In Kent County, a meeting of multiple arts representatives has resulted in closer cooperation. The African-American Heritage Committee has spurred new dialogue among the black community in the three counties that do not currently have such an outlet for heritage development (Kent County does). The four counties have each contributed maps, and have met as a group with Washington College, which is initiating a geographic information systems program in part because of CKQATHA's planning process. The Washington College Rural Leadership Program, under a major Kellogg grant, has recognized the needs of the smaller municipalities, an insight the group is working to reinforce.

Challenges

One challenge is the area's particular regional focus, which contributes to another challenge: identity. Naming this heritage area remains a challenge. The scope of the heritage area, even after the certified heritage area boundary prunes the region back, is still going to be extensive, with 17 municipalities in four counties. As the group persists, they expect the planning process to yield creativity on the area's identity. On scope, staffing will be critical, perhaps including some circuit rider and cooping initiatives with the counties.

Caroline, Kent, Queen Anne's, and Talbot County Heritage Area

Eastern Shore Heritage
The Custom House
101 S. Water St.
Chestertown, MD 21620
410-810-7175
410-810-7274 (fax)
info@easternshoreheritage.org
www.easternshoreheritage.org

CIVIL WAR HERITAGE AREA

History and Current Status

In 1998, representatives of the Washington County Convention and Visitors Bureau, the Tourism Council of Frederick County, and the planning departments of Hagerstown, Frederick County and Washington County formed an ad hoc steering committee to prepare a recognition application for a Civil War Heritage Area (CWhA). The Maryland Historical Trust had seen a strong potential for a heritage area in the two-county region, based on the known resources of the Antietam, South Mountain and Monocacy battlefields, the National Museum of Civil War Medicine, and other historic areas, sites and cultural activities.

The CWhA vision was based on the known and valued tourism and heritage resources in the region, many of which were already successful and increasing their visitation goals, and the many small, less well-known but culturally interesting and vital sites and attractions that are related to the more recognizable military themed sites. Further, there was recognition of the great natural resources of mountains, streams, rivers and the recreational opportunities associated with them.

The goals motivating the desire to participate in the heritage areas program were to coordinate the vast array of Civil War resources, information, services and activities across the region. Objectives included providing a better experience for the visitor as well as increasing awareness among stakeholders and residents of the region about the depth and possibilities of the area's rich heritage.

At the initial meetings, the group discussed the possibility of extending the study area for the

recognition application to parts of Carroll County, based on the movements of both Confederate and Union troops through that county during the Civil War. In May 1998, the Planning Department and Tourism Office of Carroll County agreed to participate in the recognition effort.

The Maryland Heritage Areas Authority (MHAA) accepted the recognition application in 1999, having received resolutions of support from 27 municipalities in the study area and the Frederick, Washington and Carroll boards of county commissioners.

To proceed with the certification effort, the CWhA steering committee received a grant of \$75,000 from the American Battlefield Protection Program (ABPP), a grant of \$83,000 from MHAA, and \$3,000 from the counties. The consultant, Mary Means and Associates (MMA), is preparing the management plan, which, along with the certification application, the committee expects to submit in spring 2004.

Organizational Structure

The CWhA Steering Committee consists of seven members from each county representing specific areas of interest, including history, business, local elected officials, planning officials, tourism offices, municipalities and an at-large member. Membership has changed over the course of the management plan preparation, but the interest areas are still generally filled with appropriate selections suggested by the committee membership and approved by the boards of county commissioners. Representatives of the National Park Service's Antietam and Monocacy battlefields are also included in the reorganized committee.

Boundary Description

The boundary for the recognized heritage area consists of cohesive contiguous areas encompassing the three major battlefields and areas of mostly intact cultural landscapes and historic villages and towns across Washington and Frederick counties, generally in the southern and central areas of each county. Linking these areas are corridors along known routes of army troop movements, which correspond with existing 19th century transportation routes. These routes linked existing towns through which the armies of both sides in the conflict passed, leaving a lasting heritage of skirmishes, civilian contacts, hospital sites and care for wounded and sick, supply depots and occupation encampments. In Carroll County, the study area is entirely a network of the troop movement routes linking the towns and city of Westminster.

Funding Requirements

The Civil War Heritage Area received a grant of \$83,000 from MHAA for the completion of the management plan. Matching funds include \$8,000 from local governments and \$75,000 from the federal government.

The anticipated amounts for operating support grants and project grants are still under development in the management plan process. The consultant is working on a scope of services that will define costs needed to form a management entity. Projects anticipated for future grant requests through the public and steering committee meetings include signage, information kiosks at strategic locations throughout the heritage area, brochure development and printing, and a central Web site to coordinate Civil War-themed activities throughout the heritage area. The amounts are not yet calculated.

The three county governments have committed to the lion's

share of in-kind and staff costs during both the recognition and certification stages. For the recognition application, 27 municipalities and the three county governments provided resolutions supporting the application. The county planning departments contribute staff time to prepare documents, reports, maps, compile and transmit data to the consultant, serve as the liaison to the steering committee, consultant and MHAA staff, set up meetings, and coordinate with local municipal governments and nonprofit organizations. Publicity is also largely handled by press releases from the county governments and the three tourism offices. No future commitments of staff, funds or resolutions of support have yet been requested from the counties or the municipalities. The extent of these requests will be determined by the final draft of the management plan.

The Catoctin Center for Regional Studies, a nonprofit organization, has donated staff time to prepare the recognition application and the ABPP application and represents the historical community on the steering committee. The Tourism Council of Frederick County and the Washington County Convention and Visitor's Bureau, both nonprofit groups, have provided data and staff time to assist the consultant as well as functioning as members on the steering committee. The National Museum of Civil War Medicine has provided meeting space for the steering committee. As to anticipated involvement, the identification and make up of the management entity has not yet been developed, but indications are that an existing nonprofit organization or a new nonprofit group, to be created, may fill this role. Office space and administrative support may be possible through an existing organization or government

entity, or through an educational institution.

Successes

At this stage of the Heritage Area process, the greatest success has been the improved working relationship of stakeholders across county lines. Through the management planning process, entities and individuals who had never collaborated before began working together toward the goal of certification. For the first time, there was the opportunity to collect and catalogue all of the historic preservation and heritage tourism projects that were either underway and/or being planned for the future. Projects include, but are not limited to, the II millennium grants awarded in 1999-2000, cooperative advertising in publications like AAA World, Preservation, American Heritage and Civil War Traveler, Maryland Civil War Trails and the designation by the Federal Highway Administration of the Historic National Road as an All-American Road. These projects have brought in outside funding and technical assistance from state and agencies like the Office of Tourism Development, Maryland Historical Trust, Department of Natural Resources, Department of Planning, the State Highway Administration and the America's Byways Program. Recognizing these projects within the final plan will help to assure that the CWHAs short- and long-term goals will be met resulting in the greatest economic return on investment in the shortest amount of time..

Challenges

The multiple jurisdictions bring complicated coordination problems and political diversities which are often troublesome, but when successes occur, the steering committee can point to the cooperation that overcame this problem. The vast area that

the CWHAs covers also provides many difficulties in hitting the right historical interpretation to benefit the entire area, as well as making stakeholders understand that they would be participating not just in a personally or locally beneficial program, but one that can assist their similar colleagues in other counties. The many similar programs and activities that are already working across the CWHAs are often confusing to the visitors, residents and stakeholders in the region, so attaining a clear identity and function among these groups first on the ground will be a major challenge. Related to this is the graphic branding of its publications, Web material and signage, which must convey the breadth of the heritage area without further confusing the existing landscape of directions and signs. The steering committee believes, however, that strides have already been made to achieve the framework to better organize the tourism experience and the background networks for cooperation.

Civil War Heritage Area
Department of Planning
and Zoning
12 E. Church St.
Frederick, MD 21701
301-696-2958
301-694-2054 (fax)
[www.marylandhistoricaltrust.net/
ha-civil.html](http://www.marylandhistoricaltrust.net/ha-civil.html)

History and Current Status

From 2000 to today, volunteer efforts continue to strengthen support for the heritage area at the Patapsco Heritage Greenway among community and business leaders and Baltimore County and Howard County governmental agencies.

Organizational Structure

The Patapsco Heritage Greenway is a 501(c)(3) nonprofit organization. Named the Friends of the Patapsco Valley and Heritage Greenway Inc., the group includes representatives from the local environmental, preservation and tourism communities. There is little governmental participation from either Baltimore County or Howard County.

Boundary Description

The Patapsco Heritage Greenway boundary encompasses much of the Patapsco Valley State Park, generally south of the Hollofield area bounded by Route 40 on the north, heading southeast to the portion that intersects the center of Elkridge at its northwest corner. There are several out parcels within the state park boundaries that are not included within the proposed greenway. In addition, the area includes the historic districts of Ellicott City and Ellicott Mills (on the other side of the river), to include the open space area along the water just north of the bridge and, heading southward, the Wilkins-Rogers flourmill and the George Thomas House on the north side of Frederick Road, east of Westchester Avenue. On its southern end, the proposed greenway includes the "downtown" area of Elkridge, bounded by Main Street, Furnace Avenue, Railroad Avenue and Race Road. To the east, the

boundary includes the Catonsville portion of Frederick Road as a gateway corridor, the #9 Trolley Trail that connects Oella and Catonsville, and Benjamin Banneker Historical Park.

Presently, the community associations within Relay, Oella and St. Denis have opted to be excluded from the Patapsco Heritage Greenway boundaries.

Funding Requirements

The Maryland Heritage Areas Authority awarded an \$80,000 grant for preparation of a management plan, with matching funds of \$40,000 from the private sector and \$40,000 from local governments. Additional state funding is required to complete the management study. Most important is the need for operational funding to help support a full- or part-time operational staff to develop momentum for the area to become a certified heritage area.

While the environmental and preservation communities continue to support the Patapsco Heritage Greenway financially, support from the local community and business associations have been minimal. There appears to be little financial support from either Baltimore County or Howard County governments at this time.

Successes

The Friends of the Patapsco Valley and Heritage Greenway group has achieved significant success in working for the preservation, enhancement and interpretation of the natural, cultural and historical resources of the area.

The group has sponsored a variety of community building activities, including the development of historical display panels for two of the three "gateway" visitor's centers into the area. In addition, progress is being made on interpretive

signage for environmental and historical points of interest within the heritage area.

An hour-long professional presentation on the various ethnic communities that make up the history of the Patapsco River has been presented to schools, senior centers and various community organizations. The group also created a traveling exhibit based on professional photographs and oral histories that has been displayed at the Enoch Pratt Library, the University of Maryland Baltimore County and local schools. Finally, the group sponsored the book *The Patapsco River Valley: Cradle of the Industrial Revolution in Maryland* by Henry K. Sharp. As a result of all of these activities, there has been a general increase in the knowledge of the historical and environmental importance of the area.

There has also been a strong focus on the environment. The Patapsco Heritage Greenway has received local foundation support for many of the group's environmental and preservation projects. The group's support of the Grist Mill trail extension in Patapsco Park, for example, has been crucial in helping the Department of Natural Resources move the project forward. The public environmental interest is also being attracted through the group's symposiums on improving the quality of water in the Patapsco River and Chesapeake Bay.

The Garlic Mustard Challenge, designed to remove truckloads of garlic mustard from the Patapsco Valley State Park, affords the public environmental education, cooking contests, and, for some, their first exposure to environmental activism. These include sponsorship of Greenway Guides, a volunteer program of nature and history guided walks, and management of Story Circles, a highly praised program that captures and preserves

oral history from older valley residents and presents the stories in a staged setting.

There has also been an awakening in the Elkridge community (the town on the southern boundary of the heritage area) as a result of the Patapsco Heritage Greenway's efforts.

Challenges

The biggest challenge for the Patapsco Heritage Greenway has been to energize the business, community and local governments in support of the heritage area.

Patapsco Heritage Greenway

Friends of the Patapsco and
Heritage Greenway

P.O. Box 96

Ellicott City, MD 21041

410-480-0824

410-465-1718 (fax)

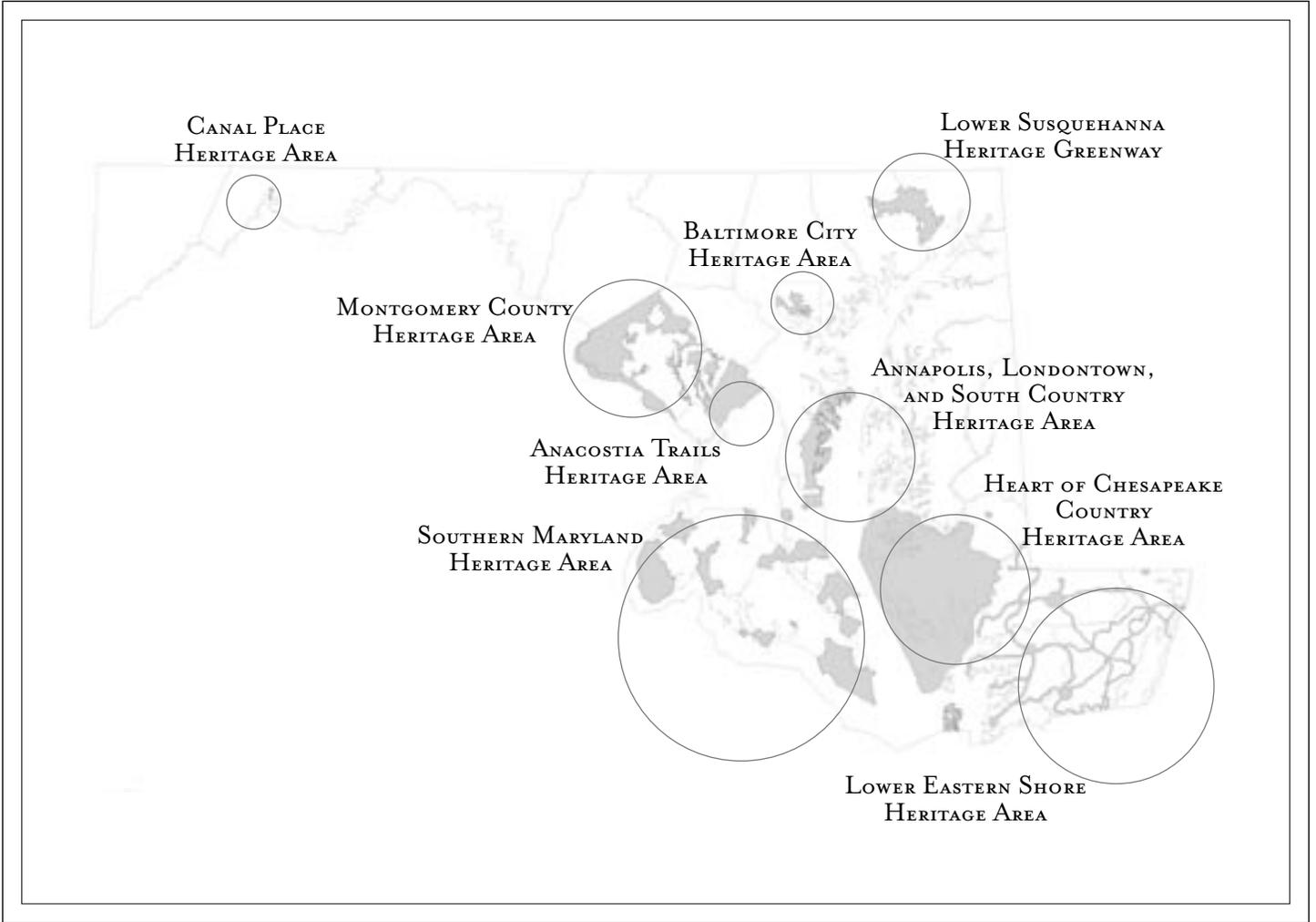
www.patapscoheritagegreenway.org



CUMBERLAND

APPENDIX OF MAP, CHART AND TABLES

⌘ The MARYLAND SYSTEM of CERTIFIED HERITAGE AREAS ⌘



MHA GRANT LEVERAGE DISTRIBUTION

		FY	TOT PROJ COST	GRANT AMT	TOTAL MATCH	LG IN-KIND	LG CASH	PRIV. IN-KIND	PRIV. CASH	FED. CASH
⌘ Annapolis, Lontontown, and South County Heritage Area ⌘										
AA County	Mayo Rd/Lontontown Rd Study	2002	40,000	20,000	20,000		20000			
Annapolis Maritime Museum	Eng & Design Study	2002	100,000	50,000	50,000		50000			
Apls/AA Co Conf & Visit Bureau	Annapolis & Lontontown Mgmt Plan	1998	119,480	59,740	59,740		50000	9740		
Apls/AA Co Conf & Visit Bureau	African American Experience Exhibit	2002	15,905	5,905	10,000			2500	7500	
Apls/AA Co Conf & Visit Bureau	Operating Expenses	2002	190,832	95,416	95,416	6100	89316			
Apls/AA Co Conf & Visit Bureau	Marketing Costs	2003	127,500	50,000	77,500			3000	74500	
Galesville Heritage Society	Carrie Weedon Museum Exhibits	2003	40,000	20,000	20,000			2760	17240	
Historic Annapolis	Video	2002	100,000	50,000	50,000			12500	37500	
Historic Annapolis	Renovations for History Center	2002	200,000	100,000	100,000			25000	75000	
Kunta Kinte/Alex Haley Foundation	Kunte Kinte-Alex Haley Memorial	2002	100,000	50,000	50,000			12500	37500	
Lontontown Foundation	Reconstruction of Lord Mayor Structures	2002	209,199	99,959	109,240			33700	75540	
Lontontown Foundation	Accoustiguide	2002	33,010	16,450	16,560			4200	12360	
Lontontown Foundation	New Restrooms for Visitors Center	2003	18,778	9,389	9,389			994	8345	
Shady Side Rural Heritage Society	Community Education	2002	22,790	11,185	11,605			2612	8993	
Apls, Lontontown, & S Co Heritage	Operating Expenses	2003	219,200	100,000	119,200	6500	65000	39700	8000	
Discover Annapolis Tours	Bus Purchase (loan)	2003	105,000	49,000	56,000				56000	
			1,641,694	787,044	854,650	12,600	274,316	149,206	418,478	0
⌘ Canal Place Heritage Area ⌘										
Alleghany Co Commissioners	Alleghany Highland Trail	2000	100,000	50,000	50,000		50000			
Canal Place Pres & Dev Authority	Cumberland: Circulation Study	1998	80,000	40,000	40,000		40000			
Canal Place Pres & Dev Authority	Cumberland: Canal Boat Relocation	2000	40,000	40,000	0					
Canal Place Pres & Dev Authority	C&O Canalrest	1998	57,633	25,000	32,633	12000			20633	
Canal Place Pres & Dev Authority	Management Plan	2001	50,000	25,000	25,000		25000			
Canal Place Pres & Dev Authority	Wayside Exhibits	2001	26,000	13,000	13,000					13000
Canal Place Pres & Dev Authority	Cumberland: Downtn Design & Dev Plan	2001	26,000	13,000	13,000		13000			
Canal Place Pres & Dev Authority	CSX Bridge Replacement	2001	200,000	100,000	100,000					100000
Canal Place Pres & Dev Authority	Outreach Expenses	2002	54,900	17,500	37,400	900	4500	3000	29000	
Canal Place Pres & Dev Authority	Marketing Costs	2003	194,000	50,000	144,000		144000			
Cumberland	Street Improvements	2001	182,000	75,000	107,000		107000			
Cumberland	Street Improvements, Lighting & Signage	2003	223,218	100,000	123,218		123218			
New Embassy Theatre	Renovations	2001	151,004	75,000	76,004			18750	57254	
			1,384,755	623,500	761,255	12,900	506,718	21,750	106,887	113,000
⌘ Baltimore City Heritage Area ⌘										
Balt City Council & Mayor	Management Plan	1998	258,440	103,750	154,690	30940	123750			
Balt City Mayor & Council	Operating Expenses	2003	93,000	46,500	46,500	12000	30000		4500	
Carroll Museums	Carroll Mansion Exhibits	2003	4,960	2,480	2,480				2480	
City of Baltimore	Operating Expenses	2003	100,000	50,000	50,000	6500	23500		20000	
Great Blacks in Wax Museum	Exhibit Design	2003	330,000	50,000	280,000		230000		50000	
Jonestown Museum Walk	Museum Walk Interpretive Signage	2003	113,800	50,000	63,800	2000	40000	21800		
Downtown Partnership	Wayfinding Signage	2003	175,000	50,000	125,000		100000	5,000	20000	
Mt Vernon Cultural District	Wayfinding Signage	2003	200,500	50,000	150,500	64500		2500	83500	
National Historic Seaport	Thematic Tour Exhibit	2003	37,200	18,600	18,600			4600	14000	
Pennsylvania Ave Redevelopmt	Pennsylvania Ave Guide	2003	30,000	15,000	15,000			7500	7500	
Society for Pres of Federal Hill & Fells Point	MD Maritime Center Connector Construction	2003	250,664	100,000	150,664				150664	
Society for Pres of Federal Hill & Fells Point	Interpretive Exhibits	2003	435,818	50,000	385,818			327818	58000	
			2,029,382	586,330	1,443,052	115,940	547,250	369,218	410,644	0
⌘ Lower Susquehanna Heritage Greenway ⌘										
Cecil Co Commissioners	Excelon Property: Trail Design	2003	216,160	100,000	116,160	9750		2250	104160	
Perryville	Rogers Tavern Rehabilitation	2003	78,125	37,500	40,625	12500	28125			
Port Deposit	Jetty/Marina Improvements	2003	100,000	50,000	50,000	12500				37500
Friends Of Concord Pt Lighthouse	Rehab of O'Neill House	2002	200,000	100,000	100,000		100000			
Lower Susquehanna Heritage Greenway	Management Plan	1998	709,683	320,813	388,870		80062	147568	45020	116220
Lower Susquehanna Heritage Greenway	Operating Expenses	2003	306,955	117,580	189,375	53875	19500		66000	50000
			1,610,923	725,893	885,030	88,625	227,687	149,818	215,180	203,720
⌘ Southern Maryland Heritage Area ⌘										
SMD Travel & Tourism Committee	SMD Management Plan	2002	148,000	69,236	78,764	28000			23000	30000
			148,000	69,236	78,764	28000	0	0	23000	30000
⌘ Heart of Chesapeake Country Heritage Area ⌘										
Bucktown Village Foundation	Stabilizatn of Bucktown Village Store	2003	25,000	12,500	12,500			2500	10000	
Cambridge	Water St Improvements	2003	75,000	37,500	37,500	12500	25000			
Dorchester Co Commissioners	Choptank Management Plan	2001	125,000	62,500	62,500	12500	50000			
Dorchester Co Commissioners	Operating Expenses	2003	90,000	45,000	45,000	10000	35000			
Dorchester Co Commissioners	Roadside Signage	2003	10,500	5,000	5,500	500	5000			
Vienna Mayor & Commissioners	Walking Tour Brochure	2003	4,000	2,000	2,000		2000			
Vienna Mayor & Commissioners	Acquisition of Site for Heritage Museum	2003	62,786	31,393	31,393		31393			
			392,286	195,893	196,393	35,500	148,393	2,500	10,000	0
⌘ Patapsco Heritage Greenway ⌘										
Ellicott City Restoration Foundation	Patapsco Managment Plan (Phase I)	1998	160,000	80,000	80,000		40000	20000	20000	
			160,000	80,000	80,000	0	40000	20000	20000	0
⌘ Montgomery County Heritage Area ⌘										
MNCPPC	Management Plan	2002	200,000	100,000	100,000		100000			
			200,000	100,000	100,000	0	100000	0	0	0
⌘ Anacostia Trails Heritage Area ⌘										
Anacostia Trails Heritage Area	Management Plan	1998	463,507	130,000	333,507	112000	86084	80566	54857	
Anacostia Trails Heritage Area	Marketing Costs	2003	145,788	50,000	95,788	250		4393	69493	21652
College Park/University Partnership	North Gate Park	2003	33,200	16,600	16,600	4100	12500			
Hyattsville	Gallatin St	2003	50,000	15,000	35,000		35000			
MD Humanities Council	History Matters: Operating Costs	2003	81,279	40,000	41,279			10737	30542	
PG Redevelopment Authority	Operating Expenses	2002	439,752	200,000	239,752	29160		21600		188992
			1,213,526	451,600	761,926	145,510	133,584	117,296	154,892	210,644
⌘ Caroline, Kent, Queen Anne, and Talbot Heritage Area ⌘										
Eastern Shore Heritage	ES Management Plan	2003	476,906	242,785	234,121		60000	52025	112096	10000
			485,904	242,785	243,119	0	60000	52025	112096	10000
⌘ Lower Eastern Shore Heritage Area ⌘										
Lower ES Heritage Committee	Lower ES Management Plan	2001	328,865	154,780	174,085	15000	32500	43000	58585	25000
Ward Foundation	Chesapeake Pavilion & Signage	2003	81,194	40,544	40,650			10050	20600	10000
Wicomico Co Council	Pemberton Historical Park	2003	30,000	15,000	15,000	3750			11250	
Ocean City Museum Society	Exhibit Design	2003	104,800	34,856	69,944			25000	44944	
Lower ES Heritage Area	Operating Expenses (est)	2003	125,000	62,500	62,500	10020	15000	15010	15010	7460
			669,859	307,680	362,179	28,770	47,500	93,060	150,389	42,460
Civil War Heritage Area										
Washington Co Commissioners	Civil War Management Plan	2003	166,000	83,000	83,000	5000	3000			75000
			166,000	83,000	83,000	5000	3000	0	0	75000
⌘ Statewide Projects ⌘										
DBED/OTD	Marketing Study (Phase I)	2002	110,000	110,000	0					
MD Humanities Council	History Matters: Operating Costs	2001	124,277	50,000	74,277	12642	61635			
			234,277	160,000	74,277	0	0	12,642	61,635	0
TOTAL			10,336,606	4,412,961	5,923,645	472,845	2,088,448	987,515	1,683,201	684,824

ANACOSTIA TRAILS HERITAGE AREA

TRAVELSCOPE DATA

Present Value of Revenues and Expenditures

Present Value of Addtl State Revenues	\$730,219
Present Value of Addtl State Expenditures	\$451,600
Net Present Value of Addtl State Tax Receipts	\$278,619
Discount Term	5
Discount Rate	2.60%
Number of Years to Break-even	4.60

Economic Impact Analysis

	ANNUAL OPERATIONS		CONSTRUCTION PERIOD	
	Direct Impact	Total Impact	Direct Impact	Total Impact
Expenditures	\$10,979,935	\$17,708,862	\$1,213,526	\$2,243,034
Wages and Salaries	\$3,085,777	\$4,900,692	\$551,218	\$905,036
Employment (FTE Jobs)	172	240	43	54
State Taxes	\$677,273	\$764,671	\$23,420	\$40,162
State Retail Sales Tax	\$604,098	\$631,371	\$10,633	\$15,371
State Personal Income Tax	\$73,176	\$133,299	\$12,787	\$24,791
State Real Property Tax	\$0	\$0	na	na
Local Taxes	\$307,441	\$345,323	\$9,739	\$17,788
Local Personal Income Surtax	\$52,982	\$90,864	\$9,739	\$17,788
Local Real Property Tax	\$0	\$0	na	na
Other Local Taxes	\$254,459	\$254,459	na	na
State and Local Taxes	\$1,239,174	\$1,364,453	\$33,159	\$57,950

HERITAGE AREAS TOURISM DATA

Present Value of Revenues and Expenditures

Present Value of Addtl State Revenues	\$6,587,457
Present Value of Addtl State Expenditures	\$451,600
Net Present Value of Addtl State Tax Receipts	\$6,135,857
Discount Term	5
Discount Rate	2.60%
Number of Years to Break-even	4.06

Economic Impact Analysis

	ANNUAL OPERATIONS		CONSTRUCTION PERIOD	
	Direct Impact	Total Impact	Direct Impact	Total Impact
Expenditures	\$104,178,144	\$168,022,512	\$1,213,526	\$2,243,034
Wages and Salaries	\$29,277,996	\$46,497,996	\$551,218	\$905,036
Employment (FTE Jobs)	1,627	2,282	43	54
State Taxes	\$6,426,002	\$7,255,232	\$23,420	\$40,162
State Retail Sales Tax	\$5,731,708	\$5,990,481	\$10,633	\$15,371
State Personal Income Tax	\$694,295	\$1,264,751	\$12,787	\$24,791
State Real Property Tax	\$0	\$0	na	na
Local Taxes	\$2,917,018	\$3,276,439	\$9,739	\$17,788
Local Personal Income Surtax	\$502,696	\$862,117	\$9,739	\$17,788
Local Real Property Tax	\$0	\$0	na	na
Other Local Taxes	\$2,414,322	\$2,414,322	na	na
State and Local Taxes	\$11,757,342	\$12,945,993	\$33,159	\$57,950

ANNAPOLIS, LONDONTOWN, AND SOUTH COUNTY HERITAGE AREA

TRAVELSCOPE DATA

Present Value of Revenues and Expenditures

Present Value of Addtl State Revenues	\$1,372,487
Present Value of Addtl State Expenditures	\$787,044
Net Present Value of Addtl State Tax Receipts	\$585,443
Discount Term	5
Discount Rate	2.60%
Number of Years to Break-even	4.56

Economic Impact Analysis

	ANNUAL OPERATIONS		CONSTRUCTION PERIOD	
	Direct Impact	Total Impact	Direct Impact	Total Impact
Expenditures	\$20,941,604	\$33,773,892	\$1,646,694	\$2,977,638
Wages and Salaries	\$5,895,393	\$9,361,080	\$756,669	\$1,207,803
Employment (FTE Jobs)	328	459	50	64
State Taxes	\$1,292,715	\$1,459,576	\$31,515	\$53,160
State Retail Sales Tax	\$1,152,408	\$1,204,441	\$13,224	\$19,350
State Personal Income Tax	\$139,744	\$254,572	\$18,291	\$33,811
State Real Property Tax	\$564	\$564	na	na
Local Taxes	\$763,948	\$836,289	\$11,156	\$19,750
Local Personal Income Surtax	\$83,567	\$155,909	\$11,156	\$19,750
Local Real Property Tax	\$4,099	\$4,099	na	na
Other Local Taxes	\$676,282	\$676,282	na	na
State and Local Taxes	\$2,732,945	\$2,972,148	\$42,670	\$72,910

HERITAGE AREAS TOURISM DATA

Present Value of Revenues and Expenditures

Present Value of Addtl State Revenues	\$1,372,487
Present Value of Addtl State Expenditures	\$787,044
Net Present Value of Addtl State Tax Receipts	\$585,443
Discount Term	5
Discount Rate	2.60%
Number of Years to Break-even	4.56

Economic Impact Analysis

	ANNUAL OPERATIONS		CONSTRUCTION PERIOD	
	Direct Impact	Total Impact	Direct Impact	Total Impact
Expenditures	\$20,941,604	\$33,773,892	\$1,646,694	\$2,977,638
Wages and Salaries	\$5,895,393	\$9,361,080	\$756,669	\$1,207,803
Employment (FTE Jobs)	328	459	50	64
State Taxes	\$1,292,715	\$1,459,576	\$31,515	\$53,160
State Retail Sales Tax	\$1,152,408	\$1,204,441	\$13,224	\$19,350
State Personal Income Tax	\$139,744	\$254,572	\$18,291	\$33,811
State Real Property Tax	\$564	\$564	na	na
Local Taxes	\$763,948	\$836,289	\$11,156	\$19,750
Local Personal Income Surtax	\$83,567	\$155,909	\$11,156	\$19,750
Local Real Property Tax	\$4,099	\$4,099	na	na
Other Local Taxes	\$676,282	\$676,282	na	na
State and Local Taxes	\$2,732,945	\$2,972,148	\$42,670	\$72,910

BALTIMORE CITY HERITAGE AREA

TRAVELSCOPE DATA

Present Value of Revenues and Expenditures

Present Value of Addtl State Revenues	\$13,872,250
Present Value of Addtl State Expenditures	\$746,330
Net Present Value of Addtl State Tax Receipts	\$13,125,920
Discount Term	5
Discount Rate	2.60%
Number of Years to Break-even	3.10

Economic Impact Analysis

	ANNUAL OPERATIONS		CONSTRUCTION PERIOD	
	Direct Impact	Total Impact	Direct Impact	Total Impact
Expenditures	\$108,462,496	\$174,943,488	\$2,054,882	\$3,720,863
Wages and Salaries	\$30,410,392	\$48,308,720	\$943,868	\$1,509,004
Employment (FTE Jobs)	1,688	2,370	64	81
State Taxes	\$6,687,970	\$7,550,070	\$39,353	\$66,443
State Retail Sales Tax	\$5,965,740	\$6,235,045	\$16,627	\$24,293
State Personal Income Tax	\$721,570	\$1,314,365	\$22,726	\$42,150
State Real Property Tax	\$660	\$660	na	na
Local Taxes	\$4,320,255	\$4,693,802	\$16,554	\$29,368
Local Personal Income Surtax	\$513,913	\$887,460	\$16,554	\$29,368
Local Real Property Tax	\$11,637	\$11,637	na	na
Other Local Taxes	\$3,794,705	\$3,794,705	na	na
State and Local Taxes	\$14,802,931	\$16,038,577	\$55,907	\$95,811

HERITAGE AREAS TOURISM DATA

Present Value of Revenues and Expenditures

Present Value of Addtl State Revenues	\$73,390,890
Present Value of Addtl State Expenditures	\$746,330
Net Present Value of Addtl State Tax Receipts	\$72,644,560
Discount Term	5
Discount Rate	2.60%
Number of Years to Break-even	3.02

Economic Impact Analysis

	ANNUAL OPERATIONS		CONSTRUCTION PERIOD	
	Direct Impact	Total Impact	Direct Impact	Total Impact
Expenditures	\$576,164,864	\$929,319,296	\$2,054,882	\$3,720,863
Wages and Salaries	\$161,543,440	\$256,621,392	\$943,868	\$1,509,004
Employment (FTE Jobs)	8,968	12,588	64	81
State Taxes	\$35,524,401	\$40,103,971	\$39,353	\$66,443
State Retail Sales Tax	\$31,690,678	\$33,121,256	\$16,627	\$24,293
State Personal Income Tax	\$3,833,063	\$6,982,055	\$22,726	\$42,150
State Real Property Tax	\$660	\$660	na	na
Local Taxes	\$22,899,482	\$24,883,805	\$16,554	\$29,368
Local Personal Income Surtax	\$2,729,965	\$4,714,288	\$16,554	\$29,368
Local Real Property Tax	\$11,637	\$11,637	na	na
Other Local Taxes	\$20,157,880	\$20,157,880	na	na
State and Local Taxes	\$78,581,763	\$85,145,656	\$55,907	\$95,811

CANAL PLACE HERITAGE AREA

TRAVELSCOPE DATA

Present Value of Revenues and Expenditures

Present Value of Addnl State Revenues	\$886,618
Present Value of Addnl State Expenditures	\$623,500
Net Present Value of Addnl State Tax Receipts	\$263,118
Discount Term	5
Discount Rate	2.60%
Number of Years to Break-even	4.04

Economic Impact Analysis

	ANNUAL OPERATIONS		CONSTRUCTION PERIOD	
	Direct Impact	Total Impact	Direct Impact	Total Impact
Expenditures	\$4,384,213	\$7,071,665	\$1,384,755	\$2,446,750
Wages and Salaries	\$1,227,965	\$1,950,914	\$514,835	\$865,097
Employment (FTE Jobs)	68	96	26	36
State Taxes	\$270,458	\$305,283	\$21,327	\$38,065
State Retail Sales Tax	\$241,114	\$251,998	\$7,720	\$12,457
State Personal Income Tax	\$29,144	\$53,086	\$13,607	\$25,608
State Real Property Tax	\$199	\$199	na	na
Local Taxes	\$123,969	\$139,057	\$9,094	\$16,699
Local Personal Income Surtax	\$19,939	\$35,026	\$9,094	\$16,699
Local Real Property Tax	\$1,486	\$1,486	na	na
Other Local Taxes	\$102,545	\$102,545	na	na
State and Local Taxes	\$496,972	\$546,885	\$30,421	\$54,764

HERITAGE AREAS TOURISM DATA

Present Value of Revenues and Expenditures

Present Value of Additional State Revenues	\$768,959
Present Value of Additional State Expenditures	\$623,500
Net Present Value of Additional State Tax Receipts	\$145,459
Discount Term	5
Discount Rate	2.60%
Number of Years to Break-even	4.39

Economic Impact Analysis

	ANNUAL OPERATIONS		CONSTRUCTION PERIOD	
	Direct Impact	Total Impact	Direct Impact	Total Impact
Expenditures	\$3,775,626	\$6,090,025	\$1,384,755	\$2,446,750
Wages and Salaries	\$1,057,507	\$1,680,101	\$514,835	\$865,097
Employment (FTE Jobs)	59	82	26	36
State Taxes	\$232,942	\$262,934	\$21,327	\$38,065
State Retail Sales Tax	\$207,644	\$217,017	\$7,720	\$12,457
State Personal Income Tax	\$25,099	\$45,717	\$13,607	\$25,608
State Real Property Tax	\$199	\$199	na	na
Local Taxes	\$106,967	\$119,960	\$9,094	\$16,699
Local Personal Income Surtax	\$17,171	\$30,164	\$9,094	\$16,699
Local Real Property Tax	\$1,486	\$1,486	na	na
Other Local Taxes	\$88,310	\$88,310	na	na
State and Local Taxes	\$428,220	\$471,204	\$30,421	\$54,764

HEART OF CHESAPEAKE COUNTRY HERITAGE AREA

TRAVELSCOPE DATA

Present Value of Revenues and Expenditures

Present Value of Additional State Revenues	\$12,319
Present Value of Additional State Expenditures	\$195,893
Net Present Value of Additional State Tax Receipts	-\$183,574
Discount Term	5
Discount Rate	2.60%
Number of Years to Break-even	9.41

Economic Impact Analysis

	ANNUAL OPERATIONS		CONSTRUCTION PERIOD	
	Direct Impact	Total Impact	Direct Impact	Total Impact
Expenditures	\$709,458	\$1,144,101	\$392,286	\$712,089
Wages and Salaries	\$200,302	\$317,953	\$163,809	\$272,887
Employment (FTE Jobs)	11	16	9	13
State Taxes	\$43,832	\$49,495	\$6,967	\$12,162
State Retail Sales Tax	\$39,055	\$40,818	\$2,622	\$4,092
State Personal Income Tax	\$4,745	\$8,644	\$4,345	\$8,070
State Real Property Tax	\$33	\$33	na	na
Local Taxes	\$19,359	\$21,815	\$2,630	\$4,741
Local Personal Income Surtax	\$2,904	\$5,361	\$2,630	\$4,741
Local Real Property Tax	\$220	\$220	na	na
Other Local Taxes	\$16,234	\$16,234	na	na
State and Local Taxes	\$79,426	\$87,545	\$9,597	\$16,903

HERITAGE AREAS TOURISM DATA

Present Value of Revenues and Expenditures

Present Value of Additional State Revenues	\$12,319
Present Value of Additional State Expenditures	\$195,893
Net Present Value of Additional State Tax Receipts	-\$183,574
Discount Term	5
Discount Rate	2.60%
Number of Years to Break-even	5.79

Economic Impact Analysis

	ANNUAL OPERATIONS		CONSTRUCTION PERIOD	
	Direct Impact	Total Impact	Direct Impact	Total Impact
Expenditures	\$3,804,709	\$6,135,628	\$392,286	\$712,089
Wages and Salaries	\$1,074,186	\$1,705,130	\$163,809	\$272,887
Employment (FTE Jobs)	60	84	9	13
State Taxes	\$234,922	\$265,291	\$6,967	\$12,162
State Retail Sales Tax	\$209,444	\$218,903	\$2,622	\$4,092
State Personal Income Tax	\$25,444	\$46,355	\$4,345	\$8,070
State Real Property Tax	\$33	\$33	na	na
Local Taxes	\$102,859	\$116,030	\$2,630	\$4,741
Local Personal Income Surtax	\$15,576	\$28,748	\$2,630	\$4,741
Local Real Property Tax	\$220	\$220	na	na
Other Local Taxes	\$87,063	\$87,063	na	na
State and Local Taxes	\$424,843	\$468,383	\$9,597	\$16,903

LOWER EASTERN SHORE HERITAGE AREA

TRAVELSCOPE DATA

Present Value of Revenues and Expenditures

Present Value of Additional State Revenues	\$22,094
Present Value of Additional State Expenditures	\$307,680
Net Present Value of Additional State Tax Receipts	-\$285,586
Discount Term	5
Discount Rate	2.60%
Number of Years to Break-even	6.59

Economic Impact Analysis

	ANNUAL OPERATIONS		CONSTRUCTION PERIOD	
	Direct Impact	Total Impact	Direct Impact	Total Impact
Expenditures	\$2,958,438	\$4,771,719	\$669,859	\$1,230,237
Wages and Salaries	\$829,892	\$1,318,262	\$297,332	\$490,348
Employment (FTE Jobs)	46	65	19	25
State Taxes	\$182,469	\$205,990	\$12,693	\$21,869
State Retail Sales Tax	\$162,732	\$170,078	\$5,130	\$7,727
State Personal Income Tax	\$19,689	\$35,865	\$7,563	\$14,142
State Real Property Tax	\$48	\$48	na	na
Local Taxes	\$53,613	\$63,806	\$4,639	\$8,339
Local Personal Income Surtax	\$11,954	\$22,147	\$4,639	\$8,339
Local Real Property Tax	\$313	\$313	na	na
Other Local Taxes	\$41,346	\$41,346	na	na
State and Local Taxes	\$277,428	\$311,142	\$17,332	\$30,208

HERITAGE AREAS TOURISM DATA

Present Value of Revenues and Expenditures

Present Value of Additional State Revenues	\$22,094
Present Value of Additional State Expenditures	\$307,680
Net Present Value of Additional State Tax Receipts	-\$285,586
Discount Term	5
Discount Rate	2.60%
Number of Years to Break-even	5.12

Economic Impact Analysis

	ANNUAL OPERATIONS		CONSTRUCTION PERIOD	
	Direct Impact	Total Impact	Direct Impact	Total Impact
Expenditures	\$39,683,404	\$63,994,504	\$669,859	\$1,230,237
Wages and Salaries	\$11,207,454	\$17,789,750	\$297,332	\$490,348
Employment (FTE Jobs)	624	873	19	25
State Taxes	\$2,450,103	\$2,766,916	\$12,693	\$21,869
State Retail Sales Tax	\$2,184,607	\$2,283,263	\$5,130	\$7,727
State Personal Income Tax	\$265,449	\$483,606	\$7,563	\$14,142
State Real Property Tax	\$48	\$48	na	na
Local Taxes	\$705,929	\$843,342	\$4,639	\$8,339
Local Personal Income Surtax	\$161,264	\$298,677	\$4,639	\$8,339
Local Real Property Tax	\$313	\$313	na	na
Other Local Taxes	\$544,352	\$544,352	na	na
State and Local Taxes	\$3,700,383	\$4,154,610	\$17,332	\$30,208

LOWER SUSQUEHANNA HERITAGE AREA

TRAVELSCOPE DATA

Present Value of Revenues and Expenditures

Present Value of Addtnl State Revenues	\$392,908
Present Value of Addtnl State Expenditures	\$725,893
Net Present Value of Addtnl State Tax Receipts	-\$332,985
Discount Term	5
Discount Rate	2.60%
Number of Years to Break-even	6.01

Economic Impact Analysis

	ANNUAL OPERATIONS		CONSTRUCTION PERIOD	
	Direct Impact	Total Impact	Direct Impact	Total Impact
Expenditures	\$5,395,621	\$8,701,121	\$1,627,083	\$2,952,766
Wages and Salaries	\$1,523,841	\$2,418,814	\$713,989	\$1,166,588
Employment (FTE Jobs)	85	119	42	56
State Taxes	\$333,463	\$376,539	\$30,174	\$51,814
State Retail Sales Tax	\$297,034	\$310,448	\$11,664	\$17,788
State Personal Income Tax	\$36,092	\$65,754	\$18,510	\$34,026
State Real Property Tax	\$337	\$337	na	na
Local Taxes	\$149,754	\$168,438	\$12,774	\$22,736
Local Personal Income Surtax	\$23,613	\$42,297	\$12,774	\$22,736
Local Real Property Tax	\$2,785	\$2,785	na	na
Other Local Taxes	\$123,356	\$123,356	na	na
State and Local Taxes	\$606,573	\$668,332	\$42,947	\$74,550

HERITAGE AREAS TOURISM DATA

Present Value of Revenues and Expenditures

Present Value of Additional State Revenues	\$2,550,303
Present Value of Additional State Expenditures	\$725,893
Net Present Value of Additional State Tax Receipts	\$1,824,410
Discount Term	5
Discount Rate	2.60%
Number of Years to Break-even	4.27

Economic Impact Analysis

	ANNUAL OPERATIONS		CONSTRUCTION PERIOD	
	Direct Impact	Total Impact	Direct Impact	Total Impact
Expenditures	\$39,683,404	\$63,994,504	\$1,627,083	\$2,952,766
Wages and Salaries	\$11,207,454	\$17,789,750	\$713,989	\$1,166,588
Employment (FTE Jobs)	624	873	42	56
State Taxes	\$2,450,392	\$2,767,205	\$30,174	\$51,814
State Retail Sales Tax	\$2,184,607	\$2,283,263	\$11,664	\$17,788
State Personal Income Tax	\$265,449	\$483,606	\$18,510	\$34,026
State Real Property Tax	\$337	\$337	na	na
Local Taxes	\$1,083,707	\$1,221,120	\$12,774	\$22,736
Local Personal Income Surtax	\$173,669	\$311,082	\$12,774	\$22,736
Local Real Property Tax	\$2,785	\$2,785	na	na
Other Local Taxes	\$907,253	\$907,253	na	na
State and Local Taxes	\$4,441,352	\$4,895,578	\$42,947	\$74,550

CUMULATIVE SUMMARY FOR MARYLAND CERTIFIED HERITAGE AREAS

TRAVELSCOPE DATA

Present Value of Revenues and Expenditures

Present Value of Addtnl State Revenues	\$17,288,891
Present Value of Addtnl Expenditures	\$3,837,940
Net Present Value of Addtnl State Tax Receipts	\$13,450,951
Discount Term (Average)	5
Discount Rate (Average)	2.60%
Number of Years to Break-even (Average)	5.47

Economic Impact Analysis

	ANNUAL OPERATIONS		CONSTRUCTION PERIOD	
	Direct Impact	Total Impact	Direct Impact	Total Impact
Expenditures	\$153,831,765	\$248,114,848	\$8,989,085	\$16,283,376
Wages and Salaries	\$43,173,561	\$68,576,434	\$3,941,720	\$6,416,763
Employment (FTE Jobs)	2,398	3,364	254	328
State Taxes	\$9,488,180	\$10,711,625	\$165,448	\$283,675
State Retail Sales Tax	\$8,462,180	\$8,844,200	\$67,619	\$101,078
State Personal Income Tax	\$1,024,160	\$1,865,585	\$97,829	\$182,598
State Real Property Tax	\$1,840	\$1,840	na	na
Local Taxes	\$5,738,339	\$6,268,529	\$66,585	\$119,421
Local Personal Income Surtax	\$708,873	\$1,239,063	\$66,585	\$119,421
Local Real Property Tax	\$20,539	\$20,539	na	na
Other Local Taxes	\$5,008,928	\$5,008,928	na	na
State and Local Taxes	\$15,226,519	\$16,980,154	\$232,033	\$403,096

HERITAGE AREAS TOURISM DATA

Present Value of Revenues and Expenditures

Present Value of Additional State Revenues	\$84,704,506
Present Value of Additional State Expenditures	\$3,837,940
Net Present Value of Additional State Tax Receipts	\$80,866,568
Discount Term (Average)	5
Discount Rate (Average)	2.60%
Number of Years to Break-even (Average)	4.46

Economic Impact Analysis

	ANNUAL OPERATIONS		CONSTRUCTION PERIOD	
	Direct Impact	Total Impact	Direct Impact	Total Impact
Expenditures	\$788,231,755	\$1,271,330,361	\$8,989,085	\$16,283,376
Wages and Salaries	\$221,263,430	\$351,445,199	\$3,941,720	\$6,416,763
Employment (FTE Jobs)	12,290	17,242	254	328
State Taxes	\$48,611,477	\$54,881,126	\$165,448	\$283,675
State Retail Sales Tax	\$43,361,095	\$45,318,623	\$67,619	\$101,078
State Personal Income Tax	\$5,248,542	\$9,560,663	\$97,829	\$182,598
State Real Property Tax	\$1,840	\$1,840	na	na
Local Taxes	\$28,579,909	\$31,296,986	\$66,585	\$119,421
Local Personal Income Surtax	\$3,683,909	\$6,400,986	\$66,585	\$119,421
Local Real Property Tax	\$20,539	\$20,539	na	na
Other Local Taxes	\$24,875,461	\$24,875,461	na	na
State and Local Taxes	\$77,191,386	\$86,178,112	\$232,033	\$403,096

All TravelScope Data

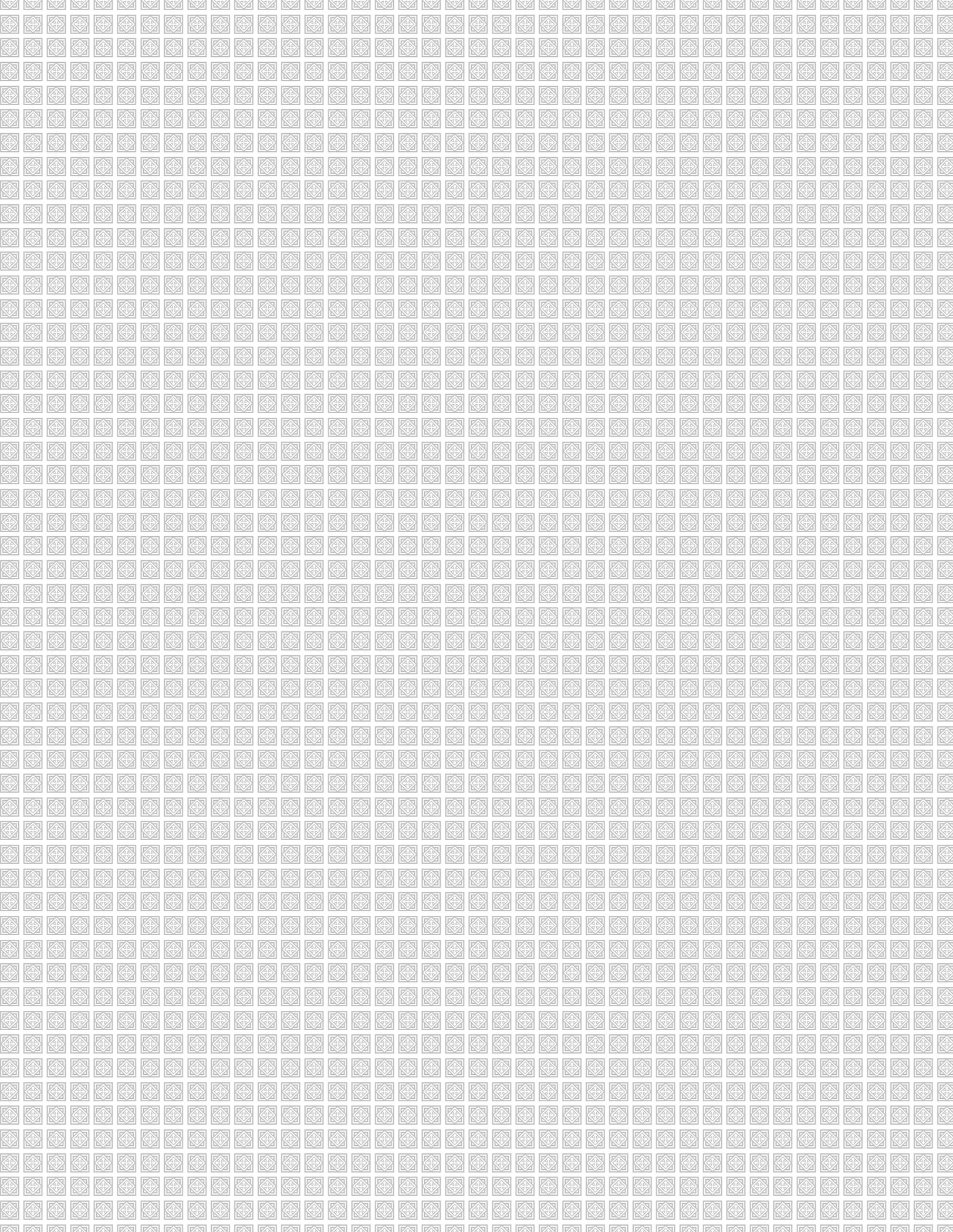
Sources: DHCD Office of Research and TravelScope tourism data.

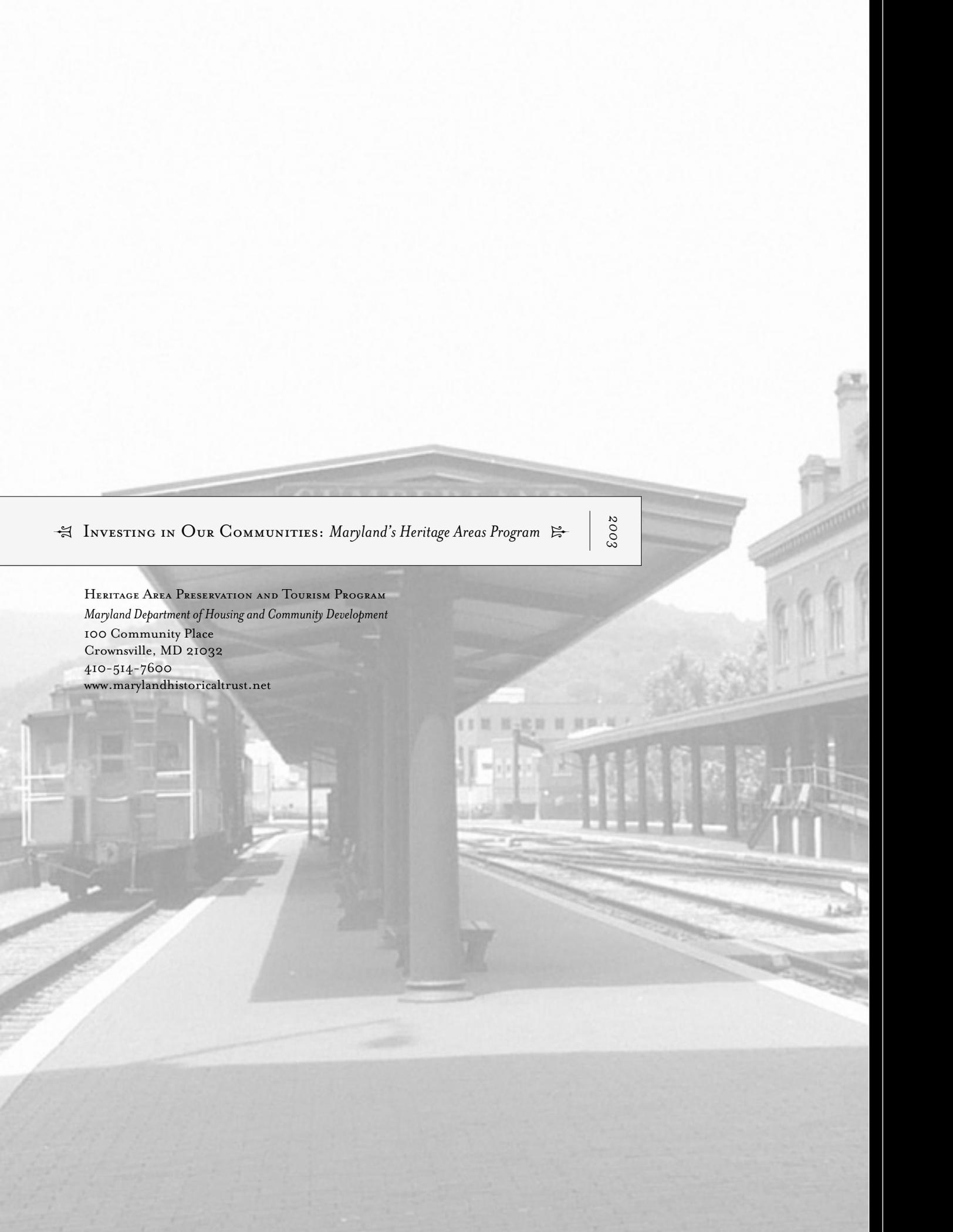
Notes: Figures are expressed in 2003 dollars and based on TravelScope tourism data. FTE denotes full-time equivalent. Expenditures category is inclusive of all expenses including operations, payroll and benefits.

All Heritage Areas Tourism Data

Sources: DHCD Office of Research and each Maryland certified heritage area.

Notes: Figures are expressed in 2003 dollars and based on Heritage Areas tourism data. FTE denotes full-time equivalent. Expenditures category is inclusive of all expenses including operations, payroll and benefits.





INVESTING IN OUR COMMUNITIES: *Maryland's Heritage Areas Program*

2003

HERITAGE AREA PRESERVATION AND TOURISM PROGRAM
Maryland Department of Housing and Community Development
100 Community Place
Crownsville, MD 21032
410-514-7600
www.marylandhistoricaltrust.net