

Minutes of the
Fifty-Fifth Meeting of the
Maryland Heritage Areas Authority
Fort McHenry National Monument & Historic Shrine Visitor Center
200 East Fort Avenue, Baltimore MD 21230
Hosted by the Baltimore National Heritage Area
April 12, 2012

The fifty-fifth meeting of the Maryland Heritage Areas Authority was held on April 12, 2012 at the Fort McHenry National Monument & Historic Shrine Visitor's Center, 200 East Fort Avenue, Baltimore MD 21230 beginning at 10:10 a.m.

Authority Members/Designees Present: Hannah Byron (representing Maryland Department of Business & Economic Development Secretary Christian Johansson); John Wilson (representing Maryland Department of Natural Resources Secretary John R. Griffin); Amy Seitz (representing Maryland Department of Housing and Community Development Secretary Raymond A. Skinner); Burton Kummerow (recommended by the President of the Senate); Melinda Vann (representing Maryland Higher Education Commission Secretary Danette Gerald Howard); Marcie Taylor-Thoma (representing Maryland State Department of Education Interim State Superintendent of Schools Bernard J. Sadusky); Wayne E. Clark (recommended by the President of the Senate); J. Rodney Little (State Historic Preservation Officer); Marty Baker (representing Maryland Department of Transportation Secretary Beverley Swaim-Staley) John Fieseler (Maryland Tourism Development Board representative); Andrea C. Harrison (Maryland Association of Counties representative); Donna Ware (recommended by the Speaker of the House)

Authority Members/Designees Absent: Matthew J. Power, Deputy Secretary, Maryland Department of Planning (representing Richard E. Hall, Secretary Maryland Department of Planning and Chairperson of the Maryland Heritage Area Authority), Amy Owsley (Representative for Maryland Greenways Commission), Maryland Municipal League Representative (position vacant); Donna Dudley (Public member for Heritage Tourism), Ann Fligsten (recommended by the Speaker of the House) Robert D. Campbell (Governor's Appointee for Historic Preservation Expertise); and Vanessa Orlando (representing Maryland Department of Agriculture Secretary Earl Hance)

Staff Present: Bernadette P. Pruitt, Richard Hughes, Jennifer Ruffner, Shannon Marino, Jenny King, Philip Deters

Others Present:

Roz Racanello (Maryland Coalition of Heritage Areas and Director of Southern Maryland Heritage Area); Carol Benson (Annapolis, London Town and South County "Four Rivers" Heritage Area); Jay Parker and Lisa Ludwig (Lower Eastern Shore Heritage Area); Peggy Erickson and Tom Kettler (Montgomery County "Heritage Montgomery" Heritage Area); Mary Ann Lisanti and Brigitte Carty (Lower Susquehanna Heritage Greenway); Deborah Divins-Davis (Stories of the Chesapeake Heritage Area); Amanda Fenstermaker (Heart of Chesapeake

Country Heritage Area); Liz Shatto (Heart of the Civil War Heritage Area); Jeff Buchheit, Shauntee Daniels, Jason Vaughan and Deborah Taylor (Baltimore National Heritage Area); Dee Dee Ritchie (Garrett County “Mountain Maryland Gateway to the West” Heritage Area); Aaron Marcavitch (Anacostia Trails “Maryland Milestones” Heritage Area); Tyler Gearhart (Preservation Maryland); Marci Ross (TAC Member)

Fort McHenry Flag Changing Ceremony

Welcome

Ms. Tina Orcutt, Superintendent of Fort McHenry National Monument and Historic Shrine, National Park Service opened the meeting with a warm welcome to MHAA members Heritage Area Directors, and guests. She gave a brief overview of the Fort McHenry’s Visitor Center, which opened in 2011. An invitation was extended for everyone to view the orientation film and exhibits. She indicated that the Visitor Center would not exist had it not been for the financial support of the State of Maryland and the City of Baltimore. In addition, the Maryland Heritage Areas program has supported valuable education programs at the Fort, including the Young Defenders Program, which brought 1,400 inner city students to the Fort, the Virtual Research Center providing 1812 curriculum materials to teachers, and the soon to be launched online educational game, “Hold the Fort”..

Call to Order/Introductions

In Mr. Power’s absence, Ms. Hannah Byron, MHAA Vice Chairperson, chaired the meeting and called it to order at 10:10 a.m. She indicated the she will be representing Maryland Department of Business & Economic Development Secretary Johansson. Mr. Bill Pencek who previously represented DBED and served as Vice Chairman of , MHAA is extremely busy on assignment to the War of 1812 Commission and projects commemorating the Bicentennial of the War of 1812.. Ms. Byron greeted everyone and asked all in attendance to introduced themselves. She noted that the offsite meeting was hosted by the Baltimore National Heritage Area and its Executive Director , Mr. Jeffrey Buchheit.

Approval of Minutes for January 19, 2011

Ms. Marty Baker offered the following motion:

RESOLVED, that the Authority approves the January 19, 2012 meeting minutes as presented.

The motion was seconded by Ms. Marcie Taylor-Thoma and approved unanimously.

Maryland Heritage Areas Authority Financing Fund report (R. Hughes)

Mr. Hughes reported that as of March 30, 2012, the MHAA financing fund available balance was \$300,124.56 Funds remain in an interest bearing account. The report provided to attendees summarizes all expenditures of the program.

FY 2012 Legislative Session Report – Roz Racanello

Ms. Racanello reported that everyone worked together advocating for full funding this year, which was a great success. Ms. Byron congratulated Ms. Racanello on the accomplishment. As of the meeting, there was little to report on the special session to resolve the issues relating to revenue to fund the State budget.

The Tourism Maryland Department of Business & Economic Development (Office of Tourism) received \$6 million dollars in funding.

Ms. Marcia Taylor Thoma reported that House Bill 1027 (Social Studies Assessment) passed for middle and high school adding \$3.5 million to their budget. This is good news for MHAA because it will allow more teachers to focus on Social Studies.

Ms. Amy Seitz reported that funding for the Maryland Department of Housing and Community (DHCD) came out very well. They received continued funding for Community Legacy and Neighborhood Business Works. There was advocacy for Smart Growth and \$2.5 million was shifted from Smart Growth to support DHCD's housing advocacy program.

Mr. John Wilson reported that the Maryland Department of Natural Resources (DNR) Program Open Space funding went up and down throughout the session and ultimately DNR was not fully funded. The Program Open Space, Rural Legacy and Community Parks and Playgrounds programs received funding. Some fee bills were introduced for boat registration and hunting and fishing license increases, but they were not passed.

The Lost Souls program was extended in perpetuity, wherein DNR is able to claim unclaimed properties in the middle of DNR land units. DNR is responsible for developing the LPPRP plan a statewide comprehensive outdoor recreation plan. It changed from a six to five year cycle and is developed for all counties and Baltimore City.

Mr. Clark asked Ms. Byron about DBED's tourism budget. Ms. Byron indicated that DBED received an additional \$2 million dollars to assist with War of 1812 Bicentennial efforts.

Mr. Little extended congratulations to Ms. Racanello and Maryland Coalition of Heritage Areas for their impressive lobbying efforts during the legislative session. Their efforts regarding MHAA funding were a major accomplishment. He also reported that \$7 million was included in the budget for the Sustainable Communities tax credit program.

Preliminary Update - 2013 MHAA Grant Applications

Ms. Jen Ruffner announced that on April 6, 2012, MHAA received 104 grant applications for FY-2013 funding.. Total requested grant funds is approximately \$3.8 million, which would leverage approximately \$7.9 million if funded. Staff has not had a chance review the applications, however, a summary was prepared and distributed in the meeting materials that included the applicants and the projects submitted for funding.

MHAA Strategic Plan implementation reports - Jennifer Ruffner

Ms. Ruffner reviewed the quarterly reports for management entities. There was not much movement this quarter due to the tremendous focus on the five year plans. At the last MHAA meeting the heritage areas were given more time work on their plans after receiving feedback from MHAA staff and the TAC. Ms. Ruffner stated that the heritage area directors have until May 17, 2012 to submit final drafts to their five year plans that starts July 1, 2012. Agency program statements are being developed to document how state agencies can support and assist heritage areas. Mr. Hughes is working on a first draft program statement for the Department of Planning.

Update on Grants Lifecycle Management Software - Jennifer Ruffner

Ms. Ruffner reported that an RFP was released on January 31, 2012. The deadline for proposals was March 23, 2012 and MHAA received three proposals from two different companies. Agate sent one proposal and Microedge sent two. A committee reviewed the proposals and Microedge ranked highest. The system will be an installed system with online application capabilities, reviewers will be able to review grants online, allowing for streamlining of the grant application processes and improved customer service. Microedge will be provided a demonstration and hands-on testing opportunity of the Gifts Alta system, after which a final decision will be made. The funding authorization for the funds to purchase a software system expire at the end of the 2012 fiscal year. An update will be given at the next meeting.

Summary of results of “360 Internal Evaluation Survey” of program partners - Jennifer Ruffner

The raw data from the survey was distributed prior to the meeting. Ms. Ruffner did not go into detail but did summarize the survey that was launched January 3, 2012 and closed on February 15, 2012. A direct email went to 64 people directly, and was also sent via the heritage areas to heritage area board members, a total of approximately 104 people. She indicated that there was good response from TAC, staff, MHAA and local heritage area staff and an 18 % response rate from heritage area board members. Overall performance on all levels was good to excellent. Examples of successes, ways to strengthen interactions and areas for improvement were discussed, including the need for ongoing orientation for new MHAA, TAC, heritage area directors and their board members.

Mr. Clark recommended that MHAA representatives share the survey results with their respective Secretaries and make them aware of the positive impact of the program.

ACTION ITEMS

Amendments To MHAA Target Investment Zone (TIZ) Policy

Mr. Hughes began the discussion with some background information on Target Investment Zones (TIZs). The statute that sets up the Heritage Areas program includes the requirement that part of becoming a certified heritage area involves defining zones where certain types of capital activities are to be encouraged including real property acquisition, “bricks and mortar” rehabilitation and development projects, and capital development planning and design activities. As the program evolved, these zones were formally designated Targeted Investment Zones (TIZs), with the requirement that every certified heritage area had to define smaller areas (TIZs) within the boundaries of the certified heritage area where capital investment would be focused over a relatively short period of time (10 years). As part of the MHAA strategic planning process, it became clear that certain program participants believed that TIZs were not accomplishing the goals set out for them. The MHAA Technical Advisory Committee (TAC) was asked to look at the issue, consult with the heritage areas, and formulate recommendations about possible changes. The recommendations presented are a result of that process.

Mr. Hughes noted that while an exhaustive examination of the target investment zones was not conducted, a basic analysis was completed, and a summary of that analysis was distributed to the group. Overall, the analysis showed that TIZs had not been highly effective at leveraging significant capital development within a short period of time within Certified Heritage Areas. He also noted that almost all Heritage Area directors had indicated that the TIZ process created additional procedural requirements that they felt actually hindered capital projects and lengthened the time needed in many cases to provide funding to worthy projects.

Mr. Hughes reviewed the TAC’s recommended new policy, including the new criteria for identifying a target investment as outlined in the distributed document titled “Targeting Capital Investment Within Certified Heritage Areas - March 2012.” MHAA discussed the logistics of how the new policy would work with various project types, and how the ten year period would be incorporated into the new policy.

Ms. Amy Seitz offered the following motion:

WHEREAS, the Maryland Heritage Areas Authority (Authority) wishes to direct financial incentives available through its capital grant program to priority projects within Certified Heritage Areas and for Authority incentives to leverage additional private and public investment in these priority projects within a relatively short period of time,

NOW THEREFORE BE IT RESOLVED, that the Authority approves the following amendments to the criteria for targeting capital investment within Certified Heritage Areas:

**CRITERIA FOR DEFINING A CAPITAL
TARGETED INVESTMENT WITHIN CERTIFIED HERITAGE AREAS**

The Maryland Heritage Areas Authority (“Authority”) may make capital grants only to projects that meet the criteria specified by the Authority for designation of a Targeted Investment (TI). A TI is intended to direct financial incentives to priority capital projects within Certified Heritage Areas and for Authority incentives to leverage additional private and public investment in these priority projects within a relatively short period of time.

The Authority may consider a TI capital grant application provided the Authority determines that the project meets Criteria 1 and 2, and at least ONE of Criteria 3 through 6 below.

Required Targeted Investment Criteria:

- 1. The TI project CONTRIBUTES TO fulfilling PRIORITIES in the certified heritage area management plan, five-year plan, and/or annual work plan.**

A TI project must be linked to the goals, objectives, strategies, standards, and actions contained in the Certified Heritage Area (CHA) Management Plan, Five-Year Plan, and/or Annual Work

Plan; and must address one or more of the priorities identified in the “Priority Targeted Investment Strategies” Appendix of the most current CHA Five-Year Plan.

- 2. The TI project LEVERAGES private or public investment in heritage tourism resources and facilitates economic development.**

The incentives available through the Maryland Heritage Areas Authority must leverage private and/or public investment to measurably create, preserve, maintain, and/or enhance heritage tourism-related resources, and facilitate economic development within the Certified Heritage Area.

Additional Targeted Investment Criteria:

In addition to meeting of Criteria 1 and 2 above, all proposed TI capital grants must meet at least one of the following Criteria 3 - 6.

- 3. The TI project OVERLAPS WITH DESIGNATED local, State, or Federal revitalization, preservation, or conservation AREAS.**

The TI project site overlaps with other existing local, State, and Federal revitalization, historic preservation, or natural or cultural conservation area designations. Examples of such designations include Sustainable Communities, Scenic Byways, Main Street Maryland communities, Rural Legacy areas, and Arts and Entertainment Districts.

4. The TI project CONTRIBUTES TO a broad-based regional, State, or Federal INITIATIVE OR contributes to activities supported by significant public investment.

The TI project significantly contributes to current broad-based regional, State, or Federal initiatives, or contributes to activities where significant State or other public investment has occurred or is scheduled to occur.

5. The TI project site includes one or more key resources that are PART OF A LARGER CONCENTRATION OF RELATED, PLACE-BASED RESOURCES.

All related resources must exhibit one or more of the following attributes:

- Be connected by **physical linkages** that allow visitors to move between and access individual resources.
- Share one or more distinct **thematic linkages**. Thematic linkages should focus on distinct rather than broad themes.
- Be part of a **compact concentration of heritage tourism resources** which includes the TI project.

6. The TI project has an extremely high potential to serve as a CATALYST for additional private or public investment within the next 10 years.

AND BE IT FURTHER RESOLVED, that the amended Criteria shall become effective beginning with the FY 2014 grant period.

The motion was seconded by Mr. Wilson, and approved unanimously.

FY 2013-Only Amendments to Criteria for the Award of Capital Grants to Projects Located in an Expired Target Investment Zone (TIZ) or Outside of a TIZ.

Mr. Hughes stated that the new Target Investment policy does not take effect until FY 2014, and grant applications for FY 2013 have already been received, which puts some projects potentially in limbo, as there are TIZs that have expired. It did not make sense to have those TIZs be reinstated when they will all be going away next year. In order to address this problem, the recommendation is to revise the existing policy for capital projects inside an expired TIZ for FY 2013 only, to allow projects that are identified in the Management Plan, Five Year Plan, or Annual Work Plan of the heritage area to be considered under the exception policy. After discussion, the group agreed that projects located outside of TIZs should also be considered if they are included in not just the management plan, but the Five Year or Annual Work Plans as well.

Mr. Wayne Clark offered the following motion, with amendments:

**** (Amendments shown in Bold and Underlined)**

RESOLVED, that the Maryland Heritage Areas Authority approves for FY 2013 only the following amendments to the Criteria for the award of Capital grants to projects located outside of a Target Investment Zone or after the expiration of the 10 years following the first award of a Capital grant within a Target Investment Zone:

Proposed FY 2013-only amendments to criteria for the award of capital grants to projects located in an expired Target Investment Zone (TIZ) or outside of a TIZ.

CRITERIA FOR FY 2013

For FY 2013 only, acquisition and development grants (capital grants) may be awarded for a project located outside of a Target Investment Zone (TIZ) within a Certified Heritage Area, or after the expiration of the 10 years following the first award of a capital grant within a TIZ, if the Maryland Heritage Areas Authority (MHAA) determines that the project is essential to the success of the management plan approved for the Certified Heritage Area.

MHAA may consider a capital project to be essential to the success of a Certified Heritage Area management plan if:

I. For projects in a TIZ, but after the expiration of the 10 years following the first award of a capital grant within the TIZ:

A. The project is an activity which is:

1. Identified as a priority activity in the management plan, **Five-Year Plan, or Annual Work Plan** approved for the Certified Heritage Area, and
 2. Consistent with the goals, objectives, strategies, standards, and actions outlined in the approved Certified Heritage Area management plan; or
- B. The project will have an exceptionally significant heritage tourism development impact within the Certified Heritage Area and either meets standards outlined in the management plan, or, if no standards are outlined in the management plan, meets standards developed by the heritage area management entity and approved by the MHAA, for:
1. Proposed compatible heritage tourism-related uses (for example, entertainment, interpretation, lodging, retail, museum, or visitor services);
 2. Physical improvements (e.g., exterior building designs, or interpretive devices); and
 3. Minimum economic benefits, activities or sales resulting from tourism, or similar results.

II. For projects located outside of a TIZ:

- A. The project is an activity which is:
3. Identified as a priority activity in the management plan, **Five-Year Plan, or Annual Work Plan** approved for the Certified Heritage Area, and
 4. Consistent with the goals, objectives, strategies, standards, and actions outlined in the approved Certified Heritage Area management plan; or
- B. The project will have an exceptionally significant heritage tourism development impact within the Certified Heritage Area and either meets standards outlined in the management plan, or, if no standards are outlined in the management plan, meets standards developed by the heritage area management entity and approved by the MHAA, for:
1. Proposed compatible heritage tourism-related uses (for example, entertainment, interpretation, lodging, retail, museum, or visitor services);
 2. Physical improvements (e.g., exterior building designs, or interpretive devices); and
 3. Minimum economic benefits, activities or sales resulting from tourism, or similar results.

The motion was seconded by Mr. Fieseler and passed unanimously.

Maryland Coalition of Heritage Areas Report

Ms. Racanello reiterated that the group did excellent advocacy work, taking the time to travel to Annapolis and talk to everyone to get full funding back for the program. She noted that Coalition members were also very busy working on grants and five year plans, so it has been a very busy time. She noted that the Coalition members have gotten very knowledgeable about keeping elected officials connected with their organizations, by sending reprints of articles, inviting them to events, and build a relationship. With twelve different regions in the heritage area program, it's a lot of members of the legislature that touch the program, and they worked hard to stress the economic development role, the creation of jobs, the small towns helped by the MHAA program.

Mr. Clark noted that it is important to start efforts early with the administration so that cuts are not proposed for the Governor's FY 2014 budget – the administration needs to support the program as well as the legislature. He suggested MHAA members speak with their Secretaries to get support and guidance on this issue.

Heritage Area Reports

Mr. Jay Parker (Lower Eastern Shore Heritage Area) reported that the Coalition was going to have a booth at the Maryland Municipal League conference this year.

Ms. Racanello (Southern Maryland Heritage Area) reported that several heritage areas were teaming up to have a display at *Sailabration*.

Ms. Liz Shatto (Heart of the Civil War Heritage Area) reported that numerous new marketing pieces, including a brochure have been produced with the help of an MHAA marketing grant, and new enhancements to their website have also been put in place with more focus on the sesquicentennial. She also reported that on September 4, 2012, the HCWHA documentary, supported by MHAA, will premier at the Weinberg Center in Frederick, and it will also air on September 5, 2012 on public television.

Ms. Peggy Erickson (Montgomery County Heritage Area) shared that Heritage Days were coming up on June 23 and 24, with music at almost every site that is open for the event.

Mr. Jeff Buchheit (Baltimore National Heritage Area) reported that they were about to kick off five required meetings as part of the process of becoming a National Heritage Area, and he invited everyone to attend the meetings, which will determine the priorities of the heritage area for the next 10 – 15 years.

New Business

Ms. Byron reported that Kate Marks has taken a position with the National Park Service and the Chesapeake Bay Gateways Program, so DBED will be recruiting for her position. She will be leaving after *Sailabration*.

Adjourn

The meeting adjourned at 11:56 a.m. with the tour following.