

Minutes of the
Seventieth Meeting of the
Maryland Heritage Areas Authority
100 Community Place
Crownsville, MD 21032
January 14, 2016

The seventieth meeting of the Maryland Heritage Areas Authority (MHAA) was held on January 14, 2016 at 100 Community Place, Crownsville MD 21032

Authority Members/Designees Present: Wendi Peters, Deputy Secretary, MD Department of Planning and Chair, Maryland Heritage Areas Authority; Bill Pencek (representing MD Department of Commerce Secretary R. Michael Gill); John Wilson (representing MD Department of Natural Resources Secretary Mark J. Belton); Marty Baker (representing MD Department of Transportation Secretary Pete K. Rahn); Peter Leshner (MD Municipal League representative); Wayne E. Clark (President of the Senate representative); John Fieseler (MD Tourism Development Board representative); Burton Kummerow (President of the Senate representative); Elizabeth Hughes (State Historic Preservation Officer); Robert D. Campbell (Governor's Appointee for Historic Preservation); Janice Hayes-Williams (Speaker of the House representative); Amy Seitz (representing MD Department of Housing and Community Development Secretary Kenneth C. Holt); Donna Ware (Speaker of the House representative); Lisa Challenger (Governor's Appointee for Heritage Tourism)

Authority Members/Designees Absent: Francis Jack Russell (MD Association of Counties representative); Amanda Conn (Representative for MD State Department of Education Secretary Lillian M. Lowery); Lee Towers (representing MD Higher Education Commission James D. Fielder, Jr.); Rowland Agbede (representing MD Department of Agriculture Secretary Joseph Bartenfelder); Vacant (Representative for MD Greenways)

Staff Present: Bernadette Pruitt, Richard Hughes, Jennifer Ruffner, Rieyn Deloney and Paul Cucuzzella (Office of the Attorney General)

Heritage Area Directors/Staff Present: Carol Benson (Four Rivers Heritage Area); Jeff Buchheit (Baltimore National Heritage Area); Gail Owings (Stories of the Chesapeake Heritage Area); Roxanne Snyder and Nicole Grey (Canal Place Heritage Area); Liz Shatto and Auni Gelles (Heart of the Civil War Heritage Area); Aaron Marcavitch (Anacostia Trails Heritage Area); Brigitte Carty (Lower Susquehanna Heritage Greenway); Roz Racanello (Southern MD Heritage Area and Chair, Maryland Coalition of Heritage Areas); Sarah Rogers (Montgomery County Heritage Area); Jen Durbin (Mountain Maryland Gateway to the West Heritage Area); Lisa Ludwig (Lower Eastern Shore Heritage Area); Mary Catherine Cochran (Patapsco Valley Heritage Area); Amanda Fenstermaker (Heart of Chesapeake Country Heritage Area)

CALL TO ORDER (Wendi Peters, Deputy Secretary, MD Department of Planning)

The Chair called the meeting to order at approximately 10:05 a.m.

INTRODUCTIONS: The Chair introduced the new MHAA Speaker of the House representative Janice Hayes Williams and those in attendance introduced themselves.

MHAA CHAIRPERSON REPORT & UPDATES (Wendi Peters)

Report on withdrawal of \$300,000 of the FY 2015 Maryland Heritage Areas Authority special fund appropriation due to an under-attainment of transfer tax revenue (R. Hughes)

Mr. Hughes distributed and summarized a letter from Andrew Gray, Senior Analyst, Department of Legislative Services to Delegate Carol Krimm explaining why \$300,000 in revenue that would have supported the MHAA FY 2015 special fund appropriation was withdrawn from the budget. Mr. Gray stated the withdrawn appropriation was due to a write-down in the property transfer revenue estimate, which was reduced from \$198,482 to \$161,016. Normally the transfer tax write-down would have been addressed two fiscal years after the under-attainment, but previous Budget Reconciliation and Financing Act (BRFA) actions in FY13 and FY14 had already authorized a shift of \$144,188,544 of FY15 transfer tax revenue to the General Fund. This created a revenue shortfall of \$32,464,457. Of this amount, MHAA's allocation to help address the shortfall was the \$300,000 that was withdrawn. To cover the remaining shortfall, \$25,040,636 of operating funds and \$7,123,821 of PAYGO funds were withdrawn from MD Department of Natural Resources FY 15 funding (this funding was replaced partially by \$22,783,636 in General Funds and \$1,740,000 in payment in lieu of taxes funding for local jurisdictions as a result of a provision in the BRFA of 2015).

Ms. Peters reported no change with regards to the Maryland Department of Planning FY 2017 budget. She stated that the Maryland Department of Planning has submitted their budget request and is working to keep level funding for the heritage areas program.

APPROVAL OF MINUTES FOR OCTOBER 15, 2015 (Resolution R-100)

Ms. Peters called for a motion to approve the October 15, 2015 minutes. The following motion was made by Ms. Seitz.

RESOLVED, that the Authority approves the October 15, 2015 minutes as written.

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

MANAGEMENT REPORT

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

Mr. Hughes reported that as of December 15, 2015 the current balance was \$76,706.90. He indicated that MHAA had approved the use of up to \$100,000.00 from the FY16 budget for emergency grants, leaving a current potential shortfall of \$23,293.10. Mr. Hughes noted that based on previous experience this projected shortfall likely will be made up from current grant projects that are completed under-budget and from grants that may be cancelled.

Preliminary report on proposed Canal Place Heritage Area boundary expansion to include the Greene St. National Register Historic District, portions of the Canada/Viaduct Survey District, Candoc & Mason Recreational District/Riverside area of the C&O Canal Preservation District within the City of Cumberland (R. Hughes)

Mr. Hughes summarized the history and explained the uniqueness of Canal Place as Maryland's first Certified Heritage Area and the only Heritage Area managed by a State entity, the Canal Place Preservation and Development Authority (CPPDA). He reported that the City of Cumberland wishes to move forward with a boundary expansion solely within City limits that was recommended in a draft 2014 update to the Canal Place Management Plan. The City has already amended its Comprehensive Plan to include the proposed boundary expansion and the portions of the draft Management Plan update that apply solely to the City of Cumberland. MHAA has not approved the updated Management Plan or any portion of it to date as the updated plan recommended adding additional areas outside of Cumberland within Allegany County to the Heritage Area. Currently there is not enough support for the expansion of the Heritage Area to those areas outside of Cumberland. Mr. Hughes reported that the intent is to move forward on the boundary expansion request within Cumberland in the Spring. The first step will be to conduct an MHAA public hearing and tour of the proposed expansion areas in May 2016.

Mr. Clark inquired about the recommendations of a 2015 working group led by the MD Department of Planning and Department of General Services (DGS) that had prepared a report for the Legislature regarding possible options for the management of the Canal Place Heritage Area and what has been implemented. He wanted to know what would be the next step in moving forward with the recommendations in 2016. Mr. Hughes reported that the working group made preliminary recommendations that DGS carry out appraisals of State-owned properties managed by the CPPDA and that a Request for Expressions of Interest (RFEI) be prepared and sent to local governments, non-profits, and the private sector to determine possible interest in ownership and management of Canal Place capital assets. Mr. Hughes said that this recommendation had not been implemented due to the change in the administration in 2015 and MHAA was following up with DGS about whether there was support for proceeding with the appraisals and RFEI.

Report on "Mini-Grant Demand in Certified Heritage Areas – 2015" (J. Ruffner)

Ms. Ruffner summarized the demand for mini grants in Certified Heritage Areas for 2015, as requested by MHAA at the last meeting. She shared a chart that reflected applications received (130), applications awarded (90), total amount requested (\$182,884.29), total amount awarded (\$106,710.00) and the unmet need (\$26,188.29).

Ms. Racanello supports the program and commended the interest in identifying funds for mini grants supporting highly-ranked projects. She noted the program engages partners and small non-profits that cannot manage larger MHAA grants.

Ms. Seitz and Mr. Clark asked if Heritage Area Directors thought that the maximum amount for a mini grant should be increased and suggested a maximum of \$5,000. Mr. Hughes noted that the overall demand for all MHAA grants has grown and that increasing the mini grant cap at this time would reduce the amount available for larger grants. Ms. Seitz agreed with Ms. Racanello that the maximum mini grant award amount should be increased as this would be less burdensome on applicants. She suggested a \$3,000-\$7,000 maximum.

Suggestions were made as to how mini grants may be increased in the future.

Mr. Clark made a motion to request the MD Coalition of Heritage Areas to discuss shifting more of the available grant funds to mini grant funding in FY 2018 and report their findings to MHAA. Mr. Wilson seconded the motion and it was approved unanimously.

FY 2017 Grant Workshops & Webinar, and Intent to Apply deadline– Update (J. Ruffner)

Ms. Ruffner reported that the intent to apply form for FY 2017 is due January 29, 2016 and forms are already being received via the on-line system. Two grant workshops had to be cancelled due to her illness and have been rescheduled. A webinar was conducted with 65 participants and is available on line. The grant round is underway and she anticipates another strong year for the MHAA grant program.

Report on planning for 20th Anniversary of the statewide Maryland Heritage Areas Program: Proposed Legislative Reception in Annapolis on January 25, 2016 (Roz Racanello)

Ms. Racanello announced that Jason Vaughan of the Baltimore National Heritage Area created an e-mail invitation that was sent to members of the General Assembly. The event will host the general assembly to celebrate the 20th Anniversary of the MHAA. The event will be held in Annapolis on January 25th at the Governor Calvert House in the Jonas Green Room from 6-8 p.m. Delegate and heritage area director Mary Ann Lisanti has taken a lead role in coordinating the event. Cake and coffee will be served, colonial re-enactors and entertainment will be provided. Lapel pins will be distributed to General Assembly members who attend.

ACTION ITEMS

Boundary Amendment Request:

- Request from the Prince George's County Council and County Executive to amend the Certified Heritage Area boundaries to include portions of City of Bowie, Town of Cheverly, Glenn Dale area, Folly Branch Stream Valley, and the Washington, Baltimore & Annapolis Trail (Tabled).

This action item was deferred due to additional time being needed for Prince George's County to complete the required amendment to the County's General Plan.

Emergency Grant Request:

- Request from the County Council of Dorchester County (to be administered by Heart of Chesapeake Country Heritage Area/Dorchester Co. Office of Tourism) for \$100,000.00 capital grant for Phase 1 of a two-phase project to stabilize the Herbert Hearn Hardware Company Building, 509-511 Race Street, Cambridge, MD

MHAA received a request for an emergency grant for \$100,000.00 to contribute to the Herbert Hearn hardware Company on Race St. During a storm part of the south wall of the building collapsed. A private developer, Mr. Stanley Kaiser reached a memorandum of understanding with the county council to take over the building. The building is currently owned by the county.

The TAC reviewed it and Mr. Kaiser attended a meeting of the TAC to provide information about his plans. The TAC requested further information and made some suggestions about budget revisions. The building is a part of the Harriet Tubman-Underground Railroad Scenic Byway, is in the Arts and Entertainment District and Maryland Main Street District and is adjacent to a block of Race Street that has had extensive redevelopment over the last decade, including MHAA support. If it is not stabilized it will deteriorate further and is in danger of total collapse.

Ms. Seitz reported that DHCD awarded a community legacy grant of \$500,000.00 to assist with stabilization. She expressed support for the project and requested MHAA support the emergency grant request.

It was noted that Preservation Maryland also approved a \$10,000.00 grant to the project. A Sustainable Communities Tax Credit application with the Maryland Historical Trust has also been submitted. Total contributions currently total about \$710,000.

The MHAA Technical Advisory Committee (TAC) considered all provided information and recommended a \$66,000 grant to support removal of debris, mold and water from the basement and installation of a temporary foundation to stabilize the building.

Ms. Fenstermaker gave some background about Mr. Kaiser's interest and commitment to the project. Mr. Kaiser has a signed MOU in place with Dorchester County and the City of Cambridge regarding his redevelopment of the building. She indicated that the building will be converted into residential units and commercial space.

The Maryland Historical Trust determined that it did not wish to hold an easement on the building, however, it is located within the Cambridge Historic District which provides some protection for the building.

Ms. Fenstermaker answered questions about finance, the match, timeline and entities involved. Ms. Seitz, Mr. Leshner, Mr. Campbell and Mr. Wilson verbalized their support for the project.

The following motion was made by Mr. Leshner.

RESOLVED, that the Authority approves with conditions a Fiscal Year 2016 emergency grant from the Maryland Heritage Areas Authority Financing Fund in an amount not to exceed \$50,000 (the “Grant”) to the County Council of Dorchester County (the “Grantee”) to assist in the stabilization of the Herbert Hearn Hardware Company Building located at 509–511 Race Street in the City of Cambridge, Dorchester County, Maryland (the “Property”) including removal of debris, water, and mold from the basement and other portions of the Property, and installation of a temporary foundation.

AND BE IT FURTHER RESOLVED, that the Authority has determined in accordance with its July 3, 2003 Policy on Emergency Grants that this Grant will help meet unanticipated needs that arose because of an unforeseen situation that necessitates an immediate need for funding assistance, and the Grant application demonstrates that the immediate need for funding assistance was unanticipated at the time of the Authority’s regular grant round. The unforeseen situation arose when the south wall of the Property partially collapsed on October 28, 2015.

AND BE IT FURTHER RESOLVED, that the Authority’s approval of the Grant is contingent upon sufficient funding being available from the Maryland Heritage Areas Authority Financing Fund.

The motion was seconded by Ms. Ware. The motion was adopted, by a vote of twelve members for approval, with one member abstaining, of the thirteen members present.

HERITAGE AREA DIRECTOR – MHAA MEMBER ANNOUNCEMENTS

Mr. Campbell reported about the upcoming 2016 National Park Service Centennial.

Ms. Racanello reported on the new Southern Maryland Newsletter that was distributed at the meeting; the new Mallows Bay National Marine Sanctuary, one of two by approved by President Obama; and the continued work to create a Master Plan for the development of a Piscataway Indian Heritage Trail.

NEW BUSINESS

None.

ADJOURN

Mr. Wilson made a motion to adjourn which was approved unanimously. The meeting adjourned at 12:10 p.m.