



Maryland Department of Planning
Maryland Historical Trust

Larry Hogan, Governor
Boyd Rutherford, Lt. Governor

David R. Craig, Secretary
Wendi W. Peters, Deputy Secretary

Maryland Historical Trust

NOTICE

The regular meeting of the Maryland Historical Trust Board of Trustees will be held on March 16th, 2016, at 2:00 p.m., at the Maryland Chamber of Commerce, 60 West Street, #101, Annapolis, MD 21401.

Board Meeting

2:00 p.m.

This notice given February 16th, 2016.

A handwritten signature in blue ink that reads "Elizabeth Hughes". The signature is fluid and cursive.

Elizabeth A. Hughes
Director

Please respond by e-mail kathy.monday@maryland.gov or phone (410) 514-7603 by March 1st, 2016.



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**MARYLAND HISTORICAL TRUST
MEETING OF THE BOARD OF TRUSTEES
Maryland Chamber of Commerce
60 West Street, Suite 100
Annapolis, MD**

Wednesday, March 16, 2016 at 2:00 PM

AGENDA

- V1 CALL TO ORDER
- V2 APPROVAL OF MINUTES
- V3 COMMITTEE REPORTS
- V100 Capital Programs
- V101 Sustainable Communities Tax Credit Program – New Staff Member
- V102R FY2016 MHT Capital Loan - Gutman House, 1803 Eutaw Place, Baltimore City
- V103R Friendship Hall – Easement Modification
- V200 Survey, Registration, Community Education & Museums
- V201R Vernacular Architecture Forum Sponsorship Request
- V202R Preservation Maryland Sponsorship Request
- V203 Jefferson Patterson Park and Museum Report
- V300 Management & Planning
- V301 Interim Actions of the Executive Committee
- V302 Budget and Legislation
- V303 Litigation & Legal Issues
- V304 2016 Board Meeting Schedule

**MARYLAND HISTORICAL TRUST
BOARD OF TRUSTEES' MEETING**

March 16, 2016

**Maryland Chamber of Commerce, 60 West Street, Suite 100, Annapolis, MD
Board Meeting 2:00 p.m.**

Pursuant to notice, the regular meeting of the Board of Trustees of the Maryland Historical Trust (MHT) was held at the Maryland Chamber of Commerce, 60 West Street, Suite 100, Annapolis, MD on December 17, 2015.

Trustees present: Mme. Tilghman and Messrs. Edson, Feldstein, Luckenbach, Parker, Stek, and Delgado.

Area Representatives present: Messrs. Azola, Brown, Callan, Camlin, Charlton, Eshelman and Spikes.

Maryland Department of Planning: David Craig, Secretary; Brandon Wright, Chief of Staff.

Office of the Attorney General: Rieyn DeLony

Maryland Historical Trust Staff: Heather Barrett, Kate Bolasky, Michael Day, Elizabeth Hughes, Megan Klem, Marcia Miller, Kathy Monday, Anne Raines, Mark Thompson, and Esther White.

Guests: Nicholas Redding, Preservation Maryland.

V1 CALL TO ORDER

Mr. Edson, Chair, called the meeting to order at 2:00 p.m. A quorum of Trustees was not present. A majority of the Board's Executive Committee was present.

Mr. Edson invited Secretary Craig to address the Board. Secretary Craig thanked the Board for their work and noted that publication of his book on the Gettysburg Battlefield would be forthcoming in November.

V2 APPROVAL OF MINUTES

Mr. Feldstein made a motion, seconded by Mr. Stek that the December 17, 2015 minutes be approved as submitted. The motion was approved unanimously.

V3 COMMITTEE REPORTS

V100 Capital Programs

V101 Sustainable Communities Tax Credit Program – New Staff Member

Michael Day introduced two new staff members in the Office of Preservation Services. Mr. Day introduced Megan Klem who is a new member of the rehabilitation tax credit staff. He then introduced Kate Bolasky who had started working at the Trust a year ago in the contractual Easement Inspector position and was recently promoted to the permanent position of Easement Administrator following Amy Skinner's departure.

V102R FY2016 MHT Capital Loan - Gutman House, 1803 Eutaw Place, Baltimore City

Anne Raines reported on the capital loan application for the Gutman House, located at 1803 Eutaw Place in Baltimore City. Built in the 1890s, this bay-front brownstone rowhouse is one of many rowhouses on Eutaw Place in Bolton Hill and Madison Park that are associated with Baltimore's predominantly Jewish department store owners. The property was home to Bertha Gutman, widow of Baltimore department store owner Joel Gutman, from 1898 until her death in 1912. The property remained in the Gutman family until the early 1950s and, although later subdivided into apartments, it retains most of its interior integrity, including elaborate mantels, stained glass windows, parquet floors, and original bathrooms.

The Borrowers purchased the Property in 2013 for \$255,000, using seller financing and a personal loan from a family friend. Both acquisition loans have been repaid, with Borrowers refinancing with a \$135,000 personal loan from another family friend (current balance approximately \$122,000), and a \$200,000 home equity line of credit from M&T Bank (current balance approximately \$128,000). The Loan will be used to refinance the two current loans. To date, the Borrowers have expended approximately \$60,000 of their own funds toward the rehabilitation of the Property, including the reconstruction of missing rear porches, with sustainable community tax credit-eligible rehabilitation work currently in progress. The Borrowers have demonstrated that they have been unable to obtain refinancing for the two existing loans through the private market, due to the un-rehabilitated condition of the Property. Based on the sales comparison approach, the Property has an as-is appraised value of \$297,330. The Loan will be secured by a first lien mortgage on the Property in favor of MHT, and an easement will be required as a condition of the Loan.

Dr. Delgado made the following motion. The motion was seconded by Mr. Feldstein and approved unanimously.

RESOLVED, that the Maryland Historical Trust Board of Trustees recommends to the Secretary of Planning a loan under the Maryland Historical Trust Loan Program of up to Two Hundred Thirty-Five Thousand Dollars (\$235,000) (the "Loan") from the MHT Loan Fund to Margaret and Christopher DeArcangelis (the "Borrowers") for the refinancing of the Joel Gutman House, 1803 Eutaw Place, Baltimore City (the "Property"). The Loan term is fifteen (15) years, with monthly payments of principal and interest sufficient to fully amortize the Loan over the term, at an interest rate which will be set relative to the applicable State GO bond yield.

V103R Friendship Hall – Easement Modification

Mr. Day recounted how, in 2008, the Board of Trustees of the Maryland Historical Trust determined that the previous owner in title, David Moore, had breached the historic preservation

Deed of Easement (the “Easement”) that encumbers Friendship Hall by replacing the structure’s roofing materials without the prior approval of the Director of the Trust. On February 28, 2008, the Trust accepted as mitigation for this breach an agreement made by Mr. Moore whereby he would amend the Easement to (1) incorporate into the Easement the historic lane and additional land in front of Friendship Hall and (2) replace the current roofing materials within 20 years of the execution of the amendment with materials determined by the Trust to be appropriate under the *Secretary of the Interior Standards for the Treatment of Historic Properties*.

Despite efforts by the Trust to get him to do so, Mr. Moore did not execute the contemplated amendment to the Easement prior to conveying the property to Ms. Anne Norton in 2012. By letters dated April 29, 2013 and October 5, 2015, the Trust forwarded to Ms. Norton final drafts of the contemplated amendment, and on both occasions asked that she execute the amendment. To date, the Trust has not received from Ms. Norton the signed and executed amendment to the Easement.

On February 2, 2016, a final draft of the Second Amendment to Deed of Easement and Right of First Refusal was mailed to Ms. Norton. Because Ms. Norton has now retained an attorney to assist her in taking final action on this document, no action on the matter by the Board will be requested today. If she does not take timely action, however, staff will be requesting that the Board modify the terms of mitigation approved in February 2008 to require that the roofing materials be replaced within 20 years of the Board’s original approval of the mitigation on February 28, 2008, instead of within 20 years of the date of execution of the amendment to the Easement. This revision would be consistent with what the Board contemplated in 2008 regarding the timeframe for replacement of the roofing materials.

V200 Survey, Registration, Community Education & Museums
V201R Vernacular Architecture Forum Sponsorship Request

Marcia Miller explained that the Vernacular Architecture Forum (VAF) will host its 2018 conference in Alexandria, Virginia and Southern Maryland. The principal theme for the conference will be A Shared Heritage: Urban and Rural Experience on the Banks of the Potomac.

The tours will present the Potomac region’s cultural, religious, economic and agricultural resources, highlighting buildings and landscapes that span three centuries. Three of our staff members, including Marcia Miller, Heather Barrett, and Casey Pecoraro, are actively involved in the conference planning and are overseeing Maryland’s participation (two bus tours). Tour participants will visit various historic sites in Prince George’s, Charles, Calvert and St. Mary’s Counties, including:

- Sotterley, an early eighteenth century house whose core is a post-in-ground structure, with grounds that include a ca. 1820 log slave quarter, a 1757 brick stable/warehouse, and landscaped gardens.
- The Bond-Sims Tobacco Barn, an accretive complex of agricultural buildings that includes a log granary and surviving post-in-ground tobacco barn from the mid-nineteenth century.

- Compton Bassett, including the ca. 1780s house, chapel, a terraced landscape, a family cemetery, and numerous outbuildings.
- College Park Airport, ca. 1909 facility built by the U.S. Army Signal Corps to train pilots.

VAF has invited MHT to consider serving as a sponsor for the two Maryland dinners, which conclude each tour's day. One dinner will be held at Sotterley, while the other site has yet to be determined.

Ms. Hughes noted that sufficient funds remaining in the FY2016 Heritage Preservation Fund for the purposes of disposition in FY2016 (totaling \$20,182.48) should the Board wish to take action on this request.

Mr. Feldstein made the following motion. The motion was seconded by Dr. Delgado and approved unanimously.

RESOLVED, by the Board of Trustees of the Maryland Historical Trust, that an expenditure of up to \$2,500 from the MHT Heritage Preservation Fund in fiscal year 2016 to sponsor the 2018 Vernacular Architecture Forum conference in Alexandria, Virginia and Southern Maryland.

V202R Preservation Maryland Sponsorship Request

Nicholas Redding, Executive Director of Preservation Maryland, requested the Board's support for signature programs being undertaken by Preservation Maryland over the course of 2016. Last year, the Board supported the Preservation Summer School with a \$2500 gift and the Six-to-Fix Program with a \$2500 gift. Mr. Redding noted that Preservation Maryland is seeking \$10,000 in support from the MHT Board in 2016, although he noted that any level of support would be welcome.

The Board discussed demand for the Heritage Preservation Fund and the relative merits of using the Fund to support activities like sponsorships of affinity organizations' education and outreach activities versus using the funds to support in-house staff activities and projects.

The Board agreed to support Preservation Maryland (PM) at the \$10,000 funding level in 2016 provided that these funds would be used to support discrete outreach programs rather than advocacy activities. The Board invited Mr. Redding to attend the Board's July meeting to present PM's FY2017 support request.

Dr. Delgado made the following motion. The motion was seconded by Mr. Charlton and approved unanimously.

RESOLVED, by the Board of Trustees of the Maryland Historical Trust, that an expenditure of up to \$10,000 from the MHT Heritage Preservation Fund in fiscal year 2016 to sponsor Preservation Maryland's 2016 education, training and outreach programming activities.

V203 Jefferson Patterson Park and Museum Report

Mr. Thompson introduced Esther White as the new Assistant Director of Jefferson Patterson Park and Museum. He then reported on the status of ongoing capital projects at the museum.

V300 Management & Planning

V301 Interim Actions of the Executive Committee

Minutes of the MHT Board Executive Committee Interim Conference Call held on January 28, 2016 at 10:00 a.m.

MHT Board Executive Committee: Edson, Bailey, Poffenberger ·

MHT Staff: Elizabeth Hughes

Mr. Edson, Chair, called the meeting to order at 10:05 a.m. A quorum of the Executive Committee was present.

Capital Programs

Orchard Street Church – Beginning Foreclosure Proceedings

Ms. Hughes reported that the Baltimore Urban League, Inc., would soon be receiving a notice of default from the Office of the Attorney General on their \$300,000 loan from the Maryland Historical Trust Historic Preservation Loan Program. The loan, awarded in 1992, has been in arrears for some time.

The loan regulations state that a modification of the loan in the event of default requires the approval of the Trustees, Secretary, and (if the loan was originally approved by BPW) by BPW. Additionally, the regulations stipulate that the approval of the Trustees and the Secretary will be required to foreclose, and the approval of BPW is required for re-sale of foreclosed property.

More information about the status of this potential foreclosure is expected to be available at the March Board meeting.

Survey, Registration, Community Education & Museums

Transfer of Maryland Military Monuments Commission – Executive Order

Ms. Hughes reported that an Executive Order that would transfer the Maryland Military Monuments Commission from the Department of Veterans Affairs to the Maryland Department of Planning where it would be staffed by the Maryland Historical Trust is expected to be issued by the Governor's Office in the next few weeks.

Baltimore Special Commission on Confederate Monuments

Ms. Hughes reported that the final recommendations of this Commission are still under development. Once they have been issued, Trust staff will coordinate with City officials

regarding how the proposed recommendations intersect with the Trust's historic preservation easement on selected monuments.

Management & Planning **Budget & Legislation**

Ms. Hughes reported that the Governor's budget included \$9 million for the commercial side of the Sustainable Communities Tax Credit Program (level funding with FY16), \$1 million for the African American Heritage Preservation Grant Program, and \$2.7 million for the Maryland Heritage Areas Grant Program.

Funding requests to move up reinstatement of the Capital Historic Preservation Grant Program to FY2017 and to reinstate the Non Capital Historic Preservation Grant Program were not included in the budget. In addition, funding for construction for the Patterson Center project was moved forward in the budget to FY2019 and FY2020 which will delay completion of this critical project.

Regarding legislation, there are no bills of significant concern that have been introduced at this time.

Next Meeting

The next meeting of the full Board is scheduled for March 16 from 2-4 PM at the Maryland Chamber of Commerce. Chairman Edson requested that Board members be encouraged to visit with their elected officials to advocate on behalf of the Trust and asked that information about members' representatives be updated and shared in advance of the March board meeting.

Meeting adjourned at 10:35 am.

V302 Budget and Legislation

State Budget and Legislation

Ms. Hughes reported that the Governor's budget includes \$9 million for the commercial side of the Sustainable Communities Tax Credit Program (level funding with FY16), \$1 million for the African American Heritage Preservation Grant Program, and \$2.7 million for the Maryland Heritage Areas Grant Program.

Funding requests to move up reinstatement of the Capital Historic Preservation Grant Program to FY2017 and to reinstate the Non Capital Historic Preservation Grant Program were not included in the budget. In addition, funding for construction for the Patterson Center project was moved forward in the budget to FY2019 and FY2020 which will delay completion of the project.

Both operating and capital budget hearings have been held and decision meetings are now underway. The only reduction that has been proposed by the Department of Legislative Services staff thus far is the elimination of one vacant position in the Office of Research, Survey and Registration which is critical to carrying out our architectural survey activities. Both the House and Senate Budget Subcommittees rejected this recommended cut.

The primary bill of interest this session would reauthorize the Sustainable Communities Tax Credit Program (SB759 and HB939). These bills make only minor changes to the program and would reauthorize it through June 30, 2022. Hearings on both bills have taken place and went smoothly.

Federal Budget and Legislation

The federal FY2017 omnibus appropriations bill that was passed in December included level funding for SHPOs (\$46.9M) and a \$1 million increase for THPOs (\$9.985M). The bill also included \$500,000 for competitive grants to underserved communities and \$8,000,000 for competitive grants to document, interpret, and preserve historical sites associated with the Civil Rights Movement. We should expect to see a call for application for the Civil Rights funding from the National Park Service later this spring.

Efforts to reauthorize the Historic Preservation Fund (HPF) – which expired on September 30, 2015 - remain underway. HR 2817, introduced in June of 2015, now has 32 cosponsors (17 Republicans, 15 Democrats). Ms. Hughes reported that she testified on the bill before the Federal Lands Subcommittee on February 11. The Senate continues to work on completing a comprehensive energy bill, S. 2012, which includes a provision for permanent reauthorization of the HPF.

V303 Litigation & Legal Issues

Rieyn DeLony reported that the Office of the Attorney General has sent to the Baltimore Urban League, Inc., a notice of default on their \$300,000 loan from the Maryland Historical Trust Historic Preservation Loan Program. The loan, awarded in 1992, has been in arrears for some time. No response to the letter has yet been received.

She noted that loan regulations state that a modification of the loan in the event of default requires the approval of the Trustees, Secretary, and (if the loan was originally approved by BPW) by BPW. Additionally, the regulations stipulate that the approval of the Trustees and the Secretary will be required to foreclose, and the approval of BPW is required for re-sale of foreclosed property. Guidance from the Board on next steps will be sought at future meetings.

V304 2016 Board Meeting Schedule

Ms. Hughes asked Board members to review upcoming meeting dates for 2016 as some of these dates have changed. The dates and locations are as follows:

May 19, 2016 – Havre de Grace, MD

July 28, 2016 – Crownsville, MD

October 6, 2016 – St. Mary's City, MD

December 8, 2016 – Crownsville, MD

Announcements

Mr. Edson noted that the MHT Board Investment Committee met by teleconference on March 15th. He noted that the Committee discussed the comparative advantages of a fee-based versus per transaction approach to the account and will report on their findings at the May Board meeting.

Ms. Hughes asked the Board to take the time to review the 2015 MHT Annual Report which was produced by Nell Ziehl and staff of the MDP Communications Office. Mr. Edson complimented staff on the report and asked that staff seek opportunities to print and distribute it.

Dr. Delgado reported on recent investigations of Baltimore vessels discovered outside of Maryland waters.

Mr. Spikes announced an upcoming job fair to be hosted by Congressman Cummings at the 4th Regiment Armory in Baltimore on April 4th.

Meeting adjourned at 3:49 p.m.

Mr. Charles L. Edson, Chair

Elizabeth Hughes, Director