



Maryland Department of Planning
Maryland Historical Trust

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Maryland Historical Trust

NOTICE

The regular meeting of the Maryland Historical Trust Board of Trustees will be held on Thursday, December 4th, 2014 at 10:00 a.m. at the St. Paul's Anglican Church, 1505 Crownsville Road, Crownsville, MD.

Board Meeting	10:00 a.m. *
Lunch	12 Noon

This notice is hereby given this 31st day of October, 2014.

J. Rodney Little
Director

Please respond by e-mail kathy.monday@maryland.gov or phone (410) 514-7603 by November 20th, 2014.

***Please note that Committee meetings have been cancelled due to space limitations.**



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MARYLAND HISTORICAL TRUST
BOARD OF TRUSTEES' MEETING
St. Paul's Anglican Church, 1505 Crownsville Road, Crownsville, MD
December 4, 2014

AGENDA

- O1 CALL TO ORDER
- O2 APPROVAL OF MINUTES
- O3 COMMITTEE REPORTS
 - O100 Capital Programs
 - O101R Revised Standard Form of Preservation Easement
 - O200 Survey, Registration, Community Education & Museums
 - O201R 2015 Historic Preservation Awards
 - O202 Underrepresented Communities Grant Award to MHT - Report
 - O300 Management & Planning
 - O301 FY2016 Budget & Legislation - Report
 - O302 Litigation & Legal Issues – Report
 - O303 Interim Actions of the Executive Committee – Report
 - O304 Investment Committee - Report
 - O305 MHT Director Search Process
 - O306 MHT Personnel Issues*

* The Board will consider this item in closed session, pursuant to State Government Article §10-508(a)(1), to discuss: (i) The appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom it has jurisdiction; or (ii) Any other personnel matter that affects one or more specific individuals.

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

December 4, 2014

**St. Paul's Anglican Church, 1505 Crownsville Road, Crownsville, MD
Board Meeting 10:00 a.m.**

Pursuant to notice, the regular meeting of the Board of Trustees of the Maryland Historical Trust (MHT) was held at St. Paul's Anglican Church, 1505 Crownsville Road, Crownsville, MD 21032 on December 4, 2014.

Trustees present: Ms. Tilghmann and Messrs. Edson, Luckenbach, Parker, Poffenberger, Stek, and Turner.

Ex Officio: Amanda S. Conn (by teleconference for agenda items O305 and O306)

Area Representatives present: Messrs. Callan, Camlin, Charlton, Reed, Spikes.

Assistant Attorney General: Rieyn DeLony, Paul J. Cucuzzella.

Staff: Rodney Little, Elizabeth Hughes, Michael Day, Amy Skinner, Amanda Apple, Anne Raines, Nell Ziehl, Jen Sparenberg, Kathy Monday.

01 CALL TO ORDER

Mr. Edson, Chair, called the meeting to order at 10:10 a.m. A quorum of Trustees was not present at this time. Four members of the Executive Committee were present, constituting a quorum of the Executive Committee. Therefore, the meeting proceeded as an Executive Committee meeting.

O2 APPROVAL OF MINUTES

Mr. Stek made a motion, seconded by Mr. Reed that the October 2, 2014 minutes be approved as submitted. The motion was approved unanimously.

O100 Capital Programs

O101R Revised Standard Form of Preservation Easement

Amy Skinner, Administrator of the MHT Easement Program, explained that the form easement used by MHT was drafted in 2009, and has not been updated since that date. The Easement Committee staff, in conjunction with MHT's Assistant Attorneys General (AAGs), determined that MHT's preservation purposes would be best served by updating the existing easement form to incorporate current best easement practices, and to be more consistent with current easement forms used by other State agencies (including the Department of Natural Resources) and other comparable preservation organizations across the country. The Easement Committee staff, consisting of Michael Day, Amy Skinner, Anne Eastman, Peter Morrill, and AAGs Paul Cuccuzzella and Rieyn DeLony met over a course of four meetings to review the existing

easement document and various sample model easements used by other State agencies and qualified preservation organizations, and revised the existing easement form to incorporate recommended modifications and new provisions to ensure that MHT is following current best easement practices.

Ms. Skinner then presented a powerpoint explaining proposed revisions to the standard form of preservation easement used by MHT and the reason for the proposed revisions. Discussion followed.

Motion made by Al Luckenbach to approve the following resolution which was seconded by Douglass Reed and approved unanimously.

RESOLVED, that the Board of Trustees of the Maryland Historical Trust approves MHT's use of the revised standard form of preservation easement in all circumstances where MHT requires, or is obligated to require, a preservation easement, including: donor's condition of gift/donation of real property, the surplus of State property into private ownership and use; at MHT's option, bond bill funded capital projects affecting Historic Register, National Register, National Register-eligible, or National Historic Landmarks; as a condition of financial assistance under any of MHT's grant or loan programs.

O200 Survey, Registration, Community Education & Museums

O201R 2015 Historic Preservation Awards

Nell Ziehl, Chief of the MHT Office of Heritage Planning and Outreach, presented a powerpoint which described the awards recommendations of the Survey, Registration, Community Education and Museums Committee. Discussion followed regarding the creation of a new award category to recognize preservation of archeological resources, and the selection of a project to receive this award. Following much discussion, it was determined that this new award category should be rolled out as part of the call for 2016 nominations rather than employed as an award category in 2015.

Motion made by Charlie Stek to approve the following resolution which was seconded by Al Luckenbach and approved unanimously.

RESOLVED, that the Maryland Historical Trust Board of Trustees approves the creation of an archeology award under the "Stewardship" category of awards beginning with the 2016 Maryland Preservation Awards call for award nominations.

Motion made by David Turner to approve the following resolution which was seconded by Joshua Brown and approved unanimously.

RESOLVED, that the Maryland Historical Trust Board of Trustees approves the 2015 Maryland Preservation Awards recommendations of its Survey, Registration, Community Education, and Museums Committee. The recommendations are as follows:

EDUCATION & COMMUNITY ENGAGEMENT

Excellence in Media & Publications

- Painted Screens of Baltimore: An Urban Folk Art Revealed by Elaine Eff

Excellence in Community Engagement

- M-NCPPC Montgomery Planning Department, Historic Preservation Office for Montgomery Modern Program 2013

Excellence in Programming and Exhibits

- Hays-Heighe House at Harford Community College for Faces of Freedom

STEWARDSHIP

Outstanding Stewardship of an Easement Property

- South T. Lynn for Kennedy Farm (Washington County)

Outstanding Stewardship by a Government Agency

- National Institutes of Health Historic Preservation Program (Bethesda)

Outstanding Stewardship by a Government Agency

- U.S. Navy for the Naval Support Facility, Indian Head

PROJECT EXCELLENCE

Community Impact

- John Quinton Foundation for the San Domingo Rosenwald School (Wicomico County)

Project Excellence: Institutional Rehabilitation

- Baltimore Design School (Baltimore City)

Project Excellence: Commercial Rehabilitation

- "Daylight" Building (Easton)

Project Excellence: Residential Rehabilitation

- Sandy and Duane Heiler for the Thomas-Bentley House (Brookeville)

Preservation Partnerships

- Charles Sumner Post (Chestertown)

LEADERSHIP AND SERVICE

Outstanding Organizational Leadership

- Tourism Council of Frederick County

Calvert Prize

- J. Rodney Little

0202

Underrepresented Communities Grant Award to MHT - Report

Elizabeth Hughes reported that MHT was one of only 13 states awarded a grant from the National Park Service's new "Underrepresented Community Historic Preservation Fund Grant Program." The primary objective of the Maryland project will be to research African American civil rights related resources in Baltimore City, Maryland in order to provide a basis for evaluating the significance of these resources and help guide appropriate treatment and interpretation of these resources in the future. The result of the project will be a historic context and National Register multiple property documentation form. MHT will partner with the Baltimore National Heritage Area (BNHA) and Baltimore Heritage, Inc., a local non-profit historic preservation organization, to carry out the project. The project will involve outreach to Baltimore City public schools and engagement of students in the research and documentation of Baltimore City properties associated with the African American Civil Rights Movement.

As part of the project, MHT will be inviting partners to serve on a Civil Rights Movement Historic Context Advisory Committee. This Committee is expected to consist of representatives of the MHT Board, the Maryland Commission for African American History and Culture, the Maryland Humanities Council, the Baltimore City Commission for Historical and Architectural Preservation (CHAP), the Baltimore National Heritage Area (BNHA), Morgan State University and Coppin State University and other relevant stakeholders to serve as a sounding board and inform the research, documentation, and outreach process.

0300

Management & Planning

0301

FY2016 Budget & Legislation - Report

Mr. Little reported that the Department of Planning met with the Department of Budget and Management on October 22 to present the agency's FY2016 budget proposal. It seems likely that the new administration will concur with most of the items in the draft O'Malley budget which would result in level funding for FY2016. Level funding would include \$10 million for the Sustainable Communities Tax Credit Program, \$3 million for the Maryland Heritage Areas program, and \$1 million for the African American Historic Preservation Grant Program. Although we made a strong case for the return of the Non Capital Historic Preservation Grant Program, which funds research and survey activities, it is unlikely that we will see the return of this program (unfunded for the past 5 years or so) in FY2016.

The only legislative initiative we expect to sponsor during the 2015 legislative session is reauthorization of the African American Historic Preservation Grant Program which will sunset effective May 31, 2015 if it is not reauthorized. We have crafted a reauthorization proposal which includes provisions that would streamline the grant award process. This proposal is under review by the Governor's legislative office.

0302

Litigation & Legal Issues – Report

Mr. Cucuzella reminded the Board that at its October meeting the Board had approved a settlement in the case of the Oliver House easement breach in which the owners of the Oliver House would be required to replace the vinyl windows that are currently installed with true

divided pane wood windows over a 3 to 4 year period according to a schedule established by the court. MHT filed a Consent Order outlining the terms of the settlement which was scheduled for a Court hearing on the 19th of November. Although Mr. Cucuzella informed the Crum family that both Mr and Mrs. Crum should sign the order and attend the hearing in person, Mrs. Crum was not present at the hearing. The judge would not accept the Consent Order without having Mrs. Crum's in-person consent to the settlement order; therefore, the Consent Order has not yet been finalized or signed by the judge. The hearing with the judge has been reset in early February 2016.

O303 Interim Actions of the Executive Committee – Report

**MHT Board Interim Conference Call
November 7, 2014 at 9:30 AM**

MHT Board Executive Committee: Chuck Edson, Chair; Margo Bailey, Alvin Luckenbach, Brien Poffenberger, Charlie Stek

MHT Staff: Michael Day, Elizabeth Hughes, Anne Raines

Mr. Edson called the meeting to order at 9:30 AM.

Item 1: \$99,400 MHT Historic Preservation Capital Loan (the "Loan") to 202 High Street, LLC ("Borrower") for the stabilization of the property located at 202 High Street, Cambridge, Dorchester County ("Property")

Amount:	Original loan:	\$99,400
	Current principal balance:	\$99,400
	Current loan balance (principal + interest + fees):	\$117,063.71

Anne Raines reported that in May 2008, a fire caused severe damage to 202 High Street in Cambridge, a historic house in use as law offices. The Borrower was formed to purchase the house, preventing its demolition and the loss of a significant contributing structure within the Cambridge National Register Historic District. Borrower received a loan in the original principal amount of \$48,470.38 from a private lender for the acquisition of the Property, which loan is secured by a first lien mortgage on the Property. Borrower then received the MHT Loan to stabilize the building, with the intention of offering it for sale as a single-family home. The Loan is evidenced by a \$99,400 promissory note from Borrower in favor of MHT dated September 16, 2010, with a balloon payment of entire principal and interest, which was due and payable on September 16, 2013. The Loan is secured by a second lien deed of trust on the Property.

While the Property was successfully stabilized in 2011, there has been little market interest in the Property and the Borrower did not receive any offers until October of 2014. There is currently an offer to purchase the Property for the amount of \$120,000, pending BPW approval for release of MHT's deed of trust and forgiveness of the remaining Loan balance. The first lien lender has agreed to a pro rata division of sales proceeds, with both lenders agreeing to write off the remaining balances their respective loans due to the shortfall in the sale price required to repay

both lenders fully. After all closing costs have been paid, the senior lender would receive sales proceeds in the amount of approximately \$27,000 (towards a loan balance of \$44,000), and MHT would receive sales proceeds in the amount of approximately \$75,000 (towards its current outstanding loan balance of \$117,063.71).

The likelihood of Borrower receiving a higher offer is very small at this point, given the real estate market in Cambridge, the length of time the Property has been on the market, and the fact that the Property still requires extensive restoration to make it habitable. Finding a buyer who is committed to completing the restoration of the Property is a significant step forward. The Property will continue to be protected by a perpetual preservation easement held by MHT.

Motion made by Margo Bailey to approve the following resolution which was seconded by Charlie Stek and approved unanimously.

RESOLVED, that the Maryland Historical Trust Board of Trustees recommends, subject to the sale of the Property and Borrower's Loan repayment in the approximate amount of \$75,000, that the Board of Public Works approve releasing MHT's second lien deed of trust on the Property used as collateral for the Loan, and forgive the remaining Loan balance in the approximate amount of \$42,063.71.

Item 2: Maryland Heritage Preservation Fund Expenditures

Elizabeth Hughes reminded that Board that, based on the Maryland Heritage Preservation Fund Disposition Policy, total approvals for expenditures from the Fund for FY15 shall not exceed six percent of the value of the Fund (contributions to the Fund, income, and appreciation) based on a four year rolling average of the Fund's market value minus any prior commitments not yet expended and by any restricted funds and interest earned on these funds that are included in the Fund. Calculations based on the June 30, 2014 valuation of the MHT Board Heritage Preservation Fund are as follows:

Categories	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014
Value of Fund (contributions to the Fund, income, and appreciation) based on the June 30 portfolio holdings statement	\$2,676,415.95	\$2,669,994.97	\$2,785,945.19	\$3,233,505.95
Minus restricted funds and interest earned on those funds.	(Restricted funds now accounted for separately)	(Restricted funds now accounted for separately)	(Restricted funds now accounted for separately)	(Restricted funds now accounted for separately)
Minus prior commitments not yet expended	-150,401.94	-\$171,858.92	-\$94,740.94	-\$102,994.47
Total:	\$2,526,014.01	\$2,498,136.05	\$2,691,204.25	\$3,130,511.48

Sum of 2011- 2014 totals	\$10,845,865.79
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Average of 2011- 2014 totals (i.e. "four year rolling average")	\$2,711,466.45
6% of four year rolling average (i.e. amount available for expenditure in FY2015)	\$162,687.99
Total Available for expenditure in FY2015:	\$162,687.99

At the August 7, 2014 meeting of the MHT Board, the Board approved the expenditure of \$142,640 from the fund to support various activities. A remainder of \$20,047.99 is available for expenditure in FY2015.

Ms. Hughes reported that staff are asking the Board to consider three additional expenditures: Up to \$3,000 for J. Rodney Little Retirement Event; an increase of the prior award for the Architectural Survey Data Gap Analysis and Needs Assessment position by \$6,800 in order to pay for health care costs; an increase in the award for the MHT Easement Inspector position by \$100 in order to pay for health care costs. She noted that due to changes in the state health care law, MHT must now offer contractual staff the option of signing up for a health care policy. If the staff member opts not to take the health care option, then these funds will not be expended. She explained that after these expenditures are approved, the Board will still have approximately \$10,000 available to spend on additional special project activities in FY2015.

Motion made by Margo Bailey to approve the following resolution which was seconded by Al Luckenbach and approved unanimously.

RESOLVED, by the Board of Trustees of the Maryland Historical Trust, that an additional expenditure of up to \$9,900 from the MHT Heritage Preservation Fund in fiscal year 2015 to support the following projects is approved:

- Up to \$3,000 for J. Rodney Little Retirement Event;
- Increase the award for the Architectural Survey Data Gap Analysis and Needs Assessment position by \$6,800 in order to pay for health care costs.
- Increase the award for the MHT Easement Inspector position by \$100 in order to pay for health care costs.

The meeting adjourned at 9:55 AM.

O304 Investment Committee - Report

Brien reported that everything has remained stable and Hunter Purcell from Brown Advisories recommends no changes. The committee concurred that there be no changes.

O305 MHT Director Search Process

Chuck Edson stated that a search committee has been selected and they are as follows: Jim Lighthizer, Barrie Tilghman, Sam Parker, Al Luckenbach, and Amanda Conn; however, the entire Board will be asked to participate in various capacities throughout the process. Rodney Little gave a detailed history of the joint position of the MHT Director and the State Historic

Preservation Officer. The Board discussed the pros and cons of filling the position by direct appointment versus open selection process.

Motion made by Barrie Tilghman to approve the following resolution which was seconded by Sam Parker and approved unanimously.

RESOLVED, that the Board of Trustees of the Maryland Historical Trust will undertake an open selection process to identify and select the next Director of MHT.

O306 MHT Personnel Issues

Chuck Edson noted that it would be necessary to consider this item in closed session pursuant to State Government Article Section 10-508(a) to discuss: (i) The appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom it has jurisdiction; or (ii) Any other personnel matter that affects one or more specific individuals.

As permitted by the Open Meetings Act, Annotated Code of Maryland, State Government Article, Section 10-508(a)(1) Barrie Tilghman made a motion, seconded by Sam Parker, that the Board adjourn to closed session to consider the appointment of the MHT Acting Director. The motion was approved unanimously.

The Executive Committee returned to open session. In open session, Barrie Tilghman made a motion to approve the following resolution, seconded by Doug Reed. The motion was approved unanimously.

BE IT RESOLVED that due to the impending retirement of the Director of the Maryland Historical Trust on December 31, 2015, and the Board's on-going national search for a new permanent Director of the Trust, the Board temporarily appoints, subject to the Governor's approval, the current Deputy Director of the Trust, Elizabeth Hughes, as the Acting Director of the Trust, effective January 1, 2015; such interim appointment to terminate upon the earlier of the appointment of a new permanent Director of the Trust, or June 30, 2015. The Board further recommends that the Governor appoint Ms. Hughes as the State Historic Preservation Officer, pending completion of the national search and appointment of a permanent Director.

Meeting adjourned at 12:30 p.m.

Mr. Charles L. Edson, Chair

J. Rodney Little, Director