

Minutes of the
Sixty-Second Meeting of the
Maryland Heritage Areas Authority
January 16, 2014

The sixty-second meeting of the Maryland Heritage Areas Authority was held at the Maryland Department of Housing and Community Development, 100 Community Place, Crownsville, MD 21032 on January 16, 2014.

Authority Members/Designees Present: Amanda Stakem Conn, Deputy Secretary, MD Department of Planning (representing MD Department of Planning Secretary Richard E. Hall); Marci Ross (representing MD Department of Business & Economic Development Secretary Dominick Murray); John Wilson (representing MD Department of Natural Resources Secretary Joseph P. Gill); Marty Baker (representing MD Department of Transportation Secretary James T. Smith, Jr.); Donna Dudley (Governor's Appointee for Heritage Tourism); Burton Kummerow (recommended by the President of the Senate); John Fieseler (MD Tourism Development Board representative); Peter Leshner (MD Municipal League Representative); Rowland Agbede (representing MD Department of Agriculture Secretary Earl Hance) ; Donna Ware (recommended by the Speaker of the House); Amy Seitz (representing MD Department of Housing and Community Development Secretary Raymond A. Skinner); Robert D. Campbell (Governor's Appointee for Historic Preservation); Ann M. Fligsten (recommended by the Speaker of the House); Wayne E. Clark (recommended by the President of the Senate)

Authority Members/Designees Absent: Marcie Taylor-Thoma (representing MD State Department of Education Secretary Lillian M. Lowery); Lee Towers (representing MD Higher Education Commission Secretary Danette Gerald Howard); J. Rodney Little (State Historic Preservation Officer); Amy Owsley (Representative for MD Greenways); Vacant (MD Association of Counties representative)

Staff Present: Bernadette P. Pruitt, Jennifer Ruffner, Richard Hughes, Elizabeth Hughes, Rieyn DeLony

Heritage Area Directors/Staff Present: Roz Racanello (Chair, Maryland Coalition of Heritage Areas and Executive Director of Southern MD Heritage Area); Jay Parker (Lower Eastern Shore Heritage Area); Mary Ann Lisanti and Brigitte Carty; (Lower Susquehanna Heritage Greenway); Liz Shatto (Heart of the Civil War Heritage Area); Jeff Buchheit (Baltimore National Heritage Area); Gail Owings (Stories of the Chesapeake Heritage Area); Carol Benson (Four Rivers Heritage Area); Amanda Fenstermaker (Heart of Chesapeake Country Heritage Area)

Heritage Area Directors/Staff Absent: Deidra L. Ritchie (Canal Place Heritage Area); Aaron Marcavitch (Maryland Milestones/Anacostia Trails Heritage Area); Dawn M. Hein (Mountain Maryland Gateway to the West Heritage Area)

Others Present: Elizabeth de Mozenette Technical Advisory Committee (TAC) Member, Department of General Services); Elizabeth Beckley (Preservation Maryland)

Call to Order/Introductions

Ms. Conn called the meeting to order at approximately 9:45 a.m.

Approval of Minutes for the October 17, 2013

Ms. Conn asked if there was a motion to approve the Minutes for the October 17, 2013 meeting.

Mr. Leshar offered the following motion:

RESOLVED, that the Authority approves the October 17, 2013 meeting minutes as presented.

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

MHAA Chairperson Updates and Member Reports (Amanda Conn)

Ms. Conn reported that she plans to visit all of the Certified Heritage Areas. To date, she has visited the Baltimore National, Lower Eastern Shore, Heart of Chesapeake Country and Southern Maryland heritage areas and will visit others as soon as her schedule allows.

She announced that the Governor's budget includes the maximum allowable \$3 million in funding for MHAA in FY-2015. The Maryland Department of Planning had hoped the Governor's budget would include funding for the Museum Assistance, Non-Capital, and Capital Survey Grant programs, but they were not included for funding. The Governor's budget includes \$10 million for the Sustainable Communities Tax Credit Program.

Ms. Conn congratulated Elizabeth Hughes, Deputy Director of the Maryland Historical Trust and MHAA TAC member, who wrote a successful grant application for funding from the National Park Service administered Hurricane Sandy Disaster Relief Assistance Grant Program. Maryland will receive \$1.47 million in grant funds to assist Hurricane Sandy-affected properties, areas, districts or jurisdictions in Maryland. Eligible projects are able to apply through a competitive process for capital and non-capital grants of between \$10,000 and \$150,000 will be available for eligible projects. Eligible applicants include state government agencies, local jurisdictions, nonprofit organizations, business organizations and individuals. Applications will be due in May 2014; no matching funds are required.

On behalf of Ms. Byron, Ms. Ross mentioned that the Maryland Office of Tourism Development (OTD) received an additional \$1 million from FY-2014 funds which allowed OTD to offset the loss of Federal funding to the Scenic Byways program. In the Governor's FY-2015 budget an additional \$2 million was allocated to support War of 1812 Bicentennial activities and \$17 million for the arts, with \$2 million of those arts funds allocated to a special fund for the cultural arts. She extended an invitation to attend the upcoming Taste of Maryland Legislative Reception on January 20, 2014 and Tourism Day in Annapolis on January 31, 2014 sponsored by the Maryland Tourism Council.

Mr. Wilson reported that the Governor's FY-2015 budget for the Department of Natural Resources includes \$12.6 million for Project Open Space for "state side" land preservation projects, \$22.8 million for "local side" projects, \$16 million for the Rural Legacy program, \$7.8 million for Baltimore City, and \$2.5 million for community parks and playgrounds. Mr. Wilson stated that the proposed POS budget would be fifty-percent funded bonds, and fifty-percent funded by property tax revenues.

Ms. Conn announced that a new appointment was made to the MHAA board. Mr. Lee Towers will be representing Secretary Danette Gerald Howard of the MD Higher Education Commission (MHEC). Both she and Mr. Hughes have already spoken with Mr. Towers by phone and welcomed him to MHAA. As Director of Legislative Affairs, Mr. Towers could not attend today's meeting due to a hearing in Annapolis.

Ms. Conn updated the MHAA about the Canal Place Heritage Area and stated that some members of the Western Maryland delegation in the general assembly have expressed concerns about the proposed expansion of the heritage area and about whether or not the management of the heritage area should continue to be a State agency, the Canal Place Preservation and Development Authority. Ms. Conn emphasized that any decisions regarding the proposed boundary amendments and the management entity require MHAA review and approval. She was reluctant to elaborate any further because these issues are still in discussion.

Mr. Clark inquired about a process for the decertification of heritage areas and whether this would have any applicability to the issues at Canal Place. Mr. Hughes responded that the MHAA statute and regulations address potential decertification, but that MHAA has not finalized a comprehensive policy or process on how this would be carried out. Mr. Hughes indicated that a draft process has been developed and shared with the TAC and Coalition of Maryland Heritage Areas, and that the Coalition provided substantial comments. Ms. Seitz indicated that DHCD is interested in Canal Place as it works closely with the DHCD-administered Main Street program, and she noted the retirement of the current Cumberland Main Street manger. Ms. Conn mentioned that a number of state agencies will be asked to provide as potential changes to the Canal Place Heritage Area are considered.

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

Mr. Hughes reported that the MHAA Financing Fund balance as of November 30, 2013 is \$269,587.81 as a result of existing grants that were completed under budget, scaled back or cancelled. MHAA has requested Department of Budget and Management and legislative approval of a budget amendment that would authorize MHAA to utilize \$127,790 of this balance for four additional FY-2014 grants, and to reserve an additional \$60,000 of the balance for funding of emergency grants that may be submitted. If the budget amendment is approved, that would leave a balance of available funds of \$209,587.81

Grants Lifecycle Management Software - Status report (J. Ruffner)

Ms. Ruffner reported that the grants lifecycle management software, Gifts Alta/Micro Edge, is a customize system that will streamline the grant managing process, for processing/tracking MHAA grants. The system is in place and will be used for the FY-2015 grant round. It will eventually be used in tracking all grant programs across MHT. A substantial amount of required information will be able to be submitted on line and will centrally located and used by numerous staff to simplify/handle various levels of the grant management process. Financial information will remain in a separate state system. An attempt to apply form is on line and is use of the system is rapidly moving forward. Heritage area directors will be able to work very closely with their applicants. Ms. Ruffner is hosting a series of workshops and a webinar that will be available on line.

Heart of the Civil War Heritage Area proposed boundary amendment to add the Town of Sharpsburg, Washington County (Liz Shatto and R. Hughes)

Ms. Elizabeth Shatto reported that upon certification of the Heart of the Civil War Heritage Area (HCWHA) in July 2006, a few communities that were included in the HCWHA management plan had not completed the required amendment of their local comprehensive plan to include the applicable portions of the HCWHA management plan. The Town of Sharpsburg approached the HCWHA about two years ago and expressed an interest in completing the comprehensive plan amendment process in order to become part of the HCWHA. Sharpsburg has prepared a draft comprehensive plan amendment that Ms. Shatto and Mr. Hughes have reviewed. Ms. Shatto hopes that Sharpsburg will complete the amendment and apply to MHAA for inclusion in the heritage area by end of the current fiscal year. Mr. Hughes indicated that because Sharpsburg was originally included in the approved HCWHA management plan that the town would not have to submit an entire new application to be included in the heritage area. Mr. Hughes noted that MHAA would have to hold a public hearing prior to taking action on any request.

Performance Measures Working Group (R. Hughes)

Mr. Hughes reported that at its October meeting MHAA approved the creation of a Performance Measures Working Group composed of MHAA/TAC and MD Coalition of Heritage Areas members. The Working Group was charged with formulating recommendations to MHAA for implementation of the MHAA Strategic Plan recommendations for implementing a system of Heritage Area performance measures to evaluate: 1) local Heritage Area management entity performance; and 2) overall Heritage Area Program performance.

Mr. Hughes reported that the Performance Measures Working Group members are Marci Ross, Roz Racanello, Amanda Fenstermaker, Aaron Marcavitch, John Wilson, John Fieseler, Jeff Buchheit. He and Jen Ruffner are Working Group staff. The first meeting was held on December 17, 2013. At that meeting the Working Group agreed to work first on finalizing Heritage Area management entity performance measures, and to then separately develop recommendations for the performance evaluation of overall Heritage Area Program. Mr. Hughes stated the Working Group agreed that the goal of heritage area management entity performance

measures is to provide feedback to management entities and MHAA regarding both outstanding performance and areas where improvements may be needed. The Working Group discussed establishing a step-by-step process of providing assistance to a Heritage Area that is not meeting MHAA established performance targets, but will need to meet further to finalize the details of a proposed process.

Ms. Racanello commented that performance measurement should be a mechanism of improving the heritage areas program and not a program strictly to decertify or take money away from a heritage area. She also stated that MHAA needs to be careful that meeting performance measurement metrics does not drive the program in a detrimental way, as happened with the “No Child Left Behind” educational standards.

Mr. Clark stated he is encouraged to hear that the Working Group was developing a clear performance measures reporting system that can be used to identify and correct deficiencies.

Ms. Conn reiterated the importance of getting a system of performance measures in place prior to a new administration taking office.

MARYLAND COALITION OF HERITAGE AREAS (MCHA) REPORT:
(Roz Racanello, Chair, MD Coalition of Heritage Areas)

Ms. Racanello reported that the Heritage Area Directors who have had an opportunity to meet with Amanda Conn in their own heritage area have found the meetings to be very productive and useful, and they appreciated Amanda’s excellent feedback to them.

She mentioned that the Coalition is concerned that this year it was taking longer than ever for grant recipients to receive their FY-2014 grant agreements and funding disbursements, but hopes the now in place revisions to the grant agreements and implementation of the grants software will help expedite the procedure in future years.

She indicated optimism that the performance measures will be a process to try to correct problems, and is pleased with the Working Group approach that gives Heritage Area management entities a strong role in formulating recommendations to MHAA.

She also mentioned the uniqueness of Canal Place as a State agency with property management responsibilities and volunteered MCHA assistance if needed.

Finally, she later mentioned that MCHA has decided not lobby for an increase MHAA funding this in FY-2015.

HERITAGE AREA 5-YEAR PLANS - SUMMARY REPORT

Lower Eastern Shore Heritage Area - Mr. Jay Parker, Executive Director

Mr. Parker first thanked MHAA and MDP staff for their assistance with obtaining his management grant disbursement. He reported that the heritage area owes \$34,000 on a line of credit.

He gave some historical background on how the Lower Eastern Shore economy had first thrived on tobacco, then truck farming of vegetables & seafood, then grain, and most recently chickens, Ocean City tourism, two universities, a one of the state's largest prisons. He also noted hope for the Wind Turbine farm that could provide up to \$200 million to the local economy. Throughout this history, the Lower Shore managed to utilize, as well as largely preserve, its coastal areas, wetlands, and waterways. In the future, there is an expected influx of retirees, the NASA Wallops Island facility is growing, and of course, heritage tourism is becoming a big part of the economy.

Mr. Parker then summarized the Lower Eastern Shore Heritage Area (LESHA) Five-Year Plan that covers the period FY-2013 through FY-2018.

Program Goals: Interpretation; Marketing; Linkage and Coordination

Interpretation

- Implement Committee and consultant-led effort to refresh all themes from 2002.
- Develop a Visitor Center in Princess Anne: Potential grant application to Neighborhood Business Works Historic District in Princess Anne
- Assist Watermen and skipjack community and War of 1812 heritage tourism efforts(ongoing)

Marketing

- Develop and implement a unified calendar of events for the three Lower Shore Counties (new Heritage Tourism Alliance)
- Produce a unified website for the three counties
- Recognition: Awards ceremony at LESHA annual meeting/luncheon
- Build on the success of Berlin: provides a model that can be used to attract tourists to other small historic towns with multiple sites (ongoing)

Improving Partnership Linkage-Coordination (interwoven with marketing)

- Byway rebranding (multi-state): have nearly \$50,000 for basic documentation
- Engage towns and sites on byway
- Debating brochure and maps or websites and apps? Tri-County alliance website?
- MPO coordinate biking/hiking non-vehicular, SBY, rail to Crisfield
- Engaging better with Ocean City, Chamber of Commerce and hotel/motel Association
- Developing "Package Tours" with multiple sites, or locations (ongoing)

- Multi county House and Garden Tour: 250 people and \$5300 profit
- Reinstitute Mini Grants (FY-2013 and FY-2014 @ 12 recipients balanced in three counties
- Had a public outreach table at 17 events in 2013

Organizational Goals: Funding; Economic Benefits

Funding

- Board Development committee. Show plan
- Who will guide developing network of public/private partnerships
- Donor list, speaking engagements

Economic Benefits

- (subset of funding) educate, advocate, and promote value of heritage tourism (ongoing)
- Implementing new Targeted Investment Policy –has been very positive on future grant applications
- Coordinate with DMO's and County Economic Development directors

ACTION ITEMS

Patapsco Heritage Greenway Heritage Area Management Plan Update – MHAA Approval to Proceed to Phase II of the Project

Mr. Hughes provided a brief background on the Patapsco Heritage Greenway (PHG), the management entity for the Patapsco Heritage Greenway Recognized Heritage Area, and summarized its recent receipt of a \$50,000.00 MHAA grant for the PHG Management Plan Update. He summarized the history of the PHG, its area of interest, environmental projects it has conducted, the geographic extent of the proposed Heritage Area, current and past challenges, and some of the organization's educational and public activities.

Mr. Hughes summarized that the MHAA grant is to fund a two-phase project. Phase I which is completed focused, on an extensive public outreach process, including a two-day public workshop led by the Urban Land Institute. Mr. Hughes noted that earlier efforts in the 1990s ran into significant opposition from the Sierra Club. Mr. Wilson stated that the Department of Natural Resources, and PHG met with the Sierra Club chapter to address concerns that they had about the park. As of now, the Sierra Club will participate in the process as they move forward with the Phase II of the certification effort.

Mr. Clark made the following motion:

WHEREAS, on June 12, 2013 the Authority approved a Fiscal Year 2013 Management Plan Development Grant in an amount not to exceed \$50,000 (the “**Grant**”) to the Friends of Patapsco

Valley and Heritage Greenway, Inc. (the “**Grantee**”) to carry out a two-phased process including a Phase I workshop to seek public input conducted by the Urban Land Institute and the PVHG, and following Phase I and contingent on Authority approval, a subsequent Phase II to complete an update of the June 2000 draft Management Plan for the Patapsco Heritage Greenway Heritage Area (the “**Project**”); and

WHEREAS, the Authority’s approval of the Grant required that prior to disbursement of Grant funds for Phase II of the Project:

Phase I of Project must be completed and the Authority must determine that the results of Phase I public input workshop demonstrate that sufficient public support is present to proceed with Phase II of the Project; and

Grantee must provide documentation of required dollar-for-dollar matching funds for Phase II, of which no less than 75% must be cash match; and

WHEREAS, Phase I of the Project included a two-day Urban Land Institute Technical Assistance Panel workshop and public sessions, and over twenty additional meetings held by the Grantee with the public, stakeholders, and local governments, demonstrating strong public interest and support for the certification of the Patapsco Heritage Greenway Heritage Area; and

WHEREAS, Grantee has provided documentation of required dollar-for-dollar matching funds for Phase II, of which no less than 75% is cash match;

NOW, THEREFORE, BE IT RESOLVED, that the Authority approves the disbursement of the Grant funds for Phase II of the Project to update the June 2000 draft Management Plan for the Patapsco Heritage Greenway Heritage Area.

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. Baker and approved unanimously.

Emergency Grant Request: Historic Cambridge, Inc. \$60,000 for emergency roof replacement and masonry repairs to stabilize the Skinner Bros. Wholesale Grocery Bldg., 507 Race St., Cambridge (Heart of Chesapeake Country Heritage Area)

Mr. Hughes summarized the history/background of the building. It is located on both the Harriet Tubman and Michener Chesapeake Country Scenic Byways, is in the Cambridge Maryland Main Street District and the Cambridge Arts and Entertainment District. The structure was damaged by a fire in 2012 and afterwards efforts were made by the historic preservation groups including Preservation Maryland and Historic Cambridge, Inc. to save it from being demolished by the city. Fire damage requires replacement of the roof and repair of damaged upper masonry.

Historic Cambridge, Inc. succeeded in getting the City to stay a demolition order and in getting the owner to donate the building to them. The grant request is for \$60,000.

Ms. Amanda Fenstermaker and Ms. Elizabeth Beckley spoke in support of the project. Both emphasized that the building at 507 Race Street is part of a cluster of significant historic buildings. They stated preliminary proposals have been put forward to restore and adaptively reuse the structure, and that if this happens it may serve as a catalyst for further rehabilitation and redevelopment.

Mr. Hughes stated that during its review the TAC had concerns regarding some unclear items in the budget, and they placed a condition on their recommending approval that the City of Cambridge must supply a letter of support for the project. He also noted that the Maryland Department of Housing and Community Development (DHCD) approved a grant for \$41,000 for a feasibility study. Other funding has been provided by Preservation Maryland, and the National Trust for Historic Preservation's Bartus-Trew Grant program. Historic Cambridge Inc. has also applied for a DHCD Community Legacy Grant.

The following motion was made by Mr. Clark:

RESOLVED, that the Authority approves a Fiscal Year 2014 emergency grant from the Maryland Heritage Areas Authority Financing Fund in an amount not to exceed \$60,000 (the "**Grant**") to Historic Cambridge, Inc. (the "**Grantee**") for repairs related to fire damage including fire debris removal, repairing and restoring damaged brick masonry, including rebuilding two roof gables, one of which includes a full-story corbelled, brick parapet, and rebuilding the gabled roof of the Skinner Brothers Building (the "**Project**"), located at 507 Race Street in the City of Cambridge, Dorchester County, Maryland (the "**Property**").

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 need for funding assistance was unanticipated at the time of the Authority's regular grant round.

AND BE IT FURTHER RESOLVED, that the Authority's approval of the Grant is contingent on the Grantee's satisfaction of the following conditions:

1. In the event the Maryland Historical Trust ("**MHT**") determines that it wishes to hold an easement on the Property, MHAA shall require the Grantee to execute, or cause the owner of the Property to execute an easement satisfactory in form and content to MHT. If the Grantee fails to comply with the provisions of this condition, the Authority may require repayment of any Grant funds disbursed to the Grantee for the Project; and,
2. The Grantee shall provide to the Authority a letter of support for the Project from the City of Cambridge. (AS AMENDED - see below)

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.

Ms. Baker recommended that the motion be amended so approval is conditioned on receipt of a letter of support for the project from the City of Cambridge. Mr. Clark agreed to amend his motion to include a second condition as follows:

Condition: The Grantee shall provide to the Authority a letter of support for the Project from the City of Cambridge.

The amended motion was seconded by Mr. Campbell and approved unanimously as amended.

NEW BUSINESS

Minority Business Enterprise (MBE) Policy

Ms. Conn stated that MHAA needs to adopt a MBE policy. She has asked staff to work with legal counsel to draft a policy for MHAA's consideration. The purpose of the Maryland MBE program is to ensure that socially and economically disadvantaged small businesses are included in the state's procurement and contracting opportunities. Current MBE regulations direct all state agencies to make every effort to award an overall minimum goal of 29% of the total dollar value of their procurement contracts directly or indirectly to certified MBE firms during fiscal years 2014 and 2015.

When MHAA was a program within DHCD, a policy was in place that only required MBE requirements be met if funding exceeded \$250,000. Since the maximum MHAA grant is \$100,000, MHAA did not need to implement a policy. Now that MHAA is part of the Maryland Department of Planning, MHAA must adopt /have a policy as required by the regulations. Staff will research what other state agencies have in place. The policy will only pertain to capital grants.

Ms. Racanello asked that the policy take into account the size of projects and grant recipient organizations and that there be some flexibility regarding how many bids are required. Mr. Clark recommended looking at the Department of General Services' (DGS) policy; Ms. de Mozenette who represents DGS on the TAC said her agency can be of assistance. Ms. Shatto asked if the MBE policy would apply to FY2015 MHAA grants? Ms. Conn said yes. Ms. Ross said it needs to be determined if the MBE requirements would be for the entire project or only that portion funded by MHAA.

ADJOURN

The meeting adjourned at approximately 12:15 p.m.