



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

Thursday, December 7, 2017 at 10:00 AM
MHT Board Room, 100 Community Place, Crownsville, MD

AGENDA

- E1 CALL TO ORDER
- E2 APPROVAL OF MINUTES
- E3 COMMITTEE REPORTS
- E100 Capital Programs
- E101R Silbersack Tax Credit Appeal
- E102 Baltimore Confederate Monuments – CHAP report
- E200 Survey, Registration, Community Education & Museums
- E201R Jefferson Patterson Park and Museum – MARPAT Gift
- E202 PM/MHT Heritage Fund Annual Report
- E203 Historic Preservation Plan Update
- E204R MHT Board Historic Preservation Awards
- E300 Management & Planning
- E301 Public Statement on Monuments
- E302 Interim Actions of the Executive Committee
- E303 Investment Committee Report
- E304 Litigation & Legal Issues
- E305 Budget & Legislation
- E306 Meeting Calendar for 2018

Announcements

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

**MHT Board Room
100 Community Place
Crownsville, MD**

December 7, 2017

Pursuant to notice, the regular meeting of the Board of Trustees of the Maryland Historical Trust (MHT) was held at 100 Community Place in Crownsville, Maryland, on December 7th, 2017.

Trustees present: Mmes. Filkins and Mears; Messrs. Alberg, Edson, Feldstein, Luckenbach, Neall, Poffenberger, and Robinson

Area Representatives present: Messrs. Azola, Brown, Callan, Charlton, Reed, Spikes, and Stek

Maryland Department of Planning: Adam Grusz

Office of the Attorney General: Paul Cucuzzella and Rieyn DeLony

MHT Staff: Marcia Miller, Kate Bolasky, Elizabeth Hughes, Allison Luthern, Kathy Monday, Anne Raines, Mark Thompson, Michael Day, Jennifer Ruffner, Ennis Barbery Smith, Collin Ingraham, Elizabeth Totten, and Megan Klem

Guests: Cherilyn Widell, John Silbersack, Jonas Miller, Terry Klima, Jessica Feldt, Eric Holcomb

E1 CALL TO ORDER

Mr. Edson, Chair, called the meeting to order at 10:02 a.m. A quorum of Trustees was present.

Mr. Edson welcomed new Board member Dave Alberg who will fill Dr. Jim Delgado's unexpired term as MHT's Board member with expertise in underwater archeology.

Mr. Edson welcomed new staff member Ennis Barbery Smith who will serve as the Assistant Administrator for the Maryland Heritage Areas Program.

E2 APPROVAL OF MINUTES

Mr. Stek made a motion, seconded by Mr. Neall that the October 5, 2017 minutes be approved as submitted. The motion was approved unanimously.

E3 COMMITTEE REPORTS

E100 Capital Programs

E101R Silbersack Tax Credit Appeal

Mr. Callan recused himself from discussion of this agenda item and left the room.

Mr. Day presented this appeal of a state tax credit application denial involving the National Register listed property known as Radcliffe Cross, located in Chestertown, Maryland. The Part 1 and Part 2 applications were received by MHT on April 4, 2017. Upon receipt, clarification on application information was requested. The applications were placed in the review queue on May 2, 2017 after the requested information was received to complete the applications.

During the review, it became apparent that the existing cedar shingle roof had already been replaced with asphalt architectural shingles prior to the Part 2 approval, which was confirmed by the consultant. The work was determined non-compliant with Standard #6, which states *“Deteriorated historic features shall be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature shall match the old in design, color, texture, and other visual qualities and, where possible, materials. Replacement of missing features shall be substantiated by documentary, physical, or pictorial evidence.”* A denial letter was sent to the applicant on June 29, 2017.

On July 25, 2017, MHT received an appeal request with additional information for the Director’s consideration. The appeal meeting with Elizabeth Hughes, Director and Michael Day, Deputy Director was held on August 23, 2017, where the initial denial was upheld. On September 11, 2017, the Director’s denial letter was sent to the applicant. The applicant has requested reconsideration through an appeal to the Board of Trustees.

Following Mr. Day’s presentation, Ms. Cherilyn Widell, consultant for the applicant, and Mr. John Silbersack, property owner, presented to the Board.

The Board asked questions of Mr. Day, Ms. Widell, and Mr. Silbersack.

The following motion was made by Doug Reed, seconded by Harry Spikes, and approved unanimously, with Chairman Edson noting that the Board’s action on the matter was “constrained by law.”

RESOLVED, that the Maryland Historical Trust Board of Trustees affirms the Director’s denial of the Silbersack tax credit Part 2 application.

E102 Baltimore Confederate Monuments – CHAP report

Mr. Callan returned to the meeting room.

Ms. Hughes reported that at its October meeting the Board directed staff to prepare a letter to Baltimore City’s Commission on Historical and Architectural Preservation (CHAP) requesting the opportunity for MHT to participate on the City’s bronze monuments working group in order to provide guidance on the future treatment of the monuments, and set an achievable timetable

for preserving the monuments and returning them to public accessibility. That letter was drafted with input from Board members and delivered on October 20th.

Ms. Hughes explained that in response to that letter, the City has included Harry Spikes as the Board's representative to the City's working group on the disposition of the monuments

Ms. Hughes then introduced guest Eric Holcomb, Director of CHAP, who reported on the current status of the monuments; discussion followed regarding the disposition of the monuments. Mr. Spikes commented favorably on his interactions with Mr. Holcomb and his collaboration with the City on this issue.

Mr. Holcomb responded to questions from the Board.

At this point in the meeting, Chairman Edson invited guest Terry Klima of the Maryland Division of the Sons of Confederate Veterans to provide public comment. Mr. Klima spoke passionately about his concerns regarding the future of the Confederate monuments and the Trust's responsibility to enforce the terms of the deed of easement on these monuments.

Mr. Reed made a motion, seconded by Mr. Charlton, that the Board require that the Baltimore City Confederate monuments remain in Maryland if they are relocated. After further discussion, Mr. Reed withdrew his motion, but restated his position that he would like to see these monuments remain in Maryland if they are relocated.

E200 Survey, Registration, Community Education & Museums

E201R JPPM Report – Acceptance of MARPAT Gift

Mr. Thompson provided an update on activities at Jefferson Patterson Park and Museum. As part of his report, he explained that the MARPAT Foundation, Inc. wishes to give a gift of \$300,000 to the Maryland Historical Trust to be administered in accordance with the provisions of a gift agreement to be entered into between the MARPAT Foundation, Inc., and MHT on behalf of the Jefferson Patterson Park and Museum. The funds are to be invested as provided in the Board's Maryland Heritage Preservation Fund Investment Policy, with the income to be accounted for separately from other monies in the Fund. These funds are to be expended for the exclusive benefit of the Jefferson Patterson Park and Museum as directed by the Board, subject to approval of the JPPM Advisory Committee, and the terms and conditions of the gift agreement.

The following motion was made by Charlie Stek, seconded by Doug Reed, and approved unanimously.

RESOLVED, that the Maryland Historical Trust Board of Trustees accepts a gift of \$300,000 from the MARPAT Foundation, Inc., for the use and benefit of Jefferson Patterson Park and Museum, and will seek approval from the State Treasurer to invest the gift proceeds in securities accounts managed by Brown Advisory. Any use or expenditure of gift proceeds or income shall require the approval of the JPPM Advisory Committee.

E202 PM/MHT Heritage Fund Annual Report

Ms. Hughes reported that the Maryland Historical Trust and Preservation Maryland entered into a grant agreement in 1994, as amended in 2002, 2004 and 2017 (the "Agreement"), establishing a fund now known as the Heritage Fund held and managed by Preservation Maryland (the "Fund"). Interest earned on the Fund supports the Preservation Maryland Heritage Grant Program. Grants awarded by that program are selected by a committee comprised of both Maryland Historical Trust and Preservation Maryland board members.

The Agreement requires that Preservation Maryland provide to the Board annually an "account for all management and investment of the Fund, including interest, dividend and all other income attributable to the fund, grant disbursements, and other transactional activity that transpired during the annual period." A copy of the Preservation Maryland report for 2017 was provided to Board members.

Ms. Hughes then introduced Preservation Maryland staff member Jessica Feldt who thanked the Board for their ongoing support of the Fund and answered questions.

E203 Historic Preservation Plan Update

This item was deferred to the next meeting in the interest of time.

E204R MHT Board Recognition Awards

Mr. Callan reported that the Survey, Registration, Community Education, and Museums Committee met on November 30, 2017 to review the 22 nominations received by the Maryland Historical Trust for the 2018 Maryland Preservation Awards. Three members participated; two additional members provided written comments. Based on the strength of the nominations and the category criteria, the Committee selected ten nominations for recommendation to the Board.

The following motion was made by Bernie Callan, seconded by Doug Reed, and approved unanimously.

RESOLVED, that the Maryland Historical Trust Board of Trustees approves the 2018 Maryland Preservation Awards recommendations of its Survey, Registration, Community Education, and Museums Committee as follows:

EDUCATION & COMMUNITY ENGAGEMENT

Excellence in Media & Publications

Acadians Were Here Organization for "Acadians Were Here" Website (Statewide)

Preservation Maryland for *PreserveCast* (Statewide)

Excellence in Public Programming

Historic Sotterley, Inc. for Slave Cabin Exhibit (St. Mary's County)

Excellence in Community Engagement

Eastern Shore Network for Change for "Reflections of Pine" (Dorchester County)

LEADERSHIP AND SERVICE

Outstanding Individual Leadership

Lisa Kraus and Jason Shellenhammer, Herring Run Archeology Project (Baltimore City)

PROJECT EXCELLENCE

Community Impact

Cultural Center at the Havre de Grace Opera House (Harford County)

Project Excellence: Institutional Rehabilitation

Morgan State University for Lillie Carroll Jackson Museum (Baltimore City)

Project Excellence: Commercial Rehabilitation

Parkway Theater/Maryland Film Festival (Baltimore City)

Project Excellence: Sustainable Design

Center for Parks and People (Baltimore City)

STEWARDSHIP

Outstanding Stewardship of an Easement Property

Maryland National Capital Park and Planning Commission for Oxon Hill Manor (Prince George's County)

E300 Management & Planning

E301 Public Statement on Monuments

Ms. Hughes reported that during the Board's September 22nd Executive Committee teleconference, Mr. Lighthizer had suggested that the Board issue a public statement on the Board's position regarding the preservation of Confederate monuments. At the October Board meeting, Chairman Edson requested volunteers to serve on a working group to develop a draft statement for the Board's consideration. Laura Mears, Sakinah Linder, Sarah Filkins, and Sam Parker, and Chairman Edson volunteered to serve on this group. The working group developed a draft statement that was distributed to the Board for review. Discussion of the draft statement followed. Recommended changes included having a neutral statement that does not attempt to interpret the meanings of Confederate monuments, and making the statement representative of the Trust's views on all public monuments, rather than addressing only Confederate monuments.. It was also suggested that the Board consider simply endorsing statements already made by other organizations with further explanatory remarks provided by the Trust.

The Chair asked the working group to consider the feedback provided by the Board and make further revisions to the draft statement for the Board's review at its February 1st meeting.

Dick Charlton volunteered to join the working group.

MARYLAND HISTORICAL TRUST
MHT Board Executive Committee Teleconference
Wednesday, November 1 at 1:00 PM

MHT Board Executive Committee: Margo Bailey, Charles Edson, Alvin Luckenbach, Brien Poffenberger

MHT Staff: Elizabeth Hughes, Anne Raines, Michael Day, Amanda Apple

Mr. Edson, Chair, called the meeting to order at 1:02 p.m. A quorum of the Executive Committee was present.

Capital Programs Committee

I. Request to Approve Full Demolition of 217, 221, & 225 West Franklin Street and 423 North Howard Street and partial demolition of 425 North Howard Street

Michael Day explained that the Board is reviewing this project because it involves a City-owned property that is subject to the terms of the Memorandum of Agreement between the Trust and the City of Baltimore dated January 31, 2001, which addresses the redevelopment of the west side of downtown Baltimore. Mr. Day reminded the Committee that the full MHT Board conducted a preliminary review of this demolition request at its 7/13/2017 meeting. Following that meeting, MHT staff contacted the developer by letter dated 8/6/2017 indicating that if demolition at the site could not be avoided, plans should be submitted to include written details regarding all alternatives to demolition that had been considered, and a written justification for why such alternatives are infeasible.

On 9/21/2017, MHT received a letter from the Baltimore Development Corporation (BDC) detailing their justification for demolition. The BDC is requesting the MHT Board approve of their request to demolish these structures.

Mr. Day noted that the Baltimore City Commission for Historical and Architectural Preservation has reviewed the BDC demolition request and granted approval on 9/12/17.

MHT staff recommends approval of the request for demolition due to the documented deterioration of the properties.

The following motion was made by Dr. Luckenbach, seconded by Margo Bailey and approved unanimously.

RESOLVED, that the Maryland Historical Trust Board of Trustees approves the request for demolition of 217, 221, and 225 West Franklin Street and 423 North Howard Street and partial demolition of 425 North Howard Street.

I. **Resolution to Recommend Approval of Increase of FY2017 MHT Capital Loan to Firehouse Rentals LLC (the “Borrower”) from \$312,000 to \$450,000 for the refinancing and rehabilitation of Junior No. 3 Firehouse located at 105-107 N. Potomac Avenue, Hagerstown, Washington County (the “Property”).**

Anne Raines reported that at its May 11, 2017 meeting, the Board passed the original resolution for this loan recommending that the Secretary of Planning approve a loan of up to \$312,000 made to the Borrower to repay and refinance an existing mortgage on the Property, and to finance a portion of the exterior rehabilitation of the Property. In a Secretary’s Approval and Delegation dated May 22, 2017, the Secretary approved the loan. The original \$312,000 loan amount was based on 80% of the appraised as-is market value of the Property. MHT’s loan guidelines authorize a maximum loan of 80% of the post-rehabilitation appraised value, minus existing indebtedness on the property.

Ms. Raines explained that the Borrower has since obtained a post-rehabilitation appraisal evidencing the completed value of the Property at \$1,050,000. The Borrower has requested an increase to the original loan amount to repay and refinance the existing mortgage, and to finance the first phase of the necessary exterior repairs on the Property. Completion of this larger scope of exterior work will enhance the value of the Property, and will protect MHT’s investment in the Property.

Ms. Raines recommended that the Executive Committee approve this proposed increase in the loan amount to \$450,000, as supported by the post-rehab appraisal. She noted that the loan terms otherwise remain the same as stated in the original resolution.

The following motion was made by Dr. Luckenbach, seconded by Margo Bailey and approved unanimously.

RESOLVED, that the Executive Committee of the Maryland Historical Trust Board of Trustees recommends that the Secretary of Planning approve an increase of the original principal loan amount from \$312,000 to \$450,000 to enable Borrower to repay and refinance a mortgage on the Property, and to finance the completion of the first phase of exterior rehabilitation work on the Property, on the same loan terms approved by the Board on May 11, 2017 in Resolution B104R (the “**Original Resolution**”).

Meeting adjourned at 1:17 pm.

E303 Investment Committee Report

Mr. Poffenberger reported on the Committee’s recent meeting with Brown Advisory investment advisor Hunter Purcell. Mr. Purcell noted that the Fund’s performance had been about 15%, while the overall market’s performance had been about 20% over the past year. This represents good performance given our level of risk. Mr. Purcell indicated that since the market is likely to slow, he suggested that the Board be less aggressive in equities and reduce its exposure to 60%. He further recommended that the remaining 40% of investments be split between bonds and cash.

E304 Litigation & Legal Issues

Mr. Cucuzzella reported that MHT is involved in no litigation or legal issues at this time.

E305 Budget & Legislation

Ms. Hughes reported that the Operating Budget hearing with the Department of Budget and Management staff was held on October 23rd. While staff are optimistic about the FY19 budget, program funding levels will not be known until the Governor releases his budget on January 17th.

Ms. Hughes noted that MHT does not expect to sponsor any significant Administration legislation during the 2018 session of the General Assembly.

Ms. Hughes reported that the Federal Fiscal Year 2018 has been funded since October 1st by a continuing resolution which is set to end on December 8th. At that time, it is expected that there will either be a government shut down or passage of a continuing resolution for all of Fiscal Year 2018, which runs through September 30, 2018. A continuing resolution would fund federal historic preservation programs at Fiscal Year 2017 levels for all of Fiscal Year 2018.

Ms. Hughes reported that the Senate Tax Reform bill which recently passed includes a provision that would preserve the historic tax credit at 20 percent, but would require that the 20 percent credit be claimed "ratably over a five-year period beginning in the taxable year in which a qualified rehabilitated structure is placed in service." This would mean that those who qualify for the tax credit would receive 4 percent per year for five years rather than 20 percent for one year. The bill also eliminates the 10 percent tax credit for rehabilitation of buildings that were built before 1936 but are not listed in the National Register of Historic Places. Senator Bill Cassidy (R-LA) led the effort to preserve the historic tax credit. In contrast, the House Tax Reform bill, which was approved in mid-November, completely eliminates the historic tax credit. The House and Senate bills will now go to conference. The conference committee process will be a critical time for Historic Tax Credit advocates to urge their House member to accept the historic tax credit provision included in the Senate version of the bill.

E306 Meeting Calendar for 2018

Ms. Hughes indicated that the Board meeting calendar for 2018 is as follows:

**Thursday, February 1, 2018 Maryland Chamber of Commerce
60 West Street, Suite 100
Annapolis, MD**

There will be no Board Committee meetings. The full Board will meet from 1:00 - 3 PM followed by The MHT Board Preservation Awards ceremony and reception from 4:00 - 7 PM that will take place in the President's Conference Room, in the Miller Senate Office Building located at 11 Bladen Street in Annapolis, MD. Board members are strongly encouraged to attend.

Thursday, May 17, 2018

Allegany Museum
3 Pershing Street
Cumberland, MD

There will be no Board Committee meetings. The full Board will meet from 10 AM – 12 PM. Following lunch, a tour of the Footer Dye Works Rehabilitation Tax Credit project will be offered.

Thursday, July 19, 2018

MHT Offices
100 Community Place
Crownsville, MD

Board Committees will meet from 9:30 – 10 AM. The full Board will meet from 10 AM – 12 PM followed by lunch.

Thursday, October 18, 2018

Jefferson Patterson Park and Museum
10515 Mackall Road
St Leonard, MD

There will be no Board Committee meetings. The full Board will meet from 10 AM – 12 PM. Following lunch, a tour will be offered.

Thursday, December 6, 2018

MHT Offices
100 Community Place
Crownsville, MD

Board Committees will meet from 9:30 – 10 AM. The full Board will meet from 10 AM – 12 PM followed by lunch.

Announcements

Ms. Raines announced that the development of Board member bios is almost completed. Members who have not yet submitted their bio are requested to do so at their earliest convenience.

The meeting adjourned at 12:47 p.m.

Mr. Charles L. Edson, Chair

Elizabeth Hughes, Director