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Canal Place Preservation & Development Authority
Fiscal Year 2023 Operating Budget
Response to Department of Legislative Services Analysis

House Appropriations Committee
Education & Economic Development Subcommittee
Benjamin S. Barnes, Chair
January 26, 2022

Senate Budget & Taxation Committee
Education, Business, & Administration Subcommittee
Nancy J. King, Chair
January 28, 2022

Presented By
Janice Keene, CPPDA Board Chair
&
Deidra I. Ritchie, CPPDA Executive Director

On the Proposed Budget of the Canal Place Preservation & Development Authority (CPPDA) for Fiscal Year 2023

The CPPDA's responses to questions brought to our attention by Andrew Gray in the Analysis of the FY 2023 Maryland Executive Budget, done January 2022.

1. Discuss the status of the request to merge the Canal Place Preservation and Development Authority (CPPDA) into DNR.

At the recommendation of Senator George Edwards, a letter was written to DNR Secretary Jeannie Haddaway-Riccio, requesting that Canal Place be considered as a state park candidate. After a meeting with Senator Edwards, he advised us that he is a member of the State Park Investment Commission. He stated that part of the mission of the organization is to identify additional park lands, with a priority on water access. This criterion would make the River Park and Canal Place a great addition to the Maryland Park System. In addition, there is an opportunity to purchase additional river access land along the North Branch. Including Canal Place as a state park would also protect the state's assets located at Canal Place. DNR having a presence in the city of Cumberland will help promote the city's plans for recovery and revitalization in their promotion of outdoor recreation as they move

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forward in updating the Cumberland Strategic Economic Development Plan and move forward with the Downtown Cumberland Mall renovation.

The State Park Investment Commission also recommends the need for more historical parks and parks with trail connections. Canal Place is already a historical themed park that tells the story of transportation, people, and their cultural and heritage. Located at the crossroads of the terminus of the C&O Canal Towpath and Mile Marker 0 of the Great Allegheny Passage, the future development of the river park will provide connections to both these trails, as well as connections to trails located in the neighboring state of West Virginia.

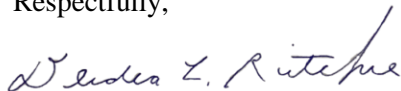
2. Canal Place should comment on the stability of its revenue sources and whether they are sufficient to support the fiscal 2022 and 2023 special fund appropriations.

Canal Place's revenue sources are very stable for FY22 and FY23 at this time. The return of the Western Maryland Scenic Railroad back into the Railway Station has helped tremendously. In fact, there are only two remaining vacancies in the Railway Station. These vacancies are actively being advertised. The Shops at Canal Place are all full and we are seeing a significant increase in revenues from the Fairfield Inn and Suites. The CPPDA still receives the \$100,000 Management Grant from the Maryland Heritage Areas Authority and now that the Appalachian Forest National Heritage Area has been certified, we are eligible to apply for their funding. Grounds use fees and parking fees have been stable and we will be advertising to purchase a new parking system in early spring. Funding for these gates will be sourced from the state leasing program offered through the State Treasury Office. The Department of General Services (DGS) is assisting the Authority with capital maintenance costs on all our buildings and grounds. These services have helped tremendously with our budget as have the savings from the energy performance enhancements we had installed in the Western Maryland Railway Station and the lighting on the grounds.

Conclusions

We hope we have adequately answered the budget analyst's discussion topics. Please note that we concur with the budget analysis and if you need additional information, please let us know. Again, thank you for your time.

Respectfully,



Deidra L. Ritchie
Executive Director
Canal Place Authority