



Maryland

DEPARTMENT OF PLANNING

Maryland Department of Planning Fiscal Year 2024 Capital Budget Response to Department of Legislative Services Analysis

Senate Budget & Taxation Committee - Capital Budget Subcommittee
Senator Craig J. Zucker, Chair
February 21, 2023

House Appropriations Committee - Capital Budget Subcommittee
Delegate Mark S. Chang, Chair
February 22, 2023

PAYGO Recommendation Actions

1. Concur with Governor's allowance.

Planning Response: Accept

GO Bond Recommendation Actions

1. Approve authorizations for the Maryland Archeology Conservation Laboratory major project, African American Heritage Preservation Program, Maryland Historical Trust Capital Grant Program, and Maryland Historical Trust Loan Program.

Planning Response: Accept

Updates

The Maryland Department of Planning (MDP) should comment on how personnel challenges have impacted program administration and how additional positions, particularly in light of recent mandated funding increases for two programs, may help address these challenges.

Planning Response:

Protection of historic resources is a key part of MHT's mission, and the administration of all aspects of MHT's easement program requires a level of commitment and expertise from staff across the agency. The easement program is currently staffed by 2 ½ full-time employees, including one full-time permanent Easement Administrator, one full-time contractual Easement Inspector, and one part-time contractual Easement Processor. Due to the demands of

this program, MHT experiences difficulty in staff recruitment and retention, leading to high rates of turnover, which are a further setback for the program.

At current staffing levels, MHT struggles to meet review deadlines, respond to inquiries, and field all requests for site visits or one-on-one project consultations, while at the same time attempting to move forward with development of new easements, terminating eligible easements, and coordinating with other programs and partner agencies. Responding to applications for proposed work from easement properties within a certain period of time is MHT's contractual responsibility under the easement, so when easement positions are vacant, we have no choice but to have other staff fill in, taking time away from their other, often high-level, duties.

Staffing recommendations considered in the JCR included:

- creation of a second easement administrator position
- conversion of the existing contractual easement inspector to a permanent, general funded position
- conversion of the existing part-time contractual easement processor to a permanent, full time, general funded position
- addition of Assistant Attorney General IV, grade 20, in OAG to handle easement work

Consistent and sustainable staffing of the easement program with individuals who possess the appropriate qualifications, education, and experience would sustain the program's performance overall. With these positions in place MHT would be better able to offer the quality, quantity, and timeliness of assistance that easement property owners deserve and expect. As the Department's new leadership undertakes its review of agency staffing levels for all MDP programs, the easement program's staffing needs will be given due consideration.

Budget Overview of Grant and Loan Programs

MDP should comment on any anticipated future use of loan program funding to support Jefferson Patterson Park and Museum or other Trust-owned projects. The agency should also be prepared to discuss notifying the budget committees in advance when loan program funding will be used for MHT projects to promote greater transparency and allow the committees to plan funding accordingly.

Planning Response:

MHT has always prioritized use of the MHT Loan Program funds for the award of loans to nonprofits, local governments, and individuals for rehabilitation of non-State-owned properties. MHT does not anticipate a need for Loan Program special funds to support projects at

Jefferson Patterson Park and Museum (JPPM) in the near term. We have in the past, and will continue to, request funds through the Department of General Services critical maintenance fund or the capital budget process for rehabilitation of buildings at JPPM.

To the extent that MHT has made loan fund expenditures on JPPM properties, this had been done in accordance with the Loan Program regulations, which limit such expenditures as follows:

"The Trust may directly expend moneys in an amount up to 50 percent of those moneys available in the Fund which are derived from repayments or prepayments of loans made from the Fund or the proceeds from the resale or lease of any properties originally acquired with moneys from the Fund".

As noted in the analysis, MHT has made three expenditures from loan repayment revenues at JPPM since FY2015. Two of these expenditures, in FY2015 and FY2019, were for the Gardener's Cottage located in the historic core of the property. Use of these special fund revenues allowed MHT to (1) provide state match to a federal grant for the Patterson Center which we would otherwise have lost or had to repay; and (2) rehabilitate, using our agency's own limited resources, a prominent structure on the landscape which was cut from the DGS capital project for the Patterson Center.

Likewise, the FY2021 expenditure for rehabilitation of the Kings Reach House and the Pavilion gave MHT the flexibility to make funds available relatively quickly for necessary repairs outside of peak use periods. The Kings Reach House is used by Morgan State University PEARL students in the summer months as housing, while the Pavilion is used seasonally for summer camps, special events, weddings, etc.

Looking ahead, MHT can notify the budget committees in advance on any anticipated use of MHT Loan Program funding for the rehabilitation of properties owned by MHT. Regarding future loan commitments, MHT is currently working with a nonprofit organization seeking \$230,000 in FY2023 for land acquisition and rehabilitation of a historic property in Montgomery County. Due to staffing limitations, for the remainder of FY2023 MHT is focusing solely on completing this loan award.