

### I.A. Maryland Heritage Areas Program: Overview

The Maryland Heritage Areas Program was created in 1996 to leverage compatible State and non-State investment to protect and enhance Maryland's historical, cultural, and natural resources. To participate in the program, partnerships of local government and private sector interests must complete and adopt a prescriptive management plan and create and sustain a local management entity to implement the plan, with 50-50 cost-sharing with the State. Unlike other state and federal heritage area designations, Maryland's heritage areas can best be described as "heritage enterprise zones" where investment is targeted into tightly defined geographic areas where it will do the most good, most quickly. The Maryland program emphasizes the importance of the tangible results of investment in heritage area development projects, rather than viewing the heritage area planning process as an end in and of itself.

### I.B. Maryland Heritage Areas Program: Award Criteria

Like the Preserve America initiative, the Maryland Heritage Areas Program supports community efforts to use heritage tourism to build local economies while protecting, developing, and promoting cultural, historical and natural resources. It does this by targeting financial and technical assistance on a limited number of "certified heritage areas." Certified heritage areas are geographic areas in Maryland that contain high concentrations of unique historical, cultural, and natural resources, and where motivated community partners are dedicated to the protection and development of those resources for economic development through heritage tourism. This approach to revitalization combines heritage tourism and small business development with preservation, cultural conservation, recreation, natural resource conservation and education in a strategic effort to enhance a community's economic activity. At the same time, heritage areas focus community attention on under-appreciated aspects of history, living culture, and heritage, fostering stronger regional identities and local pride.

The MHAA developed the following program goals which demonstrate its commitment to protecting and interpreting the state's heritage assets and to achieving these goals by means of broad-based partnerships:

- Enhance the visitor appeal and enjoyment of the state's history, culture, natural environment, and scenic beauty by enhancing the overall "product"-- the visitor experience.
- Increase the economic activity associated with tourism, creating opportunities for small business development, job growth, and a stronger tax base.
- Encourage preservation and adaptive re-use of historic buildings, conservation of natural areas important to the state's character and environment, and the continuity and authenticity of cultural arts, heritage attractions and traditions indigenous to the region.
- Enable Marylanders and visitors alike to have greater access to and understanding of the history and traditional cultures of the state and to understand the important events that took place here.
- Foster linkages among and between heritage attractions that encourage visitors to explore, linger, and sample the diverse offerings of the state's distinctive regions.
- Balance the impact of tourism activity with the quality of life enjoyed by residents.
- Accomplish these goals via partnerships among local and regional leaders, non-profit organizations, businesses, and state agencies.

The Maryland Heritage Areas Program is a model that is easily transferable to other states. While based on the programs of New York and Pennsylvania, Maryland's approach is more targeted and relies more heavily on a bottom-up approach whereby local communities determine what type of heritage area best suits their needs.

### I.C. Significant Outcomes of Maryland Heritage Areas Program

Significant outcomes of the Maryland Heritage Areas Program include engagement of the entire state in the program, development of interdisciplinary partnerships at the state and local level, development of new heritage tourism products and programs, and considerable leveraging of federal, local, and private funds to support heritage tourism efforts statewide.

The Maryland Heritage Areas Program entered its ninth year of operation in 2005. As of October, there are 10 Certified Heritage Areas representing 18 counties and 62 municipalities. Three more Recognized Heritage Areas, representing 6 counties and 39 municipalities, are pursuing certification. Every County in Maryland, as well as Baltimore City, now has a Heritage Area within its boundaries. This high degree of interest demonstrates the program's effectiveness in communicating the importance of heritage tourism as an economic development strategy and its effectiveness as a mechanism for improving local residents' quality of life.

The MHAA, which leads the program, consists of 17 members including representatives of 7 state agencies. The interagency collaboration that has resulted from this structure has encouraged state agencies to work together to pool funding resources and share staff expertise. One of those agencies, the Maryland Office of Tourism Development (OTD), for example, took the lead in developing a marketing strategy for the Maryland system of heritage areas, creating a logo for the program, and enhancing their website with heritage area content and links. In 2005, OTD worked with the Maryland Coalition of Heritage Areas (MCHA) Marketing Sub-Committee to develop advertorial (i.e., an advertisement disguised as an editorial) content depicting the heritage areas. The advertorial (see enclosed sample) will be included as a two-page spread in both the 2005 and 2006 versions of *Destination Maryland*, the state's official guide to travel and primary fulfillment piece. Approximately 500,000 guides will be printed each year and distributed through the state's 13 Welcome Centers, the Maryland Call Center, local (or county) Visitor Centers, and consumer/trade shows. This comprehensive marketing effort would not have been possible without OTD's commitment to the program resulting from their position on the MHAA. OTD has also worked with the sub-committee to define future product development projects that will be collaborative programs between OTD, MCHA and the local destination marketing organizations. OTD has also worked with the Maryland Scenic Byways Director to enhance that program's new collaterals to feature Maryland Heritage Areas so it can be utilized as an effective fulfillment piece for the Heritage Area's marketing campaign. This creates an ideal partnership and joint venture that benefits the tourist who seeks and enjoys natural, cultural and heritage opportunities.

In order to become a Certified Heritage Area, communities must complete a heritage area management plan and ensure that local governments located within the boundary of the area adopt it as an amendment to their comprehensive land use plans. In order to effectively respond to the plan's required elements and ensure local government approval at the end of the planning process, communities must engage local elected officials and representatives of a wide variety of local interests: land use planning, tourism, arts, historic preservation, natural resources, museums, outdoor recreation, and business interests. Representatives of affected state and federal agencies are also part of the planning process. In many instances, the intense collaboration that is necessary to bring a plan to completion has forged new partnerships among entities that previously had little interaction. In the Stories of the Chesapeake Heritage Area, for example, separate regional planning and tourism caucuses had existed to facilitate cooperation among the area's four counties but did not interact collectively. Local businesses and attractions did not share a regional vision or undertake collaborative projects in support of regional heritage tourism development and resource protection efforts. The board of the heritage area management entity now includes two appointees from each county government (one from tourism, one from local planning), an appointee from each county nominated by business interests, and appointees from the region's private liberal arts institution, Washington College, and the region's largest museum, the Chesapeake Bay Maritime Museum. Other volunteer directors are elected at-large by the nonprofit organization's members and have interests in historic preservation, museum management, environmental education, tourism-related businesses, and other activities that intersect with the heritage area's mission. Through working subcommittees, events and meetings, and special projects, the organization works to bring all of these interests together to establish an annual work plan in response to the tourism development and landscape protection goals outlined in the heritage area management plan (see enclosed).

Projects and properties throughout a certified heritage area are eligible for grants and loans from the MHAA Financing Fund for planning, design, interpretation (including exhibits, materials, or other appropriate products to further educational and recreational objectives), marketing, and programming, and to encourage revitalization and reinvestment in the heritage area. To date, the Authority has funded 70 projects all around the state to help communities enhance and develop their heritage tourism destinations. In addition, heritage areas may set aside a portion of their annual MHAA operating funds to create a mini-grant program that provides seed money for smaller projects which they administer. Although projects undertaken with heritage area funds frequently have few alternative sources of support, once completed, they are often recognized for their innovative approach to tourism development. In 2003, for example, the *Roots and Tides* driving tour (see enclosed), which included samples of oral history interviews, original local music, and a narrated history of the area, was awarded the Tourism Industry Award for "Best New Product" by the Maryland Tourism Council. In 2005, the Baltimore City Heritage Area *Heritage Walk* also received such recognition. It's unlikely that either of these creative projects would have happened without the heritage areas' vision, interdisciplinary approach, and support.

In 2003, the MHAA prepared the report *Investing in Our Communities: Maryland's Heritage Areas Program* (see enclosed sample) which included a financial analysis of the program. At that point in time, the MHAA had nine certified heritage areas and had awarded \$4.4 million in grants which had leveraged about \$2.5 million from local

governments, over \$2.5 million from the private sector, and more than \$600,000 in additional federal funds. In other words, the state's \$4.4 million investment had enabled \$10.3 million for heritage area projects. A financial analysis on the return of the investment in these areas showed that every grant dollar invested in the program generated a total of \$4.61 in annual, ongoing state and local tax revenues. This demonstrated return on investment proves that not only does the Maryland Heritage Areas Program pay for itself but it also provides an important foundation for economic development in some of the state's older communities.

## II. Maryland Heritage Areas Program: Presence of Significant Assets

The Maryland Heritage Areas Program requires that certified heritage areas demonstrate physical evidence in enough abundance to signal the presence of a distinctive place, though there may be signs of modern occupation and enterprise. Management Plans must include a narrative overview description of the historic or architectural character of the area, distinctive cultural landscapes or environmental features, and important recreational resources and museums available to the public. They must also include a description of major non-physical heritage resources in the region such as performing and visual arts, traditional arts and folklife, living resources and unique or traditional industries, special heritage events, etc. Heritage areas must contain resources of statewide significance that have retained integrity of setting and a cohesive character and at least one or more historic districts listed in or eligible for listing in the Maryland Register of Historic Properties or natural or recreational resources determined by the Secretary of the Department of Natural Resources to be of statewide significance.

## III. The Maryland Heritage Areas Authority (MHAA) and Partners

The body responsible for leading the Maryland Heritage Areas Program is the MHAA. This Authority, created by the program legislation, is an independent unit of state government housed in the Maryland Department of Planning (MDP). This seventeen member body is appointed by the Governor and consists of seven state officials representing the Departments of Planning, Housing, Transportation, Business and Economic Development, Natural Resources, the Maryland Higher Education Commission, and the State Historic Preservation Office. It includes one representative each from the Maryland Association of Counties and the Maryland Municipal League, one public member each from the Maryland Greenways Commission and Tourism Board, one public member with historic preservation experience, and one public member with heritage tourism experience. The Authority holds business meetings on a quarterly basis and is supported by a Technical Advisory Committee (TAC) consisting of representatives of each of the state Departments that serve on the Authority as well as the Departments of Agriculture and General Services. The TAC also meets quarterly and makes recommendations to the MHAA on action items such as financial assistance awards and program policy.

Key partners in the implementation of the Heritage Areas Program are the 13 local heritage area management entities located throughout the state. The structure of these organizations varies – some heritage areas are led by private, non profit corporations while others are creatures of local government. MHAA defers to local communities to determine for themselves what structure will best satisfy local needs while at the same time meeting the program's overall tourism development and preservation goals. Over time, these management entities collaborated to form the Maryland Coalition of Heritage Areas. Representatives of the Coalition meet regularly with the TAC to advise on program policy and play an essential role as advocates for the program at the state and local level.

## IV. Program Costs

Since 1996, \$1 million annually has been appropriated to the non-lapsing MHAA Financing Fund. The source of these funds is real estate transfer taxes. Up to 10% of MHAA Financing Fund monies support administration of the program while the remaining funds are made available to heritage areas as grants and loans for heritage tourism development and preservation projects. To date, \$6,299,808<sup>1</sup> has been invested in the 13 Heritage Areas with impressive results in the leveraging of non-State funds for the protection and enhancement of Maryland's historical, cultural and natural resources. State funds have leveraged more than \$19,414,114 in non-State investments. Legislation passed during the 2005 session permits up to \$3 million to be appropriated into the MHAA Financing Fund. We are hopeful that the program will receive \$3 million in the FY2007 budget.

V. Past Awards: The Maryland Heritage Areas Program has not previously won an award/been publicly recognized.

VI. Completion Date: The Maryland Heritage Areas Program is an ongoing program of the State of Maryland.

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<sup>1</sup> Note that the Maryland legislature recaptured \$3 million from the program in FY2002 due to the state budget deficit and that not all of the FY06 grant funds have been awarded yet.