

APPENDIX G: POTENTIAL FINANCIAL CATALYSTS OUTSIDE OF M-NCPPC

Public/private partnerships

This is a primary means of sharing costs associated with maintaining historic properties. This funding source might include for-profit businesses; non-profit organizations; caretaker arrangements, curatorships, leases, and/or Employer-Assisted Housing (EAH)

M-NCPPC-originated Historic Trust

M-NCPPC would establish an historic trust, at 501(c)(3), that would be composed of major philanthropists who would donate money in return for a tax-deductible charitable contribution. The goal would be 10 million dollars as the base fund. When M-NCPPC takes ownership of historic properties that are not critical to a park-related use (e.g., Red Door Store, Darby House and Store), M-NCPPC could place easements on the property and then transfer the property to the Trust. The Trust would restore the property and place any additional covenants as appropriate, then use, lease, or sell the property as appropriate to recover the investment. The Trust also would be able to take advantage of federal and/or state historic preservation monies and tax incentives.

ISTEA and Rustic Roads

Money from transportation improvement projects should be earmarked for cultural resources projects such as beautification along streetscapes, neighborhood revitalization projects, Cultural Landscape Reports, archaeological investigation, etc.

Save America's Treasures

A project such as the restoration of Woodlawn barn could potentially benefit from this program that targets buildings of potentially national historic value.

Maryland Historical Trust

The Maryland Historical Trust offers loans and grant money for stabilization, restoration, and rehabilitation, formerly for easement donations, but increasingly without any easement requirements.

The Heritage Preservation Tax Credit Program, administered by the Maryland Historical Trust, provides Maryland income tax credits equal to 20% of the qualified capital costs expended in the rehabilitation of a "certified heritage structure."

A certified heritage structure can include buildings that are:

- Individually listed in the National Register of Historic Places;
- Designated as a historic property under local law and determined by the Director to be eligible for listing on the National Register of Historic Places;

- Located in a historic district listed in the National Register of Historic Places or in a local historic district that the Director determines is eligible for listing on the National Register of Historic Places and certified by the Director as contributing to the significance of the district; or
- Located in a certified heritage area and certified by the Maryland Heritage Areas Authority as contributing to the significance of the certified heritage area.

The credit is available for owner-occupied residential property as well as income-producing property. The rehabilitation expenditure in a 24-month period must exceed \$5,000 for owner-occupied residential property, and the greater of the adjusted basis of the structure (generally the purchase price, minus the value of the land, minus any depreciation taken) or \$5,000 for all other property. The rehabilitation must conform to the Secretary of the Interior's *Standards for Rehabilitation* and must be certified by the Maryland Historical Trust. If the credit exceeds the taxpayer's tax liability, a refund may be claimed in the amount of the excess. Additionally, organizations exempt from taxation under Section 501(c)(3) of the Internal Revenue Code are also eligible for a refund.

National Park Service

The National Park Service has a program that enables the owners or long-term leaseholders of income-producing certified historic structures (listed individually on the National Register of Historic Places or featured as a contributing element within an historic district), to receive a federal tax credit. The credit amounts to 20 percent of the cost of a certified rehabilitation (a rehabilitation that meets the Secretary of the Interior's "Standards for Rehabilitation").

Preservation Maryland

This statewide preservation program offers bricks and mortar money for capital improvements on certified historic structures. This organization works closely with the Maryland Historical Trust and with Certified Local Governments, which is a designation that Montgomery County holds.

Maryland Main Street Center

This statewide organization is modeled on the National Trust for Historic Preservation's Main Street Center program, in which four points of revitalization (Organization, Promotion, Economic Restructuring, and Design) are used to revive aging town centers. Areas such as historic Clarksburg or Hyattstown could benefit from participating in such a program, where grants and loans are offered for place-making efforts such as streetscape master plans, signage improvement plans, storefront revitalization, etc.

National Endowment for the Arts/National Endowment for the Humanities

These organizations have some money for cultural and/or historical interpretation. See www.neh.gov/news/archive/20041013.html

Developer funding/impact fees

Developers should be induced to participate in communities wherein they have an impact by improving cultural resources near or on the site of their projects. Such donations or impact fees could provide archaeological digging/interpretation, historical signage, building rehabilitation funds, historic interpretive programs, etc.

Heritage Tourism Alliance

M-NCPPC should continue to work with the Heritage Tourism Alliance of Montgomery County (known throughout the County as Heritage Montgomery) to receive funding from the Maryland Heritage Area Authority. Heritage Montgomery was created by M-NCPPC to spearhead the heritage tourism industry in the county. The Department continues to work very closely with the group on issues affecting the marketing and creative use of cultural resources.

Friends of Parks

Groups like the Montgomery Parks Foundation and others should continue to be tapped to co-sponsor events, help with publications, run general docent programs, etc.

Legacy Open Space Program

This money is increasingly turned toward good use not only in acquiring open space, but also in acquiring the historic buildings and cultural resources that often come with it.