

DB01
Historic St. Mary's City Commission

Capital Budget Summary

State-owned Capital Improvement Program
(\$ in Millions)

Projects	Prior Auth.	2019 Request	2020 Est.	2021 Est.	2022 Est.	2023 Est.	Beyond CIP
Leonard Calvert House Exhibit	\$0.000	\$0.350	\$0.350	\$0.476	\$4.964	\$2.871	\$0.000
Pavilion	0.025	0.437	0.000	0.000	0.000	0.000	0.000
Maryland Dove Replacement	0.500	0.000	0.000	4.457	0.000	0.000	0.000
Total	\$0.525	\$0.787	\$0.350	\$4.933	\$4.964	\$2.871	\$0.000

Fund Source	Prior Auth.	2019 Request	2020 Est.	2021 Est.	2022 Est.	2023 Est.	Beyond CIP
GO Bonds	\$0.500	\$0.627	\$0.350	\$4.933	\$4.964	\$2.871	\$0.000
Nonbudgeted Funds	0.025	0.160	0.000	0.000	0.000	0.000	0.000
Total	\$0.525	\$0.787	\$0.350	\$4.933	\$4.964	\$2.871	\$0.000

CIP: Capital Improvement Program
GO: general obligation

Summary of Issues

Cancellation of the Maryland Heritage Interpretive Center: The 2018 *Capital Improvement Program* (CIP) does not include funding for the Maryland Heritage Interpretive Center (MHIC), a planned exhibit hall and visitor center for Historic St. Mary’s City. MHIC had been programmed to receive \$400,000 in fiscal 2019 and another \$12.4 million in fiscal 2021 and 2022. The project was canceled because \$3.4 million in grants and donations did not materialize in fiscal 2017, and there are ongoing concerns as to whether the commission has the capacity to operate such a facility. **The Department of Legislative Services (DLS) recommends that the agency comment on the impact of the cancellation of MHIC and how the museum will adapt to the State’s new funding priorities.**

Summary of Recommended Bond Actions

1. Leonard Calvert House Exhibit

Approve \$350,000 in general obligation bonds for the Leonard Calvert House Exhibit.

2. Historic St. Mary’s Commission Pavilion

Approve \$277,000 in general obligation bonds for a new pavilion.

Budget Overview

The 2018 CIP includes \$627,000 in general obligation (GO) bond funding for two projects for the Historic St. Mary’s City Commission (HSMCC) in fiscal 2019.

Leonard Calvert House Exhibit

The Leonard Calvert House was the first major building constructed by colonial settlers in Maryland and was the home of the colony’s first Governor, Leonard Calvert. This project will construct an exhibition hall over the remains of the original Calvert House, which fell into disrepair and was razed in the early eighteenth century. The new facility will provide exhibit space for visitors, as well as a control room, mechanical rooms, and staff space. The project also includes the construction of a separate restroom and storage building to the rear of the exhibit house. Restrooms cannot be included in the main exhibit structure because of the risk that plumbing leaks would pose to the excavated foundations of the original house.

Improvement and preservation of the site has been part of each of HSMCC’s master plans, and preparations have included the relocation of a nineteenth century home that was built over a portion of the original foundation. The new building will be designed to match the original house as closely as possible but will have a slightly larger footprint in order to preserve and envelop the original foundation.

DB01 – Historic St. Mary’s City Commission

The fiscal 2019 allowance for this project is \$350,000, an increase of \$150,000 over the 2017 CIP due to a need for additional archeological work during the project’s planning phase. The estimated total cost of the project is \$9 million, an increase of \$2.1 million from the estimate in the 2017 CIP. In addition to normal escalation, this higher estimate is attributable to the following:

- \$1.1 million for the exhibits based on a more accurate cost per square foot estimate developed for the canceled MHIC;
- \$236,500 for additional archeological work at the site, including \$150,000 in fiscal 2019; and
- \$145,000 to construct the restroom building discussed above.

Pavilion

The CIP also provides \$277,000 in GO bonds to supplement \$185,000 in private funding for the construction of an open-air, timber frame pavilion. The pavilion will provide a permanent covered space in which the museum can host large groups, educational programming, and special events. HSMCC currently has a large tent available for special event rental that the pavilion will replace. HSMCC anticipates that the improved shelter will increase both the number of private events hosted each year and the rate that the commission is able to charge for those events. Design on the project has already been completed, and the pavilion will be erected in fiscal 2019.

Issues

1. Cancellation of the Maryland Heritage Interpretive Center

The 2018 CIP does not include MHIC. MHIC had been programmed to receive \$400,000 in GO bond funds for planning in fiscal 2019, as well as \$12.4 million in bond funds in fiscal 2021 and 2022 for construction. This project previously received GO bond funds totaling \$1.7 million for design in the fiscal 2007 and 2009 capital bills.

The most recent cost estimate for this project was \$14.5 million (including the \$1.7 million already expended by the State). According to HSMCC, the museum’s foundation had \$185,000 on hand to put toward the project, but \$3.4 million in grants and donations did not materialize in fiscal 2017. If MHIC did move forward, it would provide both modern exhibition space and preservation laboratories and would allow for the retirement of the current visitor center, which is both antiquated and poorly located. It would also allow the commission to work more closely with St. Mary’s College of Maryland, which recently completed Anne Arundel Hall adjacent to the proposed MHIC facility.

DB01 – Historic St. Mary’s City Commission

Despite the value that this facility would provide for HSMCC, the organization does not appear to have the financial or logistical capacity to proceed. In addition, the expanded scope of the Leonard Calvert House project and the replacement of the Maryland Dove represent a major investment by the State in Historic St. Mary’s City, despite the cancellation of MHIC. **DLS recommends that the agency comment on the impact of the cancellation of MHIC and how the museum will adapt to the State’s new funding priorities.**

Operating Budget Impact Statement

**Executive’s Operating Budget Impact Statement – State-owned Projects
(\$ in Millions)**

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Leonard Calvert House					
Estimated Operating Cost	\$0.000	\$0.000	\$0.000	\$0.000	\$0.072
Estimated Staffing	0	0	0	0	2
Pavilion					
Estimated Operating Cost	\$0.000	\$0.001	\$0.003	\$0.003	\$0.003
Estimated Staffing	0	0	0	0	0
Total Operating Impact					
Estimated Operating Cost	\$0.000	\$0.001	\$0.003	\$0.003	\$0.075
Estimated Staffing	0	0	0	0	2

The operating impact statement provided by the Department of Budget and Management reflects the need to fund 2 new positions to operate the Leonard Calvert House when completed in fiscal 2023.

Summary of Other Projects in the Capital Improvement Program

There is one additional project in the 2018 CIP for HSMCC. The 2018 CIP includes \$4.5 million in fiscal 2021 to build a new replica of the Maryland Dove, HSMCC’s reproduction of a seventeenth century wooden sailing ship and its accompanying dock. The historic Dove was one of two ships (the other being the Ark) that brought the founding settlers of the Maryland colony to North America in 1634. HSMCC’s current Dove was built in 1978 and is the most popular exhibit for the museum, receiving approximately 15,000 public and 25,000 student visitors each year. The museum reports that the current vessel is approaching the end of its useful life and that it would be more cost effective to build a new vessel than to rebuild the current one.

In addition to being more cost effective, the new vessel could be constructed based on new research about the design of the original Dove. The current Dove is a “typical mid-seventeenth century tobacco pinnance,” which is accurate to the time period but does not match the original Dove. In addition to better matching the historic Dove, the new vessel would be designed to sail more effectively than the current ship and to carry passengers away from the dock, a capacity that could be used for museum fundraisers. The 2017 capital budget bill authorized \$500,000 to begin the design of the replica ship.

Exhibit 1 Projects Removed from the *Capital Improvement Program* Fiscal 2019

<u>Project</u>	<u>Description</u>	<u>Reason for Removal</u>
Maryland Heritage Interpretive Center	New visitor center in Historic St. Mary’s City adjacent to the new Anne Arundel Hall at St. Mary’s College of Maryland.	Concern about the ability of the agency to operate and maintain the facility.

Source: Department of Budget and Management, 2018 *Capital Improvement Program*

GO Bond Recommended Actions

1. Approve \$350,000 in general obligation bond funds for the Leonard Calvert House Exhibit.
2. Approve \$277,000 in general obligation bonds for a new pavilion.