

State of Delaware
Historical and Cultural Affairs

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June 5, 2007

Mr. Trent Margrif
Executive Director
Preservation Delaware, Inc.
1405 Greenhill Ave.
Wilmington DE 19806

Dear Mr. Margrif:

I am writing to you concerning the proposal of Preservation Delaware, Inc. (PDI) to amend the easement held by the State of Delaware on the property known as Gibraltar.

The Division of Historical and Cultural Affairs conducted a 30-day public comment period during which more than one hundred citizens expressed their concerns over this issue. All of the comments submitted during the public comment period have been posted to our web site. In addition, we afforded PDI and your partner, CCS, the opportunity to respond to these comments.

After analyzing these comments and responses, we have concluded that the proposed amendment cannot be granted by the Division of Historical & Cultural Affairs for the reasons outlined below.

The State of Delaware has been an engaged partner in the preservation of the Gibraltar site for more than 10 years. This includes an investment of \$1.0 million made by the State of Delaware in procuring the easement on this and the adjacent Shaw property. Our interest in the property is as strong today as it was in 1997 when we made our investment in the property on behalf of the citizens of Delaware.

The proposed amendment would significantly alter the easement. The easement was purchased with funding from the Delaware Land and Water Conservation Trust Fund (more

commonly known as the Open Space Program). This funding carries with it a very high standard for use, and very restrictive instructions on the disposition of any and all properties purchased with funds from this Trust Fund. The Delaware Code governing this Trust Fund states clearly:

§5423 (c) (2) It is intended that property acquired or improved with funds from the Project Account shall remain in public outdoor recreation and conservation use in perpetuity. Said property may not be converted to other uses without a subsequent act of the General Assembly. If the General Assembly approved the sale or lease of any project or portion thereof, the State shall receive its pro rata share of net sale and/or lease income. Said funds shall be deposited in the Project Account to be immediately available for other projects.

The type of amendment proposed by PDI requires that this statute be followed.

Should you have any questions, please do not hesitate to contact me directly at 302.736.7400.

Sincerely,

A handwritten signature in black ink, appearing to read "Tim A. Slavin". The signature is fluid and cursive, with a long horizontal stroke at the beginning.

Timothy A. Slavin
Director

Cc: Honorable Secretary Harriet N. Smith Windsor
Honorable Secretary John Hughes
Honorable Senator Harris McDowell
Honorable Representative Gerald Brady
Rebecca Tulloch, President, Preservation Delaware, Inc.
Drue Chichi, Deputy Attorney General