

FREQUENTLY ASKED QUESTIONS

Potential Sale of Municipal Properties



Why are municipally owned buildings being considered for sale?

The Town's building portfolio is a significant cost generator for the residents, and occupies a great deal of staff time that should be going to core municipal priorities like urban planning, infrastructure renewal, etc.

The Town's Operating & Capital Budgets illustrate the real costs of maintaining essential infrastructure and services in the Town. This process is where priorities are established to ensure responsible fiscal stewardship.

Municipally owned buildings typically require a great deal of maintenance. Through the annual budget process Council establishes priorities for capital projects to ensure core functions of the Town are sustained. In many cases, providing continuous care and maintenance to municipally owned buildings becomes very onerous. To consistently maintain assets that do not generate revenue could require increases to taxes to help pay for the maintenance of these aging buildings.

The sale of surplus assets ensures revenue for the Town – *both* through the one-time capital reserve top-up *and* by sustainable tax revenue generation when the building is no longer Town-owned. A property's assessed value may even increase from private investment.

Where do sale asking prices come from?

Under the NS *Municipal Government Act*, the Town is required to sell or lease property at market value (except under certain circumstances). Market appraisals from real estate professionals are solicited to determine the asking prices. Property for sale is listed on the open market for competition. Any eventual sale must be approved by Council.

Proceeds for the disposal of surplus assets (including land) are required to be placed in the Town's capital reserve, where they can be reinvested in future capital projects for the community.

What about a property's heritage designation?

Whether or not the Town owns a heritage property, buildings and development are regulated in Lunenburg through the *Municipal Planning Strategy, Land Use By-law, Subdivision By-law, Heritage Conservation District Plan & By-law, and Heritage Property By-law*.

Heritage designations transfer with the property, so ownership has no bearing on a building's designation.

Most of the properties in the Heritage Conservation District are privately owned. Consider the positive changes to the Old Library and Angus Walters House properties as a result of being sold into private hands. The new owners had greater resources for upgrades and maintenance than was possible from the Town.

How does the sale of Town-owned heritage buildings affect our UNESCO designation?

Very little.

Old Town Lunenburg's UNESCO designation is for the 1753 street grid and town layout as "the best surviving example of a planned British colonial settlement in North America". The built heritage is the cherry on top that makes Lunenburg so special. A threat to our designation would be altering the original grid pattern, not individual buildings.

Delisting a World Heritage site is not a "one false move and you're out" scenario, as some have suggested. Layers of remediation are built into the program. Regardless, residents can be assured that Council is always aware of maintaining our UNESCO designation. Any potential disposal within the district would be researched carefully and include consultation with Parks Canada, who administer UNESCO World Heritage Sites in Canada.

What's happening with Heritage regulation in the Town?

The Town is currently re-doing its *Heritage Conservation District Plan & By-law* (which regulates the Heritage District) and its *Heritage Property By-law* (which enables the Town to have a Registry of Municipal Heritage Properties). The work is being done by certified heritage experts, one of whom is the President of the International Council on Monuments and Sites (ICOMOS) in Canada.

A Background Study for Provincial review was approved by Council on August 9, 2022 and the draft Heritage documents are anticipated for public presentation early in the New Year.

Until the work is completed, current by-laws remain in effect.

What does all this have to do with the Comprehensive Community Plan (CCP)?

The CCP section 4 "Servicing & Facilities" notes that the Town "currently owns a large inventory of building and community facilities as compared to other municipalities of its size" and lists three possible scenarios for each Town-owned building to "Plan for the

long term of all municipal facilities, including renovation, sale or lease.” Each asset in the Town’s portfolio is considered on a case-by-case basis.

A new Town property disposition policy is in development to help guide this work in alignment with the vision in the CCP. It is expected to come before Council in December 2022.

Resources

Heritage

- Old Town Lunenburg’s UNESCO Outstanding Universal Value statement:
<https://whc.unesco.org/en/list/741/>
- Operational Guidelines for the Implementation of the World Heritage Convention:
<https://whc.unesco.org/en/guidelines/>
- ICOMOS International Heritage Charters and doctrinal texts:
<https://www.icomos.org/en/resources/charters-and-texts>
- Canada Standards and Guidelines for the Conservation of Historic Places:
<https://www.historicplaces.ca/media/18072/81468-parks-s+g-eng-web2.pdf>

Project Lunenburg

- Comprehensive Community Plan
<https://townoflunenburg.ca/comprehensive-community-plan-ccp.html>
- Heritage *Discussion Paper* and *What We Heard Report*
<https://townoflunenburg.ca/comprehensive-community-plan-ccp.html>

Finance

- Town Budget 2022/23
<https://townoflunenburg.ca/town-budget-and-tax-rates.html>