

Summary Sheet

Blockhouse Hill Design Project and Land Divestiture Process

2024.01.29

Why are we doing this?

Conserving our Town and what makes it unique comes at a cost – to the Town and individual business and homeowners. We all know that we receive no ongoing funding from Parks Canada or UNESCO to maintain streets, structures, or services. The cost of this falls squarely on the taxpayers.

The Town has three tools to generate revenue to help offset capital costs: raise taxes, cut services or create a revenue stream. Selling land generates short-term revenues but also increases the Town's tax base, making the Town more fiscally sustainable in the long term.

Why Blockhouse Hill? Why not somewhere else?

We've already done a lot to entice residential development on privately owned lands under our new Land Use By-law. However, this isn't resulting in enough housing quickly enough to meet community needs, so we're exploring whether housing is a good use of town-owned lands. The Community Social Planning Council and Canada Mortgage and Housing Corporations argue that strategically using municipally owned land as a platform for affordable housing is particularly important in areas with high land and housing prices in Local Government Levers for Housing Affordability (2023).

Our best available land to sell is Blockhouse Hill. Upper King Street is not feasible for housing that would not detract from Old Town. Other Town-owned lands include the Academy lands and the recreation complex. Exploring design options gives Council the tools to consider the pros and cons of selling Blockhouse Hill and to control what is eventually constructed on that site if they choose to sell.

Affordable housing?

Lunenburg has a housing crisis. The Blockhouse Hill RFP said 10% of the design will contain affordable housing – defined as 30% (or less) of the median household income. According to Statistics Canada the median total household income in the Town of Lunenburg is \$65,000 (pre-tax). 30% of that is \$19,650 which translates roughly into \$1,637/month. More information on Lunenburg's housing shortage can be found in the Town of Lunenburg Municipal Housing Needs Report. MacKay-Lyons Sweetapple shared on January 23 that a studio or accessory dwelling unit would cost approximately \$125,000, a 1-bedroom unit approximately \$200,000, a 2-

bedroom unit approximately \$250,000 to \$275,000, a 3-bedroom unit approximately \$275,000 and \$325,000 and a single-family home approximately \$400,000.

Where can I find the most recent design options?

MacKay-Lyons Sweetapple has refined four design options for Blockhouse Hill based on community feedback. Multiple images of each are in the Visioning Report.

What types of housing might be built?

The design options include a mix of housing types, from single-family homes, townhouses, multi-unit buildings, and backyard suites. The back of Blockhouse Hill has been zoned for medium and high-density housing to allow a variety of homes that may be more affordable than the traditional single-family dwelling (low density). While housing is a provincial jurisdiction, the Town of Lunenburg wants to provide the opportunity for "missing middle" housing (duplex, townhouse etc.). The number of studios and 1-bedroom units versus 2-bedroom and 3+ bedroom units in each design option match the projected needs identified in the Town of Lunenburg Municipal Housing Needs Report.

How many homes might be built? How many people could live there?

The design options include between 170 and 368 dwelling units, many of which are in one building, so the number of buildings is much lower. Blockhouse Hill could be home to approximately 570 to 1233 people. No building would be taller than 10.5 meters. That's about half the height of Theresa E. Connor.

Is this project allowed? Wouldn't it require policy and by-law amendments?

The design options are possible with no policy or by-law amendments. Each design option meets the Town's planning and public safety requirements.

How can we know a developer will build what Council votes on?

Drafting development rules is part of MacKay-Lyons Sweetapple's contract. These rules could form a development agreement or restrictive covenant matching Council's chosen design option. Both development agreements and restrictive covenants can be attached to the land title, meaning they are binding on subsequent property owners. This ensures that the obligations and restrictions apply even if the property changes hands. Both can be enforced through legal action.

Are we losing the park?

Sylvia Park? No. None of the four design options include developing Sylvia Park or the Campground. Option 1, which has the most housing, leaves 36% of the site as park, paths or unmanicured green space. Option 2 and 3 have 53% and 75% public green space, respectively. One design option is not proceeding with any development at all.

What about the campground?

None of MacKay-Lyons Sweetapple's Design Options touch the campground.

Is it possible to build roads on Blockhouse Hill?

Yes. All the streets in the design options meet engineering standards. Engineers have reviewed the designs.

What would development on Blockhouse Hill mean for our infrastructure, like our water, stormwater and sewer systems?

More people mean more water use and waste produced, and our systems would need upgrades to accommodate new residents on Blockhouse Hill. These upgrades and their costs are included in MacKay-Lyons Sweetapple's Visioning Report. The cost estimates provided have the developer carrying these costs.

What do Parks Canada and UNESCO think of the project?

Parks Canada has been informed. Staff have regularly updated Parks Canada on this project. The Town meets its UNESCO reporting requirements by keeping Parks Canada informed and providing additional information as requested. Both Parks Canada and the World Heritage Centre are aware of this project. Parks Canada decides whether the project should be referred to the World Heritage Committee for review.

Would development affect our heritage designation?

Blockhouse Hill is within the UNESCO World Heritage Site Buffer Zone of Old Town Lunenburg World Heritage Site. UNESCO's World Heritage Committee designates buffer zones to safeguard World Heritage Sites from detrimental development. Development is allowed in World Heritage Buffer Zones, and the lower slopes of Blockhouse Hill were zoned for residential development when the World Heritage Committee listed Old Town Lunenburg in 1995 and when the World

Heritage Committee created the Old Town Lunenburg World Heritage Site Buffer Zone in 2017. One of Canada's top heritage experts, Julian Smith, reviewed all the design options and argues they do not threaten the Town's UNESCO status in MacKay-Lyons Sweetapple's Visioning Report.

Are there artefacts on the site?

Davis MacIntyre & Associates, archaeological consultants, have confirmed the likelihood of L'nuk artefacts on the site is low. Some 19th and 20th century remains are present. Design Option 1 would require additional archaeological assessment and mitigation before it could proceed.

What's next?

There are still a lot of steps Council will take in considering the Blockhouse design options. They need to review the remainder of MacKay-Lyons Sweetapple's work, including development rules and design guidelines, and determine whether they want to put a development agreement or restrictive covenant in place to guide development. They also need to declare the land surplus and host a public information meeting before they can vote on selling any land on Blockhouse Hill for residential .

Resources

- The Visioning Report is available here:
<https://townoflunenburg.ca/current-projects.html>
- The Town of Lunenburg Municipal Housing Needs Report is available here:
<https://townoflunenburg.ca/town-of-lunenburg-municipal-housing-needs-report.html>
- The Comprehensive Community Plan is available here:
<https://townoflunenburg.ca/comprehensive-community-plan-ccp.html>