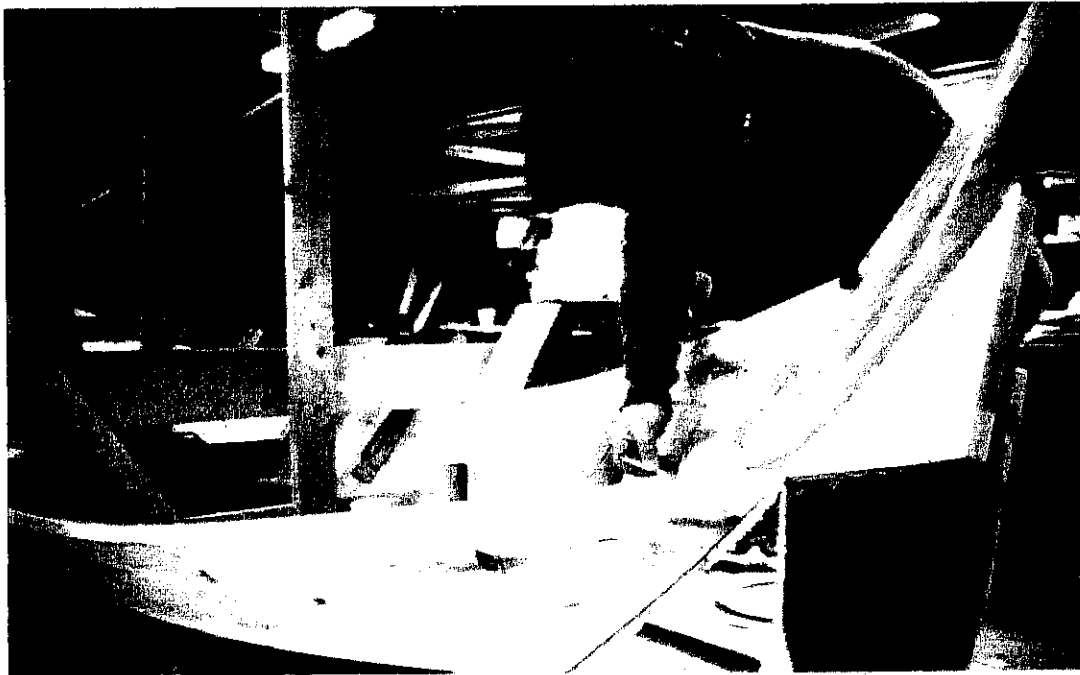


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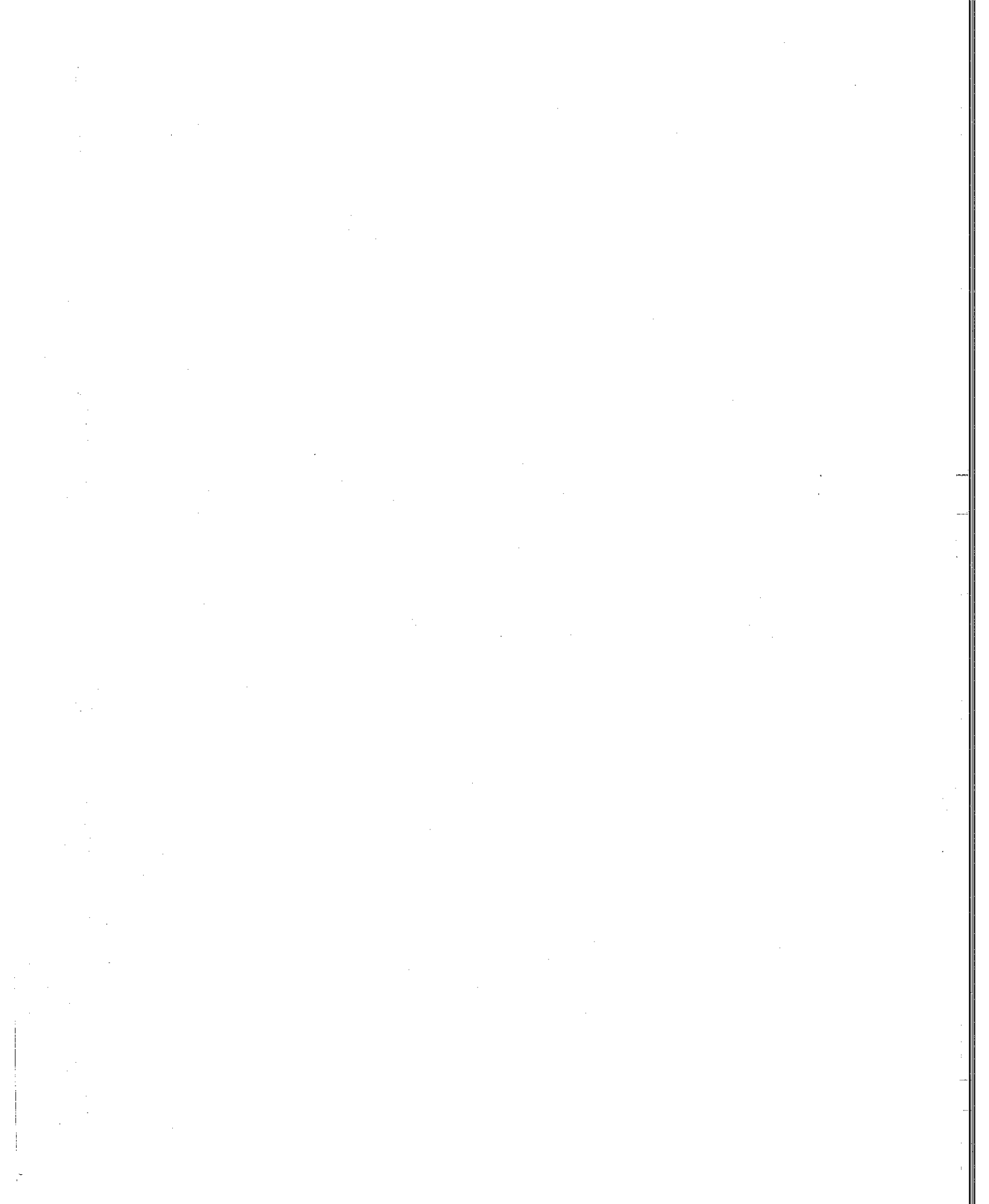
**Nova Scotia**

**World Heritage Community Strategy**



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Preservation Architecture and Planning

May 1998



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the  
Town of Lunenburg

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## PREFACE

The Random House Dictionary defines culture as *"the sum total of ways of living built up by a group of humans and transmitted from one generation to the other."* All townspeople must be committed to common goals or these visions will not be achieved. The participation of all interests and segments of the community is a fundamental element in the interwoven tapestry that this Lunenburg World Heritage Community Strategy necessitates.

Lunenburg is a community at a crossroads. Traditional industries based on the fishery and the sea, which constitute much of the town's traditional economic base, are under pressure and experiencing stress. Unplanned-for tourism is beginning to change the face of the town and re-direct its economy. The social fabric is changing. The future is uncertain. If left unchecked, these pressures will continue to bring change whether townspeople desire it or not.

The community cannot stop change from uncontrollable external forces, but it can influence change. If the community has a clear vision of what can be and what it wants to be, if it has a clearly defined game plan to pursue that vision and, most important, if it has a strong commitment to achieving the plan, then it can make a real difference to the kind of change that occurs. Instead of resisting change, the community must direct change. Instead of fighting inevitable declines from pressures beyond its control, the community must replace them with new initiatives that can grow and prosper.

In Lunenburg, the heritage of the community includes both economic and cultural aspects. To successfully plan for conservation, all parties must be included. Cultural interests must be involved in guiding commerce towards acceptable goals. Commercial interests must be satisfied that cultural interests will not unreasonably restrict their economic freedom, and will greatly improve business. Inevitably, there are differences in the outlook in any community. Only by including these interests in planning can the inter-relationships be handled. Only when people work together for the betterment of the common good can they appreciate the needs of a total commitment as opposed to their individual needs. Only then can compromise take place. Without compromise, there can be no plan.

It is not the inclusion on the World Heritage List that will make a difference in Lunenburg; it is the desire of the community to take advantage of this opportunity. World Heritage Listing can be a powerful tool for sustainability, or just a footnote in a promotion pamphlet. At the same time, the people who live here and who collectively helped shape this Community Strategy are the ones who will benefit most from it.



It is important to note that there are projects that the town must accomplish in order to begin to focus on the implementation of the strategy. The most important task is the cleanup of the harbour. Without this action, little in the strategy and its heritage management and economic recommendations can be started. Other considerations that must get attention are the adoption of the proposed Heritage District By-laws and Design Guidelines. This and other recommendations accompany the strategy.

This document recommends a strategy with heritage conservation goals and economic partnerships. It spells out two community umbrella organizations that, in tandem, would partner with the Town and with the townspeople at large. Their role is to work with other private and government organizations on a variety of issues. These include the Lunenburg Heritage Society, the Fisheries Museum of the Atlantic, the Bluenose Preservation Trust, the Lunenburg Academy Foundation, the Board of Trade, the Business Association, and Tourism Lunenburg, among others.

In addition to management mechanisms already in place, the strategy recommends their strengthening and ways to strengthen these governances. This includes giving technical advice, support, and educational opportunities for cultural resources and new and already established businesses and industry.

The recommended initiatives will assure that the quality of life will improve by using the inner resources of all residents, including seniors, youth, and young families. Future directions of the economy will achieve strength and sustainability by addressing the existing marine enterprises of the town, while focusing industry and businesses as partners in community culture. New opportunities for eco-tourism and cultural tourism can combine with products of Lunenburg to create a world-class destination by addressing the market side of heritage management and interpretation. Together with the cooperation of the townspeople, the Community Strategy will truly develop a memorable visitor experience, while providing the funding to physically preserve Lunenburg. The relationship between tourism and business is inseparable for producing the expanded seasons for sustained tourist economy.

The first sections of this document contain new ideas, recommendations, and scenarios for the community to use. The later sections contain a short and long-range Marketing Plan, recommendations for the physical side of planning - a "Blueprint for Cultural Tourism", and possibilities for funding to implement the strategy. Also included as a reference are examples of corporate by-laws for non-profit and for-profit organizations that other heritage sites have used successfully.

Roy Eugene Graham, FAIA

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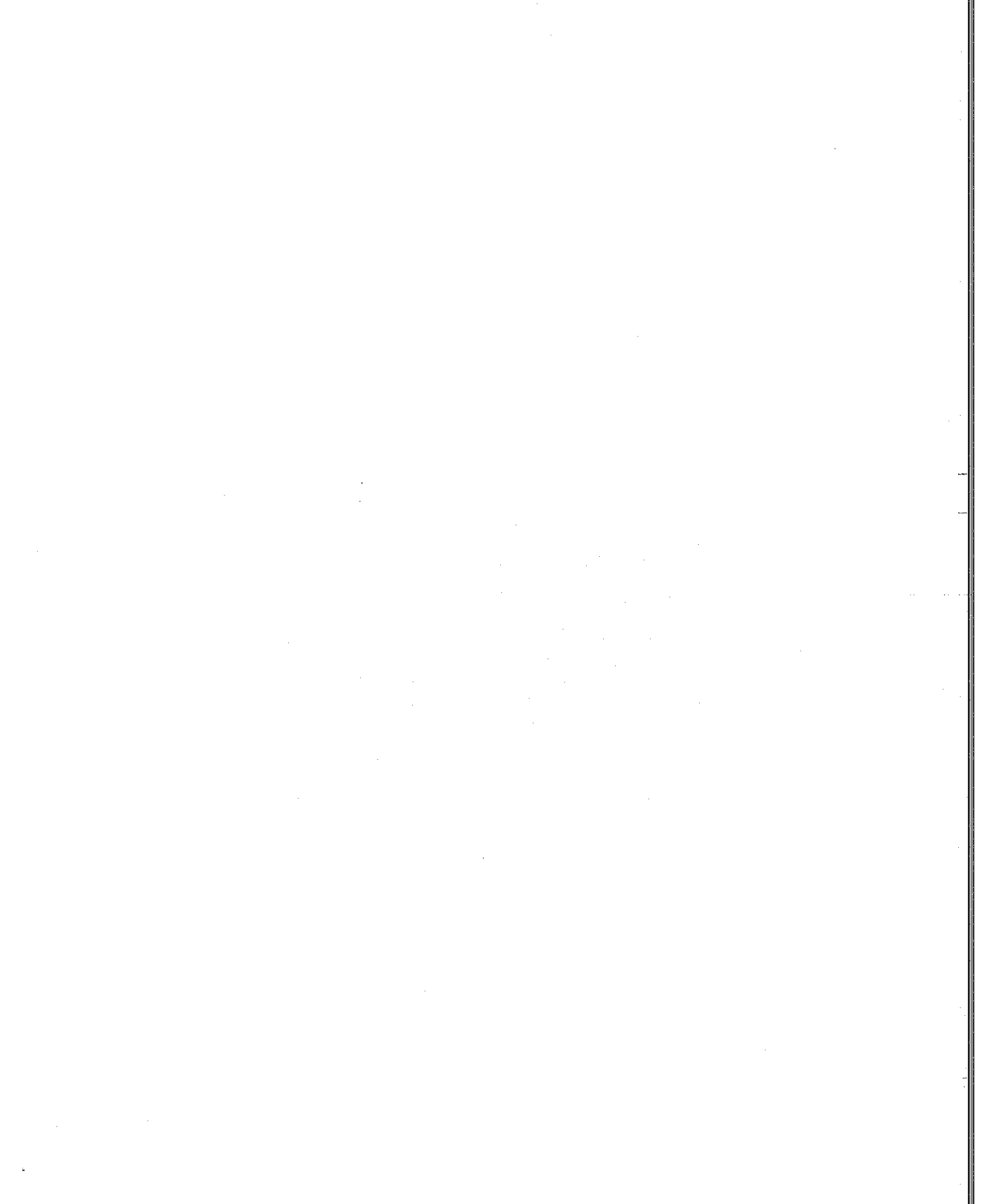
Photograph credits go to Susan Buggey, Gordon Fulton, Chris Reardon, Roy Graham, and the Canadian Inventory of Historic Buildings.

# **PART ONE**

## **Opportunity & Challenge for the Lunenburg World Heritage Community**



**A clean harbour is mandatory before this strategy can be realized.**



## **1.0 BACKGROUND**

In December, 1995, the UNESCO World Heritage Committee designated Lunenburg's historic Old Town area as a World Heritage Site. In applying for the designation with the encouragement and assistance of the Department of Canadian Heritage - Parks Canada, the Town Council was aware that World Heritage Listing presents the community with tremendous opportunities for new economic development through international marketing, increased tourism, new cultural industries, and rejuvenation of local business and industry. At the same time, it presents the town with the considerable challenge of protecting the heritage character on which the World Heritage Listing is based, and assuring that new development and increased tourism will not diminish the community's integrity, both as a place to live and as a cultural site of international importance.

This report was commissioned to develop a strategy for meeting these opportunities and challenges.

### **1.1 Terms of Reference**

The report is framed by Terms of Reference which were developed by the Town and which identified the purpose of the study as follows:

1. To analyze the impact of World Heritage designation on the town's infrastructure and the life of its residents, recognizing that increased tourist visitation will affect community life.
2. To set general policy for managing the nature and requirements of tourism in Lunenburg.
3. To develop a strategy for managing the community as a World Heritage Site over the next 10-15 years.

In addition, three categories of issues were to be addressed, as follows:

#### **1. Cultural Resource Management**

- a) Analysis of the roles of the Town's Municipal Planning Strategy, Land Use Bylaw and draft Heritage Conservation District Bylaw in cultural resource management, with recommendations for any necessary changes.
- b) Identification of possible partners on cultural resource management and the type of assistance such partners may provide.
- c) Identification of sources of information or possible mechanisms for assistance to property owners, craftsmen, and tradespeople in maintaining or restoring their properties.
- d) Suggestions for programs to increase awareness of the importance of cultural resource management in the World Heritage Site.
- e) Identification of ways to increase co-operation between community organizations concerned with cultural resource management in the town.

## **2. Tourism Development and Marketing**

- a) Development of a Tourism Marketing Strategy for the next 3 to 5 years.
- b) Identification of funding sources to assist with implementation of the Marketing Strategy.
- c) Identification of opportunities for linkages with other tourism promotion programs either in place or under development by other government or non-government bodies.

## **3. Community Development**

- a) Identification of ways to increase tourism while preserving the qualities that led to the World Heritage designation.
- b) Identification of ways to maintain appropriate levels of service to the local population and ensure the long-term viability of the downtown area in an environment of increasing levels of tourism.
- c) Identification of a process to balance the cost of improvements to infrastructure required for tourism development against the concerns of residents regarding tax increases and scarce public funds.
- d) Analysis of the long-term impacts of an increasing number of seasonal residents on town infrastructure and services with recommendations for possible solutions.
- e) Analysis and proposed solutions for the problem of an increasing proportion of seasonal, tourism-related jobs in the town's economy.
- f) Identification of ways for Town Council, community organizations, and business groups to work together for long-term community sustainability.
- g) Analysis of the effect of changes resulting from World Heritage designation on the youth of the town and the effect that it may have on the ability of the town to attract young families.

### **1.2 Community involvement in formulation of strategy.**

Although written by the consultants with benefit of their experience in other World Heritage Sites and major tourism destinations, this strategy effectively belongs to the Lunenburg community, having been developed through a lengthy process of community consultation in workshops, public meetings, and interviews with community leaders, business people, and government representatives. Throughout the consultative process, the primary concern has been to ensure that the strategy reflects the community's understanding of itself and its visions for the future.



## 2.0 IMPLICATIONS AND RESPONSIBILITIES OF THE WORLD HERITAGE DESIGNATION

Prior to its inclusion in the World Heritage List, Lunenburg was already recognized as important from a heritage point of view within Canada. However, the awarding of World Heritage status has put it in a completely different league, which has implications across a wide range of areas in the management and promotion of the town. The very fact that this strategy has been commissioned is recognition of the community's desire and need to plan carefully for the uncertainties and potential pressures ahead. Lunenburg stands poised at the plate of a whole new ball game.

### 2.1 Participation in the World Heritage Convention

The World Heritage Convention came into force in 1975. Since accepting the Convention in 1976, Canada has played a conspicuous leadership role in its implementation and has always participated enthusiastically in international conservation agreements. Participation in the Convention has been the cornerstone of Canada's international environmental foreign policy for nearly a quarter century. By enabling the placement of Lunenburg on the World Heritage List, Canada has guaranteed the conservation of the historic resource and is therefore responsible for its maintenance to the principals of preservation agreed upon in the listing.

- **Canada's prestige.** The widespread acceptance of Lunenburg's World Heritage nomination and subsequent listing is a continuous advertisement of Canada's global influence in the field of heritage conservation. Canada's honoring of the agreements involved in listing ensures that these ideals continue to extend their reach -- on par with that enjoyed by the Taj Mahal, the Great Wall of China, Edinburgh, the Alhambra, Independence Hall and the Vatican City, to name a few.
- **Canada's pledge.** Under the World Heritage Convention, each nation nominates its own most important natural and cultural sites and pledges to take the necessary steps to preserve and protect them under its own legal systems. The Convention defers all land-use and development decisions to the applicable management entity within federal, provincial, or local government jurisdiction, or to private property owners, subject to the domestic laws in place. World Heritage designation does not add any legal restrictions on land-use or development that are not already in place before or enacted by the applicable management entity after the designation. The Convention has no role or authority beyond listing. Lunenburg's maintenance on the World Heritage List is up to Canada, Nova Scotia, and Lunenburg.
- **Partnerships.** In many countries, listed sites have been embraced as value-added designations, increasing partnership among federal, state and local governments and private property owners for mutual benefit. They have additionally contributed to notable increases in international tourism, especially vital to local and national economies, and have fostered research on important legal, educational, and environmental issues.

## **2.2 Anticipated Effects of World Heritage Listing**

The effects of World Heritage Listing are varied all over the world. No single site elsewhere necessarily exhibits the same characteristics as Lunenburg. In addition, the effects of World Heritage Listing have never been comprehensively analyzed. Many World Heritage sites, including the ones mentioned above, already drew substantial visitors before their designation. Nevertheless, drawing from an overview of other World Heritage Sites, and major historic sites in general, the effects of World Heritage Listing could include:

### **2.2.1 Increased visitation**

The recently completed Canadian Domestic Tourism Report indicates that 31% of Canadians visited an historical site on their most recent longest trip, 33% visited small towns and villages, and 25% visited open-air museums. As well, 75% of Canadian pleasure travellers expressed an interest in taking a history/heritage trip in the next two years.

A report to the US Congress stated that between 1990-1995, visitation to World Heritage Listed National Parks increased 9.4% as opposed to 4.2% for all parks. A significant part of this increase is derived from more international tourism. It is also worthwhile to note a Travel Institute report which mentioned that visiting historic sites is just one of the cultural traveller's activities: 72% say their main reason for taking a trip is entertainment; 45% say their favourite activity is shopping.

A 1994 study by Lord Cultural Resources Planning and Management, a Toronto-based consulting company, shows that 15% of tourists are motivated primarily by culture, 30% partly by culture, and 15% see cultural opportunities as an adjunct to their travel. In total, 60% of tourists are seeking a cultural experience.

For Lunenburg this will mean:

- Heavy environmental demands such as sewage and solid waste disposal including the most pressing requirement for immediate and complete harbour cleanup.
- Need for clearer and better planned routing of visitor's through the town.
- Additional parking and traffic requirements especially at the height of season.
- Many visitors arriving by private car and staying for 1-3 days.
- More motorcoaches not spending more than 1 day or 1 night in the area.
- Growth in tourist gift shops, coffee shops, etc.
- Pressure from franchise and out-of-town entrepreneurs.
- Need for user-friendly information on Lunenburg and its history.
- Congestion in the busiest parts of town.
- Need for readily accessible public facilities such as toilets, etc.
- Potential of resentment building up between locals and visitors.
- More investment in shops and homes.
- New income which can be used for restoration, streetscape and environmental improvements. projects.
- Increase in entertainment-oriented businesses.

- Need for recreational facilities.

### **2.2.2 Inflow of foreign visitors.**

World Heritage designation makes it more likely that foreign visitors, especially those with specialized interests, will learn about and consider visiting Lunenburg.

Grand Canyon National Park, where foreign visitation is roughly 40%, reports that foreign visitors respond more readily to the World Heritage Designation than to the "national park" term. Given that the total economic benefit of Grand Canyon to the surrounding region is estimated at US \$350 to \$700 million a year, the impact of the World Heritage designation is clearly salutary there.

The Wrangell-St. Elias World Heritage Site on the Yukon/Alaska border reports that an increase in foreign visitation from Europe, currently at 10%, may be due to its world heritage designation. Beyond visitation, the listing of this site, along with nearby Glacier Bay, led directly to international cooperation on mountain rescue and in managing traffic, travel, and rescue operations on the Alsek River.

The Town of Lunenburg will be similarly enhanced because it is now recognized as one of the world's most significant cultural resources, and will benefit from related world-wide cooperative and research efforts which will come with such recognition.

For Lunenburg this will mean:

- Pressure for high quality maintenance of the historic site and high expectations by visitors who have been to other world-class tourist destinations.
- A need for accessible, user-friendly information on the story of Lunenburg.
- A need for clear, concise signing and information for visitors both in and around the town.
- A need for a more comprehensive learning experience.
- Broadening the shoulders of the tourist season.
- Possibilities for foreign investment.
- Increased opportunities for world partnerships.
- Demand for quality gift items.
- Need for foreign exchange facilities.

### **2.2.3 Tourists will tend to stay longer and spend more .**

The Travel Industry Association, in a recent report cites that about 65 million Americans visited historic sites in 1996. In Canada, the Department of Canadian Heritage reports total visitation to its National Historic Sites of 9.5 million in 1996/97 with 1.8 million of these visits occurring in Atlantic Canada. The twelve National Historic Sites in Nova Scotia received about one million visitors in total.

The Travel Industry Association report also indicates that those who visited historic sites spent an average US \$688 per trip and those who attended cultural events spent US\$557 per trip, compared with US\$424 for all U.S. travellers. Moreover, travellers interested in visiting heritage

sites averaged 5.2 nights away as opposed to 3.3 nights for the regular vacation traveller. As compared with 42% of regular travellers, over 61% of heritage travellers book hotels, motels or B&Bs.

For Lunenburg this will mean:

- Need for accommodations which have facilities for longer stay - kitchenettes, storage, etc.
- Need for variety of eating establishments.
- Need for more visitor activities.
- Need for long-stay parking facilities.
- Need for convenient banking facilities.
- Increased pressure to tell visitors more about the special "stories" of Lunenburg.
- Need for more children's activities.
- Demand for more support facilities, e.g., babysitting, laundry, auto service, boat service, etc.
- Opportunities for off-season activities.

#### **2.2.4 There will be many new initiatives brought forward by the community.**

The World Heritage Listing has already put new energy into the community, and it can have a positive and important result in improving quality of life for residents. If carefully channelled, it can draw new economic resources - new business and new visitors - to revitalize the town.

For Lunenburg this will mean:

- There will be more community participation.
- There will be new impetus and need for the community to work together.
- Pressure for like-minded institutions to consolidate.
- Ideas such as the marine industries consortium will be proposed (see section 7).
- Need for public forums on conservation, heritage by-laws, etc.
- Need for training in business and promotion.
- Need for a non-governmental coordinating body.
- Need for partnerships to capitalize on opportunities.
- Pressure on zoning, building permits, etc.
- Banding together for common interest and goals.
- Initiatives will have to be planned carefully for inclusion in the overall scheme.

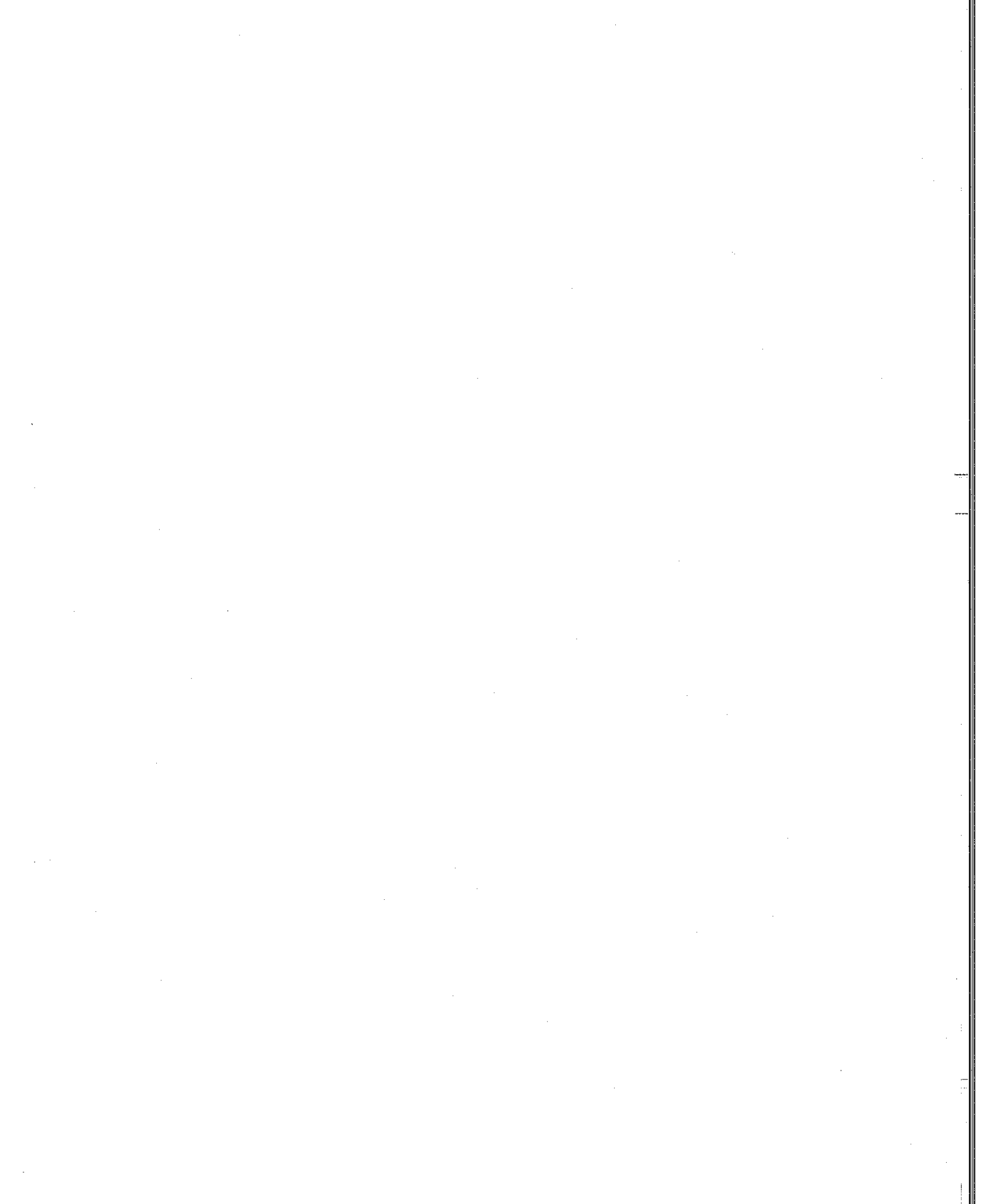
#### **2.2.5 Property values will increase.**

There are practically no instances where properties do not retain their value, if not substantially increase in value, when a community is given a designation for heritage preservation. Since Lunenburg has received international recognition for this attribute, it would be highly unlikely if property values in and around the community do not increase substantially in the next 5-10 years.

For Lunenburg, this will mean:

- Potential increase in taxes.
- More investment in real estate.
- More seasonal residents.
- Increased demand for services.
- More speculation from outside the community.
- Need to enforce building regulations.
- Burdens on residents with limited income.
- Pressure to change the population mixture (less children, less seniors, etc.)
- Loss of open space.
- Greater pressure on the harbourfront.
- Potential of conflicting uses.
- Conflicting objectives of preservation vs. real estate.
- Loss of local community character.
- Need for tax benefits, willingness to exempt property from the tax rolls.





### **2.2.6 The number of “cooks in the kitchen” will increase .**

The World Heritage designation will attract many individuals, government agencies, and corporations who will be interested in becoming involved in the town. Most of these are well meaning but some will come just to "get on the band wagon." Federal and provincial agencies as well as private groups have already begun to work on their own specialties in regard to the Lunenburg historic area.

It is extremely important that all future planning for any aspect of the town be done in coordination and partnership with the town council and accomplished by professionals who have demonstrable experience in historic preservation.

For Lunenburg, this will mean:

- Need to strengthen communication among interested groups.
- Need to coordinate formal tourism planning and heritage resource management.
- Need to adopt and enforce appropriate ordinances and review procedures.
- Unrelated government activities can complicate cultural tourism management.
- Need for coordination of activities between governmental agencies at all levels.

### **2.2.7 Gouvernment assistance on all levels will be required.**

While Lunenburg stands to gain tremendously from World Heritage Listing, it will become subject to many pressures that will stretch its resources to the limit. At the same time, the potential economic benefits of the listing extend beyond the town into the province, the maritime region, and Canada as a whole through increased opportunities for international tourism promotion and visitation. Preservation, conservation, and enhancement of Lunenburg's heritage is therefore a provincial and national issue as well as a local one.

This will mean:

- Need to maximize federal and provincial government assistance and participation through existing programs.
- Need for federal and provincial government programs, including tax incentives, specifically tailored to the unique situation of Lunenburg as a World Heritage Site.

## **3.0 COMMUNITY INPUT**

### **3.1 Special Places Survey**

In the preparation of this strategy, the community was asked to express its ideas in a variety of ways. In early May, 1997, a Special Places Survey was carried out door-to door by students at Lunenburg Junior & Senior High School, the Boy Scouts, and the community-based, young people's group RIFFS. Citizens of all ages were asked to locate their "special place" in the town - the place in Lunenburg that has special meaning for them and that they would like to see preserved despite whatever changes might occur around it. The survey was designed to get the community thinking and talking about development and conservation in the town, and was a way of introducing the consultant team to what citizens consider to be the heart and soul of the community from a physical and symbolic point of view.

The survey generated over seven hundred responses. Overwhelmingly, people of all ages thought that the Lunenburg Academy was the most special place in town. Many others cited Blockhouse Hill, the waterfront and the harbour, the Fisheries Museum, and the Golf Course. Many identified particular shops, restaurants, recreational facilities, and other outdoor places. Significantly, a large number of respondents identified their favourite place as "my home".

### **3.2 Strengths, Weaknesses, Opportunities, Threats.**

In addition, several charettes (community work sessions) were held to gather ideas about the future of the Town as a World Heritage Site and gain a sense of the strengths, weaknesses, opportunities, and threats (SWOT) that have a part to play in moving towards that future. Meetings were held over a two-day period in late May, 1997 at Harbourview Haven Senior Citizens Home, the Lunenburg Academy, and a vacant downtown storefront. The ideas generated at these sessions are listed below:

#### **3.2.1 Strengths**

- Lunenburg is a safe place to live, work, and play, with a low crime rate.
- Everything is within walking distance.
- The community has a strong heritage, both of the sea and the town.
- There is a strong sense of social cohesion and connectedness in the community.
- Friendliness & neighbourliness.
- Many people are willing to volunteer.
- Sense of community.
- A quiet town.
- Generous townspeople.
- Sense of history.
- German heritage.
- Good volunteer fire department.
- Come from aways with new ideas and skills.
- Unique people/unique culture.
- Strength of the small community.
- Good work ethic.
- Community pride.



- The town still has two schools.
- The town still has a hospital.
- It's a friendly place.
- Good local newspaper.
- Excellent protective services.
- Good community art gallery and library.
- The churches well maintained.
- Religious tolerance and co-operation
- Good facilities and programs for elderly people and veterans.
- Good water supply and electrical service.
- The town is a centre for genealogical research - many people looking for roots.
- Lunenburg is beautiful.
- Great views in and out of town.
- Architecture.
- The Academy
- Blockhouse Hill
- The Museum
- The Blacksmith's Shop.
- The skyline.
- The paintwork and colours of buildings.
- Lots of trees and greenery.
- The churches.
- Consistent scale and character.
- The Dory shop.
- Three sail lofts.
- Antique shops.
- Working waterfront.
- Golf Course
- The spaces between buildings are very interesting and attractive.
- The town is kept pretty clean and shipshape.
- Varied coastline.
- Diversity of nearby places.
- Good climate.
- Sound of the foghorn.
- The Bluenose.
- Home of Bluenose II.
- Tall ships visit and can get serviced.
- Shipbuilding and ship repair skills.
- The town has two harbours, front and back.
- Availability of pleasure boating.
- The town is attractive to cruise ship visitors.
- The town is attractive to yachtsmen.
- Real contact with the working waterfront and the sea.
- The fishing industry.
- Proximity to Blue Rocks and other interesting nearby places.
- Good area for cycling.
- Lots of scenic viewpoints.
- Affordable recreation facilities.
- Good sports facilities.
- Good walking trails.
- Passing down heritage.
- Festivals.
- Artistic community.
- Creativity of local artisans.
- The French cemetery.

- High profile town.
- Good location near Halifax.
- The new theatre and the Opera House.
- Good location for movie making.
- Lunenburg is a good place for photography, especially at night.
- The underwater park and attraction of scuba diving.
- Lunenburg County is the Christmas Tree capital of the World.
- Good foods, including sauerkraut and jellies.
- Good tourist information.
- Modest community.
- Good bagel maker.
- Interesting, interested people.

### 3.2.2 Weaknesses

- Difficult and costly to reach from the United States.
- Creeping commercialism.
- Crass commercial alterations to heritage buildings.
- Not enough places for teenagers.
- Increasing assessments.
- Sewage in the harbour.
- Traffic and parking problems in the tourist season.
- Shortage of public washrooms.
- Limited bedspace (existing accommodation are mainly b&b).
- Lack of communication between groups - need for central point.
- Cliques.
- Parochialism - no strong links with other places.
- Noise and air quality in tourist season.
- No accommodation for tour busses.
- Cannot take a small conference (not appealing groups).
- Too many organizations marketing tourism.
- Lunenburg hard to deal with in tourism industry circles.
- Social division between locals and come from aways.
- Not enough town staff.
- Short stops for busses.
- Limited sheltered outside sitting space.
- Perception that everything is wrong.
- Too close to Halifax for overnight tourist stop.
- Climate.
- Off the beaten track.
- Telephone lines not up to date.
- Lack of good signage a problem for tourists.
- Two public wharves in poor condition.
- Volunteer burnout.
- Lack of parking, both in tourist season (crowds) and in winter (snow).
- Lack of communication between key sectors - fishing/retail/tourism.
- Apathy.
- Vacant storefronts/derelect buildings.
- Water pollution/sewage.
- Lack of jobs/for all/ especially young people.
- Overhead wires on Lincoln street.
- Better lighting for Lincoln street.
- Lack of long range plan for town.
- Too many organizations representing business.

- Leaders reticent to come forward to make changes.
- Community tourist oriented, but museum closes too early.
- Poor quality of streets and sidewalks.
- Inadequate public notification of what's going on in town.
- Young and old cannot afford to buy homes.
- Might lose hospital.
- Lack of marketing.
- Derelict/contaminated site near the foundry.
- Insensitive new architecture.
- Tight tax base and boundaries.
- No general store - need to travel for basic goods.
- No marina.

### 3.2.3 Opportunities

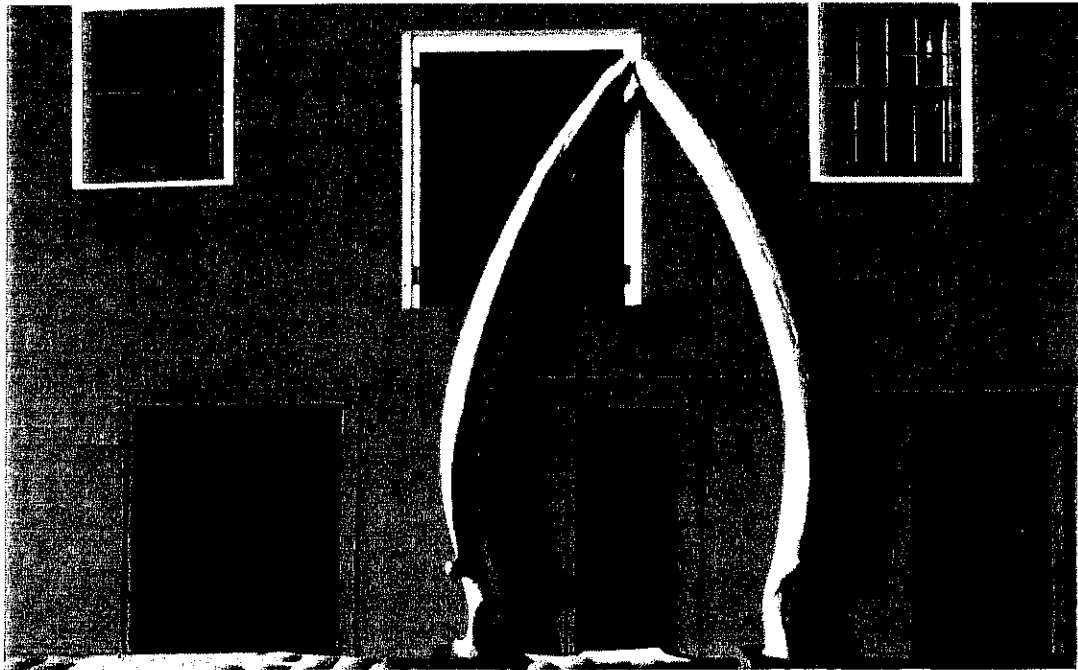
- Develop an events management office.
- Provide public washrooms.
- Promote the town over the internet/world wide web.
- Build a central visitor centre.
- Create better signage for drivers and pedestrians.
- Build a sewage treatment plant.
- Waterfront development.
- Attract people interested in genealogy.
- Attract more medium size cruise ships.
- Put on more walking tours.
- Put on more historic house programs.
- Pedestrianize some parts of the town.
- Make better use of theatre.
- Build an artist colony.
- Capitalize on the French Cemetery and the town's historic Acadian links.
- Put the old Armoury to better use.
- Develop yachting & marina services.
- Develop attractions with paid admission and special admissions packages, day passes, etc.
- Develop more guided tours.
- Start a local bus service to get people around town.
- Develop more evening activities (summer).
- Develop more boardwalks
- Develop more package tours of the town and area.
- Develop educational potential of the town's heritage.
- Create an ambassador program.
- Make more use of Back Harbour.
- Develop hiking/bicycle trails.
- Build a marina.
- Develop ice boating.
- Promote the rum running era.
- Organize a film festival.
- Make festivals and events more visitor oriented.
- Design a new parking/circulation regime.
- Make shopfront improvements.
- Enhance window displays/improve promotion techniques.
- Build a conference centre/visitor centre/education/learning programs.
- Market shipbuilding/ship repair/interpretation of marine heritage.
- Use the old fire hall as an interpretation centre/visitor centre/use the view from the roof.
- Build a scale model of the town.

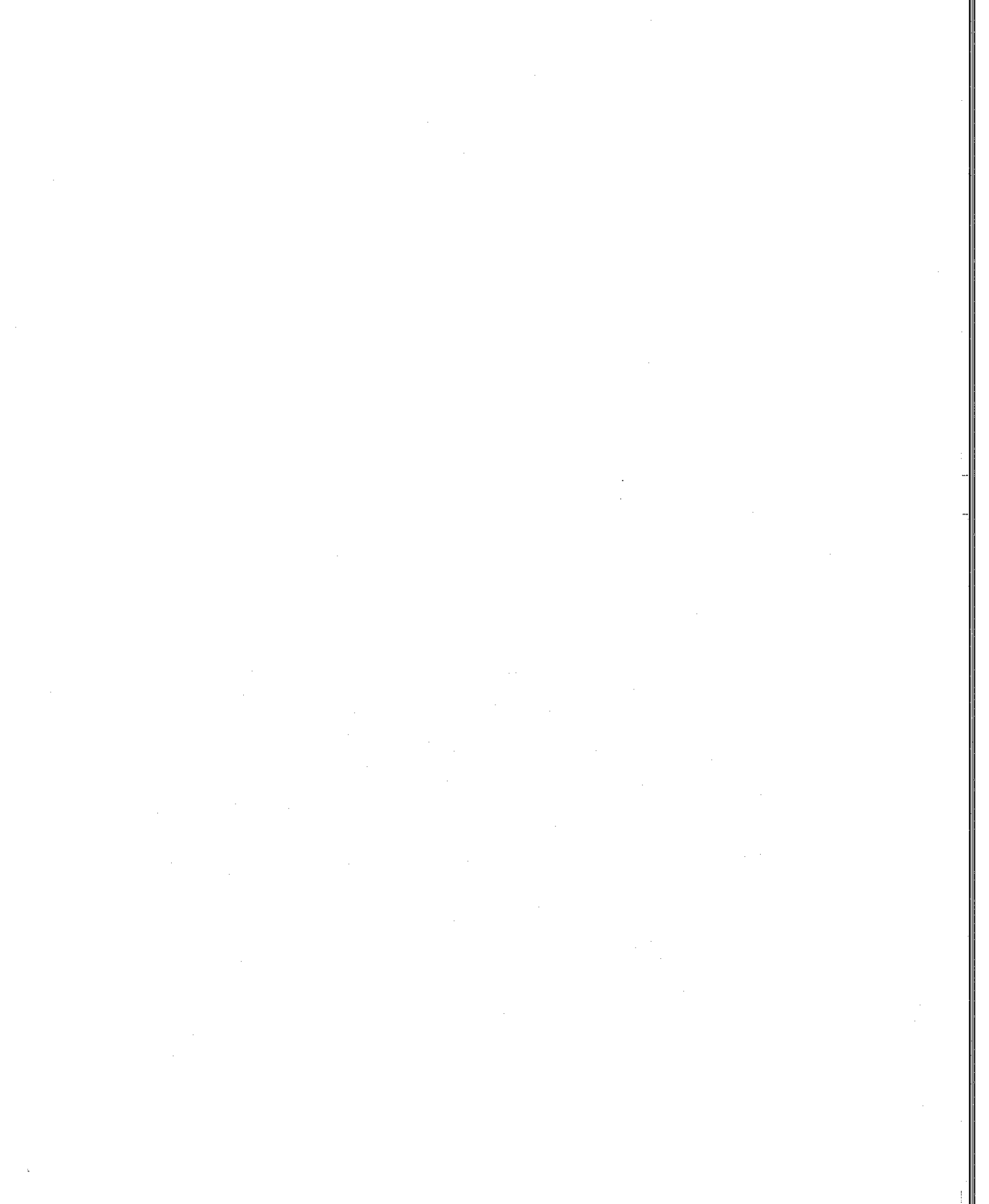
- Develop the retail and heritage interpretation potential of the Foundry.
- Improve the town's media profile through journals/press/films/TV.
- Develop partnerships with other communities.
- Lunenburg branding of goods, emphasizing craftsmanship and tradition.
- Develop business & tourism links with Scandinavia, U.K./Ireland, Germany/France/ Switzerland, Japan, U.S. (south and west), NAFTA countries.
- Develop awareness of Lunenburg in Germany.
- Develop an artists & artisans area - a visual focus/studios/sales.
- Extend the visitor season at both ends - get winter interest/keep the museum front door open.
- Build a small fleet of schooners for chartering.
- Develop the "wedding capital" theme.
- Develop boat building training/small boats/wooden boats.
- Develop training programs for film industry/architectural conservation.
- Emphasize marketing.
- Do an interpretation of Battery Point/Fort Boscawen.
- Develop an ESL/sail training combination package.
- Recognize citizens who have contributed to the community.
- Re-establish the schooner races.
- Build innovative housing
- Target businesses to move here e.g film animation companies.
- Start a house museum to interpret family life.
- Start a museum about the town/buildings/people.
- Build osprey nesting poles.
- Develop an exchange with Quebec City.
- Develop a sailing school for adults
- Bring in specialist services in the hospital.
- Develop programming and shopping for cruise ship visitors.
- Emphasize quality not quantity in tourism
- Target Germany/France/Switzerland - origins of Lunenburg settlers.
- Develop a place for tour buses/visitors.

### 3.2.4 Threats

- Young families will move out.
- Single elderly people will move out.
- Increase in traffic.
- Commercialism/tacky stores.
- Unfinished buildings.
- The wrong type of tourist.
- Increase in crime
- Inflexible planning regulations.
- All eggs in one basket (tourism).
- Tourism dies due to bad weather.
- Further decline of fishing industry / the fishery dies.
- Too much dependence on tourism - short season ... a volatile industry.
- Housing too expensive/gentrification.
- Loss of Lincoln Street businesses.
- Business gentrification towards falsified historical motifs

- Too many visitor impacts - no benefits.
- Not co-ordinating well with partners.
- Harbour does not get cleaned up.
- Risk of fire with volunteer-only fire department.
- Disaster/hurricane.
- Squeezing out Lunenburgers.
- Loss of trees.
- Too much litter.
- Cost of managing tourism.
- Squeezing out employees.
- Global warming/changing temperatures affecting cod regeneration.
- Not enough bed space.
- Harbour stays dirty/gets worse.
- Too much tourism/total reliance on tourism/ a summer only town.
- Tourism jobs seasonal/low pay/poor employment growth.
- Imbalance in age mix.
- Loss of school system.
- Loss of hospital.
- Municipal amalgamation.
- Running up a big municipal debt.
- Loss of government programs/grants .... cutbacks.
- Loss of doctors.
- Over-run by tacky tourism.
- Loss of social cohesion/uniqueness.





### **3.3 Community Visions**

At a later public meeting in August the opportunities and challenges outlined above were synthesized into five visions for the future of the town as a World Heritage Site. These are sketched below and articulated in more detail in later sections.

#### **Vision 1 - Renew and revitalize marine industry.**

The sea is the life blood of Lunenburg. There is a huge reservoir of marine-related skill and talent in the community, the legacy of generations of experience in shipbuilding, the fishery, and the marine trades. The town has a world-wide reputation which can be further capitalized upon and promoted utilizing the World Heritage listing, and the opportunity exists to stimulate and renew marine industry in partnership with new heritage-related initiatives. Ideas with potential for development in the new international marketplace include:

- Establish a consortium of marine businesses to develop and promote Lunenburg as a one-stop full service, international marine centre.
- Develop the Front Harbour into a world-class tallships destination.
- Develop the yachting potential of the Front Harbour.
- Joint ventures with other marine communities - local, regional, and international.
- Demonstration shipbuilding.
- Marine skills instruction.
- Wooden boatbuilding/shipbuilding school/learning vacations.
- Develop/promote races and other marine-related events.
- Renew/expand the Lunenburg - Gloucester connection.
- Boatshows.
- Marine tours and cruises - the harbour, the islands, the coast, the banks.
- Marine industry tours of shipyards/foundry/fishplant.
- Combination tours - marine industry /architecture/history/recreation.
- Develop and promote the Back Harbour for small boat recreation.
- Develop marine recreation/kayaking/diving/whalewatching/sports fishing.

#### **Vision 2 - Develop tourism as a sustainable industry.**

While contemporary tourism development has benefitted Lunenburg, in its present form it is a seasonal, high impact, relatively low yield industry. The opportunity offered by World Heritage designation is to transform tourist visitation into a longer stay, high yield, low impact, maximum benefit, full-time, multi-season industry. This can be achieved by:

- Attracting targeted clientele.
- Introducing high yield products with international market potential
  - world class visitor experience
  - learning vacations
  - focus on quality
  - visitation packages
- Managing tourism activity
  - visitor circulation, parking & tour bus routing
  - visitor orientation
  - interpretive activities
  - special events
  - children's programs

- co-ordinate/expand/enhance events/festivals.
- Developing attractions, products, and packages to extend visitor season.
- Developing tourism links & partnerships with other World Heritage Sites.
- Marketing world wide.
- Protecting heritage resources to maximize product quality.

### **Vision 3 - Establish a World Heritage Institute.**

World Heritage status combined with the wealth of talent, resources, and skills in Lunenburg presents a unique opportunity for the community to become a centre of heritage arts education in an international marketplace. This also presents new opportunities for local citizens of all ages to be involved as students, teachers, and facilitators. The vision of Lunenburg as a heritage arts education centre includes:

- Learning vacations.
- Conference centre/hands-on centre/working laboratory for
  - heritage interpretation
  - architecture and planning
  - restoration technology
  - marine-related training
  - recreation planning/training
  - hospitality training
  - media arts/film/video training.
  - craft skills/boatbuilding/woodworking/ceramics/metalwork/fine arts.
- Links with other institutions, universities, colleges, museums, seminars, credit courses, etc.
- Historical research - settlement, fisheries, architecture, trades, domestic life, crafts, etc.
- Extension of Fisheries Museum programs.
- Long distance learning.
- School programs.
- Genealogy.
- Education & jobs for local people.
- Use and restoration of Old Town heritage buildings, linked as a campus.

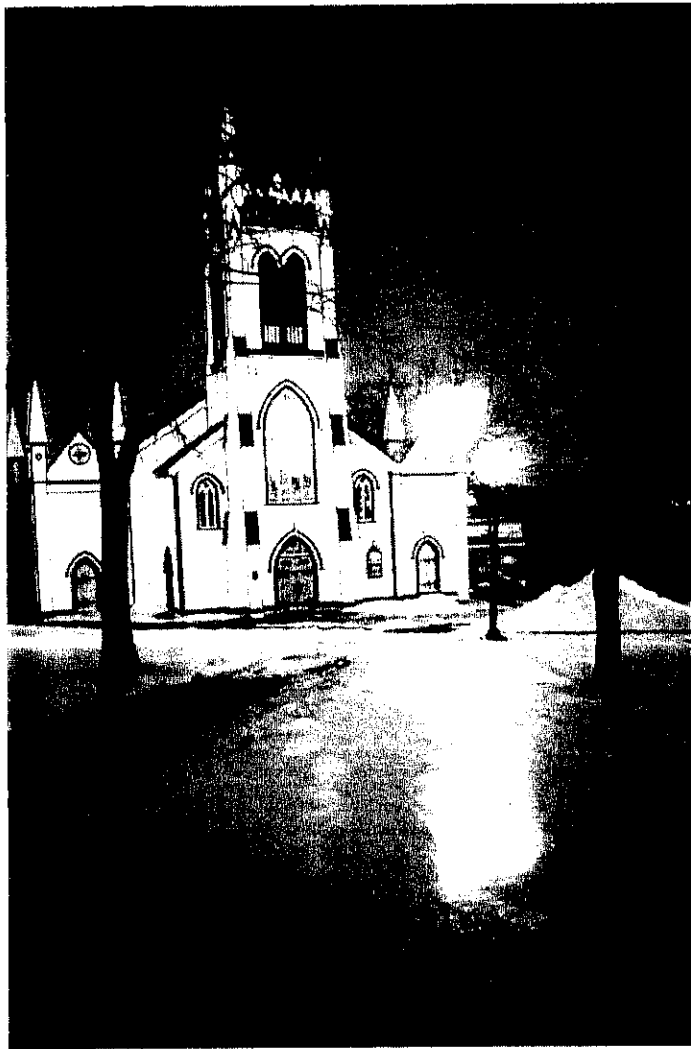
### **Vision 4 - Develop heritage products as a new industry.**

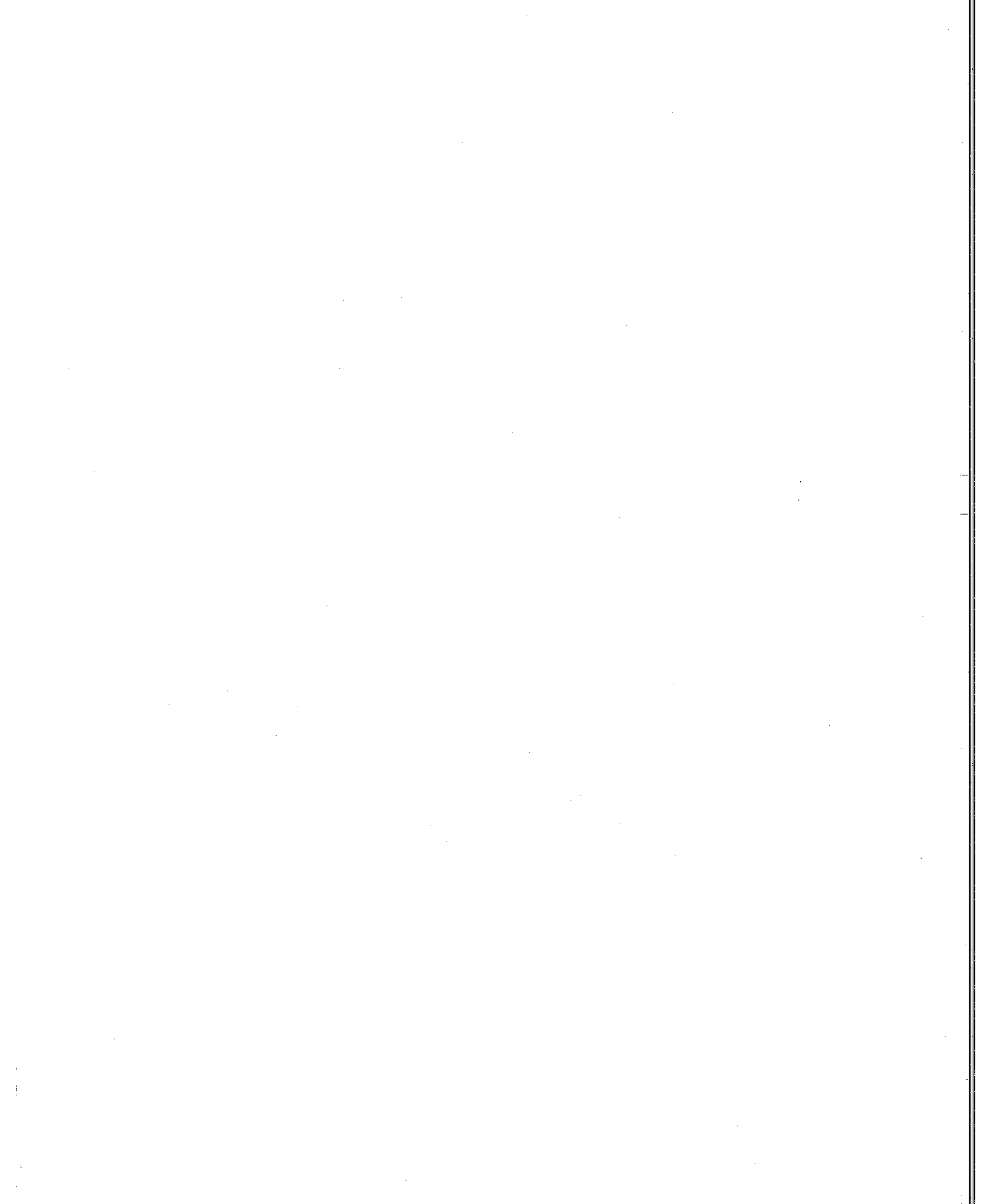
Lunenburg has a solid reputation as a centre of craft production. The marketing potential of World Heritage Listing provides the opportunity to expand and transform craft production into a highly profitable, sustainable economic generator benefitting the entire community. The vision includes:

- High quality crafts - heritage crafts and contemporary crafts.
- Licensing and quality control.
- Royalty retail.
- Lunenburg Branded products.
- Active craft production at strategic sites throughout the town.
- Full scale, reproduction ships and boats at the shipyards and the museum.
- Marine crafts - forge, foundry, ships models, sails, rigging, scrimshaw, etc.
- Traditional Lunenburg specialty foods/ culinary craft/dining experience.
- Film/video/media products.
- Guidebooks and themed heritage literature.
- High quality souvenirs.



- Furniture/Johnny Young chairs.
- Heritage house plans.
- Historic building products and information.





## **Vision 5 - Ensure the long term sustainability of Lunenburg for Lunenburgers.**

It is essential that Lunenburg remain a vibrant, affordable, living community. It has been the experience of many high profile, historic tourist destinations elsewhere in the world that unmanaged increases in visitation can overwhelm traditional community lifestyle. The challenge is to ensure that this will not happen in Lunenburg. The vision of sustaining a quality life for Lunenburg residents includes:

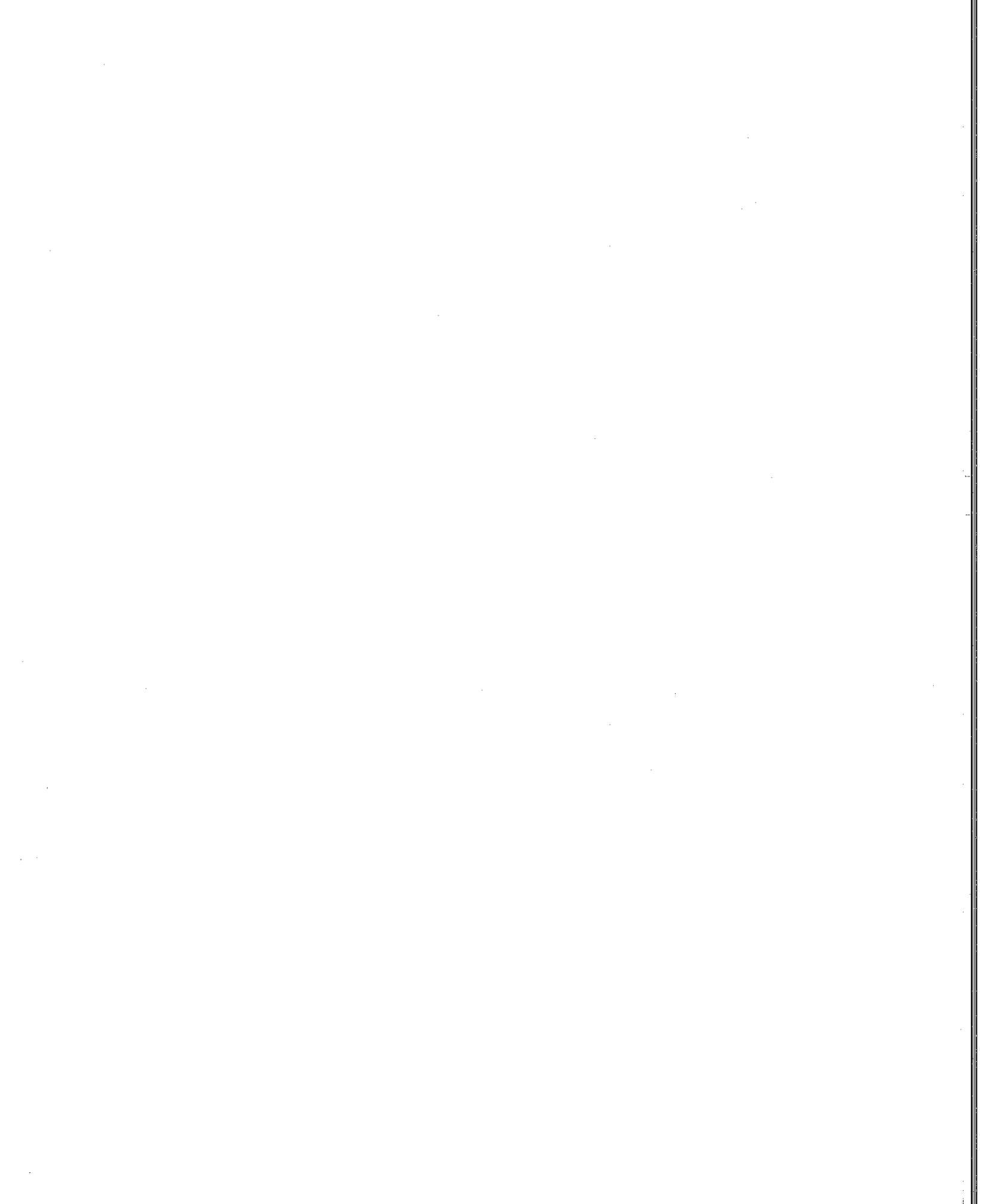
- Managing tourism to maintain and improve the quality of life.
- Maintaining affordable housing - minimizing property tax increases.
- Sustaining and retaining local commercial services.
- Retaining local schools and medical facilities.
- Controlling visitor traffic and parking.
- Using zoning strategically to protect residential amenity while broadening and enhancing visitor experience.
- Providing better jobs for citizens of all ages in a re-directed economy.
- Training local citizens for new jobs in marine/heritage/tourism industry.
- Developing awareness, assistance, and incentive programs for heritage preservation.
- Incorporating newcomers into the community.
- Ensuring crowd control and safety at special events and festivals.
- Developing programs for lesser impact, longer stay, higher yield tourism.
- Conserving built heritage and cultural heritage for benefit and quality of life of residents.

When asked to prioritize these visions, citizens present at the meeting unanimously agreed that Vision #5 - Nurturing Lunenburg for Lunenburgers - took the highest priority, with the other four holding an equal but subordinate place.

### **3.4 The need for action**

The overwhelming message that came from the community work sessions was that citizens wish to benefit from World Heritage Listing but do not wish to lose the town to a kind of tourism that diminishes the integrity and liveability of the community. Instead, they wish to carefully utilize the potential of World Heritage Listing to revitalize the town's economy in a manner that enables the community to retain and protect its heritage and way of life, both for the people who live there now and for future generations.

The strategy outlined in the following sections describes how this can be achieved.



# **PART TWO**

## **World Heritage Community Strategy**

## **4.0 PURPOSE AND GOALS OF THE COMMUNITY STRATEGY**

The purpose of this study and the issues to be addressed are clearly articulated in the Terms of Reference. However, following the extensive community consultation process described in Part One, and with the benefit of research and analysis by the consultants, it is evident that the vision of the World Heritage Community Strategy extends beyond the issues defined by the Terms of Reference.

World Heritage Listing offers Lunenburg the unparalleled opportunity to enter into a broad program of economic revitalization and community enhancement activities involving all sectors of the economy and community life. Education, marine industry, local business, and community organizations can all benefit from World Heritage Listing, and there are numerous opportunities for partnerships linking all of these sectors with heritage and tourism development. Accordingly, the purpose and goals of the World Heritage Community Strategy are stated broadly, as follows.

### **4.1 Purpose**

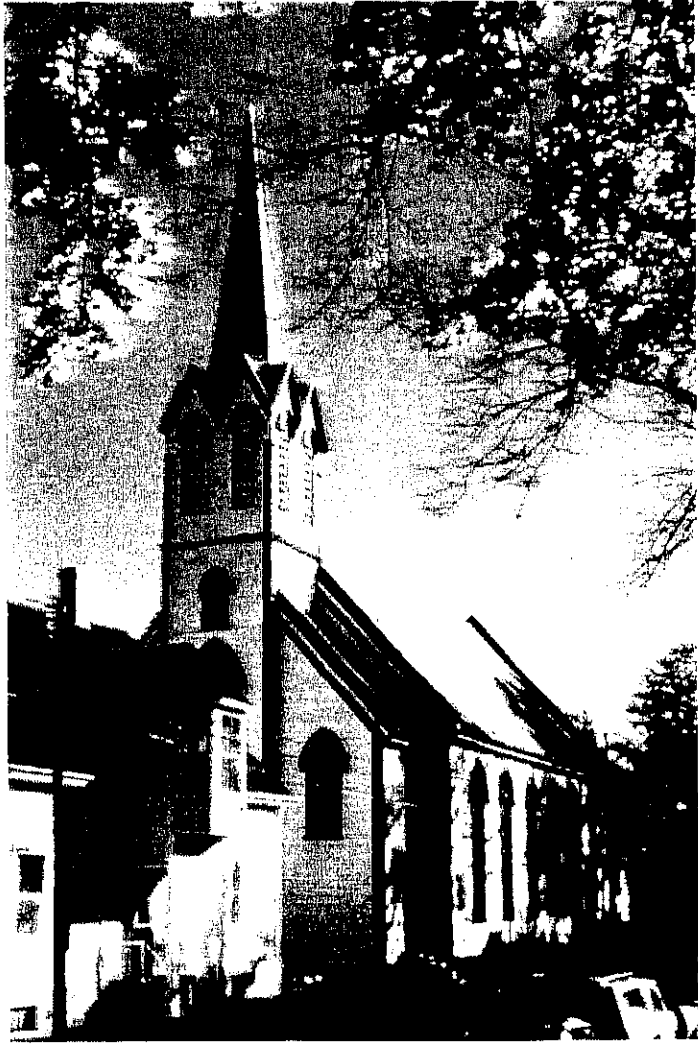
The overall purposes of the World Heritage Community Strategy is to enable the community of Lunenburg to successfully pursue the opportunities and manage the challenges that arise from the town's World Heritage designation.

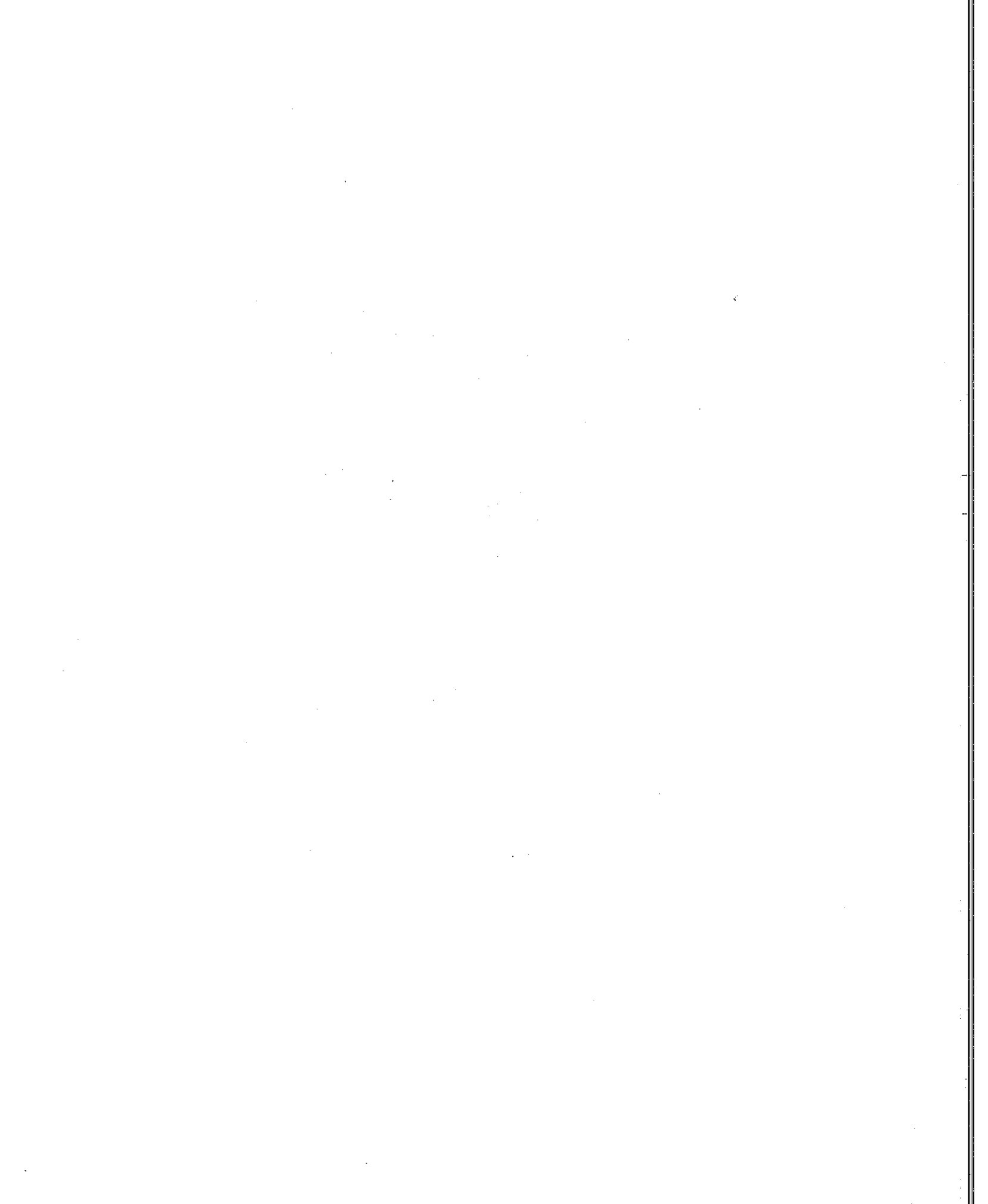
### **4.2 Goals**

The overarching goal of the World Heritage Community Strategy is to achieve a community restored and renewed for the benefit of residents, with an enhanced quality of life for all. This overarching goal has several component goals, as follows.

- 1. Conservation of Lunenburg heritage, culture and community.**
  - a) Conservation of architecture; continuation of architectural tradition.
  - b) Conservation and enhancement of quality of life.
  
- 2. Achievement of a strong and sustainable Lunenburg economy.**
  - a) A strengthened, marine-based economy built on traditional strengths.
  - b) A strengthened tourism economy.
  - c) New economic activity based on heritage and cultural assets.
  - d) Establishment of the World Heritage Institute.
  - e) Sustainment and enhancement of local retail and commercial activity.

Attainment of these goals requires strategies and actions, which are detailed in the following sections. It should be noted, however, that such things as infrastructural improvements, the first of which is sewage treatment of the harbour, must be achieved before it is possible to achieve these goals.







## 5.0 NEW ORGANIZATIONS TO DELIVER THE STRATEGY

Two new organizations are recommended as the vehicles necessary to carry out the purpose and goals of the Community Strategy.

The first organization, the **World Heritage Foundation** would manage initiatives in support of the heritage management and cultural tourism agenda. Incorporated under the Societies Act of Nova Scotia, this **not-for-profit** organization would work with existing government agencies and private interest groups to conserve the heritage, culture, and community of Lunenburg. The Foundation's initiatives would include:

- Conservation of heritage.
- Heritage education.
- Fundraising for heritage and cultural programs.
- Heritage property management.
- Heritage publishing.
- Heritage and cultural programming and interpretation.

The second organization - the **World Heritage Corporation** would be a **for-profit** organization which would initiate, promote, co-ordinate, and manage the community's economic activities. This organization will break new ground as a community of partners working together to market and support the business community and cultivate ways for that community to benefit from World Heritage listing. The Corporation's initiatives would include:

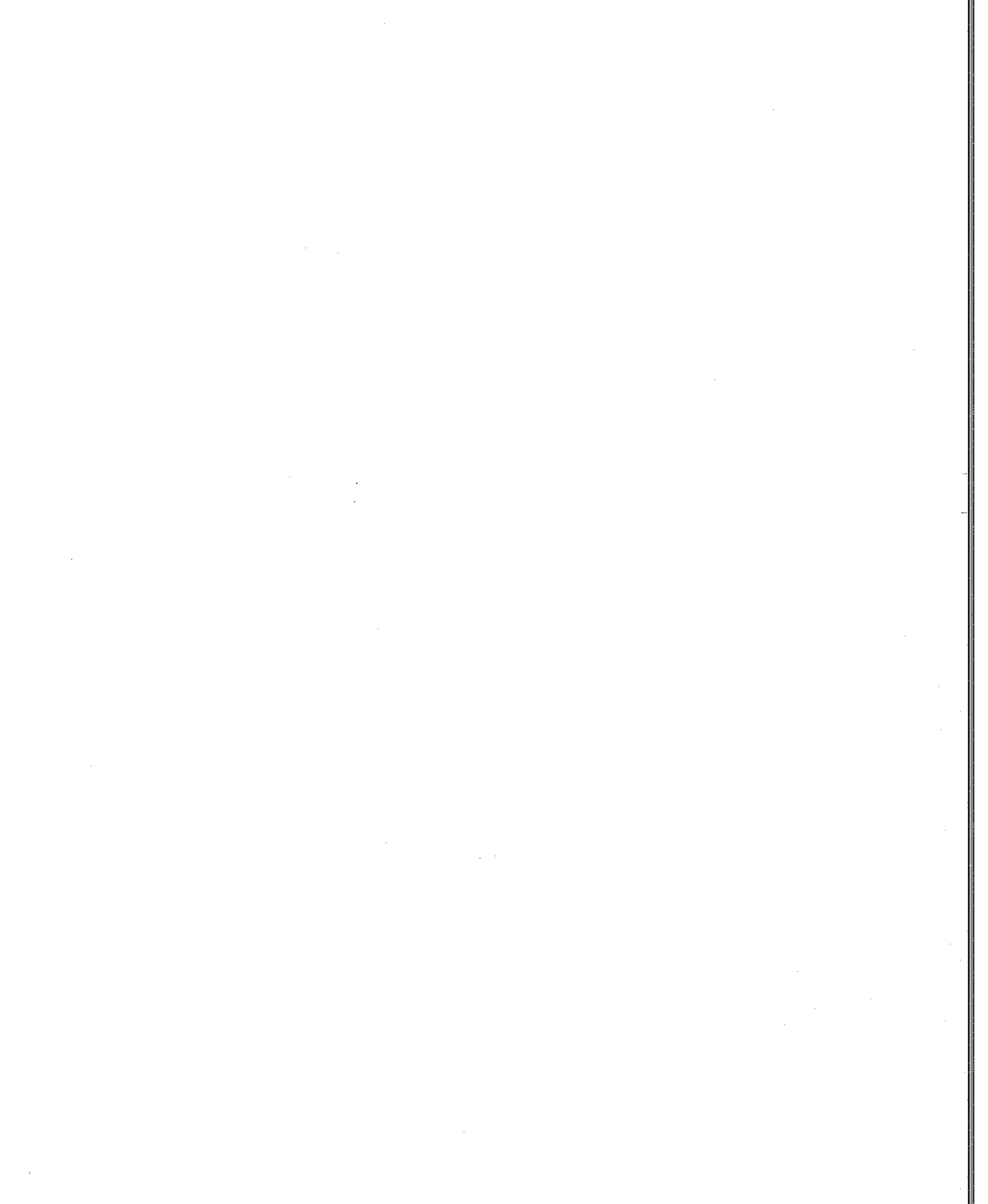
- Tourism marketing and promotion.
- Heritage product development.
- Marketing partnerships.
- Vacation packaging.
- Business development.
- Special events development.

The **Foundation** and the **Corporation** would work together in developing and delivering the cultural tourism product, in protecting and conserving heritage resources, and in developing and sustaining the cultural, recreational, and social life of the community.

The Foundation would also initiate and develop the **World Heritage Institute** - a new learning institution that would provide specialty educational programs on heritage, marine, and other topics. The Corporation would partner with the Foundation in this venture, marketing learning vacations and more formal learning programs in the international marketplace.

Provincial and Federal governments must work with the Town government to stimulate these initiatives, and to support them through funding, enabling legislation and other methods of action.

The two new organizations would not supplant existing government bodies, community groups, businesses, or individuals that are already successful in conserving the heritage and promoting the economy of Lunenburg. Rather, they would partner with existing organizations, businesses, and individuals in achieving like-minded goals.



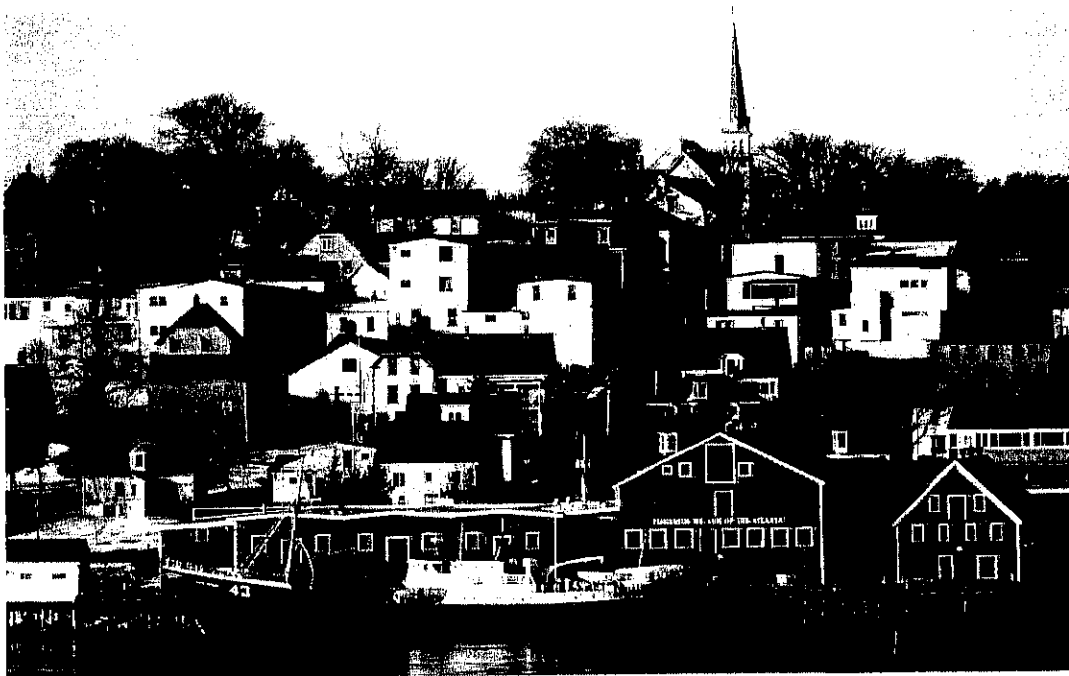
Existing organizations would be represented in the directorships of both new organizations, and the directorships of the new organizations would themselves overlap, in order to assure a common vision.

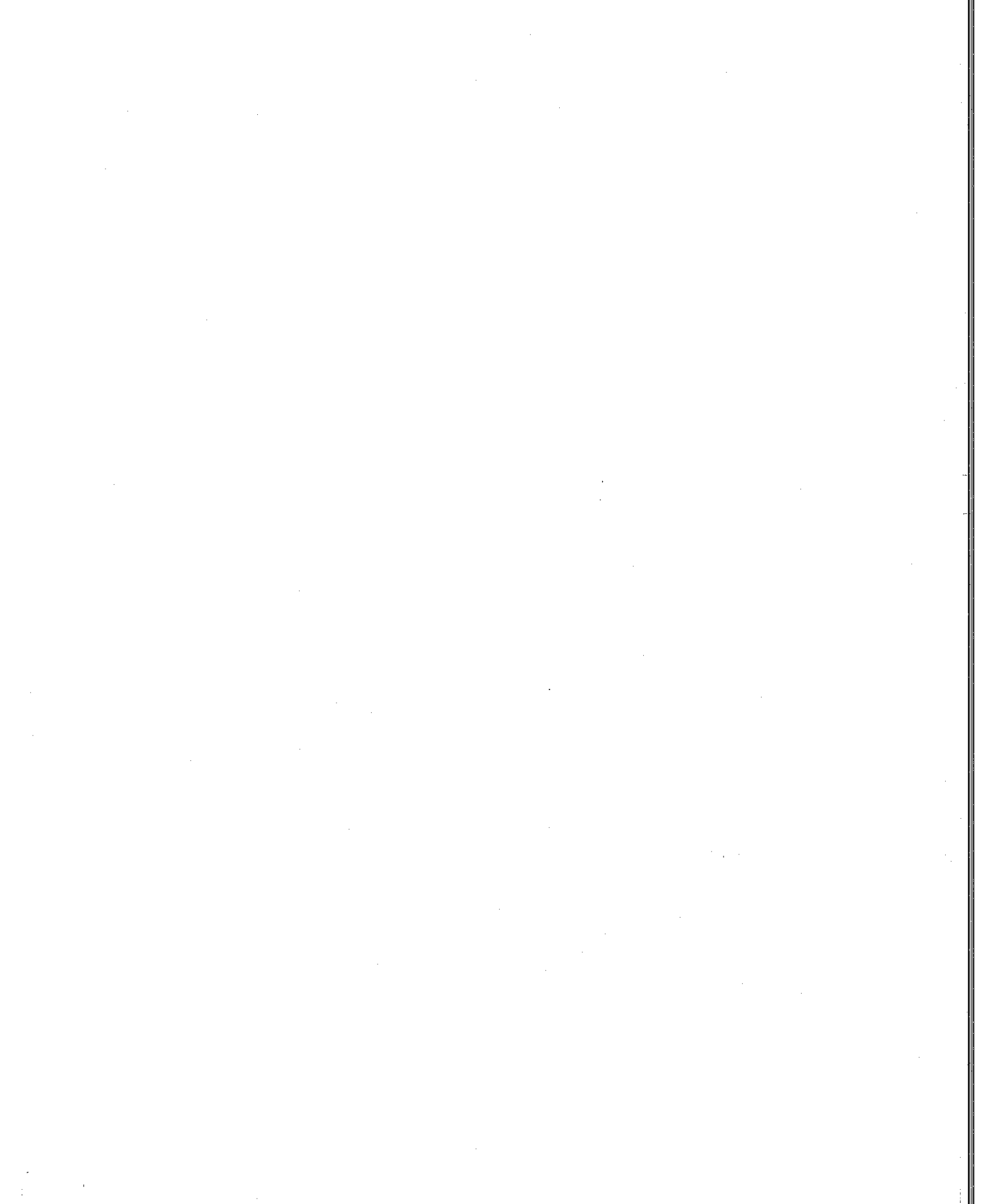
It should also be noted that the new organizations would not spend the Town's funds, thus allowing the Town Council to concentrate on such projects as the harbour cleanup, expanding infrastructure, traffic control, and other pressing matters.

While both the Foundation and the Corporation would require initial seed funding, from government, it would be intended that both organizations eventually become self-sustaining - the Corporation from its profit-making ventures, and the Foundation from private fund raising sources.

One essential element of the relationship between the organizations would be that a portion of the Corporation's profits would be channelled into the Foundation, in support of the mutual aims of both organizations in the realm of community cultural conservation.

More detailed descriptions of mandates and organizational structures for the Foundation and the Corporation are provided in Section 8. Some of the possible funding sources for the organizations are described in Appendix B.





## 6.0 CONSERVATION OF HERITAGE, CULTURE AND COMMUNITY

In 1995, the evaluation of Lunenburg for UNESCO found that the town was “of outstanding universal value” and that “its authenticity has been maintained in historic context.” According to the UNESCO report, the fabric of the town was in a “remarkable preserved state” ... having remained as “a continuous development of homogeneous architecture” over time in terms of its building materials and techniques, its function of uses, and its contextual views and skyline. The town met other criteria as well by having “an intimate connection with the fishing industry” especially shipbuilding, and the “supporting artisans necessary for the craft”. The final part of the listing report was ominous, however: it was necessary for the world to recognize the site because “these conditions are under the impact of change”.

This anticipation of change generated a recommendation that the community should enact specific preservation mechanisms “not only for the heritage of the town, but the life of the inhabitants”. The UNESCO report was careful to point out that any protective mechanisms should be “carefully viewed in the context of the Old Town in order to obtain a balanced evolution where ... historic resources and their surroundings ... co-exist with tourism as well as the ... shipbuilding and fisheries ... industries.”

This section of the World Heritage Community Strategy recommends a number of initiatives which are intended to assist the town in meeting UNESCO’s challenge.

### 6.1 Conservation of architecture; continuation of architectural tradition .

In order to achieve the conservation of Lunenburg’s historic architectural character and to ensure that the town’s architectural traditions continue, a number of general conditions must be satisfied.

- There must be a heightened level of awareness, acceptance, and co-operation in the community and among others regarding the value of heritage conservation.
- Heritage conservation bylaws, design guidelines, and other heritage management mechanisms must be adopted and/or made more effective.
- The community must have effective mechanisms for oversight, technical advice, and technical support. This would include education for the building trades in appropriate conservation practice.
- A “Blueprint for Cultural Tourism” should be developed to determine physical priorities, strategically identify and locate restoration or adaptive-use projects, adapt the traffic and pedestrian flow, and a number of other physical elements which would aid the town in its heritage conservation efforts. An outline for such a blueprint is in Appendix A.

### 6.1.1 Public participation and awareness programs.

Public participation and awareness programs are fundamental to the success of community heritage conservation.

- **Citizen input.** The proposed World Heritage Foundation should implement a public participation process that ensures citizen input in its activities. Similarly, the Town's Heritage Advisory Committee should actively solicit public input when reviewing development applications under the town's heritage property bylaws.
- **Awareness campaign.** The Foundation, in partnership with the Town, should undertake an active awareness campaign advocating the benefits of heritage conservation using examples from within the community and elsewhere. Articles, news items, pamphlets, posters, and other information should be made available to townspeople on a regular basis.
- **Technical information sources.** The resources and publications of the Nova Scotia Department of Municipal Affairs Heritage Section, the Department of Canadian Heritage (Parks Canada), the Heritage Canada Foundation, and other heritage organizations such as the Nova Scotia Heritage Trust, the US National Park Service, the Association for Preservation Technology (APT), the National Trust of England, the International Council for Monuments and Sites (ICOMOS), the Organization of World Heritage Cities, and UNESCO itself should be regularly drawn upon for information relevant to conservation in Lunenburg.
- **Examples from elsewhere.** By informing the community of the advantages of preservation and looking to effective examples that have occurred both in Lunenburg and elsewhere, new allies for the town's role as a World Heritage Site will be gained. When convinced of the popularity, efficiency, and economic value of a preservation / cultural program, individuals and groups will generally be supportive.
- **Media notices.** The media are important in publicizing preservation. Notifications of preservation-related activities, including funding sources or grants, present opportunities to explain the Lunenburg World Heritage preservation program and its accomplishments to the general public. This will ensure that Lunenburg, as a World Heritage Site, reaches the widest possible audience and constituency.

### 6.1.2 Adoption of Heritage Conservation District Plan, Bylaw & Design Guidelines.

In 1981, Lunenburg adopted a Heritage Property Bylaw under the provincial Heritage Property Act which enabled the Town to establish a Heritage Advisory Committee, register individual historic buildings, streetscapes, and areas, and control any substantial alteration to them. Since then, forty buildings have been registered, of which thirty are within the Old Town World Heritage Site.

In 1996, the Town adopted limited architectural controls under its Municipal Planning Strategy and Land Use Bylaw. These relatively new controls now regulate new construction and additions to existing buildings in the Old Town and portions of the New Town and Tannery Road, but do not apply to other exterior alterations and do not provide any control over demolition.

In early 1997, a draft Heritage Conservation District Plan and Bylaw for the Old Town was prepared with considerable public involvement and support. This new bylaw includes a detailed guide to the town's architectural styles, and detailed design guidelines, both for new development and exterior alterations. It also includes provision for control of demolition. At present, the Heritage Conservation District Bylaw stands ready to be adopted by the Town subject to a formal public hearing.

- It is recommended that the Old Town Heritage Conservation District Plan and Bylaw be adopted as soon as possible, as an important first step in support of the World Heritage Community Strategy described in this report.

### **6.1.3 Suggested Strengthening the Heritage Conservation District Plan and Bylaw.**

There are a number of ways in which the draft Heritage Conservation District Plan and Bylaw should be strengthened and improved prior to its adoption, as follows:

- **Prohibit vinyl siding:** As a World Heritage Site with an outstanding tradition of wooden construction, Lunenburg should not permit vinyl siding as an exterior cladding material. The rationale for this prohibition is not just based on aesthetics; it is to protect the historic resources themselves as well as the overall architectural tradition of the town. Vinyl and other synthetic siding materials trap moisture, insects, and dry rot and contribute greatly to the decay of historic structures. This not only decreases their historic value but also affects their resale. The use of these materials can also create hazardous fumes and prevent effective water penetration during fire fighting, thus endangering life.

At present, vinyl siding is allowed in Lunenburg and would continue to be allowed under the draft Heritage District Plan and Bylaw as presently worded. Vinyl siding should not be permitted in the World Heritage Site, however, and the draft by-law should be modified to require traditional cladding materials only on future building projects.

- **Extend the bylaw beyond the Old Town:** Although the World Heritage Site encompasses the Old Town area only, its heritage character is supported, affected, and enhanced by the historic character of neighboring areas. These include the north side of Creighton Street, and the areas extending eastward along Pelham Street to the town boundary, westward into the New Town, and southward along Tannery Road to the Golf Course. These areas should be included in the Heritage Conservation District and protected from incompatible development in the same manner as Old Town. Including

these areas in the by-law is necessary for protecting the setting and the views from and to the World Heritage Site.

Extension of the Heritage Conservation District Plan and Bylaw into these areas would also be consistent with the recently adopted Land Use By-law architectural controls, which apply in most of these areas as of 1996.

- **Standardized structures:** Standardized, prefabricated structures should not be permitted for exterior use in the Heritage District. Exceptions could be made for small storage buildings, doghouses, single car garages, or other easily removable buildings. Ideally these should be bought from one manufacturer through a wholesale arrangement.
- **View Protection:** In addition to the existing stipulations concerning views, which are contained in the draft Heritage Conservation District Plan and Bylaw, key views should be plotted, designated, and protected by including them as special view protection areas within the heritage conservation district. The stipulation should include limits and controls on building development and prohibitions on such things as utility poles and wires, satellite dishes, mechanical equipment, etc.
- **Impact statements:** While senior governments are not normally bound by the requirements of municipal bylaws, there is generally a wish to comply with local requirements as a matter of policy. Given the importance of the Lunenburg World Heritage designation, the new heritage conservation district bylaw should require an environmental impact statement of government agencies who build or operate within the heritage conservation district. In this way, government agencies would be required to disclose in writing the anticipated impacts of a project and to develop a record against which they can be held accountable.
- **Use of preservation professionals:** As a matter of operational policy, the Town should stipulate that any planning or development design work within the Lunenburg heritage conservation district shall be carried out only by qualified professionals with a background in heritage conservation. The federal and provincial government governments should also be encouraged to do likewise.
- **Conservation Easements:** The Heritage Conservation District Plan and Bylaw should also include provisions enabling the Town to obtain conservation easements from property owners.

Conservation easements are one of the most effective tools for protecting historic resources in an era when concerns about private property rights are paramount. Easements are voluntary, non-regulatory preservation tools. Under the easement concept, a property owner would donate or sell an easement to the Town or the Foundation in exchange for some financial consideration and, in so doing, would forfeit certain property rights, e.g., the right to demolish or alter the property without permission from the easement holder. Payment to



the property owner could be through some form of tax benefit (this would have to be worked out by the Town in consultation with the Department of Municipal Affairs Assessment Division) or might be through an agreement to carry out certain maintenance, such as painting, removal of vinyl siding, landscaping, repairs, or perhaps restoration. In the latter case it may be more appropriate for the Foundation to hold the easement. The easement is recorded with the deed to the property and binds all future owners to the arrangement until discharged.

The value of an easement would be the difference between the property's fair market value before and after the easement is obtained. With approval from the Department of Municipal Affairs, the Town might consider an arrangement whereby the value of the easement would be discounted from the assessment (and the taxes) for a period of time, as an advantage to the owner. Alternatively, the arrangement might be that the Foundation undertake periodic painting, for example, to assist elderly property owners who cannot afford to pay for this themselves. Easement agreements can be tailored to individual situations so that only the essential part of a property's exterior is encumbered.

In an easement arrangement, the property owner is paid for the development rights that are given up, whereas no compensation is made for normal compliance with regulations and bylaws. It should be noted, however, that the Heritage Conservation District Bylaw, as well as the Land Use Bylaw, would continue to apply to the property under easement, and that any alterations or treatment practices proposed under the easement would be required to go through review and approval under these bylaws in the same manner as a property with no easement encumbrances.

The adoption of the Heritage District Plan and Bylaw will give the Town immediate regulatory control over building alterations. Obtaining conservation easements and agreements, however, will satisfy the longer-term goal of fostering co-operative, partnership/stewardship relationships with property owners, for mutual benefit.

The authority for entering into agreements and obtaining conservation easements exists under section 20 of the Heritage Property Act.

#### **6.1.4 Recommendation of an Expanded Heritage Advisory Committee (HAC).**

Since the World Heritage Community Strategy is proposing to introduce expanded parameters to the practice of heritage conservation in the town, there must be a clear and fair process established by which public preservation interests and private development interests can be negotiated and balanced. For this reason, this strategy strongly recommends an expansion of the existing Heritage Advisory Committee (HAC), both in terms of its size and its role, in order to turn the committee into a stronger, more professional, and more pro-active body. It is through this committee and its effectiveness that the town maintains authoratative control over the actions concerning the conservation of the communities' heritage proposed for the Foundation and Cooperation. For this reason this recommendation should be strongly considered.

- **Mission:** The broadened mission of the HAC would be the preservation of sites and structures of historical, cultural, archaeological or architectural significance and their appurtenances within the Heritage Conservation District or as listed on the Town's Registry of Heritage Property, and control of any proposed physical development within the World Heritage Site.
  
- **Membership:** The membership of the HAC should be expanded from the present six members to nine members. Two of the members should be members of council (as currently required by the Heritage Property Act), two should be members of the Lunenburg Heritage Society (also as currently required). Additionally, two should be members of the Board of the World Heritage Foundation, and the remaining three should be members at large, selected from the community. All committee members who are not members of Town Council should have the qualifications listed below. At least seven of the members should be town residents. (This would require relaxation of existing policy which requires all members to be town residents. Such a relaxation is justifiable, given that the community of interest and expertise in protecting Lunenburg heritage extends beyond the Town boundary into nearby areas such as Garden Lots, Blue Rocks, etc.).
  
- **Qualifications:** Each member of the HAC not on the council should possess a demonstrated special interest, specific knowledge, or professional or other training in such fields as history, architecture, architectural history, planning, archaeology, anthropology, curation, conservation, landscape architecture, urban design, or related disciplines.
  
- **Powers and duties:** The powers of the HAC are spelled out in section 13 of the Heritage Property Act, but additionally, should be defined as follows:
  - Review applications for Certificates of Appropriateness for projects, which will have an effect on the exterior appearance of sites in the Heritage Conservation District or as listed on the Town Registry of Heritage Property, and advise the Town Council and/or Heritage Officer accordingly.
  - Determine the appropriateness of any proposed development that could effect the conservation of the designated Heritage Conservation District as a whole, sites listed on the Town Registry of Heritage Property, or buffer zones of the World Heritage Site.
  - Hold no less than one regular meeting monthly. This meeting must be advertised with due notice.
  - Provide meetings, as necessary for the purpose of public comment.
  - Identify categories of change that, because they are minimal in nature, routine, or do not significantly effect the historic, cultural, archaeological, or architectural significance of the Heritage Conservation District and therefore do not require review by the committee. Review by the Heritage Officer alone would be sufficient in these cases. Initially, these categories will be as currently listed in the draft Heritage Conservation District Bylaw; however, the list may need to be amended from time to time as the body of administrative practice and precedent grows in the heritage conservation district

- Employ, in conjunction with the Town of Lunenburg, a Heritage Officer whose duties it will be to keep the Town Registry of Heritage Property, administer the Heritage Conservation District, provide staff support to the committee, research appropriateness, and provide the routine issuance of Certificates of Appropriateness. This person should be a professional whose qualifications are set out by the committee and Town Council.

### **6.1.5 Role of HAC & Heritage Officer in architectural conservation**

At present, architectural conservation in the Town is administered under a combination of jurisdictions. The Heritage Advisory Committee (HAC) advises Council with regard to the existing Heritage Property Bylaw, which applies only to individually registered properties. Once the Heritage Conservation District Bylaw is adopted, the HAC will also be involved in an advisory capacity in the administration of the Heritage Conservation District.

The Planning Advisory Committee (PAC) is also involved in architectural conservation through the recent (1996) incorporation of architectural controls into the Municipal Planning Strategy and Land Use Bylaw. The planning officer of the Lunenburg County District Planning Commission (LCDPC) currently provides staff support to both the the Planning Advisory Committee (PAC) and the Heritage Advisory Committee (HAC).

When the Heritage Conservation District Bylaw comes into place, it will be administered by a Heritage Officer who will work in conjunction with the HAC to administer the Heritage Conservation District Bylaw's design guidelines.

As the architectural controls of the Land Use Bylaw will continue to apply when the Heritage Conservation District Bylaw comes into effect, the Heritage Officer will also work in consultation with the planning officer of the LCDPC to ensure that there is no conflict between the administration of the Land Use Bylaw architectural controls and the Conservation Bylaw's design guidelines. Ultimately, however, it should be the intention of Council to dispense with the overlapping jurisdiction and consolidate architectural control into the Heritage Bylaws alone.

### **6.1.6 The Foundation as a new partner in heritage conservation**

The concept of this Strategy is that the World Heritage Foundation would take a major role in the management of the World Heritage Site and its environs. Working with the Town and its Heritage Advisory Committee, one of the main goals of this not-for-profit organization would be to assist the townspeople in restoration and other projects, and to be pro-active about acquiring conservation easements, initiating revolving funds, seeking grants, and other incentive producing methods of heritage resources management.

- **Conservation easements:** As described above, the Foundation should be actively involved in the management of conservation easements in partnership with the Town Council.
- **Revolving Fund:** The Foundation should also establish a revolving fund for the purpose of acquiring and upgrading heritage properties. Properties upgraded under this fund

would be permanently protected by restrictive covenants and/or conservation easements passed on to the subsequent owner. The revolving fund could also be used to help property owners restore their properties by offering short-term loans at attractive interest rates on condition that the property is restored to certain standards, again with long term protection being assured through conservation easements. As well, the Foundation should use the revolving fund to attempt to acquire as much property from absentee-landlords as possible, so as to bring as much property as possible into local ownership.

- **Professional advice:** As the World Heritage Foundation gets established, it should hire on staff a professional architectural conservation specialist whose services would be made available to the community gratis or at low cost. In collaboration with the Town's Heritage Officer, this specialist would work with property owners, architects and builders undertaking alteration, repair or restoration projects to find design solutions which comply with design guidelines and architectural controls.
- **Information pamphlets:** The Foundation should also commission the production of topical pamphlets on architectural subjects such as wood siding, windows, trim techniques, mouldings, paint colors, signage, lighting, etc. As well, the Foundation should take the lead in initiating historic building renovations, street and alley clean-ups, colorful banners, landscaping, and lighting improvements to improve the beauty of the town. By leading the effort for a managed environment and organizing the community heritage conservation effort, the Foundation will ensure that the Heritage District is attractive and inviting.

Further information on the role of the Foundation is provided in Section 8.2.

### 6.1.7 Technical Advice and Support

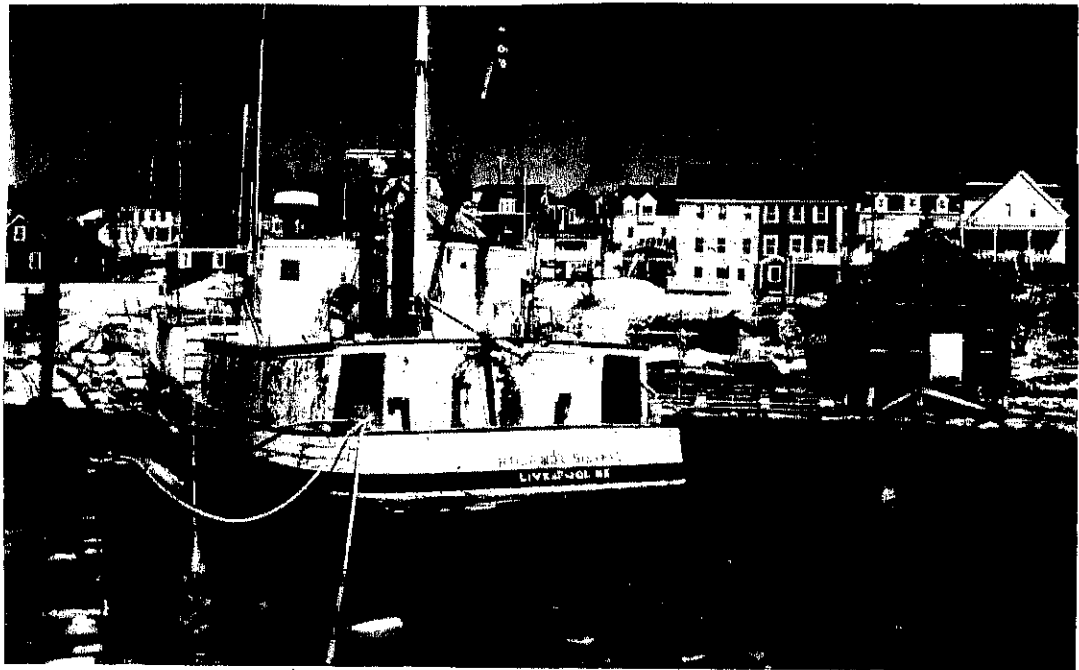
Several initiatives are proposed to provide information, education, and training in the technical functions associated with managing heritage facilities in Lunenburg.

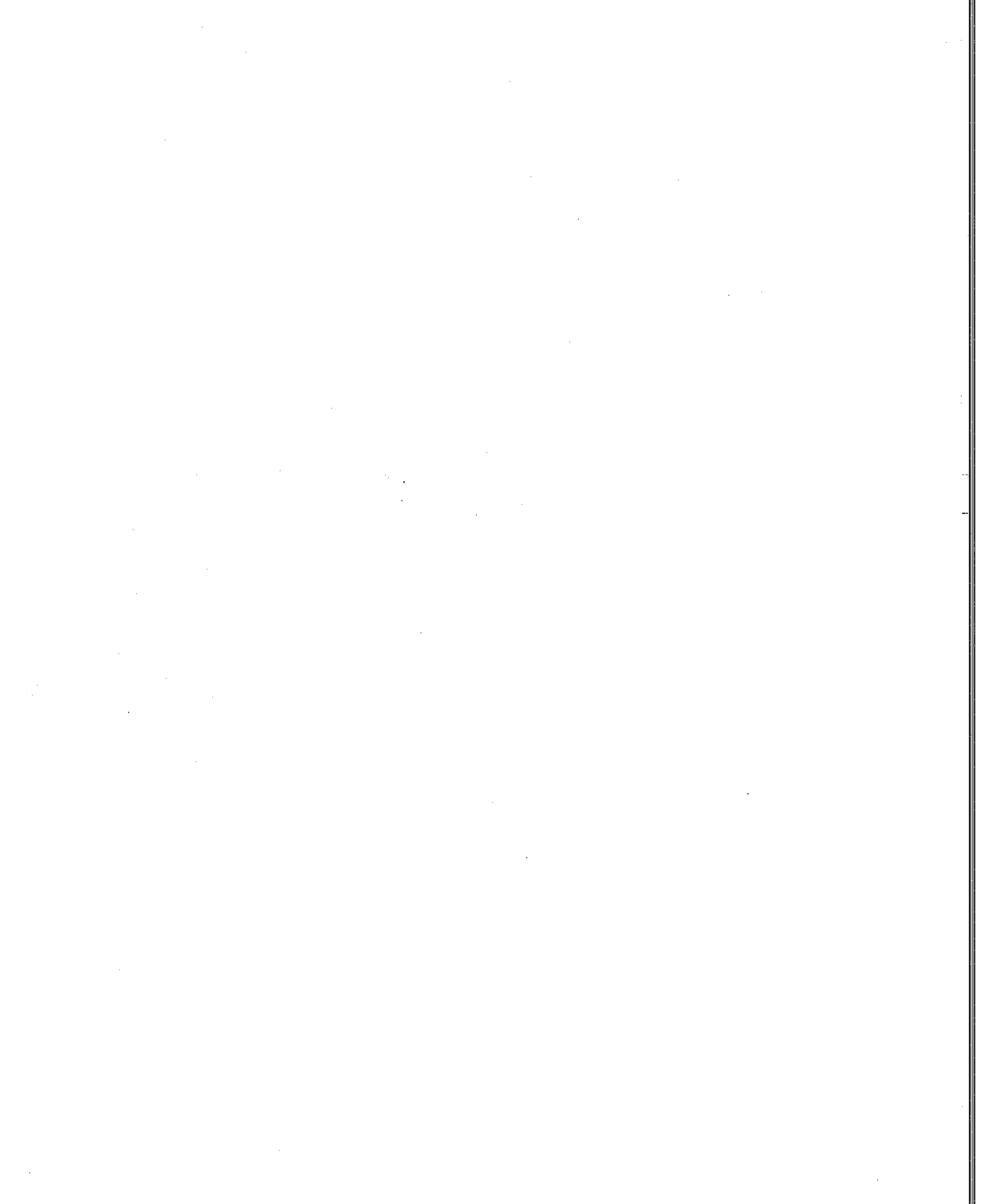
- **Education:** The World Heritage Foundation will perform a key role in the community, in both protection of historic resources and in education. It will coordinate initiatives to educate property owners, contractors, craftsmen, and other building tradesmen in the proper repair, restoration, or reconstruction of historic properties in the heritage area. In addition, Foundation staff will be versed in the fundamental historic, aesthetic, and structural values of conservation and will be able to share their expertise with the growing conservation-aware public.

The World Heritage Institute will also contribute by staging conferences, seminars, workshops, and courses on conservation topics. These could be taught in conjunction with other preservation organizations or in conjunction with any number of universities or technical colleges. The Institute could also establish scholarship and apprenticeship

programs for the youth of Lunenburg to ensure that traditional building and conservation skills are made available to young people in the community.

- **Data base:** The Foundation will be able to maintain special conservation-related data bases. Several national and international organizations have begun to set up data bases for technical advice and these will be available through the Foundation. These include the Association for Preservation Technology, the International Center for Restoration in Rome (ICCROM), the International Council for Monuments and Sites (ICOMOS), Organization of World Heritage Cities, UNESCO, the Department of Canadian Heritage, the US National Park Service, the National Trust of England, etc. Many of these organizations already publish technical bulletins on restoration techniques, material conservation, etc., and these can all be used as models for the production of similar bulletins based on Lunenburg-specific issues. The Foundation's data base will also include an up to date list of architects, builders, craftsmen, products, and professional services related to conservation.





## **6.2 Conservation and enhancement of community life**

An overwhelming majority of participants in the community vision workshops held during the formulation of this strategy selected "Nurturing Lunenburg for Lunenburgers" as their first priority. World Heritage Listing affords many opportunities for increased tourism and economic development, but it is absolutely clear that such development must not be at the expense of community life.

The thrust of this strategy is to develop a framework of heritage-based economic development and community enhancement opportunities in which citizens of all ages will have the opportunity to participate and benefit, both as consumers and in terms of employment. The initiatives of the World Heritage Foundation, World Heritage Institute, and World Heritage Corporation in particular will open up many opportunities.

### **6.2.1 Initiatives for Youth and Young Families**

To remain a living community, Lunenburg must attract young families with children. One of the most important needs is good schools. The Academy and the High School should be supported by the community, and this effort should be assisted by the World Heritage Foundation. The various initiatives proposed for this area are presented below.

- **Retaining schools:** Keeping the Academy and the High School open will help Lunenburg's chances of retaining young families. The premise here isn't so much "build it and they will come," as Kevin Costner's character was urged in the baseball movie, "Field of Dreams" but "rebuild it and they will stay."
- **Special Programs:** The schools should develop special programs designed to make students more active in the town's role as a historic and learning destination. Drama groups, singing groups, brass band ensembles, historic music groups and the like could become part of the town's festivals, re-enactments, and interpretation.
- **Apprenticeships and job skills:** Students could become some of the more enthusiastic interpreters, guides, ticket takers, bus drivers, etc. for the tourism programs of the Foundation and the Corporation. They could also become (real) apprentices at the craft shops, helping with demonstrations as they learn the craft.
- **Focus on the legacy:** The history programs at the schools should concentrate on research and discovery of aspects of 18th century colonial life and 19th century changes and experiments. Costume design, for instance, could be covered in Home Economics, as well as early cooking methods.
- **Heritage games:** Colonial sports could be revived; for instance, traditional games like lawn bowling, curling, sack racing, etc. would make the greens lively and add to the ambience of the town.

- **Special learning programs:** It would be a good idea if school administration officials would designate the schools in Lunenburg for a host of special learning courses that could not be taught elsewhere and which relate to the cultural tourism industry. Since the impetus of the strategy will be to create more first class tourism and heritage-related activity in the community, Lunenburg will be creating more jobs for teenagers and young adults.
- **On the job training:** The proposed World Heritage Institute would, among its various programs, also be an institution for teaching on-the-job skills in a wide range of disciplines associated with the community strategy, including tourism, heritage preservation and restoration, traditional marine industries, crafts, hospitality management, cooking, etc. Students from Lunenburg could choose apprenticeships in these activities as well.
- **Conservation training:** Courses and apprenticeships in historic preservation, restoration, and conservation techniques would logically be included in community training and learning programs. Throughout North America there is a pressing need to train new builders, craftsmen, and artisans in the technologies that will allow historic buildings and their sites to be restored in an authentic, adaptive, and cost-effective way. By becoming a laboratory for these skills, Lunenburg would, at the same time, improve on its already authentic tradition for which it was accepted on the world heritage list.
- **Learning for the tourism industry:** Instruction in all of these related fields could be given not only on the high school level, but in conjunction with college courses as well, making Lunenburg a laboratory of history, museum and craft learning, and a centre for training in the hospitality sector.
- **Support services jobs:** Job opportunities will be more plentiful and exciting as the initiatives of the Foundation, the Corporation and the Institute are implemented. Students could be employed as guides, interpreters, groundskeepers, crowd directors (especially for events) etc. as well as participants in the hospitality market.

### 6.2.2 Initiatives for senior citizens.

A community that does not take full account of the value and usefulness of its older citizens is indeed missing an opportunity. This is especially true of a town that stresses heritage preservation. Lunenburg is fortunate in having older residents who have been a part of the life, work, and activities of the town and who can maintain a bridge between the past, the present, and the community's promising future. Many families can trace their roots back to the founding of the town. There are many older people who live in the Old Town area, and others who are residents of the care programs of nearby retirement facilities. It is on them that the community must depend for its memory.

Older members of the community will be the life-blood of the interpretation program for the World Heritage Foundation, will provide much-valued input into the educational programs of



the World Heritage Institute, and will provide the catalyst for the tourism products of the World Heritage Corporation.

Older citizens and their families have clothing, photographs, furniture, artifacts, etc. in their possession, and these can be selectively lent or given to enhance the activities of the World Heritage Foundation. Older citizens can also assist the Foundation in accessing the story-line of these objects, and in soliciting additional artifacts from their contemporaries who have moved away.

Older residents can be participants in a number of capacities as:

- Administrators
- Educators
- Advocates
- Guides, docents and interpreters.
- Craftspersons
- Artisans
- Cooking demonstrators (recipe royalties)
- Authenticators
- Researchers
- Oral histories
- Specialists in genealogy
- Story tellers
- Baby sitters
- Gardeners
- Maintenance workers
- Hospitality workers
- Greeters
- Enactment actors
- Mentors

### **6.2.3 Participation Opportunities for Seasonal and Permanent Residents**

A key issue is how residents of Lunenburg - both permanent and seasonal - might participate in supporting the efforts of the Foundation in heritage management. It is desirable that everyone help contribute to the World Heritage Site in meaningful ways, whether they live year-round in the community or not. Specifically, there is a concern among some in the community that seasonal residents are helping keep property prices beyond the reach of many local residents and that they do not contribute to the community beyond paying municipal taxes. Some suggestions to involve both full-time and seasonal residents in the community strategy are presented below.

- **Active participation:** All residents should be encouraged to become active patrons of the World Heritage Foundation and share in the upkeep of the town through special (volunteer) activities.
- **Conservation easements:** Residents could contribute to the easement pool by outright assignment, thus, in effect, increasing the value of the Foundation's holdings and borrowing power.

- **Restoration:** Residents should be encouraged to restore their houses and grounds in an authentic manner, thus increasing the value of the town as a living heritage community.
- **Contributing to the Lunenburg experience:** Seasonal residents should be encouraged to open their houses during the off-season to be displayed by the Foundation, thus increasing the value of the Lunenburg experience, and extending the visitor season for the town.
- **Patronage:** In many other historic sites, programs are set up whereby seasonal residents can become patrons for individual or collective grants or endowments. They may also be persuaded to give or will their property to the Foundation.
- **Participation in the Institute:** Retirees, seasonal residents, and people who take long vacations generally want to have something to do during these periods, and make ready clients for the classes and activities of the World Heritage Institute. In addition, they are in a position to recommend vacationing in Lunenburg to friends and colleagues in their home towns. They could be also be encouraged to set up support groups such as the "Friends of the World Heritage Foundation" in order to sustain organized giving and funding for initiatives that benefit their adopted community.
- **Property maintenance:** All residents of the heritage area should be encouraged to maintain their properties to high standards of repair and neatness.

#### 6.2.4 Health Care Opportunities

Development of the town as a world class heritage tourism destination will result in the influx of more affluent tourists. The hospital will be able to take advantage of this changing market by specializing in state-of-the-art physical examinations, health services, and limited treatment. The right kind of marketing would not only draw specialized tourists who can have their vacations while getting these services, but would enable residents to partake of these health care opportunities as well. Development of specialized health care services will draw tourists and help to keep the hospital open.

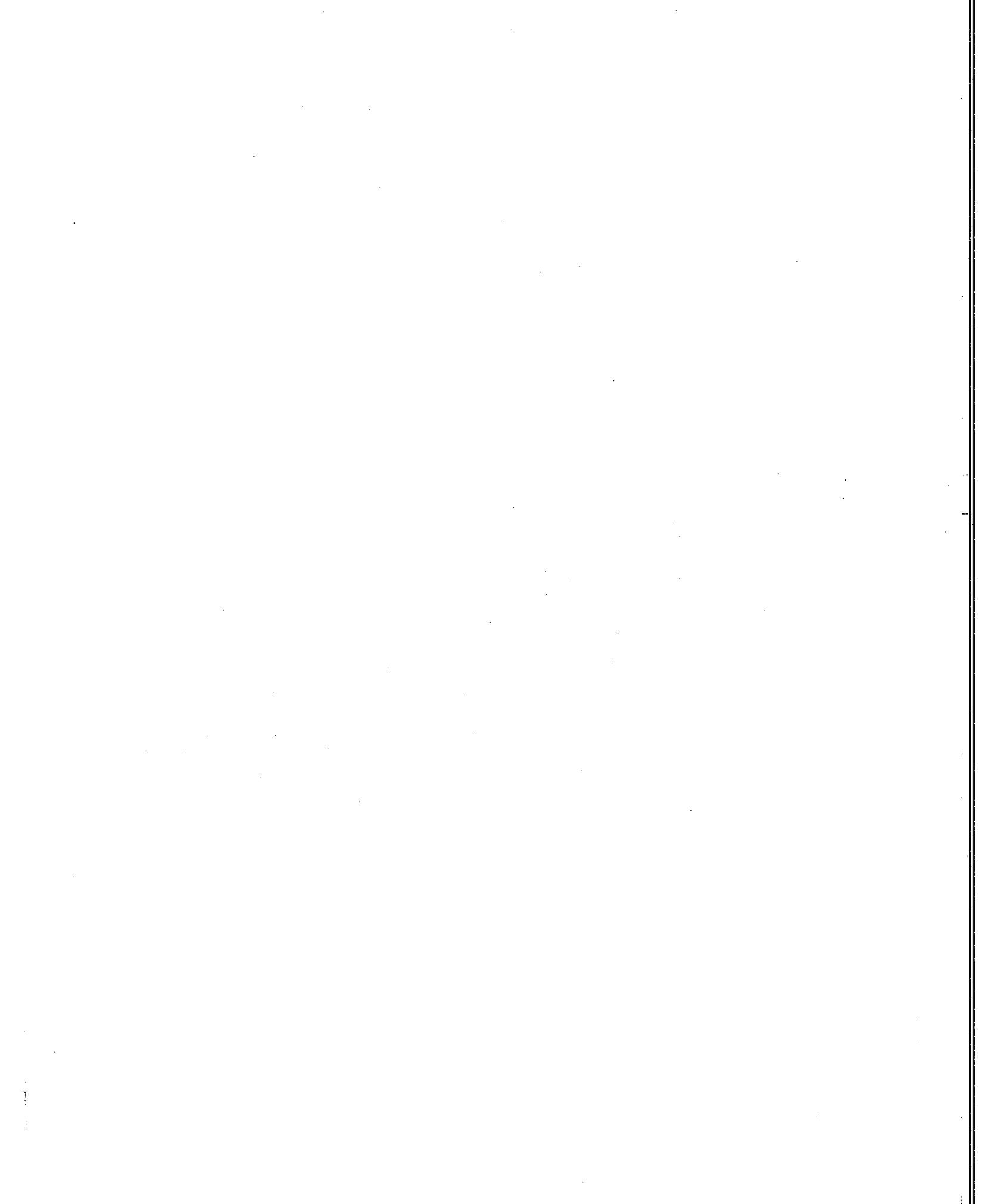
#### 6.2.5 Foundation, Institute, and Corporation programs with a community focus

- **Training.** The training and retraining of all citizens, including those laid off from traditional jobs, is an important objective of this strategy. The Foundation and the Institute will be key to this effort. The Institute's educational programs related to heritage conservation and marine, recreation, and tourism themes will be vehicles enabling local residents to gain employment in the new cultural industries, and should be promoted as such.
- **Incentives for participation.** The Institute's programs should be offered at a discount or free to residents, thereby encouraging and facilitating the community's participation

in a wide range of learning opportunities. The onus will be on the Foundation and the Institute to make sure that the community is aware of its programs, and to provide assistance, and incentives to make the programs available to the whole community.

- **Recreation.** New tourist-oriented recreation programs - sports, hiking, sailing, and other activities - should also be made available to the citizens of the town.
- **Assistance to community.** The World Heritage Corporation, while seeking a profitable return on investment and assuring the protection of the historic town, should also seek to provide affordable housing and commercial facilities to local people, so as to prevent the displacement of local residents, businesses and industry. The Corporation should also provide assistance to residents and business people to taking advantage of economic opportunities.
- **Public input.** The Foundation and the Corporation should work together with the Town Council to promote community involvement in planning and decision-making affecting the quality of life in Lunenburg. There should be public meetings, forums, conferences and informational gatherings on a regular basis.





## **7.0 ACHIEVEMENT OF A STRONG AND SUSTAINABLE ECONOMY**

Lunenburg's economy has traditionally been dominated by the community's relationship with the sea, and it continues to be so today. The major industries are generally still tied to the fisheries and the marine trades. However, the recent decline of the fishery and the longer-term decline of Canada's marine industry has forced changes in the activities of many local businesses. To survive, many have had to diversify into other products and other markets. With the drive and industriousness typical of the Lunenburg entrepreneur, many of these efforts have succeeded and today, the Lunenburg economy is more diversified than it has been in the past, with a mix of fisheries and marine-based businesses, manufacturers of different products, many of which are exported around the world, and an active and growing tourism sector.

In spite of these successes, however, it is evident that there is a need to further strengthen the local economy and to ensure the long-term sustainability of its enterprises. World heritage designation is an important asset in this respect.

The second major thrust of the World Heritage Community Strategy, beyond the initiatives associated with protecting its heritage and cultural assets, is to enhance the community's economy.

The recently evolving pattern of economic development can be expected to continue in the future. Marine and fisheries based industries will continue to be important. Product and market diversification of manufacturers will continue to be a successful strategy. Tourism can be expected to grow as a consequence of the World Heritage designation, and because tourism is growing generally.

In this context, and bearing in mind the visions developed in the community workshops, a number of initiatives are proposed, both to enhance the community's traditional marine economy and to develop new economic opportunities in the fields of cultural tourism, education, and heritage craft production.

### **7.1 An enhanced marine economy based on traditional strengths.**

The harbour and the marine industries that take place in and around it comprise the essence of Lunenburg's economy and its heritage character. As stated earlier, the UNESCO World Heritage Listing is based as much on the cultural continuity of the town's marine economy and way of life as it is on its architecture and historic urban form. Efforts to sustain the economy, therefore, must retain and build upon the traditional strengths, skills and activities while at the same time seeking to extend the market in which those strengths, skills and activities are sold.

In this section of the strategy, four inter-related initiatives are proposed to enhance the traditional, marine-based economy, as follows.

### 7.1.1 Establish a marine industries consortium

The development of a marine industries consortium would enable local industry and businesses to focus on strengthening economic activity linked to the community's relationship to the sea. Maritime industry makes Lunenburg special, both to the local community itself, but also in the world marine marketplace. This kind of entrepreneurial activity is based on the real economic assets of the community and it is compatible with the community's traditions and aspirations. The town's status as a World Heritage community can be used to reinforce the marketing of the community's capabilities in this area.

Partners in the consortium could include the major Lunenburg-based marine companies - the Foundry, Scotia Trawler, ABCO, Lunenburg Marine Railway, Walters Blacksmith, North Sails Atlantic, Bluenose Electronics, etc., as well as others within the geographic ambit of the town - Snyder's Shipyard, Covey Island Boatworks, Stevens Boatyard, Dauphinee Blockshop, Heisler's Boatyard, etc., and numerous others within the Lunenburg -Mahone Bay - La Have marine area. A consortium involving these partners would bring together a wide range of skills and specialties in one package - from the capability to undertake major industrial scale, marine construction or refit projects, to the ability to design and build small sail or power boats for the recreational market.

Most of the outlying shipyards have historical links with Lunenburg and, when added together, they reinforce the reputation and mystique of the area - the sum being much greater than the parts. Such a consortium, linked and marketed to the international marine community under the "World Heritage" banner, could benefit not only the town but the entire South Shore marine area as well.

To enhance the product offering, it may be appropriate to encourage Lunenburg marine industries to broaden their product lines so as to ensure an absolutely comprehensive product offering. It may also be appropriate, in some instances, to solicit new, non-competitive and complementary businesses to locate in Lunenburg, based on the community's appeals as a location, including its quality of life, cost of living, work ethic, locally and regionally available suppliers, marine transportation connections, and available services of the marine industries consortium.

The kinds of initiatives such a consortium might pursue include:

- Market Lunenburg as the best "one-stop, full service center for the marine industry" on the Atlantic coast. Many of the products and services are already in place; perhaps it only needs a co-ordinated, aggressive marketing initiative. Marketing could be assisted by the World Heritage Corporation
- Build wooden sailing vessels for the international specialty market based on traditional models - skiffs, sloops, and schooners to full-rigged, tall ships.
- Develop a yacht version of the famous Grand Banks schooner.

- Build vessels as demonstration projects to attract tourist visitation - visitors pay to see the ship under construction in a living heritage shipyard setting -then sell and begin anew.
- Build commercial vessels - aggressively seek clients who require custom, quality built vessels.
- Lunenburg Sail Boat Show/Lunenburg Power Boat Show - special events promoting traditional marine skill.
- Pursue participation in "Sail Expo" (an international sailing trade show held in Atlantic City, NJ) and similar events.
- Make the World Heritage Site one of the stopovers for the "Whitbread Round the World Race. The international television coverage of this event has the ninth largest audience of all sporting events and injects as much as \$15 million dollars of direct and indirect expenditures into the local economy.
- Re-establish the International Schooner Races.
- Re-establish historical maritime connections with New England, the Caribbean, Bermuda, etc., and develop partnerships with marine businesses and yachting associations in those areas.
- Develop a full service yacht marina and promote it as a destination - particularly in the Halifax and U.S. markets. The seeds of this project have already been sewn in 1997 by the the Lunenburg Harbour Improvement Association in the form of the Merliguesche Landing project.

### 7.1.2 Undertake harbour improvements

Promotion of the town as a marine service centre will require a number of infrastructural and service improvements on the marine front.

- **Harbour cleanup:** The Front Harbour currently has raw sewage flowing into it daily. Harbour cleanup and sewage treatment is an absolute, fundamental pre-requisite for any aggressive promotion of the town as a marine service centre. The harbour cleanup is long overdue, having been plagued in past years by technical, organizational, and funding difficulties. A recent "new look" at the problem, however, has developed a potential solution that may be within the town's capability to implement, provided property owners and waterfront interests are co-operative, and provided that senior government cost-sharing can be secured.
- **Marina, docks, moorings:** At present there is no shore-based, marina/mooring facility in the front harbour. Visiting yachtsmen must make ad hoc arrangements to tie

up at moorings in the harbour, at the Fisheries Museum wharf, or at various commercial wharves, and there is no central facility where they can easily obtain fuel, water, and other basic marine services. A new marina is both a necessity and an as yet un-realized opportunity.

- **Information for boaters:** In addition, the town should give special attention to making Lunenburg harbour "customer friendly" for yachtsmen. In addition to the basic services noted above, a VHF marine radio shore station should be established, and a brochure prepared for boaters, listing marine services, supplies, and visitor services available, and describing the other attractions available in the community.

### 7.1.3 Expand the range and scale of recreation-based marine businesses

In addition to its history, function, and potential as a marine service centre, Lunenburg is also situated at the heart of some of the most attractive coastal scenery and protected water in Eastern Canada. The convoluted coastline, numerous islands, and combination of settled and natural shoreline within a day's sail of the town make it one of the most attractive marine destinations in the region.

There are already a number of businesses catering to the recreational marine activity market but, with World Heritage marketing at the fingertips of the community, there is potential for much more. Possibilities include:

- **Scuba diving:** Focussed around the recently developed Lunenburg Marine Park, there is great potential to expand the recreational dive market, supplies, charters, training, etc.
- **Yacht chartering:** There are currently four operators in Lunenburg and area offering boat chartering - mainly short-duration, guided boat/sailboat tours. There is considerable potential for boat chartering, guided, overnight tours/charters, and longer duration, windjammer style cruises.
- **Sea Kayaking:** Nova Scotia is a world class destination for sea kayakers. The many bays, inlets and islands located around the town make it a particularly attractive destination for this activity. The Blue Rocks area provides some of the most protected sea paddling opportunities in the province and Lunenburg is poised to be the centre for multi-day kayaking packages combining paddling, with the attractions of the historic town.
- **Whale watching/seabird watching:** There is currently only one operator offering whale watching tours from Lunenburg, and there is potential to expand this activity, subject to ecological limits. Packages combining whale/seabird watching with the cultural attractions of the town are particularly potent.



- **Coastal hiking and cycling:** The varied and accessible coastline within a short distance of Lunenburg opens many possibilities for development of hiking and cycling tour packages, (e.g, hike/bike Kingsburg, hike/bike Blue Rocks) or combination sail/hike packages (sail/hike Cross Island, sail/hike Ironbound). Some coastal areas are openly and publicly accessible. Others would require special arrangements with property owners.

All of these marine recreational possibilities could benefit from a co-ordinated approach, perhaps with the World Heritage Corporation functioning as a receptive tour operator.

#### **7.1.4 Develop Programs in Marine Education**

The living heritage aspects of Lunenburg's marine industries open many possibilities for development of educational programs, both in the field of recreational learning vacations and in more formal learning situations.

The proposed World Heritage Institute will seek to develop a range of marine-related learning experiences in the following subject areas and there are many possibilities for marine-based businesses to participate in these ventures in co-operation with the Institute.

- naval architecture
- ship building and repair
- wooden boat building
- small craft navigation and seamanship
- learn to sail

There are also possibilities for more formalized educational programs to be developed in these and other fields in partnership with established institutions such as the Bedford Institute of Oceanography, the Nova Scotia Nautical Institute, and the Nova Scotia Community College.

## **7.2 A strengthened tourism economy.**

Tourism involves more than marketing and it also involves more than making destinations more appealing. It is, after all, the unique heritage, culture, and natural beauty of the Lunenburg community that attracts visitors in the first place. Unfortunately, many tourism officials and business leaders are far more concerned with marketing and promotion than they are with protecting and enhancing the product they are trying to sell.

The Lunenburg business community must recognize the fact that the place itself - not the services available there - is the reason that most tourists come for a visit. Most importantly, the community must understand that sustaining tourism requires a long-term business strategy.

It is also true that, to some degree at least, a community like Lunenburg can influence the kind of tourism it receives, by positioning itself as a higher quality, better experience, which will shift the market mix away from low-yield, high volume tourism towards high-yield, lower volume tourism. The tourism development strategy for Lunenburg should be focussed in these directions.

Clearly, places like Lunenburg have more appeal than most other historic towns. But no place will retain its special appeal without effort. If the destination is too crowded, too commercial, or too much like every other place else, tourists will not make the effort to go. The more a community does to conserve its unique resources, whether natural or man-made, the more tourists it can potentially attract. On the other hand, the more a community comes to resemble "Anyplace", the less reason there will be to visit it. There is an important but often-ignored relationship between tourism and conservation of the the historic or natural environment.

But the industry can be a two-edged sword. In many locations, tourism is harming the very assets that attracted visitors in the first place. This is why this strategy, including the adoption of refocussed local planning, zoning and urban design standards is so important to the Lunenburg community. It isn't a given that increased tourism will cause problems; the negative side-effects can be mitigated to a very great degree through the right kinds of planning and management.

### **7.2.1 Tourism as a sustainable industry in Lunenburg**

Tourism is the world's largest industry. Today, North Americans alone spend over US\$500 billion a year on travel and recreation away from home. In the US alone, travel and tourism account for 11.4 percent of employment - one out of every nine jobs.

Arthur Frommer, the famous travel writer, has observed, "Every study of travel motivations has shown that an interest in the achievements of the past is among the three major reasons why people travel." In his opinion, historic sites with educational focus rank first, and the other two are rest or recreation and the desire to view great natural sights. Lunenburg has all three. In addition, Frommer asserts that sales of specialty food products have grown 30% over the last six years, while eco-tourism is considered the fastest growing segment of the more than 400 billion dollar tourism industry.

As with the concept of a marine industries consortium for development of marine services, a similar, pro-active approach could be pursued with respect to opportunities in the growing tourism market. There are ways to make a consortium of the overall tourism product to ensure the quality of experience for visitors. In doing this, however, assurances must be made so that tourism does not conflict with the community.

Opportunities and initiatives for managed tourism development and marketing are discussed in the following sections. The topic of managing the tourism product in relationship to the town's status as a world heritage community is also considered.

### **7.2.2 A creative formula for managed cultural tourism in Lunenburg.**

A key element of the cultural tourism development scheme proposed in this strategy is the idea of developing the potential of the Old Town World Heritage Site to function as a living history museum without walls. The essential concept is to establish a network of interpretive attractions at strategic locations, and to structure the visitor experience in a way that directs visitors to them. Visitor orientation and the visitor circulation system would be designed to support and promote this interpretive network. Retail outlets would be strategically located to maximize the potential for tourist spending and commercial spin-off. Spot zoning for "educational" craft/marketing might be allowed in residential zones, if approved by the Heritage Advisory Committee as appropriate for the living history.

A central element, too, is the idea of developing under-utilized buildings in the town centre into a heritage arts education campus - the World Heritage Institute.

In support of this scheme, it would be necessary to undertake infrastructural improvements, heritage enhancements, restoration projects, and possibly even historic reconstructions at key locations. It is beyond the scope of this report to prepare such a detailed plan, but some ideas and recommendations, including a sketch for a visitor routing and orientation scheme, are outlined in the "Blueprint for Cultural Tourism" described in Appendix A.

### **7.2.3 Zoning adjustments to support managed tourism development**

Land use planning and zoning controls play an important part in shaping how Lunenburg currently works as a town and will continue to be crucial to the successful evolution and management of the World Heritage Site well into the next century, particularly in relation to tourism development. Zoning will influence where commercial investment into property will flow, where residential use will predominate, where increased visitor activity may or may be acceptable.

The zoning system is important in that it can protect the amenity of residential areas. It can also give confidence to investors in the type of activity which will be acceptable nearby. However it is also important to recognize that the needs of the future may not be the same as those of the past or present, so the zoning may have to evolve.

The challenge is to devise a combination of mechanisms which assist the successful functioning of tourism, but which also protect amenity for residents and reinforce the viability of the retail and commercial functions for Lunenburgers all year round.

As presently written, the Land Use By-Law strictly zones activities into residential and predominantly commercial, industrial, and service zones. Although this is a modern convention often used in town planning, it is not the natural way that Lunenburg or any 18th century town would have structured itself.

Flexibility should be instilled in the Land Use By-law to enable non-intrusive, heritage-related tourism uses in the residential areas. This would greatly help the historic interpretation of the town, allow for distribution of visitor activities, and keep the town "alive" for residents and visitors alike.

Historic uses such as craft programs which are part of the proposed World Heritage Foundation activities (see following sections) should be allowed in the residential area subject to approval of the location by the town's Heritage Advisory and Planning Advisory Committees.

Similarly, the zoning regulations should be flexible enough to allow other uses to exist side-by-side with industrial uses. Tourist activities and services should not be kept away from one of the town's main visitor attractions: the harbourfront and its ongoing marine and industrial uses should maintain its broad allowances for general commercial uses.

A detailed functional analysis of the present zoning system, with recommendations for change is also included in the "Blueprint for Cultural Tourism" in Appendix A.

#### **7.2.4 Enhancing the heritage experience for visitors**

A principal responsibility of both the World Heritage Foundation and the World Heritage Corporation will be to work together towards the development and enhancement of the heritage-focussed visitor experience, as outlined in the following sections. In this partnership, the Foundation would have primary responsibility for managing and interpreting the heritage product, while the Corporation would have primary responsibility for marketing and packaging, for developing new tourism products, and for managing other visitor services and infrastructure.

#### **7.2.5 A Living History Museum without walls**

Although the Fisheries Museum has an excellent collection and interpretation of the fisheries industry and the Atlantic coast dimensions of that tradition, Lunenburg has a great deal more to tell visitors about life in 18th century Nova Scotia, the lives of the fishermen's families, and the supporting marine and cottage industries and crafts. In addition, the very layout and architecture of Lunenburg were factors for which the town received UNESCO's World Heritage recognition, and should not only should be preserved but also interpreted so that both visitors and community members can appreciate them.

Lunenburg has an opportunity to become one of the most interesting heritage sites on the North American Continent, giving visitors a rounded and in-depth learning experience that can be enjoyed over a two or three-day visit with a whole family. These visits will be even longer when coupled with marine activities and recreational opportunities.

Heritage-related visitor activity can also be linked with or be a part of the proposed World Heritage Institute's educational programs. These complementary endeavors can, if marketed energetically and wisely, extend the visitor season to an all-year program.

The general concept of the Living Museum without Walls is to restore as much of the town as possible while maintaining it as a living, working community, and to provide visitors with a full experience of the town's past history and present character through interpreted sites and historic activity demonstrations. Interpretive sites and demonstration activities would be strategically located to maximize the visitor experience while minimizing the impact on the residential amenity or industrial function of the area in which the activity is located.

Cooperation with the Fisheries Museum of the Atlantic, the Bluenose Preservation Trust, the Lunenburg Academy Foundation, and the Lunenburg Heritage Society will be very important. The Bluenose is one of the strongest visitor icons associated with Lunenburg. In addition, the Lunenburg Heritage Society with all its many activities, such as the successful tour of homes, could be partners. The Lunenburg Academy would be a logical place to house educational activities in off-school times and could provide programs that are geared to children's learning experiences.

As is more specifically recommended in later sections, some of the activities which the World Heritage Foundation could use for demonstration include present-day workplaces. These workplaces would be visited with a guide, and special provisions would be made, not only for the safety of the tourist, but also to ensure that normal industrial activity is not interrupted. Possibilities include:

- Lunenburg Foundry
- Fishing company warehouses
- Shipbuilding/ship repair companies
- Working waterfront
- Dory shop
- Walters Blacksmith Shop
- North Sails loft

Other important aspects of the Lunenburg story are former commercial or craft production sites which have, over time, either reverted to residential use, been replaced by newer structures, or been left as vacant sites. Many of these sites have the potential to be "re-incarnated" as visitor attractions. There are ample opportunities to demonstrate the use of crafts and historic techniques at various locations in the town, at or near these original production sites. Possibilities for such sites include the following (as illustrated in Appendix A.3.1, Figure 2):

- Wilbur Sawler Cooper Shop
- Rafuse Carriage Works

- Ben Knock Cobbler Shop
- James Kirby Furniture Depot
- Selig Homestead
- Albert Smith Sash and Door Factory
- Bailly's Bakery
- The Armouries
- Lennox Tavern
- Dauphinee Block Shop
- The Customs House (Romkey House)
- Knickle Livery Stable
- William Godley, Fiddle Maker

As a beginning, working craft exhibitions could start with demonstrations being held on vacant lots in different parts of the town, away from the harbour. A Foundation-trained interpreter could stand inside the presently working blacksmith's shop, letting him work while explaining what he is doing, and giving some of the history of the enterprise. A similar story could also be told at the Dory Shop. These demonstrations could become a ticketed experience that would be part of the visitor's pass. The craftsman would be paid by arrangement with the Foundation. The Foundation could also work with the museum, the waterfront companies, and the Bluenose Preservation Trust to extend the stories of the fishery, ship building, rum running, and the Bluenose beyond the museum walls.

#### 7.2.6 Architecture and town planning interpretation

- **House tours:** One possible start for interpreting the town would be a partnership with the Lunenburg Heritage Society to provide regularly scheduled tours of historic houses in the town. These need not be period houses, but could be geared to the kind of houses which are to be illustrated in the upcoming *Interiors* magazine. House owners, especially those residents who do not live full-time in the community, might open their homes for tours when they are not there. The Foundation could contract with the Heritage Society to provide hosts and hostesses for these tours, thus providing security, interpretation, and additional income for the Society.

In many other historic communities there is often a surfeit of restored, period houses. In Lunenburg, one or two well thought-out and authentically restored and furnished houses in the Old Town might serve the needs of the Foundation on a year-round basis.

- **Church tours:** At the present time, most of the fine historic churches in Lunenburg are not open to visitors except during services. Yet, Lunenburg's churches offer some of the more notable examples of the town's architecture. There might be a church tour where an agreement is worked out between the congregations and the Foundation for the non-profit organization to receive some or all of the proceeds from these tours, and then some of the money could be used for restoration or maintenance projects on the church buildings.
- **Garden tours:** Lunenburg is fortunate to have a very active garden club, and consequently some of the most pleasant gardens in Nova Scotia. These achievements could be highlighted in a special series of tours and lectures. One of the restored houses might

attempt a historic vegetable and herb garden for exhibition. The garden clubs could also draw visitors to Lunenburg in traditionally off-seasons by holding competitions for the design of Christmas wreaths and other decorations using the historic houses, churches, and other properties as backdrops.

- **Archaeology:** Archaeological investigations could be conducted by professionals and apprentices at a specified site, demonstrating the demolished features of the place as well as the techniques of the science. As indicated in the Appendix, grants could be sought in order to fund a continuous series of digs throughout the town. Historic Annapolis and the University of Maryland have had a very successful public archeology program which could serve as a model. Co-operative programs could be worked out with the archeology departments of Nova Scotian universities, or with the Nova Scotia Museum.
- **Restoration demonstrations:** One or more of the sites could demonstrate modern day restoration and preservation techniques and philosophy. Master builders and apprentices could work together on the enterprise.

### **7.2.7 Re-enactments and interpreted history**

Historic re-enactments and interpreted history would compliment demonstrations of crafts, fisheries activities, home life interpretations, and guided tours of architecture and town planning, and could be major attractions in their own right.

Regularly scheduled re-enactments might include: the landing of the Foreign Protestants; engagements with the indigenous people; the settlers rebellion; relationships with the Acadians; the mustering of the militia; the Sack of Lunenburg; the August Gale; blessing of the fleet; farewell to the fleet; and a welcome home to the fishermen. These events and others would lend a sense of how life was in Lunenburg during the past two and a half centuries.

These enactments do not have to be done by professionals; they can be done by volunteers organized by the Foundation or by school groups. Lunenburg High School and Lunenburg Academy students would give authenticity to the re-enactments and, at the same time, the students would be given a chance to become active and involved in their community and its promotional and interpretive activities.

Other living history programs might include:

- Skits and short plays centred on events and activities of Lunenburg's past.
- Story telling.
- Special events to celebrate heritage events, activities and multi-culturalism.

### **7.2.8 Interpreting Lunenburg marine industry - a new concept for establishing quality attractions in Lunenburg**

The concept underlying this recommended strategy is an innovative adaptation of well-tried living history interpretation methods to actual operating industries and businesses in Lunenburg.

It is designed to establish an interpretive and demonstration component at the actual business or production location, in a part of its premises linked to an access point for visitors. At this access point, the actual industrial or business enterprise is exhibited while the work progresses.

It is recommended that such an approach be tested in Lunenburg. It would be appropriate and feasible in the waterfront marine industrial area as well as other locations in the town. For example, the scallop companies could establish one or two demonstration and interpretation areas in or adjacent to their buildings. These would be designed so that the work they perform is illustrated, and so that the viewing experience can be supplemented by interpretive information and guide commentaries. A souvenir shop might be included where appropriate.

A key element of the concept would be to give visitors access to the working experience, but to control how far they can intrude upon its operations. Visitors would have access to the interpretation area and any retail area that is part of the business. They would be able to view the demonstration area of the business but would not be able to enter the actual demonstration area or obtain access to any other part of the building or grounds, thus preserving the integrity of the ongoing, working, production activity.

Companies participating in this enterprise will be involved in the broader community effort to build on the World Heritage designation, not only for tourism purposes, but for their own self interest and the economic health of the community as a whole. Since the tourism aspect will be an integrated part of the community's overall strategy, other incentives could be offered. These might include:

- Financial assistance in restoring and upgrading buildings and wharves to enhance their long term viability, and to establish a demonstration component at their site.
- Having the interpretive area developed, maintained, staffed, and funded by the Foundation rather than at the cost of the participating business.
- Receiving some revenues from the gift shop to help underwrite any supplement costs the company might incur through its operation of the demonstration area.

The concept need not be limited to commercial and industrial enterprises. Potentially it could be used in some other types of community endeavors as well. At the World Heritage Institute, for example, students could be observed and interpreted in their work on arts and crafts, and their work could be offered through gift shops and other retail components at the site.

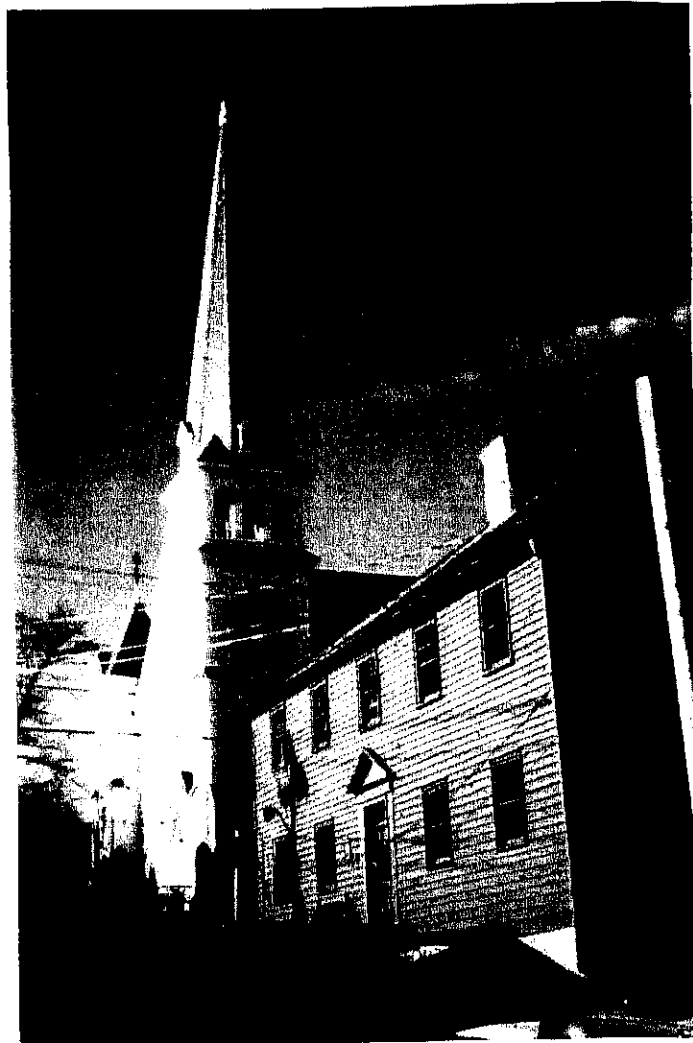
The candidacy of an industrial site or activity for participation in this aspect of the tourism development strategy could be tested by the following key questions:

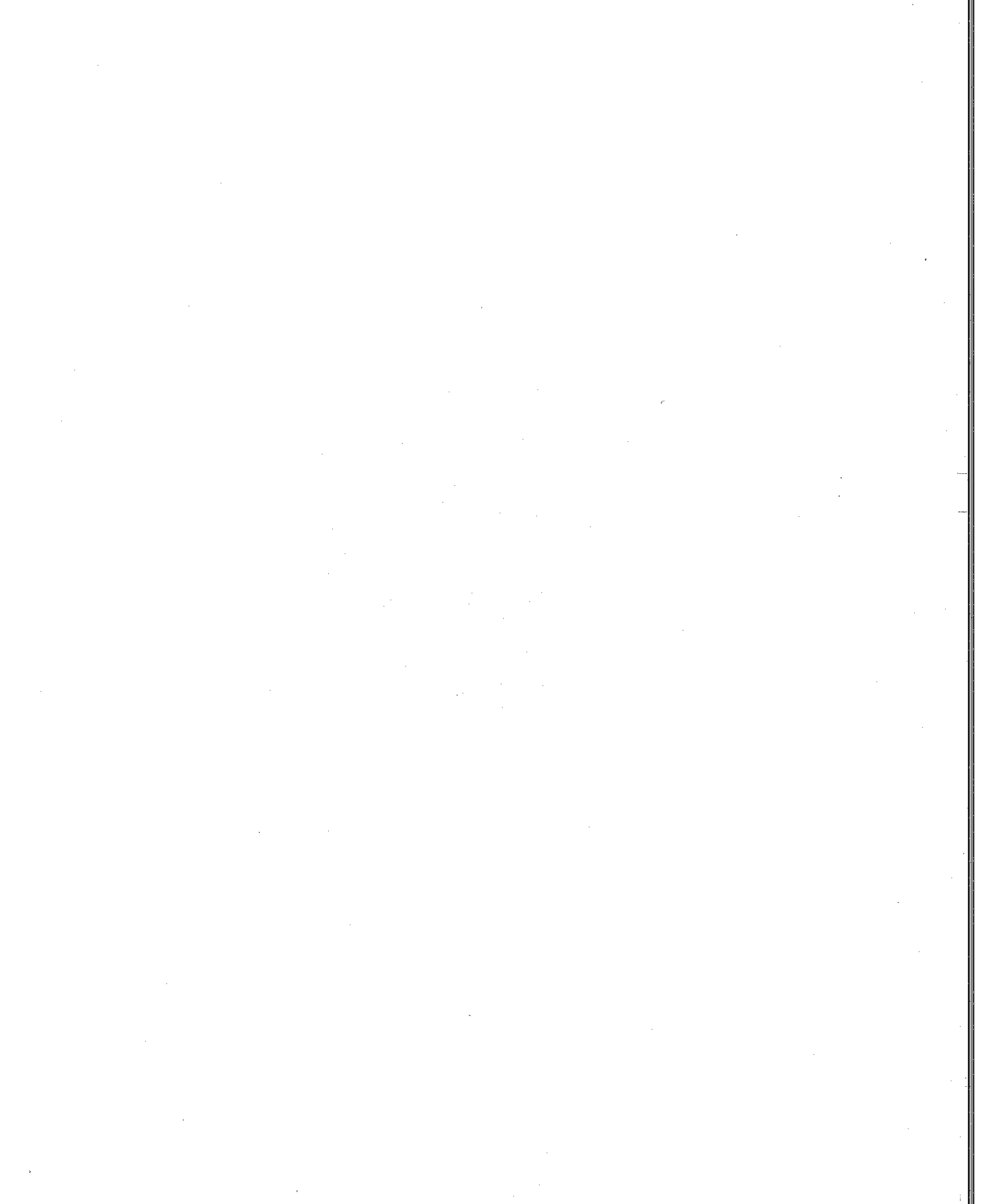
- Is the activity linked in some meaningful way to the heritage and culture of Lunenburg?
- Can the activity be demonstrated effectively?
- Can the interpretive component be undertaken without disrupting the interpreted activity?



This new interpretive concept is an effective way of accomplishing the following desirable objectives:

- Creating quality tourist experiences out of non-tourism activities; experiences that exemplify the unique heritage and cultural character of Lunenburg.
- Animating and demonstrating the community's lifestyle elements in an effective fashion
- Controlling the interface and limiting the intrusion of tourism on the community.
- Funding the initiatives in an appropriate fashion.
- Providing benefits to the non-tourism aspects of enterprises participating in the program.





### 7.2.9 Admission fees for demonstrations and exhibits.

Lunenburg is an open, living community; it is neither a museum nor a theme park. In fact, from a tourism perspective, the ideal attraction to drawing tourists and encouraging visitor spending would be to provide a genuine heritage experience in a non-contrived way. Any tourism developer would envy Lunenburg's capacity for providing such an experience for visitors.

However, at the same time, it is vitally important that the experience for visitors be enhanced if they are to stay longer and spend more. There also must be a means of generating income to underwrite the cost of providing that enhanced experience and providing the infrastructural improvements needed to accommodate increased visitation.

This strategy recommends a system that has proved successful in many of the world's greatest heritage attractions, including Colonial Williamsburg, Virginia, also a fenceless heritage area but not, like Lunenburg, a living community.

Under this system, visitors would purchase a general admissions pass, a badge, at the arrival/welcome point, which they would wear during their visit. This identification would allow them free use of the community shuttle service (which town residents are allowed to use for free!), free entry to the various demonstration and interpretive buildings in Old Town, discounts on paid-admission attractions, and discounts on purchases of retail items and food and beverages in Foundation-operated concessions. Persons not possessing the badge would be limited to their own transportation, the full cost of parking charges, full charges for attraction admissions and purchases, and they would not be allowed to enter controlled interpretive and demonstration areas.

The shuttle service will be paid for by the visitor passes, and the admission tickets to events and activities planned and operated by the World Heritage Foundation.

Agreements could be developed with other already ticketed visitor attractions such as the Fisheries Museum of the Atlantic and Heritage Society events.

Upon return to the arrival area, persons returning their badge might receive some souvenir of the visit to discourage them from giving their pass to others. Colonial Williamsburg uses a photograph on its badge - a possibility which might be considered in Lunenburg at a later date. A bargain, seasonal pass could also be investigated to encourage repeat visitors.

Special rates should be given to children and families. All residents of the town should be admitted free. Discounted passes should be sold to motorcoach companies for their customers.

### 7.2.10 Special Events.

There are already a good number of special events held in Lunenburg each year, including the Craft Festival (July), the Folk Art Festival (August), the Folk Harbour Festival (August), the Fisheries Exhibition (August), Oktoberfest (October), and Newfoundland Days (November). Other events include a Dog Show weekend, and a Flower Show Weekend.

Some of these events, such as the Craft Festival and the Folk Harbour Festival are well established while others, such as Oktoberfest and Newfoundland Days are relatively young. The Fisheries Exhibition dates back to the 1920s but has experienced difficulties in recent years due to the decline of the fishery, declining participation by industry, and a declining audience for the traditional, industrial fair aspects of the event.

All of these events are organized and operated by volunteers, and depend on considerable community support for their success. The pool of volunteers in the town is declining, however, along with its population, and volunteer commitment cannot be guaranteed indefinitely. While it is important that events continue to be volunteer-driven, the Foundation and the Corporation could assist volunteer event organizers by utilizing the World Heritage banner to secure funding and sponsorships, in marketing and promotion, in enhancing the quality of the events, and in attracting new audiences. They could also assist by co-ordinating relationships and negotiations with performing artists, entertainment agencies, and event service providers (sound, lights, tents, etc.).

The Foundation and Corporation might specifically focus on working with the community to revitalize the Fisheries Exhibition, which in many respects is the town's flagship event, perhaps in some kind of partnership with the Folk Harbour Festival. These two festivals are held within a couple of weeks of each other, and the combination of folk music and fisheries heritage could provide both events with expanded, mutually supportive programming possibilities, perhaps extending over the intervening, fortnight-long period.

Additional festivals and special events could include:

- Montbelliard French Festival
- World Heritage Festival
- Brass Band Festival
- Annual Launching of the Bluenose event
- Swiss Festival
- UNESCO Festival
- Antique Boat Festival
- Festival of Sail

Special wintertime events could include:

- Lantern Walks
- Early Spring Garden Symposium
- Sweater weather golf
- "Cozy Taverns and Inns weekend
- Antiques Forum
  - Gourmet fish cooking weekend
- Wine weekends
  - Ice Skating Festival on the Back Harbour

Christmas events could include:

- Fireworks across the Harbour
- Yule Log on the Parade Ground

- Carolling contests
- Boat Christmas Decorations
- White lighting in Old Town (one white electric candle per window)

### 7.2.11 Enhancing the range of tourism product offerings.

A central part of the activities of the World Heritage Corporation will be to enhance the leisure, recreational and shopping experiences available to visitors who are initially drawn to the town by its heritage attractions. The Corporation will be involved in facilitating the development of new, complementary tourism attractions, recreational opportunities, and visitor services in order to broaden the visitor experience, induce a longer stay, and increase revenue generating potential.

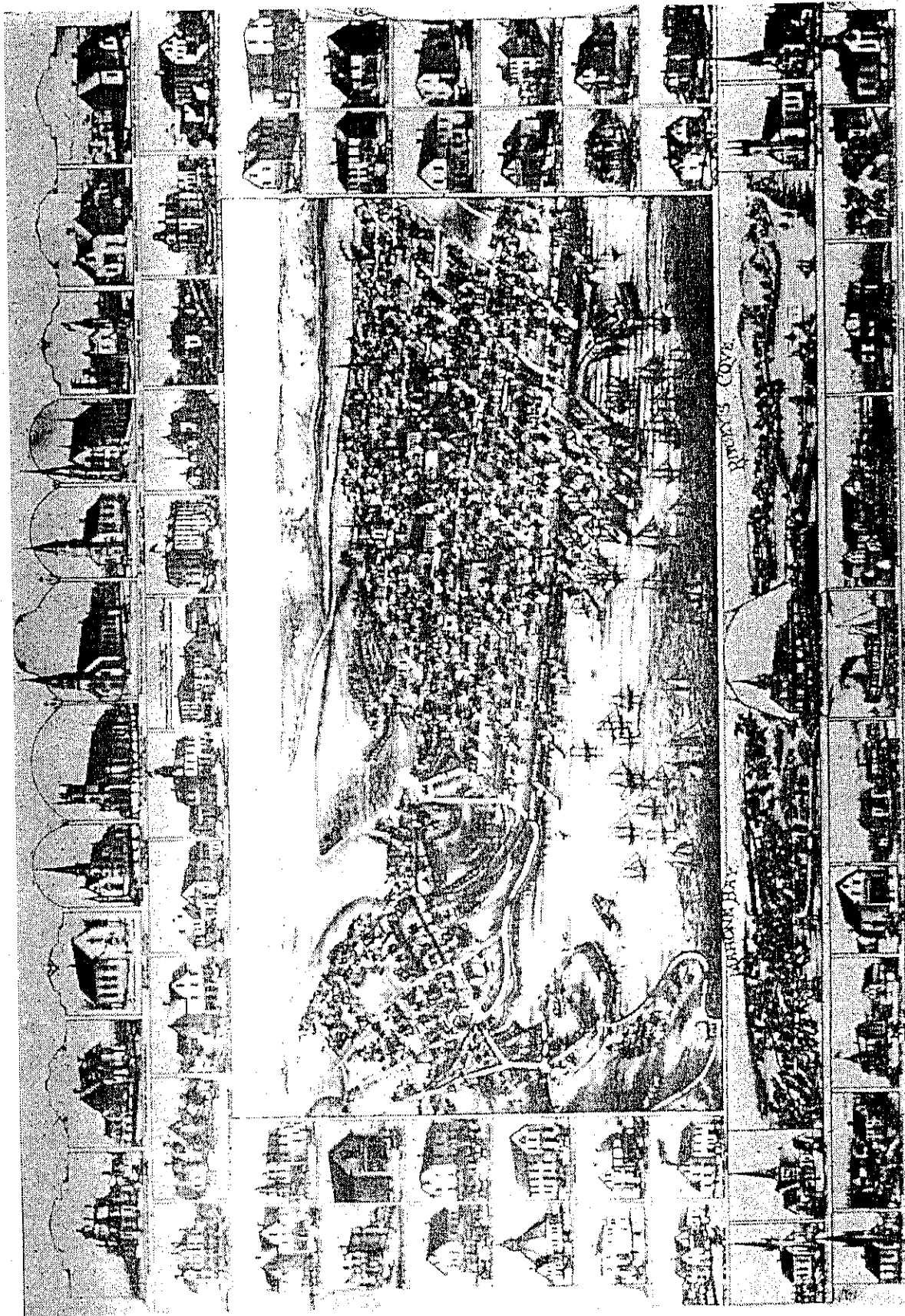
Offerings in the areas of tourist shopping, restaurants, accommodations, group function facilities, etc. should be addressed in order to provide a full range of products and services for visitors. The Corporation must identify these things and then go out and find people to establish them, perhaps offering incentives to do so.

There should be a wide range of arts and crafts outlets, gift and souvenir shops, collectively offering a wide range of appealing, quality products. There should be a broad offering of accommodations, including limited service motels and B&B's, as well as fuller service inns and perhaps hotels as well, with a range of quality levels. There should be facilities available for hosting group functions, including meetings and banquets. There is also a need for local taxi and other visitor services.

At the same time, the Corporation should take care to protect the interests of established businesses in the community. New competitors should not be encouraged where someone is already in place and able to provide a suitable product or service and where they have significant surplus capacity. In instances where the product or service is there but not up to desired standard, the Corporation's effort should focus on helping the operator upgrade to meet the need. In pursuing the establishment of new enterprises, the Corporation should give the first opportunity to local businesses and residents already in the community before negotiating with outsiders.

The recommended way to approach this is to pursue the following program:

- Inventory the current mix of attractions, accommodations, and other tourism services in town.
- Identify the markets to be targeted and the range of products and services each is seeking.
- Assess the Lunenburg product and service mix in terms of its suitability for targeted markets.
- Identify needs and opportunities for the addition of new and enhanced attractions and services in the context of providing a full experience for visitors in the various markets being targeted.
- Identify potential locations and possible candidate developers/operators.
- Establish incentives or inducements for the various projects
- Solicit developers/operators.



### **7.2.12 Tourism for the Shoulder and Off Seasons**

A key strategy for Lunenburg will be to develop tourism in the shoulder and off-seasons. The short tourist season generally prevailing in Nova Scotia is a major constraint to the viability of the tourism industry and its value as an employment generator. The opportunities to accomplish this are increasing, however. Marketplace changes are helpful, particularly the aging of the population and a growing interest in special interest vacations and trips. The school year is not a factor in the growing empty nester and seniors markets, and weather is less of a factor in single destination trips by air, which is another growth market.

The heritage experience is not a just a summer-only product; it can be promoted year-round. The strategy here should be to add additional features to the offerings for the shoulder and off-season periods to replace the loss of the warm weather appeal. Heritage goods and products for sale can be produced and stocked up for the times when the season is full.

The other strategy should be to develop and offer multi-day experiences which are not dependent on the attractions of the province as a whole, but can generate single destination trips. The learning vacation product is one example; others include resort-style get-aways, festivals and special events, conferences, etc.

### **7.2.13 Tourism Marketing**

It is vital to market Lunenburg as a tourist destination. The community currently has three organizations involved in this in different ways, and recent discussions have centred around an amalgamation of these efforts under one organization. It is recommended that the World Heritage Corporation should focus this unified tourism marketing committee and guide its activities into the following areas:

- Establish a brand and logo for the Lunenburg experience.
- Promote awareness of Lunenburg as a tourism destination in key target markets and with key travel trade companies, and handle negotiations with them.
- Develop a familiarization visit program for the travel trade and travel writers (partner with the provincial marketing agency in their "fam" trip and travel writer programs).
- Undertake cooperative advertising in key markets, including advertising, trade shows, direct selling to tour operators, etc.
- Develop and advertise packages for shoulder and off-season markets.
- Operate a central reservations and booking service on behalf of the participants.

A recommended marketing strategy and specific marketing actions for Lunenburg are presented in Section 9.

## 7.2.14 Marketing to Take Advantage of the World Heritage Listing

The World Heritage listing is a major asset to Lunenburg in many respects, but most particularly in the tourism area. Much of this report has dealt with the product side of the opportunities arising from the listing, but it will also be very important to take maximum advantage of the marketing opportunities as well.

In part, the challenge will be to sell specific tourism products and packages, and this has been briefly acknowledged above. The larger challenge, to support these marketing efforts, is to create an awareness of Lunenburg as a World Heritage community and an exciting place to visit and vacation. This will require some other kinds of initiatives, such as the following:

- A special profile for the World Heritage community in provincial marketing publications and promotions.
- A special international marketing program in partnership with the Canadian Tourism Commission under their Product Clubs program.
- Joint promotions with other World Heritage Sites, particularly those in Canada.
- Cross promotions with other World Heritage Sites - each site promotes the others to its visitors.
- Joint promotions with Parks Canada and the Nova Scotia Museum.
- Joint promotions with World Heritage Institute partners - the colleges and universities - targeting the international learning market.
- Ads in publications catering to heritage buffs and education professionals.
- Travel writers to do pieces for specialty heritage and educational publications.
- Familiarization visits for the specialty travel trade.
- A National Geographic story.
- Establish a media relations person in the Corporation and develop a media relations plan.
- Managed publicity for newsworthy events.
- Heritage festivals with organized media coverage.
- Lunenburg companies to use the Lunenburg World Heritage brand in their advertising.



### **7.2.15 Establish incentives for traditional industries to participate in tourism**

As mentioned above, it will be important to establish incentives for tourist initiatives which are coupled with industries. However, in a broader context, it will be most valuable if a program of incentives could be established to assist entrepreneurs in participating in the full range of tourism and heritage-related economic development initiatives advocated in this report. Examples of the kinds of incentives that might be considered include the following:

- **A Venture Capital Fund:** Part of the strategy of the World Heritage Corporation should be to establish a capital fund for use in providing soft loans, and equity funding in some cases to aid in the establishment of the key initiatives recommended in this report. As will be discussed in Appendix B, the Foundation and/or the Corporation could establish a funding arm to provide grants, equity and loans for both heritage and business projects.
- **Micro Enterprise Program:** A micro enterprise program should be established to assist and support individual artisans and entrepreneurs to establish and/or grow their businesses in Lunenburg. Among its activities, it would work with the tourism industry in developing and marketing packages and assisting in the development of new and expanded tourism attraction and service businesses necessary for the tourism strategy.
- Financial assistance in restoring and upgrading buildings and grounds.
- Having an interpretive feature developed, maintained, staffed and funded by the Foundation.
- Seed grants to help fund start-up costs and infrastructure.
- Soft financing on favourable terms.
- Technical support in the areas of training, group buying and the like.
- Participation in the cooperative marketing programs of the Corporation.

### **7.2.16 Develop partnership and linkage opportunities**

The Corporation would work with local tourism operators and others who benefit from tourism, in a partnership model, with the purpose of undertaking projects and programs to manage the "Lunenburg experience" and to generate more tourism for the community. In addition, the Corporation would lead efforts to partner with others outside of the community, in Lunenburg County, the South Shore and in Nova Scotia and Canada generally. Particularly important target partners would include:

- Lunenburg Queens Regional Development Authority.
- South Shore Tourist Association.
- Tourism marketing groups in Lunenburg County.
- Nova Scotia Marketing Agency & Department of Economic Development and Tourism.
- Nova Scotia Museum.
- Atlantic Canada Tourism Partnership.
- Canadian Heritage/Parks Canada.

- Canadian Tourism Commission.

### **7.3 Develop New Craft Industries**

Lunenburg has already been discovered by artists and artisans as being a wonderful place to live and work, and there is an opportunity to build on this appeal. Another strategy for the Corporation, therefore, would be to assist and support artists and artisans, both those already in the community as well as others who might be encouraged to relocate to Lunenburg.

The artists and artisans would be available to teach others. Their presence would broaden the range of quality local arts and crafts for sale to visitors, thereby enhancing the visitor's experience and generating more revenues. Their presence would provide another attraction in the community demonstrations of arts and crafts and enhanced shopping opportunities.

In the area of arts and crafts, the Corporation could license designs from the artist/artisan for production by a third party and subsequent marketing by the Corporation as part of a broader fine arts product mix. A royalty on sales would go to the artisan. Also, working/studio space could be provided at affordable rates, perhaps in an artists' village, which would also be a tourist demonstration area.

For craft businesses that manufacture their own products, the Corporation would manage a co-op marketing program, under a common branding, such as *Lunenburg World Heritage* ( or Old Town Lunenburg, Historic Lunenburg, etc.) branded products. Alternatively, the Corporation could contract with the manufacturer to handle the marketing.

The Corporation would develop markets for seafood, maritime, agricultural and craft products, and work with the Foundation to offer heritage products. The goal would be to embody the image of Lunenburg in products that can be marketed. The starting point for this initiative is for representatives of the Corporation to meet with Lunenburg's many talented and creative craftpersons and artists and determine the extent of products and talent available for initial products to market.

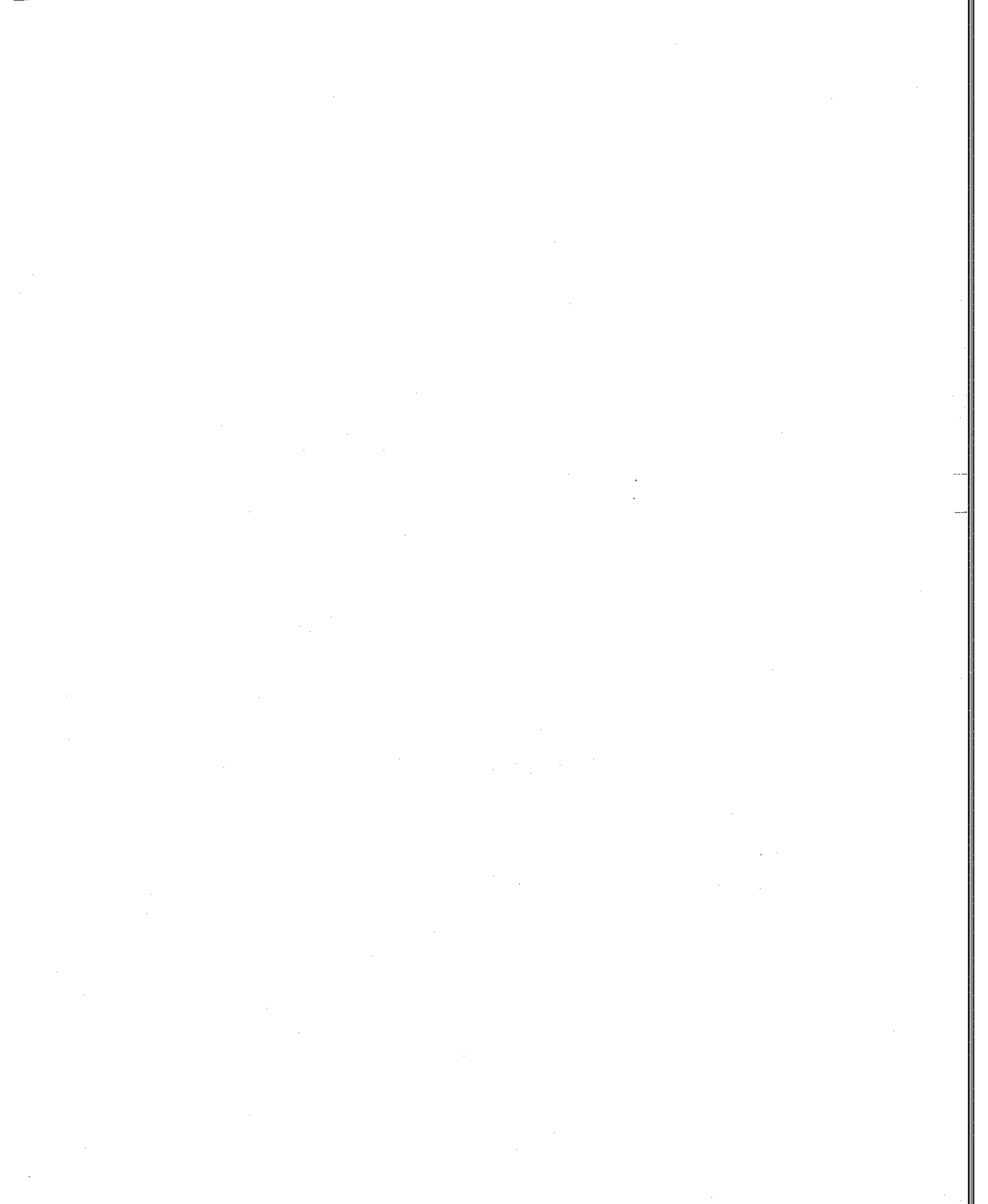
Another first step would be for the Corporation to form partnerships with already operating businesses and with organizations which already have products such as the Bluenose Preservation Trust, the Fisheries Museum of the Atlantic. This would include local bed and breakfast operators in order to offer maritime, heritage, and recreation-based weekend experiences.

#### **7.3.1 An Artists' Village**

The idea of establishing an "Artists Village" has been discussed. This would involve a series of artists studios and galleries, accompanied by some accommodations for single persons. The galleries and some of the studios would be open to the public for viewing work in progress and talking to the artist. This would be a major tourist attraction in its own right. The Corporation

could facilitate this by developing the village facility and making it available to artists at reasonable costs.





#### 7.4 The World Heritage Institute

The key to making tourism a sustainable industry is in offering compelling shoulder season tourism products that are not dependent on warm weather, and winter products that are not dependent on good driving conditions. One tested type of all season tourism product, now used by tourist destinations from Banff to Disney World and Williamsburg is the concept of learning vacations.

One of the priority initiatives of the World Heritage Foundation would be to capitalize on a unique opportunity for Lunenburg - the establishment of the World Heritage Institute. This more formal educational component of the Foundation will be designed to carry the Lunenburg experience to new and distant audiences in a worldwide market. The idea would be to offer programs of three general types:

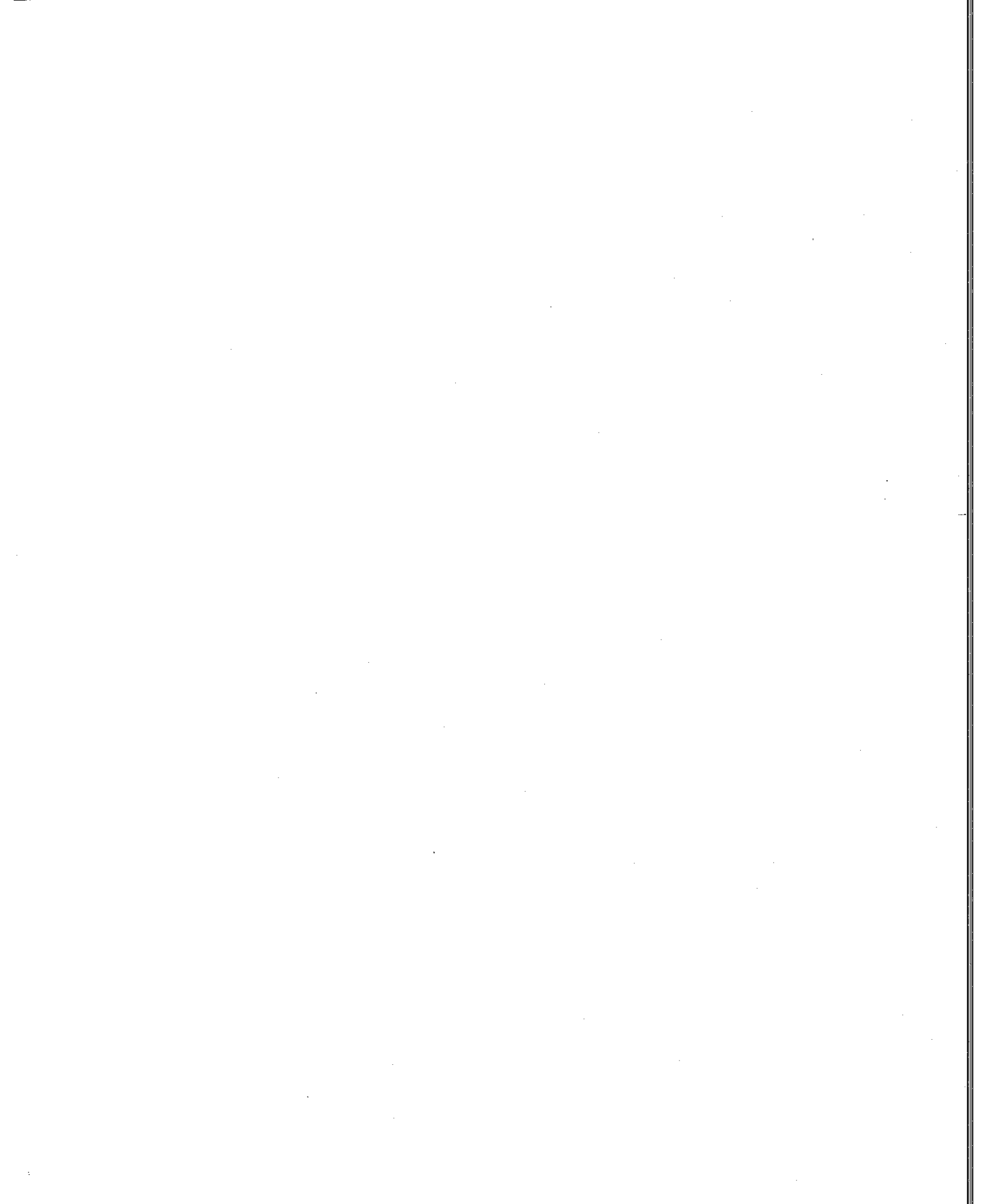
- Formal educational and training programs, in topics linked to Lunenburg's heritage, its industries and its natural environment.
- Learning vacations, particularly those based on heritage and culture, architecture, marine sciences, marine recreation, etc.
- Recreational learning for local residents.
- Contract research.
- Conferences and seminars.

This educational concept could focus both on serious education, as well as on learning vacations, which is a growing tourism market. One major advantage of the learning vacations concept is that it could be an all-year program, which should be a priority for future tourism in Lunenburg.

Learning vacations are a growing tourism market. The advantages of tourists drawn to these kinds of vacations are many-fold; first visitors stay longer and spend more in the local economy, Secondly, they tend to come back, and third, they will come throughout the year. For these reasons, learning vacations should be a priority for future tourism development in Lunenburg.

The concept would be to establish programs in areas where Lunenburg has world-class "credentials" which might include, for example:

- Cultural history of Nova Scotia and Canada.
- Heritage architecture.
- Heritage manufactures (furniture, housewares, etc.).
- Culture conservation.
- Naval architecture (ship design).
- Marine history.
- Ship/yacht building and repair.
- Wooden boat building.



- Marine ecology.
- Learn to sail.
- Small craft navigation and seamanship.
- Tourism and hospitality.
- Eco-tourism.
- Arts and crafts.
- Marine painting and photography.
- Film and a Film Institute

The Institute could also function as a conference and seminar centre, thereby providing the town with the capability of hosting such events, which they would like to be able to do. It would be promoted in partnership with area accommodations, but could also offer basic hotel-style services, including catering.

#### **7.4.1 Partnership programs with existing colleges**

The various programs available for college credit would be developed by existing colleges and universities in Canada and Nova Scotia that are contracted by the World Heritage Institute. These institutions would manage and staff the course offerings in the fashion of a satellite campus for the residential learning program, and as an extension program for the learning vacation market.

In the course of producing this strategy, senior representatives of some of the major universities and institutions in Nova Scotia were interviewed, including Dalhousie/TUNS, Nova Scotia Community College, St. Mary's University, Nova Scotia College of Art and Design, and the Nova Scotia Museum. All expressed interest in working with the Lunenburg community on the development of the World Heritage Institute concept (see Appendix B). In addition, the Director of the Heritage Preservation Department of the University of Montreal has expressed interest. Acadia University already conducts extension courses in neighbouring Bridgewater, and could also be involved.

#### **7.4.2 Other Potential Initiatives of the World Heritage Institute**

Some of the talent already based in Lunenburg could begin by producing electronic (or computer simulated) field trips, programming for cable television, commercial-quality video tapes, CD and cassette audio recordings, live teacher-training narrowcasts, and occasional broadcast network feeds. The World Heritage Institute could coordinate these productions and provide quality control.

## 7.5 Enhancement of the retail and commercial sector in Old Town

The retail and commercial sector in Lunenburg has been suffering from a shift in commercial activity away from the town, particularly to Bridgewater and Halifax. There is need to revitalize this sector for its own sake, but also to enhance the range and quality of goods and services for local residents and also to have the sector make a stronger contribution to the growing tourism marketplace.

Shopping is already a key part of the local economy in Lunenburg. As indicated in earlier sections, there have emerged two forms of retail activity in slightly different locations - the more traditional forms which grew up around the Lincoln Street axis, and newer, visitor-oriented forms which have emerged closer to the waterfront zone, particularly along Montague Street.

It has also been recognized that:

- The tourist oriented retail only has a limited season and is highly susceptible to changes in visitor numbers.
- There is likely to be an increase in visitor numbers and possibly a gradual extension of the season.

It is recommended that the Corporation undertake a composite series of actions which maximizes the overall potential of the visitor throughput (i.e., not just gift shops, but also everyday shops as well), and sustains a diverse range of retail activity over the whole year. The following are recommended:

- That regular retailers be encouraged to provide additional services or products which will be of interest to visitors as well as local people.
- That a Directory of Lunenburg Services be prepared, setting out all the retail and specialist services available to local people and visitors. To be cost effective, this could be produced as part of a school project examining the local economy and distributed to both residents and visitors.
- That a "Lunenburg Loyal" campaign be instituted by local traders to encourage local shopping and reduce leakage of expenditure. This should include promotional material such as the Directory, special discount schemes for repeat purchases, and a themed children's week (e.g. Teddy Bears) to draw children and their parents into a range of outlets.
- That an improvement in shopfronts and window displays be encouraged through advice and guidance, possibly combined with an annual competition and award for best display.

## 7.6 Establish telecommuting industries

We now live in the Information Age where the technological evolution, particularly in telecommunications, allows flows of information - and therefore the carrying out of business activity - in all corners of the world. The continuing globalization of the world economy has also dramatically shrunk the size of the world in terms of real and perceived time. One consequence of this is to make places such as Lunenburg - which has sometimes suffered from a perception of extreme peripherality - to become an option for a contemporary way of life.



The World Heritage Corporation should actively promote telecommuting in Lunenburg as a means of reinforcing its connections with the outside world. This could be enhanced by the provision of a business centre providing services to free-lance business people, including fax, e-mail, internet, and similar facilities to support local business. This would be something like a cyber café, but with a stronger business orientation and backup facilities. The aim would be to provide a more complete range of support services than any one hotel, B&B or small business could provide themselves.

The excellent quality of life which Lunenburg can offer in terms of community, safety, historical identity and outdoor environment, make it an attractive place for a whole host of footloose workers who might traditionally have located nearer to big city markets in Canada or the US. So far this has included writers, artists, sculptors, musicians, craftspeople, publishers, translators, scriptwriters, technical authors, marketing, and film and video specialists.

This sector is likely to grow as the technology becomes more widespread and the positive qualities of Lunenburg more widely known. This is also likely to be assisted by the regular updating of Lunenburg's own Web Page. Rather than simply accept these changes and some of the benefits which could accrue, Lunenburg could be more pro-active. This would have the benefit of promoting Lunenburg to potential future residents and businesses, to tourists, and to its own residents. It would particularly help to connect the town into a key sector of environmentally and culturally aware people who could become ambassadors for the town.

The following are recommended:

- Promote Lunenburg on the Internet as an attractive place to visit, live and work.
- Promote the concept of telecommuting and remote business locations to attract mobile businesses and individuals.
- Examine the feasibility of establishing an electronic business centre for local and mobile business people.

## 8.0 DELIVERY ORGANIZATIONS

The aim of this strategy is for the community to work for the shared success of the town through an organized framework that will allow sensitive and creative cultural resource protection and interpretation with complementary business management. The organization of this initiative is not a panacea. It is not something that can succeed on its own. But it will be the force for galvanizing the private and public sectors of Lunenburg. An organized effort will be required to protect and conserve the heritage and culture of the town, to pursue economic opportunities, and to develop memorable visitor experiences.

### 8.1 The Concept

At the present time, no organization in the town is in a position to undertake the World Heritage Community Strategy and the actions needed to accomplish it. It is crucial that there be some means of managing the various actions of the strategy.

Two cooperative "umbrella" organizations are recommended as the best vehicles to provide these means. These organizations, recommended by the Strategy, are the World Heritage Foundation and the World Heritage Corporation. If created according to the model spelled out below, these organizations will be able to pull together the various components required to implement the plan. This is a common concept adopted for many similar conservation situations worldwide. It has been tailored to meet Lunenburg's special requirements.

The **Foundation** would be a **not-for-profit** organization tasked with directing and managing the heritage resources effort in Lunenburg and the community infrastructure to support other programs. The **Corporation** would be **for-profit** and would be tasked with tourism program management and marketing, and with economic development programs. The two organizations would partner with each other in numerous programs.

To get the job done for the community, the two organizations must:

- Be forward looking and promotional, in order to fulfill the responsibilities of their sectors and make each generation of Lunenburgers trustees of the World Heritage Site as a viable entity to pass down to succeeding generations.
- Assure for all the townspeople of Lunenburg, safe, healthful, productive, and aesthetically and culturally pleasing surroundings.
- Attain the widest range of beneficial uses for the community of the World Heritage Site without degradation, risk to public health or safety, or other undesirable and united consequences.
- Preserve and promote important historical, cultural, and natural aspects of the heritage of the town of Lunenburg that made it eligible for inclusion on the World Heritage List.

- Maintain, wherever possible, an environment which supports diversity and variety of individual choice while recognizing the need to protect the integrity of the World Heritage Site.
- Achieve a balance between all segments (ages, income brackets, etc.) of the population and resource use which will permit high standards of living and a wide sharing of life's amenities by the townspeople of Lunenburg, as they continue to live in the World Heritage Site.
- Enhance the quality of renewable resources (including jobs) and approach the maximum attainable recycling of depletable (historic) resources for which the World Heritage Site is known.
- Draw on both public and private sector interests, from both organizations and individuals, in order to be action oriented and based on an agreed program and business plan.
- Have legal identities, assets, staff, trading capability, etc. under Canadian law.

## **8.2 Mandate and role of the World Heritage Foundation**

A vital part of the Foundation's role will be to work with other private and governmental groups on a variety of preservation and educational issues. These include the Lunenburg Heritage Society, Fisheries Museum, Bluenose Preservation Trust, Lunenburg Academy Foundation, Lunenburg Garden Club, and other similar organizations of the community, the Town Council, and the Provincial and Federal governments. The Foundation and its World Heritage Institute should work with local schools to enhance their programs, involve students in the programs of the World Heritage Site, and foster internships, training and job opportunities. Colleges and universities throughout Canada and Nova Scotia should be encouraged to set up affiliated programs with the Institute in Lunenburg.

The World Heritage Foundation should have the following activities:

- **Champion the preservation of Lunenburg.** The Foundation would promote the World Heritage Site -- its two and a half centuries of architecture, harbourfront and natural setting, eighteenth century town plan, and maritime-related heritage. This will be done through museum programmes, restoration, public advocacy, research, archaeology, collections, protective easements, and conservation of historic sites.
- **Raise Funds.** In order to carry out the mission of the non-profit organization, the Foundation must raise funds, establish a revolving fund, and develop architectural guidance and public relations materials. Seed money should be sought immediately in order to hire a professional staff. As an organization dedicated to education, and as a means of advocating preservation, the World Heritage Foundation should raise the

money to prevent demolition of historic sites, and help restore exhibit buildings that can re-inforce the town as a living open air museum.

- **Oversee the Development and Management of the World Heritage Institute.** The Foundation would take the lead role in establishing this Institute. It would assist in negotiating the seed funding necessary, in the on-going administration of the program, and in curriculum development.
- **Find ways to get the community involved in Heritage Conservation.** Better-managed resources can be obtained by explaining why the resources are important. Ways must be found to instill respect and foster stewardship in both visitors and residents. Education about cultural resources can also instill community pride and strengthen sense of place among its members.
- **Develop educational programs for the community and visitors.** In addition to initiatives to preserve sites of historical and cultural significance, the Foundation would institute educational programs to foster appreciation of the town's architectural and historical heritage to locals and visitors alike, and to provide a productive and educational visitor experience.
- **Develop a memorable visitor experience.** Interpretation can be a powerful story-telling tool that can make an attraction, and the community, come alive. These initiatives include craft demonstrations, exhibits, enactments, and visitor orientation presentations that utilize numerous aspects of Lunenburg's heritage - not only the themes of fishing and rum-running, but those of architecture, town-planning, education, commerce, religion, and other aspects of social history as well. This program would seek to interpret the entire heritage area for the visitor by tours, living history, craft demonstrations, exhibits, authentic restorations, and guide books.
- **Develop work programs and internships.** The Institute would establish educational facilities, courses, and conferences, work programs, internships and other learning opportunities that fully take advantage of the World Heritage Site. These would not only be history and cultural programs, but should include the teaching of hospitality, recreation, and other visitor-related support experiences to the local high school and academy as well as college students from other parts of Nova Scotia.
- **Publish guidebooks and other educational material.** Along with actually formulating a guide, information service publications are extremely necessary. Other ways can be explored, such as taped audio tours, documents, and changing exhibits. In this way the Foundation can increase public awareness of the value of history and preservation as well as distribute information about Lunenburg and its history to a world market with long range results. A film commission might further utilize that medium for educational purposes.

- **Develop volunteer programs.** The Foundation must continue the community's already active and fruitful effort to develop and provide leadership and coordination. This will lead to an extensive volunteer program that can provide a "hands on" experience for many people from all walks of life, including high school students, senior citizens, and families.
- **Manage interpretation.** In interpreting the physical and social aspects of the history of Lunenburg, there should be a focus on the authentic. Every effort must be made to preserve the authentic aspects of local heritage and culture, including handicrafts, art, music, language, architecture, landscape, traditions, and history.
- **Partner with the Town in managing cultural resources.** Property management by the community is equally essential. Assurance must be developed that new construction fits in with its architectural and landscape surrounding. Cookie-cutter fast food joints, cheek by jowl with the town's historic architecture are offensive. In order to preserve and enhance the resources that make the Lunenburg community interesting, memorable and unique, a technically strong organization is required to advise the municipality.
- **Manage and own historic property and easements.** Because there is a close relationship between the day-to-day management of the cultural property and the educational and museum-related part of this plan, the logical place for property management is in the Foundation rather than the for-profit Corporation. As a non-profit organization, the Foundation should seek to acquire easements, establish revolving funds, facilitate home-improvement loans, locate technical advice for property-owners, and solicit funding for restoration projects. It would eventually acquire selected property in order to carry out its activities.
- **Partner with the World Heritage Corporation.** The relationship between the non-profit Foundation and the for-profit Corporation would generate operating funds and provide for special projects for the tourism, educational or property managing aspects of the Foundation. The Foundation, however, is in the position to solicit funds from charities, other non-profits, government sources, etc. because of its non-profit status. It functions as an entirely separate organization with a separate board of directors. The Foundation would provide the authentication for the products sold through the corporation. It would also partner with the Corporation in the areas of heritage programming and special events in support of the tourism effort, in developing arts and craft and retail programs, in marketing the Institute and in the restoration of commercial structures.
- **Provide assistance with preservation advice and solutions.** The Foundation would assist property owners in find amenable solutions to repair and restoration, and additions to historic property. The Foundation would give advice on all historic properties in the town and direct the preservation on properties in which the organization had an interest (see easements, revolving funds, etc.) The Foundation

would not only be available to offer advice to historic properties throughout the town, but would also be able to solicit information and advice from outside sources. The Foundation would necessarily work with the Heritage Advisory Committee (see below) to ensure that the Heritage By-laws are followed and enforced.

- **Conduct and fund research in support of preservation technology.** The Foundation should maintain an up-to-date DataBase of technical information that would apply to the specific building types in Lunenburg. It should commission technical "how to" pamphlets for distribution, and generally become the storehouse of knowledge for the benefit of the community preservation effort in Lunenburg.

### **8.3 Mandate and role of the World Heritage Corporation**

Collective action is required to improve and sustain the economy of Lunenburg while protecting its historic and natural environment. The World Heritage Corporation will be a community of partners working together and with the World Heritage Foundation and Town of Lunenburg in order to make this happen. As a for-profit organization, the Corporation will become an important member of a community effort, and will break new ground in giving the business sector of Lunenburg the ability to capitalize on the World Heritage listing.

The Corporation will be a purpose-built business organization, functioning as a partnership of the various business interests in the community. It should be built upon the premise that many small economic solutions provide greater long-term stability than a few large solutions.

The Corporation will be a business operator in its own right, managing partnerships and marketing products on behalf of its business partners. At the same time, it will assist other businesses in the community to become more successful, by providing them with technical help and marketing support. In this way, the Corporation will become a catalyst for the sustainable economic growth of Lunenburg. Its role would include the following:

- **Managing and marketing the Lunenburg tourism experience.** The Corporation would partner with the Foundation in developing and delivering the visitor experience. The Corporation would take the lead in developing new and enhanced attractions and special events, managing cooperative initiatives in tourism, and packaging and marketing the Lunenburg tourism experience. In this venture, it would work with and co-ordinate the existing volunteer organizations in the community.
- **Establishing and supporting commercial and industrial partnerships.** The Corporation should facilitate the establishment of consortia and cooperative initiatives among the key sectors of the business community, for example, the marine industries consortium. It could provide on-going administrative support as well, where appropriate.
- **Facilitating the growth of existing, and the establishment of new, commercial enterprises and economic activity.** The Corporation would lead efforts in the areas of

business development based on the historic strengths of the business community, including the initiatives in arts and crafts businesses, marine industry services, telecommuting, etc.

- **Find new ways to jump-start the economy.** The Corporation will work to help the economy of Lunenburg fulfil its potential by growing from within. By creating successful markets for indigenous products and by investing in local, environmentally sound businesses, in order to create dozens of local enterprises, hundreds of new jobs and millions of dollars of revenues in the beginning of the 21st Century.
- **Utilization of Lunenburg's resources.** The work of the Corporation will be based on the comparative advantages of Lunenburg - its maritime and fisheries reputation, its talented artisans, its historic resources, and its business partners.
- **Finding financing and funding for existing and new businesses and tourism.** A key part of the Corporation's effort will be in assembling funding assistance for various projects, including seed capital grants, equity and loans for commercial projects. In addition, the Corporation would play a key role in both directing and assisting fundraising efforts in support of projects of the Foundation, festivals and events, and sponsorship for various initiatives.
- **Business advice and support.** Another service would be providing business advice and support services for community businesses and enterprises. Another would be in local business-oriented programs such as hospitality training, for example.
- **Introduce a micro-enterprise program.** The Corporation would enter into partnerships with local small businesses, and would assist in establishing and attracting others to the community by offering its partnership services. A wide range of desired products and services could be targeted, including artists and artisans, cottage industries, and small manufacturing and processing businesses, retailers, business services, visitor services, commercial accommodations, attractions and tours, etc. Basically, any kind of business that needs to be assisted or attracted to locate in the community. However, the enterprise should be one that clearly contributes to the World Heritage Community Strategy. In the micro enterprise partnership program, the Corporation would provide the following kinds of support to micro businesses, depending on the needs in each case:
  - Equity and loan capital to establish or expand
  - Technical and business advice
  - Administrative support services (office space, clerical, accounting help, etc.)
  - Group buying
  - Market development and marketing

Most or all of the foregoing activities would be provided on a full cost-recovery basis, with fees, commissions or royalties being charged. Where possible, the Corporation would endeavour to earn a profit on its activities. Examples of how the Corporation would work with different kinds of businesses are:

- **In the area of arts and crafts**, the Corporation might license designs from the artist/artisan for production by a third party and subsequent marketing by the Corporation as part of a broader fine arts product mix. A royalty on sale would go to the artisan. Also, working/studio space could be provided at affordable rates, perhaps in an artists' village, which would also be a tourist demonstration area.
- **For businesses that manufacture their own products**, the Corporation would manage a co-op-marketing program, under a common branding, such as Lunenburg *World Heritage* branded products. Alternatively, the Corporation could contract with the manufacturer to handle the marketing
- **In the tourism area**, the Corporation would, through its tourism arm develop, manage and market a packaging program in co-operation with professional tourism business operators. Packages would include "get-aways," learning products, adventures, etc. The corporation would also work with local operators and tourist services in delivering the product on the ground. In general, the idea would be for the Corporation to provide a unified, co-ordinated, high profile packaging and marketing service to all subscribing tourism businesses in the community.

#### **8.4 The Partnership of the Foundation and the Corporation**

The dynamics of how these two organizations work together is a key issue and one that has required some careful review by the consultants. The conclusion is that each has to be free to pursue its own mandate, and have the requisite authority and accountability with respect to its programs and responsibilities. Each has to be able to function in keeping with its fundamental goals - heritage cultural resources management for the Foundation and community economic prosperity for the Corporation.

The Corporation would take on responsibility for marketing the World Heritage Institute and would work with the Foundation in the areas of heritage tourism, special events, arts and craft products development, and heritage commercial initiatives. The Corporation would also be the marketing arm for both its own initiatives and those of the Foundation.

At the same time, each of the two organizations would be mandated to work together on initiatives that would logically benefit from both of their capabilities, as well as to work collaboratively with others in the town. They would not be autonomous of their fundamental role of supporting the aspirations of the community. At the same time, they would have the authority to protect the primary goals for which they were established.

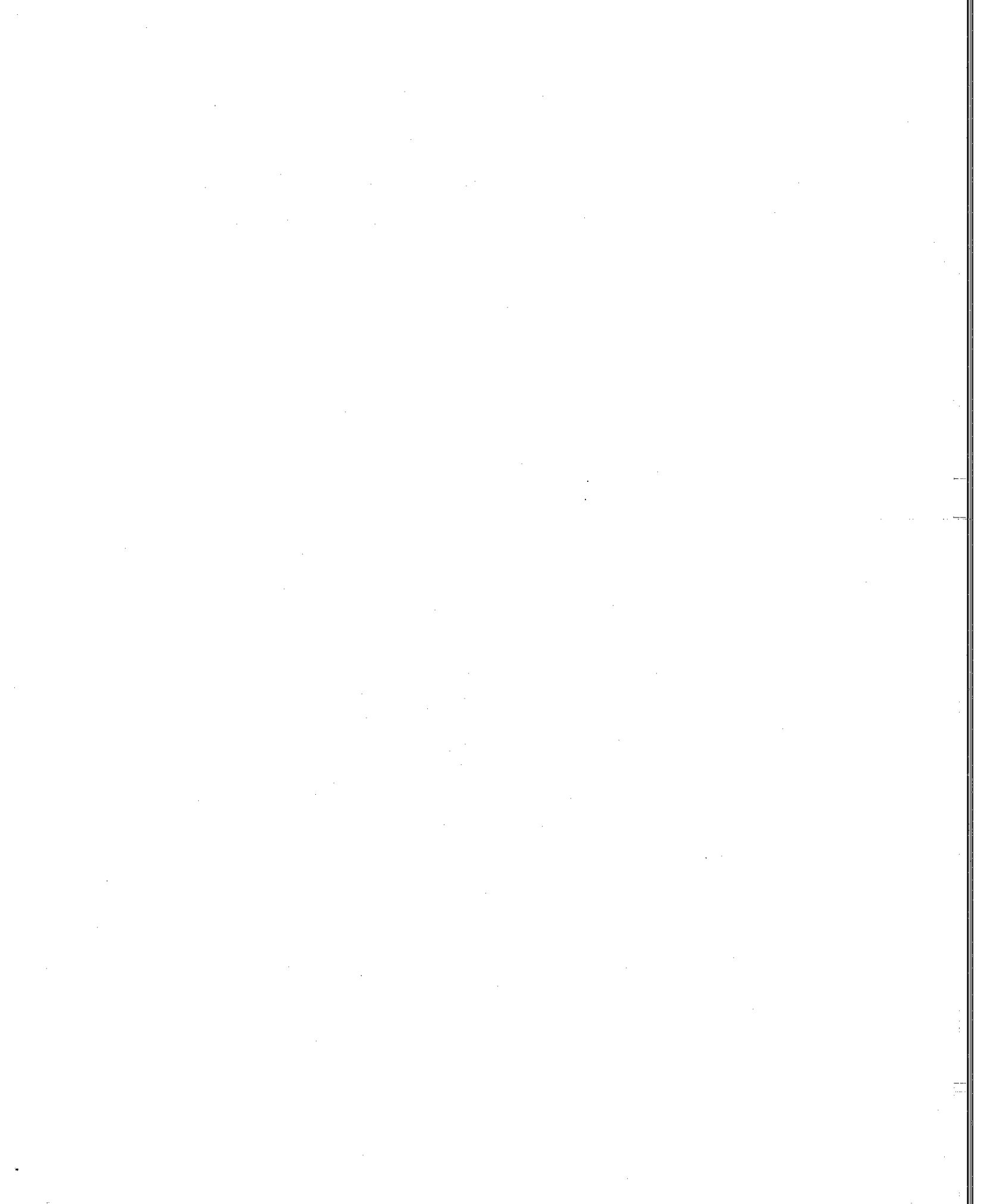


In essence, then, the efforts and achievements of each of the two organizations would be judged with respect to two fundamental mandates - one being their responsibility for either heritage resources management or economic prosperity, as the case may be - the other being their effectiveness in working together and in supporting the efforts of the community.

In a practical sense, the two organizations would endeavor to achieve agreement on how various projects and programs would be handled, on a case by case basis. Where their management is unable to reach agreement, the project would either be abandoned, or the supporting partner would proceed independently. Where the disagreement is on a major matter, it would be resolved between their respective boards of directors. Having cross membership on the two boards, as is recommended in the following section will assist this process.

With respect to partnering with other organizations, the Corporation would form partnerships with already operating businesses and with organizations such as the Bluenose Preservation Trust, the Fisheries Museum of the Atlantic, tourism operators, etc.





## **8.5 Structures of the organizations**

The composition of the two recommended umbrella organizations have been carefully worked out for proportional representation so that there is a balance between the two organizations, allowing neither to dominate the other. The World Heritage Foundation, because it is the organization, which will be involved in heritage conservation, is given the overriding control factor in as much as possible without unduly hampering the operations of the World Heritage Corporation. The town government through the recommended strengthening of the Heritage Advisory Committee is given the final legal means of control for conservation of the built and environmental heritage. There are positions on the boards of trustees of both organizations, which additionally ensure that the town is a vital partner in the operations, finances, and activities recommended.

### **8.5.1 Structure of the Foundation**

The Foundation would be a not-for-profit society incorporated under the Societies Act of Nova Scotia with tax deductible status for any donations and gifts provided to it. It is suggested that the Foundation should have a Board of Directors with a minimum of eleven appointees from the following sources:

- Seven (7) members appointed by Town Council following nominations from the Lunenburg Heritage Society (1), the Lunenburg Academy Foundation (1), the Lunenburg Marine Museum Society (1), the Bluenose Preservation Trust (1) and the community at large (3).
- Two (2) appointees from the Board of the World Heritage Corporation.
- One (1) appointee from Town Council.
- One (1) Provincial Government appointee from the Nova Scotia Museum or the Heritage Section of the Department of Municipal Affairs.

Six of the eleven should be residents of the town. In addition, the Executive Director should be an ex-officio member of the Board.

### **8.5.2 Structure of the Corporation**

The Corporation would be a public company with shareholders, incorporated under the Companies Act of Nova Scotia. (Alternatively, and depending on the preferences of the community and potential shareholders, the Corporation could be incorporated as a Co-operative under the Co-operative Associations Act). The core shareholders would come from the Lunenburg business community but private individuals could also be shareholders. Shareholders would invest in one or more shares, making them eligible to vote at general meetings and to become a director. Like the Foundation, it is suggested that the Corporation should have a minimum eleven member Board of Directors comprised as follows:

- Seven (7) directors elected from among the shareholders.

- Two (2) appointees from the Board of the World Heritage Foundation.
- One (1) appointee from Town Council.
- One (1) appointee from the Provincial Department of Economic Development & Tourism.

As with the structure of the Foundation, six of the eleven board members should be residents of the town, and the President should be an additional, ex-officio member.

### **8.5.3 Staff**

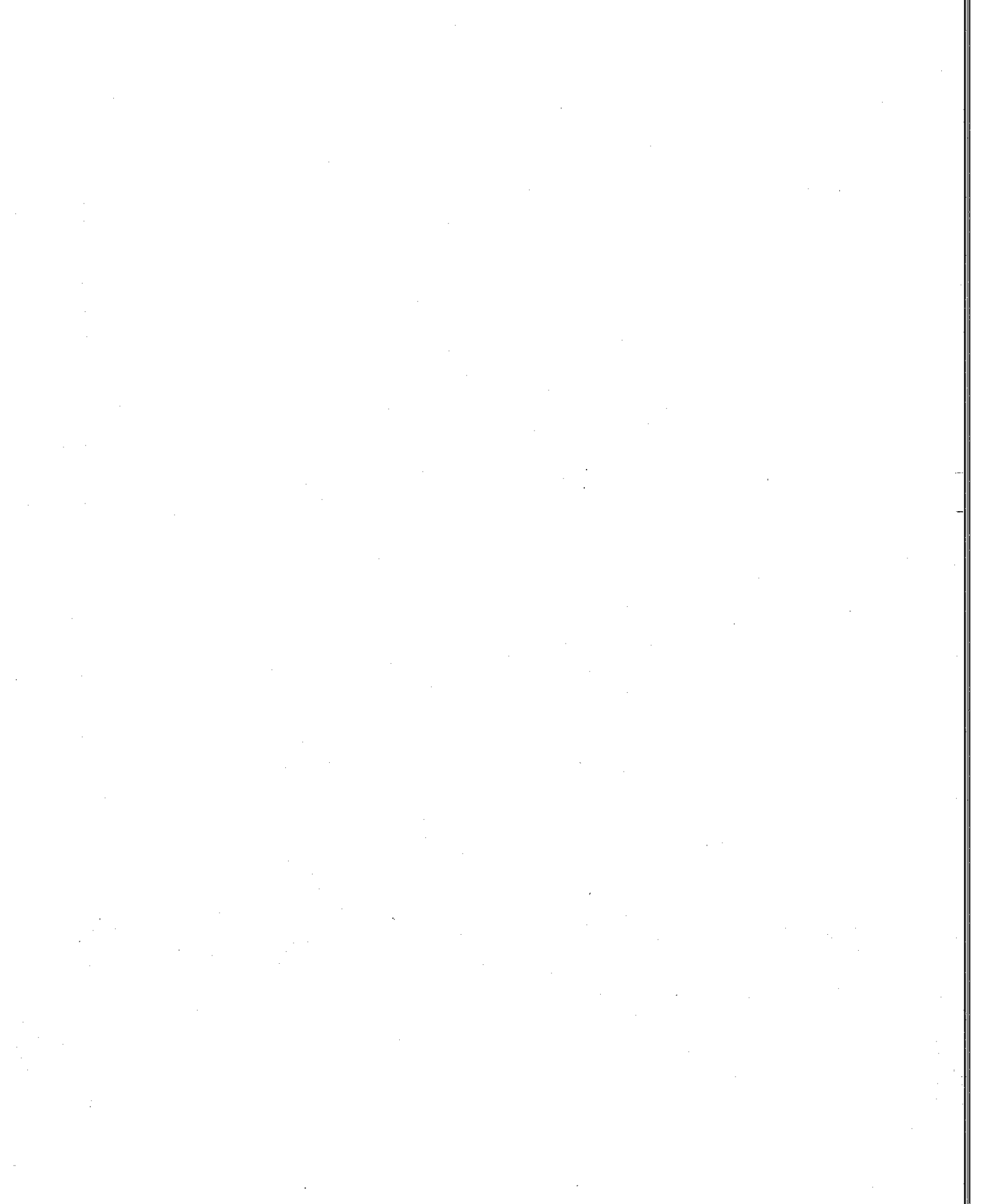
It would be necessary for the Foundation and the Corporation each to have a professional staff to carry out their respective missions

### **8.5.4 Bylaws**

Both organizations will require unique sets of bylaws to govern the many aspects of how they will function, including the structure and functioning of their Boards of Directors, the authority and accountability of officers, and the use of profits and surpluses, etc.

As models, the bylaws of two comparable organizations - **Historic Annapolis Inc.**, as a model for the World Heritage Foundation, and the **Virginia Eastern Shore Sustainable Development Corporation**, as a model for the World Heritage Corporation - are included in Appendix C.





## **9.0 MARKETING STRATEGY**

A recommended marketing strategy and specific marketing actions for Lunenburg are presented below. This strategy focuses on the tourism-related elements of the overall Lunenburg strategy although it does touch on a number of the other elements. The strategy and plan is presented in two parts - a short term strategy of actions which can be undertaken in the near future, before the full implementation of the recommendations in this report, and a longer term strategy designed for implementation once the bulk of the programs and initiatives recommended are in place and the World Heritage Foundation and the World Heritage Corporation and their programs are in place.

### **9.1 Overall Market Positioning Statement**

The overall intent of the marketing strategy should be to position Lunenburg as a major international, year round tourist destination based on its World Heritage designation and its marine and cultural heritage, offering high quality visitor experiences to high yield markets.

### **9.2 Marketing Objectives**

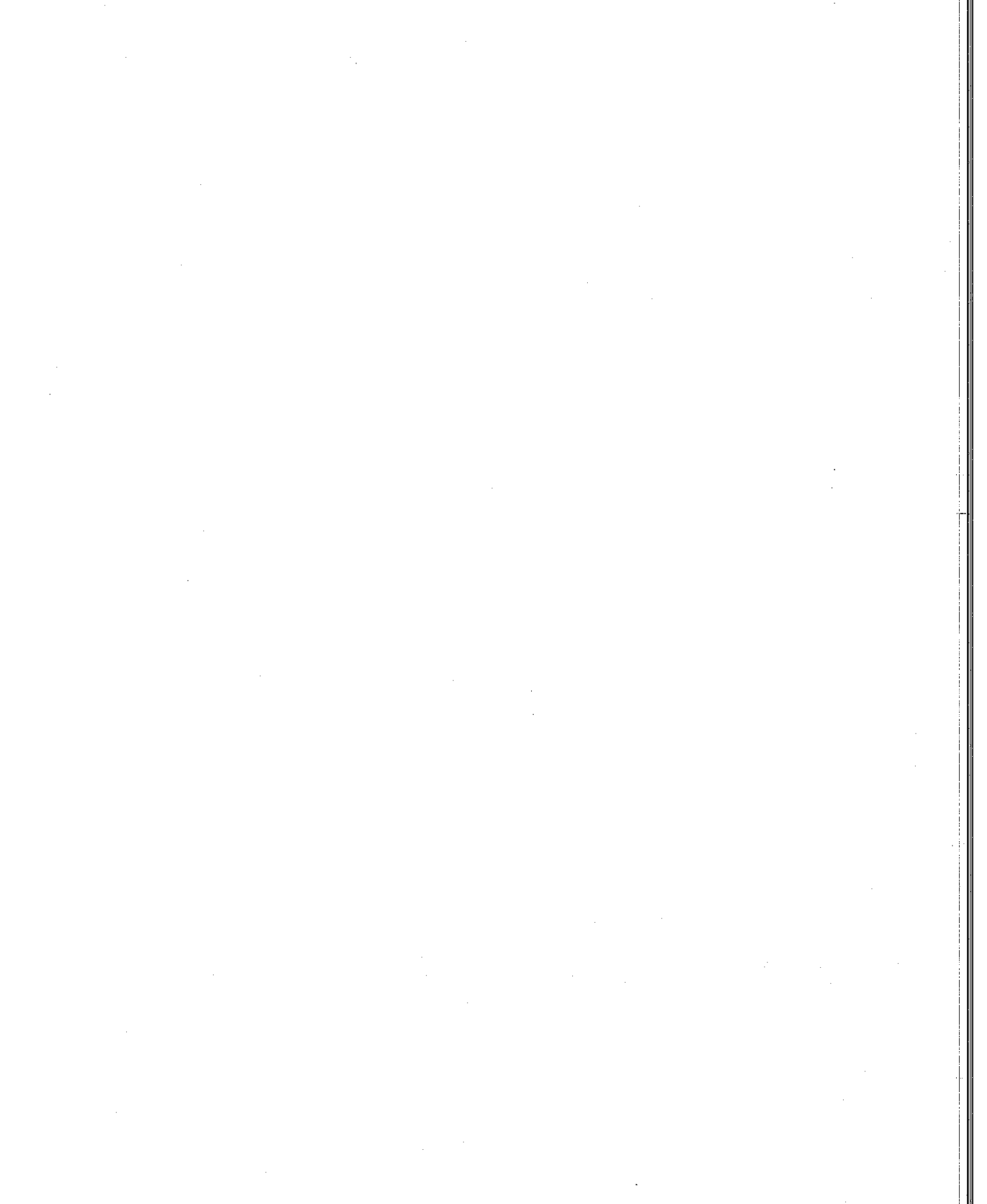
In the short-term, the marketing activities should be designed to accomplish the following objectives:

#### **9.2.1 Overall Short Term Marketing Objective:**

To maximize Lunenburg's market share from existing tourism activity in Nova Scotia and Atlantic Canada, both in mainstream tourism markets and in heritage and cultural special interest markets.

#### **9.2.2 Other Short Term Marketing Objectives:**

1. To increase the awareness within provincial, national and international markets, particularly cultural and heritage markets, about Lunenburg's designation as a World Heritage Community and its appeals as a destination.
2. To increase the length of stay and yield (revenue) from existing visitors to Lunenburg by providing increased and enhanced visitor experiences.
3. To attract new visitors to Lunenburg from among existing visitors to Atlantic Canada, from the provincial resident market and from the regional resident market, particularly those having an interest in culture and heritage, and to generate multi-day stays from these markets.
4. To attract new visitors to Lunenburg from within the international heritage community, i.e. those with a special interest in the World Heritage designation itself, for multi-day stays in the community.





5. To develop the necessary marketing infrastructure and skills which will be required to implement the long term marketing plan, including developing a marketing network, preparing collateral materials, expanding the World Wide Web site, working with operators to develop packaging skills and design packages, establish a receptive tour operator, etc.

Over the longer term, the marketing objectives would be expanded to incorporate the following:

### **9.2.3 Overall Long Term Marketing Objective**

To build new destination, multi-day tourism to Lunenburg.

### **9.2.4 Other Long Term Marketing Objectives**

1. To establish Lunenburg as an international, year-round destination in its own right, attracting markets with an interest in heritage, culture, marine heritage, learning (short-term and long term), special events and resort-style getaways.

## **9.3 Target Markets**

The primary target markets for Lunenburg are identified below. They include both tourism-oriented markets as well as markets related to the World Heritage Institute.

### **9.3.1 Tourism Markets**

The tourism-related markets for Lunenburg include:

- Existing visitors to Nova Scotia and other parts of Atlantic Canada, some of whom now visit Lunenburg as well as those who do not currently visit the community. This includes markets with an interest in heritage and cultural tourism, festivals and special events, crafts, marine heritage, etc as well as the general touring market.
- The Atlantic Canada regional resident market;
- Numerous special interest markets from Canada, the United States and international origins who can be attracted to Lunenburg by the unique experiences which are provided. These include, but are not necessarily limited to, markets interested in:
  - Cultural and heritage tourism;
  - SCUBA diving;
  - Outdoor adventure, particularly sea kayaking and bicycling;
  - Festivals and special events;
  - Yachting and other marine related activities;
  - Crafts and other heritage products;
  - Architecture and Archaeology;
  - Gardening;
- Resort-style getaways;

- National and international learning vacation markets including those interested in topics such as heritage architecture, restoration, heritage arts, film, marine heritage, ship building, etc;
- Motorcoach tours from Canada and the United States;
- Small specialty tours e.g. biking, hiking, small special interest coach tours, and independent travellers such as those on fly-drive vacations;
- Cruise ship markets;
- Conference and seminar markets from Canada, the United States and international markets.

### **9.3.2 World Heritage Institute Markets**

In addition to the learning vacation markets identified above, the target markets for the World Heritage Institute includes:

- Local and regional residents interested in recreational learning as well as in more formal learning;
- Regional, national and international markets seeking formal educational and training programs in topics related to Lunenburg's heritage, industries and natural environment;
- Related regional, national and international associations, agencies, etc. seeking locations for conferences and seminars;
- Students of regional, national and international formal educational institutions who would visit Lunenburg for a special program.

## **9.4 Recommended Marketing Activities**

The recommended marketing activities are outlined below. This is not meant to be an exhaustive list but does provide an indication of the wide range of marketing activities which will be required.

It will be essential for the marketing efforts to be co-ordinated with, and in many cases to occur in partnership with, the marketing efforts of other groups both in Nova Scotia and nationally. These were identified earlier in section 7.2.14 and include the Nova Scotia Marketing Agency, the South Shore Tourism Association, the Atlantic Canada Tourism Partnership and the Canadian Tourism Commission.

### **9.4.1 Marketing to Take Advantage of the World Heritage Listing**

Before discussing specific short term and long term marketing initiatives, it is important to talk about marketing efforts to increase national and international awareness of the World Heritage Designation and to take advantage of this listing. The World Heritage listing is a major asset to Lunenburg in many respects, but most particularly in the tourism area. Much of this report has

dealt with the product side of the opportunities arising from the listing, but it will also be very important to take maximum advantage of the marketing opportunities as well.

In part, the challenge will be selling specific tourism products and packages, and this is discussed in more detail below. The larger challenge, to support these marketing efforts, is to create an awareness of Lunenburg as a World Heritage community and an exciting place to visit and vacation. This will require some other kinds of initiatives. The following suggestions as to the kinds of initiatives are offered:

- A special profile for the World Heritage community in provincial marketing publications and promotions;
- A special international marketing program in partnership with the Canadian Tourism Commission under their Product Clubs program (perhaps with other World Heritage Sites in Canada);
- Joint promotions with other World Heritage sites, particularly those in Canada;
- Cross promotions with other World Heritage sites - each site promotes the others to its visitors;
- Joint promotions with Institute "partners" - the colleges and universities, targeting the international learning market, particularly for joint programs and packages;
- Joint promotions and packages with Canadian Heritage and Nova Scotia Museum.
  
- Ads in publications catering to heritage buffs and education professionals. This would include publications such as the Smithsonian, Archaeology, The Educated Traveler and newsletters published by the American Museum of Natural History;
- Travel writers to do pieces for specialty heritage and educational publications;
- Familiarization visits for the specialty travel trade;
- Establish a media relations person in the Corporation and develop a media relations plan;
- Managed publicity for newsworthy events;
- Heritage festivals with organized media coverage;
- Lunenburg companies to use the Lunenburg World Heritage brand in their advertising.

#### **9.4.2 Short Term Marketing Actions**

In addition to efforts to increase the awareness and impact of the World Heritage listing, other short term marketing actions should include:

- Establish a brand for "the Lunenburg experience", using the town's logo perhaps. This brand should be used on all marketing materials and advertisements, such as the ads in the Nova Scotia Travel Guide, for example;
- Develop appropriate collateral materials, including a high quality community lure brochure;

- Develop a familiarization visit program for the travel trade and travel writers (partner with the provincial marketing agency in their "fam" trip and travel writer programs);
- Advertising in selected specialty publications, i.e. those targeting the special interest markets identified above. These might include the Smithsonian, Historic Traveler, Archaeology, The Educated Traveler.
- In co-operation with other partners, attend special interest trade shows as well as general consumer trade shows in key markets. For example, for the SCUBA diving market, Lunenburg should consider sending a representative to the Toronto Dive Show, co-operatively with the Nova Scotia Underwater Council. Attendance at general consumer trade shows should be undertaken co-operatively with groups such as the South Shore Tourism Association and the Nova Scotia Marketing Agency;
- Develop and advertise packages for shoulder and off-season markets, targeting the markets identified above and the types of experiences proposed for Lunenburg. The packages should include two-three day experiences as well as week long experiences. The extent of the packages available will be significantly expanded over time, as the various programs recommended are introduced. A special marketing program for packages will be required.
- Work with receptive tour operators in Atlantic Canada, particularly those who have developed packages which focus on cultural, heritage and natural environment opportunities, to encourage them to include Lunenburg experiences in their packages. (There are several such operators in Atlantic Canada which can be identified with the assistance of provincial tourism marketing departments).

### 9.4.3 Long Term Marketing Actions

Longer term marketing actions should also include:

- Developing relationships with the travel trade, and other organizations who offer travel and learning/cultural/heritage programs. The organizations and companies to be targeted include:
  - The Smithsonian Institute
  - Saga Holidays, particularly with respect to their Road Scholar Program
  - Elderhostel
  - Learning Holidays
  - American Museum of Natural History - Discovery Tours Division

Other specialty travel companies can be identified through directories such as the Specialty Travel Directory which lists tour companies across the US and internationally by the type of activity they participate in.

This task involves more than just providing information to these organizations. It should involve working with them to develop programs which are of interest to their markets, as well as possibly some joint marketing and advertising efforts.

- Direct selling to tour operators. This would involve first identifying a long list of tour operators and other travel trade representatives (in Canada and the United States as well as in key international markets) who might potentially have an interest in the types of products/experiences

available in Lunenburg and then mailing out an information package. Telephone follow-up should then be undertaken to determine the level of interest. Attendance at travel trade marketplaces such as the American Bus Association, National Tour Association, Rendez-vous Canada, Ontario Motorcoach Association, etc. is also an important component of marketing to the travel trade.

- Preparation of a Tour Planner for the Heritage Market. This planner would detail all of the opportunities available in Lunenburg to the travel trade with information on facilities and services available, prices, travel trade policies, booking and reservations policies, etc. It would form part of the package of material provided to the travel trade.
- Operate a central reservations and booking service on behalf of the participants in both the tourism and heritage institute programs.
- Encourage the establishment of a receptive tour operator in Lunenburg who can co-ordinate the development and sale of packages and actively work with the travel trade.
- Work with the airlines to develop packages which feature value air prices from major markets, such as Toronto, Boston, New York, Washington and Montreal.

## 9.5 Organization

The community currently has three organizations involved in tourism marketing in different ways, and recent discussions in the community have centred around an amalgamation of these efforts under one organization. It is recommended that the solution is to form a tourism marketing arm of the World Heritage Corporation and focus activities there.

## **10.0 NEXT STEPS**

Implementation of the strategy outlined in this report will require considerable time, effort and funding. A preliminary, two-step implementation plan is set out below. A more detailed implementation plan will need to be developed in future once decisions have been made by the stakeholders with respect to adopting the various elements of the strategy.

### **10.1 Initial Steps to be taken by the Town Steering Committee**

1. Communication of the highlights of the report to the community at large, as well as to companies and other stakeholder organizations.
2. Meetings with community organizations and common interest groups in Lunenburg to explain and discuss the various proposals.
3. Preliminary meetings with provincial officials in economic development, tourism, and community development to present the proposals and explore funding options.
4. Similar preliminary meetings with the federal government, particularly Canadian Heritage and ACOA.
5. Secure some initial funding from economic development and tourism agencies to contract with consultants and other professionals for the more urgent studies and initial implementation tasks, discussed below. Customized teams will be required for customized tasks.
6. Form a new Steering Committee to oversee the next stages of activity.

### **10.2 Second Stage Steps**

1. Adopt the draft Heritage Conservation District Plan, Bylaw and Design Guidelines ... adjust the present draft to include areas outside the Old Town.
2. Adjust planning policy and zoning regulations in support of the cultural tourism development scheme.
3. Engage consultants/staff to manage the initial implementation program, under the direction of the Steering Committee, including the following:
4. Develop overall business plans for the Foundation and the Corporation - corporate structures, by-laws, mandates, share structure, investors, financing, staffing, initial projects, budgets and projections, timetable, etc.
5. Develop the detailed Blueprint for Cultural Tourism, including the following components:

- Overlay planning assessments ... historic building ratings ... building condition ... building use ... landscape features ... ownership ... property values ... vacant space .... under-utilized space, etc., and analysis thereof;
  - Traffic and parking analysis ... traffic counts ... existing parking capacity ... constraints/capacity of potential peripheral parking sites ... the one-way system ... options for change ... options for increased metering .... options for seasonal parking restrictions or street closures .... constraints/options for shuttle service routing, etc;
  - Pedestrian improvements ... pedestrian circulation system ... sidewalks ... needs of pedestrians vs vehicles ... pedestrian/parking/retail area/heritage area links ... alley upgrading .... options/concepts/detailed designs ... costs.
  - Other infrastructural improvements ... lighting ... landscaping ... signage ... street furniture ... public washrooms.
6. Develop action plans for major program initiatives, including budgets, responsibilities, staffing, funding, etc., for:
- Heritage conservation
  - The tourism experience.
  - Tourism product and event development.
  - Tourism packaging and marketing.
  - Marine industries.
  - Craft industries.
  - World Heritage Institute.
7. Carry out detailed historical research - historic crafts, trades, events, people, etc., for use in furthering the “museum without walls” concept.
8. Prepare a prospectus for the Corporation to secure major program funding from governments, investors, sponsors and partners.
8. Design initiatives intended to achieve funding for the Foundation, covering sponsorship programs, membership programs, revenue activities, etc.
11. Incorporate the Foundation and the Corporation.
12. Negotiate major financing from sponsors, partners, and investors.
13. Engage staff .... refine implementation plans .... embark on projects .....

### 10.3 Organizing the World Heritage Foundation

When faced with the actual organization of a non-profit organization for preservation, many concerned individuals look around helplessly and wonder who will take a stand.

Well-meaning groups flounder not knowing how to get going. The spirit of cooperation, consolidation, inclusion, and communication and overcoming years of unnecessary floundering are necessary first steps in organizing any community strategy in Lunenburg, Nova Scotia.

This Community Conservation Strategy was developed as guides to enable Lunenburgers themselves to address problems and apply applications. Its recommendations are meant to suggest, not dictate a course of action. The outline encourages the community to freely adapt the strategy to meet the particular and changes of the town. By consolidating the present conservation groups and enlarging their mandates and cooperation with the World Heritage Cooperation, all citizens can be assured of an opportunity to become an active participant, rather than mere bystanders, in shaping and protecting the physical environment of Lunenburg.

Forming the umbrella non-profit requires careful planning; the right combination of dedicated citizens; an ability to evaluate properly the needs of the community that are identified in the Strategy; a talent for motivating people; and effective communications which each other and with the public and town government.

How do you start a Foundation? An individual or small group of people must realize that conservation issues are not being addressed adequately by the municipality or the existing organizations. This could come as the culmination of years of "pent-up" concern over the long-standing conservation needs identified in the Strategy. Gather a small group of people together and expose them to the accomplishments of other preservation groups in similar communities all over North America. This informal group may, or may not be the initial Steering Committee for the Community Conservation Strategy; it is a matter of who takes the initiative. It is important that the group be apolitical and non-governmental, however.

At the first meeting, the group should carefully study the recommendations outlined in the Community Conservation Strategy and ask itself several key questions:

- Who are we?
- Why are we meeting together?
- Who else should be involved?
- Who takes the lead? Note that somebody has to run the meetings, organize committees and channel the energies of the group.

The group should then organize more formally. Most conservation societies have started out with between five and fifteen steering members who have been drawn from both public and private sectors, and who possess a wide variety of professional skills allied with conservation interests, including real estate architecture, law, history and education.



The responsibilities of the new steering/organizing committee of the foundation will include:

- Using the information gathered in the Strategy as a base, build and continually update the gathering of data.
- Continue to assess local problems as they occur, and be aware of new needs, resources and opportunities.
- Further define the priorities spelled out in the Strategy and act on them.
- Develop the programs and plans suggested in the Strategy.

After designing the programs and identifying their requirements, the steering group should formulate a realistic and well-coordinated plan of action for the first year and beyond.

At what point in the organization of a consolidated conservation group go public. There is no single action to this question. The organization could develop a plan, become incorporated, form a board of directors, and secure tax-exempt status before trying to generate public attention or it could plunge into the public arena, attracting media attention and immediately attracting media attention as soon as the steering committee is formed. In this way, The World Heritage Foundation should be able to generate broad public participation that has been started during the strategy process and attract individuals to volunteer as members, directors and supporters of the new foundation.

As a nonprofit foundation, the organization will assume a legal status in the community, be eligible to receive tax-deductible gifts and grants and be exempt from paying income taxes. One sub-committee should be charged with the responsibility of preparing the legal documents required for the incorporation. In order to incorporate, the group needs a name, a filing of the papers required by government, and an attorney.

In preparation for the first formal meeting of the World Heritage Foundation, the steering group should draft a code of rules (bylaws, see appendix for an example) that will govern the organization, select candidates directors of the board, and select a time and location for the meeting. The candidate for the board should be proportioned as outlined earlier in the Strategy. This is important to provide a balance, and facilitate a working relationship with the World Heritage Corporation.

The first formal meeting should be held to elect a board of director and officers, adopt the drafted by-laws, name committees and organize for action. The steering committee's work should be reviewed and discussed, including the purpose and the future plans.

The committees should be formed after the identified plan of action determines their need. Following the Community Conservation Strategy, there should be:

- Executive Committee
- Nominating Committee
- Program Committee
- Publicity Committee
- Coordination Committee for the World Heritage Corporation and the Town Government, especially the expanded Heritage Advisory Committee.

- Fund Raising/Membership Committee

Finally there should be media out-reach, a membership drive, and constant communication with the public to ensure what the goals are, who is responsible, when and where the regular meetings will be held.

#### **10.4 Organizing for the World Heritage Cooperation**

The World Heritage Cooperation should take conservation of the cultural heritage in the spirit of enterprise. It is important that the public support enterprise that is vital to the economy of Lunenburg. Beyond the boundaries of bureaucratic organizations the businesses, savvy entrepreneurs take a single, integrated vision of customers and products---in other words, they are at heart craftsmen. They create and make products that the people, visitors and community members will buy.

Before organizing the Cooperation, the businesses must ask themselves:

- What are our products?
- What must we do to attract customers?
- Who are our customers?
- How can we maintain satisfaction from my customers?
- How can we support each other?
- How can we partner with the non-profit foundation?

If the Cooperation is successful, everyone in Lunenburg can have a small business to run. It is not a simple one-year program; it has to be a lifelong obsession, and if businesses do it long enough and hard enough, they will be very good at it.

Transforming today's bureaucracy into tomorrow's enterprise does not start with adding something new. No new strategies, techniques, departments or committees are needed. In fact these are excess baggage.

- Establish a clear focus unhindered by past history.
- Develop a consistent program, unhampered by local attitudes and politics
- Serve as a visual symbol of renewal, new activity and a new future using the World Heritage Designation.

#### Potential business partners

Members of the board and the make up of the organization are described in detail in Section 9. All members who make up the corporation should be decisive, action-oriented people who include broad community representation. It should include town retailers, professionals and other business people, downtown property owners, lenders, city and regional government officials, heads of neighborhood organizations, recognized community leaders, local civic organizations, government and all other interested citizens. All members should be involved in standing or ad hoc committees.

#### Recommended Committees

Committees provide people who actually implement activities. They provide a structured framework throughout the organization so that everyone is involved in the process. Finally, they enable shareholders to work together to accomplish common goals and to build new or strengthened existing relationships. They will assure the leadership to sustain the corporation for years to come.

Standing committees for the corporation should be at least:

- Promotion
- Development
- Economic re-structuring
- Executive committee

#### Promotion committee

The responsibilities of this committee are the direction of retail promotions, traffic-building activity and image improvements for the town centre. It should establish liaisons and develop joint promotional strategies with the town of Lunenburg and all existing organizations active in these areas.

Other responsibilities includes:

- Establishment and perpetuation of marketable image
- Reverse negative attitudes and build positive ones
- Promotes and builds funding of promotional activity
- Builds a network of implementers, including organizations, school clubs and other groups.
- Works with the economic restructuring committee to monitor changes in the downtown's market and adjusts promotion accordingly.
- Establishes media contact
- Promotes awareness of downtown and conservation of image through heritage management.
- Monitors local ordinances and other applicable regulations effecting historic town centre.
- Provides lobbying to government and other groups.

#### Economic Restructuring Committee

This important committee works to strengthen existing downtown businesses in Lunenburg through the following types of programs: development of business assistance teams; sponsorship of business seminars; identification of historic centre market opportunities; dissemination of relevant information to existing and potential businesses; development of promotional literature describing the town centre and its business environment; and the development of incentive programs to stimulate business growth.

Other responsibilities include:

- Directs activity related to downtown commercial and real estate development.
- Plans and implements appropriate incentives to encourage improvement of historic property in town centre.

- Works with promotion committee to monitor and adjust the historic centre promotional plan to increase the market share.
- Establishes a sound working relationship with local and regional financial institutions, business assistance organizations and other businesses and agencies that provide assistance in areas related to the economic development of the historic town centre.
- Conducts and maintains a comprehensive inventory of old town businesses.
- Promotes funding for economic development activity.
- Promotes economic development strategies and creates new programs.
- Promotes the old town centre as a good place for commercial and real estate development activity.

### Development Committee

The Membership and development committee plans and conducts annual fund-raising activities and ensures that adequate funding is in places at all times.

General responsibilities of this committee are:

- Organize and conduct annual nomination program for the board
- When appropriate, conduct an annual membership drive.
- Assist the other committees by recruiting new businesses to affiliate with the corporation.
- Promotes the development of a strong business network within the old town centre.
- Works with the board of directors to acquaint the town with the corporation's goals, activities, policies and procedures.

# **APPENDIX A**

The Need for a “Blueprint” for Cultural Tourism

## A.0 A "BLUEPRINT" FOR CULTURAL TOURISM

The main body of this strategy consists of organizational ideas, initiatives, and recommendations designed to assist the community to maximize the benefit of World Heritage Listing. Except as noted below, physical aspects were not specifically considered. The Terms of Reference for this project did not include a physical plan for the historic town, the incorporated town, the adjoining area, and the effected areas of the province. This should be a necessary next step for the town to engage qualified professionals, working with the provincial and local planners to accomplish.

As a first step in implementing the strategy, it will be necessary to prepare a more physically oriented plan for infra-structural improvements and for location of activities and facilities which support the development of managed cultural tourism in the town.

In this section, various aspects of this proposed "Blueprint for Cultural Tourism" are discussed and sketched out, with recommendations.

### A.1 Goal

The goal of the physical plan will be to locate activities and facilities to the advantage of the town, for the convenience of tourists, for the exposure of merchants, and to provide a thorough and enhanced visitor experience.

The physical plan should be drawn up by professionals well-versed in preservation planning, business, and museum exhibits and layouts in order to map out the best "direction" of the tourism experience in the community. The World Heritage Foundation in partnership with the World Heritage Corporation should commission this "designed" blueprint as one of its initial projects. A long range committee drawn from both organizations should work with the Town's Heritage Advisory Committee to oversee the adherence and modification of this plan as initiatives become more matured. The plan should be updated every five years.

### A.2 Overlay planning assessments

The town already has an inventory of historic buildings as well as a list of registered heritage properties, but these have never been systematically ranked in importance. As a first step, heritage buildings should be evaluated, ranked, and shown on a colour-coded map. Four categories of importance are suggested, namely buildings of *major significance* (A) buildings of *importance* (B), buildings of *supportive value as part of the historic scene* (C), and *buildings of no historic value* (D). Other maps can then be superimposed showing such things as: buildings in need of maintenance; buildings for sale; building use; landscape features; streets/traffic patterns; parking and parking possibilities; land ownership; businesses catering to the public; tourist business; marine businesses, etc.

When all of this information is laid out and overlaid, certain new information will direct the historic preservation planner to see the overall picture of the town in new ways. Circulation for

the visitor can be plotted, shuttle routes established, sites where catalyst restoration might be useful, business sites that need strengthening, opportunity sites for new businesses, and a great deal more will become apparent.

One of the most important aspects of the Blueprint will be the graphic representation and analysis of zoning. The zoning ordinances may have to be made more flexible in order for a planned tourist experience to happen. Zoning should be overlaid on a plan that physically describes the Foundation's plans for interpretive sites. This plan should indicate known, historic locations for authentic crafts, and sites where craft activities and interpretive exhibits could be established. It should also show sites where the location of interpretive exhibits will do the most good for business, disturb residents the least, and provide the visitor with the best possible experience, etc. Also in the matrix would be the location of readily usable sites, such as the town-owned Armouries, the old fire station, the Town-owned portions of Block House Hill, etc. This will graphically indicate the need for zoning changes.

### **A.3 Zoning**

The current zoning, as illustrated on Figure 1, reinforces a status quo position. This basically comprises a layering of activity within the old town grid made up of:

- a predominantly residential area to the north of Townsend Street and also around both the eastern and western extremities of the Old Town plan;
- a civic/administrative core around Cumberland Street;
- a traditional commercial area focused around Lincoln Street and King Street;
- industrial and employment activity focused along the waterfront zone.

#### **A.3.1 Process of Change**

The current zoning belies a series of changes that have occurred within the town. The first is historic, in that before zoning there was a much greater diversity of economic activity in what are now residential areas, including a bakery, carpenters, cobblers, a paint shop, a furniture factory, blacksmith's, and a tavern. At this time there was a more organic diversity of activity that induced more widespread interactive movement among and across different parts of the town. It also demonstrates that the town has re-organized its uses spatially over time. Some historic locations of trades and crafts (based on information contained in the Lunenburg Inventory of Historic Buildings) are illustrated on Figure 2.

The second trend of change has been the more recent shifts of investment in commercial activity - particularly of restaurants, galleries and visitor oriented shops - towards the waterfront, notably on Montague Street and Bluenose Drive. This is to be expected - and indeed possibly welcomed - as the leisure and visitor potential of the waterfront is exploited to counterbalance the economic downturn in fishery related activity.

The zone between Cumberland Street and Bluenose Drive now has a very strong representation of visitor related businesses, including accommodation room provision of 81 (compared to the New Town's provision of 104) and a host of gift and craft shops (see Figure 3).

Zoning in the town should be changed to allow spot zoning (this is a planning device used in many historic communities in North America which are trying to "interpret" their historic zones; they are generally for "educational" crafts and their products, or for visitor services such as refreshments, etc.) for historical interpretation in order for the open air museum concept to actually work, that is crafts could take place in strategically located sites throughout the town, necessitating "spot" zoning, and spreading out the visitor exhibitions and activities. Perhaps the criteria for these would be the geographic places where these crafts once took place in their historic context.

### **A.3.2 Implications**

The effect of the changing investment and activity pattern has been to create two separate commercial areas; the newer one focused along Montague Street and its links with traditional maritime activity; and the more traditional one focused along Lincoln Street. The two are slightly dislocated from one another, except where they link at cross streets such as King Street. Lincoln Street has also lost some of its traditional outlets and role, resulting in an under performance and several vacant units.

Zoning in itself will not solve such functional problems, as much depends on factors such as retail (particularly mall) competition from elsewhere, and the future working of the main visitor footfall areas within Lunenburg.

The challenge is to devise a combination of mechanisms which assist successful functioning for tourism, but which also reinforce the viability of the retail and commercial functions for Lunenburgers all year round. This may require a slightly different approach to management, for instance of traffic, at different times of the year. A subsidiary aim should be to spread the effects of visitor activity around the town more evenly, both for commercial benefit, but also to operate within the town's natural carrying capacity.

### **A.3.3 Need for Change in Zoning Regulations**

In the main, the Town's existing zoning scheme works well and needs only minor modification in support of the ideas discussed in this strategy.

**Commercial Zone:** The General Commercial zone in the downtown area includes a large geographic area and allows for a broad range of commercial uses subject to minimal physical requirements, thereby encouraging commercial activity. At the same time, the zone includes a large number of residences, particularly along Pelham and Montague Streets, and it is important that mechanisms are included to protect residential amenity, particularly in situations where new commercial buildings are constructed. The combination of conventional development standards (yard requirements, etc.) contained in the Land Use Bylaw, and the design criteria included in the



draft Heritage District Bylaw Design Guidelines will adequately provide for commercial use while protecting the quality of the living environment, and no change is recommended at this time. However, as the balance of commercial interests and residential amenity in the General Commercial zone is a delicate one which will evolve over time, it should be continually monitored to make sure that protective regulations respond appropriately to the circumstances.

**Residential Zone:** The Old Town Residential Zone is structured to give priority to residential interests while allowing for reasonable business and commercial use. The present regulatory scheme, whereby certain business uses are allowed subject to simple conditions while others are allowed under development contract, is reasonable. However, in order to give effect to the tourism development and historical interpretation concept visualized in this strategy, consideration should be given to relaxing the requirements for proprietor residence, maximum floor area devoted to business use, and off-street parking.

**Marine Industrial Zone:** At the outset of this study, the Marine Industrial Zone was structured in a fairly restrictive way, limiting land use largely to marine-related activities. The rationale for this was to protect and encourage the continuation of historic, fishing-related, industrial enterprises on the waterfront and to minimize conflict with other, new, non-industrial uses.

This rationale held good while the fishing industry was good economic health. However, in the context of the current decline in the fishery, it is important to open up the possibility of other uses of waterfront buildings to ensure that they do not fall into obsolescence, disuse and vacancy. In recognition of this, in late 1997, the Marine Industrial zone was amended to allow the full range of commercial uses permitted in the General Commercial zone with the exception of residential uses, funeral homes, medical clinics, places of entertainment, and dry cleaning or laundry establishments.

For the purposes of this strategy, this recent zoning change is good, in that it broadens the range of possible uses in the zone and increases the possibilities for commercial re-investment in the waterfront buildings. At the same time, it will be important to monitor the effects of the zoning change on the historic character of the waterfront, to ensure that it is not down-graded in any way. While it is important to attract new commercial investment in the waterfront, it is equally important to retain its heritage character, continuity and authenticity.

#### **A.4 Traffic Regime**

The current traffic management regime, as illustrated on Figure 4, both reflects and controls the pattern of land use and economic activity in the Old Town. Its main features are in the centre of town and include:

- A one-way system east along Lincoln Street, from the Lincoln/Pelham intersection to Kempt Street, coupled with a one-way system west along Pelham Street, from Kempt Street back to the intersection with Lincoln.
- Two hour metered parking on Lincoln, Pelham and Montague Streets and most connectors between these.
- Fifteen minute metered parking in front of the Post Office.
- Thirty minute free parking in front of the Town Hall.
- Free, unlimited time parking on Bluenose Drive.
- Public off street parking at Lincoln Street (metered), the Museum (free) and Blockhouse Hill (free).

The greatest pressures occur on the system during the peak visitor season, although anecdotal information suggests this pressure is beginning earlier and earlier each year. It is also observed that some conflicts arise from Lunenburgers - including retailers and their staff - desiring to park outside their own premises all day, ideally for free. This is a completely unrealistic aspiration which, cumulatively, does serious damage to the effective economic functioning of the whole town centre and perceptions of the town by those wishing to use its facilities.

#### **A.5 An Orchestrated Traffic Pattern for Tourists**

The Blueprint for Cultural Tourism might involve the establishment of a new traffic flow, parking, shuttle and visitor orientation program, which would operate seasonally. The general idea is to use highway signs to direct visitor auto traffic and motor busses on the bypass around to Blockhouse Hill. Here they could find newly constructed visitor facilities, orientation, information and ample parking.

With guides trained by the World Heritage Foundation, tourists would then be oriented to the town plan, history, architecture, interpretation, fisheries, and the other recreational and shopping attractions that they will have the opportunity and option to experience. They can visit the existing information centre for lodging, dining, and shopping information. Paying to leave the car for a specified time, the visitor and the family could then stroll down the gently downhill streets

through the town, past Lincoln Street, fanning out to the harbourfront and the Fisheries Museum. There might be "carrots" or destination points along the way. These could be exhibits, interpretive sessions, craft shops, etc.

Others would have the option of taking one of the continuously running shuttle vehicles. These might be electric to minimize pollution and noise. The shuttle would transport them to strategically located drop off points along Lincoln and Montague Streets. They could elect to walk at any of these points, or have the shuttle take them back to Blockhouse Hill.

The intent is to improve the quality and scope of experience of visitors, promote the community's attractions, promote shopping and dining by funneling visitors through the retail area, and reduce vehicular traffic in the core area. Bus traffic in the Old Town would be eliminated.

The specifics of the concept are summarized as follows:

- Direct/sign highway visitor traffic along the by-pass to Blockhouse Hill. This would give a tourist route to the town distinct from the regular vehicular traffic, relieve the streets, and provide a special place for out-of-town parking. By coming upon Lunenburg and the spectacular view from Blockhouse Hill by this route, the tourist is psychologically conditioned to either stay longer, or decide to come back. This route is without commercial advertising and is ideal for an initial entry to the town.
- Provide washrooms, and other facilities at Blockhouse Hill. This does not preclude other facilities nearer the harbour. The existing tourist information building could stay and function as it does now. A larger orientation facility with full visitor services might eventually be built, but a tent with johnny-on-the-spots would do to start.
- Enhance the sense of arrival, information and orientation at Blockhouse Hill so that the tourist is exposed to the panoramic view of the harbour and town, and is induced to realize that there is more to the experience of Lunenburg than just the first block or so along the waterfront.
- Expand parking to accommodate visitors at Blockhouse Hill. A fee for this would buy town infrastructure. Visitors would pay a general admissions fee should they want to see all attractions, exhibits, enactments, etc. This admission would be free to townspeople. There is no admission, of course to enjoy the town.
- Further orientation commentary would be provided on the shuttle bus, which would stop and drop off visitors along Lincoln St. between Kaulbach St. and Kempt St., then loop around via Pelham and Shipyard Hill, proceed westbound along Montague to Cornwallis, return along Lincoln again enroute back to the Blockhouse, as illustrated on Figure 5.
- Tours of the town that take in all the attractions could operate from the Lincoln/King intersection and the waterfront.
- Motorcoaches would not be permitted in the streets of Old Town. They would be directed to Block House Hill for the orientation and encouraged to have their tourists walk or shuttle through town. If necessary, they could drive back around to the Fisheries Museum parking lot or preferably (by arrangement) to the new Fire Hall parking lot. They should be required to turn off their engines. Motorcoach traffic within Old Town should be restricted to direct access to and from a drop-off point on Blunose Drive.

- A second shuttle service could link inns and motels to Old Town.
- A well designed, pedestrian-only section on Duke Street could be set aside between Pelham and Montague, to strengthen pedestrian links and visitor flows between the waterfront and the retail area. Montague Street should have restricted parking on the south side to reduce congestion.
- Improved pedestrian links along the lower two blocks of both Cornwallis Street and King Street, between Montague and Lincoln.
- Establish a clear pedestrian route from Blockhouse Hill to Townsend Street.
- Consideration might be given to closing Montague Street to all traffic west of King Street during the peak season. A pilot experiment could be conducted during July and August, 1998.
- Metered parking fees might be increased substantially, to approximately \$1 per hour during the season. Stores might give tokens to their customers after they have made a purchase.
- Meters should be added to the parking along Bluenose Drive and (by agreement) in the museum parking lot.
- Local residents should be provided with a window sticker permitting one hour free parking at any meter. Parking of nearby store employees in these spaces must be strictly limited and otherwise prohibited.
- If necessary, it may be appropriate to prohibit visitor parking in residential areas in Old Town in peak periods.
- Informational maps/exhibits should be installed at key points around the town so that visitors can assess their parking options.

The foregoing modifications would play a key role in the broader effort to enhance the Lunenburg experience for visitors.

#### **A.6 Pedestrian visitor circulation within Old Town**

The Blueprint should also lay out a strategic pattern of pedestrian visitor circulation within Old Town. This would not only enhance the visitor experience but can also, if tourists are orchestrated to walk through business areas, work to the advantage of gift shops, and other commercial activities. The planned route would also help alleviate the crowded conditions in certain parts of the town.

The concept in having visitors come first to the top of Blockhouse Hill is strategic. If hassle-free parking is available, orientation and information possible, and they are directed there from the highway, they will start their visit there. From that uphill position, tourist traffic would naturally flow along the streets above and parallel to the Parade Ground. Since the harbourfront and the Fisheries Museum are drawing cards, visitors will have to pass through the Lincoln Street business area on their way to the waterfront. If they don't buy something on the way down, they may be persuaded to stop on their way back to the parking areas.

The shuttle service mentioned above would augment and re-inforce this intentional circulation pattern.

## **A.7 Development of pedestrian links between the waterfront and Lincoln Street**

At present, many visitors come to the Fisheries Museum but do not venture very far from the waterfront and Montague Street. The steep hills up Duke and Cornwallis Streets deter many people, and the sidewalks are not pedestrian-friendly.

Duke Street in particular is a crucial route between the waterfront and the Lincoln Street retail area and should be made more attractive to pedestrians. Its lower section between Montague and Pelham should be re-developed with a combination of steps and textured walkways, rest and viewing areas (for the view down to the harbour), outdoor seating, landscaping and lighting, perhaps along the lines of the existing pedestrianized area at the foot of Cornwallis Street (see Figure 6). The importance of this section of Duke Street for pedestrian access might warrant complete pedestrianization, i.e., complete closure to vehicular traffic.

The one-block section of Duke between Pelham and Lincoln should also be part-pedestrianized with wider, textured sidewalks, landscaping, improved lighting, and much less vehicle dominance. Similarly, the two-block lower section of Cornwallis Street, and the lower three blocks of King should be part-pedestrianized.

As well, there are several opportunities for alley improvements which could make attractive, mid-block, pedestrian connectors between Lincoln and Pelham (beside Himmelman's and the old Stedman's store respectively) and between Lincoln and Cumberland (between the mini-park and the Parade at St. John's Church). These are identified on Figure 7.

## **A.8 Parking improvements**

Parking is at a premium in Old Town Lunenburg. In the height of the tourist season, the museum parking lot (free parking) is often completely full, as are Bluenose Drive (also free), Montague Street and parts of King, Pelham, and Lincoln (metered @ \$0.25 per hour). The density of traffic sometimes interferes significantly with the living environment for residents, and difficulty in finding parking can be a problem for visitors. The town is small, the streets are narrow, and there are limited opportunities for development of new, off-street parking in the central part of the Old Town. However, a number of things could be done to improve the situation.

- Develop and promote the use of free peripheral parking areas at Blockhouse Hill and as shown on Figure 7.
- Blockhouse Hill has plenty of extra space in the vicinity of the tourist bureau and campground which could be effectively re-designed for parking.
- The new Fire Hall parking area toward the harbour has capacity beyond that needed for fire department use. With care regarding circulation and preservation of emergency exit routes, it could absorb a certain amount of overflow visitor parking and/or bus parking when it is not being used by the fire department.
- At times when the facility is not open, the Lunenburg Daycare parking lot, although small, could also be utilized effectively as a peripheral visitor parking area. The lot is presently wastefully utilized in the summer as a site for a take-out food operation.

- As well, the Starr Street area, near the former D&E Industries site, has space which could be developed into long-term (day-long) public parking. This site in particular offers the interesting possibility of a new pedestrian link with the Academy and the upper streets of the Old Town via the steep but rewarding "Gallows Hill" trail.
- Increase parking meter fees to discourage long-term parking and encourage visitors to use free parking at peripheral parking areas. Existing fees are presently unusually low compared to other places.
- Introduce metered parking on Bluenose Drive and ticketed or metered parking at the museum parking lot for the same reason.
- Acquire the presently under-utilized off-street parking areas on Pelham Street opposite the former Dolphin Tavern and behind the old Stedman's store, as shown on Figure 7. These are presently in private ownership, but could be developed for public use in co-operation with the owners. Parking development in these areas should be particularly well-designed, with landscaping along the street frontages, etc., due to their prominent location in the heart of Old Town.

### **A.9 Streetscape enhancement**

An important part of the Blueprint for Cultural Tourism would also be to develop a plan for improvement of streetscapes along the visitor entry routes and in the main areas of visitor circulation. This could include:

- Removal of vinyl siding/restoration of altered exteriors;
- House painting;
- Underground wiring;
- Sidewalk improvements;
- Landscaping;

and would involve the World Heritage Foundation working in partnership with the Town and property owners.

### **A.10 Signage**

As well, an important part of the overall heritage enhancement scheme would be to develop a trail of interpretive signs to fully convey the story and significance of the World Heritage Site to the visitor. There should be interpretive displays at key locations such as the waterfront, the Parade Square, the Shipyards, Blockhouse Hill, and the Lunenburg Academy and smaller interpretive messages at significant individual historic buildings, sites or areas.

### **A.11 The Location of the World Heritage Institute**

The strategic location of this learning institution should be in a place that does the most good for the entire town. The physical location should be chosen to be a catalyst for restoration, development, interpretation, economic growth and restoration of the town.

One option might be to locate the World Heritage Institute in the heart of the Old Town commercial district. The demonstration learning components could potentially be housed in retail spaces on Lincoln Street and other retail streets. In this way, the benefit of the concept will extend beyond tourism; it will help to transform the retail district and increase the drawing power of the retail area as well. It will also create new retail products of compelling interest - the products associated with the demonstrated activity.

Consideration should be given to utilizing existing Town-owned buildings such as the old Fire Hall or the Armouries (which, although not vacant, is a poorly utilized historic building).

Consideration might also be given to locating the Institute in a deliberately reconstructed historic building, such as the old Ich Dien Hotel, for example, at the corner of Pelham and Duke Streets. This would give "anchor" to a location that is now a vacant lot, and would help to draw visitors off the waterfront up to towards Lincoln Street.

The Institute should be strategically located off the harbourfront and should be positioned so that visitors and students are orchestrated to walk through Lincoln Street and other commercial areas. There might be an opportunity to combine several of the historic commercial buildings in the center of the town for this purpose, thus adding to the stock of restored architectural fabric while producing tourist activity in that strategic location.

It might also be a good idea to use the whole town of Lunenburg as a campus, and to spread out the classroom facilities throughout the Old Town Area. The World Heritage Institute is, in fact conceived as a campus plan and would not be dissimilar to colleges in an urban area like Halifax. In this matter, buildings will be restored and sites maintained by the Foundation. The planning for this should be strategic so that the community and business life of Lunenburg is not disturbed or displaced.

Another entirely different approach would be for the Institute to be situated in new construction in conjunction with a new visitor's facility, orientation centre, and eventually a small convention center on the Back Harbor side of Block House Hill.

These locational options are illustrated in Figure 8.



# **APPENDIX B**

## Possible Funding Sources

## **B.0 FUNDING SOURCES**

### **B.1 Income and funding for the Foundation and the Corporation**

The development of regional, provincial and national partnerships and organizational start-up support for the World Heritage Foundation and the World Heritage Corporation will be critical. In order to obtain governmental and private funding, these agencies and organizations must be shown that Lunenburg, its resources, community, and overall cultural management and development program should be seen and treated as one of provincial, national and international significance. Its support should come as an example of what can be done to a site which the provincial and federal government has considered of such significance as to advance its listing on the World Heritage List.

The Town and community organizations must be specific in what they want governmental agencies to do. In order to obtain funding, the community must be seen as energetic, entrepreneurial, and forward thinking. Lunenburg should be seen as a prototype for many other historic sites in Nova Scotia and Canada. It should gather in as many other communities and historic sites as possible, to be seen as promoting the entire region. When Colonial Williamsburg was started, there was little or no tourist activity in Tidewater Virginia. Since that time, not only the eastern portion of the state has benefitted, but tourism is now the main industry of the entire state.

Since the Foundation and the Corporation would produce tangible, visible and public benefits for the people, the Town should provide the catalyst for their formation by initializing the investment through governmental help. The Town of Lunenburg should initiate its own sourcing strategies, which would assist the Foundation and the Corporation to get started, while, at the same time, pay for the improvements to infrastructures to support the new tourist and marine activities.

### **B.2 Funding Sources for the World Heritage Foundation**

**Private philanthropy.** Over 90 % of total giving to non-profits is from individuals. This is the best source of funds. The fund raising committee of the Foundation should draw up a list of individuals who appear capable of making a major contribution to the organization. Each prospective major donor should be solicited in person, in neutral territory, by an acquaintance on the Foundation's board.

The Foundation should also accumulate a list of potential donors and their addresses for use in direct mail appeals. Membership lists can be obtained from other societies, garden clubs, service clubs and churches, but best of all from visitors to Lunenburg themselves. The organization should also keep track of persons attending special events, workshops and public meetings by using a guest register.

**The National Cost-Sharing Program.** The National Cost-Sharing Program of the Department of Canadian Heritage (Parks Canada) makes financial contributions to National Historic Sites now owned by the federal government in order to ensure their survival and public benefit for all

Canadians. These contributions are matched by investment on the part of the local partner (the Foundation) and go toward the conservation of the site and its interpretation/presentation to the public. This Program can reimburse the partner up to fifty percent (50%) of the total approved costs, providing the allocated funds are within the Parks Canada budget.

As the Foundation builds up its programs and initiatives, and as an incorporated, non-profit body, it would be an eligible partner to receive this funding. The program could help the Foundation purchase threatened sites within the historic district, in planning for conservation, in the conservation project itself, and in presentation and interpretation.

While National Cost Sharing Program funds are limited and must be spread over the entire country, Lunenburg's case is unique, and it can be argued that special budget allocations should be made to the community. At present, the only site in Lunenburg receiving funds (or in process of receiving funds) under the program is the Lunenburg Academy. However, the entire Old Town is designated both as a nationally significant, National Historic District and as a globally significant UNESCO World Heritage Site, and there is a considerable onus on the federal government to designate special funds specifically to Lunenburg on these grounds.

**The Museums Assistance Program (MAP).** This federal program provides financial and technical assistance to Canadian museums. As an outdoor "Living History Museum" operator the World Heritage Foundation could become accredited in order to pursue museum activities that support the objectives of the Canadian Museum Policy. These objectives are:

- To foster access by present and future generations of Canadians to their human, natural, artistic and scientific heritage; and to enhance their awareness, understanding and enjoyment of that heritage;
- To encourage the development, management and preservation of significant and representative museum collections (including buildings) in all regions of Canada; and
- To enhance excellence in museum activities in Canada.

Museum Assistance Program funds can be used for:

- Access and Service
- Organizational and Human Resource Development
- Collections Support (including buildings)
- Development of museum exhibition
- Audience development
- Marketing of exhibitions, programs, services and products.

**Corporate grants.** In the years ahead, corporations are expected to increase their contributions to cultural concerns within their communities to ensure a better living environment for their employees and to maintain a favorable atmosphere for their corporate activities. Conservation organizations are in a prime position to capture these dollars if they design their solicitations with the concerns of sponsoring corporations in mind.

**ACOA 's Business Development Program.** The Business Development Program of the Atlantic Canada Opportunities Agency (ACOA) can provide seed moneys of up to 50% of the total cost

of a project undertaken by a not-for-profit organization. Eligible projects include planning, research and development, business networking, market development, and the construction/renovation of a facility to house these services.

Not-for-profit projects are eligible for non-repayable grants, with a minimum contribution of 25% from the community (a 50% cost split is preferred). The specific amount of funding assistance available depends upon the individual project. Evaluated on a case-by-case basis, typical projects receive seed funding from \$50,000 up to \$200,000.

### **B.3 Funding for the World Heritage Institute**

The World Heritage Institute's raison d'être is education. The field of education is one of the most attractive lures for funding that exists. In Canada, as all over the world, this noble cause gets the attention of government and private sources of funding. However, since governments are cutting back on educational funding in order to keep up core social programs, the proposed World Heritage Institute will have to depend principally on the private sector. It is also possible that the Institute will have to operate on a fully self-funding basis, from tuition fees and learning vacation package sales.

**Partnership funds.** One of the most promising ways the Institute could obtain funding is by partnering with other groups which already have educational funds for ongoing programs and new initiatives. The interest in the utilization of a learning centre in Lunenburg is great as can be seen by the following interviews which were conducted over the telephone:

#### **Dalhousie/TUNS (Assistant to the Dean of Architecture).**

The Technical University of NS, now amalgamated with Dalhousie university, expressed a great interest in forming a partnership with the World Heritage Institute in order to offer heritage architecture courses. The spokesman felt that this would be a very interesting and unique opportunity to broaden the outreach of students of architecture. TUNS could foresee a wide variety of courses offered at the Institute. There could be shorter, special interest courses and more intense work study programs. Another opportunity suggested by the contact could be filmed courses on location in Lunenburg and broadcast through their distance education program.

#### **Nova Scotia Community College (Vice-President, Extension Services).**

The NS Community College, with campuses in 14 locations throughout the province, offers training and education in 130 core educational programs, as well as through its Extension Services division. This division develops, markets and packages training and educational programs for all types of industry and training needs. The College has experienced record growth in recent years, having grown from about 2000 students to about 13,000 students in only a few years. This trend is expected to continue as the institution continues identifying new clients and developing training/educational programs for them.

The spokesman for the college was enthusiastic about the possibility of the school forming an alliance with the Institute in order to offer Community college courses in Lunenburg. Overall he felt the concept is very viable and could attract students from both the local/resident market and the out of province market. Course topics are potentially unlimited, and could be offered in a multitude of areas. In fact, the College has already offered a successful course in ship building, in cooperation with the Fisheries Museum of the Atlantic. This course included the building of two seaworthy vessels. The College was also very interested in exploring the opportunity of learning vacations with the Institute.

**St. Mary's University (SMU, Dr. Stephen Davis).**

Although St. Mary's University does not offer marine archaeology on a regular basis, the school has offered a course in nautical archaeology, based on the British NAS program. To date, this program has been offered twice in the last four years, held at the Fisheries Museum of the Atlantic. More of these courses could be offered at the Institute in the future, and other courses could include marine biology and history.

**NSCAD (Jackie Clements, Director of Continuing Education).**

Nova Scotia College of Art and Design is interested in the possibility of developing a satellite learning program based in Lunenburg. In the past, NSCAD has successfully conducted courses in other communities, including Bridgewater.

In order to appeal to a non-local audience, the Institute should position itself as highly unique. In the interview, the representative of NSCAD expressed interest but pointed out that the Institute must market a high calibre series of courses that would justify using the Lunenburg setting.

The spokesperson for NSCAD emphasized the need for studio requirements for arts, crafts, photography, and film. It indicated that parts of the Lunenburg Foundry buildings could be an excellent venue for this specialized space.

NSCAD was especially encouraging about the proposal to set up an artist's community. The town and area already has a strong contingent of artists as well as a number of NSCAD alumni. These professionals would undoubtedly take advantage of studio space, if offered.

**N.S. Museums (Colin Mason).**

The N.S. Museum spokesman indicated a great deal of interest in developing learning vacations in conjunction with the World Heritage Institute. In recent years, N.S. Museums have identified learning vacations as having significant potential to expand the programming offered by the province's museum complex. Extensive learning programs are in place for school aged children in the Halifax area, but to date adult packages have not been developed.

Building on the extensive infrastructure of museum resources, especially those at the Fisheries Museum of the Atlantic, N.S. Museums would be extremely interested in developing learning vacation products with the Institute. A pilot project could help the existing museum explore the potential of such a product and help in the development of similar vacation packages at other provincial museums.

**Tourism-related funding.** The Foundation may be able to acquire some tourism-related funding, perhaps on a pilot project or seed capital basis. In this case, a lot of emphasis will need to be given to the learning vacation concept. In this development, the Foundation and the Corporation would logically undertake the development of this project as a joint venture. It would require a special planning and feasibility study prior to proceeding.

**The Getty Conservation Institute.** Located in California, this international organization gives grants to learning programs in conservation and restoration all over the world which are unique and able to provide a prototype for use elsewhere. The grants are also available for specific professional work-shops, meetings, and conferences. It makes special attempts to involve itself with properties on the World Heritage List.

**The World Monuments Fund.** This fund, located in New York, is currently using a large gift from the American Express Corporation to identify seriously endangered cultural heritage sites and to stimulate a variety of actions to remove these sites from peril. Their focus is world-wide. If they were shown cause that the Lunenburg community organizations and the World Heritage Institute promoted the understanding and outreach of its example to other World Heritage Sites, the Institute could qualify for part of this funding.

In the past, and presumably in the future, the World Monuments Fund has shown a great partiality to funding projects that promote preservation education.

**The Rockefeller Brother's Fund.** This organization, the distant successor of the trust of John D. Rockefeller, Jr. that was used in establishing Colonial Williamsburg is not as interested in cultural resources as before. It is, however vitally interested in education. It is especially interested in retraining of out-of-work parts of the population. Grants might be sought that demonstrate how the World Heritage Institute would help to educate fishermen to begin to diversify their skills.

The focus of this foundation is worldwide. The special interests of the organization are multi-cultural enterprises, and enterprises that encompass third world or minority peoples. A case might be made for projects educating native people in Nova Scotia, or the Acadian French.

**Cooperation Agreement on Economic Diversification (EDA).** This joint Federal-Provincial agreement is administered by the Atlantic Canada Opportunities Agency (ACOA) and the Community Economic Development (CED) Division of the N.S. Department of Economic Development and Tourism, and is a flexible funding mechanism, targeting community-based projects that have potential for long-term economic benefit. It includes specific components that support culture and heritage projects, as well as product/market development, and information technology.

The World Heritage Institute will diversify the Lunenburg economy by introducing a new educational component into the town's marine industrial and cultural tourism-based economy. With its potential to attract out-of-province students/participants through the international, learning vacations marketplace and to generate tourism spending on a year-round basis, the project could be viewed favourably for ACOA/CED/EDA support, particularly if it obtains endorsement by the provincial Department of Education and Culture, and succeeds in partnering with existing post-secondary institutions and possibly one or more private foundations.

#### **B.4 The Foundation's Generated Revenues**

The programs and initiatives of the World Heritage Foundation and its World Heritage Institute could generate the following sources of revenue:

- Dedicated portion of the profits of the World Heritage Corporation for specific Foundation projects and programs.
- Sponsorships.
- Revenues from charities and benevolent organizations.

- Solicited funding.
- Revenues from foundations and philanthropic organizations.
- Donations from local area businesses.
- Donations from national and international corporations (seafood, marine, tourism, etc.).
- Admission and enrollment fees for learning programs.
- Admission fees to events and heritage attractions.
- Fees for guided tours.
- Fees for living history demonstrations and historic houses on display.
- Donated funds from visitors to see interiors and events in churches during the week (Church in turn donates to the Foundation in return for guides, restoration help, etc.)
- Admission to concerts and special events.
- Lecture fees.
- Charges for guidebooks and educational material.
- Revolving fund profits.
- Leasing facilities owned by the Foundation.
- Seasonal residents volunteer funds.
- Trust funds.
- Tuition and agreements with schools, colleges and other educational organizations.
- Specific and general research funding.
- Contracted services to the Town of Lunenburg.
- Contracted services to the World Heritage Corporation.
- Partnerships with other towns and non-profit organizations to establish themed heritage trails and other cooperative initiatives.

#### **B.5 Incentives for the community to participate in Foundation programs**

In order to motivate all segments of the community and gain cooperation for many of the initiatives which will involve the environment and heritage of the town, incentives should be offered to all property owners. These incentives should be generous enough to encourage property owners to make investments in conservation that they might not otherwise make, but they should not be so large that they shift an undue burden onto other community members.

**Provincial government incentives.** There are already two conservation incentive programs in place which apply to registered, non-commercial heritage properties in the town, both made available through the Provincial Department of Municipal Affairs, Heritage Section, as follows:

**Provincial Sales Tax Rebate.** This incentive provides a rebate of the 8% provincial portion of the 15% Harmonized Sales Tax (HST) on materials used for exterior architectural conservation, including framing and structural members, foundations, roofs, outside walls, masonry, doors and windows, exterior paint, insulation, downspouts and gutters. The rebate is not claimable for metal or plastic materials, such as aluminum or vinyl siding,

**Architectural design assistance.** Heritage property owners are also eligible for a Provincial grant of up to 80% of an architect's or other professional consultant's fees for preparation of building conservation plans, up to a maximum of \$4000, within provincial budget limitations.

Once the town adopts its Heritage Conservation District Plan and Bylaw, these incentives will apply to all non-commercial buildings within the designated heritage district.

**Federal conservation incentives - possible GST rebate.** There are currently no comparable conservation incentives available at the federal level. (In fact, reverse incentives exist for

property owners to demolish old buildings and then claim a portion of their value as a tax write-off, thus working against heritage conservation). The federal government could assist, however, by creating a GST exemption or rebate for properties located in a National Historic District or World Heritage Site. If such a rebate were created it would, in combination with the provincial rebate, bring the total incentive to an attractive 15%.

**Opening government offices.** The federal government could also assist in conservation of the Lunenburg World Heritage Site by locating certain offices in the town, (e.g., historic preservation, tourism, fisheries, etc.). This could give the historic area an economic shot in the arm and potentially enable the restoration of selected buildings. Fisheries or Parks Canada offices might be appropriately located in the upper floors of one or more of the waterfront warehouses, for example.

As mentioned earlier in relation to the National Cost-sharing program, there is a considerable onus on the federal government to assist Lunenburg in the above-mentioned ways, given the town's unique, World Heritage significance.

**Revitalization tax credit.** A revitalization tax credit program could be developed whereby an owner who rehabilitates a historic building in a World Heritage Site would qualify for a tax credit equal to a percentage of the rehabilitation expenditures. If modelled on the long-established U.S. Rehabilitation Tax Credit, the percentage would be in the order of 20%. Such a tax credit would be beneficial to heritage interests on a nation-wide basis, but would undoubtedly face an uphill battle in Parliament. However, if it were limited to World Heritage Sites only, it might be more acceptable to legislators and could be rationalized as a small, first step towards Canadian honouring of the World heritage Convention through fiscal policy. A tax credit for World Heritage Sites would have an infinitesimally small impact on federal revenues but could work wonders in stimulating restoration and rehabilitation in Lunenburg.

**Local tax abatement.** The Town and the Province should work together to create the necessary enabling laws to permit Lunenburg to offer local tax abatement to encourage architectural preservation in the World Heritage Site. For example, where a building is rehabilitated, property taxes could be frozen at the level they were at before the property owner undertook the rehabilitation.

Normally, when a property owner completes a major renovation, the value of his/her property (and those around it) zooms upward, triggering a corresponding increase in property taxes. The proposed program would prevent this from happening by excluding the value of a building's rehabilitation from its assessed value for a certain period (five to ten years). In the year following the end of the tax freeze, the increase in property values attributable to the rehabilitation is once again included in the assessment on which taxes are based.

The property owner must agree to keep his building in good condition for the prescribed period. Should the owner fail to comply, all taxes that would otherwise have been paid, plus interest on those taxes and a penalty surcharge (usually 12% of back taxes and interest) would be due.



An alternative approach would be for the increased tax assessment resulting from the improvement to be phased in over the five or ten year period.

**Business owner incentives:** Business owners (especially on Lincoln Street) who are expanding or developing new businesses could be granted a three year period in which to pay capital facilities fees, instead of having to pay up front.

**Wholesale purchase of materials.** The World Heritage Foundation could operate as a co-operative, purchasing at cost or acquiring by donation materials for use in repair, restoration and improvement of heritage buildings. These savings could be passed on to property owners in the heritage area. The co-op could also purchase standard pre-fab buildings approved for use as storehouses, doghouses, etc. that could then be purchased by community members at cost.

**Easement Program.** The mission of the World Heritage Foundation will be to make the heritage area as authentic as possible and to assist in the conservation of buildings. To assist the low-moderate income property owner, the Foundation could obtain a conservation easement and pay the property owner for the right, either in money or in an agreement to assist with maintenance on the property for as long as the easement is in effect. In special cases, e.g., highly significant buildings, the Foundation might actually purchase a building with the agreement that the owner would retain a life tenancy, thus financially assisting the owner and allowing them to stay in the property (and thereby reducing the displacement of less fortunate residents of the district).

**Assistance from service companies.** Public service organizations and private gas and electric company, heating oil, etc. should be encouraged to support the customers who live in the Heritage Area by giving special rates for historic houses. This has worked in many historic areas as a way of getting vinyl siding removed - the savings are applied to restoration of authentic cladding materials.

**Mortgage Credits.** Lunenburg's banks could offer a "Historic Rehabilitation Mortgage Credit" so that moderate-income owner could obtain an interest rate reduction on their home mortgage loan. The Foundation could assist by guaranteeing the loans in order to get lower rates. Many towns,

Charleston, Annapolis, and Savannah have encouraged their banks to act as credit corporations could enable a credit system where a developer acquires a historic building, rehabilitates according to the applicable heritage by-laws, and sells it to a home buyer. It is that buyer who would be the one that is passed the credit. This would enable non-profit developers to acquire deteriorated historic housing and rehabilitate it to provide home ownership opportunities for lower-income persons. This would keep from displacing low-income residents.

**Revolving Fund.** The Foundation could purchase properties, or purchase options on them, then place covenants on the buildings and resell them at a lower than market price, or rent them to lower-income families. This program would also assist low-moderate income families and assure long-term exterior architectural conservation. The program should favor options over outright

purchases because options require less money for the purchase and often accomplish the same conservation objectives as a full purchase.

## **B.6 Funding Sources for the Corporation**

**ACOA Business Development Program.** This program provides business assistance for both not-for-profit and for-profit ventures. Assistance is available for capital costs and operational costs, although ACOA is somewhat reluctant to support operational costs. Sectors targeted by this program include information technology, research and development, manufacturing, aquaculture, tourism, and industries that provide services to businesses. In Lunenburg, the Business Development Program may be able to provide start-up assistance to the World Heritage Corporation for tourism product/craft product development, market development, or manufacturing initiatives. It may also be able to assist the proposed Marine Industries Consortium in such things as market and trade development and infrastructure improvements.

**Community Economic Development (CED) Division.** This wing of the Department of Economic Development and Tourism administers a number of funding vehicles, which could assist with capital costs on projects undertaken by both the Corporation and the Foundation, as follows:

**Community Opportunities Fund.** This program provides seed capital funding for community-based projects identified through locally managed strategic development planning processes. Projects must lead directly to economic benefits for the community. Provincial contributions are limited to 50% of costs, to a maximum of \$100,000, with the maximum contribution from all provincial and federal government sources limited to 70%.

**The Community Business Loan Program** provides both "First Step Loans" up to \$10,000 and "Growth Loans" up to \$50,000. Loans can be used to purchase fixed assets or can be used for "soft" costs - technical advice, feasibility studies, marketing assistance, product development, training, etc., and, in special circumstances, for working capital. A business plan is required as well as details on equity sources.

For loans over \$50,000, lending is available for for-profit corporate projects through the **Business Development Corporation**, the lending arm of the Department of Economic Development and Tourism. Market rate loans are administered on a project by project basis, for up to 30% of project costs.

**Human Resources Development Canada: Transitional Jobs Fund.** This fund provides wage subsidies to projects that demonstrate an ability to develop long-term, sustainable jobs. This program specifically targets private sector projects in communities with high unemployment.

**Equity Tax Credit.** To assist Nova Scotia small businesses and community economic development initiatives, an individual income tax credit equivalent to 30% of an eligible equity investment up to \$30,000 is available. The maximum annual credit is \$9,000 and may be carried forward for seven years or back three years to the 1995-taxation year. Eligible businesses include

Community Economic Development (CED) corporations and co-operatives created to assist or develop local businesses within the community.

The World Heritage Corporation would be eligible for registration under this program, and the tax credit would encourage private investment in it.

**Canadian Tourism Commission (CTC) Product Clubs.** The CPC's recently introduced Product Club program is an industry enhancement program established to assist small and medium-sized tourism businesses in creating partnering alliances to enhance existing products, develop new ones, or collaborate on market intelligence and common industry issues of concern (e.g., access, packaging, seasonally). Tourism businesses in any given sector or region can form a strategic alliance and apply to the CTC for Product Club funding.

The CTC provides approved Product Clubs with seed monies for up to a maximum of three years, with matching dollars contributed by the Club and its partners.

While the amount of funding is determined on an individual Product Club basis, the total CTC funds for all Product Clubs in 1997/1998 are \$700,000.

In order to be eligible for Product Club funding, the partnering group must apply with an expression of interest through the Open Bidding System of the Public Works and Government Services Canada. The letter of interest must include information on the club's partners, objectives, target markets, an outline of the Club's action and communications plan, an outline of the organization and management of the Club, and a financial plan for the Club highlighting its three-year financial requirements and proposed sources of funding.

**Canadian Tourism Commission (CTC) Tourism Investment Fund.** Recently, the CTC announced the creation of a new investment fund of up to \$500 million to finance high-end tourism products across Canada. \$50 million of the fund will be provided by the federal government to the Business Development Bank of Canada (BDC). Of the \$500 million fund, \$250 million is expected to come from the BDC and the remaining \$250 from the chartered banks participating in the loan program. Between \$140-140 million is planned to be available to tourism operators during the first year of the program.

The loan program will provide tourism entrepreneurs with better access to capital for developments such as resorts, and encourage the development of mega-destinations to attract international tourism to Canada. The loan program is targeted to operators outside urban areas where access to financing is usually difficult.

The five-year fund is designed specifically for seasonal tourism operators wanting to expand their season of operation, or those who already operate in more than one season. Funds will be available mainly for products targeted to the upscale, international market.

Loans can range from \$500,000 to \$5 million; the funds can be used for expanding and upgrading facilities, or for attracting more tourists. During the first three years of the loan, the

amount to be repaid will depend upon the increase (if any) in business revenue and volume. Generally, the loans will be more costly to operators than traditional bank loans.

To be eligible for funding, operators must have a commercially viable business proposal, a viable marketing plan, a strong equity contribution, and a competent management team.

#### **B.7 The Corporation's Generated Income and Funding**

Once up and running, the corporation will operate on a revenue-making basis in addition to continuing to seek outside funding. The revenue sources would include:

- Mark-ups on tourism packages.
- Commissions on tourism product sales.
- A share of event and attraction admissions.
- Commissions and royalties on branded merchandise sales in Lunenburg.
- Commissions and royalties on sales of manufactures and services outside of the community.
- Management fees for program administration, management services and marketing services.
- Management fees and commissions for sponsorship development and fundraising.
- Partner buy-in on coop programs.
- Owners of businesses establish funds for projects.
- Corporation seed money and loans.
- Business improvement districts.
- National/international corporations sponsorship.
- Voluntary cooperative contributions.
- Direct sale of branded products to visitors (gifts, souvenirs, and other products).
- Royalties from the sales by other local and out-of-town business of branded items.
- Royalties on special products (such as reproductions, paint colors, etc.).
- Licensing fees to producers.
- Contractual arrangements with the Foundation.

#### **B.8 Other funding mechanisms which the Town of Lunenburg might initiate.**

In addition to the incentives that the Foundation and Corporation could provide for the citizens to take part in maintaining, restoring and beautifying the town, the Town could potentially assist through the following additional funding initiatives.

- Tourism taxes.

- Community seed grants
- Fees for non-residents to use recreation facilities.
- Community fundraising events.
- Assessment on tourism operators, motorcoaches, retailers.
- Public Bond issues.
- Business improvement district taxes.
- Lotteries
- Taxes on items and supplies primarily used by tourists.
- Rental of Town-owned buildings, e.g., the Armouries (once restored), for banquets, receptions, dances, weddings, meetings, etc.
- Existing federal and provincial funding programs for public benefit.
- Visitor parking fees. (Locals get stickers).
- Access and service funds.
- Grants to improve recreational facilities, hiking and biking trails, etc.
- Environmental grants and funding.

## **B.9 Special funding for Youth Programs.**

**Youth Service Canada (YSC).** The Foundation and the Corporation should become a YSC Sponsor. This federal program is especially interested in community service projects developed and run by young Canadians. There is special funding available for partners such as these two organizations. Some of the designated activity streams identified by the program could be used in Lunenburg, including:

- Community development and learning.
- Sustainable development and the environment.
- Community enterprise.

**APPENDIX C**  
**Tools for**  
**Forming the World Heritage organizations**

Including the  
Bylaws of the Historic Annapolis Inc.  
and the  
Virginia Eastern Shore  
Sustainable Development Corporation

BYLAWS OF HISTORIC ANNAPOLIS, INC.

ADOPTED AT A MEETING OF THE MEMBERSHIP HELD FEBRUARY 1, 1981,  
AND AS AMENDED BY THE BOARD OF DIRECTORS  
IN MAY 1981; APRIL 1983; OCTOBER 1983; FEBRUARY 1986; MARCH 1987;  
SEPTEMBER 1988; DECEMBER 1988; MARCH 1990; AUGUST 1991;  
NOVEMBER 1992; APRIL 1994; MAY 1995; April 1997

ARTICLE I

Section 1. Name: This Corporation is a charitable, educational, non-profit corporation and shall be known as Historic Annapolis, Inc.

Section 2. Office of the Corporation: The Corporation shall have its principal office in Anne Arundel County, State of Maryland, at specific locations established from time to time as appropriate to conduct its business.

ARTICLE II

PURPOSES

The purpose of the Corporation shall be:

To preserve the distinctive quality of Annapolis and Anne Arundel County derived from the buildings, structures, objects and spaces that possess integrity of locality, design, setting, materials and workmanship that contribute to the historic character of this locale;

To promote research and to publish findings regarding local property of historic value;

To provide a museum for the reception and preservation of personal property of historic value;

To extend appreciation of the fine buildings representing the many periods of architecture whose harmonious height, scale, proportion, texture, material and color are responsible for the enduring beauty of Annapolis;

To stress the significance of Annapolis and Anne Arundel County as factors in the development of our national life; and

To devise plans for the preservation of these historical resources with the quality of life and the economic stability of Annapolis as a living city.



## ARTICLE III

### MEMBERSHIP

Section 1. Members: Any person, corporation, organization or institution desiring to promote the objectives of Historic Annapolis, Inc. shall be eligible to membership in the Corporation.

Section 2. Dues: Classes of membership, the respective dues for each class, and the dues year shall be established from time to time by the Board of Directors.

Section 3. Annual Meeting: The annual meeting of the members of the Corporation shall be held during the months of April, May or June of each year. The business of the annual meeting shall include the election of directors and such other business as may be required.

Section 4. Special Meetings: Special meetings of the members may be called by the Chairman of the Board, the President, by the majority of the Board of Directors, or by written petition signed by not less than twenty-five of all the members of record entitled to vote.

Section 5. Notice of Meetings: Written notice stating the time and place of any meeting of the members and, in the case of special meetings or when otherwise required by law, the purpose for which any such meeting is called, shall be delivered or mailed by the Secretary of the Corporation to each member of record entitled to vote at such meeting, at such address as appears upon the records of the Corporation and at least ten (10) days before the date of such meeting.

Section 6. Waiver of Notice: Notice of any meeting may be waived in writing by any member if the waiver sets forth in reasonable detail the time, place and purpose of the meeting. Attendance at any meeting in person, or by proxy when the instrument of proxy sets forth in reasonable detail the purpose of such meeting, shall constitute a waiver of notice of such meeting.

Section 7. Voting Rights: Each member shall be entitled to one vote on each matter submitted to a vote of the members.

Section 8. Date of Determination of Voting Rights: The Board of Directors may fix a record date, not exceeding fifty days prior to the date of any meeting of members, for the purpose of determining the members entitled to notice of and to vote at such meeting. In the absence of action by the Board of Directors to fix a record date as herein provided, the record date shall be the fourteenth day prior to the date of the meeting.

Section 9. Proxies: A member entitled to vote at any meeting of the members may vote either in person or by written proxy. No proxy shall be voted at any meeting of the members unless it has been filed with the Secretary prior to the commencement of the meeting.

Section 10. Voting Lists: The secretary shall keep at all times, at the principal office of the corporation, a complete and accurate record of all members entitled to vote.

Section 11. Quorum: At any meeting of the members, twenty-five (25) members in person or by written proxy shall constitute a quorum; a majority vote by such quorum shall be necessary for the transaction of any business by the meeting.

Section 12. Conduct of Meetings: Members' meetings, including the order of business, shall be conducted in accordance with Roberts' Rules of Order, Revised, except as otherwise provided by the Bylaws, or any rule adopted by the Board of Directors or members. The members may, by unanimous consent, waive the requirement of this section; but such waiver shall not preclude any member from invoking the requirement of this section at any subsequent meeting.

#### ARTICLE IV

##### BOARD OF DIRECTORS

Section 1. Function of Directors: The Board of Directors of the Corporation shall manage its business and affairs. The Board of Directors may exercise all the powers of the Corporation, except those conferred on or reserved to the members by the Bylaws, Charter or statute. Each Director must be a member of the Corporation.

Section 2. Number of Directors: The Corporation shall have seventeen (17) Directors elected by the members.

Section 3. Vacancies: Any vacancy in the Board of Directors caused by death, resignation or otherwise may be filled until the next annual or special meeting of members by a majority vote of all the remaining members of the Board of Directors. A Director elected to fill a vacancy shall hold office until the next annual or special meeting of the members and until his successor shall be elected and qualified.

Section 4. Term of Office: The Directors of the Corporation will be elected for two (2) year terms at the annual meeting of the members.

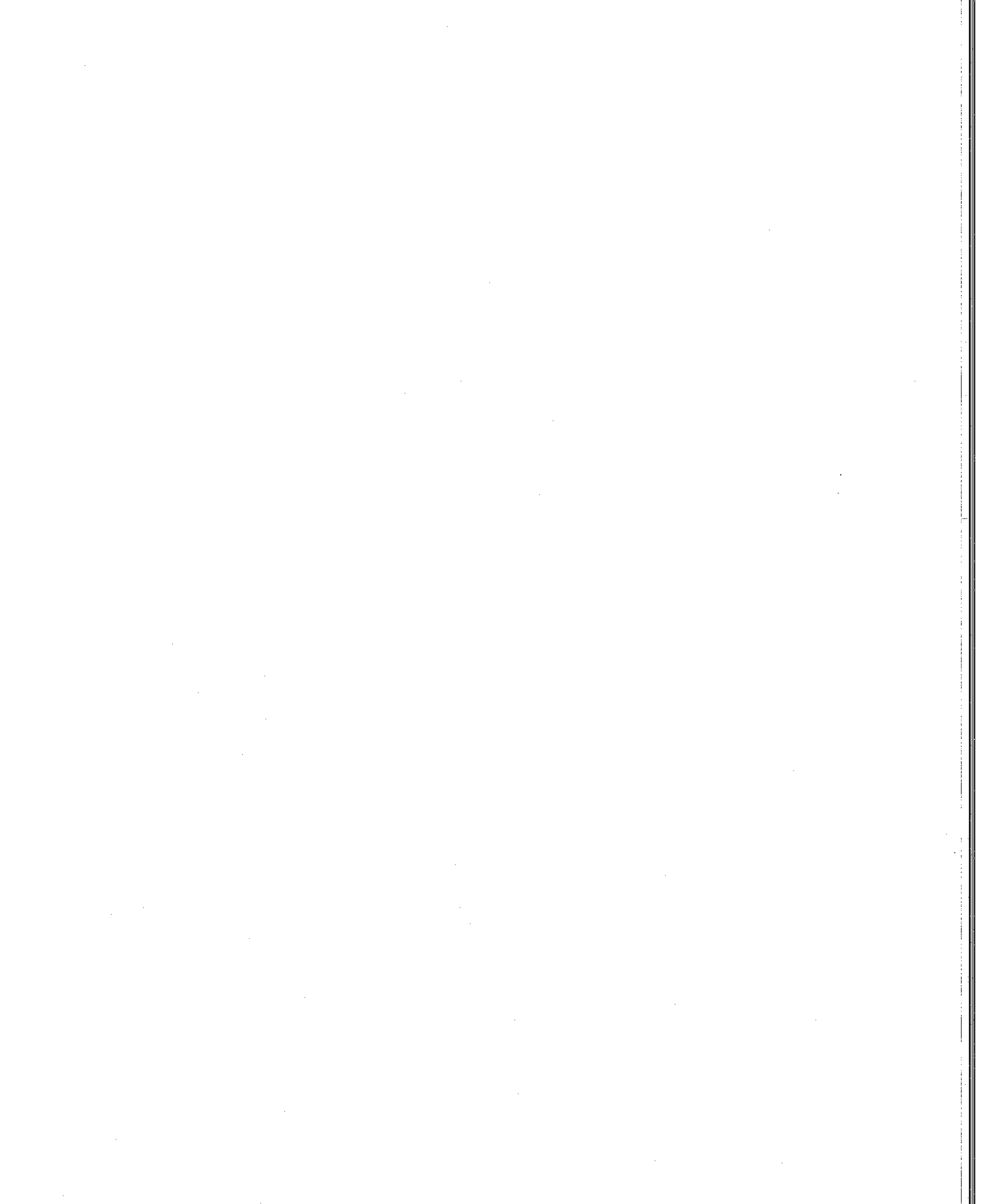
Section 5. Nominations: The Board Resources Committee shall serve as a standing nominating committee for nominations of Directors, and this committee will nominate a candidate for each vacancy on the Board to be filled at the annual meeting and other vacancies as they arise. At least thirty (30) days before the date of the annual meeting, the Board Resources Committee shall send a report of its nominations to the Secretary in time for announcement to the membership.

Section 6. Other Nominations: If there are any additional nominations from the membership, they must be filed in writing with the Secretary at least five (5) days prior to the date of the annual meeting. To qualify, the nominee must have consented to the nomination in writing and been nominated by at least five percent (5%) of the members of the Corporation.

Section 7. Annual Meeting: The Board of Directors shall meet as soon as practicable following the annual meeting of the members for the purpose of election of officers of the Corporation and the consideration of any other business which may be brought before the meeting.

Section 8. Other Meetings: Regular meetings of the Board of Directors may be held pursuant to a resolution of the Board. No notice shall be required for such regular meetings. Special meetings of the Board of Directors may be called by the President or by any two members of the Board of Directors, upon twenty-four hours' notice. The notice must specify the time, place and general purpose of the meeting and must be delivered to each Director either personally, by mail, by telegram or by telephone. Attendance at any special meeting shall constitute waiver of notice of such meeting.

Section 9. Quorum: Unless statute, Charter or by these Bylaws require a greater proportion, the action of a majority of the Directors present at a meeting at which a quorum is present is the action of the Board of Directors. Seven members of the entire Board of Directors shall constitute a quorum for the transaction of business. In the absence of a quorum, the Directors present, by majority vote or without notice other than by announcement may adjourn the meeting from time to time until a quorum shall attend. At any such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified. Any action required or permitted to be taken at a meeting of the Board of Directors or of a committee of the Board may be taken without a meeting, if a unanimous written consent which sets forth the action is signed by each member of the Board or committee and filed with the Minutes of proceedings of the Board or committee.



Section 10. Removal: The members of the Board of Directors may remove one or more directors with or without cause. A director may be removed by the members of the Board at a meeting called for the purpose of removing the director, and the meeting notice must state that the purpose, or one of the purposes, of the meeting is removal of the director. A director may be removed by an affirmative 2/3 vote of the Board members present at the meeting at which there is a quorum.

Section 11. Meeting by Conference Telephone: Members of the Board of Directors may participate in a meeting by means of a conference telephone or similar communication equipment if all persons participating in the meeting can hear each other at the same time. Participation in a meeting by these means constitutes presence in person at the meeting.

Section 12. Director Emeritus: The Board of Directors may elect members of the Board to serve as Directors Emeritus. Such Directors will become non-voting members of the Board and will not be obligated to regularly attend Board meetings, but will assist the Board as called upon from time to time.

This position was created by the Board of Directors to honor those Board members whose valuable contributions have filled the chartered preservation goals of Historic Annapolis.

Section 13. Director, Ex Officio: The Mayor of Annapolis may serve as a Board Member of Historic Annapolis, Inc. and be entitled to all perquisites of Board membership, provided, however, he shall not be a voting member of the Board.

## ARTICLE V

### COMMITTEES

Section 1. Standing Committees: The Corporation shall have four standing committees whose members will be appointed by the Chairman of the Board following the annual meeting of the members. The Standing Committees are: Executive, Board Resources, Development, and Finance. Each Standing Committee shall have a senior staff representative in an advisory/liason capacity.

Section 2. Executive Committee: The Executive Committee shall consist of the Chairman, President, and Treasurer of the Corporation and at least four (4) other members of the Board of Directors, designated by the Chairman. During the intervals between meetings of the Board of Directors and subject to such limitations as may be imposed by law, the Articles of Incorporation or the Bylaws, the Executive Committee shall have and may exercise all the authority of the Board of Directors in the

management of the Corporation except that no action shall be taken which shall conflict with the express policies of the Board of Directors.

Section 3. Advisory Council: The Advisory Council of the Corporation shall consist of members nominated by the Executive Committee and elected by the Board of Directors. The Council shall consist of not less than twenty nor more than thirty people, chosen for their strong commitment to historic preservation and abiding interest in Annapolis and serving for a term of two years. The Council will meet not less than once nor more than three times each year to serve in an advisory capacity to the Board of Directors.

Section 4. Finance Committee: The Board of Directors holds ultimate fiduciary responsibility for the organization. The Board has especially strong obligations to monitor and develop the financial structure of the organization so that it continues to exist as an institution of vitality and quality. The Finance Committee exercises the duties of financial oversight for the Board, and is responsible for monitoring expenditure and investment of funds, ensuring compliance with budget guidelines, and reporting to the Board regularly on the financial status of the organization in a clear and comprehensive manner.

Section 5. Development Committee: The Development Committee has responsibility for establishing long-range funding priorities; for planning and implementing a long-term fundraising plan; and for involving all members of the Board in their fundraising responsibilities to the organization.

Section 6. Board Resources Committee: The Board Resources Committee shall consist of the Chairman of the Board, President and at least three (3) other members of the Board designated by the Chairman. This committee shall identify and nominate individuals for openings on the Board of Directors and Advisory Council, and to orient, educate and evaluate Board members.

Section 7. Other Committees: The Board of Directors may form other committees, councils or similar groups made up of members of the Board of Directors, members of the Corporation, and others as the Board finds necessary to carry out the purposes for which the Corporation has been formed. Board members may be asked by the Chairman of the Board, at the request of the President, to serve on staff committees in an advisory capacity.

## ARTICLE VI

### OFFICERS

Section 1. Executive Officers: The Corporation shall have a Chairman of the Board, a President, Vice Presidents, a Secretary, a Treasurer, and other officers as the Board of Directors shall designate. All officers must be members of the Corporation.

Section 2. Terms of Office: Each officer of the Corporation shall be elected annually by the Board of Directors at its annual meeting and shall hold office for a term of one (1) year and until a successor has been duly elected and qualified.

Section 3. Vacancies: Whenever a vacancy occurs in any office of the Corporation, the same may be filled by the Board of Directors. An officer so elected shall hold office until the next annual meeting of the Board of Directors when a successor shall be duly elected and qualified.

Section 4. Removal: An officer of the Corporation may be removed, with or without cause, by a majority vote of the Board of Directors.

Section 5. Compensation: Each officer of the Corporation shall receive such compensation for his service in such office as may be fixed by action of the Board of Directors, duly recorded.

Section 6. Chairman of the Board: The Chairman of the Board, if present, shall preside at all meetings of the members and of the Board of Directors and shall perform such other duties prescribed by the Board of Directors.

Section 7. President: The President shall be the chief executive officer of the Corporation. Subject to the general control of the Board of Directors, the President shall manage and supervise all the affairs and personnel of the Corporation and shall discharge all the usual functions of the chief executive officer of a corporation. The President shall preside at all meetings of members and Directors at which the Chairman of the Board is not present, and shall have such other powers and duties as these Bylaws or the Board of Directors may prescribe. Shares of other corporations owned by this Corporation may be voted by the President or by such proxies as the President shall designate. The President must be a member of the Board of Directors.

The President shall exercise general supervision of the affairs of the Corporation and shall see to it that such affairs are conducted in accordance with the Charter and Bylaws of the Corporation and pursuant to the direction of the Board of

Directors. The President shall select all employees of the Corporation and these employees shall serve at the President's pleasure. The President shall be responsible for carrying out the budget as approved by the Board of Directors.

Section 8. Secretary: The Secretary shall attend all meetings of the members and of the Board of Directors, and keep, or cause to be kept, a true and complete record of the proceedings of such meetings, and shall perform a like duty, when required, for all standing committees appointed by the Board of Directors. If required, the Secretary shall attest the execution by the Corporation of deeds, leases, agreements and other official documents. The Secretary shall send all notices of the Corporation required by these Bylaws, shall have custody of the books (except books of account) and records of the Corporation, and in general shall perform all duties pertaining to the office of Secretary and such other duties as these Bylaws or the Board of Directors may prescribe.

Section 9. Treasurer: The Treasurer shall keep correct and complete records of account, showing accurately at all times the financial condition of the Corporation and shall have charge and custody of, and be responsible for, all funds, notes, securities and other valuables which may from time to time come into the possession of the Corporation. The Treasurer shall deposit, or cause to be deposited, all funds of the Corporation with such depositories as the Board of Directors shall designate and shall furnish at meetings of the Board of Directors, or whenever requested, a statement of the Financial condition of the Corporation, and in general shall perform all duties pertaining to the office of Treasurer and such other duties as these Bylaws or the Board of Directors may prescribe. The Treasurer shall serve on and chair the Finance Committee.

Section 10. Assistant Officers: The Board of Directors may from time to time designate and elect assistant officers who shall have such powers and duties as the officers whom they are elected to assist shall specify and delegate to them, and such other powers and duties as these Bylaws or the Board of Directors may prescribe. An assistant secretary may, in the absence or disability of the secretary, attest the execution of all documents by the corporation.

## ARTICLE VII

### MISCELLANEOUS

Section 1. Corporate Seal: The Corporation shall have a seal.

Section 2. Execution of Contracts and Other Documents: Unless otherwise ordered by the Board of Directors, all written contracts and other documents entered into by the Corporation



shall be executed on behalf of the Corporation by the President (and, if required, attested by the Secretary or an assistant secretary).

Section 3. Fiscal Year: The fiscal year of the Corporation shall begin on July 1 of each year and end on the immediately following June 30.

Section 4. Compensation of Employees: In order to carry out the purposes and activities of the Corporation, such persons as are deemed necessary by the Board of Directors may be employed, and each such person may be paid such compensation for his services rendered in the course of such employment as may be fixed by the Board of Directors. No person shall be precluded from taking such employment and compensation by reason of the fact that he is a member, Director or Officer of the Corporation.

#### ARTICLE VIII

##### AMENDMENTS

Section 1. Subject to law and the Articles of Incorporation, the power to make, alter, amend or repeal all or any part of these Bylaws is vested in the Board of Directors. Any proposed change in the Bylaws must receive the recommendation of a majority of the Directors present at a meeting of the Board of Directors at which a quorum is present. The proposed amendment must then be promptly circulated in writing to all members of the Board for consideration by the Board at its next regularly scheduled meeting. An affirmative vote of a majority of all Directors shall be necessary to effect any such changes in the Bylaws.

Section 2. No amendment shall be effective which may prevent the organization from qualifying for exemption from federal income taxes pursuant to the revenue laws of the United States in force from time to time.

#### ARTICLE IX

##### RESTRICTIONS

Section 1. Avoidance of Partisan Political Activities: This Corporation shall not participate nor intervene in any political campaign on behalf of any candidate for public office. No part of the property or income of Historic Annapolis, Inc. shall inure to the private benefit of any individual or group, other than such compensation for services rendered to Historic Annapolis, Inc. for such officers or employees as may be approved by the Board of Directors from time to time.

Section 2. Conflict of Interests: All officers and Directors of the Corporation shall perform their duties in good faith and will take no action not in the best interest of the Corporation. In any circumstances in which a Director or officer might appear to have a conflict of interest between his own personal interest and that of the Corporation, such interest will be promptly disclosed to the Board of Directors. The Board of Directors will formulate guidelines for Directors, officers and staff of the Corporation to avoid all true conflicts of interest and even the appearance of conflicts of interest between the personal interests of these persons and the interests of the Corporation.

Section 3. Equal Employment Opportunity: Historic Annapolis, Inc. is an equal opportunity employer, making all employment decisions without regard to race, color, creed, marital status, political or religious opinions or affiliations, sex, age, national origin, and handicapped or veteran status. This policy applies to all phases of the employment relationship, including layoff, termination, rates of pay, and other forms of selection, training, and compensation.

#### ARTICLE X

##### NO UNREASONABLE ACCUMULATION

The Corporation shall expend or distribute for preservation or educational purposes annually such amount of its income, current or not current, necessary to avoid unreasonable accumulation of income within the meaning of the Internal Revenue Code. The organization shall not engage in any prohibited transaction as described in the Internal Revenue Code. The activities of the Corporation shall always be limited to those which will allow it to qualify for federal income tax exemption as a charitable educational institution under the revenue laws of the United States in force from time to time.

#### ARTICLE XI

##### DISSOLUTION

In the event that circumstances force Historic Annapolis, Inc. to dissolve, the Board of Directors shall present an appropriate motion to those members present at the annual meeting or at a special meeting called for that purpose, having notified all members of the organization by mail, at least fifteen (15) days in advance, that such a motion was to be presented. If the majority of these members present approve that motion, or if the existence of this organization otherwise terminates or it becomes impossible to carry out the purposes of the organization, the

President, the Treasurer and other officers shall transfer all of the property and assets of this organization to the Maryland Historical Trust or its successor, but only if the Maryland Historical Trust or its successor executes a declaration of trust under which it is to hold such property, and only if the trust thereby created qualified for exemption from federal income taxes as a tax-exempt trust under the revenue laws of the United States then in effect, or if no such exemption is then provided by such laws, would have so qualified under the Internal Revenue Codes of 1939 and 1954.

In the event that the Maryland Historical Trust or its successor is not then in existence or fails to create the trust so specified in the preceding paragraph within a reasonable time, the President, the Treasurer, and other members of this Corporation shall transfer all property cy press to such purposes as a court of competent jurisdiction shall direct.

# # #

**BYLAWS**  
**OF**  
**VIRGINIA EASTERN SHORE**  
**SUSTAINABLE DEVELOPMENT CORPORATION**

I certify that these Bylaws were duly adopted by the Board of Directors of the Corporation pursuant to an action dated \_\_\_\_\_, 1995.

---

L. Gregory Low, Secretary of  
Virginia Eastern Shore Sustainable  
Development Corporation

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**BYLAWS OF  
VIRGINIA EASTERN SHORE  
SUSTAINABLE DEVELOPMENT CORPORATION**

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**ARTICLE 1**

**MEETINGS OF SHAREHOLDERS**

1.1. Annual Meeting. Unless a different date or time is designated by resolution of the Board of Directors, the annual meeting of the shareholders for the election of directors and the transaction of whatever other business may be brought before said meeting shall be held on the fourth Friday of April of each year, at 1:00 p.m.; if said date is not a legal holiday, or, if a legal holiday, at said time on the next succeeding business day.

1.2. Special Meetings. Special meetings of (i) all classes or any class of shareholders, unless otherwise provided by law, may be called for any purpose at any time by the Board of Directors, the Chairman of the Board, or the President and (ii) the holders of a class of shares may be called for any purpose at any time by not less than twenty percent (20%) of the shares of such class.

1.3. Place of Meeting. The Board of Directors may designate any place, either within or without the Commonwealth of Virginia, as the place of meeting for any annual meeting or for any special meeting which is called by the Board of Directors. If no place is designated by the Board of Directors, or if a special meeting is called otherwise than by the Board of Directors, the place of meeting shall be in Northampton County, Virginia.

1.4. Notice of Meeting. Written notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be given not less than ten days nor more than sixty days before the date of such meeting (except as a different time is specified by law) either personally or by mail, telegram, teletype or other carrier, by or at the direction of the Chairman of the Board, the Secretary, or the person calling the meeting, to each shareholder of record entitled by law to notice of such meeting. If mailed, such notice shall be deemed to be given when deposited in the United

States mail, with postage prepaid, addressed to the shareholder at his address as it appears on the stock records of the Corporation.

1.5. Fixing of Record Date. For the purpose of determining shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or shareholders entitled to receive payment of any dividend, or in order to make a determination of shareholders for any other proper purpose, the Board of Directors may fix in advance a date as the record date for any such determination of shareholders, such date in any case to be not more than seventy days prior to the date on which the particular action, requiring such determination of shareholders, is to be taken. If no record date is fixed by the Board of Directors, as provided above, then the close of business on the day before the date on which notice of the meeting is mailed, or the date on which a resolution of the Board of Directors declaring a dividend is adopted, shall be the record date for such determination of shareholders. When a determination of shareholders entitled to vote at any meeting of shareholders has been made, as provided herein, such determination shall apply to any adjournment of such meeting if the meeting is adjourned to a date not more than 120 days after the original meeting date.

1.6. Quorum. A majority of the shares entitled to vote on a matter, represented in person or by proxy, shall constitute a quorum at any meeting of such class with respect to that matter. If less than a majority of the shares of such class entitled to vote are so represented at the meeting, then a majority of the shares which are so represented may adjourn the meeting from time to time without further notice, but may take no other action. At such adjourned meeting, at which a quorum is present in person or represented by proxy, any business may be transacted which might have been transacted at the meeting as originally called had the same then been held.

1.7. Proxies. At all meetings of shareholders, a shareholder may vote in person or by proxy executed in writing by such shareholder or his duly authorized attorney-in-fact. Such proxy shall be filed with the Secretary of the Corporation or any other officer or agent authorized to tabulate votes before or at the time of the meeting. No proxy shall be valid after eleven months from its date, unless otherwise provided in the proxy.

1.8. Voting of Shares. Each share entitled to vote on a matter at any meeting of shareholders shall be entitled to one vote on each such matter submitted to a vote at such meeting. If a quorum exists, action on a matter, other than the election of directors which is governed by the paragraph immediately following, by a group of shares entitled to vote thereon is approved if the votes for approval cast within the group exceed the vote cast opposing the action.

At each election of directors, every shareholder shall have the right to vote, in person or by proxy, the number of shares which he is entitled to vote at said meeting, for as many persons as there are directors to be elected by the class of shares of which he is a holder at said meeting, but cumulative voting shall not be permitted. In elections of directors those receiving the greatest number of votes shall be deemed elected even though not receiving a majority of the votes cast by holders of such class of shares.

1.9. Action by Shareholders Without a Meeting. Any action required to be taken at a meeting of shareholders, or any action which may be taken at a meeting of shareholders, may be taken without a meeting if a consent in writing, setting forth the action so taken (and, if signed at a time other than at the time such action is to be effective, the consent states the dates on which each shareholder signed) shall be signed before or after such action by all of the shareholders entitled to vote on such matter. Such written consent shall have the same force and effect as a unanimous vote.

## ARTICLE 2

### BOARD OF DIRECTORS

2.1. General Powers. The business and affairs of the Corporation shall be managed under the direction of its Board of Directors. It is the intention of the Corporation to have racial and gender diversity on the Board of Directors as well as representation from the local community.

2.2. Number and Election. The number of members of the Board of Directors shall be the number set forth from time to time in the Articles of Incorporation of the Corporation and, until the Articles of Incorporation are amended, shall be eleven (11), five (5) to be elected by the holders of Class A voting common stock of the Corporation, and six (6) to be elected by the holders of Class B voting common stock of the Corporation. The Directors, elected by the holders of a class of shares, shall be elected by such holders for a term of one (1) year, or, if elected at a time other than at the annual meeting of shareholders, for a term expiring as of the next annual meeting. In any event, unless sooner removed, directors shall serve until their successors are duly elected and qualify.

Of the six (6) Directors elected by the holders of Class B voting common stock, three (3) shall be from among the following: the Director of The Nature Conservancy's Virginia Coast Reserve, a senior officer of The Nature Conservancy engaged in programs in the area of sustainable development, and either another Nature Conservancy Vice President or member of the Nature Conservancy Board of Governors. In addition, at least one (1) other Director

shall be a person who is recognized as a community leader on the Virginia Eastern Shore; if not elected by the holders of Class A voting common stock, then such a Director shall be elected by the holders of Class B voting common stock.

In order to facilitate and coordinate the nomination and election of directors representing a class of shareholders, the Board of Directors may, within its discretion, appoint a Nominating Committee of no fewer than two (2) directors to identify qualified individuals and propose them to the shareholders for their consideration. Any such proposal by the Nominating Committee is non-binding on the shareholders. A shareholder may advise the Secretary of the Corporation of the identity of qualified individuals, and the Secretary of the Corporation shall promptly so notify all other shareholders of the same class. Nothing herein is intended to prohibit direct communications among the shareholders of a class for the purpose of coordinating the election of mutually acceptable directors.

2.3. Vacancies. Any vacancy occurring on the Board of Directors may be filled by the affirmative vote of a majority of the remaining Directors elected by the same class of shareholders which elected the Director whose seat has become vacant.

2.4. Removal and Replacement of Directors. At a meeting of a class of shareholders called expressly for that purpose, any director may be removed, with or without cause, and a new director may be elected to take his place (if so desired), by a vote of the shareholders holding a majority of the shares entitled to be cast at an election of that director. The removal and replacement of directors may also be accomplished pursuant to the provisions of Section 1.9.

2.5. Regular Meetings. Regular meetings of the Board of Directors shall be held at such times, at least annually, as shall be specified by the Board of Directors by resolution from time to time. Such regular meetings may be held without notice of time, place and purpose thereof. If not otherwise specified by resolution, the Board of Directors shall meet immediately following the annual meeting of shareholders in the location where the shareholders' meeting was held. Directors may participate in a regular meeting by any means of communication by which all Directors may simultaneously hear each other during the meeting. A Director participating in a regular meeting by this manner is deemed to be present in person at such meeting.

2.6. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President, the Chairman of the Board, or any two directors. Notice of the time and place of each special meeting shall be given orally or in writing to each director.

Such notice, if given in person, by private carrier, telegram, or telephone, must be received at least twenty-four hours prior to such meeting, and, if given by mail, must be mailed postpaid and correctly addressed and postmarked at least six days prior to such meeting; provided that if the notice is sent by registered or certified mail, the notice is sufficient if the receipt is signed by or on behalf of the addressee at least twenty-four hours prior to such meeting. Any director may waive notice of any meeting, and attendance at or participation in any meeting shall constitute a waiver of notice of such meeting unless the director objects at the beginning of the meeting, or promptly upon his arrival, to holding it or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting. Directors may participate in a special meeting by any means of communication by which all Directors may simultaneously hear each other during the meeting. A Director participating in a special meeting by this manner is deemed to be present in person at such meeting.

2.7. Quorum. A majority of the number of directors of the Corporation shall constitute a quorum for the transaction of business at any meeting of the Board. If a quorum is not present, a majority of those in attendance may adjourn the meeting from time to time until a quorum is obtained.

2.8. Manner of Acting. Unless the Articles of Incorporation of the Corporation or these Bylaws require a greater vote, the act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. Any action required to be taken at a meeting of directors, or any action which may be taken at a meeting of directors, may be taken without a meeting if a consent in writing, setting forth the action so taken (and, if signed at a time other than at the time such action is to be effective, the consent states the dates on which each director signed) shall be signed before or after such action by all of the directors. Such written consent shall have the same force and effect as a unanimous vote.

2.9. Compensation. By a resolution of the shareholders or the Board of Directors, the directors may be paid their expenses, if any, and a fixed sum for attending each meeting of the Board of Directors and each meeting of a committee of the Board; and may, in addition, be paid an annual retainer. No such payment shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefor.

2.10. Presumption of Assent. A director of the Corporation who is present at a meeting of the Board of Directors when any action is taken is deemed to have assented to the action taken unless he votes against or abstains from the action taken, or he has objected at the beginning of the meeting, or promptly upon his arrival, to the holding of the meeting or

transacting specified business at the meeting. Any such dissenting votes, abstentions or objections shall be entered in the minutes of the meeting.

2.11 Actions Requiring Greater Vote. The following actions to be valid must be approved by the affirmative vote of not less than two-thirds (2/3) of the number of directors then in office:

2.11.1 The declaration or payment of any dividends on the outstanding shares of the Corporation.

2.11.2 The purchase or redemption of shares of the Corporation including shares subject to Article 15 of these Bylaws.

2.11.3 Investments in, or the guaranty of any obligations of, other entities excluding, however, (1) investments in, or guaranty of obligations of, direct or indirect subsidiaries in which the Corporation holds a majority interest, (2) investments in, or the guaranty of any obligations of, entities for which the power and authority to make such decisions has been delegated to a subsidiary, affiliate, committee or division of the Corporation by the Board of Directors.

2.11.4 The issuance of (and where the approval of one or more shareholder groups is required, the recommendation to issue) new shares of existing classes of stock or new classes of stock or options therefor of the Corporation.

2.11.5 The approval of the dollar value of any general annual capital budget of the Corporation.

2.11.6 A recommendation to the shareholders of the Corporation with respect to the sale, lease, exchange, or other disposal of all or substantially all of the Corporation's property otherwise than in the usual and regular course of business.

2.11.7 Any amendment to the Articles of Incorporation or Bylaws of the Corporation (other than Article 15 of these Bylaws) and, where shareholder approval is required, a recommendation to the shareholders with respect to any amendment to the Articles of Incorporation or Bylaws of the Corporation.

2.11.8 The establishment from time to time of limitations on the maximum amount of funded debt to be incurred by the Corporation.

2.11.9 The selection or termination of the President of the Corporation and his or her compensation arrangement with the Corporation.

2.11.10 The selection or termination of the independent certified public accountants servicing the Corporation.

2.11.11 The appointment of any committees of the Board of Directors and the membership thereof.

2.11.12 The liquidation or dissolution of the Corporation.

2.11.13 The establishment and/or funding of any subsidiary corporation.

### ARTICLE 3

#### BOARD COMMITTEES

3.1. Membership. All committees of the Board of Directors shall consist of two or more directors as the Board may from time to time prescribe, except as otherwise provided in these Bylaws. All members of committees shall serve at the pleasure of the Board of Directors.

3.2. Rules of Procedure. Except as otherwise provided in these Bylaws, each committee may select a chairman from its membership and a secretary who may or may not be a member of the committee or of the Board. Subject to the requirements of law, each committee shall prescribe the length of notice and manner of giving notice of its meetings, fix the number, not less than a majority, which shall constitute a quorum and make its own rules of procedure.

3.3. Notice. Unless a committee shall provide otherwise, it shall not be necessary to give notice of any of its regular meetings. Special meetings may be held on call of the Chairman of the Board, the President, the chairman of the committee, or any two members of the committee in such manner as prescribed by the committee, but if not so prescribed, then in such manner as provided in these Bylaws for calling special meetings of the Board of Directors.

3.4. Purpose. The Board of Directors may, from time to time, appoint such committees for such purposes and with such powers as the Board may determine.

3.5. Executive Committee. By resolution adopted by not less than two-thirds (2/3) of the number of Directors fixed in accordance with these Bylaws, the Board of Directors may elect or appoint an Executive Committee consisting of not less than two directors. When the Board of Directors is not in session, the Executive Committee shall have all power vested in the Board of Directors by law, by the Articles of Incorporation, or by these Bylaws, provided that the Executive Committee shall not have power to (i) approve or recommend to shareholders action that the Virginia Stock Corporation Act requires to be approved by shareholders, (ii) fill vacancies on the Board or on any of its committees, (iii) amend the Corporation's Articles of Incorporation, (iv) adopt, amend, or repeal any portion or all of these Bylaws, (v) approve a plan of merger not requiring shareholder approval, (vi) authorize or approve a distribution, except according to a general formula or method prescribed by the Board of Directors, (vii) authorize or approve the issuance or sale or contract for sale of shares, or determine the designation and relative rights, preferences, and limitations of a class or series of shares, except as may be specifically prescribed by the Board of Directors from time to time, or (viii) take any action prohibited by express resolution of the Board or that requires the affirmative vote of more than a simple majority of the Directors. The Executive Committee shall report at the next regular or special meeting of the Board of Directors all action which the Executive Committee may have taken on behalf of the Board since the last regular or special meeting of the Board of Directors.

#### ARTICLE 4

##### OFFICERS

4.1. Officers. The officers of the Corporation shall be a Chairman of the Board, a President, a Secretary and a Treasurer, all of whom shall be appointed by and shall serve at the pleasure of the Board. In addition, the Corporation shall have such other officers, including one or more Vice Presidents, as may be appointed, from time to time, by the Board. Assistant Secretaries and Assistant Treasurers may be appointed from time to time by the Board, the Chairman of the Board, or the President.

4.2. Chairman of the Board. The Chairman of the Board shall preside at all board and shareholder meetings, shall make reports to the Board of Directors and shareholders and shall perform all such other duties as are incident to the office, or properly required by the Board of Directors. In the absence or disability of the Chairman of the Board, the President shall exercise all the functions of the Chairman's office.

4.3. President. The President shall have general supervision of the business and affairs of the Corporation and shall possess such powers and perform such duties as are



incident to the office, subject to the direction of the Board of Directors. The President shall serve as a director of the Corporation and shall be elected by the holders of the Class B shares.

4.4. Secretary. The Secretary shall serve as secretary of the Board of Directors. The Secretary shall keep the minutes of all meetings of the shareholders and the Board of Directors, attend to serving and giving all notices of the Corporation; have charge of the corporate seal, the stock certificate records and such other books, records and papers as the Board of Directors may direct; keep a stock record containing the names of all persons who are shareholders of the Corporation, showing their place of residence, the number of shares of stock held by them, and the time when they became owners thereof; and perform such other duties as may be incident to the office or as may be prescribed by the Chairman of the Board or the President. If Assistant Secretaries are appointed, each such officer shall be authorized to perform the functions of the Secretary upon the request or absence of the Secretary.

4.5. Treasurer. The Treasurer shall keep or cause to be kept full and accurate accounts of all receipts and disbursements in books belonging to the Corporation; shall have the care and custody of all funds and securities of the Corporation; shall disburse the funds of the Corporation as may be ordered by the Board of Directors, the Chairman of the Board or the President; and shall perform such other duties as may be incident to the office or as may be prescribed by the Chairman of the Board or the President. If Assistant Treasurers are appointed, each such officer shall be authorized to perform the functions of the Treasurer upon the request or absence of the Treasurer.

4.6. Other Officers. Other officers of the Corporation appointed in accordance with these Bylaws shall have such authority and duties as may be prescribed by the Board of Directors or by the officer appointing them or as may generally pertain to their respective offices.

4.7. Execution of Instruments. Checks, notes, drafts, other commercial instruments, assignments, guarantees of signatures and contracts (except as otherwise provided herein or by law) shall be executed by the Chairman of the Board, the President, or any Vice President, or by such other officer(s) or employee(s) or agent(s) as the Board of Directors or any of such designated officers may direct.

## ARTICLE 5

### EMPLOYEES OTHER THAN OFFICERS

5.1. Employees. Subject to the authority of the Board of Directors, the Chairman of the Board, the President, or any other officer authorized by either the Chairman or the President, may employ such agents and employees, other than officers, as such officer may deem advisable for the prompt and orderly transaction of the business of the Corporation. Any officer so doing may define the duties of such agents and employees; fix their compensation and dismiss them. Such officer is authorized, on behalf of the Corporation, to execute any agency, employment, or other such agreements which may be necessary and proper to effect the employment of such agent or employee.

## ARTICLE 6

### CERTIFICATES FOR SHARES AND THEIR TRANSFER

6.1. Form and Signatures. Certificates evidencing shares of the Corporation shall be in such form as may be determined by the Board of Directors. Such certificates shall be signed by the Chairman of the Board or the President and by the Secretary or Treasurer or any other officer authorized by a resolution of the Board of Directors, and may (but need not) be sealed by the seal of the Corporation or a facsimile thereof. The signatures of the officers upon a certificate may be facsimiles if the certificate is countersigned by a transfer agent, or registered by a registrar, other than the Corporation itself or an employee thereof.

All certificates for shares shall be consecutively numbered or otherwise identified. The name and address of the person to whom the shares represented thereby are issued, along with the class of shares and number of shares and the date of issue, shall be entered on the stock transfer records of the Corporation. All certificates surrendered to the Corporation for transfer shall be cancelled. No new certificate shall be issued until the former certificate for a like number of shares shall have been surrendered and cancelled, except that in the case of a lost, destroyed or mutilated certificate, a new one may be issued therefor upon such terms and indemnity to the Corporation as the Board of Directors may prescribe.

6.2. Transfer of Shares. Subject to the provisions of Article 15, transfer of shares of the Corporation shall be made only on the transfer records of the Corporation by the holder of record thereof or by his legal representative, who shall furnish proper evidence of authority to

transfer, or by his attorney thereunto authorized by power of attorney duly executed and filed with the Secretary of the Corporation, and on surrender for cancellation of the certificate for such shares. The person in whose name shares stand on the books of the Corporation shall be deemed by the Corporation to be the owner thereof for all purposes except to the extent the Board of Directors, by resolution, may establish a procedure whereby the beneficial owners of shares registered in the name of a nominee are to be recognized by the Corporation as the shareholder, in accordance with applicable law.

## ARTICLE 7

### WAIVER OF NOTICE

7.1. Waiver. Unless otherwise provided by law, whenever any notice is required to be given to any shareholder or Director of the Corporation under the provisions of these Bylaws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the proper giving of such notice.

## ARTICLE 8

### FISCAL YEAR

8.1. Fiscal Year. The fiscal year of the Corporation shall begin on the first (1st) day of January and end on the thirty-first (31st) day of December of each year.

## ARTICLE 9

### DIVIDENDS AND FINANCES

9.1. Dividends. The Board of Directors may from time to time declare, and the Corporation may pay, dividends on its outstanding shares in the manner and upon such terms and conditions as may be permitted by law and the Articles of Incorporation of the Corporation.

9.2. Depositories. The monies of the Corporation shall be deposited in such banks or trust companies as the Board of Directors shall designate, and all payments so far as

practicable, shall be made by checks. Checks and drafts as well as notes, bonds or other instruments creating or evidencing an obligation for the payment of money shall be signed in the name of the Corporation or as the Board of Directors shall direct.

## ARTICLE 10

### SHARES OF OTHER CORPORATIONS

10.1. Voting. The Chairman of the Board or the President is authorized to vote, represent, and exercise on behalf of the Corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of the Corporation. The authority herein granted to said officer to vote or represent on behalf of the Corporation any and all shares held by the Corporation in any other corporation or corporations may be exercised either by said officer in person or by any person authorized so to do by proxy or power of attorney duly executed by said officer. Notwithstanding the above, however, the Board of Directors, in its discretion, may designate by resolution any additional person to vote or represent said shares of other corporations.

## ARTICLE 11

### SEAL

11.1. Seal. The seal of the Corporation shall be in such form as may be approved from time to time by the Board of Directors and said seal, or a facsimile thereof, may be imprinted or affixed by any process or in any manner reproduced. The Secretary or Treasurer, any Assistant Secretary or Assistant Treasurer and any other officer authorized by resolution of the Board of Directors shall be empowered to affix and attest the corporate seal on all documents.

## ARTICLE 12

### AMENDMENTS

12.1. Amendments. Articles 1-14, inclusive, of these Bylaws or any of them may be altered, amended, or repealed and new Bylaws made by the Board of Directors upon not less than a two-thirds vote of the Directors then in office. By the affirmative vote of not less than

a majority of all votes cast by each class of shareholders entitled to vote at a meeting at which a quorum of each such class of shareholders exists, such shareholders at any regular meeting, at any special meeting where such action has been announced in the call and notice of such meeting, or by the unanimous consent in writing in lieu of a meeting, may alter, amend, or repeal and make new Bylaws notwithstanding any action taken by the Board of Directors pursuant to the first sentence of this Section. The Directors shall have no authority to alter, amend, or repeal Article 15 of these Bylaws.

## ARTICLE 13

### INDEMNIFICATION AND LIMITATION OF LIABILITY

13.1. Limitation of Liability. The liability of the officers and directors of the Corporation has been limited or eliminated to the extent set forth in Article VIII of the Articles of Incorporation of the Corporation.

13.2. Indemnification. To the fullest extent permitted and in the manner prescribed by the Virginia Stock Corporation Act and any other applicable law, the Corporation shall indemnify, against all liability incurred in a proceeding (and advance reasonable expenses to), any director or officer of the Corporation, who is, was, or is threatened to be made a party to any such threatened, pending, or completed action, suit, or proceeding (whether civil, criminal, administrative, arbitratative, or investigative), including an action by or in the right of the Corporation, by reason of the fact that he is or was such a director or officer or is or was serving at the request of the Corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise. The Board of Directors is empowered, by majority vote of a quorum of disinterested directors, to contract in advance to indemnify any director or officer.

13.3. Other Persons. The Board of Directors is empowered, by majority vote of a quorum of disinterested directors, to cause the Corporation to indemnify, or contract in advance to indemnify and advance reasonable expenses to, any person not specified in Section 13.2 of this Article who was or is a party to any proceeding by reason of the fact that he is or was an employee or agent of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, employee benefit plan, or other enterprise, to the same extent as if such person were specified as one to whom indemnification is granted in Section 13.2 hereof.

13.4. Insurance. The Corporation may purchase and maintain insurance to indemnify it against the whole or any portion of the liability assumed by it in accordance with this Article and may also procure insurance, in such amounts as the Board of Directors may determine, on behalf of any person who is or was a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise, against any liability asserted against or incurred by such person in any such capacity or arising from his status as such, whether or not the Corporation would have power to indemnify him against such liability under the provisions of this Article.

13.5. Scope. The provisions of this Article 13 shall be applicable to all actions, claims, suits, or proceedings commenced after the proper adoption hereof, whether arising from any action taken or failure to act before or after such adoption. No amendment, modification, or repeal of this Article shall diminish the rights or protection provided hereby with respect to any claim, issue, or matter in any then pending or subsequent proceeding that is based in any material respect on any alleged action or failure to act prior to such amendment, modification, or repeal.

13.6. Continuous Coverage. Reference herein to directors, officer, employees, or agents, shall include former directors, officers, employees, and agents, and their respective heirs, executors, and administrators.

## ARTICLE 14

### NO CONFLICT

14.1. No Conflict. If, at any time, there is any impermissible conflict between these Bylaws and the provisions of the Code of Virginia, as the same may be amended from time to time, the contrary provisions of the Code of Virginia shall take precedence over and govern the conduct of the Corporation. Wherever these Bylaws do not cover a particular situation, the applicable provisions of the Code of Virginia shall apply with the same force and effect as though set forth herein.

## ARTICLE 15

### **RESTRICTIONS AGAINST TRANSFERABILITY OF SHARES; BUY-SELL PROVISIONS**

#### 15.1 Restrictions Against Transferability of Shares

15.1.1 Prohibition. Each shareholder agrees to not sell, transfer, assign, or in any way alienate any of said shareholder's shares of capital stock of the Corporation, whether now owned or hereafter acquired (the "Shares"), or any right or interest therein, whether voluntarily, by operation of law, for security, as collateral, by gift, by bequest or intestate succession, or otherwise, without the prior written consent of the Corporation, acting by resolution of the Board of Directors, except through a transfer which meets the requirements of this Article 15.

15.1.2 Requirements for Valid Disposition. In addition to any other requirements herein, for a disposition of Shares to be valid hereunder:

15.1.2.1 No disposition of shares may be made to a person, class of persons or entity who or which the Corporation does not believe will fully support the purposes and goals of the Corporation as set forth in the Articles of Incorporation of the Corporation. The decision of the Corporation in this regard cannot be manifestly unreasonable.

15.1.2.2 No disposition of Shares may be made except pursuant to registration under applicable securities laws or the opinion of counsel for the Corporation, prepared at the transferring Shareholder's expense, that the disposition may be effected without registration.

15.1.3 Ineffective Transfer. Any purported transfer in violation of any provision of this Article 15 shall be void and ineffectual and shall not operate to transfer any interest or title to the purported transferee.

15.1.4 Vote Not Deemed a Transfer. No transfer or conversion of Shares by operation of law pursuant to any plan of merger, consolidation, or share exchange shall constitute a disposition under the terms of this Article 15.

15.1.5 Improper Transfer by Operation of Law. In the case of any transfer of Shares to a trustee in bankruptcy or pursuant to any other legal process which is not permitted under this Article 15, to the extent permitted by law, the transferee shall offer the Shares so transferred to the Corporation and the other shareholders as though the shareholder formerly holding such Shares had proposed a voluntary sale of such Shares under Section 15.3 hereof.

## 15.2 Permitted Transfers.

15.2.1 Transferees. Notwithstanding any provisions of this Article 15 to the contrary, any individual shareholder may transfer his/her Shares, or any portion thereof, to his/her spouse or issue, or to a trust for his/her or their benefit; provided that such a transfer conforms to the requirements of Section 15.1.2, above. The transferee or any subsequent transferee, if there is more than one permitted transfer hereunder (collectively the "Transferee"), shall hold such Shares subject to all of the provisions of this Article 15 and shall make no further transfers other than as permitted in this Article 15. As a condition to the effectiveness of any permitted transfer contemplated hereby, including any transfer by a trustee to a trust beneficiary upon termination of the trust or otherwise or any transfer from a custodian or personal representative to beneficiaries, the Transferee shall execute an acknowledgement and consent to the provisions hereof. On the death of an individual shareholder, or upon the occurrence of any other event requiring or permitting the purchase of said shareholder's Shares under this Article 15, the Transferee shall be required or permitted, as the case may be, to sell or transfer his or her Shares as provided in this Article 15 in the same manner and to the same extent as the original shareholder would have been required or permitted to sell or transfer the Shares.

15.2.2 Rights. All references in this Article 15 to Shares or to the number of Shares held or owned by any shareholder shall be deemed to include Shares owned by any Transferee of such shareholder. A Transferee shall enjoy all voting rights of his Shares (unless otherwise agreed by the parties), and payment for the Shares upon any sale permitted by or pursuant to this Article 15 shall be made to the record owner thereof.

## 15.3 Voluntary Sales to Third Party Purchaser.

15.3.1 First Refusal. In the event that a shareholder (the "Selling Shareholder") wishes to dispose of his/its Shares or any portion thereof (the "Offered Shares") through a voluntary sale or, with respect to an individual shareholder, other inter vivos disposition other than as permitted under Section 15.2 hereof, the Selling Shareholder shall first notify the Corporation, and the Corporation shall in turn notify the other holders of the same class of shares, of the identities of the Selling Shareholder and the proposed purchaser



or purchasers, the number of Offered Shares, and the proposed price and terms of sale. If the Selling Shareholder is a holder of Class B shares, the Corporation shall also notify the holders of all other classes of shares. The Corporation shall thereupon have a right of first refusal to purchase the Offered Shares at their Fair Market Value (as such term is defined in Section 15.6 and on the Purchase Terms (as set forth in Section 15.7) or at the price and on the terms offered by the proposed purchaser, whichever the Corporation may select.

15.3.2 Exercise. Within thirty (30) days following receipt of the notice from the Selling Shareholder if the Corporation elects to purchase the Shares at the price and on the terms offered by the prospective purchaser or within thirty (30) days following the determination of the Fair Market Value of the Offered Shares, whichever is applicable, the Corporation shall give notice to all shareholders of the same class of shares indicating whether or not it elects to exercise its right to purchase the Offered Shares and, if so, the number of Offered Shares it will purchase. If the Corporation does not elect to exercise its right to purchase with respect to all of the Offered Shares, the other shareholders of the same class of shares shall have the right to elect to purchase any of the Offered Shares not purchased by the Corporation at the same optional prices and terms as were available to the Corporation.

15.3.3 Other Shareholders. In order to elect to exercise their purchase rights, within fifteen (15) days after receiving notice from the Corporation that it has elected to purchase less than all of the Offered Shares, the other shareholders of the same class of shares shall deliver to the Corporation a written election to purchase so many of such available shares as each may desire to purchase, specifying the price and terms of purchase. If the total number of shares that all such shareholders elect to purchase exceeds the number of available shares, each such shareholder shall have priority, up to the number of shares set forth in his/its written election, to that fraction of the available shares in which the numerator is the number of shares owned by the purchasing shareholder and the denominator is the number of shares owned by all shareholders who elect to purchase. That portion of the available shares for which there is no election to purchase on such a priority basis shall be allocated in one or more successive allocations to those shareholders who have indicated in their written elections that they desire to purchase more than the number of shares to which they have a priority right, with the allocation determined by a fraction the numerator of which is the number of shares owned by such purchasing shareholder and the denominator of which is the number of shares owned by all such purchasing shareholders.

15.3.4 Closing. Closing of the purchase of the Offered Shares by the Corporation and/or the other shareholders shall take place within forty-five (45) days of

receipt by the Corporation of elections to purchase numbers of shares totalling all of the Offered Shares by those persons eligible to purchase the Offered Shares hereunder.

15.3.5 Failure to Exercise Rights. If the Corporation and the other shareholders of the same class of shares together do not elect to exercise their purchase rights with respect to all of the Offered Shares or fail to close on the purchase within the respective time periods provided herein, the Selling Shareholder shall be free for a period of sixty (60) days thereafter to sell the Offered Shares to the same purchaser or purchasers, at the same price and on the same terms set forth in the Selling Shareholder's notice of intended sale.

15.3.6 Selling Shareholder Participation. After giving any notice of intended sale of any Shares pursuant to this Section, the Selling Shareholder agrees that, unless otherwise requested by the other shareholders holding a majority of the Corporation's outstanding shares of the same class not including the shares held by the Selling Shareholder, he/it will refrain from participating as a shareholder of the Corporation in the Corporation's decision on whether or not to purchase the Offered Shares; and, if requested to participate, the Selling Shareholder agrees to cooperate with the other shareholders in every reasonable way to effectuate the purpose of this Article 15.

15.3.7 Terms Binding. Except as provided herein, the Selling Shareholder shall be bound by the restrictions and limitations imposed by this Article 15 after any notice of a desire to sell is given and whether or not any such sale actually occurs.

15.3.8 Transferee Bound. As a condition precedent to the effectiveness of any transfer of the Offered Shares to any person or entity that is not a party to this Article 15, such transferee shall agree in writing to be bound by all of the terms and conditions of this Article 15 and to be included as a "shareholder" pursuant to the terms hereof.

15.3.9 Further Limitation. In no event shall any shareholder offer to make, or in fact make, a voluntary sale or, with respect to an individual shareholder, inter vivos disposition of his/her Shares unless the Shares so offered or sold constitutes either (a) at least 15% of the outstanding Shares of its class of shares or (b) all Shares owned by such shareholder.

#### 15.4 Other Voluntary Sales

15.4.1 First Refusal. In the event that a shareholder (the "Selling Shareholder") wishes to dispose of his/its shares of any portion thereof (the "Offered Shares") through a voluntary sale or, with respect to an individual shareholder, other inter vivos

Offered Shares, the parties may agree to consummate the purchase and sale of that number of Offered Shares which the purchasing shareholders and the Corporation are willing to purchase in which event the Selling Shareholder and the Offered Shares not purchased by the purchasing shareholders and the Corporation shall remain subject to the provisions of this Article 15. In the further event that a portion or all of the Offered Shares are not purchased by the shareholders and/or the Corporation, the Corporation shall assist the Selling Shareholder in identifying and soliciting prospective third party purchasers for the Offered Shares. If a third party purchaser is identified and offers to purchase the shares of the Selling Shareholder, then the provisions of Section 15.3 shall apply.

15.4.6 Other Provisions. The provisions of Sections 15.3.6, 15.3.7 and 15.3.9 are hereby incorporated in this Section 15.4 by this reference.

#### 15.5 Sale of Shares upon Death.

15.5.1 Generally. Following the death of an individual shareholder, the Corporation and the remaining shareholders of the same class of shares shall have the right, but not the obligation, to purchase all or any portion of the Shares of the deceased shareholder that otherwise would be transferred under such shareholder's will or by the laws of intestate succession or otherwise in a manner not permitted under Section 15.2 hereof. In such case, the estate of the deceased shareholder shall be obligated to sell said Shares on the terms herein provided.

#### 15.5.2 Notice and Exercise.

15.5.2.1 In any case where the Shares of a deceased shareholder's estate are subject to the options contained in this Section 15.5 (for purposes of this Section, the "Offered Shares"), the executor or administrator of such estate, within thirty (30) days of so qualifying, shall give notice to the Corporation of the availability for purchase of the Offered Shares. The Corporation and the remaining shareholders shall be obligated to exercise their rights under this Section 15.5 within 180 days of such notice from the estate.

15.5.2.2 Within 90 days of its receipt of such notice, the Corporation shall notify the other shareholders of the same class of the number of Offered Shares which it elects to purchase. Within 45 days thereafter, the other shareholders of the same class of shares shall elect to exercise their purchase rights by delivering to the Corporation a written election to purchase so many of such available Offered Shares as each may desire to purchase. If the total number of Shares that all such shareholders elect to purchase exceeds the number of available Offered Shares, each such shareholder shall have priority, up to the

number of shares set forth in his/its written election, to that fraction of the available Shares in which the numerator is the number of Shares owned by the purchasing shareholder and the denominator is the number of Shares owned by all shareholders who elected to purchase.

15.5.2.3 Any Offered Shares which are not purchased by the Corporation and the remaining shareholders shall be distributed by the deceased shareholder's estate in due course in accordance with the requirements of the deceased shareholder's will or otherwise in accordance with law; provided that any Shares so distributed shall continue to be subject to the terms of this Article 15.

15.5.3 Terms. The price to be paid for the purchased Shares shall be the Fair Market Value of such Shares, and the terms of purchase shall be the Purchase Terms. The representative of the estate of a deceased shareholder shall cooperate with the Corporation and the remaining shareholders to effectuate the purpose of this Article 15.

## 15.6 Valuation.

### 15.6.1 Fair Market Value.

15.6.1.1 Fair Market Value shall be determined either by agreement of the selling shareholders and the purchasers at the time when any determination of Fair Market Value becomes pertinent under this Article 15, or, failing such agreement, by appraisals which shall value the Corporation as a going concern and which shall consider the sale prices of stock of comparable businesses, if available, and such value shall be divided by the number of the Corporation's shares outstanding to determine the Fair Market Value per Share. In no event shall the Fair Market Value be less than the fair market value of the Corporation's assets (excluding, however, goodwill (including any amounts, however designated on the Corporation's balance sheet, representing the excess of the purchaser price paid for any assets or stock acquired by the Corporation over the value assigned thereto on the books of the Corporation), patent, trademarks, trade names, and copyrights) reduced by the full amount of its liabilities prepared as of the end of the month preceding the event which triggers the purchase under this Article 15 and prepared in accordance with generally accepted accounting principles. Such appraisal shall be conducted by a qualified appraiser, selected by agreement of the parties, within thirty (30) days after the occurrence of the event which causes or permits the purchase of Shares pursuant to this Article 15 and shall give proper weight to all relevant factors, including the trends of revenues, earnings, and cash-flow of the Corporation.

15.6.1.2 If the parties cannot agree in advance on an appraiser, such Fair Market Value shall be determined by appraisals which shall be conducted by two appraisers, one of whom shall be appointed by the selling shareholder or, with respect to a deceased shareholder, his/her personal representative and the other of whom shall be appointed by the Corporation. Such appraisers shall be experienced in making appraisals of corporations in the Corporation's line of business and notice of such appointments shall be delivered promptly to all parties. The two appraisers so appointed shall submit in writing their respective appraisals of the Fair Market Value Per Share of the Corporation to the Corporation and the other holders of the same class of shares. If the higher appraisal is not more than fifteen percent (15%) higher than the lower appraisal, then the Fair Market Value shall be conclusively determined by taking the numerical average (mean) of both such appraisals.

15.6.1.3 If the higher appraisal is more than fifteen percent (15%) higher than the lower appraisal, then within ten (10) days after said thirty (30) day period the two appraisers shall mutually select and appoint a third appraiser, similarly qualified, and give written notice thereof to the Corporation and the other holders of the same class of shares. Within twenty (20) days after the appointment of the third appraiser, the third appraiser shall submit his appraisal of such Fair Market Value in writing to the Corporation and the other holders of the same class of shares, and the Fair Market Value per Share of the common stock of the Corporation shall be conclusively determined by taking the numerical average (mean) of the two appraisal fair market value figures which are closest together. If the high and low appraisal values are equidistant from the middle appraisal value, the Fair Market Value shall be the middle appraisal value.

15.6.1.4 The Fair Market Value of the Corporation, as determined by the appraisal process described above, shall be final and binding upon the parties hereto. The cost of obtaining such appraisals shall be paid by the Corporation.

## 15.7 Purchase Terms.

15.7.1 Payment of Purchase Price. The purchase price for any Shares purchased pursuant to this Article 15 shall be paid, at the election of the purchaser, either in cash, or by a cash down payment and the delivery of an unsecured, negotiable, promissory note (the "Note"). The down payment shall be not less than twenty percent of the total purchase price. Any Note shall provide for equal quarterly installments of principal over a term not to exceed five (5) years at the election of the purchaser and shall bear interest at the fixed rate equal to the prime rate announced by the majority of money center banks located in New York City on the last business day prior to the day of closing, payable quarterly

commencing with the first installment of principal. Except during the calendar year in which the sale occurs, the Note shall be subject to prepayment in whole or in part at any time and without penalty. In the event of default in payment of any installment when due, the whole sum of principal and interest shall become immediately due and payable at the option of the holder, and the Note shall provide for the payment of reasonable attorneys' fees and costs of suit by the maker should any legal action for collection be commenced.

15.7.2 Delivery of Shares. At such time as the agreed consideration has been paid and delivered to the selling shareholder or his estate, as required by Section 15.7.1, the Shares of the selling or deceased shareholder shall be delivered to the Corporation for transfer to the purchaser or purchasers.

15.8 Endorsement on Stock Certificates.

15.8.1 Legend. Each certificate representing Shares subject to this Article 15 shall be stamped with a legend in substantially the following form:

"The transfer of the shares of stock represented by this certificate is restricted by the provisions of Article 15 of the Corporation's Bylaws."

15.9 Termination.

15.9.1 Events of Termination. This Article 15 shall terminate and no longer be a part of these Bylaws and shall have no further force or effect upon the occurrence of any of the following events:

15.9.1.1 Cessation of the Corporation's business.

15.9.1.2 The bankruptcy, receivership or dissolution of the Corporation.

15.9.1.3 The voluntary agreement of shareholders who are then bound by the terms hereof.

15.9.1.4 Upon the effectiveness of a merger, consolidation or other acquisition of substantially all of the Corporation's assets if the Corporation is not the surviving corporation, except that a merger or consolidation with a subsidiary which effects a mere change in the form or domicile of the Corporation without changing the respective share

holdings of the shareholders shall not terminate the effect of this Article 15 even if the Corporation is not the surviving corporation.

15.9.1.5 The effective date of a registration statement filed by the Corporation under the Securities Act of 1933.

#### 15.10 Other Provisions.

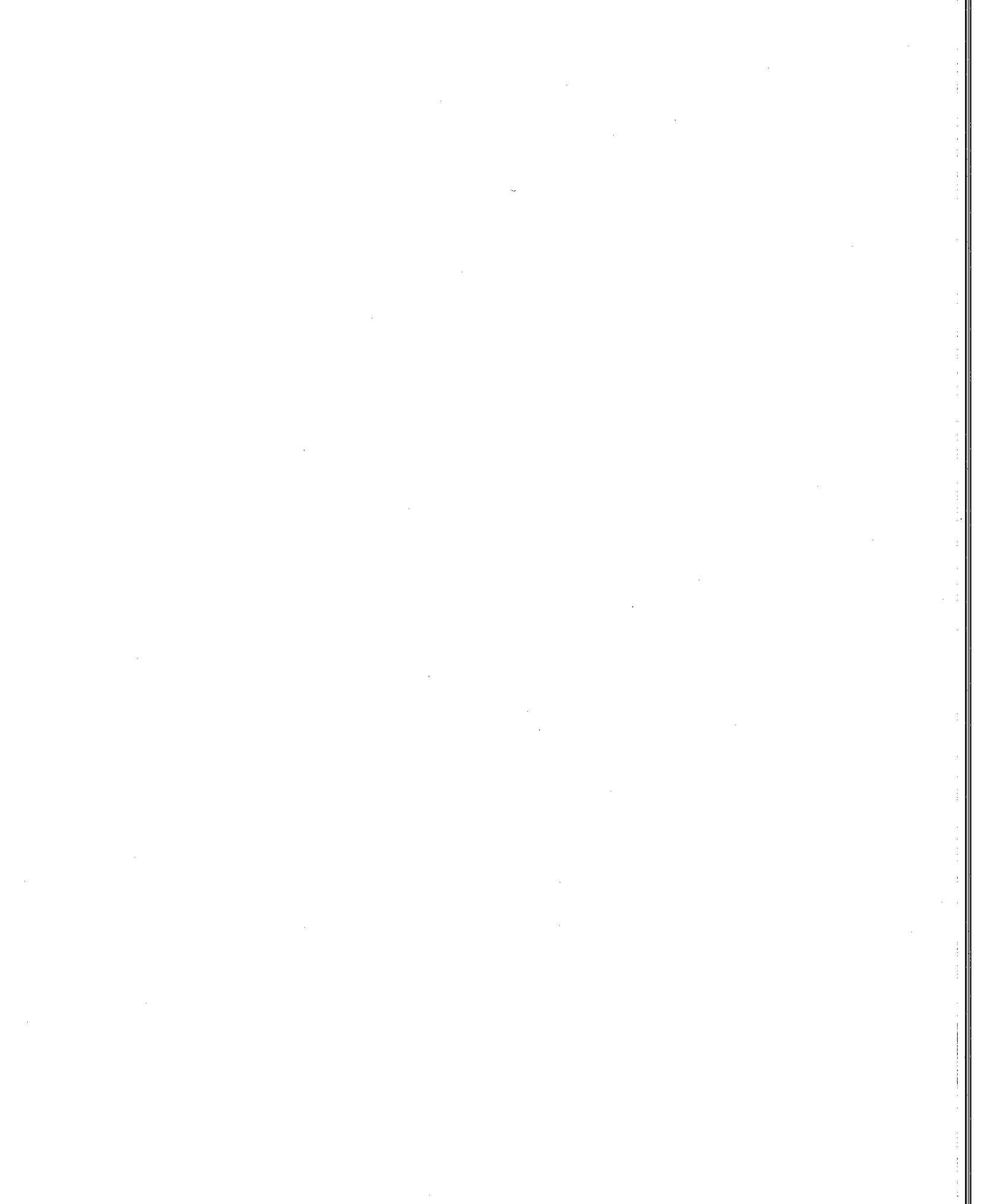
15.10.1 Performance of Necessary Acts. Each shareholder agrees to perform any further acts and to execute and deliver any additional documents which may be reasonably necessary to carry out the provisions of this Article 15.

15.10.2 Successors and Assigns. The provisions of this Article 15 shall be binding upon and shall inure to the benefit of the Corporation and shareholders and their respective successors, transferees and assigns. If any shareholder shall cease to be an owner of shares of the Corporation, the provisions of this Article 15 shall continue and be enforceable by and against said shareholder's successors, transferees, and assigns, and the Corporation and remaining shareholders; but nothing herein shall be deemed to grant authority to any shareholder to transfer his/her Shares except as herein provided. Any successor or new shareholder's agreement to be bound by the terms hereof shall be evidenced by a separate instrument signed by said successor or new shareholder.

15.10.3 Notices. Any notice required hereunder shall be deemed to have been validly given, if delivered by hand or by certified mail, return receipt requested, postage prepaid, which shall be addressed (i) in the case of the Corporation, to its principal office, and (ii) in the case of any shareholder, to his/its address appearing on the stock records of the Corporation, to his/its residence, or to such other address as may be designated in writing by such shareholder to the Corporation.

15.10.4 Governing Law. The laws of the Commonwealth of Virginia shall govern the validity of this Article 15, the construction of its terms and the interpretation of the rights and duties of the parties.

15.11 Amendment of Article 15. The Directors shall have no authority to alter, amend, or repeal this Article 15 of these Bylaws. By the affirmative vote of not less than a majority of all votes cast by each class of shareholders entitled to vote at a meeting at which a quorum of each such class of shareholders exists, such shareholders at any regular meeting, at any special meeting where such action has been announced in the call and notice of such





meeting, or by unanimous consent in writing in lieu of a meeting may alter, amend, or repeal this Article 15.

# APPENDIX D

## Illustrations

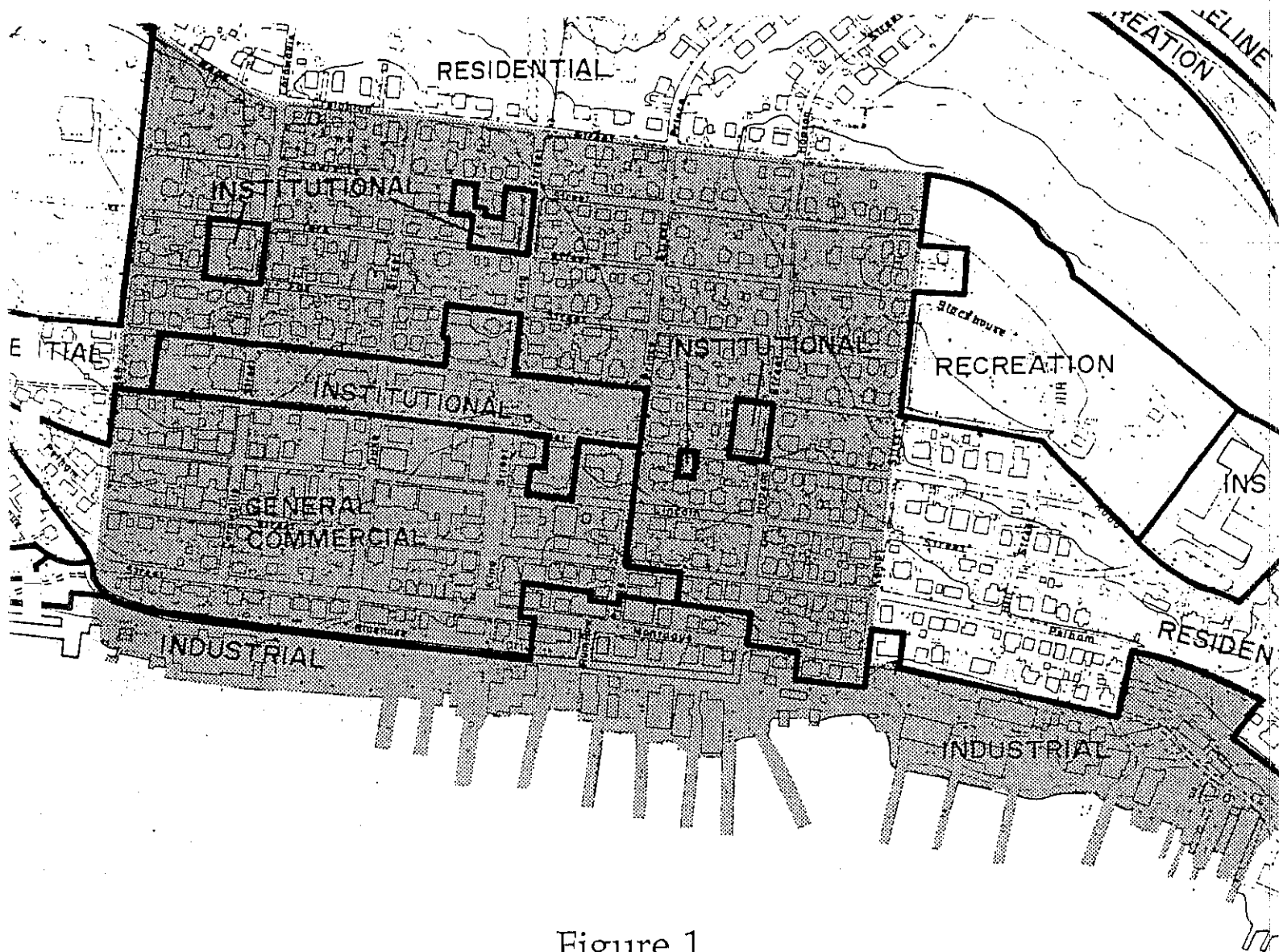


Figure 1

Old Town

Planning & Zoning

Land Use Designations

(From Municipal Planning Strategy)

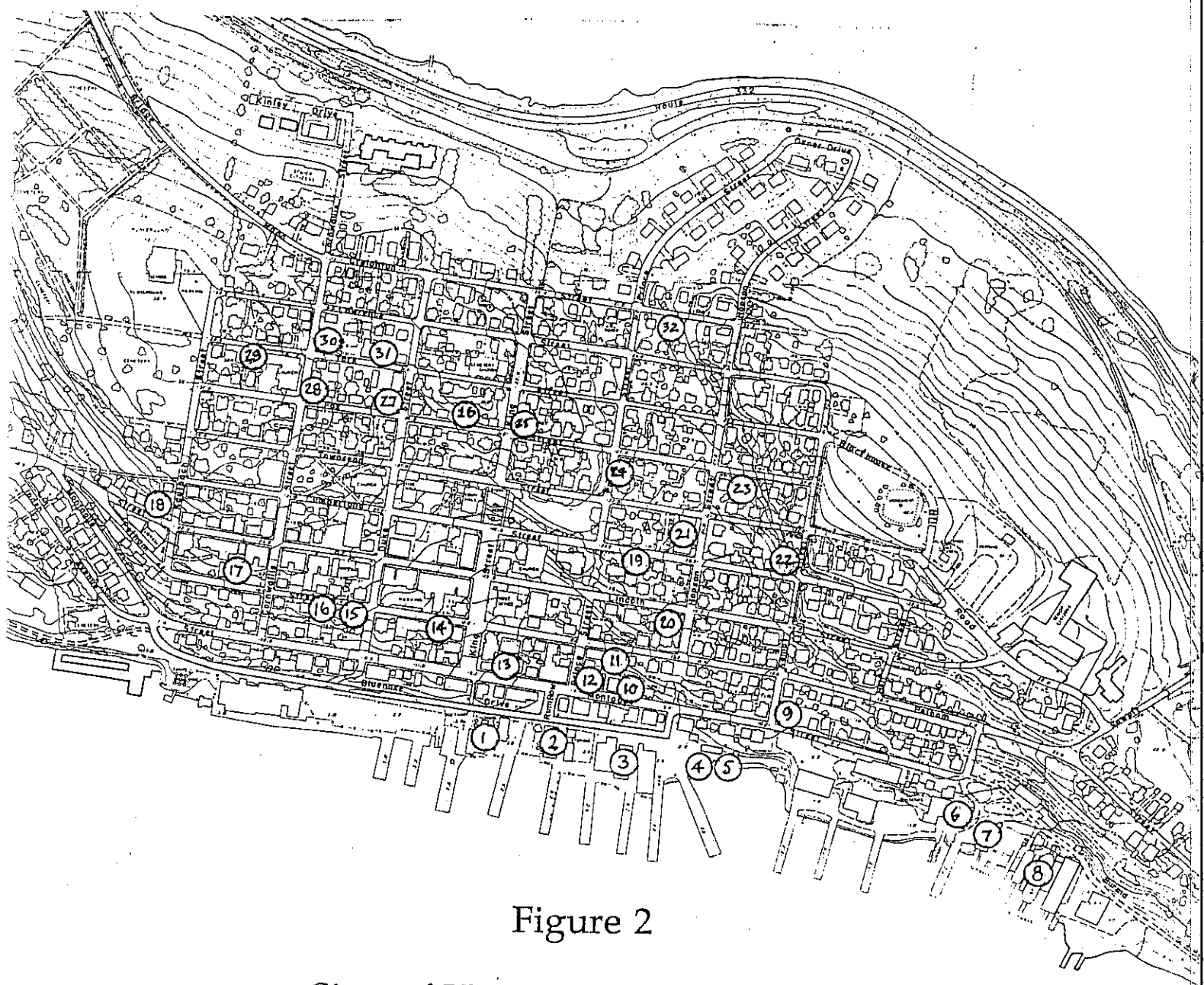


Figure 2

## Sites of Historic Trades & Crafts with interpretive potential

- |       |                                                                    |    |                                                                    |
|-------|--------------------------------------------------------------------|----|--------------------------------------------------------------------|
| 1/2/3 | Fishing Company Warehouses                                         | 18 | Site of Rafuse Carriage Works & Selig Blacksmith 1880s, now vacant |
| 4/5   | Dory Shop (active)                                                 | 19 | Former C. Smith Grocery, now hall                                  |
| 6     | Shipyards mill (active)                                            | 20 | Site of Temperance Hall 1870s                                      |
| 7     | Shipyards boatshop (active)                                        | 21 | Armouries/Drill Shed 1867                                          |
| 8     | Marine Railway (active)                                            | 22 | Fiddle Maker, William Godley, 1880s                                |
| 9     | Blacksmith Shop (active)                                           | 23 | Former Alex Smith Carpenter Shop                                   |
| 10    | Old Sawler Cooper Shop c 1880                                      | 24 | Old Ben Knock Cobbler Shop                                         |
| 11    | North Sails Loft (active)                                          | 25 | J. Bailly, Shoemaker                                               |
| 12    | 1930s auto dealer on site of old blacksmith shop and sail loft     | 26 | Old Daniel Miller Paintshop                                        |
| 13    | Former Dauphinee Block Shop                                        | 27 | Old James Kirby Furniture Shop                                     |
| 14    | First Town Office/police court, 1883                               | 28 | Old Lennox Tavern, c1804                                           |
| 15    | Romkey House c1780, Old Custom House                               | 29 | J. Berringer, Shoemaker                                            |
| 16    | Old Bailly's Bakery 1840 -1925                                     | 30 | Selig Homestead, c1847                                             |
| 17    | Site of Knickle Livery Stable now 1950s building, woodworking shop | 31 | John Blair, Shoemaker, 1830s                                       |
|       |                                                                    | 32 | Site of C. Albert Smith Mill                                       |



Figure 3

Accommodation, Restaurants, Gifts/Crafts/Galleries

- |   |               |   |                              |
|---|---------------|---|------------------------------|
| ■ | Accommodation | ● | Gifts/Crafts/Gallery         |
| ○ | Restaurant    | ◼ | Accommodation and Restaurant |

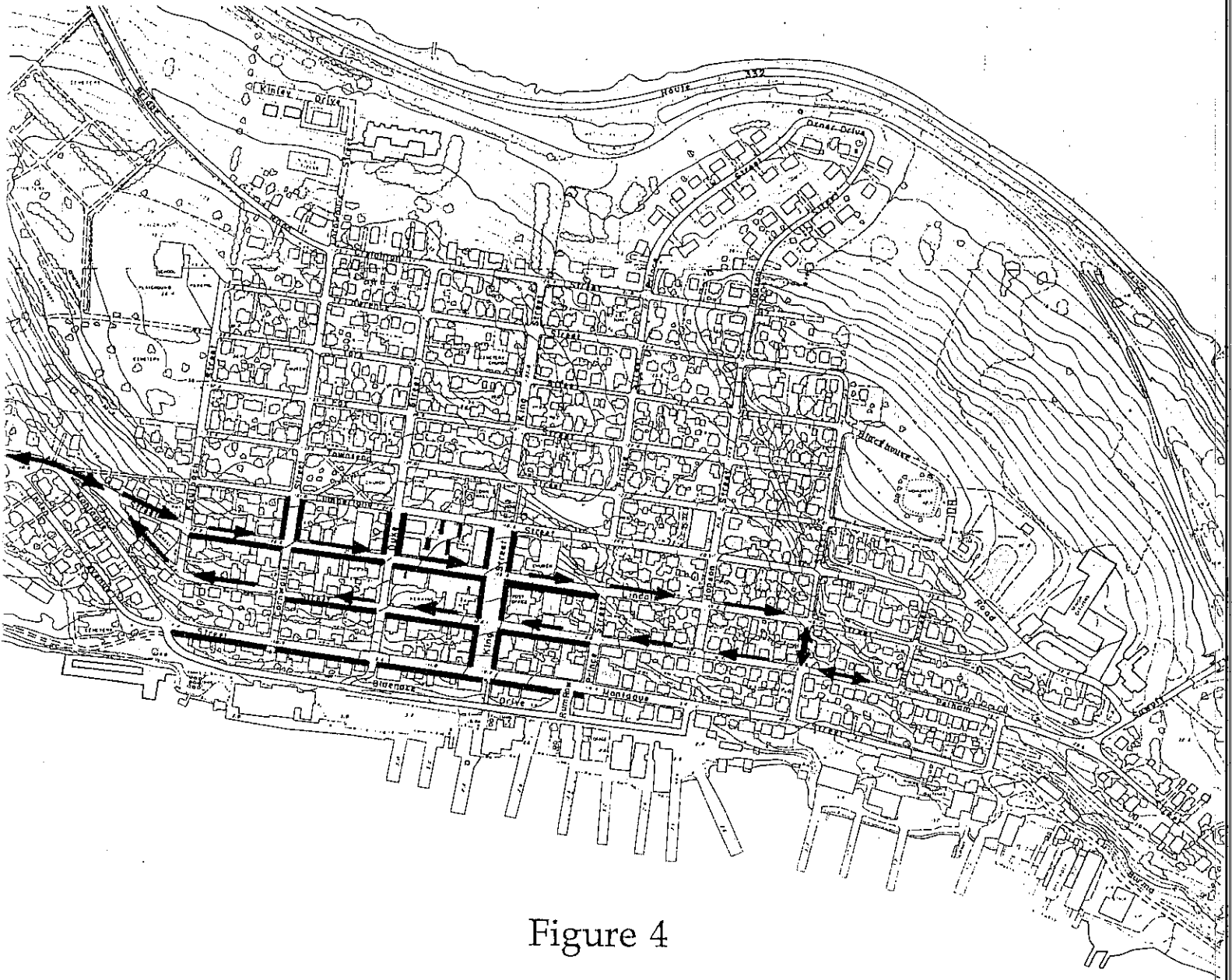


Figure 4

### Existing Traffic Regime



Metered Streets

\$0.10 per 24 minutes.

\$0.25 per hour

Two hour time limit

15 minute limit in front of Post Office

30 minute limit in front of Town Hall



One Way System

Lincoln One Way Pelham to Kempthorne

Pelham One Way Kempthorne to Lincoln

Bluenose Drive & Museum parking is free with no time limit

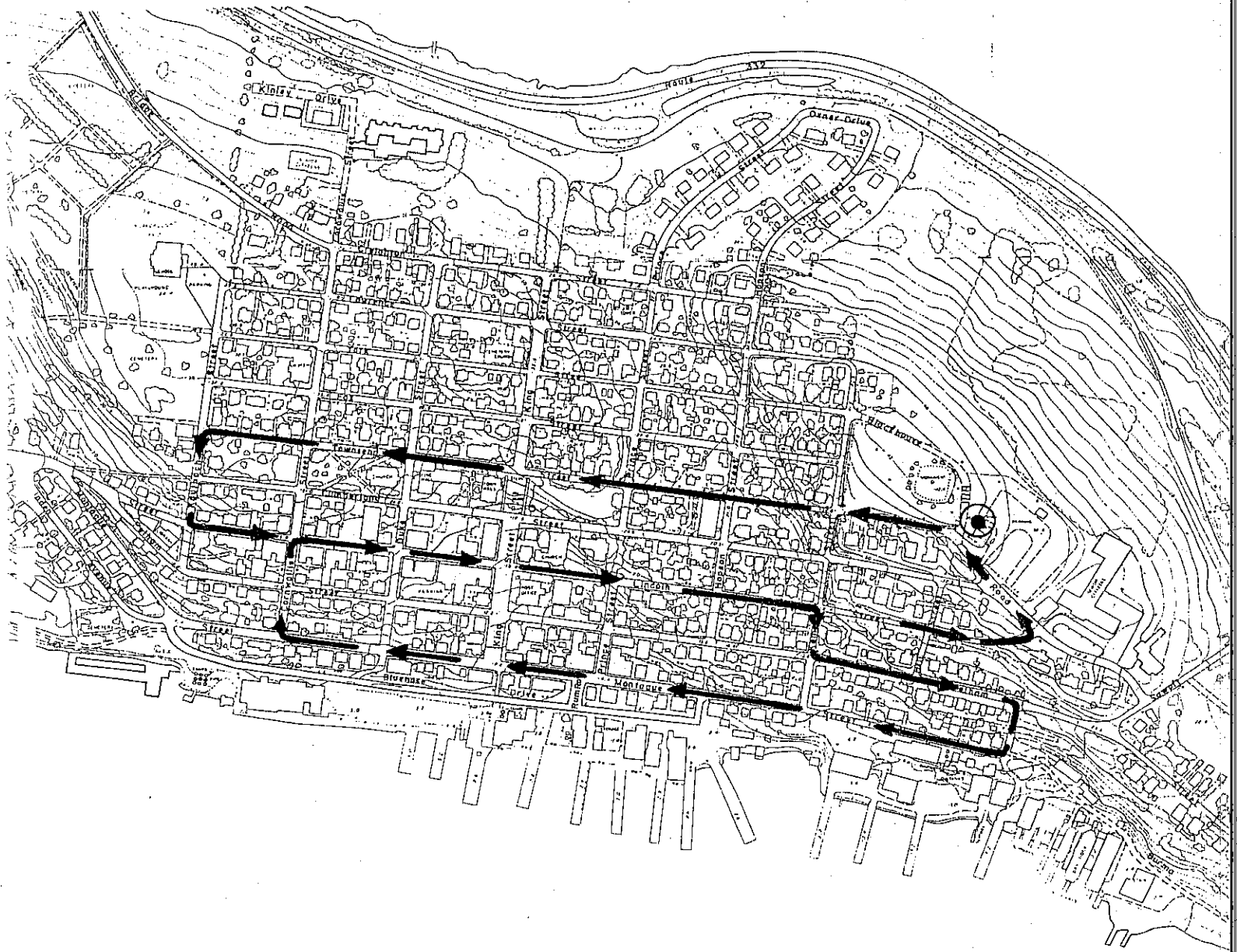


Figure 5

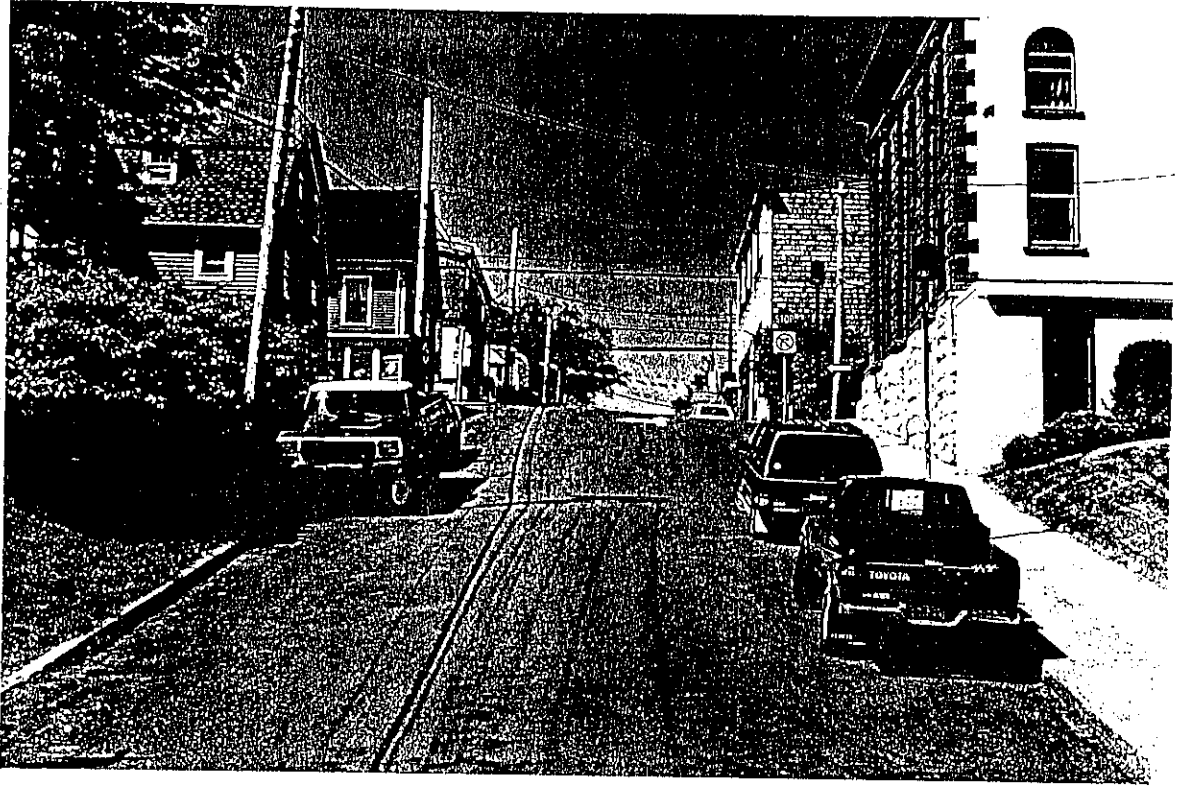
### Shuttle Service Concept



Blockhouse Hill Visitor Orientation Centre & Parking



Shuttle Service Route



Duke Street: Awaiting pedestrianization



Cornwallis Street: Pedestrianized

Figure 6

## Pedestrianization Potential



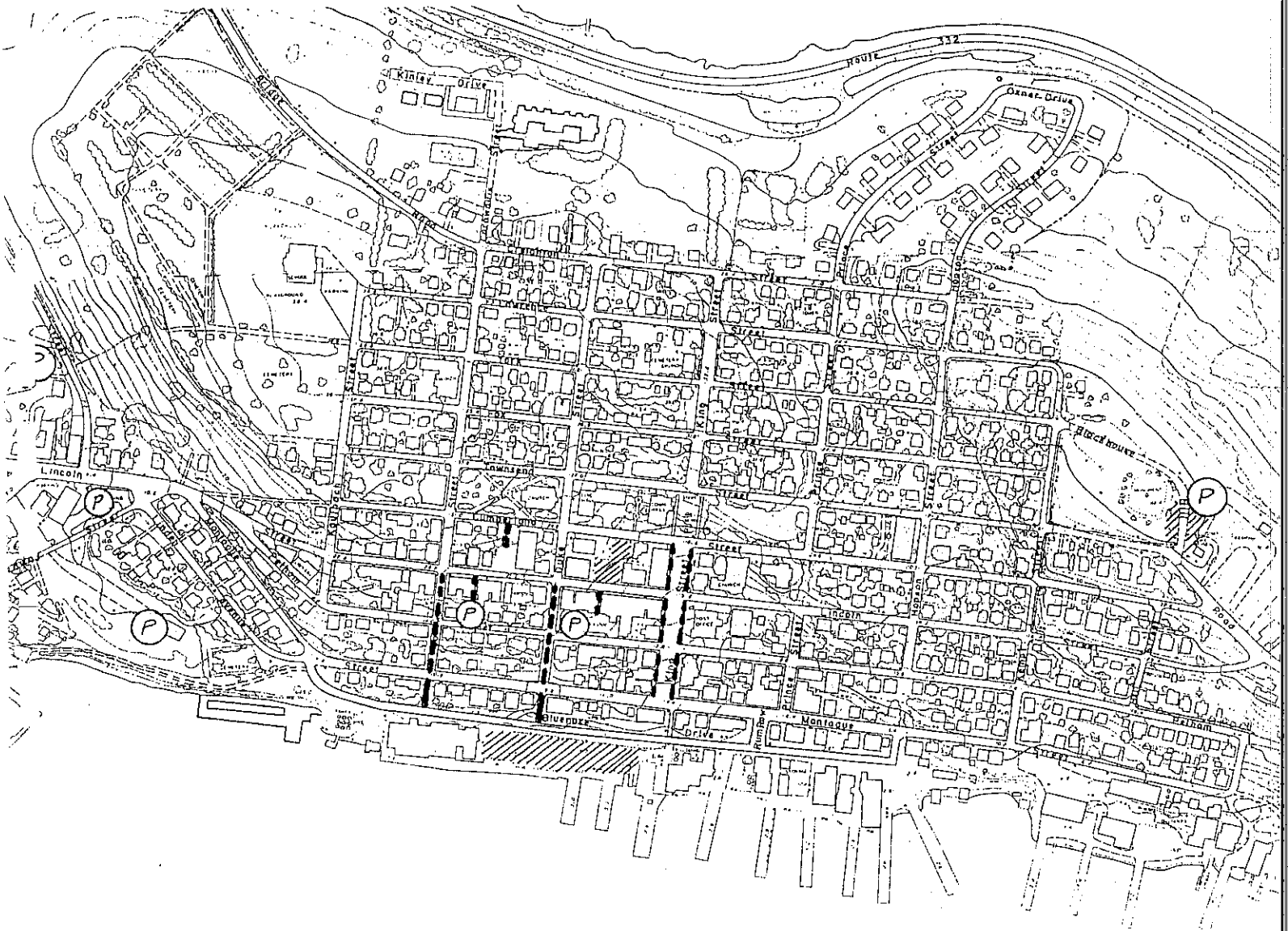






Figure 7

## Pedestrian and Parking Improvement Opportunities

-  Existing pedestrianized areas
-  Streets and alleys with pedestrian improvement potential
-  Existing public parking areas
-  Parking areas with potential for greater public use

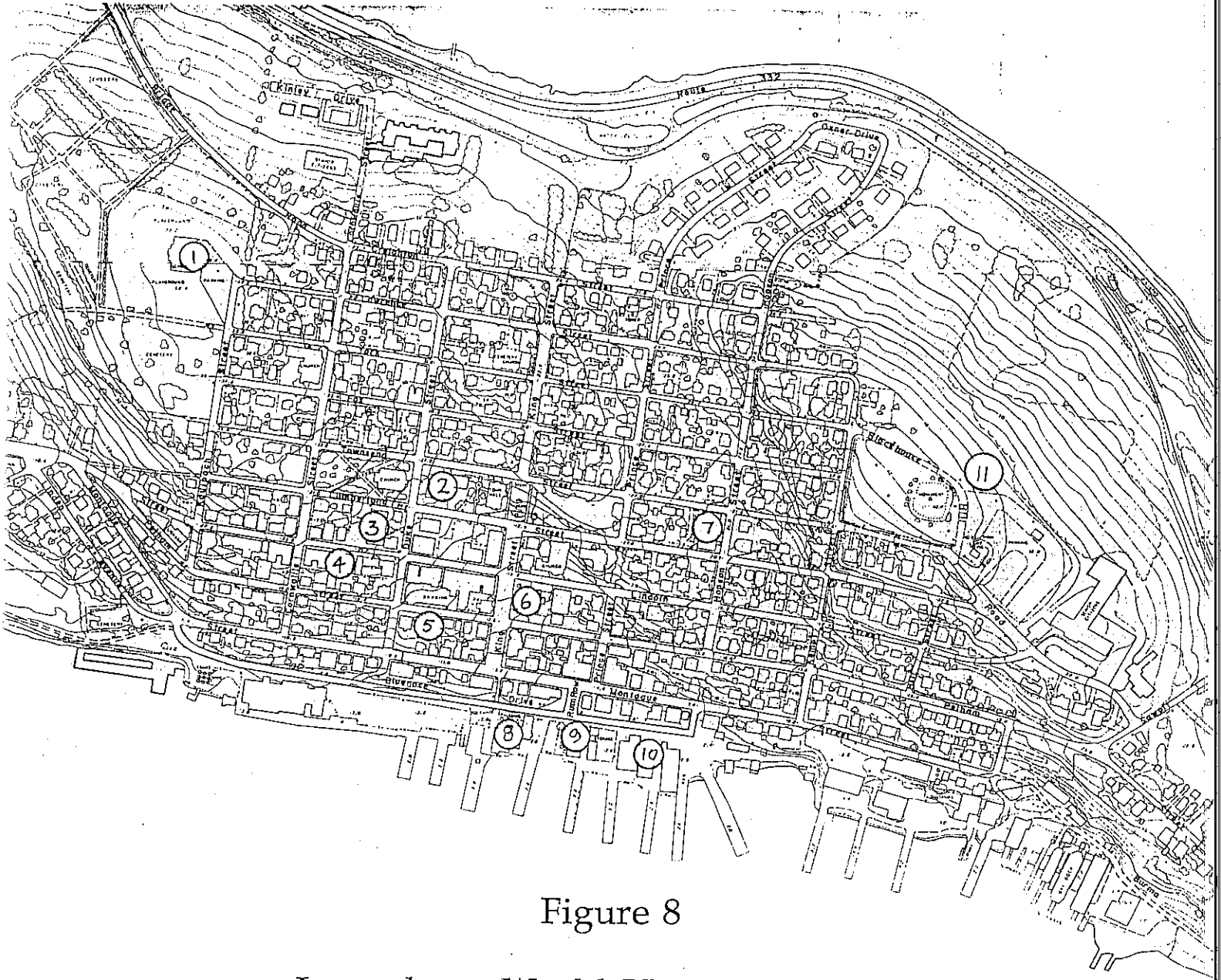


Figure 8

## Lunenburg World Heritage Institute

### Campus Site Opportunities

- |        |                                                                                                       |
|--------|-------------------------------------------------------------------------------------------------------|
| 1      | Lunenburg Academy 3rd floor                                                                           |
| 2      | Old Fire Hall                                                                                         |
| 3      | Former Metropolitan Store                                                                             |
| 4      | Former Stedmans Store                                                                                 |
| 5      | Former Dolphin Tavern                                                                                 |
| 6      | Post Office 2nd floor                                                                                 |
| 7      | Armouries                                                                                             |
| 8-9-10 | Waterfront Industrial Buildings, upper floors                                                         |
| 11     | Blockhouse Hill, as part of new visitor centre/<br>convention centre/World Heritage Institute complex |