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INTRODUCTION

Our place by the sea is our greatest natural advantage in Nova Scotia. It gives the world a reason to know us, to do business with us and to visit us. Many of our most important economic sectors are related to this seacoast advantage, including fisheries and aquaculture, agri-food, shipbuilding, transportation, and tourism. Our coastline, beaches and waterfronts are celebrated public spaces, and much of our history is a maritime history. The extent to which we can leverage this natural advantage, and develop it sustainably will determine our future prosperity.

The Lunenburg waterfront is in a UNESCO World Heritage Site and is also among the most visited tourism destinations in Nova Scotia. In 2006, at the province's direction, significant properties along the Lunenburg waterfront were purchased and Develop Nova Scotia (formerly Waterfront Development Corporation) assumed responsibility for its revitalization in collaboration with the community and neighbouring property owners. Develop Nova Scotia, with support from the Town of Lunenburg and the Lunenburg community as represented by the Lunenburg Waterfront Association, are working to develop the waterfront for maximum economic benefit. Significant investment is required in the waterfront properties to preserve and revitalize the working waterfront, provide access and conditions for marine dependent uses and marine service supply chain, and continue to attract private sector investment, and to dovetail the working waterfront priority with growth in tourism visitation. This contributes to Lunenburg's reputation as an authentic, unique maritime destination on a global stage.

Over the past several years, Lunenburg has received a number of recognitions including:

- Coast Best of Halifax Awards
 Gold: Best Staycation Spot
- Cultural Destination of the Americas Award Town of Lunenburg
 Presented by Luxury Travel Guide
- World's Most Beautiful Small Towns by DK Eyewitness Travel
- 10 Must Have Experiences in Nova Scotia by National Geographic, Old Town Lunenburg
- USA TODAY Top 10 List for Canadian Destinations
 Town of Lunenburg
- Canadian Regional Design Awards
 Winner, Outdoor Advertising Town of Lunenburg Pedestrian
 Wayfinding Signage and Business Directory Kiosk

Develop Nova Scotia has co-created a 5-year strategic plan for developing the waterfront together with the Lunenburg community through robust consultation that took place over 2018. This plan includes asset recapitalization, and entering into long-term tenancies for key properties, enhancing public space, introducing operating efficiencies and developing programs to stimulate business start-up, investment and growth. Ultimately, the goal is to bring the portfolio to a condition that it is financially self-sustaining and contributing maximum economic activity to Lunenburg and Nova Scotia, respecting its strong maritime tradition and authentic character.



DEVELOP NOVA SCOTIA

Develop Nova Scotia is the crown corporation responsible for leading sustainable development of high potential property and infrastructure across Nova Scotia to drive inclusive economic growth in our province.

At the centre of our work is "place". We work with communities to build authentic, sustainable, inclusive places that attract people to visit, businesses to start up, invest and grow, and people to live in Nova Scotia. Our corporate business plan is guided by 6 areas of focus:

Connected Communities

Develop internet infrastructure that enables global connectedness and accessibility across Nova Scotia

Working Waterfronts

Build shared access marine infrastructure to foster ocean related sector growth and development, and preserve public access to the water's edge

Tourism Differentiators

Develop destinations that differentiate Nova Scotia and attract visitation

Innovation Ecosystems

Create places and infrastructure to support business innovation, entrepreneurship and collaboration for strategic sector growth

Community Placemaking

Build regional placemaking capacity and enable community led placemaking across Nova Scotia

Halifax Harbour

Continue the development of Halifax Harbour as an economic engine in Nova Scotia



OUR HISTORY IN LUNENBURG AND WORK TO DATE

The Lunenburg waterfront properties were purchased from Clearwater in 2006 at the province's direction. The initial years were focused on asset stabilization, leasing and divestiture of non-strategic properties.

In October 2011, Develop Nova Scotia (with Colliers International) updated the Business Plan for our Lunenburg properties, which included substantial public consultation and analysis of market opportunities. The 2011 Business Plan provided an inventory of properties on the waterfront, current state of the assets and recommendations regarding development plans. The Business Plan also focused on the creation of new economic activity on the waterfront and in the harbour.

Since that time, Develop Nova Scotia has continued to focus on repairs and maintenance of key assets, enhancing occupancy and operations efficiency, and developing plans to recapitalize key properties like the Zwicker building and the Big Boat Shed. Several long-term leases have been signed for major buildings on the waterfront, providing steady cash flow for extended periods of time. Several non-strategic properties have been sold to private interests with proceeds of sale flowing to the province.

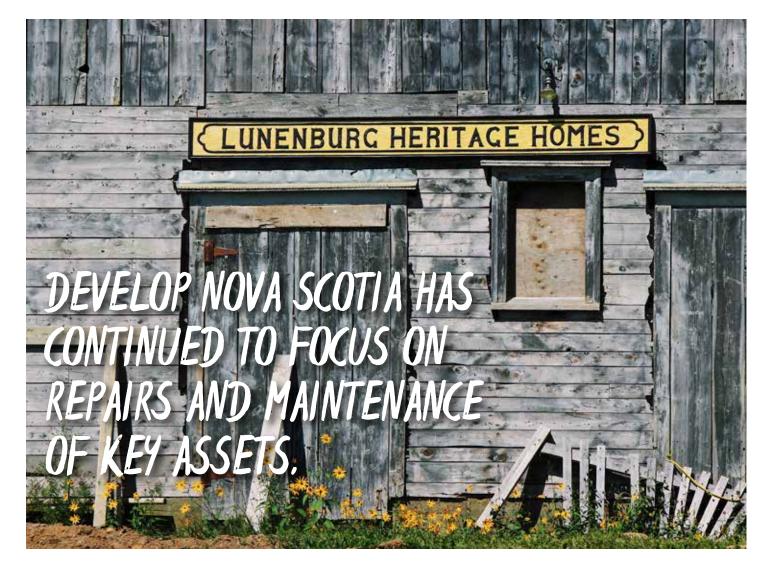
Several key developments have occurred since the **2011 Business Plan was completed:**

• A fire destroyed the Scotia Trawler Storeroom, a central marine industrial facility, located between Clearwater Fleet Operations and the Shipyard. The redevelopment of the site presents an opportunity to attract new marine dependent businesses to the waterfront through property leases and/or licenses.



- Growth in the marine sector has buoyed market interest in marine industrial property generally, which has supported a collection of small business leases in the shipyard property.
- The Lunar buildings were sold to a new owner (Ocean Gear), a growing, year-round marine industrial business that supports the fishing and shipbuilding industries and is a significant employer in Lunenburg.
- Close to \$3M has been invested in the marine industrial capacity and tourism appeal of the waterfront, substantially through significant repairs to five wharves (Zwicker, Picton Castle, Clearwater (2) and Shipyard), public space enhancements, and base buildings maintenance and repair. Additional docking facilities and marine services

- have been created at Zwicker Wharf and the Shipyard Wharf. This includes a Marine Services Container with public washrooms, showers and laundry facilities for boaters, a marina office and wayfinding information.
- Substantial work was also completed in partnership with the Lunenburg Board of Trade, the Town, the Lunenburg Waterfront Association, ACOA, Tourism Nova Scotia and Develop Nova Scotia through the "First Impressions" project. This collaborative initiative enabled the design, fabrication and installation of new pedestrian directional and wayfinding signage, map kiosks, vehicular signage, street furniture that including recycling stations, bike racks and benches, public Wi-Fi, throughout the Old Town of Lunenburg, and planning was initiated for an enhanced public corridor along the north side of Bluenose Drive.



LUNENBURG STEERING COMMITTEE

A Lunenburg Steering Committee was established to ensure local involvement in planning and operation of the working waterfront. The Lunenburg Steering Committee meets approximately every month and includes representatives from Develop Nova Scotia, the Mayor of Lunenburg, Chairman of the Lunenburg Waterfront Association, and local community members and leaders. There is a standing agenda and all decisions related to the development of the Lunenburg waterfront are first considered at the steering committee.

LUNENBURG WORKING WATERFRONT PLAN

Building on the planning and development work completed to date, the Lunenburg Working Waterfront plan is the product of substantial stakeholder consultation and community engagement.

This is a plan built with the community for the community.





CONSULTATION AND ENGAGEMENT

Community stakeholder consultation was completed in 2006, in 2011 for completion of the 2011 Business Plan, and most recently in 2018 to update this master plan. For this plan, a robust series of informal interviews were completed with major stakeholders including the Town, key individuals and organizations, local industry and tenants, groups related to the economic development of the waterfront, and the public. Meetings and workshops were also held with stakeholders to vision for physical improvements, land, buildings, and marine infrastructure and services, program including potential events, and marketing and communications. More than 60 stakeholders engaged with us, often multiple times, through these targeted mix of informal one on ones and other sessions/meetings.



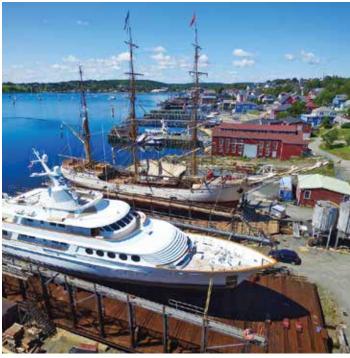
PUBLIC ENGAGEMENT 2018 – WHAT WE HEARD

Information gathered during the stakeholder consultation sessions was consolidated into a draft working waterfront plan, and the draft goals were listed along with a series of questions on presentation boards. They were then presented to the public at the annual Lunenburg Waterfront Association Symposium in June of 2018, followed by a series of three pop-up sessions in the summer held throughout the town. Overall, it is estimated between 300 and 400 people attended the symposium and sessions. An online survey was also available.

The public was asked to review the plan, which was a graphic representation of the Lunenburg waterfront with explanations of a number of plans and initiatives to strengthen and support the goals identified in the stakeholder sessions. Along with the plan, the public was asked to respond to the following 4 questions:

- •What do you like about the draft plan?
- •What do you dislike about the draft plan?
- •What would you like to see in the draft plan?
- •How can you help make these happen?





What We Heard: Snapshot of Resident Comments

Many residents expressed a desire for marina facilities for resident and visiting boaters and the need for fuel service and pump out facilities (especially since dumping at sea is now prohibited by law). They also expressed concern for the lack of adequate wharf facilities for large visiting vessels (including superyachts) and recognized the economic and tourism benefits from these vessels.

Most people were in favour of increased exposure and promotion of the former Smith & Rhuland site and the original shipyard buildings. Comments heard most often included: provide well-designed interpretive information and signage to identify the area, the buildings and the historical significance of the site. Look-offs and small interpretive kiosks are a good idea. Also, residents like the idea of a small viewing gallery into the Big Boat Shed, and of the creation of a defined walking route from Bluenose Drive to the shipyard area.

Residents emphasized the importance of managing the number of visitors to any new attractions at the east end of the harbour. They did not wish to see any tour buses, but were supportive of organized or self-guided

walking tours in smaller groups. They also recognize the opportunities for existing and new businesses that come with an increase in pedestrian visitor circulation through the east end of the Town.

Residents understand the importance of maintaining and growing the working waterfront and respect the elements of the plan that propose segregating the marine industrial and tourism uses. People are also very supportive of plans for the Zwicker building, and of the streetscape improvements shown on the draft plan, including improvements at the Fisheries Museum of the Atlantic.

Many residents believe that proper planning and management of any new facilities, along with keeping the public informed of progress and ongoing planning will be the key to ensure existing and new business thrive, while helping to reduce possible conflicts.

With input and comments from the public consultation sessions, the draft goals were further refined, resulting in 10 goals which form the basis of the Lunenburg Waterfront Master Plan, which is proposed on a 5-year time horizon for implementation.



TENANT & STAKEHOLDER CONSULTATION 2018 – WHAT WE HEARD

The following draft goals were developed based on tenant and stakeholder input and feedback. (Not listed in any particular order.)

1. Ensure Wharves are Used to Full Potential

- a. Upgrade wharves as funding becomes available.
 Funding to repair the government (Railway) wharf (federally owned) should be a priority. Removal is the last resort.
- b. Develop a recapitalization plan to repair Wharf C and the seawall.
- c. Re-capitalize the Shipyard Wharf (W8) and install a floating breakwater to create a sheltered area for boats being serviced at the common user boat repair facility.
- d. Develop a plan to make tourism wharves more accessible to fishers in the off season (non-tourism season). This could include the Fisheries Museum, Zwicker Wharf, etc.
- e. Encourage (or use leases) to ensure leased wharves are active.

2. Create a Common User Marine Services Cluster – Shipyard Site

- a. Create a common user boat yard to enable a cluster of marine dependent businesses around the former Scotia Trawler building, Mill Shop and Big Boat Shed.
- b. Re-capitalize the Big Boat Shed to improve the quality of the work environment for boat building or

- repair companies. Integrate a viewing gallery on the Montague side to allow visitors to experience the boat building activity without interfering with the boat building and other shipyard activities. Partner with the Fisheries Museum to provide program/ guided tours as an enhancement to the museum program so that visitors minimize their impact on shipyard activities.
- c. Re-capitalize the Mill Shop to support the shipyard including washrooms, meeting space and lower level workshop.
- d. Avoid long-term leases to one company; where possible terminate existing leases if there is no economic activity occurring. Use short-term leases to individuals and companies/trades who organize themselves to repair and build boats or are involved in other marine dependent activities. Retain the ability to cancel the lease if the facility is idle for long periods of time.
- e. Develop Nova Scotia to focus on providing access to the waterfront for marine activity: haul out capability (crane, travel lift, etc.), space to tie up boats, and the ability to share resources.
- f. In the short-term, do not re-build the former Scotia Trawler building. Instead, Develop Nova Scotia should facilitate the leasing of containerized storage/

- work pods which can be leased on a short-term basis by companies working in marine sectors.
- g. Connect with NSCC and the Nova Scotia Boatbuilders Association to explore partnership opportunities for the Heritage Carpentry program.

3. Explore Opportunity for Affiliation with the Centre for Ocean Ventures and Entrepreneurship (COVE) Satellite Site with Regional Specialization

- a. Containerized short-term leases to provide harbour access for business start-up and growth.
- b. Explore possibility of rural affiliation agreement with the COVE facility in Dartmouth, Nova Scotia for an off-site membership.

4. Improve Harbour Infrastructure to Enhance Marine Economic Activity

- a. Commission a study to assess the location and cost of a harbour breakwater off Kaulback Head.
- b. Work with all three levels of government to improve the quality of water within Lunenburg Harbour.
- c. Ensure there is a long-term plan to maintain the access channel through the harbour and to the Fisheries Museum wharf.
- d. Where possible, preserve the water lot on the eastern side of the harbour channel for an anchorage, while most moorings should be on the western side of the channel towards the golf course.

5. Ensure Positive Co-existence of Working Waterfront and Tourism Uses

- a. Tourism is a growing sector of the economy that benefits a number of established businesses in Lunenburg, including restaurants, overnight accommodations and retail stores. The working waterfront is a key facet of the Lunenburg experience. Tourism growth should be balanced with the need to keep the working waterfront functioning.
- b. With the exception of the viewing gallery in the Big Boat Shed, and the recreational marina around the Zwicker property, effort should be made to keep tourism related uses west of Kempt Street and north of Bluenose Drive.

- c. The common user boat yard at the Smith & Rhuland yard should include expanded docking facilities to keep boats destined for repair work away from the recreational wharf (eg. Zwicker Wharf).
- d. Introduce streetscape improvements along
 Bluenose Drive in order to provide visitors with a
 more defined route to experience the waterfront and
 ensure safety away from marine industrial areas. This
 would include a formal sidewalk along the edge of
 the street (change surface material but don't create
 a curb for trucks), and fencing on the harbourside to
 allow working waterfront tenants to conduct their
 business while ensuring the safety of visitors to the
 area.
- e. Redeveloping the back side of buildings on Montague Street (facing Bluenose Drive) would provide retail shops to draw their attention and keep visitors a safe distance from industrial businesses.

6. Maintain Ownership of Assets Along the Lunenburg Waterfront

- a. Designating uses for waterfront lands helps achieve provincial and community long-term objectives.
- b. Maintaining ownership of our portfolio of individual properties allows flexibility in adapting to new and emerging requirements.

7. Continue to Invest in Develop Nova Scotia Owned Buildings and Wharves to Foster Economic Activity

a. Building 8: Zwicker Warehouse

This building should be the anchor asset for the recreational marine uses on the waterfront. The building needs a complete overhaul to provide hospitality uses on the ground floor, with marine related work space above.

This site is ideal as a recreational marina support facility, with docks, showers, laundry, water and electrical service and wayfinding information (eg. repairs etc.).

b. Building 11: Red Warehouse / Picton Castle

This building provides useful space to support the Tall Ship Picton Castle, but the structure needs regular maintenance to keep it operational. There is also the potential to put an addition on the front at Bluenose Drive, which could be used to support a marine-related retail use.

c. Building 13 & 14: The Dory Shop

The Dory Shop sheds should continue to provide flexible space for the construction and repair of small wooden boats and related marine industries. Pile caps should continue to be repaired to keep these buildings operational. As funds become available, the construction of additional sheds could provide heritage styled incubator space for new marine businesses. The yard should be kept free of formal public walkways.

d. Building 15: STEL / Clearwater

There is ongoing maintenance and repairs to the building by the tenant. The wharves need repair.

e. Building 16: Scotia Trawler Building

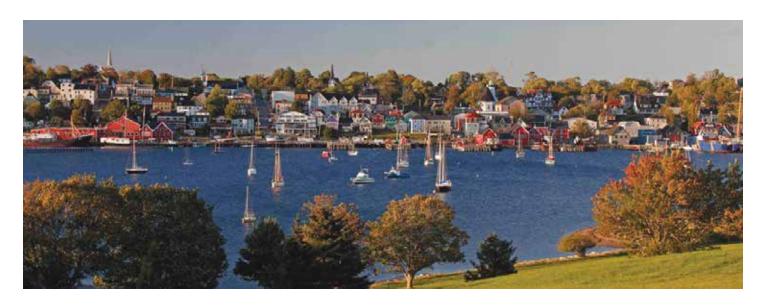
This building was lost to fire several years ago.

The building replacement should house multiple businesses in marine trades, possibly in a different form from the structure that was lost, eg. portable containers that can be rented to marine trades, a movable frame to cover and secure boats, along with other infrastructure needed to spur and support increased economic activity.

f. Building 17: Foodland

No further investment required at this time.





g. Building 19: Big Boat Shed *

Although not a registered heritage structure, this is the site of many famous tall ships construction, including Bluenose II, adjacent site of Bluenose construction. It was built by shipwrights, evidenced by spectacular interior roof framing which is likely the reason why the building is still standing. The facility has found new life over the past few years as the home to a traditional wood boatbuilder and a must see visitor experience. A recent investment of \$1.5M through Tourism Nova Scotia (Tourism Revitalization of Icons Program), Develop Nova Scotia and ACOA, was announced to revitalize the Big Boat Shed and and create a new interpretive centre.

h. Building 20: Shipyard Warehouse

The warehouse provides good support space for major ship repair projects across the street. Its current use for shipwright and carpentry training is appropriate.

i. Building 21: Shipyard Offices

This office building has provided support space for major ship restoration projects. Office/support use for shipyard activity is a good use for this structure. No major repairs are needed, but when the exterior siding needs to be replaced, a more sympathetic material, such as wooden shingles, should be used.

j. Building 22: Mill & Engine Shop*

This heritage building has the potential to be the centre of a multi-use complex that includes incubator space for the ocean technology sector (eg. COVE satellite), and support space for the Smith & Rhuland boatyard. This building needs a substantial amount of structural and mechanical work and is a priority.

k. Building 23: Marina Complex*

This building provides important support space for the operation of the marine services cluster. The building does need some minor repairs.

I. Building 24: Wharf Shed

This should be maintained as a storage facility for tools and supplies to support work alongside. The 600-amp power supply is an important asset for berthing and repairing ships. The shed is an integral part of the Smith & Rhuland boatyard.

^{*} Part of Shipyard Area on map, pg. 17

WHARVES – REPAIR OR REPLACEMENT

Wharf A Zwicker Wharf

(wharf W1 on plan)

This wharf is used by visiting boaters and has floating docks along both sides, with a dinghy dock to facilitate access from the mooring field. This wharf was recapitalized in 2015. It is recommended that this wharf continue its current use.

Wharf K and Wharf L

(wharves W5 & W6 on plan)

These wharves are leased to Clearwater Seafoods, who operate them for berthing of their fishing fleet. Both wharves require some repair.

Wharf B Ocean Gear

(wharf W2 on plan)

Develop Nova Scotia leases the land to Ocean Gear, who own the buildings and wharf. Develop Nova Scotia is currently investing significant funding to reconstruct the seawall on the site. This will help ensure the long-term utility of this asset.

Wharf M

(wharf W7 on plan)

This wharf is in poor condition and is not currently in use. Major recapitalization is necessary to enable it to become an integral part of the revised shipyard area.

Wharf C

(wharf W3 on plan)

Located between Ocean Gear and the Picton Castle wharves, this wharf is in poor condition and is currently not suitable or safe for use. A major recapitalization or removal is required.

Wharf O Shipyard Wharf (wharf W8 on plan)

The Shipyard Wharf has seasonal floating docks on the west side, which are used to facilitate marine services and repairs. A wharf shed (Building #24) is located on this wharf. The wharf is in fair condition as reported through an engineering assessment completed in 2018. It is recommended that upgraded floats that would act as a breakwater be added to Wharf O.

Wharf D Picton Castle Wharf (wharf W4 on plan)

This wharf is leased to Windward Isles Sailing Ship Co. A recent engineering assessment has determined that this wharf will soon require repairs.



8. Establish a Best In Class Recreational Marina for Transient Boaters

- a. Continue to improve Zwicker Wharf as the destination for recreational boaters by providing excellent docking facilities and tender service to the mooring field.
- b. Redevelop the building to include waterfront uses that enhance the resident and visitor experience such as food and drink, brew pubs, etc.
- c. Support the development of an active shipyard in off season, including hauling and storage yard.

9. Maximize the Revenue Yield per Tourist and Support Sustainable Community Growth

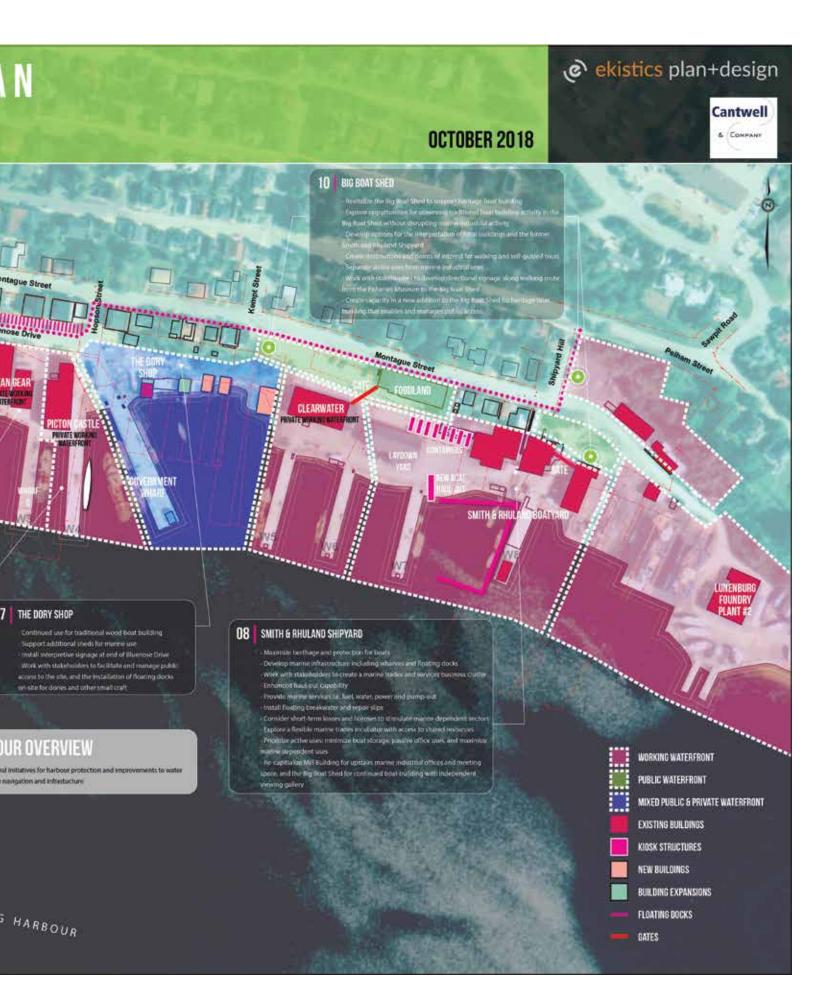
- a. Lunenburg is already seeing a large influx of tourists each summer. This influx is creating some concern with residents and businesses who are negatively impacted by the crowds. A strategy is needed to try and extend the length of stay and increase the average daily expenditure per visitor.
- b. Work with the Fisheries Museum of the Atlantic to offer experiential tours (eg. guided tours along the waterfront that visit the Big Boat Shed) that extend the length of time spent in the community and increase the average expenditure per person.

- c. Create a cluster of kiosks on the boardwalk of the Fisheries Museum of the Atlantic near the Bluenose Wharf. This "Day Adventure Centre" could be used to promote and sell whale watching tours, boat tours and other guided experiences.
- d. Through wayfinding signage, enhanced pedestrian corridors and a new info kiosk, steward the movement of visitors through Town to enhance the visitor experience and reduce impact on marine industrial businesses.

10. Explore Opportunities for Enhanced Federal Role in Lunenburg Harbour

- a. Lunenburg is a UNESCO World Heritage Site and sees a large amount of international visitation.
 Recommendation to work with the federal government to seek support for infrastructure upgrades, including:
 - Harbour quality upgrades
 - Funding for a harbour breakwater off Kaulback Head
 - Upgrades to the government (Railway) wharf
 - Funding for ocean innovation/marine services business cluster facilities (eg. COVE satellite facility)
- b. There should also be an ongoing effort to pursue a federal marine presence.







LUNENBURG WORKING WATERFRONT GOALS: SNAPSHOT

1

Ensure Wharves are Used to Full Potential 2

Create a Common User Marine Services Cluster 3

Explore Opportunity for Affiliation with the Centre for Ocean Ventures and Entrepreneurship (COVE) Satellite Site with Regional Specialization 4

Improve Harbour Infrastructure to Enhance Marine Economic Activity

5

Ensure Positive Co-existence of Working Waterfront and Tourism Uses 6

Maintain Ownership of Assets Along the Lunenburg Waterfront 7

Continue to Invest in Develop Nova Scotia Owned Buildings and Wharves to Foster Economic Activity These goals for the waterfront will also form an important part of the Lunenburg Comprehensive Community Plan underway in 2019. This planning process was initiated and approved by Town Council as a blueprint for the town's future, and will involve extensive public consultation as the town sets their direction for the future on key issues that will

include the economy, the

environment, housing and

transportation.

8

Establish a Best In Class Recreational Marina for Transient Boaters 9

Maximize the Revenue Yield per Tourist and Support Sustainable Community Growth **10**

Explore Opportunities for Enhanced Federal Role in Lunenburg Harbour



DEVELOP NOVA SCOTIA ORGANIZING PRIORITIES

Build Better Partnerships Within the Community

- a. When planning for the development of strategic economic infrastructure and programs, Develop Nova Scotia will evaluate projects through the lenses of maximizing economic activity, leveraging business and other levels of government investment and enhancing the attractiveness of Lunenburg for people to work, to visit, and to live.
- b. Develop Nova Scotia will work closely with other Harbour partners with marine assets, including engaging with the local community and the Town on the mooring field organization, to ensure better coordination of marine facilities year-round.
- c. Through its placemaking work and by leveraging its properties, Develop Nova Scotia will support the work of the Town of Lunenburg, the Fisheries Museum of the Atlantic, local businesses and community groups and event organizers to support the tourism value proposition in Lunenburg and to minimize the impact of visitation on residents and businesses.





DEVELOP NOVA SCOTIA PROJECT PRIORITIES

Develop Nova Scotia and the Lunenburg Steering Committee, in consultation with waterfront stakeholders, have prioritized the projects to be undertaken over the next 5 years.

The fundamental objective is to develop these properties sustainably to maximize economic activity, while developing new revenue streams that recover the capital investment and move the portfolio toward financial self-sustainability.

With these considerations, the following six properties have been prioritized for development or divesture by 2022/23.

1. Smith & Rhuland Shipyard

Develop Nova Scotia, waterfront tenants and stakeholders, are working to create a marine trades and services business cluster. This initiative is intended to occupy the open waterside areas between Clearwater and the Big Boat Shed, and utilize the existing resources located nearby while potentially building new infrastructure and facilities. The intent is to provide a platform, including shared access to tools, infrastructure and Lunenburg Harbour to support start up and growth of marine services businesses. Plans include enhancing haul-out capabilities to enable work on boats year-round, developing a flexible marine trades incubator with access to shared tools and resources and Lunenburg Harbour, including maximizing berthage and protection for boats. This initiative includes Wharf M.

2. Zwicker Building

The Zwicker property will be a centre of recreational marine visitation and activity in Lunenburg, supported by a land side marina reception, washrooms and facilities, as well as private sector food and beverage/retail destination. Develop Nova Scotia plans include the substantial renovation of the property to enable occupancy and secure long-term tenants – ground floor retail/food and beverage and upper floors for marine business/office use. Work on building stabilization saw helical piles installed under the south end of the building to stabilize the foundation. A Request For Proposals for occupancy will be issued in 2019, with internal work and fit ups carried out to correspond with the tenant uses chosen to occupy the site. This would also include a new roof.

3. Ocean Gear Seawall

Ocean Gear is a growing marine services business supporting key marine industries in Nova Scotia. Develop Nova Scotia leases waterfront land to Ocean Gear. Capital funding in the amount of up to \$1.6M is being invested to repair the seawall on this property and tie it into adjacent properties. This will ensure the long-term use of the area between the wharves and enable Ocean Gear to continue to operate and grow its business.

4. Big Boat Shed

The substantial recapitalization of the Big Boat Shed will preserve an important site in Lunenburg's shipbuilding history and also enable traditional shipbuilding to continue to thrive in Lunenburg, attracting clients from around the world and visitors drawn to witness this incredible craft. To enable the public to engage with this activity without disrupting the working waterfront shipyard and marine industrial activity of the area, a new addition is envisioned as an Interpretation Centre for both boat building and for the former Smith & Rhuland Shipyard. The interpretive centre would be programmed and operated by the Fisheries Museum of the Atlantic. Develop Nova Scotia will retain ownership of both the new addition and existing building. An investment of \$1.5M through Tourism Nova Scotia (Tourism Revitalization of Icons Program), Develop Nova Scotia and ACOA.

5. Picton Castle Warehouse

Renovate the warehouse and enter into long-term lease(s) on the property to maximize economic activity.

6. Wharf Recapitalization

Several wharves require repair to enable continued marine activity and growth on the Lunenburg waterfront, each of which would leverage private sector investment and support strategic sector growth:

Shipyard Wharf (Wharf M)
Clearwater Wharf (Wharf K)
Picton Castle Wharf (Wharf D)
Common User Wharf (Wharf C)

7. Sell Non- Strategic Properties

Shipyard Hill is not a strategic waterfront property and could be sold and redeveloped with minimal impact on the working waterfront. The proceeds of sale of Shipyard Hill could provide capital for re-investment in waterfront revitalization projects.



SNAPSHOT: KEY PROJECTS UNDERWAY*



- Marine Services Container at Zwicker Visitor's Wharf
- · Amenities, electrical and water upgrades
- Investment to date: \$220,000
- RFP for Shipyard tenancy
- · Investment: TBD



- Revitalization work to date includes foundation upgrades, new floor, slipway, structural upgrades and renovation work
- · RFP for interpretive centre addition
- Investment: \$1.5M (Tourism Nova Scotia, ACOA, Develop Nova Scotia)



- 47 steel helical piles were installed under the southern half of the building
- · Investment to date: \$93,500
- Design contract completed for code compliant base building upgrades
- Investment to date: \$53,000 (design)
- · Proposed recapitalization of heritage building
- · Investment: TBD



- Reconstruction of the seawall approximately 80% complete
- · Investment: up to \$1.6M

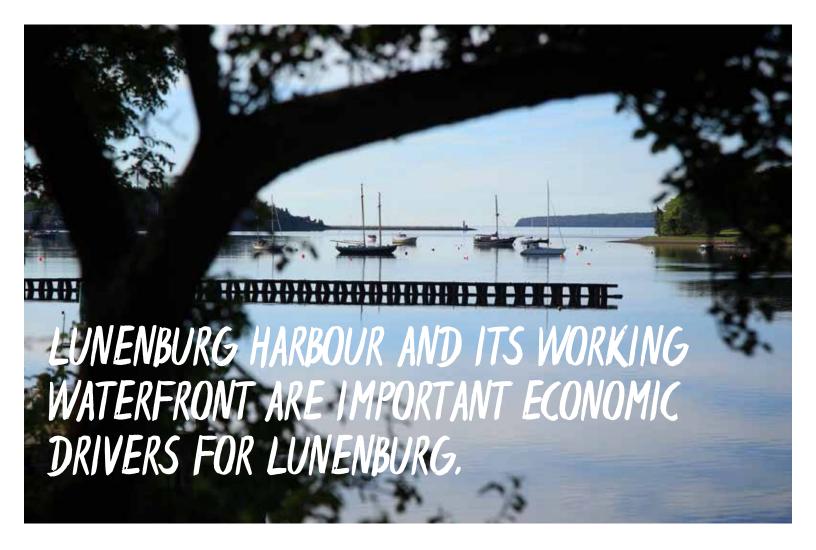
*approximately June 2018-June 2019

Operation

Develop Nova Scotia currently manages the property with the support of an external contracted property management firm working with the direction and support of the core Develop Nova Scotia team. With an expanded provincial mandate, Develop Nova Scotia is reviewing the way in which it manages the Lunenburg property to ensure maximum effectiveness and efficiency, as well as best value.

New sustained revenue streams have been achieved through property leases and recreational and commercial berthing, and operating efficiencies have been achieved, reducing the annual operating costs associated with the portfolio.

Investment in the revitalization of the property will both lead to additional revenue streams from leases, licenses, berthing and other economic activity, and will decrease the annual investment required for repairs and maintenance. We believe the property can achieve financial self-sustainability in 5 years.



SUMMARY

It is currently estimated that the cost to fully implement this plan is in the range of \$10M. Develop Nova Scotia will proceed to complete more detailed costing on property recapitalization to better inform projected costs and will bring forward individual projects with detailed budgets and business cases to be submitted as part of the annual business planning and budget cycle for approval.

The Lunenburg waterfront is an important economic driver for Lunenburg, a centre of marine industrial activity with a focus on shipbuilding and fishing, key economic sectors in Nova Scotia, and many associated marine supply chain businesses poised for growth. A UNESCO

World Heritage Site, Lunenburg is among our most visited tourism destinations, with substantial visitation by target tourism markets. Its maritime history and seafaring and shipbuilding traditions attracts people from around the world.

Together with the community and stakeholders, Develop Nova Scotia has a plan for the important revitalization of Lunenburg's working waterfront. This investment will drive substantial economic activity and growth, and position Lunenburg as a centre of marine tradition and excellence, not only in Nova Scotia, but around the world.

Photo Credit: TJ Maguire, River Heim, Communications Nova Scotia, Tourism Nova Scotia



