



POLICY

23.04.01

Commissioner's Land Lease Pricing

1. Statement of Policy

This policy outlines the process for establishing annual rent for leases of Commissioner's Land.

2. Principles

The Minister of Environment and Climate Change will adhere to the principles of the *Land Pricing Policy* (23.04) and the following principles when implementing lease pricing:

- (1) Parcels of public land should be valued using consistent, transparent and defensible methods.
- (2) The pricing of public land should support the recovery of administrative costs.
- (3) The pricing of public land should not disrupt existing real property markets.

3. Scope

This Policy applies to leases of Commissioner's Land administered by the Department of Environment and Climate Change.

Exclusion

This Policy does not apply to:

- (1) Quarrying Leases issued in accordance with the *Commissioner's Land Regulations*; and
- (2) Government Users.

4. Definitions

For the purpose of this Policy the following definitions will be applied:

Commercial or Industrial Use – is use of Commissioner's land to generate income for the lessee.

Commissioner's Land – is as defined in the *Commissioner's Land Act*.



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Government Users - includes departments of the Government of the Northwest Territories, crown corporations, boards, agencies and any of their agents, departments of the Government of Canada, as well as Community Governments as defined in *Land Pricing Policy* (23.04).

Highway – For the purpose of this Policy, is a class A, B, or C highway as defined under the Highway Designation and Classification Regulations under the *Public Highways Act*.

Land Value – is the total monetary value assigned to a parcel; equivalent to Parcel Price in the *Land Pricing Policy* (23.04).

Parcel – is land duly described or legally surveyed for the purpose of sale, lease or other disposition.

Recreational Use – is the use of Commissioner's land primarily for recreational purposes by the lessee.

Recreational Use (Tier 1) – is Recreational Use less than or equal to a kilometer from a Highway.

Recreational Use (Tier 2) – is Recreational Use that is more than one kilometer but less than 30 kilometers from a Highway.

Recreational Use (Tier 3) – is Recreational Use that is more than 30 kilometers from a Highway.

Residential Use – is use of Commissioner's land primarily for continuous habitation by the lessee.

5. Authority and Accountability

(1) General

This Policy is established under the authority of the Minister of Environment and Climate Change (the Minister) in accordance with the GNWT's *Land Pricing Policy* (23.04).



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(2) Deputy Minister

The Deputy Minister of Environment and Climate Change (the Deputy Minister) is accountable to the Minister for the administration of this Policy. The Deputy Minister may:

- (i) Establish guidelines and procedures necessary for the implementation of this Policy;
- (ii) Recommend amendments and exceptions to this Policy to the Minister;
- (iii) Ensure the implementation of this Policy with respect to the establishment of individual lease terms and conditions; and
- (iv) Determine the terms of payment under specific leases.

6. Provisions

(1) Annual Rent Calculation

The annual rent for leases on Commissioner's Land, other than recreational leases, is determined by multiplying the Land Value of the leased parcel by the following rent rate prescribed by use of the lease.

Lease Use	Rent Rate	Minimum Lease Rent
Residential Use	Two and a half percent (2.5%) of Land Value	\$800
Recreational Use (Tier 1)	\$600 Flat Rate	N/A
Recreational Use (Tier 2)	\$400 Flat Rate	N/A
Recreational Use (Tier 3)	\$300 Flat Rate	N/A
Commercial or Industrial Use	Ten percent (10%) of Land Value	\$800



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(2) Reassignment of Recreational Tier

Should an Inspector determine that any lease is inappropriately assigned to a given tier, the Inspector may recommend to the Director of Land Management and Administration, that the lease be reassigned to another tier.

The Director of Land Management and Administration shall make the final determination on whether to reassign a lease to another tier.

(3) Applicability of Seniors, Elders, and Non-Governmental Organization Discount.

For clarity, the Seniors, Elders, and Non-Governmental Organization discount available to Commissioner's lessees under 6(1) of the *Land Pricing Policy* (23.04) is not applicable where any flat rate applies.

(4) Land Value

The Land Value of a parcel shall be based on:

- (i) the assessed value as listed in the most current property assessment roll, or
- (ii) where the parcel is not listed on the most current property assessment roll, an assessed value determined by an assessor in accordance with the *Property Assessment and Taxation Act* and its associated regulations.

(5) New and Existing Leases

The annual rent payable under a lease of Commissioner's land as determined by this Policy shall apply to all new leases and to existing leases upon the scheduled rent review of the existing lease.

(6) Policy Review

This Policy shall be reviewed by the Department of Environment and Climate Change within four years of coming into effect to determine its suitability to the land management objectives of the Government of the Northwest Territories and its consistency with land management policies, guidelines and legislation.



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7. Repeal

This policy will repeal on the coming into force of the Public Land Act.

8. Prerogative of the Minister

Nothing in this Policy shall in any way be construed to limit the prerogative of the Minister to make decisions or take action respecting the pricing or leasing of Commissioner's Land in accordance with the *Land Pricing Policy* (23.04).



Minister of Environment and
Climate Change