



POLICY

Ministerial Directive Territorial Land Lease Pricing

1. Effective Date

This Directive is effective 28 August 2023.

2. Purpose Statement

This Directive outlines the process to establish annual rent for leases of Territorial Land.

3. Definitions

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

Community Government – A municipal corporation or, in the absence of a municipal corporation, a community governing authority recognized by the Minister of Municipal and Community Affairs as the prime public authority responsible for the provision of municipal services.

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

Territorial Land – is as defined in the *Northwest Territories Lands Act*.

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 appraised value on Territorial land.

Recreational Use – is the use of Territorial 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.



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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 Territorial land primarily for continuous habitation by the lessee.

4. Application

This Directive applies to leases of Territorial land administered by the Department of Environment and Climate Change.

Exclusion

This Directive does not apply to:

- a) Government Users.

5. Context

For Commissioner's land, lease rents, including minimums, are specifically set out in the Ministerial Policy (23.04.01) on Commissioner's Land Lease Pricing, made pursuant to the Executive Council approved Land Pricing Policy (23.04). On Territorial land, there is no such policy direction.

While land values and lease rent minimums are set in the Northwest Territories Lands Regulations, internal policy direction is necessary to ensure that lease rents are consistently applied.

In addition, this policy direction ensures that new lease rent pricing on Territorial land is consistent with the direction set out by Executive Council on August 2, 2023, which set out a three-tiered rent structure for recreational leases and reduced minimum rents for residential, commercial, and industrial lease types.



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6. Directive Requirements

(1) Annual Rent Calculation

The annual rent for leases on Territorial Land, other than recreational leases, is determined by multiplying the Land Value (\$800 per hectare) of the leased parcel by the following rent rate prescribed by use of the lease:

Lease Use	Rent Rate	Minimum Lease Rent
Residential Use	Ten Percent (10%) 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

(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.



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7. Monitoring and Compliance

This Directive is temporary and will repeal on the coming into force of the Public Land Act. There are no requirements to monitor for compliance.

8. References

Relevant Legislation

Northwest Territories Lands Act
Northwest Territories Lands Regulation

A handwritten signature in blue ink, appearing to be 'B. J.', written over a horizontal line.

Minister of Environment and
Climate Change

October 13, 2023

Date