



## POLICY STATEMENT

The Government of Nunavut (GN) oversees and ensures that the disposal of municipal lands is transacted by municipal corporations in ways that best serve public interests by following procedures that are fair and impartial to all concerned stakeholders.

### 1. PRINCIPLES

This policy has been developed in the spirit of the Inuit Qaujimajatuqangit principles of:

- Avatittinnik Kamatsiarniq - Respect and care for the land, animals and the environment. Municipal lands should be recognized as and a valuable and respected resource requiring land management practices that encourage growth and ensures optimum use of land through community planning. GN Land Management practice should discourage land speculation in vacant municipal lands.
- Pijitsirniq - Serving and providing for family and community. Land Development and disposal are an essential public service. Municipal Corporations are encouraged to exercise their autonomy in serving their communities through municipal land management practice in a fair and consistent manor that prioritizes community need.
- Qanuqtuurniq - Being innovative and resourceful. New lots should be efficiently and economically developed in line with Municipal Standards.

### 2. APPLICATION

This Policy applies to Community and Government Services and Municipal Corporations as they relate to Municipal Land Administration.

### 3. DEFINITIONS

Available Land: Land shown as vacant in a land inventory administered by each Municipal Corporation.

Commissioner's Land: Land defined in Section 49 of the *Nunavut Act* (Canada). For the purpose of this policy, there are five types of Commissioner's lands:

- Lands identified in Article 14 Part 1 subsection 14.1.1(b)(ii) of the Nunavut Agreement (otherwise known as the 100-foot strip) unless fee simple title or a reserve has been issued to another person or entity;
- Lands identified under the name of a territorial entity, with the exception of the Nunavut Housing Corporation and the Nunavut Arctic College, in Article 14 Part 1 subsection 14.1.1(b)(iii) of the Nunavut Agreement (Otherwise known as the Government Exemption List);-



- Lands identified in Article 14 Part 4 section 14.4.1 of the Nunavut Agreement (otherwise known as untitled municipal land);
- Block Land Transfer lands outside the municipal boundary; and
- Lands owned in Fee Simple by the Commissioner.

Development Costs: Costs incurred in developing land, after deducting those infrastructure components that are funded by capital grants or contributions received from the GN. Costs may include, but are not limited to: planning and engineering design & studies; salaries and benefits of municipal land administrators, project management, street furniture, road construction, culverts and drainage works, sidewalks, fill required to provide positive drainage, parks and recreational spaces, pedestrian routes, piped water and sewer lines, street names and signage, electrical distribution lines (and power poles), lighting, legal costs associated with planning and land administration, legal surveys, telephone services and communications services, land acquisition and/or disposal costs, and financing and interest charges incurred in developing the land.

Disposition of Land: The sale, lease, transfer, conveyance or exchange of interest in land.

Land Administration Agreement: An agreement between a municipal corporation and the Commissioner of Nunavut where either party temporarily transfers its administrative responsibilities over all or part of the Municipal or Commissioner's lands, that it owns or administers to the other party.

Land Speculation: May mean an activity that involves the purchase or lease of real property, where the lessee does not improve, or marginally improves, the property through investment or construction, in hopes the lot or lease can be sold to another party for profit.

Lot: An area of land depicted as a lot on a Plan of Survey registered at the Land Titles Office for the Nunavut Registration District or un-surveyed land identified by a sketch.

Lot Lease Price: The price established for a lot determined by a municipal corporation's land administration by-law (LAB).

Market Value: The value of a parcel of land based on the amount that a willing buyer would pay to a willing seller. Market value may be determined by a real estate valuation expert, such as a certified/accredited appraiser.

Municipal Corporation: A community governing body incorporated under the *Cities, Towns and Villages Act*, or the *Hamlets Act*.

Municipal Lands: Lands within a municipal boundary as defined by Article 14.1.1 of the Nunavut Agreement.

Municipality: The geographic area of jurisdiction of a municipal corporation.



New lot: One or more lots that were developed on after the third reading of the municipal corporation's Land Administration By-law.

Non-profit user: May mean a club, society, or association operated solely for social welfare, civic improvement, pleasure or recreation, or any other purpose except profit, and is in good standing with, the *Societies Act*. Also, a religious organization or entity that manages the upkeep of places of worship, such as mosques, churches, temples, synagogues, chapels and other similar buildings or meeting places, and payment of salaries to religious leaders.

Off-Site Levies: A levy or surcharge collected by the municipal corporation charged to a private developer or a lessee to assist in the payment of all or part of the capital costs of new or expanded infrastructure, including land, which is not located in the lot, or lots being leased by the lessee, but which directly, but not necessarily exclusively, benefits the lessee.

Replacement Cost: The estimated development costs for lots, updated to the current year representing the cost to develop a similar lot in the municipality and incorporating any site-specific factors and/or off-site levies.

Site-Specific Factors: Factors to add or subtract up to 25 percent (25%) of the development cost of lots, and may include: size of land parcel, site conditions (slope & grade level, amount of granular material, etc.), desirability of location (e.g., river, stream or lake, vistas, etc.), adjacent land uses; and proposed land use (affordable housing). However, adjustments to lot prices may not result in higher total development cost for a particular land development area.

#### **4. ROLES AND RESPONSIBILITIES**

##### 4.1 Minister, Community and Government Services:

- a) may accept an application from a municipal corporation to enter into a Land Administration Agreement.
- b) negotiate, make and renew Land Administration Agreements in accordance with this policy.
- c) approve a municipal corporation's application to price below development costs, lots developed through financing from the GN or a financial institution.

##### 4.2 Deputy Minister, Community and Government Services:

- a) is responsible for the administration of all provisions pursuant to this policy.
- b) implements Land Administration Agreements made by the Minister.
- c) monitors municipal corporations' compliance with the provisions of their Land administration Agreements.
- d) arranges for listing and conveying all available surveyed Commissioner's lands to the municipal corporation in accordance with this policy; and will supply municipal



corporations with maps, plans and land information as appropriate.

## 5. PROVISIONS

### 5.1 Land Administration Agreements

- a) The purpose of a Land Administration Agreement is to enable the Minister to designate a municipal corporation as the administrator of Commissioner's lands to the public, within that municipality.
- b) The Minister may accept an application from a municipal corporation to enter into a Land Administration Agreement if, in the Minister's opinion, the municipal corporation has in the capacity to administer:
  - (i) general municipal and financial management.
  - (ii) land administration and management; and
  - (iii) community planning and land use control.
- c) The Minister may impose additional conditions within Land Administration Agreements which may:
  - (i) specify parcels of land that are subject to the Agreement.
  - (ii) require additional reporting by, and monitoring of, the municipal corporation to assist in the evaluation of the agreement.
  - (iii) limit the length of the agreement.
- d) The Minister may enter or renew a Land Administration Agreement with a municipal corporation provided that the municipal council has in force a land administration by-law.
- e) In implementing a Land Administration Agreement:
  - (i) For Commissioner's lands identified in the Land Administration Agreement, the Deputy Minister shall not receive or approve land applications from private individuals, groups, entities, or corporations. This responsibility is transferred to the municipal corporation and a municipal official shall be appointed as land agent under the Commissioner's Land Regulations;
  - (ii) In consultation with the municipal corporation, the Deputy Minister shall arrange for the listing and conveyance of all available surveyed Commissioner's lands to the municipal corporation, subject to Nunavut legislation, Government policies, and the Nunavut Agreement;
  - (iii) The Deputy Minister shall supply the municipal corporation with maps, plans, and land information, as appropriate.

### 5.2 Municipal Land Administration By-Laws

The Minister may approve a municipal land administration by-law in accordance with the Cities,



Towns and Villages Act, or the Hamlets Act, provided that the by-law includes the following provisions:

a) Land Application Approval Process:

- (i) The land administration procedures of a municipal corporation shall be adequate to deal with situations where more than one person has applied for the same land;
- (ii) A municipal corporation shall not dispose of land to the public until adequate public notice is posted which provides all interested parties with a fair and equal opportunity to acquire the land;
- (iii) Notwithstanding Provision 5.2 (a) ii. new lots shall not be disposed of by auction.

b) Advertising Lands for Disposal:

- (i) A municipal corporation shall advertise, at minimum, the availability of land in two consecutive issues of a local newspaper or in notices posted for at least two weeks in five prominent places within the municipality;
- (ii) A municipal corporation shall keep an inventory listing all lands owned by the municipal corporation (or all lands to be disposed of through the municipal corporation), setting forth the identification and location of each lot, the lot price, and conditions for disposal and any disposition or commitment made. The inventory shall be open to public inspection during normal business hours;
- (iii) Exceptions to the requirements for advertising may include, but are not limited to, the following:
  - lots or remnant of land which will be retained or re-acquired by the federal or territorial governments or agencies, and the municipal corporation.
  - lots or remnant of land which can only be of use to an adjoining leaseholder or *fee simple* owner because of its size, location, or configuration.
  - lots or remnant of land that contain improvements owned by a private individual or entity that does not yet have an executed land lease but requires one.
  - a government facility having a specific type of land requirement.
  - lots or remnant of land requested by non-profit users.

c) Terms and Conditions of Land Disposals:

- (i) A municipal corporation shall give preference to prospective private lessees during the first lease of residential lands, over applicants who wish to acquire or develop more than one lot at a time, **except** where lots are required for



Government, Nunavut Housing Corporation, Nunavut Arctic College, Qulliq Energy Corporation, Canada Mortgage and Housing Corporation, non-profit users, or the municipal corporation;

- (ii) To discourage speculation in vacant municipal lands, every disposal or commitment of municipal lands shall be in writing. All leases and transfers of land must require the lessee to complete improvements within a period no greater than 48 months, or the land will be returned back to the municipal corporation. A 12-month extension may be approved by a municipal corporation, under circumstances outlined in the LAB.
  - (iii) Notwithstanding provision 2(c)(ii), the Minister may, at their discretion, approve a proposed LAB with a longer term outlined in provision 2(c)(ii) provided the municipal corporation provides reasonable justification for a longer term.
- d) Pricing of Municipal Lands – General
- (i) Subject to Section 5.2 (e)(i) and 5.2(e)(iii), a municipal corporation shall recover all development costs, replacement cost or market value of land.
  - (ii) A municipal corporation shall not include, as part of the calculation of lot prices, any development costs paid for by capital grants or contributions received from the GN.
- e) Pricing of Municipal Lands – Specific. A municipal corporation shall price municipal lands for lease or other disposition to the public as follows:
- (i) Developed municipal lots shall be priced at a value not less than the development cost, unless the municipal council determined unique and exceptional circumstances apply which results in the price being lower than development cost. In calculating development costs, the council may consider site-specific factors, where applicable;
  - (ii) For those lots not intended to be available for long term lease, (e.g., short-term leases of less than five years in duration or certain lots leased to industrial users) the municipal corporation shall not charge more than ten percent of the lot price per annum;
  - (iii) Notwithstanding Provision 5.2 (d) i., a municipal corporation may price lots below development cost where the corporation is unable to lease lots at development cost. However, if the lots have been developed through financing from the GN or a financial institution, the municipal corporation must first have approval of the Minister, in writing, to price such lots below development cost.
- f) Off Site Levies – General. A municipal corporation may set an additional charge on a municipal land lease (an off-site levy) to help with all or part of the capital cost of all or any of the following:



- (i) new or expanded facilities for the storage, transmission, treatment or supply of water;
  - (ii) new or expanded facilities for the treatment, movement or disposal of sewage;
  - (iii) new or expanded storm sewer drainage facilities;
  - (iv) cemeteries;
  - (v) recreational facilities;
  - (vi) waste disposal sites;
  - (vii) new or expanded roadways and sidewalks; and
  - (viii) land required for, or in connection with, any of the facilities described in Provision 5.2 (f).
- g) Off Site Levies –Specific
- (i) A municipal corporation shall not include, as part of the calculation of an offsite levy, any capital costs paid for by GN capital grants or contributions.
  - (ii) Offsite levies can be used to construct facilities directly, though not exclusively, for the benefit of those persons occupying the subdivision in question.
  - (iii) Offsite levies shall be clearly identifiable and substantiated by the municipal corporation. The public shall be advised by the municipal corporation that offsite levies are a separate surcharge collected by the municipality together with the lot price.
  - (iv) All off site levy revenues shall be placed in a separate fund account, to be used for the purposes set out in Provision 5.2 (f).
- h) Land Development Reserve Fund
- (i) All revenues obtained from the lease or other disposition of municipal lands (other than off site levies) shall be placed in a separate fund account, to be known as the Land Development Reserve Fund.
  - (ii) Procedures for the management and operation of the Fund shall be clearly specified. Council shall appoint responsibilities of managing the fund to municipal staff.
  - (iii) The land development reserve fund account shall be fully funded at all times.
  - (iv) Borrowings from the land development reserve fund account for other municipal purposes shall not be allowed without prior authorization of the Minister. All expenditures by the municipal corporation from the Land Development Reserve Fund shall be for the sole purpose of acquiring and/or developing land for the items identified under development costs.



- i) Private Sector Development of Municipal Land. When a municipal corporation leases land to a private developer with the intention of the private developer to develop lots for eventual lease to the public, it shall follow these provisions:
  - (i) specify the procedure(s) for registering land and transferring leases for land to the public that are consistent with the municipal LAB;
  - (ii) specify any off-site levies that the private developer must pay and the timing for payment to the municipal corporation;
  - (iii) The municipal corporation shall develop criteria for evaluating proposals submitted for private land development;
  - (iv) Identify lands to be dedicated to the municipal corporation.
  
- j) The Disposal of Vacant Municipal Lands to a Private Developer. The disposal of vacant municipal lands to a private developer will be done by way of a lease which:
  - (i) requires the developer to establish a land disposal procedure consistent with municipal land disposal procedures;
  - (ii) requires the developer to dispose of the lots to the public at a price no greater than the municipal corporation would charge if it were the developer of the land, unless otherwise approved by motion of council and formalized by an amendment to the lease. Such amendments shall be consistent with any price increases allowable under municipal land lease pricing procedures; and
  - (iii) specifies the standards to which the land must be developed.
  
- k) Transfer of lease by a Municipal Corporation to a Private Developer
  - (i) The municipal corporation shall transfer a land lease of municipal lands to a private developer with appropriate caveats or restrictive covenants in place, to ensure the developer's land disposal procedure and lot lease prices continue to comply with the original municipal lease.
  
- l) Quarry and Land Use Management
  - (i) The municipal corporation shall establish procedures for land management through land use permits, quarry permits, quarry leases and any other permits deemed necessary by the corporation;
  - (ii) The municipal corporation shall collect a fee per cubic metre of material, sufficient to cover the cost of quarry development, management and final restoration, including any royalties payable to the Crown.

## 6. NUNAVUT LEGISLATION

Nothing in this policy shall in any way be construed to limit the authority of the Nunavut Agreement, *Hamlets Act*, *Cities, Towns and Villages Act*, *Commissioner's Land Regulations*, *Territorial Lands Act*, or the *Nunavut Act*. Those legislations shall take precedence over this





policy.

#### **7. PREROGATIVE OF CABINET**

Nothing in this policy shall in any way be construed to limit the prerogative of the Executive Council to make decisions or take actions regarding municipal land administration outside the provisions of this Policy.

#### **8. SUNSET CLAUSE**

This policy shall be in effect from the date of the signature until August 10, 2027.