



Land Use Operational Policy Residential

NAME OF POLICY: Residential

APPLICATION: Applies to the disposition of urban, rural and remote Crown land and Crown shoreland for residential use.

ISSUANCE: Assistant Deputy Minister
Crown Land Administration Division

IMPLEMENTATION: Ministry of Agriculture and Lands

REFERENCES: *Ministry of Lands, Parks and Housing Act* (Ch. 307, R.S.B.C., 1996)
Land Act (Ch. 245, R.S.B.C., 1996)

RELATIONSHIP TO PREVIOUS POLICY: This policy replaces the previous Residential policy dated August 16, 2004

POLICY AMENDMENT: Any formal request for an amendment to this policy is to be directed in writing to the Director, Land Program Services Branch, Crown Land Administration Division.

Warren K. Mitchell

Warren Mitchell
A/Assistant Deputy Minister
Crown Land Administration Division
Ministry of Agriculture and Lands

05/10/29

Date

APPROVED AMENDMENTS:

Effective Date	Briefing Note /Approval	Summary of Changes:
August 16, 2004		Changes made as a result of the Policy and Procedures Re-write Project.
October 21, 2005		Policy changed to reflect new agency names and responsibilities

EFFECTIVE DATE: August 16, 2004

FILE: 12520-00

APPROVED AMENDMENTS:		
Effective Date	Briefing Note /Approval	Summary of Changes:
August 2, 2006	142832	Amendment to recognize float home tenures

Table of Contents

1.	POLICY APPLICATION	1
2.	PRINCIPLES AND GOALS	1
3.	DEFINITIONS.....	1
4.	ABBREVIATIONS	2
5.	APPLICANT ELIGIBILITY	3
5.1	General.....	3
5.2	Merchant Builders.....	3
5.3	Shoreland Fee Simple Dispositions.....	3
5.4	Remote Residential Tenures	3
5.5	Float Homes	3
6.	FORM OF LAND ALLOCATION.....	3
6.1	Licence of Occupation	4
6.1.1	Remote Residential.....	4
6.1.2	Float Home	4
6.2	Lease.....	4
6.2.1	Urban and Rural Residential.....	4
6.2.2	Shoreland Residential.....	5
6.3	Sale	5
7.	PRICING POLICY	5
7.1	Administrative Fees	5
7.2	Method of Valuation.....	5
7.3	Annual Rent.....	5
7.3.1	Licence of Occupation	5
7.3.2	Lease	6
7.4	Sales.....	6
7.4.1	Shoreland Dispositions	6
8.	ALLOCATION PROCESSES	6
8.1	Applications	6
8.1.1	Application Package	6
8.1.2	Application Acceptance.....	7
8.1.3	Clearance/Statusing.....	7
8.1.4	Referrals	7
8.1.5	Advertising/Notification	7
8.1.6	Aboriginal Interests Consideration	8
8.1.7	Field Inspections	8
8.1.8	Decision/Report	8
8.1.9	Issuing Documents	8
8.2	Competitive Process.....	8
8.2.1	Urban and Rural Residential.....	8
8.2.2	Shoreland.....	8
8.2.3	Land Development, Servicing and Marketing	8
8.3	Planned Tenure Dispositions.....	9
8.4	Direct Sale	9
8.4.1	Shoreland.....	9
9.	TENURE ADMINISTRATION	9
9.1	Insurance.....	9
9.2	Security/Performance Guarantee	9

9.3	Assignment and Sub-Tenuring	10
9.4	Tenure Replacement	10
9.4.1	Tenure Conversion	10
9.4.2	Shoreland Sales Program.....	10
9.5	Monitoring and Enforcement.....	10
9.5.1	Cancellation	11
10.	VARIANCE	11
	APPENDIX 1. CROWN SHORELAND POLICY.....	12
	APPENDIX 2. RESIDENTIAL POLICY SUMMARY	17

1. POLICY APPLICATION

This policy applies to:

- the disposition of Crown land, including Crown shoreland and land covered by water, for residential purposes; and,
- all former shoreland recreational tenures which are replaced or converted from a recreational cottage lot lease to a shoreland residential disposition.

This policy is consistent with:

- the Protocol Agreement on Administration of Crown Forest Land Reserve and Provincial Forests in BC;
- local government authority to regulate subdivision and development;
- Crown Shoreland Policy, which is consolidated for reference in Appendix 1 of this policy; and,
- general policy regarding public health standards and the conversion of *Land Act* tenures to private ownership.

The italicized text in this document represents information summarized from standard Crown land management policies and procedures. This material has been inserted where it provides necessary direction or context. As well, website links offer access to the full text of the relevant land management policies and procedures. Text in standard script is applicable to this policy only.

2. PRINCIPLES AND GOALS

Provincial employees act in accordance with applicable legal requirements when making decisions. The [Guiding Principles](#) are a summary of key administrative and contract law principles which guide provincial employees.

This policy is part of a series of policies that have been developed to help provincial staff use business and legal principles to achieve the government's goals with respect to the management of Crown land in a manner that is provincially consistent, fair and transparent. To that end, this policy also serves as a communication tool to help the public understand how the Province of BC makes decisions respecting Crown land.

3. DEFINITIONS

Authorizing agency means the provincial ministry responsible for the specific land use authorization.

Family Unit means adult persons who reside together as a family, but does not include adult children.

Float home means a structure build on a flotation system, which is used for permanent or seasonal residential habitation and is not intended for navigation or as a navigational craft.

Floating Home Community (issued under the Floating Home Community Policy) means two or more floating homes which are physically connected to the shoreland and each other by a common walkway or ramp, and which are served by a potable water system, electrical system and sewage disposal system approved by the responsible authority.

Merchant Builder means an individual, proprietorship, partnership or corporation who acquires urban or rural residential lots from the province to construct or market homes on the lots for a profit.

Permanent Occupancy means habitation or use of a property such that it is considered as the tenure holder's principal place of residence (the place he ordinarily inhabits during the year). Generally, if the provincial Home Owners Grant is claimed, a property is considered as being occupied on a permanent basis.

Remote Residential Land means Crown land (shoreland and upland), located outside of an urban area or municipal boundary, that is required for permanent or temporary (seasonal) residential occupancy in connection with employment in the remote area. Remote residential land is normally greater than 40 kilometres (25 miles) from an existing community; is not normally accessible by serviced roads; and is not subject to marketing methods.

Residual lots means lots remaining unsold after initial offering by public competition.

Rural Residential Land means Crown upland zoned or intended for residential purposes, located outside of municipal boundaries or urban area, with minimal servicing, whether occupied on a permanent or temporary (seasonal) basis.

Shoreland Residential Lot means a parcel of Crown shoreland used as a place of residence by an individual or family unit, whether occupied on a permanent or temporary (seasonal) basis.

Urban Residential Land means Crown upland zoned or intended for residential use, located within a municipality or urban area, whether occupied on a permanent or temporary (seasonal) basis.

4. **ABBREVIATIONS**

BCA - BC Assessment

ha. - Hectare

MAL - Ministry of Agriculture and Lands

MOE - Ministry of Environment

MOU - Memorandum of Understanding

5. APPLICANT ELIGIBILITY

5.1 General

Except as noted below, an individual aged 19 or over who is a Canadian Citizen or permanent resident of Canada is eligible for residential land.

Where land is disposed in fee simple, citizenship/residency requirements do not apply. An individual or family unit may not acquire more than one residential lot or tenure at a given time, but may maintain two residential tenures provided that one of these is utilized on a permanent basis.

5.2 Merchant Builders

Urban and rural residential Crown land may also be disposed to private developers who are registered or incorporated in British Columbia. Where land is disposed by lease, individuals and proprietorships must meet citizenship/residency requirements noted above.

The authorizing agency may establish the number of lots that may be acquired by a merchant builder.

5.3 Shoreland Fee Simple Dispositions

Existing Shoreland Lessees - All existing lessees are eligible to purchase their parcels. To determine whether a parcel is eligible and meets qualifications for fee simple disposition, refer to Appendix 1, Parts 1.3 and 1.5.4.

5.4 Remote Residential Tenures

Applications for remote residential tenure are accepted only where:

- there is proven need for the applicant to reside on the site for reasons of proximity to employment in a commercial/industrial activity;
- no private residential sites are available in the area; and,
- a Crown land rural residential development is not anticipated in the vicinity.

5.5 Float Homes

Licences of Occupation for float home sites, over land covered by water, are not eligible for purchase, but can be assigned with the approval of the Regional Executive Director of the Integrated Land Management Bureau (ILMB). Applications for float home sites are accepted only in those situations deemed appropriate by the Regional Executive Director of the ILMB.

6. FORM OF LAND ALLOCATION

Refer to Appendix 2 for a summary of the forms and terms of Crown land allocation available for residential uses.

For more detailed standard policy information see [Form of Crown Land Allocation](#).

6.1 Licence of Occupation

A licence of occupation may be issued where minimal improvements are proposed, where short-term tenure is required, where there are multiple users of a site (e.g. communication sites), or in remote areas where survey costs are prohibitive. It may also be used to allow development to proceed while awaiting completion of survey requirements for a lease or right of way.

A licence of occupation conveys fewer rights than a lease. It conveys non-exclusive use for the purpose described, is not a registerable interest that can be mortgaged, and does not require a survey.

A licence of occupation does not allow the tenure holder to curtail public access over the licence area except where it would impact the licensees' right to use the land as per the licence document. Government may authorize overlapping and layering of tenures.

The standard term for a licence of occupation is 10 years.

6.1.1 Remote Residential

Remote residential use is authorized by licence of occupation. Remote residential tenure is conditional upon maintenance of employment by the tenure holder in the commercial or industrial endeavour on which issuance of tenure was originally based.

6.1.2 Float Home

Float home use is authorized by licence of occupation (refer to s. 5.5). Licences of occupation issued under this policy are for single lot float homes. Note - tenures for float home communities are issued under the Floating Home Community policy.

6.2 Lease

A lease should be issued where long term tenure is required, where substantial improvements are proposed, and/or where definite boundaries are required in order to avoid conflicts.

The tenure holder has the right to modify the land and/or construct improvements as specified in the tenure contract. The tenure holder is granted the right to exclusive use and enjoyment of the area, and has the right to exclude or charge the public for use of the land and/or improvements, when this is consistent with the terms of the lease.

A legal survey will generally be required at the applicant's expense to define the tenured area. A lease is a mortgageable interest in land.

The standard term for a lease is 30 years.

6.2.1 Urban and Rural Residential

Lease tenure is available only for existing urban and rural residential lots which do not meet *Land Title Act* standards of subdivision and/or lots in an existing subdivision where adjacent lots have been authorized by lease and infilling is occurring.

6.2.2 Shoreland Residential

Existing leases may be renewed on the following basis:

- Permanent occupancy is authorized by lease with a normal term of 30 years.
- Temporary (seasonal) occupancy is authorized by lease with a maximum term of 15 years.

Lessees may apply for tenure replacement at the mid-point of the term.

6.3 Sale

Crown land sales may occur through an application process if the proposed site meets specific criteria and the use is considered suitable by government agencies and other affected interests.

Crown land for residential use is normally provided on a fee simple basis where it meets *Land Title Act* standards of subdivision.

Shoreland residential properties which do not meet *Land Title Act* subdivision standards for access can be sold as water access only if a covenant to that effect is registered on the title.

7. PRICING POLICY

7.1 Administrative Fees

Application fees for tenures, and other administrative fees, are payable to the Province of BC. These fees are set out in the fee schedules contained in the [Land Act Fees Regulation](#).

7.2 Method of Valuation

Lease and licence tenures for which rentals are paid annually are valued on the basis of actual land value as established by BCA for taxation purposes.

In the case of new dispositions (i.e. where actual value is not yet established for the land), the authorizing agency recommends to BC Assessment that the actual land value for the first tenure year be set at the market value of the land, as appraised by the authorizing agency in advance of the disposition.

7.3 Annual Rent

7.3.1 Licence of Occupation

Remote Residential

The rental charged for a remote residential licence of occupation is 4.5% of the BCA actual land value with a minimum of \$500 per annum.

Float Home

The rental charged for a remote residential licence of occupation, for a float home over land covered by water and associated upland tenures, is 4.5% of the BCA actual land value, where available, with a minimum of \$500 per annum.

7.3.2 Lease

Shoreland

The annual rental for temporary or seasonal residential leases is 3% of BCA actual land value, with a minimum annual rental of \$500. Individual contractual agreements of seasonal tenures may inhibit movement to these rates, however, all residential leases will move to these rates as soon as possible.

Urban/Rural

The annual rental for urban and rural residential and permanent residential leases is 5% of BCA actual land value with a minimum annual rental of \$500. The annual “determined by owner” rental schedule is to be used, and an annual rent review is to be used wherever possible.

7.4 Sales

Where Crown land is disposed in fee simple, the price is full appraised market value as determined by independent fee appraiser, plus the value of any residual timber. However, at no time will the province sell for less than the costs incurred in developing and marketing the parcel.

7.4.1 Shoreland Dispositions

Refer to Appendix 1, Part 1.5.3.

8. ALLOCATION PROCESSES

8.1 Applications

New and replacement tenures are normally offered in response to individual applications.

Remote residential lots are disposed by direct offer pursuant to individual application.

Residual lots are also available for direct sale by application.

8.1.1 Application Package

*Applications must be complete before they can be accepted for processing. A complete application package will include all the material defined in the **Application Checklist**.*

Remote residential applications are to include a sketch map showing the location and type of improvements and a schedule for their completion.

8.1.2 Application Acceptance

New applications will be reviewed for acceptance based on application package completeness, compliance with policy and program criteria, preliminary statusing, and other information which may be available to provincial staff. The acceptance review is to be completed within 7 calendar days. Applications that are not accepted will be returned to the applicant.

8.1.3 Clearance/Statusing

After acceptance, provincial staff undertake a detailed land status of the specific area under application to ensure all areas are available for disposition under the Land Act and to identify potential issues.

8.1.4 Referrals

Referrals are a formal mechanism to solicit written comments on an application from recognized agencies and groups. Referrals are initiated as per legislated responsibilities and formal agreements developed with other provincial and federal government agencies. Referrals may also be used to address the interests of local governments and First Nations. Referral agencies, organizations and identified special interest groups provide their responses to the authorizing agency within 30 days (45 days for First Nations).

8.1.5 Advertising/Notification

At the time of application acceptance, provincial staff will notify applicants if advertising is required and provide the necessary instructions.

Advertising of residential applications is done at the discretion of the authorizing agency.

Upland Owner Consent

Owners of waterfront property have certain “riparian rights” which include the right of access to and from the upland (see [Riparian Rights and Public Foreshore Use in the Administration of Aquatic Crown Land](#)). Provincial staff will advise applicants if there is a need to obtain a letter indicating the upland owner’s consent to their application.

Upland riparian rights can be negated in whole or in part by a statutory right of way document which is registered upon the certificate of title to the upland property. It should be noted that a letter of consent from an upland owner does not transfer from owner to owner if the upland property is sold. As a statutory right of way charge is registered upon title, such a charge remains in effect even once the upland property is sold. Foreshore leasees should carefully consider the value of their proposed improvements and the inherent risks when deliberating upon the manner in which upland consent is obtained.

Adjacent Owner Notification

New applications to tenure foreshore adjacent to privately owned property, including Indian Reserves, are brought to the adjacent property owner’s attention through referrals or direct contact. In certain circumstances, provincial staff may advise applicants that there is a need to obtain a letter indicating adjacent owner’s consent to their application.

8.1.6 Aboriginal Interests Consideration

The authorizing agency is responsible for ensuring the province's obligations to First Nations are met in the disposition of Crown land. Provincial staff carry out consultations in accordance with the consultation guidelines of the Province to identify the potential for aboriginal rights or title over the subject property and to determine whether infringement of either might occur.

8.1.7 Field Inspections

Field inspection means the on-site evaluation of a parcel of Crown land by provincial staff. The need to conduct a field inspection will vary and the decision to make an inspection ultimately lies with the authorizing agency.

8.1.8 Decision/Report

The applicant will be notified in writing of the government's decision. [Reasons for Decision](#) are posted on the relevant website.

8.1.9 Issuing Documents

If the application is approved, tenure documents are offered to the applicant. All preconditions must be satisfied prior to the authorizing agency signing the documents. It is the applicant's responsibility to obtain all necessary approvals before placing improvements or commencing operations on the tenure.

8.2 Competitive Process

The authorizing agency may initiate one of a number of different competitive processes (e.g. public auction, request for proposals) where permitted by program policy and when deemed appropriate by provincial staff.

8.2.1 Urban and Rural Residential

Disposition of Crown land to private developers to create urban or rural residential lots is normally by public offering. Conditions of development, if any, are prescribed in a development plan, secured by a development contract. Disposition may be by lease-purchase where there is a need to ensure bona fide land development, or in fee simple with development secured through a bond or collateral agreement for development.

8.2.2 Shoreland

Residual recreational or residential parcels are marketed in accordance with the procedure stated in Appendix 1, Part 1.3.3.

For policy on conversion of existing shoreland tenures to fee simple status, refer to Appendix 1, Part 1.5.

8.2.3 Land Development, Servicing and Marketing

The province identifies suitable blocks of land for residential development and offers them to the private sector by public offering (see above).

Crown shoreland for residential purposes is subdivided under the *Land Title Act*. Sites must meet standards prescribed by the local approving officer, Ministry of Transportation.

For procedures on marketing of urban, rural, and shoreland residential lots, refer to Competitive process procedures.

Where residual lots are offered, a review of market value should be undertaken every six months, or more frequently if the authorizing agency believes such review is warranted by changing market conditions.

8.3 Planned Tenure Dispositions

Planned tenure dispositions involve the province actively investigating and developing opportunities for Crown land tenures, followed by announced openings within specific geographic areas. Under a planned disposition project or study, Crown lands will be allocated by the authorizing agency in accordance with standard application procedures or by competitive process.

Where private developers are unable or unwilling to meet a market demand to create urban or rural residential lots, the province may develop and provide lots through a public offering.

8.4 Direct Sale

Direct sales provide fee simple dispositions of Crown land through individual applications under the relevant land use program.

Residual lots may be available by direct sale for a period established by the authorizing agency subject to the Direct Sales procedures.

8.4.1 Shoreland

For policy on conversion of existing shoreland tenures to fee simple status, refer to Appendix 1, Part 1.5.

9. TENURE ADMINISTRATION

9.1 Insurance

Liability insurance is not required as a condition of obtaining a residential tenure. However, the province continues to recommend that tenants carry liability insurance.

9.2 Security/Performance Guarantee

A security deposit or bond may be required to be posted by the tenure holder where any improvements on, or changes to, the land are proposed. The security deposit is collected to insure compliance and completion by the tenure holder of all the obligations and requirements specified in the tenure. Some examples where such security may be used are for any type of clean-up or reclamation of an area, and/or to ensure compliance with development requirements.

9.3 Assignment and Sub-Tenuring

Assignment is the transfer of the tenure holder's interest in the land to a third party by sale, conveyance or otherwise. Sub-tenuring means an interest in the Crown land granted by a tenant of that Crown land rather than the owner (the Province).

Assignment or sub-tenuring requires the prior written consent of the authorizing agency. The assignee or sub-tenure holder must meet eligibility requirements. The authorizing agency may refuse the assignment of existing tenures if the details of the assignment or sub-tenure are not acceptable to the province.

Assignment of shoreland and remote residential tenures requires the prior consent of the authorizing agency and compliance with eligibility requirements. Regional offices will inform assignees of shoreland tenures of the opportunity (in principle) to purchase.

Remote residential tenure assignments are made only where the assignee has also been assigned or otherwise obtained the commercial or industrial tenures and permits for which the residential tenure was issued.

9.4 Tenure Replacement

Replacement tenure means a subsequent tenure document issued to the tenure holder for the same purpose and area.

In most cases, tenure holders may apply for a tenure replacement at any time following the mid-term of the tenure. Replacement of tenures is at the authorizing agency's discretion. The province may decline to replace a tenure, or may alter the terms and conditions of a replacement tenure. For tenure terms and conditions see Section 6.

9.4.1 Tenure Conversion

A lessee may be eligible to convert an existing recreational lot lease to a residential lease prior to expiry, or replace it with a residential lease on expiry where the existing lease land is to be used for full-time residential purpose. Where these conditions apply, a 30-year residential lease may be issued with rental established in accordance with this policy.

At the discretion of the authorizing agency or where a complaint has been received, a review of the seasonal nature of a residential tenure may be undertaken. If the lessee has received a Home Owner Grant, the authorizing agency may require conversion to a permanent residential tenure.

9.4.2 Shoreland Sales Program

Conversion of Shoreland Tenures to Fee Simple Status refer to Appendix 1, Part 1.5.

9.5 Monitoring and Enforcement

Tenure terms and conditions, including requirements contained in approved management/development plans, act as the basis for monitoring and enforcing specific performance requirements over the life of the tenure.

9.5.1 Cancellation

The Crown reserves the right to cancel a temporary (seasonal) residential lease or any residential licence of occupation in the public interest. The Crown does not pay compensation for the unexpired tenure interest where such cancellations occur. Fair market value is paid, however, for improvements on lease tenures cancelled under the above provision unless stated otherwise in the agreement.

10. VARIANCE

Any decision that would vary from this policy must be made by the Assistant Deputy Minister, Crown Land Administration Division, Ministry of Agriculture and Lands.

Appendix 1. Crown Shoreland Policy

1.1 Purpose and Definition

The purpose of this appendix is to provide direction on the sale of Crown shoreland for all land use purposes.

Shoreland means Crown land within 100 metres of the average high water mark of a water body or water course (lake, sea or some rivers), or between that mark and some natural or man-made boundary (such as a major roadway or highway) which provides a recognizable break in character or value of the land.

1.2 General Policies for Crown Shoreland

With the exception of the following statements, Crown shoreland is administered in the same manner as other Crown land, as instructed by land use policy statements.

- To ensure protection of beaches and other public recreational opportunities, a minimum of 25% of the shoreland around each water body is to be retained in public use. This is over and above the public road access to the waterfront provided for in subdivision plans.
- Shoreland dispositions will meet or exceed *Land Title Act* subdivision requirements for public access to the water.

The current reserve over islands less than 64.75 ha in size is retained. No sales are permitted on these small islands.

Individual applications for recreational or residential lands on Crown shoreland are not accepted.

1.3. Eligibility for Fee Simple Tenure

1.3.1 Existing Shoreland Tenures

All existing lease and licence of occupation shoreland parcels that qualify for purchase (Part 1.5.4 of this Appendix) are eligible for sale except:

- those tied to a guide-outfitting territory or a special fisheries management area administered by MOE;
- fishing and hunting satellite camps issued under the general Commercial policy;
- tenures within areas that are being actively considered for recreational designation (e.g. under the *Park Act* or the *Forest Act*);
- quarry tenures;
- grazing tenures; and,
- tenures on small islands (i.e. less than 64.75 ha).

1.3.2 New Shoreland Disposition

Individual applications for new Crown shoreland parcels are accepted for other than recreational or residential uses. Fee simple disposition of these applications is the norm, except:

- in the situations described in Part 1.3.1 of this appendix.
- where the land need is temporary;
- where *Land Title Act* standards of subdivisions cannot be achieved;
- where there is a need to ensure bona fide land development in which case disposition may be on a lease-purchase basis, or a fee simple basis with development secured through a bond and a collateral agreement for development.

1.3.3 Marketing Residential Recreational/Residential Parcels

Residential recreational or residential parcels are marketed on a sale basis under the *Ministry of Lands Parks and Housing Act* by public offering at the discretion of the authorizing agency. Participants need not be Canadian citizens or permanent residents of Canada.

1.4 Assignment of Shoreland Tenures

Existing shoreland tenures may continue to be assigned to other parties, with the assignee being notified of the potential purchase opportunity. Normal eligibility requirements for apply for a lease will apply (i.e. Assignees must be Canadian citizens or permanent residents of Canada).

1.5 Shoreland Sale Program for Conversion of Existing Tenures to Fee Simple Status

1.5.1 Method of Disposition

There are two approaches to disposition: province-initiated marketing and client-initiated.

- Where the province proactively confirms that a lot or subdivision qualifies for purchase, a direct offer is made to the interested tenure holder.
- Where an existing lease holder wishes to expedite the process, he, or his agent, may assemble the necessary information to enable a decision on qualification. Where the lot qualifies, a direct offer is made to the tenure holder.

1.5.2 Consultation with Other Agencies

Standard referral to other agencies is normally not required in converting existing tenures to fee simple status.

Consultation should occur, however, with selected agencies as follows:

- Ministry of Health regarding assessment of parcels for sewage disposal;

- MOE regarding flood hazards and the need of restrictive covenants, or whether fish and wildlife management objectives may be impacted by fee simple sale in remote locations;
- Local government where there may be concerns about the sale of parcels in unzoned areas;
- First Nations.

1.5.3 Pricing

Fee simple disposition is at appraised market value (or the sum of the costs incurred by the province in developing and marketing the parcel, whichever is greater).

Refer to [Disposition Price Resolution](#) Procedures for instruction on resolving disputes regarding sale price.

Where rent has been prepaid for the tenure term, the value of the unexpired portion of the lump sum prepayment is deducted from the purchase price. Refunds are calculated as per [Pricing](#) Policy.

Where annual rent has been paid for the year in which a sale is occurring, the value of the unexpired portion of the payment is deducted from the purchase price.

1.5.4 Parcel Qualification

The following standards must be met in order for existing tenures to qualify for fee simple disposition.

Survey Requirements

Re-survey is required for several purposes which include;

- Re-establishment of corner posts and/or boundaries
- Re-definition of natural boundaries and the resultant recalculation of the area of the subject parcel
- Confirmation that there are no encroachments of improvements onto or from the subject parcel

Where a subdivision was surveyed after 1958, and all lots were posted with iron pins and the subject parcel does not enjoy a natural boundary, re-survey is not necessary, providing that survey posts remain in place. Where survey monumentation is lacking, sale may proceed where there is an understanding reached with the Surveyor General to resurvey within a prescribed time. There should be no delays in marketing owing to the need for re-survey. Be cautious that if the subject parcel has a natural boundary and if that boundary has changed then the area of the subject parcel will have also changed. Also, if there are encroachments on to or from the subject parcel it may be much more difficult to legalize these once the sale of the land has completed.

Where a subdivision was surveyed prior to 1958 and where some or all of the lots were posted with wooden posts, the question of survey requirements is referred to the Surveyor General.

Where a parcel has been amended or created by description the matter of survey needs to be referred to the Surveyor General for survey instructions.

Access Requirements

Parcels should have access by a public highway, a Forest Service road or be accessible by water. Where access is by water, the body of water fronting the parcel must have access by a public highway or Forest Service road. The Crown Grant will contain a clause referring to “water access only”.

Health Requirements

For parcels created under the *Land Act*, the requirements of the Medical Health Officer must be satisfied. Sale of lots which do not meet current standards for on-site sewage disposal may occur subject to registration in the Land Title Office of a restrictive covenant which ensures that future building of habitable improvements occurs in compliance with Health regulations. See Lease-Purchase Procedures.

Land Title Act parcels are not subject to assessment for compliance with health standards.

1.5.5 Utilities

Utilities that are untenured at the time of sale are not protected by the province.

Where parcels are encumbered with utility licences, the utility company is notified of potential lot sale(s) and is advised to convert the licence to a statutory right of way before a prescribed date. Note: If the province is conducting survey work in these areas, it may be possible to coordinate survey instructions to serve the needs of the utility and the province.

1.5.6 Private Driveways

Private driveways crossing a parcel are not normally protected by the province prior to sale. However it may be possible to legalize these accesses – contact the Surveyor General for direction.

Where legal access is not dedicated in the subdivision plan, the lots may qualify for sale as water access, provided that the water body on which they are located has access.

1.5.7 Zoning

Where zoning is not in place, and local government is concerned about conversion to an undesirable use, the purchaser may be required to accept a covenant on the title restricting use to the current use.

1.5.8 Flood Hazard

Where a parcel is located in a floodplain, or where MOE expresses concern about flooding, a restrictive covenant prohibiting development in the floodplain, and a corresponding indemnity covenant are registered on the title.

1.5.9 Waterfront Walkways

Public walkway strips along the natural boundary are not deleted when selling Crown shoreland, unless it is necessary to protect public access to lands beyond, and such access cannot reasonably be provided by alternative means.

Where a public walkway strip is deleted, it is done by survey.

1.5.10 Protection of Riparian Rights

Where the province establishes a need to retain riparian rights in the name of the Crown in order to preserve options in the management of adjacent Crown foreshore in the foreseeable future, the matter is referred to the Surveyor General for assistance.

When disposing of foreshore it is imperative that the riparian rights of the upland parcels be protected, unless negated by letter or statutory right of way. The riparian rights of an upland parcel of land may not be contained by simple waterward projections of the upland side parcel boundaries. Direction may be obtained from the Surveyor General.

Appendix 2. Residential Policy Summary

TENURE	TERM	VALUATION\PRICING	METHOD OF DISPOSITION
LICENCE Remote	10-year or during term of employment	4.5% of BCA actual land value (\$500 minimum)	Application
LEASE Urban, Rural¹	Normal term is 30 years	5% BCA actual land value (\$500 min.)	Competitive process; residual lots by direct application.
Shoreland only²	15-year for temporary (seasonal) occupancy	3% BCA actual land value (\$500 min.)	Mid-term replacement of temporary (seasonal) leases.
FEE SIMPLE Urban, Rural and Shoreland	Perpetuity	Full appraised market value (or development and marketing costs if greater)	Competitive process or real estate listing; residual lots by direct sale.
Shoreland only	Perpetuity	Full appraised market value (or costs if greater)	Direct sale to tenure-holders of qualified properties.

¹ Lease tenure available for existing lots which do not meet *Land Title Act* subdivision standards and/or in-filling of existing subdivisions where adjacent lots are authorized by lease.

² In Shoreland program, 30-year and 15-year lease is available only for mid-term replacement of existing permanent or temporary (seasonal) occupancy leases, respectively.