



**Land Use Policy  
All Seasons Resort**

**NAME OF POLICY:** All Seasons Resort

**APPLICATION:** Applies to All Seasons Resort development projects that take place on Crown upland and/or aquatic land, including Alpine Ski Resorts. Crown land requires removal from the Provincial Forest prior to disposition under the *Ministry of Lands, Parks and Housing Act*.

**ISSUANCE:** Director, Policy and Economic Development Branch

**IMPLEMENTATION:** All LWBC Staff

**REFERENCES:** *Land Act* (Ch. 245 R.S.B.C, 1996)  
*Ministry of Lands, Parks and Housing Act* (Ch. 307 R.S.B.C. 1996)  
Crown Land Fees Regulation (BC Reg 109/2005)  
*Environmental Assessment Act* (Ch 43 S.B.C. 2002)

**RELATIONSHIP TO PREVIOUS POLICY:** New All Seasons Resort policy. Incorporates the updated Commercial Alpine Ski Policy and various elements from the following land use policies: Commercial-General; Commercial Recreation; and Agriculture Extensive-Intensive.

**POLICY AMENDMENT:** Any formal request for an amendment to this policy is to be directed in writing to the Director, Policy and Economic Development Branch.

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Bill Irwin  
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All Seasons Resorts Division

July 6, 2005  
Date

July 6/05  
Date

Approved Amendments		
Effective Date	Briefing note / Approval	Summary of Changes

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## PART ONE – ALL SEASONS RESORT POLICIES AND PROCEDURES

### 1. POLICY APPLICATION

This policy falls under a broader Commercial Tourism and Resort Policy Framework, which is currently under review and therefore subject to change. It is also expected that changes to this policy will occur on completion of the Integrated Resort Approval Process that is part of the British Columbia Resort Strategy and Action Plan.

This policy applies to major resort development projects that lie partly or entirely on Crown upland or aquatic land (collectively referred to as "Crown land"). Except as provided in Part Two – Commercial Alpine Ski Policy, the resort must have one or more recreational activities that form the purpose and intent of the resort and have public and/or private accommodation as an essential associated element. While accommodation is a necessary component of the "resort experience", it should be looked upon as complimentary to the recreation activities or attraction.

This policy does not apply to existing resorts or lodges, or to stand-alone recreation developments (e.g. a golf course or marina), commercial recreation operations that are outside of a Controlled Recreation Area or to stand-alone accommodation developments (e.g. a residential subdivision or hotel development). These types of land uses are dealt with under other LWBC policies (e.g. the General Commercial or Commercial Recreation policies).

See below for a complete definition of an All Seasons Resort as it relates to eligibility under this policy. Refer to Part Two for specific policy direction regarding alpine ski development projects on Crown land.

This policy is subject to the *Environmental Assessment Act* and regulations for any project that is determined to be reviewable (see Regulations for Environmental Assessment).

The All Seasons Resort Development Guidelines (under development) are to be used in conjunction with this policy. These guidelines are intended for use by developers and government staff, to assist in the process of planning and evaluating all seasons resort proposals and expansions on Crown land.

*The italicized text in this document represents information summarized from LWBC standard 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 LWBC policies and procedures. Text in standard script is applicable to this policy only.*

### 2. PRINCIPLES AND GOALS

*The guidance provided by this policy must be considered in the context of LWBC's vision, mission statement and values as set out in LWBC's Service Plan.*

*LWBC's internal programs are directed at ensuring that LWBC staff act in accordance with applicable legal requirements when making decisions.*

*This policy is part of a series of policies that have been developed to help LWBC staff to achieve LWBC's goals with respect to the management of Crown land and water 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 LWBC makes decisions respecting Crown land and water resources.*

The vision of the All Seasons Resort policy is to develop British Columbia as a world-class all seasons resort destination. LWBC recognizes the need to encourage the development of all seasons resorts while ensuring sustainable land use, equity and consistency of application and receiving a fair return to the Crown.

LWBC will use its referral process and other consultation mechanisms to ensure the interests of the public, First Nations, government agencies and other stakeholders are carefully considered in order to make sustainable land use decisions that balance economic, environmental and social values. Where appropriate, inter-agency memorandums of understanding, partnership agreements, Project Review Teams and other related approaches will be used to coordinate and harmonize agency approval processes. A related initiative currently underway that will contribute to this is the Integrated Resort Approval Process.

**Objectives:**

- Maintain and enhance British Columbia's competitive edge in resort development and expansion.
- Provide enhanced business certainty and security.
- Help promote new investment, economic development and job creation.
- Minimize conflict between competing land uses.
- Promote sustainable land use that commits to social responsibility and environmental stewardship.
- Ensure an efficient and coordinated approval process with clear, well defined and timely decision making.
- Flexible to meet changing market and business conditions in a competitive international marketplace.
- Promote diversification and four season use.

**Strategies:**

- Provision of long-term and secure tenures.
- Sale of Crown land for intensively developed sites.
- Strategic use of Controlled Recreation Areas.
- Investment incentives.
- Establish specific milestones and target dates (from concept to construction).
- Establish a decision point or 'approval-in-principle' at an early stage of the review process.
- Require inter-agency, First Nation, public and stakeholder participation at the initial stage of the proposal process.
- Coordinate provincial and local government approval processes.

### 3. DEFINITIONS

The following definitions apply generally within this policy. Additional definitions pertaining specifically to Alpine Ski Resorts can be found in Part Two – Commercial Alpine Ski Policy.

**All Seasons Resort** means a resort that provides for the development of single or multi-season recreational activities and facilities and the development of overnight accommodation as an essential associated land use. It includes:

1. Public and/or private accommodation (residential/commercial real estate development) of not less than 100 bed units (as defined below) and;
2. New capital investment of not less than \$1 million in Recreation Infrastructure in association with a variety of resort types, including, but not limited to:
  - Land and marine (water-based) resorts;
  - Agri-tourism resorts;
  - Health and wellness resorts;
  - Golf resorts;
  - Mountain (alpine ski) resorts, and;
  - Casino resorts.
3. If the resort development uses Crown upland and/or aquatic land in association with private land, then the entire area of the resort is used in determining if the project meets the above criteria and thresholds.
4. All dispositions made under Part Two - Commercial Alpine Ski Policy are considered to be included in the definition of All Seasons Resort, despite points 1 and 2.

**Alpine Ski Resort** – see definition in Part Two, section 2 of this policy.

**Bed Unit** is specifically defined in the All Seasons Resort Development Guidelines and generally means the accommodation required for one person to stay overnight, publicly available on a night by night basis and/or privately available on a permanent basis for second home and residential use. Typically, regardless if the bed units are public, private or employee, the following number of bed units apply to the associated type of accommodation.

Single Family Unit	= 6 Bed Units
Condominium	= 4 Bed Units
Hotel Room	= 2 Bed Units

**Controlled Recreation Area** means the area of Crown land that encompasses the Recreation Infrastructure and activity areas, the area covered by the Real Estate Development and a reasonable buffer area that is directly related to the safe and orderly development of the All Seasons Resort. A CRA only applies to Master Development Agreements or Operating Agreements.

**Developer** means the holder of a Master Development Agreement, Operating Agreement or any other tenure that authorizes the development and operation of an All Seasons Resort.

**Expression of Interest** means a written statement of interest from a proponent or prospective applicant to LWBC identifying the area of interest, the nature and scale of proposed development, and general information on management structure, technical design and financial capability to carry out the project.

**Formal Proposal** means a conceptual development plan that provides a technical assessment of the area to be developed, a statement of the business case, an assessment of environmental and land use issues and proposed mitigation measures, evidence of financial capability, and a summary of the ownership and management structure of the resort operation.

**Merchantable Timber** means timber of sufficient quantity and quality as to be commercially valuable at the time of the proposed Crown land disposition.

**Operating Agreement** – see Part Two, section 3.3 of this policy.

**Project Review Team** means a team made up of federal, provincial or municipal agency representatives having jurisdictional responsibility or recognized interest in the ASR project. The PRT may also include First Nations, and/or non-governmental organizations. The PRT is used to assist in the review and assessment of an ASR project and is chaired by LWBC.

**Real Estate Development** means all the works, buildings, structures, facilities, services, utilities and other improvements associated with the provision of private and public accommodations (e.g. single or multi-family residential subdivisions, condominiums, hotels/motels, etc.) and commercial retail and public service facilities (e.g. stores, restaurants, parks, playgrounds, etc.).

**Recreation Improvement** means any improvement constructed in a Controlled Recreation Area that is deemed essential to the day to day operation of the All Seasons Resort for which the province requires ownership or an interest in the improvements. Recreation improvements can include ski lifts, ski runs, recreation trails, day use facilities, maintenance facilities and any other similar improvement as identified in an approved Resort Master Plan and more specifically defined in the Master Development Agreement.

**Recreation Infrastructure** for the purpose of defining ASR means the intensively developed area that is directly associated with the provision of sport, leisure, entertainment or similar recreation activities, together with associated buildings and structures necessary to support the operation and maintenance of that recreation activity. It does not include public roads or off-site services and utilities nor does it include portions of buildings or facilities associated with the provision of overnight accommodations. It includes Recreation Improvements and other types of recreation development (e.g. golf course, marina, etc.).

**Management Plan** means a detailed plan that sets out the type, location and scheduling of the planned recreation and real estate development that is to occur as part of the ASR development proposal. It provides technical and management information necessary to support the sustainable development of the resort. A resort management plan is used to assess suitability of a land use decision under the direct application process.

**Resort Master Plan** means a detailed plan that sets out the phased and orderly recreation and real estate development, if any, that is to occur within the resort area. It provides technical and management information necessary to support the sustainable development of the resort. A resort master plan forms an integral part of the terms and conditions of a Master Development Agreement. For further details see the All Seasons Resort Development Guidelines.

**MDA/OA Tenure** means a lease or right of way issued pursuant to the terms of a Master Development Agreement or Operating Agreement. MDA/OA Tenures (and fee simple dispositions) are issued from the contractual rights and obligations conveyed in a Master Development Agreement or Operating Agreement and as such are not subject to *Land Act* application and disposition procedures.

#### **4. ABBREVIATIONS**

**ASR** – All Seasons Resort

**BCA** – BC Assessment

**CASP** – Commercial Alpine Ski Policy

**CR** – Commercial Recreation

**CRA** - Controlled Recreation Area

**ha.** - Hectare

**LWBC** - Land and Water British Columbia Inc.

**MDA** - Master Development Agreement

**OA** – Operating Agreement

**RMP** – Resort Master Plan

#### **5. APPLICANT ELIGIBILITY**

*Applicants for new tenures, tenure assignment, or tenure replacement must be:*

- *Canadian citizens or permanent residents 19 years of age or older; or,*
- *Corporations which are incorporated or registered in British Columbia; or,*
- *Registered partnerships, cooperatives, and non-profit societies which are formed under the relevant provincial statutes; or,*
- *First Nations members can apply as Canadian Citizens, however if the Band or Tribal Council is the applicant, the Band or Tribal Councils require a Band Council Resolution a) authorizing the council to enter into the tenure arrangement, and b) giving the signatories of the tenure document the ability to sign on behalf of the Band. For tenures which are to be registered in the Land Title Office, First Nations must apply through either a band corporation or trustees. Band members can elect 1 or more trustees to hold a tenure on behalf of the Band. Verification of election must be by way of a letter signed by the Chief and councilors of the Band giving the full names of the trustees and stating that they were elected at a properly convened meeting of the Band. A Band Council Resolution is not required.*
- *In the case of aquatic land, non-Canadians can apply if they own the adjacent upland (companies must still be incorporated or registered in B.C.)*

*For more detailed standard policy information see Eligibility and Restrictions.*



## **6. FORM OF LAND ALLOCATION**

Refer to Appendix 1 for a summary of the forms and terms of Crown land allocation available for non-alpine ski ASRs. The form of land allocation available for Alpine Ski Resorts is found in Part Two – CASP.

Unless associated with a MDA or OA; permits, licences of occupation, leases, statutory rights of way and fee simple dispositions are issued under the *Land Act*.

MDAs, OAs and MDA/OA Tenures are issued pursuant to the *Ministry of Lands, Parks and Housing Act*.

### **6.1 Investigative Permit**

*An investigative permit may be issued to any proponent requiring access to the land for appraisals, inspections, analyses, inventories, surveys or other investigations of Crown land or its natural resources, or where otherwise required. No buildings or other improvements may be placed on the land.*

*The tenure holder must permit public access to the area without interference, and must recognize that overlapping and layering of tenures may be authorized by government.*

*The maximum term for an investigative permit is 2 years.*

Investigative studies can also be authorized by a licence of occupation pursuant to the terms and conditions of an Interim Agreement (refer to section 6.3).

### **6.2 Temporary Permit**

*A temporary permit may be issued for temporary uses (including one-time events and sustained or repeated use of Crown land), where a business is better served by such a permit than by a license of occupation.*

*The tenure holder must allow public access to the area without interference, and must recognize that overlapping and layering of tenures may be authorized by Government.*

*The maximum term for a temporary permit is 2 years.*

### **6.3 Interim Agreement**

An interim agreement may be issued where a longer term is required to conduct investigative studies in the preparation and approval of a RMP. An interim agreement allows an applicant or proponent to conduct any required studies on the Crown land under the authority of a licence of occupation. No permanent structures or improvements may be placed on the land.

The interim agreement is intended to allow a reasonable period for a proponent to prepare a RMP, seek the necessary approvals of that plan and if approved, negotiate a MDA. As a result the interim agreement should have an initial term of 5 years and may allow for extensions for further periods but those further periods should not exceed an aggregate total of 5 years. An interim agreement should provide that during the term, no other licences or authorizations under the *Land Act* or *Ministry of Lands, Parks and Housing Act* will be granted to third parties that would have a material adverse impact or prohibit the ability of the proponent to develop an ASR.

## 6.4 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), and 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 of a licence of occupation is 30 years. The licence of occupation may be replaced at mid-term.

## 6.5 Controlled Recreation Area

This form of licence of occupation will give the Developer certain rights to control the activities that occur within the CRA. This is to avoid incompatible activities and to ensure that development and use occurs in a manner that is orderly and safe. This area should be reasonably sufficient to support the Recreation Infrastructure. A Controlled Recreation Area licence of occupation is the legal mechanism that gives the right to the Developer to control access and use by other persons within the defined boundaries of the CRA. The CRA enables the Developer to:

- establish and delineate a recreation area boundary within the CRA and designate that boundary by notices, posted signs, fences or otherwise;
- regulate and prohibit the access and entry of persons and vehicles to the CRA;
- control, prohibit and direct the movement and activities of persons and vehicles within the CRA and;
- take trespass action against persons who are in non-compliance with the above.

The Developer will not unreasonably refuse to allow a person to pass freely through the CRA for the purpose of a public recreation or other activity where that person will not make use of the Recreation Improvements or interfere with the safe and orderly development or operations within the CRA. These rights are subject to both prior interests and permitted future interests.

A CRA licence of occupation is primarily used for Alpine Ski Resorts pursuant to Part Two of this policy. A CRA licence of occupation can also be used for non-alpine ski resorts over the area of Crown land where intensive recreation use and development is to occur.

## 6.6 Master Development Agreement – Non-Alpine Ski Resorts

A master development agreement is used for non-alpine ski resorts where the development project involves the fee simple disposition of Crown land for Real Estate Development and the non-fee simple disposition of Crown land for Recreation Improvements. It sets out the terms and conditions governing the development of an ASR, including the rights to acquire MDA/OA Tenures and fee simple grants.

A MDA may also be used where privately owned Real Estate Development land is to be used as part of the ASR development and LWBC requires that that land be developed as part of the overall resort development project.

Refer to Part Two – CASP regarding MDAs for Alpine Ski Resorts.

The standard term of a MDA and for any MDA/OA Tenures is 60 years. The MDA may be replaced at mid-term.

## **6.7 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 of a lease is 60 years. The lease may be replaced at mid-term.

## **6.8 Statutory Right of Way**

*A statutory right of way is normally used to authorize linear uses of Crown land for transportation, communication, energy production and utility developments.*

*The tenure holder is granted a legal right of passage over the land for a specific purpose. It does not generally confer the right to exclusive use and enjoyment of the area, nor the right to exclude or charge the public for the use of improvements.*

*Statutory rights of way for major activities are normally issued for so long as required. Shorter tenures are issued where the investments are lower, the use is of a shorter duration, or as defined under a specific program.*

*A legal survey will be required at the applicant's expense to define the tenured area.*

A statutory right of way that is issued under the authority of an MDA is issued for a standard term of 60 years, but will not exceed the term of the MDA. All other statutory rights of way are issued pursuant to the terms and conditions of the Utilities Policy.

## **6.9 Fee Simple Dispositions (Sales on Crown Land)**

### **6.9.1 Master Development Agreement Sales**

Fee simple dispositions are made available for all Real Estate Development lands. These sales generally occur on an incremental or phased basis when an appropriate level of Recreation Infrastructure development is completed. The amount of Crown land a Developer can purchase in phases is determined from the quantity, quality and type of Recreation Infrastructure constructed. Details regarding the type of Recreation Infrastructure to be constructed, together

with the commensurate amount of Real Estate Development that is required, is described in the approved RMP.

LWBC may allow sale of certain Real Estate Development lands prior to the construction of the agreed Recreation Infrastructure development on the posting of a performance deposit in an amount as determined by LWBC. Refer to section 9.2 regarding performance deposits.

### **6.9.2 Direct Sales**

Real Estate Development lands will not be sold until satisfactory evidence is provided showing that the lands are zoned for their intended use.

Sales are available for golf course lands, intensive/extensive agricultural lands (associated with agri-tourism resorts) and any other intensively developed properties (e.g. casino sites, health and wellness centres).

Aquatic Crown land is not available for sale, except for authorized fill areas.

## **7 PRICING POLICY**

### **7.1 Administrative Fees**

*The administrative fees payable to LWBC for processing dispositions are set out in the fee schedules contained in the Crown Land Application Fee Structure.*

### **7.2 Annual Rent**

Rents for tenures issued under this policy can be found in Appendix 1 and are based on existing LWBC land use policies as outlined below:

#### **Alpine Ski Resorts:**

Percentage of revenues as per Part Two - Commercial Alpine Ski Policy.

#### **Marine or Water-Based Resorts:**

Percentage of upland or aquatic land value as per the General Commercial Policy (refer to special annual rent calculation for marinas).

#### **Agri-Tourism Resorts:**

Percentage of land value as per the Agriculture – Extensive/Intensive and General Commercial Policies.

#### **Health and Wellness Resorts:**

Percentage of land value as per the General Commercial Policy.

#### **Golf Resorts:**

Percentage of revenue as per the General Commercial Policy.

#### **Casino Resorts:**

Percentage of land value as per the General Commercial Policy.

#### **Commercial Recreation Activities associated with a Non-Alpine Ski Resort:**

Percentage of land value and/or client day rents as per Commercial Recreation Policy.

### 7.3 Sales

Unless otherwise provided, fee simple dispositions are priced at the full market value of the land, plus the value of any remaining Merchantable Timber in accordance with the Timber Administration Crown Land Procedures.

The purchase price for lands made available for sale under a non-alpine ski MDA will be fixed at pre-determined intervals (normally fixed at each 5-year period).

## 8 ALLOCATION PROCESSES

Improvement of the resort review and assessment process is being considered under the Integrated Resort Approval Process. The procedures described below are therefore subject to change.

The disposition of Crown land for ASR development will be guided by approved local and regional land use plans (e.g. Land and Resource Management Plans).

Applicants or proponents under this policy, requiring access to Crown land for uses that are administered under other land use policies (e.g. Commercial Recreation), can make one application where those other land uses are an integral part of the overall ASR development project.

### 8.1 Direct Application

Crown land that is to be disposed of by permit, licence of occupation, lease, right of way or Crown grant (fee simple disposition) except for MDA/OA Tenures is requested by direct application under the *Land Act*. The following general process is used (refer to section 8.3 for situations where a competitive process may be used).

1. Proponent contacts LWBC to request a pre-application meeting.
2. Applicant completes application package (includes management plan as below) and submits to LWBC.
3. LWBC reviews application package for acceptance.
  - a. Rejected application and fee returned with request for further information for acceptance.
  - b. Accepted application acknowledged and processed as per steps 4 to 7.
4. File number assigned, systems updated, land status completed, referrals sent, First Nations consideration procedures initiated and advertising requested.
5. Field inspection completed as required, together with necessary consultations with agencies, First Nations and stakeholders.
6. Land allocation decision made and posted on LWBC website.
  - a. Applicant notified of approval by way of tenure offer or;
  - b. Applicant notified of disallowance with stated reasons.
7. Disposition(s) issued (tenure and/or fee simple grant).

*For more detailed standard policy and procedures regarding the application process see LWBC's General Policy on Form of Crown Land Allocation.*

### **8.1.1 Pre-Application Meeting**

Prior to submitting a formal application package, the proponent should contact the LWBC office to arrange for a meeting. The purpose of the meeting is to allow the proponent to outline the relevant details of the proposed ASR development project and to allow the LWBC staff member to provide appropriate guidance and direction in the completion of the application package, as well as to provide an overview of the resort approval process. Other key agency staff may be invited to participate in the meeting to ensure that their requirements are addressed and that project timelines can be identified (this will be covered in more detail when establishing terms of reference for the Project Review Team).

### **8.1.2 Application Package**

*Applications submitted to LWBC must be complete before they can be accepted for processing. A complete application package under the All Seasons Resort policy will include all the material specified by LWBC at the pre-application meeting.*

### **8.1.3 Management Plan**

A management plan is required to be submitted as part of the application package. The content of a management plan will vary in accordance with the type and scale of the proposed development, but will generally contain the following:

1. Executive Summary
2. Project Overview
3. Site and Community Description
4. Description of Recreation Infrastructure, Services and Amenities
5. Type and Description of Overnight Accommodations (public, commercial and employee)
6. Servicing and Utilities
7. Construction Schedule and Costs
8. Economic Benefits (construction and operation jobs)
9. Business and financial viability assessment
10. Marketing projections and plans
11. Maps and Site Development Plans
12. Inventory of Environmental, Cultural and Natural Resource Values
13. Mitigation Strategies to Address Identified Values and Existing Interests

The scope and detail of the management plan will be determined in more detail at the pre-application meeting. Refer to All Seasons Resort Development Guidelines for further information.

### **8.1.4 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 LWBC staff. The acceptance review is to be completed within 7 calendar days. Applications that are not accepted will be returned to the applicant, along with the application cheque.*

### **8.1.5 Clearance/Statusing**

*After acceptance, LWBC undertakes 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.*

### **8.1.6 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 LWBC within 30 days (45 days for First Nations).*

#### **Project Review Team (PRT)**

*A Project Review Team (PRT) is an advanced referral method which may be used for complex applications. It is a team chaired by LWBC and comprised of recognized agencies and groups which meets to review and comment on specific Land Act applications.*

Because of the general complexities of an ASR development proposal and the need to ensure a coordinated resort approval process, a PRT is normally used. A project management approach is followed to ensure that the necessary task and timelines are identified and followed.

### **8.1.7 Advertising/Notification**

Advertising is required for all applications under this policy.

#### **Upland Owner Consent**

*Owners of waterfront property have certain "riparian rights" which include the right of boat access to and from the upland (see Riparian Rights and Public Foreshore Use in the Administration of Aquatic Crown Land). LWBC will advise applicants if there is a need to obtain a letter indicating the upland owner's consent to their application.*

#### **Adjacent Owner Consent for Foreshore Tenures**

*New applications to lease foreshore adjacent to privately owned property, including Indian Reserves, are brought to the adjacent property owner's attention through referrals or direct contact.*

### **8.1.8 Aboriginal Interests Consideration**

*LWBC is responsible for ensuring the province's obligations to First Nations are met in the disposition of Crown land. LWBC carries out consultations in accordance with its Aboriginal Interests Consideration Procedures and the consultation guidelines of the Province.*

Dealing with First Nations issues is a key consideration in all aspects of a resort development project. Although LWBC is responsible for First Nations consultation, to assure a greater level of success in the development and operation of an ASR, proponents and Developers are encouraged to work closely with First Nations to build positive and productive working relationships and partnerships. LWBC will involve First Nations at the earliest possible date in the proposal process.

### **8.1.9 Decision/Report**

*The applicant will be notified in writing of LWBC's decision. Reasons for Decision are posted on the Applications and Reasons for Decision page of the LWBC website.*

### **8.1.10 Issuing Documents**

*If the application is approved, tenure documents are offered to the applicant. All LWBC preconditions must be satisfied prior to LWBC 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 Proposal Process**

Crown land that is to be allocated by a MDA or OA is requested by an Expression of Interest. The following general process is used (refer to section 8.3 for situations where a competitive process may be used). A competitive process is not used where the expression of interest is for an expansion of an existing resort.

1. Proponent submits an expression of interest to LWBC.
2. LWBC reviews expression of interest for acceptance.
3. Accepted expression of interest is advertised.
  - a) If no competing interests expressed, a Formal Proposal is requested from the initial proponent, or;
  - b) If more than one expression of interest is received, LWBC makes decision whether a competitive process is required.
4. Formal Proposal(s) evaluated and Interim Agreement signed between LWBC and successful proponent.
5. *Environmental Assessment Act* review process completed, if required.
6. Resort Master Plan completed and reviewed for acceptance/approval.
7. LWBC and proponent sign MDA or OA.
8. MDA/OA Tenures and fee simple grants requested, processed and issued.

### **8.2.1 Review of Expressions of Interest**

Upon receipt of an expression of interest, LWBC undertakes the following:

- Reviews expression of interest to ensure it conforms to the All Seasons Resort Policy and Development Guidelines.
- Completes a land status search.
- Establishes a notation of interest over the proposal area to ensure that any future actions on the land do not negatively impact the ASR development proposal. The notation of interest is cancelled if the expression of interest process is terminated or when an Interim Agreement is issued.
- Contacts key agencies and First Nations to determine if there are any significant issues that would prevent a Formal Proposal from being considered.
- Advertise the expression of interest to determine other potential interested parties (for new proposals only) and to gauge public opinion. 30 days are provided to respond to the advertisement. The proponent is responsible for advertising costs.

### **8.2.2 Review of Formal Proposals**

After the advertising period under the section 8.2.1, LWBC will make a decision to either deal with the initial proponent or to undertake a competitive process. A Formal Proposal is requested



from the initial proponent or, in the case of a competitive process, from all of the eligible proponents.

A Formal Proposal is used to evaluate a land use proposal. Guidelines regarding content and preparation of a Formal Proposal are found in the All Seasons Resort Development Guidelines. The review of Formal Proposals includes:

- Formal referrals to First Nations, relevant provincial and federal government agencies, local government and other stakeholders as required. An inter-agency project review team is normally used.
- A request to the Ministry of Energy and Mines to place a “no staking” reserve over the proposal area.
- The proponent may be requested to hold a public meeting in order that public input into the land use proposal is obtained.

### **8.2.3 Interim Agreement**

Upon approval of a Formal Proposal, the successful proponent will sign an Interim Agreement with LWBC, making a commitment to prepare a Resort Master Plan on the basis of the approved Formal Proposal. If a review under the *Environmental Assessment Act* is required, then that review occurs during the term of the Interim Agreement.

### **8.2.4 Approval Process**

#### **Resort Master Plan:**

The preparation and review of a Resort Master Plan during the term of an Interim Agreement, or other process, undergoes scrutiny to ensure that all environmental, cultural, social and economic considerations are appropriately addressed. LWBC's referral and consultation procedures, together with the outcome of any *Environmental Assessment Act* review, are used to determine whether the Resort Master Plan is approved or not.

Approval of the Resort Master Plan represents the province's approval of the land use decision. LWBC may accept a certificate issued under the *Environmental Assessment Act* as the appropriate land use decision. The proponent would then be responsible to apply to local government for any zoning or Official Community Plan approvals.

#### **Implementation of Land Allocation Decision:**

If the Resort Master Plan is approved, a MDA or OA will be offered to the proponent. The offer will contain all conditions that must be satisfied (e.g. payment of fees, rent, proof of security/insurance, etc.) before the appropriate agreement(s) is executed.

#### **Issuance of MDA/OA Tenures and Fee Simple Dispositions:**

The procedures to apply for and acquire MDA/OA Tenures and fee simple dispositions that are part of the contractual rights contained in a MDA or OA are described in those agreements.

The Developer is responsible for ascertaining the requirements of and for obtaining the permits or approvals from all applicable agencies that regulate the use and development of land.

### **8.2.5 Disallowance**

If at any time during the review process, the proposal is not considered to represent the best use of the land or that suitable mitigation strategies are not possible, then the proposal will be disallowed. The proponent will be advised of the reasons for decision. In the event that a

proponent believes that the rejection is unwarranted, he may submit a written appeal to the Executive Director, All Seasons Resort Division.

### **8.3 Competitive Process**

A competitive process may be used where LWBC has identified Crown land that is considered suitable for an ASR or where multiple applications or expressions of interest are received in response to advertising and are considered eligible to proceed to a formal proposal stage. A competitive process may also be used to allocate an opportunity that was previously identified by a proponent (or applicant) and that proponent has withdrawn their proposal or their proposal was terminated due to non-compliance.

A request for proposals is the competitive process used to select the best Formal Proposal. Approval of the Executive Director, All Seasons Resort Division is required prior to proceeding with a competitive process. A competitive process does not apply to resort expansion applications or proposals

Once a proposal has been selected through a competitive process, LWBC reserves the sole right to change or modify the selected Formal Proposal to meet any conditions it deems necessary in order that an Interim Agreement can be entered into with the successful proponent.

*For more detailed standard policy and procedures regarding competitive processes see Competitive Process.*

### **8.4 Resolution of Existing Tenure Interests**

Applications or proposals submitted under this policy will be assessed during the pre-application or expression of interest stages to determine the existence of any *Land Act* or *Ministry of Lands, Parks and Housing Act* tenures. LWBC will provide a summary list of all existing tenures to the proponent with preliminary advice as to which of those interests would become prior rights in any disposition granted to the proponent (e.g. a statutory right of way). Even if a tenure interest is not identified as a prior right then LWBC may require the proponent to take the existing interest into account and consider ways in which that tenure interest may be reconciled with the development proposed by the proponent. This requirement may, for example, be imposed if the existing interest is a non-exclusive licence which does not preclude the granting of subsequent dispositions.

The proponent, under direction of LWBC, is responsible for contacting the tenure holders to determine all feasible options to reconcile the existing tenure interests and presenting those options for consideration to LWBC with their formal application or proposal.

Reconciliation of existing tenure interests may be achieved by:

- Continuation of the existing tenure as a legal prior right in any disposition granted to the proponent;
- Continuation of the existing tenure under modified terms and conditions (e.g. remove conflict area, negotiate a joint use agreement) or;
- Termination of the existing tenure by mutual agreement negotiated by the parties and agreed to by LWBC.

LWBC will review the options presented and will give preference to the options which are based on the mutual written agreement of both the existing tenure holder and the proponent. If the

proponent is not able to reach agreement with the holder of an existing interest, LWBC may consider whether it is appropriate to take any action which is allowed under its agreement with the holder of the existing tenure interest. This consideration may include an assessment of whether it is appropriate to continue, amend or terminate the existing tenure or modify the ASR proposal. It is specifically pointed out that any action by LWBC to amend or terminate the existing tenure will be done in a manner that fully considers the existing rights granted under the tenure and the province's legal obligations. The rights and obligations of the holder of any tenure interest will be determined in accordance with the Province's agreement with that tenure holder and this policy does not limit or expand any of those rights or obligations.

The relationship between the proposed development and interests granted by other agencies (e.g. a forest tenure issued by the Ministry of Forests), will be discussed between LWBC and the responsible tenuring agency to determine appropriate actions. The proponent must accept the risk that such other interests may have an impact on the proposed development.

## **9. TENURE ADMINISTRATION**

*For more detailed standard policy and procedures see Tenure Administration.*

### **9.1 Insurance**

*A tenure holder is generally required to purchase, and is responsible for maintaining during the term of the tenure, a minimum level of public liability insurance specified in the tenure document. LWBC may make changes to the insurance requirements and request copies of insurance policies at any time during the term of the tenure.*

The amount and type of insurance policies to be maintained will be determined based on risk management assessments and standard business practices. Government's Risk Management Branch may be consulted for advice.

### **9.2 Security/Performance Deposits**

*A security or performance deposit 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 ensure 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, to ensure compliance with development requirements and/or to pay for outstanding rent or other fees owing to LWBC under the terms of the tenure agreement.*

### **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 LWBC. The assignee or sub-tenure holder must meet eligibility requirements. LWBC may refuse the assignment of existing tenures if the details of the assignment or sub-tenure are not acceptable to LWBC (e.g. the use is for a purpose not permitted for in the MDA).*

## **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 LWBC's discretion. LWBC 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.*

Providing there is no event of default outstanding, a MDA will be replaced on or after its mid-term in accordance with the specific terms and conditions as set out in the MDA.

## **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.*

## **10. VARIANCE**

*Any decision that would vary from this policy must be made by the Executive Director, All Seasons Resort Division, the President and Chief Executive Officer, or the Land and Water BC Inc. Board of Directors.*

## PART TWO – COMMERCIAL ALPINE SKI POLICY

### 1. POLICY APPLICATION

Unless otherwise stated, this policy applies to all types of year-round recreation activities, private and public accommodations and commercial retail services, including the associated facilities and infrastructure that are necessary for the long-term sustainable development, operation and maintenance of an Alpine Ski Resort on Crown land.

It applies to commercial recreation activities (as defined in the Commercial Recreation Policy) and golf course developments that occur within the Controlled Recreation Area. It does not apply to utilities (as defined in the Utilities Policy) except those utilities that service a recreation improvement only (e.g. a power line serving a ski lift), nor does it apply to other land uses not specifically provided for in this policy (e.g. industrial land uses, which would be dealt with under the Industrial Policy).

The All Seasons Resort Development Guidelines are intended to assist in implementation of this policy.

In addition to the ASR principles and objectives (Part One, section 2), this Commercial Alpine Ski Policy (CASP) is aimed at promoting and encouraging the economic development and continuous operation of ski areas and related all seasons activities in British Columbia and pursuant to the *Land Act* and *Ministry of Lands, Parks and Housing Act*, to allocate land in a planned and phased manner in accordance with an approved Resort Master Plan.

To ensure the future viable operation of the Alpine Ski Resort, land associated with Recreation Improvements will not be sold. Lands associated with any Base Area development, will be made available for fee simple dispositions at fixed prices, providing that a complementary amount of recreation infrastructure is in place.

### 2. DEFINITIONS

In addition to the ASR definitions in Part One, section 3 of this policy, the following definitions pertain specifically to Alpine Ski Resorts.

**Alpine Ski Resort** means a resort whose principal business is to provide alpine skiing/snowboarding by the use of lifts, in return for a user fee. An alpine ski resort can also provide other recreation services and amenities that are associated with an all seasons resort operation.

**Base Area** means an area within the Controlled Recreation Area of a Master Development Agreement that encompasses the real estate development. The base area (sometimes referred to as "village lands") includes land that will be intensively developed for public and private accommodations, commercial retail facilities, golf courses and associated infrastructure.

**Independent Operator** means an arms length party who enters into a contract with a Developer to provide a commercial recreation activity within the Controlled Recreation Area.

**Type 1 Alpine Ski Resort** means a minor operation serving a community need for day-use skiing facilities. It contains no commercial overnight accommodation, and may be operated by an individual, a private company, a municipality, or a non-profit community organization. Type of equipment, area, vertical drop, and trail acreage are variable.

**Type 2 Alpine Ski Resort** means a major operation which serves regional, provincial, and/or international markets as well as local population. It typically includes commercial overnight accommodation and is normally associated with other recreational activities designed to attract business on a year-round basis. An operation of this type is normally run by a private company for profit. Type of equipment, area, and trail acreage are variable.

### **3. FORM OF LAND ALLOCATION**

Refer to Appendix 2 for a summary of the forms and terms of Crown land allocation available for Alpine Ski Resorts.

The disposition of Crown land for the use, operation and development of an Alpine Ski Resort is normally authorized by a Master Development Agreement or Operating Agreement. An Interim Agreement is used to allow investigative studies to be completed as part of the Resort Master Plan approval process. Individual MDA/OA Tenures in the form of a lease or right of way are issued for Recreation Improvements and direct sales (fee simple dispositions) are issued for Base Area lands or other intensively developed parcels that are not considered to be Recreation Improvements.

#### **3.1 Interim Agreement**

An Interim Agreement is issued to a proponent whose Formal Proposal has been accepted. The Interim Agreement grants "sole proponent" status that assures a priority of interest to the proponent and establishes the pricing provisions and term that would apply to the MDA, if issued. The Interim Agreement sets out the terms and conditions for preparation and approval of the Resort Master Plan, which is a pre-requisite to the negotiation of a Master Development Agreement or Operating Agreement. The Interim Agreement also allows the proponent to conduct any required studies on the Crown land under the authority of a licence of occupation. No permanent structures or improvements are to be placed on the land.

The initial term of an Interim Agreement is 5 years, subject to extended terms as reasonably required. During the term of the interim agreement, no other licences or authorizations under the *Land Act* or *Ministry of Lands, Parks and Housing Act* will be granted to third parties that would have a material adverse impact or prohibit the ability of the proponent to develop an Alpine Ski Resort.

#### **3.2 Master Development Agreement**

The Master Development Agreement is an agreement between LWBC and the Developer that is issued under the authority of the *Ministry of Lands, Parks and Housing Act*. It sets out the terms and conditions governing the development of a Type 2 Alpine Ski Resort, including the rights to acquire MDA/OA Tenures and fee simple dispositions. The MDA also acts as a licence of occupation under the *Land Act* for purposes of the CRA.

The MDA is used where the Alpine Ski Resort includes Base Area development.

The standard term of a Master Development Agreement and the MDA/OA Tenures is 60 years. The MDA may be replaced at mid-term.

### **3.3 Operating Agreement**

The Operating Agreement is an agreement between LWBC and the Developer that is issued under the authority of the *Ministry of Lands, Parks and Housing Act*. It sets out the terms and conditions governing the development of either a Type 1 or Type 2 Alpine Ski Resort including the rights to acquire Tenures. The OA also acts as a licence of occupation under the *Land Act* for purposes of the CRA.

The OA is used where the Alpine Ski Resort does not include Base Area development.

The standard term of an Operating Agreement for a Type 1 Alpine Ski Resort and the MDA/OA Tenures is 30 years. The standard term of an Operating Agreement for a Type 2 Alpine Ski Resort and the MDA/OA Tenures is 60 years. The OA may be replaced at mid term.

### **3.4 MDA/OA Tenures and Fee Simple Dispositions**

#### **Licence of Occupation:**

A licence of occupation is used to authorize the use and occupation of Crown land for recreation activities or other activities incidental to the operation of an Alpine Ski Resort (e.g. mountain biking, horseback trail riding, skating rinks, etc.); recreation trails and minor improvements; and the right to construct improvements or access routes prior to the granting of a lease, right of way or fee simple grant.

A licence of occupation conveys fewer rights than a lease. It does not create a registered interest in land and does not normally require a legal survey (a legal survey may be required in situations where a specific boundary definition on the land is required to avoid adjoining land use/title conflict). A licence of occupation that is associated with a MDA or OA is part of the terms and conditions of these agreements.

A licence of occupation that is not associated with a MDA or OA is made available by direct application using the procedures described in Part One.

#### **Lease:**

A lease is used for Recreation Improvements (e.g. day use facilities, public parking areas, maintenance facilities, etc.) and golf course improvements, where the option to purchase the golf course lands is not exercised.

A lease creates a registered interest in the land and requires a legal survey. The lease document to be used is the form attached as a schedule to the MDA or OA.

A lease that is not associated with a MDA or OA is made available by direct application using the procedures described in Part One.

#### **Statutory Right of Way:**

A right of way is used for linear uses such as lift lines, snowmaking equipment, surfaced pathways, access routes and utilities.

A right of way creates an interest in the land and requires a legal survey. The right of way document to be used for Recreation Improvements is the form attached as a schedule to the MDA or OA.

Rights of way that are not associated with an MDA or OA are made available by direct application using the procedures described in Part One.

**Fee Simple Dispositions (Direct Sale):**

Fee simple dispositions are made on a phased basis (if necessary) for the real estate development associated with a Type 2 Alpine Ski Resort (residential subdivisions, hotels/motels, golf course lands, condominiums, and commercial retail facilities such as stores, bars and restaurants).

The amount of Crown land a Developer can purchase within the Base Area in each phase is determined from the quantity, quality and type of recreation infrastructure constructed in the CRA. Comfortable carrying capacities (using the Skiers At One Time "SOAT" formula – refer to the All Seasons Resort Development Guidelines), are determined for the ski area, which then determines the amount of overnight accommodation (expressed in "bed units") that can be built in the base Area. All of this information is to be set out in the Resort Master Plan and MDA.

## **4 PRICING POLICY**

### **4.1 Administrative Fees**

*The administrative fees payable to LWBC for processing dispositions are set out in the fee schedules contained in the Crown Land Application Fee Structure.*

**Type 1 Alpine Ski Resorts:**

For Type 1 Alpine Ski Resorts, a fee of \$1,000 is payable for each request of a disposition under the *Ministry of Lands, Parks and Housing Act*. A disposition for this purpose means an Operating Agreement. The fee is payable at the time the request for disposition is made.

**Type 2 Alpine Ski Resorts:**

For Type 2 Alpine Ski Resorts, a fee based on \$50 for each hour of staff time (\$25 minimum fee) is payable for each request of a disposition under the *Ministry of Lands, Parks and Housing Act*. A disposition for this purpose means a MDA, OA and the Tenures and fee simple grants issued pursuant to those agreements.

The processing fees for Master Development and Operating Agreements are calculated and payable as follows:

- For tracking time and "actual costs" for these requests, the clock starts at the time a Formal Proposal has been received and stops at the time the MDA is offered.
- A \$10,000 deposit is required at the time a Formal Proposal is submitted (An Interim Agreement is issued that acknowledges payment towards administrative fees and confirms the procedures for future cost recovery payments towards Resort Master Plan review and MDA approval). Deposits from unsuccessful proponents are refunded.
- Completed draft Resort Master Plan submitted to LWBC. LWBC calculates actual cost to date and notifies proponent of the amount. A second deposit in the amount of \$15,000 is requested to cover the costs of Resort Master Plan review/approval, less unused amount from the first deposit if any.



- Final billing will be done at the time the MDA is offered or when the proposal is abandoned or disallowed based on the actual costs incurred to that date. Should the amount of deposits paid exceed these actual costs, then a credit will be provided to future accounts due or refunded in the case of an abandonment or disallowance.

The fees for MDA/OA Tenures and fee simple dispositions are calculated and payable as follows:

- For tracking time and "actual costs" for these requests, the clock starts at the time an application is received and stops at the time the tenure or fee simple grant is issued.
- A \$250 deposit is required with an application.
- When a tenure or fee simple grant is issued, LWBC notifies the Developer of the actual costs incurred and requests any balance owing or provides a credit in the case of an overpayment.

**Note:** The administrative fees and these related procedures are under review. These fees do not apply to alpine ski disposition proposals/applications which were being processed prior to June 1, 2003. For these situations the "old rules" apply (refer to Directive on Land and Water Application Fees, General Service Fees and Application Refund Policy).

## **4.2 Rents and Purchase Prices**

### **4.2.1 Rent for Recreation Improvements and Use of CRA**

Annual rent is payable for leases, licences of occupation, rights of way, Master Development Agreements, Operating Agreements and MDA/OA Tenures (except for rights of way for utilities issued under the Utilities Policy) based on 2% of the Developer's gross revenue (refer to Appendix 3 for a definition of Gross Revenue). Minimum rent of \$500 per tenure applies.

### **4.2.2 Rent for CR Activities Conducted by Independent Operators within a CRA**

Annual rent is payable for contracts issued by the Developer to independent operators authorized to conduct CR activities within the CRA based on 2% of the independent operator's revenue (refer to Appendix 3 for a definition of Independent Operator Revenue). In consideration that the Developer assumes the administration and over-all contract management with respect to an Independent Operator, no rent is payable where an Independent Operator's revenue is less than \$10,000 a year.

An independent operator who is also conducting CR activities outside the CRA must also acquire an extensive area tenure from LWBC under the Commercial Recreation Policy. Refer to the special procedures under the CR Policy regarding reconciliation of the different pricing provisions.

### **4.2.3 Rent for Golf Course Lands**

Annual rent is payable for MDA/OA Tenures based on 5% of the golf revenue (refer to Appendix 3 for a definition of Golf Revenue) or a base rent of \$10,000, whichever is the greater. A base rent is applied to encourage early construction of the golf course once tenure is issued and establishes a minimum rent payable prior to full operation.

#### **4.2.4 Purchase Price for Base Area Lands (except golf course lands)**

The purchase price for Base Area land will be:

- for years 1 to 10, the greater of \$12,355 per ha (\$5,000 per acre) or the appraised land value based on un-serviced land, plus the value of any remaining Merchantable Timber at the time of sale;
- for years 11 to 15, the greater of \$12,355 per ha (\$5,000 per acre) or 5 percent of the appraised land value based on its intended use as fully serviced land, plus the value of any remaining Merchantable Timber at the time of sale;
- for years 16 to 20, the greater of \$12,355 per ha (\$5,000 per acre) or 10 percent of the appraised land value based on its intended use as fully serviced land, plus the value of any remaining Merchantable Timber at the time of sale;

The minimum purchase price for any parcel of land during the above periods is \$10,000. The land value is determined and fixed at years 1, 11 and 16.

#### **4.2.5 Purchase Price for Golf Course Lands**

The purchase price for golf course lands will be:

- for years 1 to 10, the greater of \$12,355 per ha (\$5,000 per acre) or the appraised land value based on un-serviced land, plus the value of any remaining Merchantable Timber at the time of sale;
- for years 11 and each successive 5-year period thereafter, the appraised land value based on its intended use as fully serviced land, plus the value of any remaining Merchantable Timber at the time of sale.

### **5 ANNUAL REPORT AND AUDIT**

Detailed statements of Gross Revenue, Independent Operator Revenue and Golf Revenue, together with other information (e.g. economic investment and job data, skier visits that may reasonably be requested from time to time) are required to be submitted with the annual rent payments. These statements are to be prepared by management with assurance obtained from a qualified accountant to a review engagement level.

Upon reasonable notice, LWBC may, at its expense, require an independent audit of the books and records of the Developer as they pertain to Gross Revenue, Golf Revenue and Independent Operator Revenue.

The Developer will be responsible for the cost of the audit if:

- LWBC requires the audit because the Developer failed to provide statements of revenue when required, or;
- The audit reveals that the Developer understated the revenues by greater than 5% of the rent that should have been paid.

### **6 ALLOCATION PROCESSES**

The proposal process outlined in section 8.2 of Part One of this policy is used in allocating Crown land for new or major expansions of Alpine Ski Resorts.

### **7 CONSTRUCTION IN THE CONTROLLED RECREATION AREA**

The Developer can construct improvements in the CRA if they are stipulated in the Resort Master Plan and phasing schedule and it has delivered to LWBC:

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- a financial plan, if required;
- applications for Tenures or fee simple grants;
- performance and/or security deposits;
- a certificate of insurance;
- a construction and completion schedule and;
- any other information that may reasonably be required (e.g. re-zoning approval).

Tenures will be issued within 30 days of complying with the above conditions, payment of any administrative fees, completion of legal surveys and satisfying any other permitted conditions precedent that are contained in LWBC's offer letter.

## **8 BASE AREA DEVELOPMENT**

The Developer can purchase Crown land in phases, in accordance with the terms of the MDA and Resort Master Plan after delivery of the following to LWBC:

- applications for fee simple grants;
- evidence that all improvements in corresponding mountain phases are substantially complete or a performance deposit has been made;
- a proposed preliminary scheme of subdivision;
- a description of the proposed uses and maximum number of bed units and;
- a description of and preliminary site plan for all services to be constructed.

Fee simple dispositions ("Crown Grants") will be issued within 60 days of complying with the above conditions, payment of the purchase price and any administrative fees, completion of legal surveys and satisfying any other permitted conditions precedent that are contained in LWBC's offer letter.

The Crown Grant of Base Area lands (except for golf course lands) will contain the following restrictive covenants:

- a covenant that limits the maximum number of bed units which may be utilized on the land;
- a covenant that states that no subdivisions of the lands can occur without the prior written approval of LWBC and;
- any other covenants as stipulated in the MDA.

The Crown Grant of golf course lands will contain a covenant that restricts the use of the lands to golf course purposes and uses associated with a golf course development.

## **9 COMMERCIAL RECREATION ACTIVITIES**

The Developer may, subject to the terms of the MDA or OA and Resort Master Plan, conduct CR activities within the CRA or enter into written contracts with independent operators to operate CR activities within the CRA. The pricing provisions under this policy apply to these activities.

An independent operator who is also conducting CR activities outside the CRA must also acquire a separate tenure from LWBC under the Commercial Recreation Policy for that area outside the CRA. Refer to the special procedures under the CR Policy regarding reconciliation of the different pricing provisions.

## **10 TENURE ADMINISTRATION**

Refer to section 9 under Part One – General Application for standard policies and procedures regarding tenure administration. The following additional provisions apply to CASP:

### **10.1 Insurance**

The minimum commercial general liability insurance coverage is \$1 million for Type 1 and \$10 million for Type 2 facilities.

### **10.2 Assignment and Sub-Tenuring**

A contract with an Independent Operator is not an assignment or sub-tenure that requires LWBC's consent.

### **10.3 Amendments**

A request by the Developer to amend a Resort Master Plan, Master Development Agreement or Operating Agreement is made in writing to LWBC. The request is to detail the type of amendment requested and the reasons for the amendment. LWBC will respond to the request within 30 days by giving details of the procedures to follow and any fees payable to process the amendment request.

**Appendix 1. Non-Alpine Ski ASR Policy Summary**

TENURE	TERM	VALUATION	PRICING
Investigative Permit	2 years	N/A	\$250 per year
Temporary Permit	2 years	N/A	\$250 per year
Licence of Occupation (General Commercial)	30 years	Upland is BCA or appraised market value.  Aquatic land is 50 to 100% of upland property value	Annual rent of 7.5% of land value  \$500/yr minimum
Licence of Occupation (Marinas)	30 years	Non-moorage foreshore and fill is appraised market value based on actual use.	Annual rent of 3.5% of potential gross income for the initial licence and 4% thereafter (moorage).  7.5% or 4.5% of land value (non-moorage).  \$500/yr minimum
Licence of Occupation (Commercial Recreation)	30 years	<b>Intensive use</b> Appraised market value or BCA Actual Land Value  <b>Extensive Use</b> Revenue sharing	<b>Intensive use</b> <ul style="list-style-type: none"> <li>▪ Primary (base) camps - 7.5% of land value or \$500, whichever is greater</li> <li>▪ Secondary (satellite) camps - 4.5% of land value or \$100 per site, which ever is greater.</li> </ul> <b>Plus Extensive Use</b> <ul style="list-style-type: none"> <li>▪ non-mechanized: \$1/client day</li> <li>▪ mechanized ski guiding: \$4/client day</li> <li>▪ other mechanized: \$6/client day</li> <li>▪ \$500 minimum rent in all cases*</li> </ul> <b>Plus Temporary camps</b> - \$100 per camp. <b>Plus Tenure Management Fee</b> non-mechanized: \$100/yr mechanized: \$1000/yr
Lease (General Commercial)	60 years	Upland is BCA or appraised market value.  Aquatic land is 50 to 100% of upland property value	Annual rent of 8% of land value  \$500/yr minimum
Lease (Golf Courses)	60 years	Revenue sharing	5% of revenue.  \$500/yr minimum
Lease (Agriculture-Intensive)	60 years	Appraised market value	5% of land value.  \$500/yr minimum.
Lease (Agriculture-Extensive)	60 years	Appraised market value	3% of land value.  \$500/yr minimum.
Lease (Marinas)	60 years	Non-moorage foreshore and fill is appraised market value based on actual use.	Annual rent of 3.5% of potential gross income for years 1-15 and 4% thereafter (moorage).  8% or 5% of land value (non-moorage).  \$500/yr minimum
MDAs and associated tenures	60 years	As per specific land use policies	As per specific land use policies
Fee Simple	Perpetuity	Appraised market value	Full market value plus value of remaining merchantable timber.  Land value to be fixed at 5-year intervals.

## Appendix 2. Commercial Alpine Ski Policy Summary

Tenure Purpose / Type	Term	Pricing
Type 1 & 2 Alpine Ski Resort ⇒ Interim Agreement ○ Investigative licence of occupation	Initial term of 2 years. Short-term renewals as required	\$10,000 prepaid for entire term (represents deposit towards administrative fees)
Type 1 Alpine Ski Resort ⇒ Operating Agreement ○ Licence of occupation ○ Lease ○ Right of way	Standard term of 30 years. Replacement at mid-term	Annual rents based on: ○ 2% of Gross Revenue (minimum of \$500 per tenure) ○ 2% of Independent Operator Revenue (where individual revenue exceeds \$10,000) ○ 5% of Golf Revenue (\$10,000 minimum)
Type 2 Alpine Ski Resort (without Base Area lands) ⇒ Operating Agreement ○ Licence of occupation ○ Lease ○ Right of way	Standard term of 60 years. Replacement at mid-term	Annual rents based on: ○ 2% of Gross Revenue (minimum of \$500 per tenure) ○ 2% of Independent Operator revenue (where individual revenue exceeds \$10,000) ○ 5% of Golf Revenue (\$10,000 minimum)
Type 2 Alpine Ski Resort (with Base Area lands) ⇒ Master Development Agreement ○ Licence of occupation ○ Lease ○ Right of way ○ Fee simple grants	Standard term of 60 years. Replacement at mid-term Fee simple grants issued in perpetuity.	Annual rents based on: ○ 2% of Gross Revenue (minimum of \$500 per tenure) ○ 2% of Independent Operator revenue (where individual revenue exceeds \$10,000) ○ 5% of Golf Revenue (\$10,000 minimum) <u>See below for the calculation of purchase prices.</u>
<p><u>For golf course lands:</u></p> <ul style="list-style-type: none"> <li>• years 1 to 10, the greater of \$12,355 per ha or appraised land value (ALV) based on un-serviced land</li> <li>• year 11 and each successive 5-year period thereafter, the ALV based on its intended use as fully serviced land.</li> </ul> <p><u>For other Base Area lands:</u></p> <ul style="list-style-type: none"> <li>• years 1 to 10, the greater of \$12,355 per ha or the ALV based on un-serviced land.</li> <li>• years 11 to 15, the greater of \$12,355 per ha or 5% of the ALV based on its intended use as fully serviced land.</li> <li>• years 16 to 20, the greater of \$12,355 per ha or 10% of the ALV based on its intended use as fully serviced land.</li> </ul> <p>The minimum purchase price for any parcel of land is \$10,000.                      The above purchase prices represent land value only. The value of any remaining Merchantable Timber on the land at the time of sale is added to these prices.</p>		

**Appendix 3. CASP Revenue Definitions**

Revenue Type	Includes	Does not Include
<p><u>Gross Revenue</u> – All consideration received by the Developer for:</p> <ul style="list-style-type: none"> <li>▪ rights to use or occupy any part of the Recreation Improvements or the CRA and;</li> <li>▪ Commercial Recreation activities.</li> </ul>	<ul style="list-style-type: none"> <li>⇒ Lift fees</li> <li>⇒ Trail pass fees</li> <li>⇒ Guided tour fees where a lift pass is not purchased</li> <li>⇒ Rent or revenue from facilities</li> </ul>	<ul style="list-style-type: none"> <li>⇒ Food, beverage and retail sales</li> <li>⇒ Fees from lessons and equipment rentals</li> <li>⇒ Rent or revenue from restaurant/cafeteria facilities, weddings, banquets or similar functions.</li> <li>⇒ Golf Revenue and Independent Operator Revenue</li> <li>⇒ Taxes</li> <li>⇒ Discounts or complimentary passes including those to employees and their families</li> </ul>
<p><u>Golf Revenue</u> – All consideration received by the Developer for rights to use or occupy or services provided on the Golf Course or on the Golf Course Land</p>	<ul style="list-style-type: none"> <li>⇒ Green/Practice fees</li> <li>⇒ Rent or revenue from facilities</li> </ul>	<ul style="list-style-type: none"> <li>⇒ Food, beverage and retail sales</li> <li>⇒ Fees from lessons and equipment rentals (including cart rentals)</li> <li>⇒ Rent or revenue from restaurant/cafeteria facilities, weddings, banquets or similar functions.</li> <li>⇒ Taxes</li> <li>⇒ Discounts or complimentary passes including those to employees and their families</li> </ul>
<p><u>Independent Operator Revenue</u> – All consideration received by the Independent Operator for activities and services in the CRA</p>	<ul style="list-style-type: none"> <li>⇒ Guided tour fees</li> <li>⇒ Fees from lessons and equipment rentals</li> </ul>	<ul style="list-style-type: none"> <li>⇒ Food, beverage and retail sales</li> <li>⇒ Consideration to the Developer which is included in Gross Revenue (e.g. lift fees)</li> <li>⇒ Taxes</li> </ul>