Major Proposed Changes from Land Administration By-Law # 365 to Lands Administration By-Law # 897

Policy Direction:

Nunavut Agreement

• In accordance with Section 14.3.1 of the NA, the Commissioner conveyed the fee simple estate of Municipal Lands within the built-up area of the municipality to the City of Iqaluit.

Cities, Towns & Villages Act 1988, c. C-8

• The CTV Act is a statute governing the extent of powers, duties, internal organization and structure of municipalities in Nunavut. Several policies have been considered in the context of the proposed Land Administrative By-law and are directly related to some of the proposed changes, including the newly proposed Ballot Draw Procedure.

GN Municipal Land Administration Policy

- The GN developed the Municipal Land Administration Policy to ensure the disposal of municipal lands happens in a manner that is fair and in the public interest, along with other objectives.
- The Policy contains provisions related to the following:
 - land application approvals process;
 - requirements for advertising land for disposal;
 - terms and conditions for land disposal;
 - pricing of municipal lands;
 - off-site levies;
 - land development fund;
 - private sector development of municipal lands; and
 - quarry and land use management.

Benefits/Outcome

In summary, the overall benefits of the Land Administration By-Law #897 include:

- A By-Law that is user friendly and simplifies the land administration, providing more clarity land acquisition, land disposal, the development of municipal land and leasing agreements.
- A By-Law that adds provisions and terms in which conform to the regulations of legislative frameworks in place and better reflect the current administrative procedures for the acquisition and disposition of land.
- A By-Law that allows the City to fully recapture development costs, maximize returns on land development and regulate the private sector development of Municipal Lands.

The following provides a brief analysis of the major changes and potential outcomes from the Land Administration By-Law ##897:

A. The move to the 99 year lease (Section 37)

Staff have proposed that the term for all leases, excluding temporary leases, shall generally be 99 years. The previous lease term of 30 was deemed unsustainable, as constant renewals triggered by lease term expiry or for mortgaging requirements created unwanted administrative burdens. As such, the move to the 99 year lease will significantly reduce land administrative burdens in the long-term.

B. Pricing of Land (Sections 51 -54)

These sections have been completely revised to add provisions that give the City the authority to price all land according to market value, as well as the option to reduce price below market value if deemed necessary and under unique circumstances. At Council's discretion of course, the City may use development cost, replacement cost, assessed value or other methods so that old and new parcels can based on market value. All corresponding sections were reviewed to ensure consistency in approach.

In conversations with CGS, it was determined that the City should be allowed to make a profit on land development since the title to municipal lands was given to the City under the Nunavut Agreement.

C. Equity Leases (Section 67)

Staff have concerns over the amount of time that would be provided for the lessee to rebuild or repair an abandoned or damaged property under a 36 month period. It is staff's opinion that the City should be able start apply pressure on the Lessee starting at 24 months. An equity lease clause currently allows Council to terminate the lease if the improvements on a lot are demolished, extensively damaged or destroyed and the lessee does to repair, rebuild or replace the improvements within 24 months of the date of abandonment, damage, demolition or construction.

D. Extensions or Renewals of Leases (Section 78)

Staff have added provisions to this Extension and Renewal of Leases to identify the criteria that the City shall use for considering extensions to/renewals of existing leases. Language has been modified in this Section to reflect the move to a 99-year lease.

E. Transfers of Lease/Mortgage Consent (81-85)

Staff have revised the provisions of this section to allow the transfer of existing standard leases at the discretion of Council where a standard lease remains the most appropriate means to lease land. Provision 82 establishes the conditions upon which the City may consent to a transfer of lease. This was revised to clarify what constitutes substantial completion for residential and other development.

Staff has indicated that the language used is based on current practice for determining adequate completion. However, language has been changed to be more specific about what constitutes substantial completion. Further, regarding the differentiation of uses, non-residential developments are typically larger and involve more site works and are often public buildings where a higher level of completion is desired before a transfer occurs.

F. Ballot Draw Definitions & Procedures (Appendix E)

The City intends to apply affirmative action principles to Inuit in their ballot draw procedures to provide better opportunity to the Inuit. The City also intends to limit eligible applicants to those that are 2 years+ residents in all categories in order to avoid speculative land practices.

Applicant categories have been simplified to just 2 categories:

- Category #1 Inuit, an eligible applicant that is enrolled on the Nunavut Inuit Enrolment List, and a resident of Iqaluit for at least 2 years.
- Category #2 All other eligible applicants that have been a resident of Iqaluit for at least 2 years.

The Procedures have been revised to create a two-stage ballot draw system to apply affirmative action principles by providing an advantage to Inuit applicants:

- Stage 1 Ballot Draw for Category #1 applicants only. This category would have a set number of lots in the draw expressed as a percentage of the total (eg. 30% of 30 lots = 9 lots).
- Stage 2 Ballot Draw:
 - o The remaining lots available after Stage 1 would be part of a Stage 2 Draw.
 - Each Category 1 applicant or proxy that is present, and who did not successfully obtain a lot in the Stage 1 Ballot Draw, will receive 3 ballots each.
 - o Each Category 2 applicant or proxy that is present, will receive 1 ballot each.

It should be noted that any changes to Appendix E shall require a resolution of Council.