



Land Use Operational Policy Community and Institutional Land Use

NAME OF LAND POLICY:	Community and Institutional Land Use
APPLICATION:	<p>This policy applies to publically oriented Crown land use by community groups and local governments for the purpose of providing a beneficial community service through:</p> <ul style="list-style-type: none">• Sponsored Crown Grants• Nominal Rent Tenures and
ISSUANCE:	Assistant Deputy Minister, Rural Development, Lands and Innovation
IMPLEMENTATION:	Ministry of Forests, Lands, Natural Resource Operations and Rural Development
REFERENCES:	<p><i>Land Act</i> (Ch. 245, R.S.B.C., 1996) <i>School Act</i> (Ch. 412, R.S.B.C., 1996) <i>Assessment Act</i> (Ch 20, R.S.B.C., 1996) <i>Societies Act</i> (S.B.C., 2015, c.18, s.252) <i>Taxation (Rural Area) Act</i> (Ch. 448, R.S.B.C., 1996) <i>Cremation, Internment and Funeral Services Act</i> (S.B.C., 2004, c.35) <i>Forest Act</i> (Ch. 157, R.S.B.C., 1996) <i>Local Government Act</i> (R.S.B.C., 2015, c.1) <i>Federal Income Tax Act</i> (R.S.C. 1985, c. 1 (5th Supp.))</p>
RELATIONSHIP TO PREVIOUS LAND POLICY:	This policy replaces the previous Community and Institutional policy dated May 15, 2013.

Dave Peterson, ADM
Rural Development, Lands and Innovation
Ministry of Forests, Lands, Natural Resource
Operations and Rural Development

January 21, 2019

Date:

**APPROVED
AMENDMENTS:**

Effective Date	Briefing Note /Approval	Summary of Changes:
June 17, 2022	BN 270324	Moved general information regarding insurance and financial securities to the Insurance and Financial Securities Procedure.

Table of Contents

1.	POLICY APPLICATION	1
2.	PRINCIPLES AND GOALS	1
3.	DEFINITIONS AND ABBREVIATIONS	1
4.	ELIGIBILITY	1
4.1	Organizations Eligible for Sponsored Crown Grants (SCGs)	1
4.2	Organizations Eligible for Nominal Rent Tenures (NRT)	2
4.3	Eligibility Guidelines	2
5.	FORM OF LAND ALLOCATION	3
5.1	Tenure Restrictions for Some Land Uses	3
5.2	Licence of Occupation	3
5.3	Lease	4
5.4	Statutory Right of Way	4
5.5	Crown Grants	4
6.	PRICING AND VALUATION POLICY	4
6.1	Public Wharves	4
7.	ALLOCATION PROCESSES	4
7.1	Ministry Sponsorship	5
7.2	Pre-Application Valuation	6
7.3	Applications	6
7.3.1	Application Package	6
7.3.2	Aboriginal Interests Consideration	6
7.3.3	Decision/Report	6
7.3.4	Dispute Resolution	7
7.4	Issuing Documents	7
7.4.1	Restrictions on SCGs	7
7.4.2	Restrictions on NRTs	8
7.4.3	Environmental Tenure Provisions and Schedules	8
8.	TENURE ADMINISTRATION	8
8.1	Security/Financial Guarantee	8
8.2	Assignment and Sub-Tenuring	8
8.3	Tenure Replacement	8
8.4	Timber Administration	8
8.5	Communication and Publicity	8
9.	VARIANCE	9
	APPENDIX 1. COMMUNITY/INSTITUTIONAL POLICY SUMMARY	10
	APPENDIX 2: EXAMPLES MULTI PARTY, MULTI USE NOMINAL RENT TENURES	11
	APPENDIX 3: PROCESS SUMMARY	12
	APPENDIX 4: PUBLIC WHARVES WITHIN THE NRT PROGRAM	14

1. POLICY APPLICATION

This policy applies to community or institutional use and disposition of Crown land for health, education, public safety, community infrastructure, and public facilities that benefit the public-at-large. This includes the disposition of:

1. **Nominal Rent Tenures** - Crown land tenures charged less than fair market rent (e.g. \$1 for the term).
2. **Sponsored Crown grants** - fee simple Crown land provided at less than Fair Market Value (e.g. no cost for land only).
3. Management and **replacement** of existing tenures at less than fair market rent issued under previous policies.

Some Crown land use policies, such as Aggregates and Quarry Materials, and Communication Sites, contain additional policies or requirements related to community and institutional use that need to be adhered to.

2. PRINCIPLES AND GOALS

For information on Crown land allocation principles see [Crown Land Allocation Principles](#).

The Community and Institutional Land Use Policy serves to support the community, social and economic goals of the Province of British Columbia by making parcels of Crown land available for community and institutional uses.

All financial transactions will be managed in accordance with generally accepted accounting principles. Government will be accountable for in-kind contributions to community and institutional initiatives. When Crown land is provided for less than Fair Market Value, government is accountable for the residual value of the land or tenure and the alignment of the proposed use with government objectives.

Sponsored Crown Grants are only available to specific types of organizations as outlined in section 51 of the *Land Act*, and further detailed in section 4.1 of this policy. Nominal Rent Tenures are available for eligible organizations as listed in section 4.2.

3. DEFINITIONS AND ABBREVIATIONS

For a glossary of definitions and abbreviations see [Glossary and Abbreviations](#).

4. ELIGIBILITY

4.1 Organizations Eligible for Sponsored Crown Grants (SCGs)

Pursuant to section 51 of the *Land Act*:

To be eligible for a SCG, an applicant must be:

- a government corporation, municipality, regional district, health authority, university, college, school board, other government related body; a
- a francophone education authority as defined in the School Act;
- the South Coast BC Transportation Authority (Translink) or subsidiaries; or
- the Sechelt Indian Government District

4.2 Organizations Eligible for Nominal Rent Tenures (NRT)

In keeping with the intent of section 51 of the *Land Act* and recognizing the variability of organizations that wish to provide community services, to be eligible for a Nominal Rent Tenure an applicant should be a:

- public sector organization;
- local government;
- First Nation - Indian band, band corporation or tribal council; or
- Community Organization.

To qualify for a NRT, a Community Organization should be open to the entire community or provide a benefit to the entire community. Examples of eligible non-profit societies include: Historical, museum and arts societies, local indoor and outdoor recreation organizations, community organizations, volunteer societies, airport societies, youth and senior service organizations.

Religious organizations are not eligible for new NRTs and will be referred to appropriate Crown land use policy for other opportunities regarding land tenure or sales. Seasonal camps operated by religious organizations will be eligible for renewal of existing NRTs.

Recreation societies may be eligible as Community Organizations under this policy. Organizations applying for an All Seasons Resort, as defined in the All Seasons Resort Policy, are not eligible for a nominal rent tenure under the Community and Institutional Policy. All Seasons Resort applications are processed under the All Seasons Resort Policy only.

4.3 Eligibility Guidelines

- a) SCGs and NRTs are intended for institutional uses that benefit the public or community uses that help eligible organizations to provide valuable community services.
- b) SCGs are to be issued as Conditional Fee Simple transactions (PRHC exempted). If a SCG is to be issued as a Determinable Fee Simple transaction, a policy variance is required.
- c) SCGs for the Provincial Rental Housing Corporation (PRHC) are to be issued as fee simple transactions.
- d) A NRT to a First Nation must be for off-reserve Crown land and must be required to serve the community living on-reserve
- e) SCGs and NRTs are only available for land purposes that cannot be effectively fulfilled using the existing land holdings of the applicant.
- f) The entire parcel applied for under this policy must be necessary for the public use(s) specified in the application. Where two or more applicants wish to operate a single or multipurpose entity, the application will list both applicants and all purposes. See Appendix 2 for further discussion and examples.

- g) Public wharves that charge fees or rents may be eligible under the NRT program (See Appendix 4)

Land uses that, in the opinion of the Province, compete directly with private-sector businesses may not be eligible. For example, an application from a yacht club to establish a marina that would compete with an existing private marina in the area would most likely not be accepted nor recommended for approval for a SCG or NRT. Similarly, a municipal golf course that competes with private golf courses would most likely not be accepted nor recommended for approval.

The community must be considered when deciding whether the proposed use will compete with private sector operations or provide a unique service.

5. FORM OF LAND ALLOCATION

For standard policy information on forms of allocation see [Form of Crown Land Allocation](#).

For organizations eligible for Sponsored Crown Grants or Nominal Rent Tenures, the Province will encourage applications for Nominal Rent Tenures. If an organization wishes to pursue a Sponsored Crown Grant, a (nominal rent) tenure may also be offered as an interim step while a Crown Grant application is being considered.

5.1 Tenure Restrictions for Some Land Uses

Nominal Rent Tenures may be obtained by an applicant in the period leading to a Crown Grant, to begin development work on site. At such time that a Crown Grant is issued, all improvements on site will be included in the calculations of property transfer tax and the Crown Grant holder will be charged accordingly. For more information on Property Transfer Tax please see the Ministry of Finance website:

http://www.rev.gov.bc.ca/individuals/Property_Taxes/Property_Transfer_Tax/ptt.htm

The form of tenure is restricted for the following land uses:

- **Cemeteries:** Disposition under this policy is by SCG only. Only applications from public sector agencies, local governments will be accepted.

Note: For local not for profit, community groups wishing to manage their historic, community, rural cemetery a lease is available for nominal rent. Consumer Protection BC issues Certificates of Public Interest if the cemetery is intended for use.

- **Waste disposal sites:** Dispositions to local government are preferably by SCG, with a restrictive covenant limiting the use to waste disposal purposes.
- **Waste collection sites:** Lease or licence tenure is preferred.

Refer to Appendix 1 for a summary of the forms and terms of Crown land allocation available for community and institutional uses.

5.2 Licence of Occupation

For NRTs under a Concessionary Value of \$1,000,000 or for a short term of less than 10 years, a licence of occupation will be the tenure offered.

5.3 Lease

The maximum term for a lease is 30 years.

A lease is the normal form of tenure used to allocate Crown land to Community Organizations for projects that are expected to require the ongoing, long-term use of Crown land.

5.4 Statutory Right of Way

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

5.5 Crown Grants

SCGs are only available to local governments and public sector organizations as listed in section 4.1.

Organizations, eligible for a Sponsored Crown grant, may be issued a Nominal Rent Tenure initially and will continue to proceed through the Crown Grant process where a longer term tenure does not adequately meet their needs. Where improvements, including the removal of merchantable timber, are required in order to carry out the intended public purpose, the Authorizing Agency will enable this through the issuance of a tenure followed by conversion of this tenure to a SCG where needed, when improvements are completed.

Referrals at the application stage will have to clearly identify that the applicant intends to proceed to a fee simple disposition and that referral responses are to reflect the intended Crown Grant. The tenure provisions may include stumpage charges for timber removal. Conversion arrangements should be clearly outlined in the relevant Order in Council, Cabinet Decision Note and/or briefing materials.

SCGs are issued as Conditional Fee Simple transactions. Determinable Fee Simple transactions require a policy variance. SCGs to the Provincial Rental Housing Corporation are issued as fee simple transactions without restrictive covenants with the exception of statutory rights of way and easements required by a local government or the Province.

6. PRICING AND VALUATION POLICY

For information on SCG and NRT pricing see the [Pricing Policy](#).

For information on application and service fees see the [Crown Land Fees Procedure](#).

6.1 Public Wharves

See Appendix 4 for special procedures for public wharfs

7. ALLOCATION PROCESSES

Processes for SCGs and NRTs are summarized in a STEP by STEP process in Appendix 3.

SCGs and sponsored NRTs require two decisions, one of financial sponsorship made by the Sponsoring Ministry(s) based on Cabinet approved [criteria](#) and the second by the Authorizing Agency based on the [Crown Land Allocation Principles](#) which guide Crown land allocation decisions.

For detailed standard information on allocation processes see [Allocation Procedures - Applications](#).

Additional or special requirements for Community Institutional allocations are:

7.1 Ministry Sponsorship

Ministry sponsorship is required for:

- all SCGs regardless of the fair market value of the land;
- NRTs for a term of 30 years or more which have a fair market land value greater than \$100,000;
- NRTs where the rent that would normally be paid for the lease or licence of occupation is \$100,000 or more for the term of the tenure (the “concessionary value”); or
- NRTs that are considered by government to be controversial or have significant issues associated with them.

Sponsorship is not required for:

- NRTs for a term of one year or less;
- NRTs where the fair market value of the land is less than \$100,000; or,
- NRTs with a “concessionary value” of less than \$100,000.

Projects of public sector organizations that have already been approved through the capital planning process of a government ministry do not require sponsorship. Contact the appropriate ministry for more information.

In cases where sponsorship is required, a letter requesting sponsorship is required at the time of application. If more than one purpose is listed on the application form and the purposes would require sponsorship from more than one ministry, sponsorship letters are required from all sponsors prior to application acceptance (See Appendix 4 – Process Summary).

The applicant(s) is required to provide the necessary information on the proposed project, including at minimum:

- the location and legal description of the property
- the proposed purpose(s) or use planned for the land
- the proposed length of tenure term
- details on how the proposed project meets the Province’s standard selection criteria.

The sponsor ministry(s) will then:

- confirm that the application meets the sponsor’s criteria;
- make a decision to sponsor or not to sponsor the application; and

- work with the Authorizing Agency to confirm the Fair Market or Concessionary Value of the potential SCG or NRT.

If the applicant does not obtain ministry sponsorship, the applicant may apply for a tenure or sale at Fair Market Value under the appropriate Crown land use policy.

7.2 Pre-Application Valuation

The Authorizing Agency will determine and provide the following information to the sponsoring ministry:

- The Fair Market Value of the land;
- The value of any associated Book Costs (note these costs are subject to change and will be finalized prior to issuance of the SCG or NRT);
- The Concessionary Value of a NRT (if applicable).

The [Pricing Policy](#) provides guidelines for calculating the Fair Market Value and Concessionary Value of SCGs and NRTs.

7.3 Applications

7.3.1 Application Package

In cases where sponsorship is required, a letter requesting sponsorship is a required part of a complete application package. If more than one purpose is listed on the application form and the purposes would require sponsorship from more than one ministry, sponsorship letters are required from all sponsors prior to application acceptance.

All applications, for which the end-use requires construction of improvements, must be accompanied by a Development Plan.

Applicants must justify the Crown land requirement in relation to their other land holdings. Applications must include a letter from the council, board, or authorized spokesperson to confirm that the applicant cannot effectively utilize existing land holdings for the intended public use.

Applications will include a written explanation of why all of the land applied for under this policy is required for the intended public use.

7.3.2 Aboriginal Interests Consideration

The Authorizing Agency is not responsible for the financial obligations associated with any First Nation accommodation resulting from a SCG or NRT. The sponsoring ministry or applicant is responsible for these obligations. In addition the costs related to FN accommodation cannot be booked against the SCG/NRT budget allocations in the Crown Land Account.

7.3.3 Decision/Report

a) NRTs that do not require ministry sponsorship

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

b) Sponsored Crown Grants and Cabinet Approved NRTs

Cabinet determines whether sponsored CGs are approved regardless of value as described in *Land Act* section 51(1).

Cabinet determines whether NRT applications over \$1,000,000 in concessionary value are approved.

Ministry sponsorship is still required for NRTs with a concessionary value over a \$100,000 but Cabinet must also approve those over \$1,000,000.

For NRTs over \$1,000,000 if a sponsored application is approved by the sponsoring Ministry(s), the Authorizing Agency prepares a Cabinet Decision Note supporting the application and an Order in Council Package (if the application is for a SCG). The Cabinet Decision Note / OIC package is submitted to Cabinet Operations.

At such time that Cabinet approves the tenure or Crown grant, Cabinet Operations informs FLNR, who informs the Authorizing Agency.

The Authorizing Agency will then provide written notification of the decision to the applicant and Sponsoring Ministry within 14 calendar days of receiving formal notification of the decision of Cabinet.

7.3.4 Dispute Resolution

If the adjudication process identifies significant issues or conflicts, the Authorizing Agency will advise the applicant, the Sponsoring Ministry and other affected ministries. Issues that cannot be resolved by the Authorizing Agency and the Sponsoring Ministry may be taken to the appropriate Deputy Ministers committee for resolution. The Authorizing Agency or the Sponsoring Ministry may initiate this process.

7.4 Issuing Documents

In cases where a decision of Cabinet is required, no offer or announcement will be made until the Order in Council or Decision Note has been signed.

The Authorizing Agency will provide offer documents to the applicant within 14 calendar days of receiving formal notification of the decision of Cabinet. In cases of a Crown Grant, the Authorizing Agency forwards the package to the Crown Grant Unit and they, in concert with the Land Title Survey Authority (LTSA), issue the title certificate.

For NRTs, the Authorizing Agency completes the document process and issues the tenure to the applicant.

In issuing documents the Authorizing Agency will have fulfilled the joint communication requests set out in section 8.5.

7.4.1 Restrictions on SCGs

For all SCG dispositions, land use is limited to a specified public purpose. Compliance is assured by placing a reversionary clause within the Crown grant and use of restrictive covenants. Most SCGs are offered as a Conditional Fee Simple disposition. If the land is no longer used for the purpose intended the Province can request that the land is returned to the Crown.

In some cases the SCG is through a Determinable Fee Simple disposition. If the land is not used for the purpose intended the land reverts automatically the Province. If the

holder of an existing SCG wants to use the land for purposes that require the removal of covenants, the holder may apply to purchase the land at Fair Market Value.

7.4.2 Restrictions on NRTs

When a lease, licence of occupation or statutory right of way is issued to a Community Organization, a special proviso is to be included in the tenure document, which specifies that upon dissolution of the organization, the tenure may be terminated at the option of the Crown.

7.4.3 Environmental Tenure Provisions and Schedules

Tenure terms and conditions may be selected from standard tenure document template provisions or in some cases they may be drafted to address specific issues identified through the processing of an application. For more details see the [Tenure Administration Procedure](#).

8. TENURE ADMINISTRATION

For standard tenure administration information see the [Tenure Administration Procedure](#).

Additional and special requirements for community and institutional allocations are:

8.1 Security/Financial Guarantee

See the [Insurance and Financial Securities Procedure](#).

8.2 Assignment and Sub-Tenuring

Assignment of a lease, licence of occupation or statutory right of way allocated under this policy or its predecessors is subject to the prior consent of the Province and the assignee's conformance with the eligibility requirements of this policy.

8.3 Tenure Replacement

Replacements can occur at the time of tenure expiry or, in some cases, tenure holders may apply for a tenure replacement at any time following the mid-term of the tenure.

8.4 Timber Administration

Timber removal that is required to accommodate the intended public purpose for which a SCG is to be issued, may be completed within the term of the interim lease or licence of occupation.

When a SCG is made for land containing merchantable timber:

- a reservation may be placed in the grant requiring the grantee (or successors) to pay for any timber removed; or
- the assessed value of the timber may be charged at the time the grant is issued.

8.5 Communication and Publicity

The Authorizing Agency is responsible to coordinate a communications strategy with the sponsoring ministry and Public Affairs Bureau (via communication staff). A joint agency press release is optional for an NRT, at the discretion of the Authorizing Agency.

9. VARIANCE

Variances to this policy must be completed in accordance with the [Policy Variance Procedure](#).

Major variances include but are not limited to issuing SCGs as Determinable Fee Simple dispositions rather than conditional.

Appendix 1. Community/Institutional Policy Summary

TENURE	ELIGIBILITY	TERM	METHOD OF DISPOSITION
Licence of Occupation NRT	Public Sector Organization, Local Government, First Nation or Community Organization	0 -10 years or 30 years Term dependent on use and valuation (may be issued for less than 10 years)	Application (letter of request sponsorship may be required for NRT)
Lease NRT	Public Sector Organization, Local Government , First Nation or Community Organization	30 years	Application (letter of request for sponsorship required for NRT)
Statutory Right of Way NRT	Public Sector Organization, Local Government , First Nation or Community Organization	30 years	Application (letter of request for sponsorship may be required for NRT)
Sponsored Crown Grant	Public Sector Organization, Local Government , Sechelt Indian Government District See section 5.1	Conditional (as long as the land is used for the specified public purpose outlined in the Crown Grant)	Application with a letter of request for sponsorship
Sponsored Crown Grant for Provincial Rental Housing Corporation	Provincial Rental Housing Corporation	Perpetuity	Application with a letter of request for sponsorship

Appendix 2: Examples Multi party, Multi use Nominal Rent Tenures

Government recognizes that resource efficiencies can be achieved by allowing multiple parties to share tenure areas. Additionally, government wishes to provide opportunities for community organizations who may wish to collaborate on funding a single facility. Examples include:

1. Two parties, one purpose.

A municipal government and a college wish to share a recreation center building for recreation purposes.

2. One party, two purposes.

A municipal government wishes to construct in two adjacent areas; a municipal works yard and a separate fire hall.

3. Two parties, two purposes.

A municipal government and the Provincial Rental Housing Corporation wish to construct a building that will provide municipal services in one part and social housing in another part of the building.

Appendix 3: Process Summary

Note: Applicant can be one or more eligible parties.

- STEP 1**
- ▶ Applicant obtains and reviews the application guide, forms and information available from the website or the nearest regional office.
 - ▶ Front Counter BC meets with Applicant to discuss the changes to the program and the preferred tenuring process.
 - ▶ Applicant will be informed as to need of sponsorship.
 - ▶ The Authorizing Agency advises applicant on general eligibility and whether application requires a sponsor ministry.
 - ▶ If the NRT application does not require ministry sponsorship go to Step 3. The Authorizing Agency will process as per the standard application processing procedures.
- STEP 2**
- ▶ If the application requires ministry sponsorship, the applicant will provide an application, development plan, application fee, and a letter requesting sponsorship
 - ▶ The applicant provides the necessary information on the proposed project, including at minimum:
 - location and legal description of the property
 - proposed purpose or use planned for the land
 - proposed length of tenure term
 - the Authorizing Agency will forward all necessary information to sponsor ministry on behalf of the applicant

Note: all correspondence between the Authorizing Agency and Sponsoring Ministry must reference the Tantalus File No.
 - ▶ The Sponsoring Ministry will then:
 - review the application package and determine if it will sponsor the application and will notify the applicant and the Authorizing Agency of the decision
 - work with the Authorizing Agency to confirm the Concessionary Value of the application and if applicable the land value for those tenures proceeding to a sponsored Crown grant.
 - ▶ Once the applicant receives a letter of support from the Sponsoring Ministry, the applicant proceeds to Step 3.
 - ▶ If the applicant does not obtain ministry sponsorship, the applicant may apply to the Authorizing Agency for a standard tenure at market rent.
 - ▶ If the applicant does not obtain ministry sponsorship, the applicant and the authorizing agency are advised by the Sponsoring Ministry that the application is not supported at this time but, the applicant can re-apply at another time if applicable.
- STEP 3**
- ▶ The Authorizing Agency may request additional information that is required during the decision-making process. Timely responses will allow the process to advance.
- STEP 4a**
- Sponsorship NOT required:
- If the application did not require sponsorship, and the application is approved the applicant will receive a letter of offer.
- Written acceptance of the offer is required; upon receipt by the Authorizing Agency, a NRT for the approved specified purpose will be issued to the client

organization

Sponsorship required:

- STEP 4b** ▶ If sponsorship was required, and the NRT application is approved (a Cabinet decision is required for all NRTs with a concessionary value of a \$1,000,000 or more), the Authorizing Agency and the sponsor ministry will notify the applicant and provide a letter of offer.
- ▶ Written acceptance of the offer is required; upon receipt a NRT for the approved specified purpose will be issued to the client organization.
 - ▶ The Sponsoring Ministry and the Authorizing Agency may want to coordinate any public announcements with the client organization.
- STEP 5** ▶ If the Authorizing Agency and Sponsoring Ministry determined that the Applicant required a SCG, the Sponsoring Ministry works with the Authorizing Agency to determine the Fair Market Value of the potential Crown Grant and any associated book costs incurred by the Province.
- If the SCG application is approved by Cabinet the Authorizing Agency and the Sponsoring Ministry will notify the applicant of status
- ▶ The Authorizing Agency submits Crown Grant requisition to Crown Grant Unit who issues CG and sends to LTSA.
LTSA creates title and issues to Applicant, notifies CG Unit and Authorizing Agency, Sponsoring Ministry, etc.
 - ▶ The Sponsoring Ministry and the Authorizing Agency may want to coordinate any public announcements with the client organization.

Appendix 4: Public Wharves within the NRT Program

Public Wharves refers to wharves owned by local government or eligible community groups to provide non-commercial marine-based access to the public. This can include limited commercial operations.

A number of public wharves were divested as part of the federal government's Small Craft Harbours Program and are operated by local governments or non-profit organizations as Nominal Rent Tenures (NRT's).

NRT's are not intended to be commercial operations or to be associated with commercial operations. Where long term or permanent moorage is being provided, an applicant should apply for a marina tenure to ensure a level playing field with commercial marina operators in the area.

Temporary moorage and other marine access, however, is an acceptable use of an NRT for a public wharf facility as it provides a general benefit to the community. Fees charged for such services will not automatically trigger a requirement for a change in pricing to reflect the commercial nature of the use or a change to another tenure program.

Applications for an NRT for a public wharf must be accompanied by a management plan that states what the annual operating costs are estimated to be, broken down into maintenance and operation including staff salaries, and the estimated amount and source of revenue.

The amount of revenue permitted to be generated should not be greater than that required to maintain and operate the facility. In the case of organizations or local governments which maintain more than one wharf facility, the expenses and revenues for each facility should be considered separate from the others. This is consistent with other cost-recovery models used by government, i.e., the regulation for cost-recovery for forest recreation sites.

A notarized financial accounting listing sources of revenue and total revenue, as well as nature and amount of total expenses must be submitted annually, no later than 30 days after the anniversary date of the tenure.

The lessee must provide copies of all sublease agreements with commercial operators such as water taxis and float plane operators for approval on a case by case basis. These types of commercial service will be allowed only where they are vital to a community and cannot be reasonably provided at an alternative location.

Under the NRT program, no ancillary commercial uses such as restaurants, food concessions, ice plants, boat or other equipment rentals or sales are permitted on public wharves. Disposition of petroleum products from public wharves is a commercial operation.

Commercial operations on public wharves may be permitted, provided the tenure holder applies to amend the NRT to permit the requested type(s) of commercial operation. The tenure holder will then be charged \$500 or 5% of the gross revenue from the commercial enterprise whichever is greater.

As NRTs expire, they will be replaced under this new policy (and any subsequent amendments to the Community and Institutional Land Use Policy), and this may result in participatory rents where applicable.