



**Land Use Operational 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:	Assistant Deputy Minister, Integrated Resource Operations Division, Ministry of Forests, Lands, Natural Resource Operations and Rural Development
IMPLEMENTATION:	Ministry of Forests, Lands, Natural Resource Operations and Rural Development
REFERENCES:	Land Act (Ch. 245 R.S.B.C, 1996) Ministry of Lands, Parks and Housing Act (Ch. 307 R.S.B.C. 1996)
RELATIONSHIP TO PREVIOUS POLICY:	Updated All-Seasons Resort Policy (replaces previous versions dated July 6, 2005, September 23, 2009 and January 2, 2013, June 21, 2018)
POLICY AMENDMENT:	Any formal request for an amendment to this policy is to be directed in writing to the Assistant Deputy Minister, Integrated Resource Operations Division, Ministry of Forests, Lands, Natural Resource Operations and Rural Development.

Matt Austin
Assistant Deputy Minister
Integrated Resource Operations Division
Ministry of Forests, Lands, Natural Resource Operations and
Rural Development

March 28, 2019

Date

EFFECTIVE DATE: March 28, 2019
AMENDMENT NO: 20190328

FILE: All-Seasons Resort Policy

Approved Amendments		
Effective Date	Briefing Note / Approval	Summary of Changes
March 28, 2019		Minor amendment in Appendix 2 – All-Seasons Resort Revenue Definitions under the Revenue Type column, for Independent Operator Revenue, to remove ‘Fees from lessons and equipment rentals’ from the Includes column and add to the Does Not Include column.
June 21, 2018	FLNRORD 238789 and FLNRORD 230368	Adds one new All-Seasons Resort principle (re: climate change) and five new strategies, increases minimum investment for non-ski resort to come under All-Seasons Resort policy at \$10 million, recommends new resorts to create Wildfire Protection Plans, recommends new resorts to provide overview of forest health in and around proposed Controlled Recreation Areas, provides for commercial overnight accommodation under an Operating Agreement, clarifies the renewal terms for an Interim Agreement, reorganizes proposal process activities by stage, confirms the Province’s authority to make early Go/No Go decisions for new and expansion proposals, provides clarity on the Developer’s duty to public safety, establishes new formula for amount of general security held during duration of a Master Development Agreement, confirms provincial control of Recreational Improvements and ownership upon Master Development Agreement default, updates comprehensive general liability insurance requirements, provides authority to the Province to cancel an Master Development Agreement or Operating Agreement if required infrastructure not built to make resort operable, redefines Type 1 and Type 2 definitions to Community and Regional/Destination Resorts, provides clarity on royalty payment terms, allows for non-ski resorts to apply for an Operating Agreement, and changes the definition of minor amendment specific to an All-Seasons Resort.

Approved Amendments		
Effective Date	Briefing Note / Approval	Summary of Changes
December 7, 2012	FLNR 193834 and FLNR 191893	Extends period for less than market pricing for purchase of base lands to 60 years from date of Master Development Agreement, clarifies minimum required securities for Operating Agreements (\$10,000) and Master Development Agreements (\$50,000), and clarifies that renewals of Interim Agreements are at the absolute discretion of the Province.
March 11, 2011	MNRO DN 175787	Minor transitional amendment in 'Section 16.2.4: Purchase Price for Base Area Lands' that clarifies the current pricing policy for Developers who have earned the right to purchase Base Lands for Real Estate Development but have not done so.
February 25, 2009	MAL DN 162582 MAL DN 162403	<p>Additions of section on "Environmental Tenure Provisions and Insurance" and "Resort Timber Administration", minor update to insurance requirements.</p> <p>As well, updated pricing provisions, included Resort Timber Administration Act, and general reorganization into three parts.</p>
July 6, 2005		Incorporated the updated Commercial Alpine Ski Policy and various elements from the following land use policies: Commercial-General, Commercial Recreation; and Agriculture Extensive-Intensive

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ALL-SEASONS RESORT POLICIES AND PROCEDURES

1 POLICY APPLICATION

This policy applies to all types of ski hill developments as well as non-ski resorts which meet the definition of All-Seasons Resort under this policy. Any of these major resort development projects must lie partly or entirely on Crown upland or aquatic land (collectively referred to as “Crown land”).

This policy does not apply to non-ski resorts that do not meet the definition of All-Seasons Resort under this policy. Examples could include, but are not limited to:

- accommodation developments on provincial Crown land (e.g. hotel/motel, bed and breakfast accommodation);
- adventure tourism activities that are under other Crown land policy; and
- guided adventure tourism activities under other Crown land policy.

See the [Commercial - General](#) or the [Adventure Tourism/Commercial Recreation](#) policies for more information.

This policy is subject to the [Environmental Assessment Act](#) (see [Regulations for Environmental Assessment](#)).

The All-Seasons Resort Guidelines ([Chapters I, II](#) and [Addendum](#)) and [Best Management Practices](#) are intended to assist in the implementation of 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 standard Crown land operational 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 operational Crown land policies and procedures. Text in standard script is applicable to this policy only.

2 OPERATING GOALS, PRINCIPLES AND OBJECTIVES

2.1 Vision

The vision of the All-Seasons Resort Policy is to develop British Columbia as a world-class All-Seasons Resort destination.

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

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

The Strategic Policy for [Crown Land Allocation Principles](#) provides guidance to the authorizing agency that is involved in decisions related to the allocation of provincial Crown land. This guidance is incremental to obligations under law, recognizes the statutory authority of other levels of government and guides the development of strategic and operational policy.

In addition to the Crown Land Allocation Principles, principles specific to the All-Seasons Resort sector include:

2.2 Operating Principles

1. Sustainable land use that commits to environmental stewardship and consideration of climate change impacts.

2.3 Operating Goals

1. Maintain and enhance British Columbia's competitive edge in resort development and expansion.
2. Provide enhanced business certainty and security.
3. Promote new investment, economic generation and jobs.
4. Minimize conflict between competing land uses.
5. Promote sustainable land use that commits to social responsibility and environmental stewardship and the consideration of climate change impacts.
6. Promote Indigenous tourism/resort development opportunities.
7. Ensure an efficient and coordinated approval process with clear, well defined and timely decision making.
8. Meet changing market and business conditions in a competitive international marketplace.
9. Promote diversification and four season use.

2.4 Operating Objectives

1. Ensure inclusive inter-agency, public and stakeholder participation throughout the review process.
2. Coordinate provincial and local government review processes.
3. Meaningfully consult with First Nations throughout the review process.
4. Inform proponent planning through a phased resort review process.

5. Provide multiple opportunities throughout the phased review for the proponent and the Province not to proceed with the proposal.
6. Provide long-term and secure tenures to foster resort development.
7. Promote early resort development with structured Crown land pricing.
8. Focus commercial and residential development in the Base Area.
9. Ensure that phased resort development is consistent with the approved Resort Master Plan and compliant with the Master Development Agreement (MDA) or Operating Agreement (OA).
10. Ensure that all Recreation Improvements are built on lands tenured by the Crown.
11. Ensure that ownership and control of those Recreation Improvements and the lands on which they are built remain with the Crown in perpetuity.
12. Ensure that the development in the Base Area is balanced with the recreational capacity of the resort.
13. Ensure construction of Recreational Improvements precedes commercial and residential development.

3 DEFINITIONS

The following definitions apply generally throughout this policy.

All-Seasons Resort means either:

- a) a resort whose principle business is to provide alpine skiing/snowboarding through the use of lifts, in return for a user fee.
- b) a non-ski resort that provides for the development of multi-season recreational activities and facilities and the development of overnight accommodation as an essential associated land use and includes:
 - 1) public and/or private accommodation where there is a minimum of 100 commercial Bed Units (as defined in the Bed Unit definition); and
 - 2) new capital investment of not less than \$10 million in Recreation Improvement in association with a variety of resort types, including, but not limited to:
 - Marinas;
 - Agri-tourism;
 - Health and Wellness;
 - Recreational Vehicle (RV);
 - Cultural Heritage;
 - Golf; or
 - Adventure Parks.

If the resort development uses Crown upland and/or aquatic land in association with private land, then the entire area of the All-Seasons Resort is used in determining if the project meets the above criteria and thresholds.

Base Area means that part of the Development Area shown or defined as the Base Area in the Resort Master Plan, as amended and endorsed with the approval of the Province from time to time.

Bed Unit means public or private overnight accommodation for one person in the Base Area. The following number of Bed Units apply:

Single Family Unit	= 6 Bed Units
Condominium	= 4 Bed Units
Hotel Room	= 2 Bed Units
RV Pad (serviced)	= 2 Bed Units

Community Mountain Resort means an operation serving a community need for day-use skiing facilities. There is no option to purchase land within the Base Area consistent with an OA. There are no allotted Bed Units. It 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.

Controlled Recreation Area means the area of Crown land that encompasses the recreation infrastructure and activity areas, the Base Area and a reasonable buffer area that is directly related to the safe and orderly development of the All-Seasons Resort.

Developer means the holder of an MDA, OA or any other tenure that authorizes the development and operation of an All-Seasons Resort.

Development Area means the Crown land and the private land described as such in the MDA or OA.

Expression of Interest means a written statement of interest from a proponent or prospective applicant to Ministry of Forests, Lands, Natural Resource Operations, and Rural Development (FLNRORD) 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.

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

MDA/OA Tenure means a lease, right-of-way or licence issued pursuant to the terms of the MDA or an OA. MDA/OA tenures are issued from the contractual rights and obligations conveyed in the MDA or OA.

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

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

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

Recreation Improvement includes a lift, day use facility, recreation facility, maintenance facility, parking facility, trail, snowmaking equipment, surfaced pathways in the Development Area, and any other similar and related facilities and any support utility, service road or other similar works installed, which have been or are to be constructed by or for the Developer in the Development Area or Controlled Recreation Area as described in the Resort Master Plan, other than a utility and a golf course.

Regional and Destination Mountain Resort means an operation which services regional, provincial and/or international markets as well as the 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. There is the option to purchase land in the Base Area for residential and commercial accommodation, consistent with an MDA. An operation of this type is normally run by a private company for profit. Type of equipment, area, vertical drop, and trail acreage are variable.

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 an MDA, OA or other Crown land disposition tenured under this policy. For further details see the All-Seasons Resort Guidelines ([Chapters I, II](#) and [Addendum](#)).

4 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. Corporations also include registered partnerships, cooperatives, and non-profit societies which are formed under the relevant provincial statutes; or,*
- First Nations can apply through Band corporations or Indian Band and Tribal Councils. 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 Registry, First Nations must apply through either a band corporation or trustees. Band members can elect one or more trustees to hold tenure on behalf of the Band. Verification of election must be by way of a letter signed by the Chief and councillors 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 British Columbia).*

For more detailed standard policy information see [Eligibility and Restrictions](#).

5 ENVIRONMENTAL TENURE PROVISIONS AND INSURANCE

Tenure terms and conditions may be selected from standard tenure document template provisions or, at the discretion of the statutory decision maker, they may be drafted to address specific issues identified through the processing of an application.

The need for an environmental schedule or additional insurance requirements will be considered on a case by case basis when processing new or replacement tenures, or tenure assignments. Circumstances that may warrant an environmental schedule or additional insurance requirements may include sites where there is a known or high risk of contamination or environmental impacts due to current or past activities; or a high risk of contamination or environmental impacts occurring in the future as a result of the tenure holder's activities.

6 POLICY VARIANCE PROCEDURE

Major variances from this policy must be approved by the Assistant Deputy Minister, Integrated Resource Operations Division, Ministry of Forests, Lands, Natural Resource Operations and Rural Development (FLNRORD). Decisions on minor variances can be made by the statutory decision maker, in consultation with the Executive Director, Mountain Resorts Branch, FLNRORD. Refer to the [Policy Variance Procedure](#) for more information.

7 FORMS OF LAND ALLOCATION

Refer to Appendix 1 for a summary of the forms and terms of Crown land allocation available for All-Seasons Resorts. For more detailed standard policy information see [Form of Crown Land Allocation Policy](#).

The disposition of Crown land for the use, operation and development of an All-Seasons Resort is normally authorized by an MDA or OA. An interim agreement or a Temporary Licence may be 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, licence or right-of-of-way are issued for Recreational Improvements and direct sales (fee simple dispositions) are issued for Base Area lands that are not considered to be Recreational Improvements.

Use of Crown land for purposes other than those allowed under the All-Seasons Resort Policy may be authorized under the applicable Crown Land Policy. These dispositions will be in the form of a lease, licence, temporary licence or statutory right of way pursuant to the applicable Crown Land Policy and are typically issued for infrastructure not related to the resort, for example, a utility line servicing private lands, or a communication site servicing third party users.

7.1 Master Development and Operating Agreements and MDA/OA Tenures

7.1.1 Master Development Agreement

The MDA is an agreement between FLNRORD and the Developer that is issued under the authority of the [Land Act](#) and the [Ministry of Lands, Parks and Housing Act](#). It sets out the terms and conditions governing the development of an All-Seasons Resort, including the rights to acquire MDA Tenures and fee simple grants. The MDA also acts as a licence of occupation under the [Land Act](#) for the purposes of the Controlled Recreation Area.

An MDA is used for All-Seasons 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.

An MDA may also be used where privately owned Real Estate Development land is to be used as part of the All-Seasons Resort development and FLNRORD requires that the land be developed as part of the overall resort development project.

The standard term of an MDA and for any Master Development Agreement Tenures is 60 years. The MDA may be replaced at mid-term.

7.1.2 Operating Agreement

The OA is an agreement between FLNRORD and the Developer that is issued under the authority of the [Land Act](#) or the [Ministry of Lands, Parks and Housing Act](#). It sets out the terms and conditions governing the development of All-Seasons Resorts including the rights to acquire tenures. The OA also acts as a licence of occupation under the [Land Act](#) for the purposes of the Controlled Recreation Area.

The OA is used where the All-Seasons Resort does not include the sale of Crown land for Real Estate Development.

The standard term of the OA and for any OA tenures for a Community Mountain Resort is 30 years. The standard term for a Regional and Destination Mountain Resort authorized under an OA is 60 years. The OA may be replaced at mid-term.

7.1.2.1 Recreational Overnight Accommodation under an Operating Agreement

The Province may authorize light use, low impact, and overnight accommodation under the OA. As the OA does not allow for transfer of Crown land in fee simple, the Province may tenure recreational overnight accommodation as a lease or a licence of occupation issued under the OA. The ability to construct recreational overnight accommodation is subject to a Crown land application review process. The Province, in making its decision on an application for light use, low impact, and overnight accommodation will consider the following:

The recreational overnight accommodation is on a nightly basis to maximize revenue to the operation.

If the resort Developer wishes to purchase land for development, it must prepare a Resort Master Plan update outlining the proposed development plans. The update will undergo a Master Plan review process (note application fees for a Resort Master Plan approval in the [Fees Regulation](#)). If approved by FLNRORD, the resort will move to an MDA which would allow for the sale of Crown land for residential and commercial development.

7.1.3 Interim Agreement for Resort Master Plan

An interim agreement may be issued where a sole proponent has been identified and where a longer term is required to conduct investigative studies in the preparation and approval of a Resort Master Plan. 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 Resort Master Plan, seek the necessary approvals of that plan and if approved, negotiate an MDA or OA.

An interim agreement has an initial term of up to five years, and may be extended for an additional term of five years. If after ten years the interim agreement is still required, the Province may accept a replacement application for a new interim agreement for a term of up to five years. The fee for the replacement will be consistent with the [Fees Regulation](#) for a replacement application. The Province may extend the 2nd interim agreement for a further term of up to five years. This extension and replacement process may continue in this manner if the Province is satisfied that:

- The proponent has demonstrated due diligence and reasonable efforts to move the proposal forward; and
- No new information has emerged which would preclude further resort planning.

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 on the ability of the proponent to develop an All-Seasons Resort unless deemed necessary by the Province.

7.1.4 MDA/OA Tenures and Fee Simple Dispositions

MDA/OA Tenures and Fee Simple Dispositions are authorized pursuant to the All-Seasons Resorts Policy. The MDA or OA will provide language around issuance of these tenures for infrastructure related to the development and operation of a resort. The template forms of tenures are appended to the MDA or OA. The issuance of these tenures is tied to the approval of the Resort Master Plan.

7.1.4.1 MDA/OA 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 All-Seasons Resort; 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 registrable 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). The licence of occupation document to be used is the form attached as a schedule to the MDA or OA.

7.1.4.2 MDA/OA 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 registrable 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.

7.1.4.3 MDA/OA Statutory Right-of-Way

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

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

7.1.4.4 MDA Fee Simple Disposition

Fee simple dispositions are made on a phased basis for the Real Estate Development associated with a Regional and Destination Mountain 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 Improvement constructed in the Controlled Recreation Area. Comfortable carrying capacities (using the Skiers At One Time “SOAT” formula – refer to the All-Seasons Resort Guidelines ([Chapters I, II](#) and [Addendum](#))), 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.

FLNRORD may allow sale of certain Real Estate Development lands prior to the construction of the agreed Recreation Improvement development on the posting of a performance deposit in an amount as determined by FLNRORD. Refer to section 14 regarding performance deposits.

7.1.4.5 Recreational Improvements on Private Land

To ensure the future vitality of a Resort, where Recreation Improvements have been constructed on private lands, or where land is intended or eventually to be private, the Province will require that the land be transferred to the Province. The Developer could transfer ownership or control, as elected by FLNRORD, through:

1. Granting an option to purchase over private lands in favour of FLNRORD. This option is suitable for areas of land with multiple infrastructure crosses, or where infrastructure is not linear;
2. A land exchange with FLNRORD. This option is suitable for areas of land with multiple infrastructure crosses; or
3. Granting a right-of-way over the private lands in favour of FLNRORD, and FLNRORD would issue a licence of occupation back to the Developer. This option is suitable for linear infrastructure and requires survey.

7.2 Other Crown Land Program Tenures

See the [Land Policy: Form of Crown Land Allocation](#) for more information on the following forms of allocation.

7.2.1 Lease (*Land Act* Section 22-38)

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 land use and property conflicts. A legal survey will be required at the applicant's expense to define the tenure area.

The tenure holder has the right to modify the land and/or construct improvements as specified in the tenure document. The tenure holder is granted the right to exclusive use and enjoyment of the area. The tenure holder also 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. The lessee may, in accordance with Section 65 of the [Land Act](#) take legal action against trespassers to the lease area.

The standard term of a lease is 60 years. The lease may be replaced at mid-term.

Leases of area over 520 ha must be approved on behalf of the Minister by the Authorizing Agency.

A lease can be issued in a form that is registerable in the Land Title Registry. Registered leases for a term of 30 years or more may be considered to a fully taxable transfer of interest in property and may be subject to Property Transfer Tax in accordance with the Property Transfer Tax Act. For more details, see the Ministry of Finance information at <https://www2.gov.bc.ca/gov/content/taxes/property-taxes/property-transfer-tax>.

Where a lease is not registered in the Land Title Registry, Property Transfer Tax does not apply.

In most cases, a tenure holder may apply for a replacement tenure at any time following the mid-term of the lease. Replacement of tenures is at the authorizing agency's discretion. The authorizing agency may decline to replace a tenure, or may alter the terms and conditions of a replacement tenure if the existing tenure is not in good standing, if development contemplated in an approved management plan has not been completed, or where it is deemed to be in the public interest.

Where a replacement lease is for the same land, will result in a total duration of more than 30 years, and the replacement lease is registered in the Land Title Registry, the leases may be viewed as a single transaction and may be subject to Property Transfer Tax.

Where the term of the registered lease is less than 30 years or the total duration of all leases does not exceed 30 years, Property Transfer Tax exemption is available.

7.2.2 Licence of Occupation (Land Act Section 39)

A licence of occupation may be issued where minimal improvements are proposed, where there are potentially multiple users of a site (e.g. communication sites), where survey is not required or when the land is located in remote areas and legal survey costs required for lease or right-of-way are prohibitive, and where Government wishes to retain future options and management control over the use of the lands. 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 registrable interest, and does not require a survey.

The tenure holder may be given the right to modify the land and/or construct improvements as specified in the tenure document. The tenure holder may, in accordance with section 65 of the [Land Act](#), take legal actions against any unlawful acts by individuals interfering with the holder's right to use the land as authorized by the tenure (e.g. stealing personal property, damaging improvements). However, a licence of occupation does not confer a right to the exclusive use and occupancy of the land. A licence of occupation does not allow the tenure holder to curtail public access over the licence area except where it would impact the licencees' right to use the land as per the licence document (e.g. where improvements placed on the land may be locked or gated). Government may authorize overlapping and layering of tenures.

The maximum term for a licence of occupation varies according to the land use program. The maximum term provided within each land use policy is guidance to the

decision maker, who exercises the discretion to make the term shorter or longer giving consideration to the facts of a particular application. When considering the appropriate use, the proponent's basis for seeking long term security and the Province's interest in retaining the flexibility to review or change the tenure term.

In most cases, tenure holders may apply for a tenure replacement following the mid-term of the tenure. Replacement of tenures is at the authorizing agency's discretion. The authorizing agency may decline to replace a tenure, or may alter the terms and conditions of a replacement tenure, if the existing tenure is not in good standing, if development contemplated in an approved management plan has not been completed, or where it is deemed to be in the public interest.

7.2.3 Statutory Right-of-Way (Land Act Section 40)

A statutory right-of-way is normally used to authorize linear uses of Crown land for transportation, communication, energy production and utility developments (e.g. roads, power lines, cable telecommunications, or oil and gas pipelines). A legal survey will be required at the applicant's expense to define the tenured area.

A statutory right-of-way can be registered in the land title office. The tenure holder is granted legal right of passage over the land for a specific purpose. It generally does not confer the right to exclusive use and enjoyment of the area, but does provide the tenure holder with certainty respecting access to the land and use of the improvements. Exclusive use may be granted where required for safety reasons. The tenure holder may, in accordance with section 65 of the [Land Act](#), take legal action against individuals interfering with the holder's right to use the land as authorized by the tenure (e.g. stealing personal property, damaging improvements).

Statutory rights-of-way for major activities are normally issued for "so long as required." Shorter tenures may be issued where the use is of a shorter duration, as defined under a specific program policy.

7.2.4 Temporary Licence of Occupation (Temporary Licence) (Land Act Section 11)

A temporary licence grants the right to carry out specified activity(s) for a short term.

A temporary licence may be issued for temporary uses, where an applicant is better served by a short term, minor rights authorization than by a longer term tenure. A temporary licence does not grant exclusive use. 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 licence is two years. Temporary licences are not replaceable. The authorizing agency may decline to provide a subsequent tenure, or may alter the terms and conditions of a subsequent tenure if, for example, the existing

tenure is not in good standing, if development contemplated in an approved management plan has not been completed, or where it is deemed to be in the public interest.

7.2.5 Direct Sales

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

Real Estate Development lands will normally 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 resort properties (e.g. casino sites, health and wellness centres).

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

8 PRICING

For more detailed standard policy information see [Pricing Policy](#) and [Crown Land Fees Policy](#).

8.1 Administrative Fees

Application fees for tenures, and other administrative fees, are payable to the Province of BC. These fees are set out in the fee schedules contained in the [Crown land application fee structure](#) and [Miscellaneous fee structure](#).

8.2 Rents and Purchase Prices

Resorts which do not meet the minimum commercial Bed Units and minimum investment in recreational infrastructure are tenured according to the applicable Crown land policy (see definition of All-Seasons Resort in section 3). Tenures issued under a policy other than the All-Seasons Resort Policy are rented according to the applicable Crown land policy, i.e., Commercial General, Adventure Tourism, Utilities or Communication Sites.

8.2.1 Annual Royalty

Annual royalty is payable for leases, licences of occupation, statutory rights-of-way, MDAs, and OAs based on 2% of the Developer's gross revenue. A minimum rent of \$500 per MDA or OA applies.

Royalty payments are split into two payments. A 1% prepayment is made at the beginning of the Developer's fiscal year, and is based on the financial statements of the

previous fiscal year. The remainder of the 2% payment is made following the end of the Developer's fiscal year, is based on the ending fiscal year financial statements, and takes into account the 1% prepayment already made.

8.2.2 Royalty for Independent Operator Activities

Annual royalty is payable for all commercial activities including contracts issued by the Developer to Independent Operators authorized to conduct commercial recreation activities within the Controlled Recreation Area based on 2% of the Independent Operator's revenue. In consideration that the Developer assumes the administration of overall 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 conducting commercial recreation activities outside of the Controlled Recreation Area, needs to refer to the applicable Crown land policy for pricing provisions, i.e., Adventure Tourism Policy.

8.2.3 Royalty for Golf Course Lands

Annual royalty is payable for MDA or OA tenures based on 5% of the golf revenue or a base rent of \$10,000, whichever is 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.

8.2.4 Purchase Price for Base Area Lands under a Master Development Agreement (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 35, 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;
- for years 36 to 45, the greater of \$12,355 per ha (\$5,000 per acre) or 15 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 46 to 60, the greater of \$12,355 per ha (\$5,000 per acre) or 20 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;

And

where the Appraised Land Value is determined by an independent appraisal based on standard terms of reference, conducted and fixed at the beginning of years 1, 11 and then every 5 years of the MDA.

8.2.5 Purchase Price for Golf Course Lands under a Master Development Agreement

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; and
- 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.

8.3 Direct 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 [Resort Timber Administration Act](#).

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

9 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 royalty payments. These statements are to be prepared by management with assurance obtained from a qualified accountant to a review engagement level.

Financial statements such as a balance sheet and income statement must accompany the royalty payment. In addition, the Developer must break out gross revenue by completing the Revenues Payable Worksheet (see Appendix 4).

Upon reasonable notice, FLNRORD 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:

- FLNRORD 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 percent of the rent that should have been paid.

10 CONSTRUCTION IN THE CONTROLLED RECREATION AREA

The Developer can construct improvements in the Controlled Recreation Area if they are stipulated in the Resort Master Plan and phasing schedule and it has delivered to FLNRORD:

- 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 FLNRORD's offer letter.

11 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 FLNRORD:

- 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 FLNRORD'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 FLNRORD; 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.

12 COMMERCIAL RECREATION ACTIVITIES WITHIN THE CONTROLLED RECREATION AREA

The Controlled Recreation Area is the area of Crown land, defined in the Resort Master Plan, which encompasses the mountain resort, including its lifts, runs, based area development and other related improvements.

A Developer will undertake all appropriate, diligent actions necessary to ensure public safety within a Controlled Recreation Area, including:

1. Maintaining the Controlled Recreation Area and the resort improvements in a safe condition;
2. Controlling, regulating, directing or denying public access, including motorized vehicles, and all activities in the Controlled Recreation Area for the purpose of ensuring the safety of all visitors, resort staff and workers;
3. Subject to the above, allowing temporary access without charge through the Controlled Recreation Area to a person where that person does not make use of the Recreation Improvements;
4. Designating access corridors through the Controlled Recreation Area to areas beyond.

12.1 Commercial Recreation and Independent Operators

The Developer may, subject to the terms of the MDA or the OA as well as the Resort Master Plan, conduct adventure tourism activities within the Controlled Recreation Area or enter into written contracts with Independent Operators to operate adventure tourism activities within the Controlled Recreation Area. The pricing provisions under Appendix 2 apply to these activities.

An Independent Operator who is also conducting adventure tourism activities outside the Controlled Recreation Area must also acquire a separate tenure from the authorizing agency under the [Adventure Tourism Policy](#).

13 ALLOCATION PROCESSES

New and replacement tenures are normally offered in response to individual applications. The disposition of Crown land for All-Seasons Resort development will be guided by approved local and regional land use plans.

13.1 Resort Master Plan or Major Amendment to a Resort Master Plan Review Process

For existing resorts the application may start at a more advanced stage of planning and review, i.e., Formal Proposal, Master Plan.

13.1.1 Master Development Agreement or Operating Agreement

Crown land that is to be allocated by an MDA or OA may be requested by an Expression of Interest/Request for Proposal. The All-Seasons Resort Policy's Resort Master Plan review is a sequential process where each successive milestone informs the next decision in that process. Information provided by proponents begins with high-level concepts outlined in an Expression of Interest (EOI) and may ultimately result in a detailed Resort Master Plan submission in the final stages. The general process is outlined below; however, for more detail on planning process and information requirements, proponents should refer to the All-Seasons Resort Guidelines ([Chapters I, II](#) and [Addendum](#)) and [Best Management Practices](#)). Note: expansions of existing resorts do not require EOIs or the competitive process described below.

The public consultation process for each stage of the review process is outlined in Appendix 3 to be used in conjunction with the Issues Tracking Template, Reasons for Decision template and Public Consultation Procedure template.

New resort proposals, major expansions, and assignments may be submitted to FLNRORD. In order to assist in the review, the following will be required from the Developer, in addition to application information requirements:

1. Detailed background of the Developer or purchaser (as the case may be) and its team which clearly demonstrates what experience they bring to the project;
2. Identification of proposed equity and debt sources;
3. Fully robust financial model including twenty year projections and general economic assumptions.

Further details regarding the documents required and the review of economic feasibility are included in the All-Seasons Resort Guidelines([Chapters I, II](#) and [Addendum](#)) .

13.1.2 Expression of Interest Stage

The EOI is a preliminary project overview that provides details on general location, project vision, market and key aspects of the proposal at a high level.

Prior to submitting a formal application package, the proponent should contact the FLNRORD office to arrange for a meeting. The proponent will be asked to review the All-Seasons Resort Guidelines ([Chapters I, II](#) and [Addendum](#)) and [Best Management Practices](#) prior to the pre-application meeting. The purpose of the meeting is to allow the proponent to outline the relevant details of the proposed All-Seasons Resort development project and to allow FLNRORD staff members 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.

An EOI package should include:

1. Company ownership information;
2. General resort concepts and markets;
 - a. Anticipated seasonal operations;
 - b. Start-up summary including funding;
 - c. Products offered;
 - d. Market Analysis
3. Strategy and implementation summary;
4. Management summary; and
5. Preliminary financial information.

This information should be presented in the form of a business plan.

FLNRORD reviews the proponent's proposal to assess community, cultural, economic, environmental and social risks, impacts on First Nations and adjacent resorts, and consistency with Provincial objectives.

Based on the information, FLNRORD has the discretion to accept or disallow a formal application.

Should the EOI advertising (see Appendix 3) result in a competing interest from another proponent(s), FLNRORD will undertake a competitive process to select the sole proponent through the Formal Proposal Stage.

13.1.3 Competitive Process

A competitive process may be used where FLNRORD has identified Crown land that is considered suitable for an All-Seasons Resort or where multiple applications or EOIs 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) if that proponent has withdrawn their proposal or their proposal was terminated due to non-compliance.

A Request for Proposal is the competitive process used to select the best Formal Proposal. A competitive process does not apply to resort expansion applications.

Once a proposal has been selected through a competitive process, FLNRORD 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 [Allocation Procedures – Competitive Process](#).

13.1.4 Formal Proposal Stage

FLNRORD will request Formal Proposals from the parties and conduct an internal review based on pre-determined criteria. The Formal Proposal provides more project detail including proposed mitigations for high level issues identified during the EOI stage and details on development concepts, servicing options, market and financial capability.

FLNRORD will consult agencies, stakeholders and First Nations and seek public comments on the Formal Proposal. See Appendix 3 for more information on public consultation processes for each stage of review.

Following a positive Formal Proposal decision, the proponent will enter into an interim agreement with the Province which provides a five year investigative licence to allow the proponent onto the land to conduct studies and assessments necessary for a Resort Master Plan Submission. See section 7 for more information regarding interim agreements.

13.1.5 Resort Master Plan Stage

A Resort Master Plan provides significantly more detail around concepts and environmental impacts and mitigations identified in the Formal Proposal. Key components of a Resort Master Plan include Mountain and Base Area Plans; environmental inventory, impact assessment and proposed mitigations; analysis of known First Nations' interests; mitigations for overlapping land interests, utility servicing plans and local governance model.

Once a Resort Master Plan is accepted for review, FLNRORD will assemble a Project Review Team to conduct a technical review of the proposal. The public, agency, stakeholder and First Nations review of the draft Resort Master Plan will assess the environmental, social economic, heritage and health implications of the project. See Appendix 3 for more information on public consultation processes for each stage of review. During the review, the proponent will address identified issues and make revisions as necessary to the Resort Master Plan. Based on input from the working group, the Province will identify tenure conditions and MDA or OA commitments to ensure responsible resort development.

A second round of agency, First Nations, stakeholder and public consultation will be done for the final Resort Master Plan to demonstrate how issues raised during the previous review have been addressed.

Following this second round of review, FLNRORD will make the decision to approve the Resort Master Plan or not. Details for the decision will be given.

13.1.6 Master Development Agreement/Operating Agreement

If the Resort Master Plan is approved, FLNRORD will enter into an MDA or OA with the proponent based on the development concepts in the approved Resort Master Plan. The MDA is a 60 year, and the OA is a 30 or 60 year, contractual agreement that sets out the conditions under which the resort will be built over time. It includes tenure conditions and proponent commitments to ensure responsible resort development and has provisions for land tenuring, pricing, and events of default as well as obligations of the Developer.

The MDA and OA is the administrative instrument for the issuance of tenures within a resort's Controlled Recreation Area. Tenures will be issued based on the phasing identified in the Resort Master Plan.

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

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

13.2 Application Process

All applications, whether major amendments to Resort Master Plans, MDAs, OAs, MDA/OA tenures, or other Crown land program area tenures, will follow the process below, where appropriate.

13.2.1 Pre-Application Meeting

Crown land that is to be disposed of by licence of occupation, lease, statutory right-of-way or fee simple disposition ("Crown Grant") except for Master Development and OA tenures is requested by direct application under the [Land Act](#). The following general process is used (refer to the [Crown Lands Allocation Procedures – Competitive Process](#) for situations where a competitive process may be used).

1. Proponent contacts FLNRORD to request a pre-application meeting.
2. FLNRORD advises proponent of known First Nations, agency and local government considerations.
3. Proponent completes application package and meets with FLNRORD.
4. FLNRORD reviews application package for acceptance.
 - a. Rejected application returned with request for further information for acceptance.
 - b. Accepted application acknowledged and processed.
5. File number assigned, systems updated, land status completed, referrals sent, First Nations consideration procedures initiated and advertising requested.

6. Field inspection completed as required, together with necessary consultations with agencies, First Nations and stakeholders.
7. Land allocation decision made and posted on public Reasons for Decisions website.
 - a. Applicant notified of approval by way of tenure offer or;
 - b. Applicant notified of disallowance with stated reasons.
8. Disposition(s) issued (tenure and/or fee simple grant).

For more detailed standard policy and procedures regarding the application process see [Crown Land Allocation Principles](#) and [Crown Land Allocation Procedures](#). For more information on refund of applications fees, see [Fee Refunds Policy](#).

13.2.2 Application Package

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 Province staff. The acceptance review is to be completed within 7 calendar days. Applications that are not accepted will be returned to the applicant.

13.2.3 Application Acceptance

New applications will be reviewed for acceptance based on application package completeness, compliance with policy and program criteria, preliminary statusing, and other information which may be available to provincial staff. Applications that are not accepted will be returned to the applicant, along with the application cheque.

13.2.4 Clearance/Statusing

After acceptance, provincial staff undertake a detailed land status of the specific area under application to ensure all areas are available for disposition under the [Land Act](#) or the [Ministry of Lands, Parks and Housing Act](#) to identify potential issues.

13.2.5 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 FLNRORD within 30 days (45 days for First Nations).

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

13.2.6 Advertising/Notification

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

13.2.6.1 Upland Owner Consent

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

13.2.6.2 Adjacent Owner Notification

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

13.2.7 Interests of Indigenous Peoples

The statutory decision maker is responsible for ensuring the Province’s obligations to First Nations are met in the disposition of Crown land. Provincial staff carry out consultations in accordance with the consultation guidelines of the Province to identify the potential for First Nations’ interests over the subject property and to determine whether infringement of either might occur.

Addressing First Nations’ interests is a key consideration in a resort development project. In order to assure a greater level of success in the development and operation of an All-Seasons Resort, proponents and Developers are encouraged to work with First Nations to build positive and productive working relationships and partnerships. The statutory decision maker will seek to engage First Nations as early as possible in any All-Seasons Resort proposal process.

13.2.8 Decision/Report

The applicant will be notified in writing of the government’s decision. Reasons for Decision are posted on the [Applications and Reasons for Decisions](#) page of the Province of B.C.’s website.

13.2.9 Issuing Documents

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

13.3 Disallowance

If at any time during the review process, the proposal is not considered to represent the best use of the land or if suitable mitigation strategies are not possible, then the proposal will be disallowed by the statutory decision maker. The proponent will be advised of the reasons for decision. In the event that a proponent believes that the rejection is unwarranted, he or she may submit a written appeal to the Executive Director of the authorizing agency.

13.4 Resolution of Existing Tenure Interests

Applications or proposals submitted under this policy will be assessed during the pre-application or EOI stages to determine the existence of any [Land Act](#) or [Ministry of Lands, Parks and Housing Act](#) tenures. FLNRORD 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, FLNRORD may require the proponent to take the existing interest into account and consider ways in which that tenure interest may be reconciled with the proposed development. 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 FLNRORD, is responsible for contacting the tenure holders to determine all feasible options to reconcile the existing tenure interests and present those options for consideration to FLNRORD 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 FLNRORD.

FLNRORD 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, FLNRORD 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 All-Seasons Resort proposal. It is specifically pointed out that any action by FLNRORD 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 and branches (e.g. a forest tenure issued by FLNRORD), will be discussed between FLNRORD and the responsible tenuring agency to determine appropriate actions. The proponent must accept the risk that such other interests may have an impact on its proposed development.

14 TENURE ADMINISTRATION

14.1 Insurance

A tenure holder is 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. FLNRORD may make changes to the insurance requirements and request copies of insurance policies at any time during the term of the tenure. The minimum liability insurance is \$2 million for OAs and \$10 million for MDAs and must be provided on the Provincial Government [Certificate of Insurance](#).

14.2 Financial Guarantees

14.2.1 General Security

The General Security is an obligation in writing to the Province, supported by collateral, from an individual or company to indemnify against government loss from non-compliance with terms and conditions of a tenure agreement between the tenure holder and the Province.

A security deposit must be posted by the tenure holder prior to issuance of the tenure. Security deposits may be used for any costs associated with the Province assuming any of the obligations of the tenure and/or the Resort Master Plan that were not performed by the tenure holder in accordance with the tenure agreement.

Examples of situations under which the Province could cash a security deposit included, but are not limited to:

- 1. Restoration of an area to a safe, clean and sanitary state;*
- 2. Legal advice;*
- 3. Costs to secure contractors and acquire new tenants such as advertising;*

4. *Non-compliance with Resort Master Plan requirements;*
5. *Rent or royalty owing;*
6. *Taxes; and*
7. *Failure to pay fees.*

Legal restrictions and limitations prevent the Province from accepting certain forms of security deposits. The following are inappropriate forms of security:

1. *Assignable bonds and notes;*
2. *Bearer bonds and notes and Canada Savings Bonds;*
3. *Cheques in the name of a third party (a name other than the tenure holder's); and*
4. *Safekeeping Agreements.*

Security amounts can vary depending on the risk to the Province. While a minimum security deposit is normally required for most tenures, authorizing agency managers have discretion to assign a higher security amount as risk increases.

The required general security for MDAs and OAs shall be the greater of:

1. Fifty percent of the average three highest annual royalty payments over the last five fiscal years;
2. \$10,000 for a Community Mountain Resort authorized under an OA and \$50,000 for a Regional and Destination Mountain Resort operating under either an MDA or an OA; or
3. An amount determined by FLNRORD, based on the on-site risk analysis.

The general security is subject to review by the Province from time to time. Pursuant to the terms of the MDA or OA, if FLNRORD acknowledges in writing, that the Developer has fully performed its obligations under the MDA or OA, FLNRORD will release or return to the Developer the remaining general security.

General security will be in a form acceptable by the Province under current administrative policy. For more information on financial guarantees, see [Tenure Administration Procedure](#).

14.2.2 Performance Deposit

Prior to the sale of Crown land for Base Area development under the MDA, the Province may require a performance deposit to secure the completion of one or more particular improvements or access routes of a mountain phase. Such a performance deposit must:

1. Be in an amount equal to 100 percent of the cost specified in the relevant capital budget to bring that improvement or access route to a state of substantial completion;
2. Remain in effect until that improvement or access route is in a state of substantial completion.

The Province may call upon or draw down a performance deposit where the Developer fails to construct the improvement or access route to a state of substantial completion and use the performance deposit funds for payment of costs and expenses to perform the Developer's obligations that haven't been performed.

A performance deposit will be in a form acceptable by the Province under current administrative policy.

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

Investigative and temporary permits cannot be sub-tenured or assigned.

14.4 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 FLNRORD's discretion. FLNRORD may decline to replace tenure, or may alter the terms and conditions of replacement tenure.

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

14.5 Greenfield Resort; Failure to Develop

In order to ensure that Developers of new resorts diligently pursue the development of those resorts, the Province will retain the ability to terminate the MDA or OA where if after five years of issuance:

1. The Developer has not constructed improvements sufficient to make the resort operable and open to the public;
2. An Environmental Certificate issued to a resort by the British Columbia Environmental Assessment Office expires; or

3. If the Developer has not constructed the items described in the Resort Master Plan as phase 1.

The Developer may apply to the Province for one extension of the deadline for up to five years.

14.6 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.

15 RESORT TIMBER ADMINISTRATION

Under the [Resort Timber Administration Act](#), the [Controlled Recreation Area Regulation](#), and the [Resort Timber Administration Act \(Specified Enactment\) Regulation](#), the statutory decision-maker will administer timber cutting authorities within the Controlled Recreation Areas that have been designated under the [Resort Timber Administration Act \(Specified Enactment\) Regulation](#). At the discretion of the statutory decision-maker, occupant licences to cut and forestry licences to cut will be made available upon direct application provided the timber harvesting necessary or desirable is in relation to the planning, development, construction or maintenance of an All-Seasons Resort within a Controlled Recreation Area. Cutting authorities may be used to manage forest health issues (i.e. beetle infestations) and to reduce the risk of wildfire by removing forest fuels within the Controlled Recreation Area. All harvesting is to be done in accordance with the [Forest Act](#), the [Forest and Range Practices Act](#) and applicable regulations.

15.1 All Natural Hazards

New Resort Master Plans and Resort Master Plan updates must consider the risk of natural hazards. Resort Master Plans must incorporate measures to mitigate natural hazard events such as flooding, landslides, earthquakes, debris flow, avalanches, etc. where applicable.

15.2 Wildfire Protection/Prevention

New Resort Master Plans and Resort Master Plan updates, which contain significant new development, must adhere to [Fire Smart Principles](#). Resort Master Plans must contain a fire resilient build out design that considers proactive steps to mitigate fire hazard and risk in wildland interface areas and for critical recreational infrastructure located on Crown land adjacent to forested areas. Specific detail is provided in the All-Seasons Resort Guidelines.

Existing resorts that have areas identified by FLNRORD as high fire threat will require a mitigation strategy to address the risk identified. Using [Fire Smart Principles](#), a resort Wildfire Risk Management Plan (or equivalent) will be prepared and implemented.

Note: local governments may impose further requirements through Official Community Plans (OCPs), bylaws and/or covenants.

15.3 Forest Health Review

The Resort Master Plan should include a section that provides an overview of Forest Health in and around the Controlled Recreation Area. This overview must be done by a Forest Professional with the objective of maintaining the health of the forest in and around the Controlled Recreation Area. The Resort Master Plan must clearly demonstrate the intent of the proponent to manage the forest health over time.

When describing baseline conditions for forest health, Forest Professionals should:

1. Identify existing local forest health issues or concerns;
2. Reference any existing Forest Health Plans in the applicable Resource District;
3. Identify any increased forest health risks that may result from development of the Resort, for example wind throw; and
4. Consider strategies to minimize forest health impacts, for example bark beetle options.

Appendix 1. Forms of Land Allocation Summary

Tenure	Term	Valuation	Pricing
All-Seasons Resort Program Area			
MDA	60 years	As per All-Seasons Resort Policy.	Annual royalty of 2% of annual gross revenue.
OA	30 or 60 years	As per All-Seasons Resort Policy.	Annual royalty of 2% of annual gross revenue.
Interim Agreement	5 years	As per All-Seasons Resort Policy.	Not applicable
Fee Simple	Perpetuity	Greater of Base Area Pricing in 8.2.4 of the ASRP or Appraised market value	Full market value plus value of remaining Merchantable Timber. Land value to be fixed at 5-year intervals.
Licence of Occupation	To the term of the MDA/OA	As per All-Seasons Resort Policy.	Included in the annual royalty of 2% of annual gross revenue.
Lease	To the term of the MDA/OA	As per All-Seasons Resort Policy.	Included in the annual royalty of 2% of annual gross revenue.
Statutory Right-of-Way	To the term of the MDA/OA	As per All-Seasons Resort Policy.	Included in the annual royalty of 2% of annual gross revenue.
Other Crown Land Program Areas			
Licence of Occupation	30 years	Upland is BC Assessment or appraised market value. Aquatic land is 50% to 100% of upland property value	See applicable Crown Land Policy
Lease	60 years	Upland is BC Assessment or appraised market value. Aquatic land is 50% to 100% of upland property value	See applicable Crown Land Policy
Right Of Way – Utilities	For so long as required		See applicable Crown Land Policy
Fee Simple	Perpetuity	Appraised market	Full market value plus value of

		value	remaining Merchantable Timber. Land value to be fixed at 5-year intervals.
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Appendix 2. All-Seasons Resort Revenue Definitions

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

Appendix 3: Public Consultation Process for Each Stage of the Review Process

Expression of Interest and Request for Additional Expressions of Interest		
Milestone Description	Form of Consultation	Public Consultation Requirements
Expression of Interest is a preliminary project overview that provides details on general location, proposal vision and key aspects of the proposal at a high level.	<p>Print Advertising:</p> <ul style="list-style-type: none"> • In area newspapers for 2 consecutive weeks. • Advertisement will be developed by Mountain Resorts Branch and paid for by the proponent, and may include a request for additional Expressions of Interest from 3rd parties (unless a major portion of the resort proposal is on private land, then a request for additional interest is not appropriate). • It must also include general location, proposed use and legible map at appropriate scale and details on public open house(s). • Time period for submission of public comments to the Mountain Resorts Branch – 30 days. 	Required
	<p>Website:</p> <ul style="list-style-type: none"> • Expression of Interest application details posted to the Mountain Resorts Branch’s website. Comments monitored by the Mountain Resorts Branch. 	Required
Formal Proposal		
Milestone Description	Form of Consultation	Public Consultation Requirement

<p>Should the Expression of Interest advertising result in a competing interest from another proponent(s), the Mountain Resorts Branch will undergo an internal process to identify a sole proponent.</p> <p>The Mountain Resorts Branch will request Formal Proposals from the parties and conduct an internal review based on pre-determined criteria. Once the Mountain Resorts Branch identifies a sole proponent based on the successful Formal Proposal, the Mountain Resorts Branch will seek public comments on that proposal.</p> <p>The Formal Proposal provides more project detail including proposed mitigations for high level issues identified during Expression of Interest stage and details on development concepts, servicing options, market and financial capability.</p> <p>Following a positive Formal Proposal decision, the proponent will enter into an Interim Agreement with the Province which provides</p>	<p>Print Advertising:</p> <ul style="list-style-type: none"> • In area newspapers for 2 consecutive weeks. • Advertisement will be developed by the Mountain Resorts Branch and paid for by the proponent. • It must include general location, proposed use and legible map at appropriate scale, details on public open house(s) and website for viewing Formal Proposal. • Time period for submission of public comments to the Mountain Resorts Branch – 30 days. 	<p>Required</p>
	<p>Website:</p> <ul style="list-style-type: none"> • Formal Proposal application details posted to the Mountain Resorts Branch’s website. Public comments accepted and summarized by the Mountain Resorts Branch. • For Formal Proposal outcomes, the Reasons for Decision are posted on FLNRORD’s Reasons for Decision site. 	<p>Required</p>
	<p>Public Open House:</p> <ul style="list-style-type: none"> • Proponent will host a public open house(s) in closest community or communities if more than one area may be impacted. • The Mountain Resorts Branch will advise proponent of Open House requirements including format, venue size, which communities, etc. 	<p>Required</p>

<p>an investigative licence to allow the proponent on the land to conduct studies and assessments necessary for a Resort Master Plan submission.</p>	<p>Hard Copy Project Documentation:</p> <ul style="list-style-type: none"> • Formal Proposal may be made available at a public location in the local community. 	<p>Optional</p>
<p>Draft Master Plan</p>		
<p>Milestone Description</p>	<p>Form of Consultation</p>	<p>Public Consultation Requirement</p>
<p>Provides significantly more detail around Formal Proposal concepts and environmental impacts and mitigations. Addresses issues identified during Formal Proposal review.</p>	<p>Print Advertising:</p> <ul style="list-style-type: none"> • In area newspapers for 2 consecutive weeks. • Advertisement will be developed by the Mountain Resorts Branch and paid for by the proponent. • It must include general location, proposed use and legible map at appropriate scale and details on public open house(s) and website location for viewing draft Resort Master Plan. • Time period for submission of public comments to the Mountain Resorts Branch – 30 days. 	<p>Required</p>
	<p>Website:</p> <ul style="list-style-type: none"> • Draft Resort Master Plan document to be posted. 	<p>Required</p>
	<p>Hard Copy Project Documentation:</p> <ul style="list-style-type: none"> • Draft Resort Master Plan will be made available at a public location in the local community. 	<p>Required</p>
	<p>Public Open House:</p> <ul style="list-style-type: none"> • Proponent will host a public open house(s) in closest community or communities if more than one area may be impacted. • The Mountain Resorts 	<p>Required</p>

	Branch will advise proponent of Open House requirements including format, venue size, which communities, etc.	
Final Master Plan		
Milestone Description	Form of Consultation	Public Consultation Requirement
<p>Following public, agency and First Nations review of the Draft Resort Master Plan, proponent will address issues and make revisions as necessary to the Resort Master Plan.</p> <p>An information session will be held for the Final Resort Master Plan to demonstrate to the public how issues raised during the previous review have been addressed.</p>	<p>Print Advertising:</p> <ul style="list-style-type: none"> • In area newspapers for 2 consecutive weeks. • Advertisement will be developed by the Mountain Resorts Branch and paid for by the proponent. • It must include general location, proposed use and legible map at appropriate scale and details on public open house(s) and website location for viewing Final Resort Master Plan. 	Required
	<p>Website:</p> <ul style="list-style-type: none"> • Final Resort Master Plan Document posted. 	Required
	<p>Final Public Open House:</p> <ul style="list-style-type: none"> • Proponent will host a public open house(s) in closest community or communities depending on Draft Resort Master Plan consultation process. • The Mountain Resorts Branch will advise proponent of Open House requirements including format, venue size, which communities, etc. 	Required

Detailed Reasons For Decision		
Milestone Description	Form of Consultation	Public Consultation Requirement
<p>Provides the Mountain Resorts Branch's rationale for Resort Master Plan decision.</p> <p>The Final Resort Master Plan document will be the basis of the MDA.</p>	<ul style="list-style-type: none"> • The Reasons for Decision are posted on FLNRORD's Reasons for Decision site. 	<p>Required</p>

Appendix 4: Revenue Payables Worksheet

REVENUES PAYABLE UNDER ARTICLE V - FEES	Fiscal Year:	_____
Revenues from Lift Passes		
1 _____	_____	
2 _____	_____	
3 _____	_____	
Total Revenues from Lift Passes		\$ _____
<i>This includes day passes, season passes and the lift-related portion of passes sold as part of a package i.e: hotel and lift pass combination</i>		
Revenues from Facilities		_____
<i>This includes lodge rentals</i>		
Revenues from Commercial Recreation Activity		_____
<i>This would include snowmobile tours, dog sledding tours, horseback riding tours etc., under the control of the Developer</i>		
Recoveries of Accounts Receivable which have been written off		_____
Proceeds from Business Interruption Insurance		_____
Independent Operator Revenue - See Over		
<i>2% per independent operator if over \$10,000.00</i>		
	Revenue under \$10,00.00	\$ _____
	Revenue over \$10,000.00	\$ _____
		\$ _____
Remainder Payment:	Total Gross Lift Revenue	\$ _____
	x 2 %	\$ _____
	Less 1% Prepayment	\$ _____
	plus 5% GST	\$ _____
	Total Payable	\$ _____
Prepayment:	Total Gross Lift Revenue	\$ _____

x 1 %

plus 5% GST

Total Payable

\$

\$

\$

Submit financial statements with this form, i.e. income statement and balance sheet.

**Total Skier Visits for Year Ending
[fiscal year]** _____

Appendix 4: Revenue Payables Worksheet continued.

Independent Operator Revenue – Continued 2% per Independent Operator if over \$10,000.00

List Operators currently authorized to operate within the CRA and revenue per operator

	Under \$10,000	Over \$10,000
1 _____	_____	_____
2 _____	_____	_____
3 _____	_____	_____
4 _____	_____	_____
5 _____	_____	_____

Total Revenue under \$10,000 per operator

=====

Total Revenue over \$10,000 per operator

=====

2% of gross revenue over \$10,000
