

**THE MUNICIPAL CORPORATION OF THE HAMLET OF KUGAARUK
BY-LAW NUMBER #81**

A by-law of the Municipal Corporation of the Hamlet of Kugaaruk in the Nunavut, to provide for the administration of municipal lands, pursuant to the Hamlets Act, R.S.N.W.T., 1988, c. H-1, s. 132.2 as duplicated for Nunavut pursuant to the Nunavut Act (Canada).

As the Council of the Municipal Corporation of the Hamlet of Kugaaruk deems it to be desirable to establish a uniform process for the disposal of real property owned, leased or otherwise held by the Hamlet;

NOW, THEREFORE, THE MUNICIPAL CORPORATION OF THE HAMLET OF KUGAARUK, at a duly assembled meeting, enacts as follows:

SHORT TITLE

1. This by-law may be cited as the "Land Administration By-law".

INTERPRETATION

2. In this by-law:

- (a) "Acquisition" means the act of becoming an owner of a certain property.
- (b) "Council" means the Council of the Municipal Corporation of the Hamlet of Kugaaruk;
- (c) "Development Cost" means the costs directly incurred by the municipality in developing land, including, but not limited to, the costs of:
- (1) planning and engineering design;
 - (2) project management;
 - (3) road construction;
 - (4) land fill;
 - (5) open spaces;
 - (6) piped water and sewer lines;
 - (7) electrical distribution lines (and poles);
 - (8) legal surveys;
 - (9) land acquisition and disposal costs;
 - (10) financing charges, including interest, for any loans incurred in developing the land;
- (d) "Disposal of Land" means the lease, or other disposition of land;
- (e) "Equity Lease" means a lease for which all annual lease payment are credited against the total lot price until such time as the lot price is paid in full, at which time no further payments are made.
- (f) "Land" means real property owned, leased or otherwise held or acquired by the Municipality;
- (g) "Lot" means a parcel of land, for which development costs have been incurred and which has been duly described or surveyed for the purpose of acquisition, lease or other disposition
- (h) "Lot Price" means the valuation of a lot; as determined by council
- (i) "Market Value" means the value of a parcel of land based on the amount a willing buyer would pay to a willing seller. This value shall be determined by a professionally qualified land appraiser or by public tender or auction;
- (j) "Minister" means the Minister of Community Government and Transportation;
- (k) "Municipality" means the Municipal Corporation of the Hamlet of Kugaaruk, which is represented by the Senior Administrative Officer or his or her designate, except when decisions of Council are required;
- (l) "New Lots" means vacant lots which are developed after the date of this by-law;

- (m) "Off-site Levy" means a surcharge made (at the time of lease execution) by the municipality to the lessee of municipal lands to assist in the payment of all or part of the capital costs of new or expanded infrastructure, including land, such infrastructure being located outside the lands being leased, but of direct, though not inclusive, benefit to the lessee;
- (n) "Replacement Cost" means the estimated development costs for a parcel of land, updated to the current year, representing the costs to develop a similar lot and the incorporation of any site-specific factors;
- (o) "Site Specific Factors" means factors which may be used, where applicable, in adding or subtracting up to 25% of the development costs of new lots or the replacement cost for existing developed lots, and which may be composed of:
- (1) size of land parcel;
 - (2) site conditions;
 - (3) desirability of location;
 - (4) adjacent land uses; and
 - (5) proposed land use.
- And the addition of site specific factors for new lots shall not exceed development cost for the entire subdivision

APPLICATION OF THE BY-LAW

3. This by-law shall, except as otherwise expressly authorized by the Minister, apply to all acquisitions, leases or other dispositions of the lands by the municipality.

PRECONDITION TO ACQUISITION AND DISPOSAL OF LANDS

4. Land speculation will be discouraged.
5. Neither the Municipality nor any authorized representative of the Municipality shall make or enter into any offer, agreement or other arrangement for the purchase, lease or other disposition of land, except by by-law in the form of Appendix A, Appendix B or Appendix C attached hereto, and each such bylaw shall contain:
- (a) a complete legal description of the land to be acquired, leased or otherwise disposed of;
 - (b) the minimum consideration to be paid for the acquisition, lease, or other disposition of the lands; and
 - (c) the terms and conditions, if any, upon which the land shall be acquired, leased or otherwise disposed of.
6. No by-law for the acquisition, lease or other disposition of land shall be passed pursuant to section 132.2(4) or 132.2(5) of the Hamlets Act, until:
- (a) it has been established through a search at the appropriate Land Registry Office, that the municipality may lawfully acquire, lease or otherwise dispose of the land;
 - (b) an inspection of the land has been conducted to determine:
 - (1) if the lands are occupied;
 - (2) if there are any improvements situated on the lands;
 - (3) if there are any easements affecting the lands; and
 - (4) such other information as Council may, in its discretion, consider to be relevant;
 - (c) the Senior Administrative Officer has advised Council as to the value of the lands and any improvements situated thereon and that the proposed use of the lands shall comply with the zoning by-law or land use plan in effect in the municipality.

ADVERTISING OF THE LAND FOR DISPOSAL

7. (a) Subject to subsection 7(c), the municipality shall not lease or otherwise dispose of land until it has published a notice of such proposed lease or other disposition:
- (1) by advertisement for two consecutive weeks in a newspaper having weekly circulation in the municipality; or
 - (2) by notice posted in three prominent places in the municipality for a period of two weeks

- (b) Each advertisement or notice shall contain:
 - (1) a sketch, drawn to scale, identifying the size and location of the lands to be leased or otherwise disposed of;
 - (2) the minimum consideration for which the land will be leased or otherwise disposed of;
 - (3) an indication as to the method to be employed in leasing or otherwise disposing of lands; or
 - (4) an indication as to where and when applicants may obtain information and application forms.
 - (c) Sub-sections 6 (a) and 6 (b) shall not apply to:
 - (1) lands required by the Federal or Territorial Governments;
 - (2) lands which can only be of use to an adjoining owner/lessee;
 - (3) additional adjacent lands required for expansion of an owner's/lessee's existing or proposed development
8. The municipality shall re-advertise for lease or other disposition of lands which:
- (a) an application has been made but withdrawn by the applicant after acceptance by the municipality;
 - (b) a lease has been granted but terminated prior to the construction of any improvements on the lands; or
 - (c) re-zoning has taken place and the lands remain untenured.

APPLICATIONS FOR LAND

9. The municipality shall only accept a written application for land in the form of Appendix D. This form shall contain, but not be limited to:
- (a) the legal name of the applicant or applicants;
 - (b) the legal description of the land;
 - (c) the purpose for which land is to be used;
 - (d) a request, if applicable, for joint tenancy or tenancy-in-common;
 - (e) the signature of the applicant or applicants; and
 - (f) a non-refundable/refundable application fee; and
 - (g) declaration of residency, if required
10. After an application has been received, the Hamlet will reply within a frame time of a Thirty (30) day period, giving the status of the application approved or rejected.
11. Once the lease is approved, the applicant has Sixty (60) days to sign the lease and pay all required fees or the application may be declared refused.
12. The municipality shall keep a ledger of all lands, containing:
- (a) a full legal description of the lands;
 - (b) the location of the lands within the municipality;
 - (c) a valuation of the lands for purpose of lease or other disposition;
 - (d) the terms and conditions upon which the lands may be leased or otherwise disposed of; and
 - (e) an indication of whether the lands have been leased or otherwise disposed of, or whether there is a pending lease or other disposition of the land.
13. The ledger kept pursuant to Section 12 of this by-law shall be open to inspection by the public at the municipal office during normal business hours.

TERMS AND CONDITIONS OF LAND DISPOSALS

14. (a) The standard term of all lease documents shall be:
- 30 years for residential land use;
 - 20 years for commercial land use;
 - 10 years for industrial land use;
 - 10 years for recreational land use;

- (b) The term of leases referred to in Section 14(a) may be varied at Council's discretion based on the nature and value of improvements to be constructed.
 - (c) The term of all other leases will be at Council's discretion.
15. The Municipality, in leasing or otherwise disposing of new lots for residential purposes, shall ensure that prospective private home owners have preference over lessees who wish to acquire more than one lot at a time, except when lots are required by:
- (a) The Federal or Territorial Governments;
 - (b) The Nunavut Housing Corporation or their clients; or
 - (c) the Canada Mortgage and Housing Corporation.
16. Every disposal of land shall be in writing and leases shall be executed in accordance with the Lands Titles Act.
17. The municipality, in leasing or otherwise disposing of new lots, shall require that commencement of construction must begin within twenty-four (24) months of the effective date of the lease and improvements must be constructed on the lots within thirty-six (36) months of the date of the agreement. The municipality may terminate a lease for failure to complete construction of the building or other improvements within the time required. Subject to Section 18, if construction is not completed within thirty-six (36) months, the land may revert back to the municipality.
18. The municipality may allow a maximum extension of twelve (12) months to either term outlined in Section 17. The following may be required prior to consideration by Council:
- (a) written explanation for the delay in construction; and
 - (b) written plan to complete construction within the extension period.
 - (c) proof of approved financing
 - (d) development permit application
 - (e) no outstanding debts to the municipality
19. The Municipality shall not lease or otherwise dispose of new lots by auction.
20. The Municipality shall lease land by one or a combination of the following means:
- (a) ballot draw;
 - (b) development proposal call, as set out in Section 23
 - (c) first come, first served basis; and that Council shall decide, at its discretion, as to which means will be employed to lease land.
21. Prior to disposing of land through means of a ballot draw, Council shall, by resolution, establish guidelines for such a process.
22. The Municipality shall, when disposing of land through means of a ballot draw, give preference to prospective lessees in the following manner:
- Ballots shall be sorted in the following categories:
- Category One - first time homeowners residing in the municipality for more than one (1) year
- Category Two - persons residing in the municipality for more than one (1) year
- Category Three - all others
23. The municipality shall decide whether, and under what circumstances, formal development proposals or bids will be asked from prospective lessees and may use the proposal call tender system outlined in Appendix "E".

PRICING OF NEW LOTS

24. The lot price for new lots shall be determined by development cost including any allowance for site specific factors.
25. The Municipality shall recover development costs in the valuation of lands for disposal, subject to Section 26.
26. The municipality may, when it is unable to lease or otherwise dispose of a lot, reduce the price of the lot below its development cost:
- (a) when the lot has not been developed through financing from the Government of Nunavut or a financial institution; or

- (b) when the lot has been developed through financing from the Government of Nunavut or a financial institution and the reduced land valuation is approved by the Minister.

PRICING OF EXISTING LOTS

- 27. The municipality in leasing existing developed lands shall determine lot price by either of the following:
 - (a) replacement cost; or
 - (b) the market value as determined by: a qualified land appraiser or assessor; or
 - (c) a call for bids, (by public tender or auction) in which the advertised minimum price is not less than the replacement cost.

LEASE RATES

- 28. (a) The annual lease rate shall be as follows:
 - (1) residential: \$450.00 per annum.
 - (2) commercial: \$600.00
 - (3) industrial: \$600.00other land uses; as decided by Council
- (b) Council may vary the lease rate for disposition of land to non-profit organizations
- (c) the lease rates will be reviewed annually by council, with the lessor being notified of any changes to the lease rate a minimum of sixty (60) days before the anniversary date of the lease.

EQUITY LEASE

- 29. The Municipality may permit leases to accumulate value, through the issuance of equity leases, at terms and conditions to be approved by Council.

OFF-SITE LEVIES

- 30. When disposing of land the municipality may levy a surcharge to a lessee of lands to help pay for all or part of the municipality's capital cost for all or any of the following:
 - (a) new or expanded facilities for the storage, transmission, treatment or supply of water;
 - (b) new or expanded facilities for the storage, treatment, movement or disposal of sewage;
 - (c) new or expanded drainage system;
 - (d) new or expanded roadways; and
 - (e) land required for, or in connection with, any of the facilities described in (a), (b), (c) and (d).
- 31. The municipality shall not include, as part of any off-site levy, any costs paid for by grants or contributions received from the Government of Nunavut.
- 32. The municipality shall clearly identify to the public that any off site levy is a separate surcharge above the lot price, which is collected together with the lot price.
- 33. The municipality shall place all off-site levy revenues in a separate account to be used for the purpose set out in Section 30.

LAND DEVELOPMENT RESERVE ACCOUNT

- 34. The municipality shall open and maintain a separate financial account in which all revenue obtained from the leasing or otherwise disposing of lands will be placed.
- 35. The municipality shall, in regards to the account identified in Section 34:
 - (a) establish clear procedures for the management and operation of the account;
 - (b) use all expenditures from the account for the sole purpose of acquiring and/or developing land by the Hamlet, unless written approval by the Minister is obtained for other types of expenditures; and

PRIVATE SECTOR DEVELOPMENT OF LANDS

36. The municipality shall encourage the utilization of the private sector in the development of lands only if:
- (a) the municipality has prepared a cost estimate of the project as if it were to develop the land; and
 - (b) the private sector can develop the land such that the lot price is the same as, or less than, the municipality would charge under its estimate in (a).
37. If, in the opinion of the municipality, the private sector can develop the lands in a cost-effective manner as outlined in Section 36, the municipality shall call for proposals.
38. The municipality, in disposing of vacant lands to a private developer, shall:
- (a) do so by the way of a lease to which a subdivision agreement may be attached
 - (b) require the developer to establish a land disposal procedure that is consistent with this by-law;
 - (c) require the developer to provide a list of the prices of the lots to be developed;
 - (d) specify, in the lease, the standards to which the land must be developed; and
 - (e) specify, in the lease, that in cases for non-performance with regard to 38(a), 38(b), or 38(c) above, the lease will be cancelled.

EASEMENTS

39. The municipality may, in the public interest, establish easements through, under or over any portion of the land for any public utility purpose, but the said easement shall not interfere with the rights granted to the lessee or any improvements made by the lessee on the lands.

LEASE ASSIGNMENTS/TRANSFERS

40. Assignments may be granted subject to the following:
- (a) equity lease rental owing to the municipality must be paid in full
 - (b) any taxes owing to the Government of Nunavut must be paid in full
 - (c) proof of ownership of improvements
 - (d) satisfactory completion of improvements
 - (e) payment of assignment transfer fee of \$50.00
 - (f) the applicant must deliver to the Hamlet the duplicate leasehold title where one exists
 - (g) annual lease rental owing to the Municipality must be paid in full

LEASE SURRENDERS

41. Surrenders may be granted subject to the following:
- (a) annual lease rental owing to the Municipality must be paid in full
 - (b) any taxes owing to the Government of Nunavut must be paid in full
 - (c) the lessee must remove all improvements from the land and return the lot in a state satisfactory to the Municipality
 - (d) the lessee must deliver to the Municipality the duplicate leasehold title where one exists, if misplaced or lost, then a Statutory Declaration will be required

CANCELLATION OF LEASE

42. If the Municipality cancels a lease due to non-compliance with any terms and conditions of a lease:
- (a) where there is a debt owed to the Municipality, the Municipality may seek an order to retain the right to any improvements upon the leased lands.
 - (b) where there is no debt owing to the Municipality, the lessee shall remove any improvements and restore the site within 30 days, failing which the Municipality may seek an order allowing for the removal of the improvements.
 - (c) where the Duplicate Leasehold Title for the lands has not been surrendered in accordance with the Land Titles Act, the Municipality shall seek an order cancelling the leasehold title.

QUARRIES

43. (a) The Municipality may issue quarry permits for the temporary use of a quarry site. Applications for a quarry permit shall be in the form of Appendix "F".
- (b) Prior to the issuance of a quarry permit, the Municipality shall, by Council resolution, establish quarry fees and any exemptions to such fees
- (c) Fees established under Section 43(b) shall reflect the cost of development, operation, maintenance, administration and restoration of quarries
- (d) all quarry fees shall be placed in a separate financial account

LAND USE PERMITS

44. (a) The municipality may issue land use permits for the temporary use of land. The temporary land uses for which a permit is required are set out in Appendix "G".
- (b) Application for a land use permit shall be in the form of Appendix "H".
- (c) Any environmental impacts of the proposed use must be addressed by the applicant to the satisfaction of the Municipality prior to the issuance of a permit

APPENDICES

The following appendices shall form part of this by-law:

Note: There is no appendix for assignment/transfer of lease.

All agreements for the acquisition or disposition of land made pursuant to this by-law shall conform to the applicable precedent form of agreement subject to such modifications as the circumstances may require and Council may approve.

BY-LAW ADMINISTRATION

45. Council may by resolution adopt standard forms of agreement for the administration of land and the Municipality may make minor changes not affecting the intent of these forms of agreement as may be necessary for such administration.

46. The following appendices shall form part of this By-law:

APPENDIX "A"	Land Acquisition By-law
APPENDIX "B"	Land Disposal By-law (Lease)
APPENDIX "C"	Land Lease By-law
APPENDIX "D"	Application for Land
APPENDIX "E"	Guidelines for Proposal Call / Tender System
APPENDIX "F"	Quarry Application Form
APPENDIX "G"	Land Use Operations
APPENDIX "H"	Application for Land Use Permit
APPENDIX "I"	Equity Lease

47. Minor changes to the Appendices of this By-law can be made by Council, without amending this By-law provided the changes to the Appendices do not alter the intent of this By-law.

READ A FIRST TIME THIS 25th DAY OF February 1999
[Signature] [Signature]

MAYOR (Remi Krikoris) SENIOR ADMINISTRATIVE OFFICER

READ A SECOND TIME THIS 2nd DAY OF September 1999
[Signature] [Signature]

MAYOR (Remi Krikoris) SENIOR ADMINISTRATIVE OFFICER

APPROVED BY THE MINISTER OF COMMUNITY GOVERNMENT & TRANSPORTATION THIS DAY OF July 17 19 2000

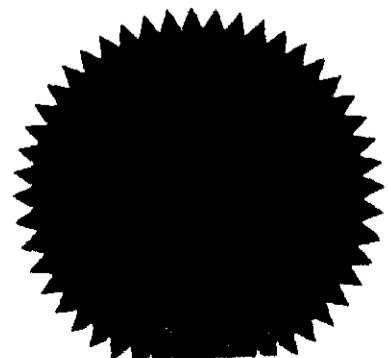
~~MINISTER MUNICIPAL AND COMMUNITY AFFAIRS~~ ~~Community Gov't & TRANSPORTATION~~
READ A THIRD TIME AND FINALLY PASSED THIS 31st DAY OF August

to 2000, August 31
[Signature]
MAYOR

[Signature]
SENIOR ADMINISTRATIVE OFFICER

CERTIFIED To Be True

[Signature]
Guido Triguera ARK Sept 29/02
Senior Administration Officer
Handler of Kugaa.ruk



APPENDIX "A"
LAND ACQUISITION BY-LAW
HAMLET OF KUGAARUK
BY-LAW NUMBER

A By-law of the Municipal Corporation of the Hamlet of Kugaaruk in Nunavut to acquire real property, pursuant to the Hamlets Act, R.S.N.W.T. 1988, c.H-1; s.132.2.

WHEREAS THE COUNCIL OF THE MUNICIPAL CORPORATION OF THE HAMLET OF KUGAARUK, in a duly assembled meeting, enacts as follows:

1. The Mayor and the Senior Administrative Officer are hereby authorized on behalf of the Hamlet of KUGAARUK to purchase from for the sum of (\$ _____)the land described hereunder.

The whole of Lot _____ (_____) in the Hamlet of Kugaaruk, in the Nunavut, according to a play of survey filed in the Land Titles Office for the Nunavut under number _____

2. The noted land shall be acquired for _____ purposes.

Read a first time this _____ day of _____ 20 ____ A.D.

MAYOR

SENIOR ADMINISTRATIVE OFFICER

Read a second time this _____ day of _____ 20 ____ A.D.

MAYOR

SENIOR ADMINISTRATIVE OFFICER

Read a third time and finally adopted this day _____ 20 ____ A.D.

MAYOR

SENIOR ADMINISTRATIVE OFFICER

APPENDIX "B"
LAND DISPOSAL BY-LAW (LEASE)
HAMLET OF KUGAARUK, N.U.
BY-LAW NUMBER

A By-law of the Municipal Corporation of the Hamlet of Kugaaruk in Nunavut to dispose of real property, pursuant to the Hamlets Act, R.S.N.W.T., 1988, c.H-1, s. 132.2

WHEREAS the Municipal Corporation of the Hamlet of Kugaaruk, in a duly assembled meeting enacts as follows:

1. The whole of Lot() in the Hamlet of Kugaaruk, in Nunavut according to a plan of survey filed in the Land Titles Office for the Nunavut under number , be leased to (as joint tenants and not as tenants-in-common or tenants-in-common and not as joint tenants), both of the Hamlet of Kugaaruk.
2. The Mayor and the Senior Administrative Officer are hereby authorized on behalf of the Hamlet of Kugaaruk to execute the lease agreement "Schedule A," attached to and forming part of this by-law, conveying the lot to the said lessee.

Read a first time this _____ day of _____, 20__ A.D.

MAYOR

SENIOR ADMINISTRATIVE OFFICER

Read a second time _____ day of _____, 20__ A.D.

MAYOR

SENIOR ADMINISTRATIVE OFFICER

Read a third time and finally adopted this _____ day of _____, 20__ A.D.

MAYOR

SENIOR ADMINISTRATIVE OFFICER

APPENDIX 'C'
LAND LEASE BY-LAW
HAMLET OF KUGAARUK, N.U.
BY-LAW NUMBER

A By-law of the Municipal Corporation of the Hamlet of Kugaaruk in Nunavut to acquire real property, pursuant to the Hamlets Act, R.S.N.W.T., 1988, c.H-1, s. 132.2.

WHEREAS the Municipal Corporation of the Hamlet of Kugaaruk deems it to be in the public interest to lease the land described hereunder;

NOW THEREFORE, the Municipal Corporation of the Hamlet of Kugaaruk, in a duly assembled meeting, enacts as follows:

1. The whole of Lot() in the Hamlet of Kugaaruk in Nunavut according to a plan of survey filed in the Land Titles Office for the Nunavut under number , be leased from

3. The Mayor and the Senior Administrative Officer are hereby authorized on behalf of the Hamlet of Kugaaruk to execute the lease agreement "Schedule A", attached to and forming part of this by-law, conveying the lot to the Hamlet of Kugaaruk.

Read a first time this _____ day of _____, 20_____ A.D.

MAYOR

SENIOR ADMINISTRATIVE OFFICER

Read a second time this _____ day of _____, 20_____ A.D.

MAYOR

SENIOR ADMINISTRATIVE OFFICER

Read a third time and finally adopted this _____ day of _____, 20_____ A.D.

MAYOR

SENIOR ADMINISTRATIVE OFFICER

APPENDIX "D"
APPLICATION FOR LAND IN THE
HAMLET OF KUGAARUK

MR. MS. MRS. MISS _____

(Circle One) (Surname of applicant) Last and other names of applicant
AGE: 19 Yes _____ No _____

ADDRESS:
Applicants full mailing address including community name and postal code

WORK PHONE NO. _____ HOME PHONE; _____
OCCUPATION: _____ EMPLOYED BY: _____
Applicant's job title, trade
Business, etc.

MR. MS. MRS. MISS _____

Surname of applicant's spouse
First and other names of spouse
AGE: 19 YES _____ NO _____

OCCUPATION: _____ EMPLOYED BY: _____
Spouse's job title, trade, business, etc.

MR. MS. MRS. MISS _____
(Circle One)

(Give the full name of the contact person for this application if different than the applicant or if the applicant is a business, etc.)

ADDRESS: _____ PHONE NO. _____
(Contact person's full mailing address if different than applicant's)

2. The undersigned hereby make application to Lease the Land described as follows:

If the land you are applying for is surveyed, list it's Lot Number, Block or Group Number, and LTO Number as shown on the lands map. If the land you are applying for is unsurveyed list it's proposed Lot Number and the names of the development area or describe the dimensions, site and location of the land and attach a copy of a portion of the respective lands map showing the location outlined in red.

If there is more than one applicant do you wish joint Tenancy or Tenant's-In-Common

3. The land will be used for: RESIDENTIAL
COMMERCIAL
INDUSTRIAL
OTHER

If other please specify:

4. Are there any buildings or improvements on the land now?

YES _____ NO _____

If yes, will these improvements be removed?

YES _____ NO _____

Existing Improvements have a value of \$ _____ and
Are described as follows:

Name of Owner of Existing Improvements:

(If existing improvements are to remain on the land you are applying for, please attach your proof of ownership.)

APPENDIX "H"
Application for Land Use Permit

- 1) APPLICANT: _____
 - 2) ADDRESS: _____

 - 3) ADDRESS OF HEAD OFFICE: _____

 - 4) LOCATION AND DESCRIPTION OF OPERATION :
 - a) Attach a description and proposed techniques
 - b) Attach a map and sketch of area
 - 5) EQUIPMENT Type, size and purpose _____

 - 6) FUEL
 - a) Type, volume, method of storage containment

 - 7) METHOD OF WASTE DISPOSAL
Arrangements planned for disposal of garbage, sanitary waste and debris

 - 8) CONTRACTOR AND FUNCTIONS

 - 9) TIME SCHEDULE
Start: _____
Completion: _____
 - 10) NAME AND ADDRESS OF FIELD SUPERVISOR

 - 11) NUMBER OF EMPLOYEES: _____
 - 12) AREA USED (HECTARES): _____
- _____
Signature: _____ Title: _____ Date: _____

APPENDIX "I"
EQUITY LEASE

THIS LEASE made this day of, 20.. .

BETWEEN

THE MUNICIPAL CORPORATION OF THE HAMLET OF KUGAARUK,

hereinafter called "**the Municipality**"
OF THE FIRST PART,

AND

hereinafter called "**the Lessee**"
OF THE SECOND PART,

WITNESSETH that in consideration of the rents, covenants and agreements herein reserved and contained on the part of the **Lessee** to be paid, observed and performed, and subject to the **Land Titles Act**, and the **Municipal Land Administration By-Law** the municipality demises and leases unto the **Lessee** all that(those) certain parcel(s) or tract(s) of land situate, lying and being in Nunavut and being composed of

the whole (all that portion) of Lot () in the Hamlet of Kugaaruk in Nunavut, according to a plan of survey filed in the Land Titles Office for Nunavut under number, (as said portion of Lot is shown outlined in red on the sketch annexed hereto and forming part of this description)

OR

the whole of Provisional Lot numbered () in the Hamlet of Kugaaruk in Nunavut, according to a provisional plan of survey carried out by, Canada Lands Surveyor during the period to, as shown outlined in red on the sketch annexed hereto and forming part of this description,

OR

all that parcel of land in the Hamlet of Kugaaruk in Nunavut, as shown outlined in red on the sketch annexed hereto and forming part of this lease,

hereinafter called "the land", subject to the reservations and exceptions contained in the **Land Titles Act** and to the following reservations:

- a) all mines and all minerals whether solid, liquid or gaseous which may be found to exist within, upon or under the land together with the full powers to work the same and for the purpose to enter upon, use and occupy the land or so much thereof and to such an extent as may be necessary for the effectual working and extracting of the said minerals;
- b) the rights of the recorded holders of mineral claims and any other claims or permits affecting the land;
- c) all timber that may be on the land excepting what must be removed for the purpose of landscaping or the construction of improvements;
- d) the rights to enter upon, work and remove any rock outcrop required for public purposes;
- e) such rights of way and of entry as may be required under regulations in force in connection with construction, maintenance and use of works for the conveyance of water for use in mining operations; and
- f) the right to enter upon the land for the purpose of installing and maintaining any public utility.

TO HAVE AND TO HOLD for and during the term of () years, commencing on the day of, 20..., hereinafter called "the effective date".

{New contracts}

YIELDING AND PAYING THEREFOR the "total rental" in the sum of(\$0.000000) Dollars. Said "total rental" is to be paid to the Hamlet in full upon the execution of this lease or as follows:

- a)(\$) Dollars, being a 10% initial payment of the "total rental", is to be paid in full upon the execution of this lease; and
- b)(\$) Dollars, being the balance owing, is to be paid as per Annex "A" annexed hereto and forming part of this lease.

Or

{Existing contracts}

YIELDING AND PAYING THEREFOR the "total rental" in the sum of (\$000.00) Dollars less payments received in the amount of (\$000.00), leaving a balance of (\$0,000.00) Dollars to be paid as per Annex "A" which is annexed hereto and forming part of this lease.

THE PARTIES COVENANT AND AGREE AS FOLLOWS:

DEFINITION

1. In this lease "**Senior Administrative Officer**" means the **Senior Administrative Officer** of the **Hamlet of Kugaaruk** and any person authorized in writing by the **Senior Administrative Office** to act on behalf of the **Hamlet**.

COMPLIANCE

2. The **Lessee** agrees in all respects to abide by and comply with all applicable lawful rules, regulations and by-laws of the Federal Government, Territorial Government, Municipal Corporation of the Hamlet of Kugaaruk or any other governing body whatsoever that have been or may be enacted and in any manner affect the said land.

PAYMENT

3. The **Lessee** shall during the said term, pay the said rental and all taxes, rates and assessments charged upon the land or upon the Lessee in respect thereof.

LATE PAYMENT FEE

4. Where any portion of the rental herein reserved is unpaid, the **Lessee** shall pay a late payment fee as required by the regulations in force at the time under the Financial Administration Act on any lease payments that are in arrears for more than 90 days.

NON-COMPLIANCE

5. Where any portion of the rental herein reserved is unpaid for more than thirty days after it is due, whether formally demanded or not, or where the **Lessee** fails to perform or observe any of the covenants or agreements herein contained, the **Hamlet Council** may by notice in writing terminate this lease, and on the day following the mailing of the notice this lease is terminated.

TERMINATION

6. Termination of this lease shall not prejudice the **Hamlet's** right to unpaid rental or any other right with respect to a breach of any covenant or agreement herein contained.

SURRENDER

7. (A) Subject to the rights and interests of any third parties of which notice has been provided to the **Hamlet Council**, the **Lessee** may surrender the **Lessee's** interest under this lease upon giving 60 days notice in writing to the **Hamlet Council**. The **Hamlet Council** may accept such surrender, if the **Lessee**:

- I. Pays all rental due under this lease to the effective date of the surrender;
- II. Pays all property taxes, rates and assessments, including interest and penalties thereon, charged upon the land or to the **Lessee** to the effective date of the surrender;
- III. Restores the land to a condition satisfactory to the **Hamlet Council**;
- IV. Provides the **Hamlet Council** with an executed Surrender of Lease in a form approved by the **Hamlet Council**; and

V. Discharges all encumbrances registered against title, except in the event the encumbrances have provided the Deputy Minister with their written consent to the Surrender.

B) The effective date of the surrender of the **Lessee's** interest under this lease is the date the **Hamlet Council** accepts such surrender by executing the Surrender of Lease form.

SURVEY

8. The boundaries of the land are subject to such adjustment and alteration as may be shown to be necessary by survey.

SURVEY COSTS

9. The **Lessee** hereby agrees that the **Lessee** shall have the land surveyed by a Canada Land Surveyor and shall pay the full cost of such survey. It is further understood and agreed that no such survey shall be carried out without the prior written approval of the **Community Lands Administrator**.

SURVEY REGISTRATION

10. Upon the registration of the aforesaid provisional plan of survey in the Land Titles Office for Nunavut, the boundaries of the land shall be those as shown for Lot... on the registered plan.

LAND USE

11. The **Lessee** shall use the land for purposes only.

CONSTRUCTION

12. The **Lessee** shall construct the following improvements on the land; which shall have a market value of not less than (\$) Dollars. Construction of the said improvements shall commence within () months of the effective date of this lease, and shall be completed within() months of the effective date of this lease.

NON-CONSTRUCTION

13. The **Hamlet Council** may terminate this lease for failure to commence or complete construction of the improvements within the time required by Clause #... of this lease or for failure to conform to local bylaws, construction standards or regulations.

EXISTING IMPROVEMENTS

14. The **Lessee** shall maintain the existing improvements now situated on the land, or any similar improvements which may be constructed, in a manner and condition satisfactory to the **Community Lands Administrator**.

REMOVAL OF IMPROVEMENT

15. if, prior to the expiry of this lease, the **Lessee** remove 50% of the improvements, excluding site development, placed on the land by the **Lessee** or his/her predecessor, the **Hamlet Council** may, upon 60 days, cancel or alter this lease without compensation.

BUILDING SET-BACKS

16. The **Lessee** shall not erect on the land any building or structure nearer than a distance of six (6) metres from any boundary of the land fronting on any street or road or nearer than a distance of six (6) metres from any boundary of the land not fronting on a street or road.

SEWAGE DISPOSAL

17. The **Lessee** shall not construct a pit privy or sewage or access pit except with the written approval of a Medical Officer of Health, and such disposal facility shall be constructed in accordance with such specifications as the Health Officer may provide.

WATER & SEWER

18. The **Lessee** shall at the **Lessee's** expense make connections to, and use, existing water and sewer, or any such mains as may be extended and made available to the land.

SEWAGE TANKS

19. The **Lessee** shall provide, at the **Lessee's** own expense, a tank adequate for the storage and pump-out of sewage.

MUNICIPAL SERVICES

20. The Government of Nunavut or the Hamlet of Kugaaruk will not provide municipal services of any type or description. The following services (if required): power, water delivery, sewage and garbage pick-up, school bus, road construction and/or maintenance shall be provided by the **Lessee** at his expense.

EQUITY

21. Upon receipt of payment in full of the "total rental", including any interest owing, the annual rental of One (\$1.00) Dollar per annum shall be considered as payment for the balance of the term.

PARTIAL REFUND OF EQUITY

22. Upon the surrender or termination of this lease, and subject to the provisions of Clause #(REMOVAL OF IMPROVEMENTS), the **Hamlet Council** may refund a portion of any equity the **Lessee** has accumulated pursuant to this lease. Such a refund of equity shall be based on the principal portion of total rental paid by the **Lessee** during the term of this Lease. The refund of equity shall be subject to a deduction for rent for the use of the land by the **Lessee**. The rental deduction will be the higher amount of the following:

- a) whether the lease is surrendered or terminated, \$400.00 per year, calculated from the effective date of this lease to the date of acceptance of the surrender of the lease or the date of termination of the lease; or
- b) (i) if the lease is surrendered, 10% of the accumulated principal portion of total rental paid by the **Lessee** as at the date of the acceptance of the surrender of the lease or 10% of the total rental set out herein, whichever is less;
(ii) if the Lease is terminated, 20% of the accumulated principal portion of the total rental paid by the **Lessee** as at the date of termination of the Lease or 20% of the total rental set out herein, whichever is less.

23. Notwithstanding the foregoing, any refund of equity which may be payable to the Lessee hereunder, will be subject to the right of offset by the Deputy Minister against the **Lessee** for any outstanding rental due and owing and any other costs for which the **Lessee** is liable pursuant to the terms and provisions of this lease.

REMOVAL OF IMPROVEMENTS

24. If, prior to the expiry of this lease, the **Lessee** removes 50% or more of any improvements placed on the land by the **Lessee** or the Lessee's predecessor, the **Hamlet Council** may, upon 60 days written notice, terminate this lease without compensation or refund of any equity to the Lessee.

LAND FILL

25. On the expiry of this lease, the **Lessee** may sever and remove from the land all structures, fixtures, and improvements, saving and excepting the following: any and all land fill, and without restricting the generality of the foregoing, in the form of soil, topsoil, sod, clay, sand, gravel, rock, crushed rock, glacial till, concrete, grout, asphalt, or any combination thereof, which during the said term were affixed or placed at the Lessee's expense on the land.

RESTORATION

26. On the termination or expiry of this lease, the **Lessee** shall deliver up possession of the land in a condition satisfactory to the **Hamlet Council**.

EASEMENTS

27. The **Senior Administrative Officer** may, where the **Hamlet Council** deems it necessary in the public interest, establish easements through, under or over any portion of the land for any public utility purpose, but said easements shall not unreasonably interfere with the rights granted to the **Lessee** hereunder or with any improvements made by the Lessee on the land.

ROAD CONSTRUCTION

28. The **Senior Administrative Officer** may re-enter and occupy any portion of the land for construction of roads or other public works, but such construction shall not unreasonably interfere with the rights granted to the **Lessee** hereunder, or with any improvements made by the **Lessee** on the land.

DITCHES

29. The **Lessee** shall permit free access at all times to the drainage ditch located on the land.

ENVIRONMENT

30. Notwithstanding anything herein to the contrary, the **Lessee** shall, at all times, keep the land in a condition satisfactory to the **Hamlet Council**.

ACCESS ROADS

31. The **Lessee** shall construct only one access road to the land, the said access road to meet the standards and conditions specified by the Transportation Engineering Division, Department of Community Government, and Transportation, Government of Nunavut, and the said access road to be constructed at the **Lessee's** expense.

NOXIOUS WEEDS

32. The **Lessee** shall and will, in all respect, use and manage the land in a fair and husband-like manner subject to the approval of the **Hamlet Council**, and shall exercise such control of noxious weeds on land as shall tend to eradicate the same and prevent their increase on the land, and their spreading to adjoining property.

DISCHARGE OF WASTE

33. The **Lessee** shall not discharge or deposit any refuse substances or other waste materials in any lake, river, stream or creek, or on the banks thereof, which will, in the opinion of the **Hamlet Council**, impair the quality of the waters or the natural environment and any areas designated for waste disposal shall not be located within 30.48 metres (100 feet) of the Ordinary High Water Mark of any body of water.

REPLACEMENT CLAUSE

34. This lease cancels and supersedes **Hamlet** Lease No. dated the day of

RENEWAL OPTION

35. If the **Lessee** duly performs and observes all the covenants and agreements herein, and on the part of the **Lessee** to be performed and observed, the **Senior Administrative Officer** shall, at the expiration of the said term, grant to the **Lessee** a new lease of the land for a further term of years, at a rental rate of one (\$1.00) dollar per annum considered as payment and subject to the same covenants and agreements as are herein contained with the exception of this clause.

SUBLEASE REQUIREMENT

36. The **Lessee** shall not sublet the land without the consent of the **Hamlet Council** in writing.

ASSIGNMENT REQUIREMENT

37. The **Lessee** shall not assign this lease without the consent of the **Hamlet Council** in writing.

TIME

38. Time shall be of the essence in this agreement.

WAIVER

39. Unless a waiver is given in writing by the **Senior Administrative Officer**, the **Hamlet Council** shall not be deemed to have waived any breach by the **Lessee** of any of the covenants or agreements herein contained, and a waiver relates only to the specific breach to which it refers.

IMPLICATION

40. No implied covenant or implied liability on the part of the **Hamlet Council** is created by the use of words, "demise and lease" contained herein.

SURVIVORSHIP

41. This lease ensures to the benefit of and is binding upon the **Hamlet Council** and the Commissioner's successors, and upon the **Lessee**, the Lessee's heirs, executors, administrators and assigns.

ADDRESS FOR NOTICES

42. Wherever in this lease it is required or permitted that notice or demand be given or served by any party to this lease to or on the other, such notice or demand shall be given or served in writing and forwarded by registered mail, addressed as follows:

To the **Senior Administrative Officer**:

Senior Administrative Officer
P.O. Box 250
Hamlet of Kugaaruk
Kugaaruk, Nunavut
X0E 1K0

To the **Lessee** at:

or to such other address as either of the parties may from time to time notify the other in writing in the manner hereinbefore provided.

IN WITNESS WHEREOF the parties have executed this lease agreement as of the date and year first above written.

SIGNED SEALED AND DELIVERED
by

SIGNED, SEALED AND DELIVERED
by
in the presence of

)	
)	SENIOR ADMINISTRATIVE OFFICER
)	
)	
)	_____ PER(SEAL)
)	
)	
)	
)	_____ (SEAL)
)	Lessee
)	
)	_____ (SEAL)
)	Lessee

IN WITNESS WHEREOF the parties have executed this lease agreement as of the date and year first above written.

SIGNED, SEALED AND DELIVERED
by

SIGNED, SEALED AND DELIVERED

by the
and by the

of
(name of company)

)
) **SENIOR ADMINISTRATIVE**
) **OFFICER**
)

)
)
) **PER** _____ **(SEAL)**
)

) _____ **(SEAL)**
) **Lessee**
)

) _____ **(SEAL)**
) **Lessee**

AFFIDAVIT OF WITNESS

CANADA
NUNAVUT
TO WIT:

) I,
) of the
) in the
) make oath and say:

1. I was personally present and did see the within instrument duly signed and executed by the **Lessee** hereto, for the purposes named herein.
2. The said instrument was executed at in Nunavut.
3. I know the said, and that he/she is (they are each) in my belief of the full age of nineteen years.

SWORN before me at
in the
this day of
A.D. 20

)
)
)
)
)
)
)
)
)
)
)

**A Commissioner for Oaths
or Notary Public in and
for Nunavut**

) witness

My Commission expires