

<b>Natural Resources and Energy Development</b> <b>Contact:</b> Craig Parks, (506) 453-6626	<b>Administrative Fees - Lands Administration Regulation Schedule A</b> <i>Crown Lands and Forests Act</i> Regulation # 2009-62
<b>Current Fees:</b> See Schedule A <b>Proposed Fees:</b> See Schedule A <b>Effective Date:</b> April 1, 2020	<b>New Annual Revenue Estimate:</b> \$345,830  <b>Change in Annual Revenue:</b> \$95,000
<b>Comments: (Schedule A)</b> Adjust current regulated administrative fees to more accurately reflect the costs of the delivery of services.	

<b>Schedule A</b>					
<b>Administrative Fees - Lands Administration Regulation (LAR)</b>					
<b>Type of Service</b>	<b>Current Fee</b>	<b>Proposed Fee</b>	<b>New Annual Revenue Estimate</b>	<b>Change in Annual Revenue</b>	<b>Comments</b>
<b>Services – Leases</b>					
Application for a <u>camp lot lease</u> of Crown Lands	\$300	\$500 (combined fee <sup>1</sup> )	\$0	\$0	1998 Eurig Decision: A province may only legally generate revenue from administrative fees up to a level which bears a reasonable relationship to the costs of delivering the good or service. In some instances, the decrease is also due to accurate cost accounting and enhanced processes.
Fee to prepare a <u>camp lot lease</u> of Crown Lands	\$200	N/A (combined fee <sup>1</sup> )	\$0	\$0	
Fee to prepare a renewal of a <u>camp lot lease</u> of Crown Lands	\$200	\$100 (reduction)	(\$100)	(\$100)	
Application and preparation of <u>all other leases</u> of Crown Lands	\$500	\$1,400	\$900	\$900	
Fee to prepare a renewal of a lease of Crown Lands	\$200	\$500	\$300	\$300	
Fee to prepare an assignment of lease of Crown Lands	\$200	\$200 No change	\$0	\$0	
Fee to sublet a lease of Crown Lands	\$200	\$150 (reduction)	(\$50)	(\$50)	
Fee to amend a lease of Crown Lands	\$50	\$300	\$250	\$250	
<b>Services – Licence of Occupation (LOO)</b>					
Application for a new LOO of Crown Lands	\$500	\$750	\$250	\$250	1998 Eurig Decision: A province may only legally generate revenue from administrative fees up to a level which bears a reasonable relationship to the costs of delivering the good or service. In some instances, the decrease is also due to accurate cost accounting and enhanced processes.
Application for a new LOO for community event of Crown Lands	\$50	\$75	\$25	\$25	
Application for a new LOO for pole and anchor	\$500 + \$80/pole one-time rental	\$750 + \$80/pole one-time rental	\$250	\$250	
Fee to amend a LOO of Crown Lands	\$50	\$200	\$150	\$150	
Fee to renew a LOO of Crown Lands	\$200	\$200 No Change	\$0	\$0	

Fee to assign a LOO of Crown Lands	\$200	\$200 No Change	\$0	\$0	
<b>Services – Easement and Right-of-way</b>					
Application for non-commercial or non-industrial access of Crown Lands	\$500 for first hectare (ha) or part of a ha and \$50 for each additional ha	\$850	\$350	\$350	1998 Eurig Decision: A province may only legally generate revenue from administrative fees up to a level which bears a reasonable relationship to the costs of delivering the good or service. In some instances, the decrease is also due to accurate cost accounting and enhanced processes.
Application for municipal or non-profit access of Crown Lands	\$500 for first hectare (ha) or part of a ha and \$50 for each additional ha	\$850	\$350	\$350	
Application for public electrical utility access of Crown Lands	\$500 for first hectare (ha) or part of a ha and \$50 for each additional ha	\$850 + 7.5% of easement area market value <sup>2</sup>	\$350 + 7.5% appraised value	\$350 + 7.5% appraised value	
Application for public electrical utility transmission corridors operated by NB Power and longer than 2 Km, access of Crown Lands	\$500 for first hectare (ha) or part of a ha and \$50 for each additional ha	\$850 + \$1 per Km	\$350 + \$1 per km	\$350 + \$1 per km	
Application for communication access of Crown Lands	\$500 for first hectare (ha) or part of a ha and \$50 for each additional ha	\$850 + 20% of easement area market value <sup>2</sup>	\$350 + 20% of appraised value	\$350 + 20% of appraised value	
Application for commercial or industrial access of Crown Lands	\$500 for first hectare (ha) or part of a ha and \$50 for each additional ha	\$850 + 80% of easement area market value <sup>2</sup>	\$350 + 80% of appraised value	\$350 + 80% of appraised value	
<b>Services – Trails</b>					
Application for new trail Disposition	\$500	\$750	\$250	\$250	1998 Eurig Decision: A province may only legally generate revenue from administrative fees up to a level which bears a reasonable relationship to the costs of delivering the good or service. In some instances, the decrease is also due to accurate cost accounting and enhanced processes.
Fee to amend trail Disposition	\$50	\$200	\$150	\$150	

Services – Grants, Exchanges, Transfers					
Application for a grant or conveyance of Crown Lands	\$500	\$1,500	\$1,000	\$1,000	1998 Eurig Decision: A province may only legally generate revenue from administrative fees up to a level which bears a reasonable relationship to the costs of delivering the good or service. In some instances, the decrease is also due to accurate cost accounting and enhanced processes.
Application to declare Crown Lands as surplus to DTI	\$200	\$1,500	\$1,300	\$1,300	
Application for a grant or conveyance of waterfront reserve	\$500 to \$800	\$1,500	\$700 to \$1,000	\$700 to \$1,000	
Application for possessory title claim of Crown Lands	\$500	\$650	\$150	\$150	
Application to discontinue a Crown waterfront reserve	\$300	\$650	\$350	\$350	
Application for a land exchange of Crown Lands	\$700 + \$2.50 per hectare (ha) of Crown Lands acquired (\$500 application fee and \$200 fee to prepare documents)	\$1,600 for the first 75 ha or part thereof of Crown land requested, plus \$20 for each additional requested ha above 75 ha to a maximum total application fee of \$2,000	\$900 + \$20 per ha >75 ha; Maximum \$2,000	\$900 + \$20 per ha >75 ha; Maximum \$2,000	
Services – Reserved Roads					
Application for granting a reserved road of Crown Lands	\$500	\$1,100	\$600	\$600	1998 Eurig Decision: A province may only legally generate revenue from administrative fees up to a level which bears a reasonable relationship to the costs of delivering the good or service. In some instances, the decrease is also due to accurate cost accounting and enhanced processes.
Application to discontinue a reserved road of Crown Lands	\$300	\$650	\$350	\$350	
Services – Construction of roads					
Application to construct a road on an existing reserved road of Crown Lands	\$150	\$200	\$50	\$50	1998 Eurig Decision: A province may only legally generate revenue from administrative fees up to a level which bears a reasonable relationship to the costs of
Application to construct a road on Crown Lands that is not a reserved road	\$150	\$200	\$50	\$50	

					delivering the good or service. In some instances, the decrease is also due to accurate cost accounting and enhanced processes.
<b>Annual Revenues from Fees</b>	<b>Current</b>	<b>Projected</b>		<b>Total Increase</b>	
	<b>\$250,830</b>	<b>\$345,830</b>		<b>\$95,000</b>	

<sup>1</sup> The existing fee structure is \$300 to apply and \$200 to prepare and issue tenure documents. This fee will be combined.

<sup>2</sup> These types of easements will require an appraisal; the Crown parcel must be appraised by an Appraisal Institute of Canada accredited appraiser.

<b>Natural Resources and Energy Development</b>	<b>Proprietary Fees (Lease Rentals)</b> <b>Lands Administration Regulation</b> <i>Crown Lands and Forests Act</i> Regulation # 2009-62
<b>Contact:</b> Craig Parks, (506) 453-6626	
<b>Current Fees:</b> See Schedule B <b>Proposed Fees:</b> See Schedule B <b>Effective Date:</b> April 1, 2020	<b>New Annual Revenue Estimate:</b> \$4,135,342 (includes Schedule B and C) <b>Change in Annual Revenue:</b> \$1,204,870 (includes Schedule B and C)
<b>Comments: (Schedules B)</b> Adjust regulated Lease rents and establish new rent categories for the use of Crown lands that reflect the market values of Crown lands dispositions and provide an appropriate rate of return (ROR) for exclusive land use rights and interests to use public land.	

### LAR Schedules B & C Proposed Regulatory Provisions - Current and Proposed Lease and Licence of Occupation Rent Formula

Lease Class	Waterfront (WF)	Current LAR	Current Minimum	Proposed Rent	Proposed Minimum	Rationale	Actual Calculated Minimum Rent - Anything under 1 acre or 0.404686 ha
<b>Standard Rent</b>	<b>Non WF</b>	Standard lease rental (SLR) =  $\left( \sqrt{\frac{ha}{0.4}} \times \$320 \right)$ for the first 10 hectares of lands + \$29/ha for all lands in excess of 10 hectares	\$160	Standard lease rental is based on establishing a market value for the area of land to be leased.  <b>Market value</b> is based on the following five area values: 1. 0.40 ha / 1 acre = \$4,000 2. 10 ha / 25 acres = \$16,000 3. 30 ha / 74 acres = \$35,000 4. 60 ha / 148 acres = \$60,000 5. 600.15 ha / 1483 acres = \$410,000	\$400	The current standard rent formula overvalues small parcels and undervalues large parcels.	\$400

LAR Schedules B & C Proposed Regulatory Provisions - Current and Proposed Lease and Licence of Occupation Rents

Lease Class	Waterfront (WF)	Current LAR	Current Minimum	Proposed Rent	Proposed Minimum	Rationale	Actual Calculated Minimum Rent - Anything under 1 acre or 0.404686 ha
Standard Rent	Non WF	<p>Standard lease rental (SLR) =</p> $\left( \frac{\sqrt{ha}}{\sqrt{0.4}} \times \$320 \right)$ <p>for the first 10 hectares of lands + \$29/ha for all lands in excess of 10 hectares</p>	\$160	<p><b>Standard lease rental</b> is calculated using the following straight-line formula</p> <p>1. For leases with a land area <b>less than 10ha/25 acres</b>, the formula is: (1 acre Market Value + (\$ increase per acre x (Land area leased – 1 acre))) x 10%</p> <p>*Note: \$ increase per acre = (Market value of a 25-acre upland parcel – Market value of a 1-acre upland parcel) divided by (25 acres – 1 acre).</p>	\$400	<p>In the interest of the Department aligning more with market industry practices and to have a rent approach that is more transparent.</p> <p>Standard lease rent will now be based on a simple straight-line calculation with a rate of return of 10%.</p>	\$400
Standard Rent	Non WF	<p>Standard lease rental (SLR) =</p> $\left( \frac{\sqrt{ha}}{\sqrt{0.4}} \times \$320 \right)$ <p>for the first 10 hectares of lands + \$29/ha for all lands in excess of 10 hectares</p>	\$160	<p>2. For leases with a land area <b>equal to or greater than 10ha/25 acres and less than 30 ha/74 acres</b>, the formula is: Rent = (25 acre Market value + (\$ increase per acre x (Land area leased – 25 acres))) x 10%</p> <p>*Note: \$ increase per acre = (Market value of a 74-acre upland parcel – Market value of a 25-acre upland parcel) divided by (74 acres – 25 acres).</p>	\$400		\$400

**LAR Schedules B & C Proposed Regulatory Provisions - Current and Proposed Lease and Licence of Occupation Rents**

Lease Class	Waterfront (WF)	Current LAR	Current Minimum	Proposed Rent	Proposed Minimum	Rationale	Actual Calculated Minimum Rent - Anything under 1 acre or 0.404686 ha
Standard Rent	Non WF	Standard lease rental (SLR) =  $\left( \sqrt{\frac{ha}{0.4}} \times \$320 \right)$  for the first 10 hectares of lands + \$29/ha for all lands in excess of 10 ha	\$160	3. For leases with a land area <b>equal to or greater than 30 ha / 74 acres and less than 60 ha / 148 acres</b> , the formula is: Rent = (74 acre Market Value + (\$ increase per acre x (Land area leased – 74 acres))) x 10%  *Note: \$ increase per acre = (Market Value of a 148 acre upland parcel – Market Value of a 74 acre upland parcel + (148 acre – 74 acre))	\$400		\$400
Standard Rent	Non WF	Standard lease rental (SLR) =  $\left( \sqrt{\frac{ha}{0.4}} \times \$320 \right)$  for the first 10 hectares of lands + \$29/ha for all lands in excess of 10 ha	\$160	4. For leases with a land area <b>equal to or greater than 60 ha / 148 acres and less than or equal to 600 ha/1483 acres</b> , the formula is: Rent = (148 acre Market value + (\$ increase per acre x (Land area leased – 148 acres))) x 10%  *Note: \$ increase per acre = (Market value of a 1483-acre upland parcel – Market value of a 148-acre upland parcel) divided by (1483 acres – 148 acres).	\$400		\$400

**LAR Schedules B & C Proposed Regulatory Provisions - Current and Proposed Lease and Licence of Occupation Rents**

Lease Class	Waterfront (WF)	Current LAR	Current Minimum	Proposed Rent	Proposed Minimum	Rationale	Actual Calculated Minimum Rent - Anything under 1 acre or 0.404686 ha
<b>Standard Rent</b>	<b>Non WF</b>	Standard lease rental (SLR) =  $\left( \sqrt{\frac{ha}{0.4}} \times \$320 \right)$  for the first 10 hectares of lands + \$29/ha for all lands in excess of 10 ha	\$160	5. For leases with a land area greater than 600 ha / 1483 acres, the formula is: Rent = \$ increase per acre x Land Area leased x 10%  *Note: \$ increase per acre = Market value of a 1483-acre upland parcel divided by 1483 acres (rounded to nearest dollar).	\$400		\$400



**LAR Schedule B Proposed Regulatory Provisions - Current and Proposed Lease Rents**

Lease Class	Waterfront (WF)	Current LAR	Current Minimum	Proposed Rent	Proposed Minimum	Rationale	Actual Calculated Minimum Rent - Anything under 1 acre or 0.404686 ha
<b>Waterfront - General</b>	<b>WF</b>	2 x Standard Lease Rent (SLR)	\$320	2 x Standard Rent (SR)	\$800	Historical market valuation of waterfront properties has determined that waterfront properties are at least 2 times the upland equivalent.	\$800
<b>Institutional</b>	<b>Non WF</b>	10% x SLR	\$100	10% x SR	\$250	Discounted rents are maintained to recognize and assist those who provide a public good (e.g. charities, municipalities).	\$250
	<b>WF</b>	20% x SLR	\$100	20% x SR	\$250		\$250
<b>Municipal</b>	<b>Non WF</b>	10% x SLR	\$100	10% x SR	\$250	Discounted rents are maintained to recognize and assist those who provide a public good (e.g. charities, municipalities).	\$250
	<b>WF</b>	20% x SLR	\$100	20% x SR	\$250		\$250
<b>Maple sugary - value added</b>	<b>WF or Non WF</b>	50% x SLR	-	50% x SR	\$400	The wording "value-added" has been removed from the definition for maple sugary leases, to simplify the rent structure and continue to give maple sugaries rent reduction to support the industry; this definition was restrictive and outdated.	\$400
<b>Maple sugary – non-valued added</b>	<b>WF or Non WF</b>	80% x SLR		50% x SR			

**LAR Schedule B Proposed Regulatory Provisions - Current and Proposed Lease Rents**

Lease Class	Waterfront (WF)	Current LAR	Current Minimum	Proposed Rent	Proposed Minimum	Rationale	Actual Calculated Minimum Rent - Anything under 1 acre or 0.404686 ha
<b>Non-fibre forestry</b>	<b>WF or Non WF</b>	50% x SLR	-	50% x SR	\$400	Other non-fibre forestry leases will follow the same rationale as maple sugary.	\$400
<b>Trail</b>	<b>WF or Non WF</b>	\$2 x trail km	\$100	\$2 x trail km	\$250	Other than the change associated with the minimum rent, no changes for this category.	\$250
<b>Submerged</b>	-	SLR	\$160	SR	\$400	Other than the change associated with the minimum rent, no changes for this category.	\$400
<b>Affiliated angling</b>	<b>WF</b>	2 x SLR	\$320	2 x 10.5% of Market Value	\$840	Affiliated angling lease represents a unique waterfront lease whose rate of return has a range of 9.0-10.5%. Instead of applying the standard rental rate of return of 10%, the upper end of 10.5% is chosen in recognition of the unique waterfront.	\$840
<b>Erosion control structure</b>	<b>WF or Non WF</b>	SLR	\$160	SR	\$400	Other than the change associated with the minimum rent, no changes for this category	\$400

**LAR Schedule B Proposed Regulatory Provisions - Current and Proposed Lease Rents**

Lease Class	Waterfront (WF)	Current LAR	Current Minimum	Proposed Rent	Proposed Minimum	Rationale	Actual Calculated Minimum Rent - Anything under 1 acre or 0.404686 ha
<b>Electrical generation</b>	<b>WF or Non WF</b>	$\left( \frac{\sqrt{\text{ha}}}{\sqrt{0.4}} \times \$640 \right) + (\$3,500 \times B)$ <p>where B = sum of all turbine name plate capacities in megawatts</p>	-	(2 x 11% of Market Value) + \$4,250 x B  B = sum, in megawatts, of the name plate capacities of all installed turbines	\$5,130	A rate of return of 11% will be applied to reflect the nature of the lease type and capitalize on compensation.	\$5,130
<b>Commercial Communication Towers</b>	<b>WF or Non WF</b>	defaults to SLR	-	If 5 ha or less: \$1750 x area or If over 5 ha: (\$1750 x 5 ha) + SR for (area - 5 ha)	\$1,750	Commercial communication towers is a new separate category with a new rent consistent with private practices.	\$1,750
<b>All other communication towers</b>	<b>WF or Non WF</b>	defaults to SLR	-	SR	\$400	Other communication towers is a new separate category with a new rent consistent with market valuation. This category is for agencies who need leases for emergency services or for non-profit/public purposes (e.g. CBC).	\$400

**LAR Schedule B Proposed Regulatory Provisions - Current and Proposed Lease Rents**

Lease Class	Waterfront (WF)	Current LAR	Current Minimum	Proposed Rent	Proposed Minimum	Rationale	Actual Calculated Minimum Rent - Anything under 1 acre or 0.404686 ha
<b>Industrial, Commercial, Utility, Transportation</b>	<b>WF</b>	defaults to SLR	-	2 x 10.5% of Market Value	\$840	This is a new proposed class of lease A rate of return of 10.5% will be applied. Waterfront leases pay double.	\$880
	<b>Non WF</b>	default to SLR	-	10.5% of Market Value	\$420		\$440

<b>Natural Resources and Energy Development</b> <b>Contact:</b> Craig Parks, (506) 453-6626	<b>Proprietary Fees (Licence Rentals)</b> <b>Lands Administration Regulation</b> <i>Crown Lands and Forests Act</i> Regulation # 2009-62
<b>Current Fees:</b> See Schedule C <b>Proposed Fees:</b> See Schedule C <b>Effective Date:</b> April 1, 2020	<b>New Annual Revenue Estimate:</b> \$4,135,342 (includes Schedule B and C) <b>Change in Annual Revenue:</b> \$1,204,870 (includes Schedule B and C)
<b>Comments: Schedule C:</b> Adjust regulated Licence of Occupation rents and establish new rent categories for the use of Crown lands that reflect the market values of Crown lands dispositions and provide an appropriate rate of return (ROR) for exclusive land use rights and interests to use public land.	

#### LAR Schedule C Proposed Regulatory Provisions - Current and Proposed Licence of Occupation Rents

Licence of Occupation Class	Waterfront (WF)	Current LAR	Current Minimum	Proposed Rent	Proposed Minimum	Rationale	Actual Minimum Rent - Anything under 1 acre or 0.404686 ha
<b>Standard licence rental</b>	-	50% x SLR (Standard Lease Rent)	\$80	50% x SR (Standard Rent)	\$200	For licences, current LAR applies a rental rate of 50% of standard lease rental to recognize that a licence does not have the same rights as a lease. Discounts or adjustments are made depending on certain licence classes.	\$200
<b>General</b>	<b>WF</b>	SLR	\$160	SR	\$400		\$400
<b>Institutional</b>	<b>Non WF</b>	5% x SLR	\$50	5% x SR	\$125		\$125
	<b>WF</b>	10% x SLR	\$100	10% x SR	\$125		\$125
<b>Municipal</b>	<b>Non WF</b>	5% x SLR	\$50	5% x SR	\$125		\$125
	<b>WF</b>	10% x SLR	\$100	10% x SR	\$125		\$125

**Schedule C Proposed Regulatory Provisions - Current and Proposed Licence of Occupation Rents**

Licence Class	Waterfront (WF)	Current LAR	Current Minimum	Proposed Rent	Proposed Minimum	Rationale	Actual Calculated Minimum Rent - Anything under 1 acre or 0.404686 ha
<b>Wind - exploration</b>	-	\$1/ha + \$640 per test device and a \$3/ha additional fee for an option agreement	-	a) No lease option: (\$1 x area) + (\$800 x DeviceCount)  b) With lease option: (\$4 x area) + (\$800 x DeviceCount)  >> DeviceCount = number of test devices	\$800	Rent remains same except for minimum and a clearer differentiation between with and without option.  Remove the word agreement "an option agreement" from the current provision.	\$800
<b>Trail</b>	<b>WF or Non WF</b>	\$2 x trail km	\$100	\$2 x trail km	\$250		\$250
<b>Submerged</b>	<b>WF</b>	50% x SR	\$80	50% x SR	\$200		\$200
<b>Rockweed harvest/extraction/ taking</b>		\$500	-	\$500	-		\$500
<b>Signs</b>	-	\$500 x # of signs	\$500	\$500 x # of signs	\$500		\$500
<b>Annual Revenues from Rents Schedules B &amp; C</b>			<b>Current</b>		<b>Projected</b>		<b>Total Increase</b>
			<b>\$2,930,472</b>		<b>\$4,135,342</b>		<b>\$1,204,870</b>

