



ISLANDS TRUST FUND

TRUST FUND BOARD POLICY

Policy number: 2.5

Title: Natural Area Protection Tax Exemption Covenants

Approved By: Trust Fund Board

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PURPOSE

This policy describes how the Trust Fund Board considers requests to hold conservation covenants associated with an application to the Natural Area Protection Tax Exemption Program (NAPTEP).

BACKGROUND

Islands Trust Council worked for 8 years to create a property tax exemption for landowners who agreed to protect the natural values on their land. In 1998, the Trust Fund Board and Trust Council developed the Natural Area Protection Tax Exemption Program. In 2000, the Province amended the *Islands Trust Act* to allow Trust Council and Regional Districts to cooperatively establish a tax exemption program. In 2002, the *Islands Trust Natural Area Protection Tax Exemption Regulation* (NAPTEP Regulation) was developed and approved by the Province of BC.

The program, known as the Natural Area Protection Tax Exemption Program (NAPTEP), offers qualified landowners an exemption of 65% of the property taxes for the portion of the land that is covenanted. The land to be protected must qualify as “eligible natural area property” as defined in the *Islands Trust Act* and the landowner must register a covenant under section 219 of the *Land Title Act* that protects the natural values and amenities identified in the NAPTEP Regulation.

SCOPE

NAPTEP covenants will be considered in accordance with this policy, as well as TFB Policy 2.4 Conservation Covenants.

POLICY

1. The Board administers the NAPTEP program on behalf of Trust Council in compliance with *the Islands Trust Act* and applicable regulations, bylaws and policies.
2. The Board will continue to deliver NAPTEP subject to provisions in the annual budget approved by Trust Council to cover the cost of promotion of the program, processing of all applications and monitoring and enforcement of all covenants.
3. The Board will accept and hold covenants on lands that are identified as having the following natural area values and amenities as defined in section 2 of the NAPTEP Regulation:
 - a. areas that are relatively undisturbed by human activity and are good examples of one or more of the ecosystems described in the Schedule of the above noted regulation;
 - b. areas that are relatively undisturbed by human activity and are key habitat for rare native plant species or plant communities;
 - c. areas that are critical habitat for native animal species in relation to breeding, rearing, feeding or staging; and
 - d. geological features as described in the above noted regulation.

The Board will give priority to those NAPTEP proposals that also meet one or more of the goals or objectives of the Regional Conservation Plan.

4. The Board will not accept a covenant on lands where the only natural values or amenities are those defined in section 2 (e) and (f) of the NAPTEP Regulation, as follows:
 - e. historical features as described in the above noted regulation;
 - f. social or recreational features as described in the above noted regulation.

The Board may consider accepting covenants on lands with values or amenities defined in section 2 (e) and (f) where these values and amenities are found in combination with those identified in sections 2 (a) through 2 (d) of the NAPTEP Regulation.

5. The Board requires any NAPTEP applications connected with a development application to a local trust committee or municipality to submit an *ITF Conservation Proposal Form for Conservation Projects Connected with a Development*.
6. The landowner is responsible for all costs incurred by the landowner to complete the covenant, and for the costs of registration in the land title office. The Board will consider assisting a landowner with all or a portion of the application fee where the applicant demonstrates financial need and where the land has high conservation value.
7. In cases where there are multiple covenant zones, the Natural Area Exemption Certificate will only reference the Covenant Area(s) that qualify as “eligible natural area property” as defined in the *Islands Trust Act*.
8. Annual monitoring and enforcement procedures for NAPTEP covenants will be consistent with procedures followed for all Trust Fund Board covenants.

REFERENCES

Islands Trust Act, Sections 49.1 to 49.8

Islands Trust Natural Area Protection Tax Exemption Regulation 41/2002

Islands Trust Natural Area Exemption Certificate Fees Bylaw 115

Islands Trust Procedural Policy 2.1.x - Administering the NAPTEP program

Trust Fund Board Regional Conservation Plan

TFB Policy 2.2 Assessing Conservation Proposals

TFB Policy 2.4 Conservation Covenants

TFB Policy 2.8 Covenant Enforcement Policy

ITF Conservation Proposal Form (voluntary)

ITF Conservation Proposal Form for Conservation Projects Connected with a Development Application

Canadian Land Trust Standards and Practices, 2005 (Technical update, 2007). Available online through the Land Trust Alliance of BC at www.ltabc.ca.

Hillyer, A. and J. Atkins *Greening your title: a guide to best practices for conservation covenants, second edition*. 2005. West Coast Environmental Law Research Foundation. Vancouver, B.C. Available online at www.wcel.org.