

Redwood Meadows' Agreements Frequently Asked Questions (FAQ)

Purpose:

The purpose of this FAQ is to provide answers to frequently asked questions concerning the Redwood Meadows' Agreements with Tsuut'ina Nation.

Lease Process

1. What are the benefits of renewing or extending the lease?
 - a. The most important benefit is that we continue to live and invest in a one-of-a-kind community among stunning flora and fauna. Practically speaking, renewing or extending the lease will relieve anxiety for our lending institutions, improve buyer attractiveness, and ensure ongoing investment in community improvements.
2. What are the impacts of not renewing or extending the lease this year?
 - a. The biggest impact is that the existing Sublease Holders and new buyers applying for mortgages will not be able to obtain a 25 year mortgage and may have to pass a sticker stress test to qualify for a mortgage. This main impact may cause rippling affects that result in decreased buyer attractiveness and decreased interest in maintaining and improving properties as time decreases on the existing leases.
3. What are the key elements for renewing or extending the lease?
 - a. To obtain a new or extended lease, a designation process and a Head Lease renewal or extension with the Federal Government – Indigenous Services Canada (ISC) has to be completed. Both Parties are engaged to have all tasks completed by Fall 2019.
4. What is a Designation?
 - a. A designation is a process under the *Indian Act* that allows Indigenous communities to set aside reserve land for leasing purposes. To obtain a designation for leasing purposes, an environmental assessment, an appraisal, legal description and a community vote is conducted.
5. What is a Head Lease?
 - a. The Head Lease is the leasing agreement between the Federal Government – ISC and Tsuut'ina Nation. The Head Lease defines the terms and conditions for the subleases.
6. How does the Designation and Head Lease affect my Residential Sublease?
 - a. Without the Designation and Head Lease, a Residential Sublease cannot be executed.
7. Will we see the new or extended lease before the vote?

- a. All agreements are tentatively scheduled to be completed and agreed to by the respective Councils for late Spring or early Summer 2019. We intend to present the agreement details and required payment at the stakeholder/ community engagement sessions as soon as the agreements and payment plan is confirmed.
8. What is the voting process for the lease?
 - a. The Society's voting requirement for the lease is to hold a Special General Meeting where 30 Registered Sublease Voters must be present to open and close the Special General Meeting and 75% of all the Registered Sublease Voters casting a vote during the Special General Meeting must be in favor of the lease to approve it.
9. What happens if the vote doesn't reach the 75% threshold for approval?
 - a. The Society will have to decide if or when a second vote will be held.
10. Has the Lease Vote question been drafted?
 - a. The Society has drafted a mock Lease Vote question. Once the agreements are finalized the Lease Vote question will be finalized and shared through the community engagement sessions.
11. Will all Sublease Holders be voting in the Lease Vote?
 - a. The vote will be based on one Registered Sublease Voter per sublease property. All other Eligible Sublease Voters of the sublease property will be asked to identify and confirm one Registered Sublease Voter to vote on their behalf, who will have to be confirmed and added to the Registered Sublease Voters' List by the Returning Officer.
12. Will a Registered Sublease Voter have to be present to vote in the Lease Vote?
 - a. There will be a mail-in or drop-in ballot option for those that cannot be present at the Lease Vote.
13. If a Registered Sublease Voter is not identified for a sublease property or declines to vote, will that hold up the vote?
 - a. The Society encourages all Eligible Sublease Voters to designate a Registered Sublease Voter for their respective sublease property in order to achieve a full turnout of the 351 voters for the Lease Vote.
14. Will there be any Registered Sublease Voters that will vote no?
 - a. A vote is never guaranteed. However, we are encouraging all Eligible and Registered Voters to participate in the lease information and community engagement sessions in order to become informed and to raise questions and concerns so they can be addressed and all voters can make an informed decision.
15. Will there be a way for those that cannot attend the lease information and community engagement sessions to access the information?

- a. Yes, our intend is to ensure all Eligible and Registered Sublease Voters are fully aware of the lease agreements' details in order to make an informed decision, through the following communication strategy:
 - i. Updating this FAQ after each session and distributing it through a lease email list, the Society's website and social media accounts;
 - ii. Providing a summary of each session through the utility billing mail outs, lease email list, the Society's website and social media accounts;
 - iii. Providing stakeholder/ community engagement sessions regarding the lease details at least three to four weeks prior to the vote;
 - iv. Providing information videos through the Society's website and social media accounts; and
 - v. Providing the finalized lease agreements' documents prior to the Lease Vote through a mail out, lease email list, the Society's website and social media accounts.
16. If the new or extended lease is approved during the summer, what is the timeline for processing the Residential Subleases?
- a. Assuming a successful lease vote by the Society, there is an ISC process to finalize the Head Lease. Optimally, all of these steps will be complete by Fall of 2019.
17. Why does ISC have to be involved?
- a. ISC is responsible for overseeing leasing activities on Indigenous reserve lands under the *Indian Act*.
18. When will the results of the vote be published?
- a. The results of the Lease Vote will be publically available the next day.
19. Will the Society be assisting Sublease Holders with legal advice?
- a. We are approaching lawyers to enquire as to their availability and interest to be a preferred lawyer referral to assist Sublease Holders with executing the appropriate legal documents for the lease renewal or extension.
20. If the current discussions do not result in a lease renewal or extension, are there other alternatives?
- a. The Society is discussing numerous alternatives with Tsuut'ina Nation to ensure some form of a lease renewal or extension occurs. There is a clear desire and intention from both parties to find a practical solution for the lease to be completed this year.
21. Will the Society provide a letter explaining the lease to the lenders?
- a. A letter explaining the lease to the lenders that provide mortgages in Redwood Meadows will be provided after the vote. We encourage mortgage holders to read their agreements and understand their responsibilities in communicating with their financial institutions throughout the process. Financial institutions should view the lease renewal favorably.

Governance

1. What is a Stewardship Agreement?
 - a. A Stewardship Agreement is an agreement that provides an inter-governmental structure and process for the respective parties regarding their shared interests, responsibilities and authorities related to a natural resource, area or activity.
2. Why do we need to have a Stewardship Agreement with our new or extended lease?
 - a. Due to changes in legislation over the last thirty (30) years, the Society needs to clarify their roles and responsibilities with how we can effectively operate and manage the Townsite of Redwood Meadows for the benefit of the residents.
3. What are the main areas covered in the Stewardship Agreement?
 - a. The four key areas of the Stewardship Agreement are:
 - i. Establishing and maintaining an ongoing working relationship between the Society and Tsuut'ina Nation through a Liaison Committee;
 - ii. Establishing and maintaining an effective bylaw enactment process;
 - iii. Establishing and maintaining an effective taxation process; and
 - iv. Establishing and maintaining an ongoing relationship for infrastructure management.
4. Why are we using a Vancouver law firm?
 - a. Due to difficulties finding a law firm in Alberta that does not have a conflict of interest with Tsuut'ina Nation, we looked outside the province. The law firm we selected is well versed in Indigenous leasing and governance issues. We are confident they can provide us with the appropriate advice and services to finalize our agreements with Tsuut'ina Nation.

Cost and Payment of the New or Extended Lease

1. Was an appraisal for the new or extended lease completed?
 - a. The Society completed an appraisal for the Townsite of Redwood Meadows.
2. What was the Society's appraisal based on - the value of the land or house?
 - a. The Society's appraisal was base on the value of the land.
3. Can you share the amount of the Society's appraisal?
 - a. Once the Society confirms the final figure and payment plan with Tsuut'ina Nation, we will release the final figure and payment plan options through several community engagement sessions scheduled for late Spring and early Summer 2019.
4. Will the value of my house increase with the new or extended lease?
 - a. By renewing or extending the lease, it will relieve anxiety for lending institutions, improve buyer attractiveness (increased number of interested buyers and reduce time on market), and ensure ongoing investment in community improvements. All these

factors should result in an improved home value. Due to some variable factors, a definitive percentage increase cannot be predicted.

5. Will there be payment options provided to residents for the lease?
 - a. The Property Value Protection (PVP) fund is available to help reduce the payment burden for each sublease holder. We have worked vigilantly with different demographic focus groups to determine affordability options in advance of financial discussions with Tsuut'ina Nation to best ensure we end up with a payment structure that will work for all sublease holders.
6. What will the pay structure look like? Will there be an up-front payment and/or ongoing payments?
 - a. The Society is working through the discussions with Tsuut'ina Nation to determine the appropriate price for the lease renewal or extension as well as its payment structure. The elements of the potential pay structure being discussed are an up-front payment, ongoing payments and a potential Ownership Transfer fee.
7. What will the Sublease Holder amount be based on? Will it be the same amount for everyone or will it be based on the value of the sublease property?
 - a. It will be based on the value of the sublease property.
8. What is the term of the new or extended lease?
 - a. The Society is working with Tsuut'ina Nation to determine the best or maximum term for the new or extended lease for the benefit of both communities.
9. Is the infrastructure costs and responsibilities a part of the discussion for the overall amount of the lease?
 - a. The Society is working with Tsuut'ina Nation to address the infrastructure issues and costs as a part of the lease discussions.
10. Will the new or extended lease have a renewal process?
 - a. We have proposed a lease renewal process for the agreements for Tsuut'ina Nation to consider.
11. If I have an existing mortgage on my sublease property, do I have to requalify for the mortgage?
 - a. No, but there will be lease documents that will need to be executed in order to update your mortgage agreements.