



huu ay aht

ANCIENT SPIRIT, MODERN MIND

REPORT TO THE PEOPLE'S ASSEMBLY

**Approval of 60 Year Lease to
M'akola Housing Society**

**FOR CONSIDERATION AT THE
SPECIAL PEOPLE'S ASSEMBLY**

July 25, 2020

Prepared by: Melinda Skeels and Rob Botterell,
on behalf of the Executive Director

Date: June 29, 2020

INTRODUCTION

The People's Assembly will be asked to consider the following motion:

The People's Assembly hereby approves the granting of a 60 year lease to M'akola Housing Society.

BACKGROUND

Since Treaty in 2011, progress on housing and related infrastructure has been slow, despite availability of Huu-ay-aht own source and 3rd party (Canada, BC, CMHC) approved funding. Major capital projects have experienced significant delays.

In January 2019, Executive Council established an Independent Huu-ay-aht Housing Panel to recommend how to break this logjam. The Panel conducted extensive engagement with Citizens and based on that input and extensive research released a 304 page Interim Report in June 2019 and a 60 page Final Report in December 2019. Executive Council approved the 14 recommendations set out in the Final Report, including the recommendation to establish an Independent Housing Authority, and implementation is underway. Both the Interim and Final Report are on the Huu-ay-aht government website.

It is important to note that the Panel reached over 40% of Citizens during its engagement process and 90% of Citizens interviewed supported the establishment of an Independent Housing Authority.

More information will be provided to Citizens regarding progress on implementation of the Housing Panel recommendations prior to and during the People's Assembly.

DISCUSSION

Executive Council has directed that M'akola Housing Society be appointed as the Huu-ay-aht Independent Housing Authority. In this role, M'akola will be developing and operating rental housing in Anacla on behalf of Huu-ay-aht. Huu-ay-aht's contribution to this project will be serviced lots and M'akola will be responsible for the project including its development, construction and financing, as well as property management of the new rental units

The first project that M'akola will be developing is ten units of affordable rental housing (referred to as "the next ten units" or "TNT"). M'akola will be applying, on behalf of Huu-ay-aht, for approximately \$1 million in provincial grant funding and for financing for the TNT project. In order to be eligible for this funding, M'akola will need to hold a lease with a minimum term of 60 years to the land where the rental housing will be built.

The TNT project will be developed on undeveloped lots in upper Anacla that have been identified for residential development (see attached map for approximate location). The lands in question are in the process of being subdivided and the lease will not be finalized until that process is complete.

Before Executive Council may grant the lease, People's Assembly approval is required under s. 27 of the *Land Act*. If People's Assembly approval is given, Executive Council will consider the lease together with a report from the Director of Lands and Natural Resources prepared in accordance with the *Land Act*, s. 25 before deciding whether to grant the lease.

The terms on which M'akola will hold the lease and operate the rental housing will be governed by an agreement between the Huu-ay-aht and M'akola. Although that agreement has not yet been finalized, it will include provisions that return the land and the buildings at no cost to Huu-ay-aht at the end of the Lease.

More information will be provided to Citizens regarding the TNT project and lease prior to and during the People's Assembly.

OPTIONS & IMPLICATIONS

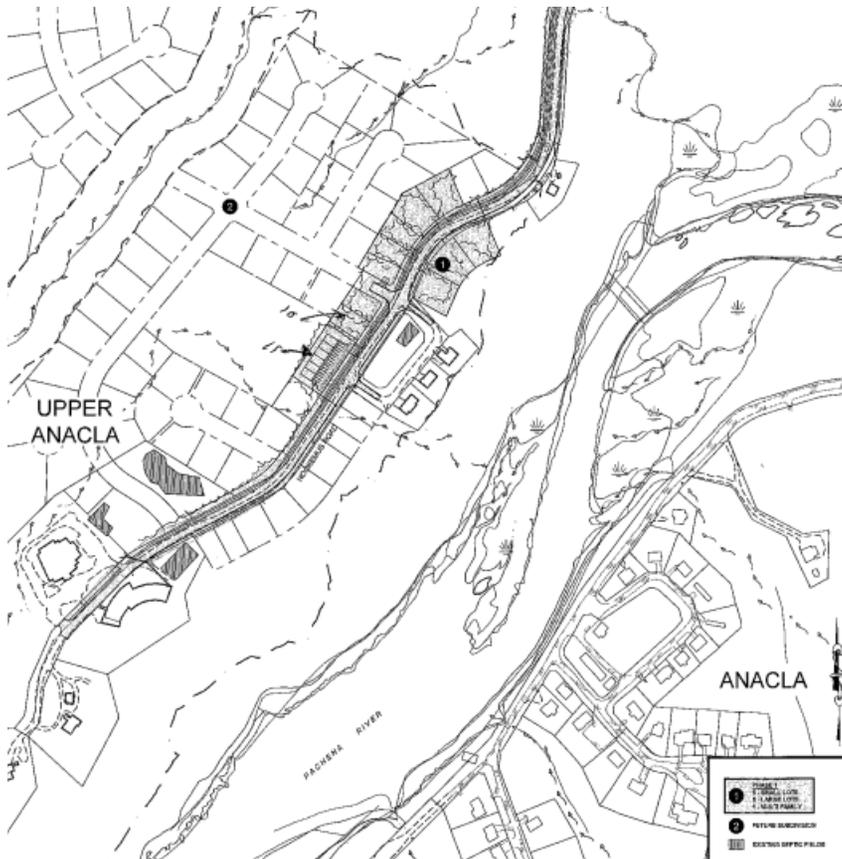
The People's Assembly may approve the granting of this lease or it may choose not to. Without the approval of the People's Assembly, Executive Council will be unable to grant the lease. Without the lease, M'akola will not be able to obtain the potential \$1million funding from the Provincial government.

RECOMMENDATION

It is recommended that the People's Assembly approve the granting of the lease to M'akola. A proposed motion is attached.

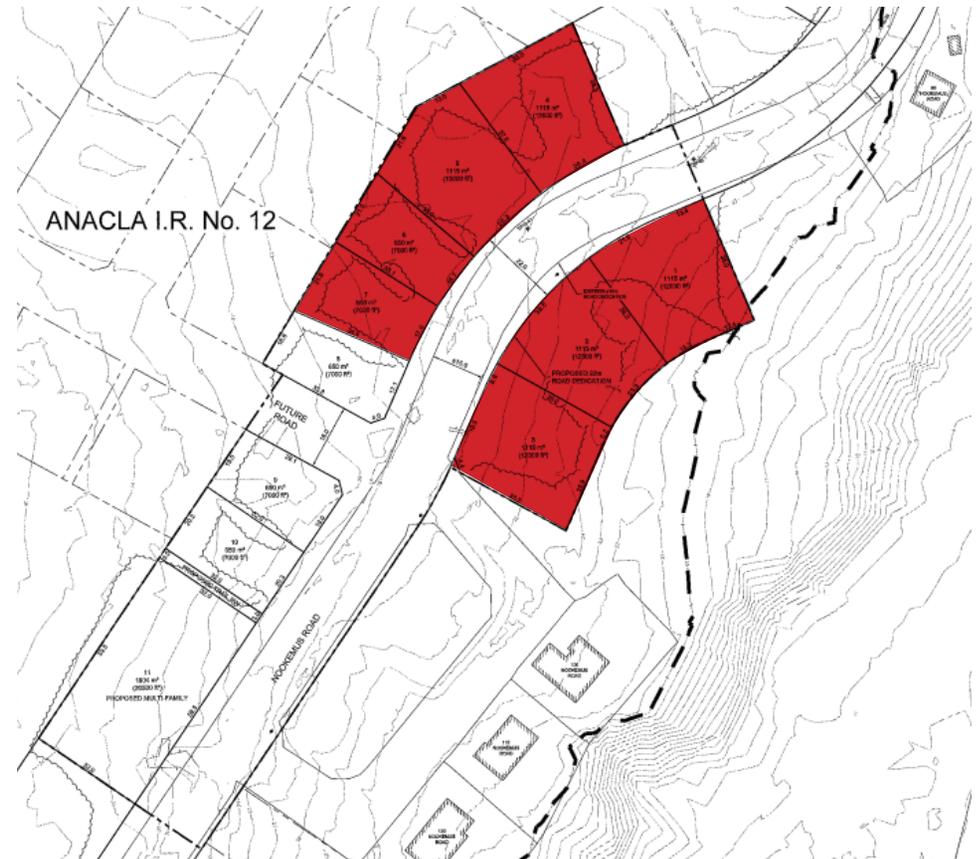
Proposed Area of Lease to M'akola Housing Society (TNT Lands)

Area of Interest



■ Proposed M'akola Lease Area

Note: The next ten (TNT) units will only be selected from within the red shaded area.





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WRITTEN MOTION of the PEOPLE'S ASSEMBLY

(Government Act, s. 86)

For ease of reference, this motion may be referred to as:

Motion Regarding Approval of 60 Year Lease to M'akola Housing Society

Whereas:

- a) Executive Council, in accordance with the recommendations of the Independent Housing Panel, has appointed M'akola Housing Society ("M'akola") to act as the Huu-ay-aht Independent Housing Authority ("HIHA");
- b) As one of its functions in role of HIHA, M'akola will develop and operate affordable housing in Anacla;
- c) M'akola is in the process of planning and seeking government funding and financing for 10 units of subsidized housing (referred to as the "next ten units" or "TNT") to be built in upper Anacla on lands that are within the area shown on the attached map (the "TNT Lands");
- d) In order to be eligible for significant government funding and to obtain the most advantageous financing, M'akola requires a 60 year lease to the TNT Lands;
- e) Under the *Land Act*, s. 27, People's Assembly approval is required for the disposition of an interest in Huu-ay-aht Lands if the interest is in a parcel greater than 10 hectares, the term of the interest is greater than 49 years or the appraised fair market value of the interest exceeds \$1,000,000; and
- f) In addition to People's Assembly approval of the granting of the lease, its specific terms will be reviewed by the Director of Lands and Natural Resources and considered by Executive Council before it can be granted in accordance with Huu-ay-aht law.

Be it resolved that the People's Assembly hereby approves the granting of a 60 year lease to M'akola Housing Society.

Appendices attached to Motion:

Written report prepared by Melinda Skeels and Rob Botterell, Legal Counsel.

The following documents:

- Map showing approximate area of the TNT Lands

Introduced by: _____

Date: July 25, 2020

DATE OF PEOPLE'S ASSEMBLY

Administrative Requirements

If the proposed resolution is passed, the Law Clerk will give notice of it to the Director of Lands and Natural Resources, Executive Council and M'akola Housing Society.