

## 17/9/17 Special CM – CRTS – DRAFT MINUTES

**Facilitator:** Trevor. **Minute taker:** Chani. **Scribe:** Malila

**MINUTES** Minutes of SpCM/Forum 3/9/17 were read and accepted as a true and accurate record.

**Consensus**

**PRESENTATION ON LEGAL STRUCTURE OF BUNDAGEN AND BACKGROUND OF CRTS** with questions and discussion.

*Question: Would the CRTS make individuals more vulnerable to outside bodies? Particularly when talking to Council, and possible fines from Council?*

Response: We have a current By-law (14.5.2) that expenses to the Co-operative incurred by members get passed onto individual, and yet there is a lot of support from community ie. Grey water loans and help.

*Question: Would the CRTS increase our share value?*

Response: Under a CRTS scheme the value of the shares (currently \$3000) would be bundled with the value of any structures on a given site. If we wish to increase the basic value of our shares (currently \$3,000), we can put a proposal about it at any time. This is not dependent on a CRTS scheme.

*Question: Will the CRTS scheme be too expensive, will there be extra legal costs?*

Response: The cost estimate for all the research and background to implement the CRTS (including RFWs) is \$15,000. We've probably spent around \$5,000 of this already.

The more work WE do to help Nigel, the less Nigel has to do, and the less it will cost. If it looks at any point that the expense will exceed this budget, it will be brought up to a meeting.

*Question: Would the CRTS guarantee exemption from the Residential Tenancy Act (RTA)? What are the benefits of exemption from the RTA?*

Response: Under the RTA, Bundagen would be considered "landlord" and owner of all structures, and would be responsible for the safety of structures and safety of all residents; this would be impossible to administer. As a landlord Bundagen could evict people quite easily, which wouldn't be in the interest of members. The legal advice we have received indicates that the CRTS would give us a very robust case for an exemption from the RTA (because CRTS would be so close to Company Titles, which are exempt). This would be done by Nigel Hill on our behalf. There would most likely be no need to go to court for this process.

*Question: If we don't go with the CRTS, can we still get exemption from the RTA?*

Response: A decision already exists with a budget of \$15,000 to apply for an exemption from the RTA. Without CRTS in place, we would need to build a strong case for an exemption, and this would require an amendment to the Act, which is not straightforward or guaranteed.

*Question: What about the historical existence of leases on Bundagen?*

Response: In the '90s, the community agreed to give non-renewable short-term leases (3 years) to a group of people to facilitate the First Home Owner grant. Will and Sally were first to do it and they did obtain the grant. However, none of the others afterwards had to show a lease to obtain this grant. Will & Sally's lease expired after 3 years. There is currently no active lease on Bundagen title. Any long-term lease would be classed as a subdivision, which is illegal under Sepp 15.

*Question: How would the CRTS affect our By-Laws and Agreements?*

Response: Under the CRTS members would still be obliged to follow our current By-Laws and Agreements, this doesn't change. We will be able to change our By-laws and Agreements the same way to do now (through GMs). We could change to another legal structure down the track if we find something that would work better for us.

*Question: How would a CRTS scheme affect our position with Council?*

Response: The CRTS will not alter our current arrangement with Council as far as Expanded Houses or number of residents allowed. Whatever position the Council has at any one time towards our non-compliant 'temporary' buildings would still depend on the staff and policies at the time, and the CRTS wouldn't change that.

*Question: Could we have "group insurance" for public liability?*

Response: There is currently a discussion about this with an insurance broker, but nothing concrete yet; it would be a whole new proposal. Currently, insurance is taken out between the individual member (or an expanded house) and their insurance company. Bundagen has its own public liability insurance.

## **SPECIAL CM AGENDA**

About 20 members present.

Another forum. Proposal that a date for another forum be set to continue exploring the issue of CRTS. **Lost**

Proposal to a GM to accept in principle the CRTS scheme. Discussion to put such a proposal to a GM. It would be an 'in principle' acceptance, pending on all details being worked out and presented to another GM. This would allow the developing of terms & conditions of the CRTS, all of which would be presented to a future GM for final agreement.

**Decision: this meeting agrees to put a proposal up at this coming GM to accept in principle the CRTS scheme. Consensus (2 abstain)**

Proposal to a GM to obtain a second legal opinion. Short discussion about this. We could still do this later down the track, once the terms & conditions are developed. **Lost (only 2 in favour)**

Amount of material about CRTS to include in the coming newsletter. Discussion that only a reference list of all the material that has been written about the CRTS and related subjects, and all the letters, emails and opinions sent to the Secretary/Legal Liaison about this be written in the newsletter, and that the full documents be available from the Bundagen website.

**Amendment:** add 'with clear instructions on how to access the website and how to get printed copies from the Secretary'. **Passed (1 objection)**

**Decision: all the written material about the CRTS and related subjects, and all the letters, emails and opinions received by the Secretary/Legal Liaison about this issue will be fully available to all members on the website, digitally or in hard copy, rather than any of them being printed in the newsletter. In the newsletter there will be a detailed list of what's available, and clear instructions on how to access Bundagen website (where all this material will be posted), or how to get digital or printed copies from the Secretary. Passed (1 objection).**

Meeting ends 12.30pm.