PETER - SOME DRAFT WORDS - COMMENTS ? I CAN EMAIL IT IF YOU LIKE PAN COM LETTERHEAD

The Hon. J. Saftin, MLC

PO Box 139 Lismore NSW 2480

> Draft Byron Rural Settlement Strategy and implications for Rural Landsharing Communities & SEPP 15

The purpose of this letter is to bring to your attention aspects of the draft Byron Rural Settlement Strategy which are considered to contradict the purpose and intent of the State Government's policy regarding Rural Landsharing Communities (SEPP 15).

The status of the Strategy is that Byron Shire Council has adopted the draft Strategy (other than a section relating to conversion of existing rural landsharing communities) and that DUAP's Grafton Office is assessing it prior to the DUAP Director General decision to adopt it ,or otherwise, as required by the North Coast REP.

We consider the likely implications of the BRSS on intentional communities and SEPP 15 requires discussion with you. We are aware of your support in the re-implementation of SEPP 15 which provides for more affordable housing opportunities and a range of other positive planning outcomes.

The draft BRSS has much merit and creatively provides for better environmental planning outcomes in many respects. However, various aspects, including those relating to Rural Landsharing Communities are of concern. Our approach to you is with the intention of resulting in a better BRSS.

Briefly, our concerns regarding the Byron Rural Settlement Strategy are as follows:

- the Rural Landsharing Community provisions within the draft BRSS results in far greater restrictions to creating intentional communities. If DUAP agrees to this restrictive approach, a precedent will be set, and the government initiatives intended by reintroducing the State Policy will not eventuate.
- the BRSS methodology utilised for Rural Landsharing Communities is to identify specific properties, in contrast to the State Policy. Inaccurate mapping combined with restrictive provisions, see below, results in far less opportunities for the creation of intentional communities.
- provisions which are considered restrictive or not justifiable, and contrary to the State Policy, are the requirement of a minimum of six dwellings, minimum site area of 20 ha., and the need for 'developable' land.
  - while we object to these provisions individually, the cumulative result of combining these provisions, as the BRSS requires, results in even fewer choices of land for the creation of intentional communities.

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11/1/98 Re Elycolian to Byran Fural Resebblament Strategy 1998 I rologue - Raise point that this 1st sentence has the effect of drawing disbinctions between different bypes of social organisation e g nuclear of expanded flemilies & thus bebuelen Mos Hobber forms of rural land holding. The choice believen RLC3 & RCT sebblement bypes is offen illusory as the lands which are suitable for RCC's are usually substitutable for RCT due to aspects of cost & environ nordal factors 1.0; See above. 2.0. There is no good reason to double the amount of land needed for alse in view of BSE Byron land prices & in view of the record of 450 sin probecking vegetation cover en ibeep for heavily vegebooked lands 3.0. There is no justification for such resorections as 150's have a proven brack record of proceeding these sorts of facilities for themselves & moreover surveys of MOS show That Me & done need or use many such a mentices dece bo their philosophy of self sufficiency Fredhermond that prediction is clearly discriminatory against LSCs (+ & RCTCS) as such restrictions arent applied to other forms of rural landholding Such a policy would have prechled all 150s in eg. Terania breek +-1: This would have the effect of precluding the possibility of griculturally based LSE's (or RETE'S) + is discouninably org 1-2. Vegetabien must be defined + be accurabely mapped 1-3 - Discriminatory against 130's as the same policy is not

applied to other forms of agricultural land holding

4.4 Descriminatory

+ inapplicability of this prohibition to 1865 as there excest abready many successful LEC's on such lands. There would appear to be no reason why LSCI should not be permitted on properties where there assufficient non steep land to provide for house sides roads ele.

4-7: An addendum should be added to allow LSC's on flood prone "Land where there exists a viable albernative access. Also discriminatory

4.8. Discouninatory

5.1+5-2: Deserminatory ounnecessary as 5-1 is already addressed in 48 05.2 Is covered by ETAVAS 908 by the exclusion of all minerals to the Order by land bible certiff

Kenformance Standards Can't be addressed to so access to the Stralegy Document

Quidelines 1) See 2-0 about

2) Should be included as 49 & thus our comments on 20 apply. Buides there issues are already covered in 5.790 of the Act & the I ha of land per house should be judged on moret of the unditirdual proporty

3.) This is inappropriate + arbitrary + unrelated to any gartice ular features of land or landholding in the Shires unsupported by historical secidence + logical augument Exist ing use stights should prevail where e.g. 8 stoes were appthe roced but only 5 built leut this is unclear in this provision

4) flighty discriminationy + unworkable + goes against \$15 cast light which mandales that clustering is not compulsory under \$15. These issues should be addressed on sibe specific social + inversommental considerations.

MASTERS Poncom144.da ReMO-set

Dear Communards.

A note for your information that the Byron Council has adopted a Motion that their LEP provisions be amended to permit existing MO's in certain areas to apply to "convert" to Community Title (CT) subject to conditions that are consistent with requirements for CT development. (This so called "conversion" actually consists of relinquishing the existing MO DA approval and making a fresh DA application for CT! The option to convert is confined to existing MO's and will not be available to new MO's.)

The Motion was carried 4-3. One Councilor was absent. Two Councilors abstained on the basis of "conflict of interest" (Kingston and Hosken). The proposed amendment was strongly supported by some 20 of the 40 or so MO's in the Byron Shire!

(Among the reasons given in support of "conversion" were ability to obtain a mortgage loan to build individual houses; would assist resolution of conflict, etc. Copy of the arguments by those in support of conversion as presented to all Councilors, is available on request from myself.)

This proposal still requires the concurrent approval of DUAP. My view and concern is the possible impact this may have on SEPP-15 elsewhere. I view that the proposal is clearly contradictory to the provisions of SEPP-15 which prohibit subdivision and as such is inconsistent with the exemption given to the Byron Council to be excluded from SEPP-15!

If DUAP do approve this amendment, (which I do not discount as a possibility!) then I see that this could open the door for other Councils to do likewise! This in my view could be a "back door" way for developers to rort SEPP-15!

I am advised that Council expect a speedy decision from DUAP on this matter and it appears that DUAP are prepared to expedite their consideration. Should you or your community network be concerned about the implications of the Byron Council proposal then I suggest you make a submission direct to the Regional Manager DUAP, PO Box 6, Grafton, 2460.

If you do make a submission I would appreciate a copy by email for our Pan Com file. Thanking you. Seasons Greetings and Best Wishes to you and yours in the coming year.

Peter

Peter Hamilton <peterh@nor.com.au> From:

To: Denise Nagorcka < regcoord@nor.com.au>; Bill Metcalf

<b.metcalf@ens.gu.edu.au>; Richard Jones

<cjones@parliament.nsw.gov.au>; Roslyn Irwin <roslyi@liscity.nsw.gov.au>;

Alan Hill <challnge@northnet.com.au>; Jan Barham

<jan.barham@parliament.nsw.gov.au>; Tim Tetley <tetley@ozemail.com.au>;

David Spain <a href="mailto:dspain@themis.com.au">dspain@themis.com.au</a>; Anthony PRITAM McCardell <amccar14@scu.edu.au>; Dudley Leggett <sri@nrg.com.au>; Bill Kidd <br/>
<br/> Cuming <sfpd@bri.net.au>; Russel Andersen <rander12@scu.edu.au>; Diana

Roberts < dianar@nor.com.au>; Simon Clough < simonclo@nor.com.au>

Tuesday, 15 December 1998 9:13 am

Subject: Byron Council proposal to ammend their LEP to permit "conversion" of MO to

CT

#### Dear Communards.

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If DUAP do approve this ammendement, (which I do not discount as a possibility!) then I see that this could open the door for other Councils to do likewise! This in my view could be a "back door" way for developers to rort SEPP-15!

I am advised that Council expect a speedy decision from DUAP on this matter and it appears that DUAP are prepared to expidite their consideration. Should you or your community network be concerned to write to DUAP about the implications of this proposal by the Byron Coucil then I suggest yout submission should be addressed direct to the Regional Manager DUAP, PO Box 6, Grafton, 2460.

If you do make a submission I would appreciate a copy by email for our Pan Com file. Thanking you. Seasons Greetings and Best Wishes to you and yours in the coming year. Peter

To be collected

FAX DOCUMENT FROM PETER HA	MILTON
1/50 Paterson Street, Byron Bay, 2481 (02) 6685 8648 (F/T) email: peter Pan Community Council Homepage:- http://www.nor.com.au/users/pan	
TO: Dovin Hant	
FAX No: DATE: 15-12-98	
Number of pages (including this sheet):	
SUBJECT: Byron Council Mo Conversion	to er
COMMENTS:	
Please see attached	
Cheen	
Veter	

Driving. 3/18/98

D Implied mo o lave distribus legal structure
Which is not know . (2) Should be swig his legal advisor (3) IT is not the only way can get legal protection. most" is disputable. Evidence? Speartue 8 Optional convenior is of in primaple He's mo may not qualify for et!! 6 Dens the simps philopy of the for for formings . 7 (8) eg plabar is not Buskireble ar entally lak \$159,000 withinternal conflict. This is ET. & v see



### FACSIMILE MESSAGE NUMBER OF PAGES INCLUDING THIS: 5

TO:

Richard Staples, Councillor, BSC

PHONE: FAX NO: 6687 1851 6685 7066

FROM:

Christopher Sanderson

COMPANY:

Transocean Investments Pty Ltd

ADDRESS:

'Jindibah', 176 Fowlers Lane, Bangalow, NSW 2479

PHONE: FAX NO: 6687 2244 6687 2245

E-MAIL:

sandersonc@om.com.au

DATE:

30 Nov 98

Dear Richard,

M.O. to C.T. Conversion Option

I am writing to ask you to please reconsider your position regarding this option, for good reasons whose principles I believe you support.

I'm sure many people support your views concerning everyone's right to apply to live in an intentional community — certainly I do. However that is a quite separate issue to the one being debated. If you vote against this motion for that reason you will be helping the opposition to deprive M.O. dwellers in this shire from a badly needed opportunity to migrate from a disastrous legal structure to one which affords the intentional community some protection. See below for details.

We really need your vote on this motion. Please don't miss this opportunity to seriously help intentional communities in this shire.

Attached is a letter I sent to Council supporting the motion. What I did not explain in detail in that letter because it is too personal, is a description of the disaster that lack of proper legal safeguards for the community in the M.O. structure, is causing us.

Our legal advice at the the planning stage of this M.O. did not include a warning that there is no protection from individual members of the community, who are in fact able to hold the entire community to ransom in order to pursue their own ends. Had I known then what I know now, I would never have gone down the M.O. path.

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So in other words, they are able to blackmail the other members into buying them out an an extortionate price or lose our homes. To my mind this is a disaster situation.

What is needed for intentional communities such as ours, is a legal framework supported by a very tight and properly constituted deed for members, which gives the sort of protection afforded to Strata Title owners. The rural equivalent of this is of course Community Title.

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I'm told by a solicitor in Lismore, who has considerable experience in these matters (Tony Pagotta) that even if we spend \$30,000 to restructure our M.O. as a company with shares, in an attempt to create something similar to the CT model, we cannot eliminate the effect of Sec 66G.

Members of Intententional Communities need the normal legal protection that any property owner takes for granted. The option to convert to Community Title is the only way members of M.O.'s can gain such protection.

Richard, I would really appreciate an opportunity to meet and discuss this issue with you before the 8th Dec meeting.

Regards,

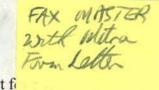
Christopher Sanderson

# FAX DOCUMENT FROM PETER HAMILTON

1/50 Paterson Street, Byron Bay, 2481 (02) 6685 8648 (F/T) email: peterh@nor.com.au

Pan Community Council Homepage:- http://www.nor.com.au/users/pancom

то: "Ді
FAX No:
Number of pages (including this sheet):
SUBJECT: MO > CT in BSC
COMMENTS: Richard has asked me for comments to counter
these arguements. The notes and underlinings are
Richards. This is expected to be dealt with by Council on
Tuesday 8th Dec. Any particular comments you may
have would be appreciated by or on Sunday this
week. Covyently the Councillors are evenly split on
the issue! They are swayed by the number of requests and strong lobbying! Regards Tells.



NOTES BY PETER HAMILTON ON PUBLIC MEETING HELD IN THE BYRON SHIRE COUNCIL CONFERENCE ROOM on 5.11.98 ON THE RIGHT OF EXISTING MO'S TO APPLY FOR CONVERSION TO COMMUNITY TITLE (CT)

#### INTRODUCTION AND OVERVIEW

The Council Rural Settlement Strategy proposal as at this date is for the LEP to show on a map those areas suitable for MO development in the Byron Shire.

### Land for new MO's and new CT's is to be confined to the mapped areas.

Applicants will have to make the choice at the outset of being an MO or a CT development and will not subsequently be able to convert from one to the other.

### For an new MO development this will require a DA only.

The land will not require to be re-zoned.

(This is seen to be in keeping with the spirit of SEPP-15. It will not incur the cost of re-zoning (in the order of \$10,000) or the time delay in obtaining same (in the order of 12 months).

For a new CT development this will require a site-specific rezoning application.

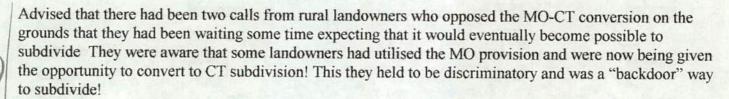
For a conversion of an existing MO to CT it must be within the mapped area and will require a sitespecific rezoning application.

Some initial questions, answers and statements (in random order),

- So called "conversion" of MO is actually a "handing in" of the existing approved DA on the condition of acceptance of a new DA for CT. (I hence consider the use of the term "conversion" is misleading!)
- New CT's and MO's seeking to convert to CT may only do so provided adequate "flat land" is available.
- "What constitutes the intentionality of a "community?". "To be self determining".
- It will be permissible to have a temporary building eg a prefab.
- CT stated as a way to get finance to build.
- In response to the proposition that the whole title to a property can be put up by way of security to obtain a
  mortgage for the purpose of funds to build a house was dismissed with the statement "Do you know anyone
  who has done it?"
- Stated as being a feasible concept that a "benevolent" developer may wish to create an MO but have no
  intention to personally reside in the community.
- Proposed that there be a time limit within which an MO could make an application to convert to CT. This
  resulted in much discussion about the actual time and that there was a case for no time limit.
- Stated that any "conversion" would be for existing <u>approved</u> and <u>built</u> houses and would not necessarily
  include additional house sites even if approved in the original DA. Nor would there be any automatic right

for further house sites for which there was entitlement under the former LEP MO legislation but had not been applied for in the original DA.

- In response to the question "Why can't an existing MO increase within its entitlement, to CT?" Stated that
  the new formula for the number of houses and criteria for site selection will prevail and it is this that will
  determine the number of houses acceptable.
- A "Plan of Management" (POM) would be required of an existing MO applying to convert to CT. The
  inference was that such a POM would be obligatory and would be monitored. The POM required in the CT
  legislation presumably seen as a model.
- In response to the question "What s.94 contribution will apply?" it was stated that this not known as this had not yet been considered!
- Stated that those intending to apply for conversion see the staff to check that is worth spending the money on a consultant etc. (The inference was that it should not be presumed that conversion was automatically possible as conversion requires that ALL the relevant criteria must be met and that the time and cost of this may make it unattractive.)



If they had known this was going to happen they would have applied for MO development with this conversion in mind!

With conversion, an individuals rates would increase based on the land value of the individual lot and the
individuals pro rata share of the community land. Rates said likely to increase at least fourfold with a
minimum of \$450 per lot.

### Procedure involved in a "site specific" rezoning

- Staff s.54 report to Council (Stated that such application would be processed twice per year only.)
- · Council to adopt the staff recommendation
- · Then concurrence of DUAP, NPWS and any other relevant Departments required. Min. of 3 months
- · Then goes on Public Exhibition
- · Then a report is made to Council who may reject or amend
- Then goes to the Minister for signature (to which there is no appeal). This may take 2-3 months
- Then to be Gazetted

Estimated total time for this process is in the order of 12 months.

Brainstorm on the Pros and Cons of converting from MO to CT if this should be adopted by Council as a Policy and subsequently agreed to by DUAP

### THE PROS From the individual's and community point of view

- 1. Legally can borrow money to build
- 2. Ease of transfer (ie to sell unless restricted by internal agreement with the community.)
- 3. Results in a personally valuable asset
- 4. Cleaner understanding/division between the "individual's rights" and the "community's rights"
- 5. Residential rights and management procedures clearly set out in the CT Act.



#### THE CONS

- 1. Cost of rezoning
- 2. Time, energy and cost of meeting "qualifying criteria" (see list)
- 3. Rates. Increase in cost.
- 4. Extra taxation eg. Capital Gains Tax on disposal
- 5. Survey costs to subdivide
- 6. Certificate of completion required for each existing house (if not already obtained)
- 7. Protracted rezoning process. Where an "expanded house" exists this may need to be upgraded if not completed or if of inadequate standard. (This issue not yet considered in detail)
- 9. Upgrade of internal roads "probably" required. (The question of the internal roads being a "public road" was not raised!)
- 10. "Will there be a requirement to plant 900 trees per dwelling? (as is required for a new MO and CT DA) "No"
- 11 Overly legal and bureaucratic controls rather than being under the social control of the MO community.
- 12 It will be require/that the CT has a "theme" (whatever this means!)

## Advantage to council in permitting MO to convert to CT

Extra income to Council eg rates and s.94 contributions
Better Plan of Management of the land zaphilis MO four fler of Manual.
"Socially better for aging individuals as with age residents want to subdivide as they do not have the energy to maintain the house and land."

Staff strongly see that it is Council's interest as it will give them greater control in implementing the "sustainability" policy and agenda.

# Disadvantage to Council to council in permitting MO to convert to CT

· Land once allowed to be subdivided is subdivided "forever" (viz results in permanent fragmentation of rural land).

#### Sundry

- · (While it was not mentioned at this meeting, it has been said on other occasions that it will enable Council to "clean up" the MO situation, meaning as far as I am able to ascertain "regularise" the approved MO defacto subdivision applications.)
- Question "Could part of an existing MO converted to CT?" Answer. "Yes, if there was sufficient land for the minimum land requirement of 20 ha for each of the new Lots and the respective Lots individually met all the criteria set out in the strategy (viz see p.123 of the Draft plus the "Guidelines".)
- Motion adopted by the Meeting

"That this meeting supports the proposal that MO be allowed to apply for conversion to CT if they so desire and that this option be available for at least 5 years from the date of adoption." Carried (with abstention).

- · Chris Sanderson circulated a form for those interested in forming a BSC MO Association. (Some of those interested met after the formal Meeting.)
- Submissions to Council close on 18th November. Recommended by Ermacora that copies of submissions be sent to "sympathetic" councilors.

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## FACSIMILE MESSAGE NUMBER OF PAGES INCLUDING THIS: 5

TO:

Richard Staples, Councillor, BSC

PHONE:

6687 1851

FAX NO:

6685 7066

Westers. 8th

FROM:

Christopher Sanderson

COMPANY:

Transocean Investments Pty Ltd

ADDRESS:

'Jindibah', 176 Fowlers Lane, Bangalow, NSW 2479

PHONE:

6687 2244

FAX NO:

6687 2245

E-MAIL:

sandersonc@om.com.au

DATE:

30 Nov 98

Dear Richard,

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94(2)

# Jindibah Intentional Community 176 Fowlers Lane, Bangalow, NSW 2479

To: The Councillors and Byron Shire Council Planning Department Byron Shire Council Station Street Mullumbimby NSW 2484

11 November 1998

Dear Councillors and Planning Staff

Dear Codificility and Planning Staff:
RE: Option for approved Multiple Occupancies to apply to convert to Rural Community Title (RCT)
1. Summary
I am writing in support of the new Rural Settlement Strategy, and in particular refer to the clause discussed at the Byron Shire Council meeting of Tuesday 20 October 1998, concerning the option for approved Multiple Occupancies to apply for conversion to Rural Community Title (Village Catchment) Settlement  There is a city precedent for this conversion option - and for similar reasons. This occured some years ago when apartment blocks structured as old style Company Titles were allowed to convert to the newer Strata Titles when they were adopted as a planning vehicle.
There is opposition to this proposal from some Councillors and elements in the community who perceive that inhabitants of M.O.'s will receive unfair advantage over people who have been waiting to subdivide.  The alternative view is that most intentional Communities would have applied for Community Title had that been available in the LEP at the time. This is because M.O. dwellers are currently penalised by lack of mortgage availability. They also need the improved legal structure that RCT allows.
As well, there is a difference between a group of people who choose to live in an intentional community, vs a developer who wants to build a rural subdivision for profit. The stringent process that M.O.'s must go through to gain approval to convert to RCT will allow Council ample opportunity to determine to which category each application belongs, and decide accordingly.  There is therefore no community disadvantage attached to allowing M.O.'s a 2-5 year option window to convert to RCT. There was overwhelming support for this proposal at a recent public meeting where it was discussed.
The option in principle to convert should therefore be allowed on the basis of natural justice.
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# 2. Detailed Discussion

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a) Rural Community Title parallel to city Strata Title

There is a parallel between M.O.'s converting to RCT in the country, to the old Company Title for apartment blocks in the cities converting to the newer Strata Title arrangements. Strata Titles allow individual titles which can be used as security against a housing loan. The legal framework surrounding Strata Title also provides greater protection for a community. In the country, M.O.s need the option to migrate to Community Title for the same reasons.

b) Some myths about M.O.'s

Before discussing the arguments for and against, it is necessary to dispel some myths:

There is a perception that an M.O. is for "poor people who can only afford to buy land if they share it with others." In other words, the assumption is that community living is somehow a second best solution. Historically this may have been true, but is no longer the case.

There is a worldwide trend towards the establishment of "intentional communities" which is reflected by the recent formation of the world wide Federation of Intentional Communities. This reflects the desire of a growing number of groups of people wanting to:

Live together in communities for the purpose of pursuing a common ideal or shared vision

 Share the capital cost of achieving some degree of sustainable agricultural self sufficiency and community income

 For recreation, share a high proportion of the remaining land, not actually occupied by dwellings, kitchen gardens or agribusiness

Financially this is achieved by retaining within the community, the capital contributed by members when they join, which can be then used to:

Develop the infrastructure

Fund the establishment of agribusiness

Build shared recreational facilities

Repair and enhance the catchment area over time

Note that this is in complete contrast to sub-divisions, where a developer takes the entrepreneurial risk of re-zoning, funds the development cost, and then removes a large proportion of revenue from the development as his profit.

Up until now, an M.O. has been the only vehicle within the current Byron Shire LEP which allows the development of an intentional community without taking the re-zoning risk. In other words, an MO is the only safe way that people can invest their life savings and achieve some degree of the community they seek.

However this is not an ideal solution. The M.O. structure denies members the ability to obtain bank loans to build houses in the same way as other property owners, ie where the only property held as security by the bank, belongs to the borrower. This is simply because the M.O. dweller holds no title to where he lives.

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of the many Mo DA X e) Objections and counter arguments There are three main arguments that have been voiced against the proposal. These are: "It's a back-door subdivision", and "It's unfair to others who want to subdivide" These two are closely allied and it is true that the option could be misused by developers disguising their intent. However the process that has been put in place for MO's to convert to RCT is most exacting for the applicants, allowing conditions to be imposed by council to frustrate such misuse. It is unlikely that reasonable conditions, designed to weed out the would-be developers, would raise objections from serious Intentional Community members. Finally, far from "releasing floodgates", it is unlikely that many M.O.'s will in fact qualify under the new guidelines which wil be stringently monitored by the strategic planning manager. well not by strat plans "There should be no land dealings in communities" This objection represents a philosophical view that is not shared by the majority of Intentional Community members, who take a more pragmatic view about the need to have access to normal mortgage finance enjoyed by everyone else. It would seem most unfair if any councillor who holds this personal view were to use his council vote to enforce it on the majority, who voted unanimously in favour of the proposal. July renawious by those present! d) Advantages to the Community Here are some of the other advantages to the wider community that accrue from adopting the proposal to convert: not a plenning narron! 1. It would give Byron Shire Council the opportunity to increase its rate base. 2. At would require a more intelligent, sustainable and sensitive use of land than current ad hoc development. For instance, within Community Titles, we cluster housing, site orchards in the most appropriate locations, and usually have an intent to set aside particular areas to enhance and regenerate native flora and fauna. Same as Mos 3. When individuals can use their freehold titles to raise bank financing, money currently tied up exclusively in our houses and land, could be freed to establish a range of small businesses, thus enhancing the style of life and enriching the shire at large. e) In Conclusion I lave but founded by 100 some list separting ourseas. BARROW I sincerely trust that Councillors will have the wisdom and clarity to separate the two issues improved structures for Intentional Communities vs the developer windfall issue. Fairmindedness will recognise the need for Intentional Community dwellers to no longer to be at legal and financial disadvantage, when compared to the wider community.

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Yours sincerely,

Christopher Sanderson Council + concurred citizens to participate in a series of what to the transfer of the concurred in the con La come Care

### FACSIMILE MESSAGE NUMBER OF PAGES INCLUDING THIS 5

TO:

Richard Staples, Councillor, BSC

PHONE: FAX NO: 6685 7066

FROM:

Christopher Sanderson

COMPANY:

Transocean Investments Pty Ltd

ADDRESS:

'Jindibah', 176 Fowlers Lane, Bangalow, NSW 2479

PHONE:

6687 2244 6687 2245

FAX NO: E-MAIL:

sandersonc@om.com.au

DATE:

30 Nov 98

Dear Richard.

### M.O. to C.T. Conversion Option

I am writing to ask you to please reconsider your position regarding this option, for good reasons whose principles I believe you support

I'm sure many people support your views concerning everyone's right to apply to live in an intentional community — certainly I do. However that is a quite separate issue to the one being debated. If you vote against this motion for that reason you will be helping the opposition to deprive M.O. dwellers in this shire from a badly needed opportunity to migrate from a disastrous legal structure to one which affords the intentional community some protection. See below for details.

We really need your vote on this motion. Please don't miss this opportunity to seriously help intentional communities in this shire.

Attached is a letter I sent to Council supporting the motion. What I did not explain in detail in that letter because it is too personal, is a description of the disaster that lack of proper legal safeguards for the community in the M.O. structure, is causing us.

Our legal advice at the the planning stage of this M.O. did not include a warning that there is no protection from individual members of the community, who are in fact able to hold the entire community to ransom in order to pursue their own ends. Had I known then what I know now, I would never have gone down the M.O. path.

Briefly, one of the couples involved in our M.O. has broken up. They want to sell their share. They are demanding a price which is over twice what six local real estate agents tell us their share is worth. Under the Tenants in Common M.O. structure, if they do not succeed in selling at their nominated price within 12 months, they are able to force the sale of the entire property under Sec 66G of the Tenants in Common legislation.

So in other words, they are able to blackmail the other members into buying them out an an extortionate price or lose our homes. To my mind this is a disaster situation.

What is needed for intentional communities such as ours, is a legal framework supported by a very tight and properly constituted deed for members, which gives the sort of protection afforded to Strata Title owners. The rural equivalent of this is of course Community Title.

I'm told by a solicitor in Lismore, who has considerable experience in these matters (Tony Pagotta) that even if we spend \$30,000 to restructure our M.O as a company with shares, in an attempt to create something similar to the CT model, we cannot eliminate the effect of Sec 66G.

Members of Intententional Communities need the normal legal protection that any property owner takes for granted. The option to convert to Community Title is the only way members of M.O.'s can gain such protection

Richard, I would really appreciate an opportunity to meet and discuss this issue with you before the 8th Dec meeting.

James Bar

Regards.

Christopher Sanderson

Page 3 of I

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## Jindibah Intentional Community 176 Fowlers Lane, Bangalow, NSW 2479

To: The Councillors and Byron Shire Council Planning Department Byron Shire Council Station Street Mullumbimby NSW 2484

11 November 1998

Dear Councillors and Planning Staff

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The option in principle to convert should therefore be allowed on the basis of natural justice. Each individual case can thed be determined on its own merits.

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There is a parallel between M.O.'s converting to RCT in the country, to the old Company Title for apartment blocks in the cities converting to the newer Strata Title arrangements. Strata Titles allow individual titles which can be used as security against a housing loan. The legal framework surrounding Strata Title also provides greater protection for a community. In the country, M.O.s need the option to migrate to Community Title for the same reasons.

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These two are closely allied and it is true that the option could be misused by developers disguising their intent. However the process that has been put in place for MO's to convert to RCT is most exacting for the applicants, allowing conditions to be imposed by council to frustrate such misuse. It is unlikely that reasonable conditions, designed to weed out the would-be developers, would raise objections from serious Intentional Community members.

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