

# Peterborough Housing Cooperative

## Schedule of Body Corporate Operational Rules

*Draft -- 1 December 2018*

### Welcome

Welcome to Peterborough Housing Cooperative. The cooperative is a project of the Ōtākaro Land Trust which aims to advance community development through cooperative housing.

Here is our information about the how the cooperative will probably be run, from standard Body Corp rules, our past procedures, and the objectives of Ōtākaro Land Trust. So you know what you're getting into.

However, as this is a new start, the new residents will make it how they want it as a group, as cooperatives are all about self-management.

### The Cooperative uses a Unit Title ownership structure

The cooperative has 14 townhouses and a tiny house. Residents join as members, and are treated equally whether they rent, or own a townhouse. A household has their specific dwelling, and its adjoining front and back yards, legally called the *principle unit*. The common areas are everything else – the common house, courtyard, accessory sheds, and the car parks.

Townhouse ownership is called owning a *Unit Title*. Unit title owners also have a 14<sup>th</sup> shared ownership in the common areas.

Renters rent from Ōtākaro Land Trust who hold minimum of 8 of the 14 unit titles. Residents represent the Trust on the Body Corporate, becoming your own co-landlord.

The 14 unit title owners make up a *Body Corporate*. This is the management group for the cooperative.

### Our objective is a great neighbourhood that we actively promote

Peterborough Housing Cooperative is a project of the Ōtākaro Land Trust. The project aims to:

- run a model housing cooperative that develops community and is a great place to live
- promote cooperative housing, including a monthly tour of the cooperative, plus the provision of information, support and advice

### Unit Titles offered back to the Trust at purchase plus annual increase

Ōtākaro Land Trust reserves the right to eventually buy back all the units over the long term. Each title will include a legal caveat (claim against the title) where the owner will first offer the trust their unit when they wish to sell. We wish to keep the houses affordable and not scale up hugely in price so that only rich people can afford to buy in. We do not want our houses used as investment properties.

- The sale includes a caveat against the title reserving the interest of the trust to buy back the title, at the below price
- If the trust cannot afford it at the time of sale, the new buyer will inherit the same caveat
- The resale price is the purchase price plus a percentage increase each year at the same rate as the Consumer Price Index for that year. (Currently 1.9% for September 2017-2018).

# Operational Rules

Here are our proposed operational rules describe how the cooperative is run, and your rights and responsibilities as a resident. All dwelling owners and renters must comply with the operational rules which we are required to outline under the Unit Title Act 2010. The rules we have made for ourselves, and are up for discussion and improvement.

## Each resident intentionally joins the cooperative

Each new resident joins intentionally as a positive part of this community development. Joining requires a mutual selection process.

- The first step is meeting the trustees, who explain how the cooperative runs, your responsibilities, and what makes you want to join. This is the opportunity to ask questions and see if it is a good fit for you.
- Once the trustees have decided you are a suitable fit you will be invited to a cooperative pot luck dinner or meeting. Here you will meet other community members in an informal setting, and both sides can see whether it's a fit.
- Community members may ask you questions and find out about you. You are also able to ask questions and find out about how the community works from day to day.
- If you are accepted, we will buddy you up with an existing resident to answer any queries, and help you settle in.
- You will be responsible for co-creating community guidelines using consensus decision-making.

## We will be friendly and cooperative neighbours

We aim to treat our neighbours well.

We will purposely try to positively resolve any differences with any neighbours.

## We will allow other residents to enjoy their space in peace

An owner or occupier must *not* create noise likely to interfere with the use or quiet enjoyment of the unit title development by other owners or occupiers.

In particular, residents including owners, shall ensure that the volume of revelry, musical instruments, radio or television receivers, stereo equipment or any other electronic device or medium shall not be operated in such a manner as to be audible in any other unit and shall immediately cease to operate the same between the hours of 11 pm and 7am if requested to do so by any other resident. This restriction shall apply to all dwellings and the common house.

Household parties may be better held in the Common House rather than out the front of your townhouse.

An owner or occupier must *not* interfere with the reasonable use or enjoyment of the common property by other owners or occupiers.

An resident must take all reasonable steps to ensure that guests do not behave in a manner likely to unreasonably interfere with the peaceful enjoyment of any other person entitled to use the common property.

We will not cut through other household's yard facing the common courtyard, however young children can.

## Keep the common property tidy and in presentable condition

As we are running monthly tours around the cooperative, we shall keep the common courtyard, house and property tidy and presentable.

- An owner or occupier must not damage or deface the common property.
- An owner or occupier must not leave rubbish or recycling material on the common property.
- An owner or occupier of a unit must dispose of rubbish hygienically and tidily.

## We will hold regular community dinners

The cooperative will hold several community dinners each week. In the past this was a weekly pot-luck, but could be more often and organised in the better cooperative.

We encourage everyone to come to the dinner, but have not made them compulsory.

They were pot luck dinners, and we kept the food vegetarian, and catered for some other dietary requirements at times, such as gluten free or vegan.

## Rental Units tied to 'living rent'

The rental units are to be kept in a good condition, and not be allowed to fall into a state of disrepair. Water damage must be reported immediately. The Body Corporate will keep a condition schedule of each rented unit.

Rent is paid by automatic payment, weekly or fortnightly. It is paid two weeks in advance. Bond is paid to Tenancy Services. The trust will inspect the property before residents leave.

**Proposal.** Rent is formulated at a 'living rent'. This is the calculation of the living wage rate times full-time hours. The rent is 35% of this total, and applied to the smallest unit, increasing for the larger units based on square meters.

Rent is adjusted every year along with the rise in the living wage.

Six monthly house checks record maintenance, and the resident's treatment of the townhouse.

## Unit Title holders responsible for their own Unit's maintenance

Unit title owners are responsible for maintenance inside their own unit. Renter's maintenance is managed by Ōtākaro Land Trust.

Common property and shared unit maintenance will be organised and paid for by the Body Corporate. Unit's maintenance cost that are affected more than other adjoining units may incur a higher cost at the judgement of the Body Corporate.

## Unit Title holders pay a Body Corporate fee

Each unit title holder has to pay a Body Corporate fee. This will cover the rates, maintenance, insurance, utility charges, long-term maintenance plan, and administration of common areas. Rental units have the Body Corporate fee included as part of their rent.

The fee is paid by weekly or fortnightly automatic payment.

The fee is decided by the Body Corporate at a rate that covers the necessary costs and is most cost-effective. The calculation shall be transparent, documented, and voted on at the Body Corporate's Annual General Meeting. We will only know the cost after the buildings are built and rates and insurance (as the main costs) have been set.

## **We meet monthly to self-manage the cooperative**

At least person from each household must attend the monthly cooperative meeting. The meeting discusses how the cooperative is going, and deals with any issues that arrive.

## **We will make Consensus Decisions**

Meetings are run with the aim of reaching decisions that meets the group's goal, and is inclusive of everyone's views. It follows a specific consensus decision-making process.

This is a discussion process led by a neutral facilitator who does not common on the issue but guides the process. They firstly introduce the situation, secondly allow everyone to have their say, thirdly to state the goal and ask the group to suggest possible solutions. The facilitator then summaries the discussion about what the group agrees and disagrees on, and again asks for an improved solution that suits the group.

## **Everyone will be responsible for running something**

Each resident will take on a responsibility for running the cooperative. We wish for the responsibilities to be shared around on an equitable basis for time and skill. Responsibilities include book-keeping, maintenance, cleaning the common house, running the AirBnB flat, mowing the lawns, groundkeeping, governance, website management, organising the tours, running the tours, and meeting facilitation.

- Aiming for a responsibility duty averaging an hour a week.
- Children under 16 do not have to take on a responsibility.

## **Units will not alter their house without consent**

An Owner or occupier or tenant shall not alter the unit including the exterior nor shall they erect any fence or temporary structure building or shed on any Unit or part thereof without the written consent of the Body Corporate.

An Owner or occupier or tenant shall not alter the external paint colours of the unit outside those approved by the body corporate.

All units shall be maintained in a manner appropriate to a quality residential accommodation and take all practical steps to prevent infestation by vermin and/or insects.

## **Park in your own space off Salisbury (our use the street)**

At present the cooperative has 12 off-street parking places. The entrance is off Salisbury Street. Otherwise use the street. We envisage a carport once we are in a more financial situation.

- Park in your designated parking space only. Each unit except for the Studios has a designated park.
- The Common House park is for the guest room.
- An owner or occupier of a unit must not park on the common property unless the body corporate has designated it for car parking, or the body corporate consents.
- Visitors must park on the street, unless by prior arrangement with a car park owner.
- We also envisage a bike-shed once we are in a more financial situation.

## **Sub-letting must be approved in advance**

Subletting – must be approved in advance, as we like everyone to be part of the cooperative, and not have strangers wander through our courtyard, more than necessary. Situations such as spending several months overseas may be appropriate.

Townhouse owners may *not* live off-site and rent out their unit long-term.

## **No short-term rentals, such as AirBnB, except one Unit**

Individual Units may not do short term rentals, such as AirBnB. We prefer that residents are stable participating members, and not use the cooperative for profit-making.

Ōtākaro Land Trust retains the right to manage one unit as a short-term rental as a mechanism to promote cooperative housing, and pay the mortgage. This may possibly be two units in the beginning, to keep them free for people to buy in.

## **We will make it a great place for children**

We wish for children to grow up in a supportive environment. We acknowledge differing parenting and discipline approaches.

We will intentionally work out with other parents about our differing parenting styles and discipline.

If we cannot reach agreement about disciplining each other's children, we will take it to a monthly meeting, rather than banning the children from our homes.

## **Our gardens are environmentally sustainable**

Each household has garden areas surrounding their house and directly in front. The care of this garden is the responsibility of the household to take care of.

- Gardens facing the courtyard must be kept in an tidy if not attractive condition, as we will be running monthly tours through the cooperative.
- We encourage households to use permaculture principles of planting plants that produce food they will eat close to their house.
- All gardens will follow organic practices.
- The common courtyard will have boxed gardens available for vegetable gardening.
- Tree planting needs pre-approval of the Body Corporate, to protect against the future blocking of sun.

## **Interior Painting**

Rental units are entitled to repainting subsidised by the Trust every 4 years. House check people to assess need and a register of each room is to be kept. If people want to change within 4 years it is at own cost and in own time.

When changing colour a tenant must consult with the Trust so as to avoid vile colour combinations or bizarre murals.

Trust to pay for base paints for walls or the base (light) rate. If tenant wants a darker tone, then they pay the extra themselves.

## Pets need approval in advance. Some Cats ok, No Dogs

Pets *must* be approved in advance. Cats are generally accepted to a maximum limit, (maybe nine?). After that they get distressed and fight. Dogs are generally not accepted.

## We follow a positive conflict resolution process

In the first instance residents should meet together to sort out any issues. If this doesn't work they can bring it to a monthly meeting or have a trustee or nominated neutral person facilitate a discussion. unhappy, they are entitled to ask the new tenant to leave before the 3 months is up.

The basic process is for both parties to take turns speaking about the issue without interruption, and to summarise what the other person said before replying. Then for both parties to state what the greater goal or needs are. Next both parties suggest a possible solution to resolve the conflict.

### If no resolution can be reached

If residents breach the Operational Rules, and no resolution can be reached, the Body Corporate has the power to require a Unit Title holder to sell their Title. The Body Corporate can also require the Unit Title holder to order the eviction of those tenants in breach of the rules. This decision to force a sale or eviction requires a 75% majority vote.

## Common House Use

Rules and guidelines about the use of the common house will be developed by the new residents.

### Activities Room

- Groups that cooperative residents are members of are welcome to use the Activities Room of the Common House with the attendance of that resident. If this is free, or a donation will be established by the Body Corporate.
- Groups that are meeting to form new cooperatives or pocket neighbours are welcome to use the Activities Room free of charge.

## Common Laundry

The main and small laundries are available for use by residents and any guests. None of the houses has a dedicated laundry space provided.

- The machines are coin operated, costing \$2 (**Proposal**) a time.
- The laundry will be kept clean and tidy at all times.

## Guest Room

**Proposal:** Each household (14 units plus the tiny house) gets 16 days use of the guestroom per year free, including three weekends (taking up 45 weekends). The remaining 125 days are rented out by the Body Corporate as a mitigation of the Body Corporate fee.

Households may rent out the guest room if they do not use their day, and split the profit with the Body Corporate 50/50.

---