

Body Corporate and Community Management and Other Legislation Amendment Bill 2023

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To whom it may concern

I am very concerned by the two pieces of legislation that seem to be fast tracked without proper process and community consultation.

The first is youth incarceration which I will address in a separate email while the second and as important the proposed Body Corporate and Community Management Bill.

Let me say from the outset I live in an apartment in Paradise Waters and any conversion of low rise to high rise will not ever materially affect us.

Let me also say that there are aspects of the Bill I think are sensible and I would support. For example the prohibition of smoking in common areas including balconies and also reducing the onerous pet ownership requirements in a body corporate. I have seen some ludicrous examples of reasonable people being prevented from having a pet by small minded body corporate by laws.

Now let me turn my attention to the proposed Bill and make some relevant points:

-One of the reasons for the reduction to 75% is to improve the supply of housing. While a worthwhile endeavor on the Gold Coast there will not be a significant improvement in the supply of housing. Many of the Apartments on the Gold Coast are being snapped up by people living interstate who are purchasing as a second home in warmer weather. If they are selling here or interstate what are they selling. Expensive homes or apartments that those who don't have housing can ill afford.

It would seem to me that the Bill favours the interests of property developers over those of the community at large. This is not surprising given that it was a direct outcome of the 2022 Housing Summit which overwhelmingly represented property developers. Evidence of developer influence can be seen in the unseemly rush to get these so-called reforms legislated with almost no consultation with the community. The perception of lack of consultation is increased by the fact that no Public Hearings will be held in the two areas with the greatest number of community titles schemes—the Gold Coast and the Sunshine Coast.

Further more why is 75% the magic number. This disenfranchises 25% of owners who potentially have very good reasons not to sell. Why not make it 90% which would allow for a few that inevitably resist any change.

-The development lobby has it would appear 'conned' the Government that the 'reforms' will alleviate the housing

shortage. In the case of the beachside suburbs, the opposite is true. Unwilling owners will be forced out of their homes, unable ever to buy back into the area they love. One of the reasons owners on middle incomes will be forced out is that even if offered a unit in a replacement high rise, they will never be able to afford the body corporate levies required to pay for all the services considered essential in a luxury high rise. These include lifts, swimming pools, live-in managers and so on. Currently the levies in a 3-storey walk up are in the range of \$3000—a far cry from the \$10,000 to \$20,000 per year paid by owners of a mid-level floor in a luxury high rise. -Essentially, the Bill allows for the termination of a community titles scheme with the support of lot owners where the body corporate committee has agreed that there are economic reasons for termination which meet defined thresholds. The economic reason for termination is that the it is not economically viable—or will not be within 5 years—to carry out repairs or maintenance to the parts of the property that the body corporate is responsible for. Examples in older high rises would include expensive items such as replacement of lifts, roofs, painting and treating concrete cancer. Although at first glance this might seem reasonable, there is too much scope for an unscrupulous body corporate committee to manipulate the situation in favour their own benefit rather than respect the interests of the majority of lot owners. For example, there are already many body corporates that neglect essential maintenance through apathy, ignorance and a desire to keep owners happy in the short term with unrealistically low levies. With the lure of a large payout from a developer, the temptation to deliberately run down a building will be irresistible to many body corporate committees. -The Bill specifies that a body corporate committee that wishes to sell to a developer, thereby terminating their Scheme, will have to have a Pre-termination Report prepared by suitably qualified people, including a structural engineer. As well, a quantity surveyor will be required to estimate cost of remediating the dilapidation that has occurred. Although the Bill refers to conflicts of interest by those preparing the Report, there are no penalties proposed for a body corporate committee that goes ‘expert shopping’. The potential for corruption is alarming.

In its explanatory notes, the Government claims that their Bill contains protections for those unwilling to sell. For example, lot owners wishing to prevent the termination of their Scheme will be able go to the District Court to seek an order that the termination of their Scheme not be implemented. In reality, owners facing the threat of being forced out of their home will rarely have the financial resources to pay for expensive legal costs. There is also the potential for developers to underwrite legal and other costs of body corporate committees for the sites they are anxious to acquire.

Surely the fallback position should be a lesser judicial authority that has less expense attached.

In Summary I urge the government not to rush this Bill through based on the above and agree to a listen to the community concerns by holding more community consultation meetings before ramming the Bill through Parliament.

I further urge the government to pay attention to the MPs who know the areas and have first hand knowledge of the problems a change of this magnitude will bring to the coastal areas of Queensland.

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