

# Minutes

<b>Brookfield Mansions Freehold General Meeting 2019</b>			
<b>Date</b>	<b>07 May 2019</b>	<b>Time</b>	<b>19.00- 21.00</b>
<b>Location</b>	Highgate Library Civic and Cultural Centre, N19 5DH		
<b>Attendees</b>	<b>BMFL Board</b>	Flat nos.	
	Chris Kelly (Chair )	53	
	Frances Carey (Secretary)	34	
	Bengt Nilsen (Treasurer)	29	
	Helen Bowers (Director)	27	
	<b>Other Shareholders</b>		
	Caroline Woodroffe	25	
	Kitty Lai	26	
	Caroline Mustill	28	
	Monica Alvarez	29	
	Linda Zuck	32	
	Jacky Keefe (and Barrie Keefe)	33	
	David Bindman	34	
	Giles Branston	35	
	Harriet King	36	
	Philippa Mason	39	
	Dusica Michalski	41	
	Valerie Josepchs (and Claudia Wordsworth)	42	
	Howard Stirrup (and Marsha Saunders)	43	
	Andrew Holden	48	
	Caroline Gladstone	50	
	Alison Kelly	53	
	Ford Ennals	55	
	<b>TOTAL NO. OF FLATS REPRESENTED IN PERSON</b>	<b>19</b>	
<b>Other parties in attendance</b>	Philip Wagenfeld (Mark Ruthven Studio)		
<b>Proxies</b>	Natasha Gorky Young	30	
	Phil Hunt	31	
	Edwina Biucchi & Simon Pilling	40	
	Denise Dorrance & Paul Yule	45	
	Johnny Borrell	47	
	Angela and Alex Webster	51	
	Alan and Susan Budd	52	

	Waldemar and Yumi Januszczak	54
	Kiffer and Alison Weisselberg	56
	<b>TOTAL NO. OF FLATS REPRESENTED BY PROXY</b>	<b>9</b>
	<b>TOTAL REPRESENTATION</b>	<b>28 (of 31)</b>

	Details	Action By	Status
1	<p><b>Introductory remarks: Chris Kelly (53)</b> summarised the purpose of the meeting as represented by the four ordinary resolutions on the agenda, previously circulated with supporting papers:</p> <ul style="list-style-type: none"> <li>to confirm (or not) the decision taken at the AGM 18 November, 2018 to proceed with the lofts/lifts project;</li> <li>subject to the above, to select one scheme as basis for architectural brief</li> <li>to authorise the Board to spend the money necessary to implement the above.</li> </ul>		
2	<p><b>New information since AGM 19 November 2018 &amp; Budget Meeting 18 February 2019: CK</b></p>		
	<p><b>2.1 Additional payment up front by one more TFF:</b> 6 out of 8 TFF will pay full amount [£250,000] immediately upon conclusion of legally binding agreement, with one more intending to pay balance [of £90,000] asap.</p>		
	<p><b>2.2 Community Infrastructure Levy:</b> Camden has provided a steer indicating that worst case scenario [£380,000] could be considerably mitigated if individual TFF made separate applications claiming exemption, leaving Freehold only responsible for CIL on any additional space created as result of development at back [excluding footprint of existing balconies]; this would amount to around £75,000.</p>		
	<p><b>2.3 Recalculation of costs for both lifts/lofts development and no lifts/sale of lofts: Bengt Nilsen (29).</b></p> <p>2.3.1 Lifts/lofts: central case flanked by figures for more pessimistic and more optimistic scenarios respectively. Most pessimistic forecast at present might give rise to top-up levy of around £6,000 to cover lifts, other rear development and re-roofing. Central case does not project any such levy.</p> <p>2.3.2 No sale of lofts or lifts: central case projects top-up levy of ca. £29,000 and pessimistic case of ca. £35,000.</p> <p><b>CK</b> emphasised that Board cannot guarantee that project will not require some additional payment through the service charge beyond current level, because construction costs will not be known definitively until contracts are let. But 20% allowance as margin of error means that even under pessimistic case, the lofts/lifts scheme is significantly more advantageous financially to leaseholders than just replacing balconies alone without receipts from sale of lofts.</p>		
3	<p><b>CK invited questions/discussion arising from Paper 1 on Financial Aspects of the Lifts/Lofts/Balconies project.</b></p>		
	<p><b>3.1 Giles Branston (35)</b> noted that AKS Ward's report of June 2017 arising from their inspection of back balconies, [involving intrusive examination of three in particular: 37,39 &amp; 53], had recommended further investigation. [NB specific recommendation was to lift floorboards immediately adjacent to the balcony in one of the flats]. Had this been undertaken?</p> <p><b>CK:</b> No. The conclusions of the inspection were deemed to be sufficiently</p>		

	<p>grave, in conjunction with structural engineer's 'unreserved condemnation' of the back balconies for the front block (leading to their wholesale replacement), for the Board to be persuaded that it would be irresponsible to do other than undertake wholesale replacement for our block.</p> <p><b>GB:</b> asked about cost of replacement of balconies to front block.</p> <p><b>CK:</b> did not have figure to hand but it had been taken into account when estimating the cost of replacing our balconies. None of front block balconies were enclosed, whereas two thirds of ours are and Landlord legally liable to replace enclosures.</p>		
	<p><b>3.2 Caroline Mustill (28)</b> drew attention to an independent appraisal she had commissioned from Price &amp; Myers, a highly recommended firm of structural engineers, which she had circulated to all leaseholders together with Chris Kelly's response to her and Sam Price's further comments on that response. The advice suggested that some or all of the balconies might not need to be replaced, and that a preliminary test be conducted to investigate that. Alternatively, should the lifts no longer form part of the proposal, the plinths of the balconies might be supported by a new structure rather than demolished and replaced. Sam Price had also suggested investigation of what lay under the soil of the light wells since moving pipes and drains might lead to unacceptable costs, and that a full size plywood mockup of the proposed lift be constructed at ground level in its intended position to help people decide whether they would like it before construction began. Caroline Mustill also pointed to the pre-planning application response that did not favour an infill.</p> <p><b>CK</b> referred to advice from Planning Consultant engaged by Board, who has extensive experience of working with Camden; he believes that Camden will come to an accommodation over an infill, subject to modification at the detailed design stage. On the necessity of replacing the balconies, <b>CK</b> reverted to point already made about the strength of evidence from AKS Ward's invasive tests (Price &amp; Myers had benefit of their report but only made visual observations themselves), and verdict on front block balconies, as more than sufficient justification. Further detailed work of kind recommended by Price &amp; Myers will have to be done, <u>after</u> legal commitment obtained from TFF, to avoid incurring too many more costs that cannot be part recovered should project abort. CK prepared to contact Price and Myers himself.</p> <p><b>Frances Weinreich (49)</b> said Landlord for the front block (previously that for 25-56) was not prone to undertake major work without compelling reason for doing so.</p> <p><b>Claudia Wordsworth (42):</b> would it not be worth testing further as CM recommends before taking final decision whether to go ahead with lifts/lofts scheme?</p> <p><b>Harriet King (36) and CM</b> strongly urged use of Price &amp; Myers for further investigation – worth spending money if it might save more money in the long run.</p>		
	<p><b>3.3 Philippa Mason (39)</b> uncomfortable with process of decision making: Board instructed at AGM last November to proceed with implementation of leaseholders' decision to sell the loft spaces to TFF with corollary of installation of lifts and replacement of balconies. Dangerous to unpick what has been decided already.</p> <p><b>Andrew Holden (48)</b> cannot keep taking same decision over and over again.</p>		
	<p><b>3.4 HK</b> queried allowance for professional fees which seemed very high.</p> <p><b>CK:</b> professional fees will be reviewed once project has been narrowed down.</p> <p><b>HK</b> concerned about how her lease might be affected by changes arising from sale of lofts and hoped this advice would be provided by the Freehold</p>		

	<p>to leaseholders.</p> <p><b>CK:</b> first step will be 8 separate legal agreements for sale of lofts to TFF, (for which TFF will pay). Beyond these, leases for all flats will have to be altered to take into account lifts and any changes to demise of each property as result of whichever scheme is chosen for back of Brookfield. Legal advice in this instance would be to the Freehold. He felt two sets of legal advice would be unnecessary expense as Freehold is the leaseholder in another guise.</p> <p><b>HK</b> felt need for further legal advice in relation to her rights as a leaseholder, because Freehold is a separate entity. Does Ordinary Resolution 1 mean that we are agreeing that the Board will go ahead with legal agreement for sale of loft spaces? <b>CK</b> confirmed that it did. HK said she did not feel she could agree without further advice, which <b>CK</b> said she was welcome to take but at her own expense.</p>		
	<p><b>3.5 CK moved to vote on Ordinary Resolution 1:</b></p> <p><b>CM</b> and <b>HK</b> objected urging a postponement. In the absence of wider support for this, vote went ahead.</p>		
4	<p><b>Ordinary Resolution 1:</b></p> <p><b>That</b> the proposed project to install lifts, replace balconies and re-tile the roof at Brookfield Mansions, Highgate West Hill, N6 6AT (<b>Property</b>), in conjunction with the proposed sale of lofts at the Property as approved by ordinary resolution at the annual general meeting on 19 November 2018, and as summarized in the Project Paper, be and is hereby approved.</p> <p><b>Those in favour: 17</b></p> <p><b>Against: 11</b></p> <p><b>The Resolution was therefore declared as carried.</b></p>		
5	<p><b>Lift options:</b> Helen Bowers went through 3 options before the meeting, eliciting questions from shareholders about access in case of walk-through lift, dimensions of doorway, internal dimensions of lift, impact on light and air for individual flats and overall finish/appearance of any infill. <b>Philip Wagenfeld (Mark Ruthven Studio)</b> said plans submitted for pre-planning application were very general. Resolution of concerns raised here would be achieved at the detailed design stage following consultation. Some shareholders expressed desire to postpone vote until more detail and models of different options had been supplied.</p> <p><b>HK</b> said she felt there was insufficient information on the options to make an informed decision. These should be taken one step further to clarify outline proposals e.g. for structural design, possible ramps, widths of access, materials and what the infills would look like, perhaps with a full-size, inexpensive mock-up, before it was decided which option was favoured. This would be an intermediate 'concept' stage, not full design, and would give a clearer idea of cost, feasibility and whether we obtain planning consent.</p> <p><b>CK</b> said meeting must stick to resolutions as they are and decide upon one for development. Board not prepared to commission 3 different schemes which would triple costs to planning and detailed design stages.</p>		
6	<p><b>Ordinary Resolution 2: voting first took place on each of the options:</b></p>		
	<p><b>2.1</b> A separate lift shaft placed over the existing back doors.</p> <p><b>Those in favour: 7</b></p> <p><b>Abstentions: 3</b></p> <p>2 of those abstaining (28 &amp; 36) wished it to be recorded that they felt unable to vote on any part of Ordinary Resolution 2 because of insufficient information.</p>		

	<p><b>2.2</b> An integrated structure involving a walk-through lift.  <b>Those in favour: 18</b>  <b>Abstentions: 3</b></p>		
	<p><b>2.3</b> An integrated structure involving a lift with a passage alongside to walk round it.  <b>No votes were cast for this option</b></p>		
	<p><b>6.1 Voting then took place on the first part of Ordinary Resolution 2:</b>  That subject to and conditional upon the passing of resolution 1, the lift design which, out of the Lift Design Alternatives, obtains the highest number of votes on a show of hands or (if demanded) a poll vote from those shareholders (in person or by proxy) at the General Meeting [option 2.2], be and is hereby approved.  <b>Those in favour: 20</b>  <b>Against: 5</b>  <b>Abstentions: 3</b>  <b>The Resolution was therefore declared as carried with a decision to proceed with development of 2.2, the integrated structure involving a walk-through lift.</b></p>		
7	<p><b>Ordinary Resolution 3:</b>  That subject to and conditional upon the passing of Resolutions 1 and 2 the directors of the Company be and are hereby authorised to take any such actions, approve and enter into any such documents (including as a deed), and incur costs, on behalf of the Company, in connection with the matters approved by Resolutions 1 and 2, as the directors, acting in good faith, determine to be in the interests of the shareholders of the Company as a whole including (without limitation) commissioning designs, drawings, and detailed specifications, receiving tenders, applying for planning permission and carrying out works.  <b>Those in favour: 22</b>  <b>Against: 2</b>  <b>Abstentions: 2</b>  <b>No Votes: 2</b>  [NB 'No Votes' applies to two leaseholders who had to leave early without having instructed proxies how to vote on Resolutions 3&amp;4].  <b>The Resolution was therefore declared as carried.</b></p>		
8	<p><b>Ordinary Resolution 4:</b>  <b>That</b>, in accordance with article 64 of the Company's articles of association (the <b>Articles</b>) the disapplication of article 62 of the Articles (which would otherwise prevent a director with an interest from being counted as participating in the decision-making process) be approved for the purpose of enabling directors to implement on behalf of the Company the matters resolved by the shareholders pursuant to the foregoing Resolutions 1,2 and 3 and have immediate effect hereof and consequently, in accordance with article 63 of the Articles, a director of the Company who is interested in any actual or proposed transaction or arrangement with the Company which relates to such matters shall be counted as participating in the decision-making process for quorum and voting purposes.  <b>Those in favour: 23</b>  <b>Abstentions: 3</b>  <b>No Votes: 2</b>  <b>The Resolution was therefore declared as carried.</b></p>		
9	<p><b>Conclusion:</b> CK stated that leaseholders have determined that sale of lofts should proceed, albeit with a smaller majority than at the AGM. All four resolutions were carried with 2.2 (integrated structure involving walk-through-lift) being the preferred option for further development.   <b>GB:</b> when will Board return to leaseholders for further consultation?  <b>CK:</b> Board committed to consultation at all stages e.g. before non-binding</p>		

	<p>Heads of Agreement were finalised, in relation to planning application and prior to work going out to tender.</p> <p><b>Howard Stirrup (43):</b> what safeguards were there should costs escalate unduly?</p> <p><b>CK:</b> Once current non-binding Heads of Agreement have been turned into binding legal agreements there will be provision for the project to be aborted in the event of such untoward circumstances. In this event TFF would be committed to paying 50% of costs incurred so far.</p>		
<b>10</b>	<b>Next Steps</b>		
	<p><b>10.1 Requirements of Landlord and Tenant Act:</b> all leaseholders have to be offered opportunity to buy lofts on same conditions as TFF [i.e. with direct access from their own flats, which is impossible for any but TFF]. Draft sales notices will be attached to relevant notices. CK to instruct solicitors BDB Pitman.</p>	CK	
	<p><b>10.2 Legal agreements with TFF.</b> Ditto as above.</p>	CK	