



23 February 2015

Dear Mayor & Councillors,

Re: Seaford Beach Cabin Park

Our Homelessness Working Group was delighted to hear, on Christmas Eve, of your resolution to re-enter negotiations with the owner regarding the lease of the Crown land. We very much appreciate Council's good will and hope that all parties can continue to work in the interests of the residents and those in need of housing.

It was in this spirit that representatives of the Working Group and the residents met with Council officers on 7th January to discuss aspects of the proposed new lease. Some of the ideas we proposed went beyond the brief of the officers, and it was agreed that we would need to put these to Council formally.

We would like to propose that Council widen its brief to enable exploration of a range of measures, which would see the Cabin Park become part of, or even a pioneer in, a more permanent solution to low-income and emergency accommodation housing in Frankston. Such an approach would appear to be a closer fit with the Council's planning scheme and housing policies, would provide longer-term security of accommodation to the residents, and would avoid a similar public campaign in ten (or possibly just five) years time.

Housing Policies

Such an approach would be in line with Council's planning scheme, and emerging housing policy, which envisage Council becoming increasingly proactive, and engaging positively with the private sector. For example:

1. The City of Frankston Planning Scheme:
 - 'Identify the range of mechanisms that Council could apply to achieve improved housing outcomes for high needs groups.' (Section 21.07-2)
 - 'Facilitate discussion between different sectors of the housing industry (developers, business housing providers, State government and non-government agencies) to identify ways in which the different sectors can co-operate to respond to housing needs.' (Section 21.07-2)
 - 'Define Council's role in responding to high priority and special housing needs within the City.'
2. The Frankston Housing Strategy 2013:
 - 'Develop relationships with those social housing providers most likely to house vulnerable populations within the Frankston community. This includes those currently in rooming houses, caravan parks, sleeping rough, 'couch surfing' or currently homeless.' (p.74)
 - 'It is important that Council ... continues to engage with the private sector and community to understand housing needs and development trends in the municipality, to encourage responsive policy and development outcomes.' (p.67)

Low-Income and Emergency Housing and the Private Sector

Declining housing affordability and continuing loss of caravan parks have contributed to a crisis in both low-income and emergency accommodation. It was troubling to learn that there are on average ten individuals and families in need of housing who unsuccessfully inquire each day at the Seaford Beach Cabin Park about accommodation.

Clearly, the problem is beyond the capacity of the social housing sector. Private providers of low-income housing are an essential part of the solution. As such we encourage the Council to do all it possibly can to support the continuation of the Seaford Beach Cabin Park business.

We understand Council has generously 'gifted' parcels of land to assist in housing elderly or disabled people in the past, but in this case, it is proposing to impose additional financial costs. Among other things, it wants to increase the annual rent of the Crown land; impose a \$50,000 bond on Crown land (that has been part of the Cabin Park for 60 years); impose controls on the rents charged by the owner; and require improvement to the facilities while making no contribution of its own to this 'social' housing. The contrast, indeed contradiction, between these approaches is evident.

We acknowledge that there is a substantive difference in that the recipients of the gifted land were not-for-profit or government organisations, whereas this is a commercial operation. However, as both the Planning Scheme and Housing Policy state, Council is committed to exploring ways in which it can work with the private sector to encourage their participation in addressing our social housing problem.

While profitability may be material, the Council must be primarily concerned to ensure that the private sector continues to invest in social housing. We are concerned at the extent to which the Council's approach to the Seaford Beach Cabin Park seems to be overshadowed by perceptions of the profitability of the business. We seriously question the extent to which Council's approach should be determined by its own analysis (or worse, assumptions) regarding the profitability of the business. For example, we do not know the price that the owner paid for the business, the size or terms of his mortgage, or costs such as insurance, management, security services etc.

Further, we consider that some of the charges and intimations against the owner in the Council's media release are questionable and unhelpful (for example being arrears in rent, when we understand his last rent instalment was returned). We encourage Council to maintain signals of goodwill.

We strongly agree that some improvements to the units and the cabin park are desirable, and appreciate that Council should do what it can to achieve improvements to facilities through negotiation with the owner. However, the improvements being negotiated must be feasible and based on need. While it may be that the cabin park does not accord with current standards, this is of course the case for many if not most buildings of any type that pre-date current standards.

It seems unreasonable to require significant improvement to the site and increased rents on Council land, but controls on the residents' rents. Nobody wants the residents' rent to rise, but how is an owner meant to finance the increased costs? Surely, the Council must also contribute to the social benefits it seeks.

In our view, a sustainable, co-operative long-term solution for the Cabin Park would include Council assessing and providing for the needs of its residents. It would also involve it providing incentives to the owner in line with any improvements to the facilities that it seeks.

Other Possibilities

We call on Council to allow the issue to be reconsidered with a view to a broader and more permanent outcome.

Some of the possible options that have been raised by our Working Group and the Cabin Park residents include:

1. 'Sponsorship, Subsidy, Support'

For example:

- A sponsorship scheme could be developed where individuals, businesses, Council and government alike could sponsor individuals / families to stay a couple of days, weeks or months in a cabin.
- Council could consider other appropriate subsidies for the Cabin Park (e.g. concession of registration fees, rates).
- Development of more accessible assistance for those tenants particularly at risk of homelessness with regard to everyday issues that greatly contribute to homelessness. These include:
 - managing personal finances
 - health issues
 - family concerns

2. Possible Council Contributions and Incentives:

- Council forgoes the \$40,000 per annum rent for the Crown land in exchange for benefits sought. These might include, for example: the replacement or refurbishment of one or two cabins per annum; or rent concessions to residents
- At the least, an affordable lease rate up-front, with further reductions as improvements to the cabin park are made
- Retention of the Crown land rent, but provision of additional Council human services for the residents

3. Crown Land Tenure:

- The two 5 year leases proposed mean that this whole issue might have to be replayed in five years time, providing minimal security for residents
- The owner advises that even a ten-year lease is too short to generate a return on any large additional investment in the site and, further, that his bank will not finance borrowings for improvements because the lease is too short
- If possible, Council and DEPI provide a permanent lease (or alternatively the longest lease possible) of the Crown land to the owner (or future owner) subject to the entire site remaining a cabin park
- State Govt / Frankston City Council sell the land to the present owner with a legal caveat that it remain in use as a cabin park

4. Council contribution to refurbishments or replacements for cabins on the Crown land portion of the site.
5. Provision of an option for Council to purchase the site for social housing when it next comes up for sale.
6. Investigation of options for outside assistance for the cabin park. For example:
 - State or Federal assistance. What support might the Department of Human Services be able to provide? New Carrum MP Sonya Kilkenny has already contacted the residents to express her support. Council might be able to support an application by the owner for a State government grant to help with renovations.
 - There may be a role for community support, from tradesmen and others, to help with a working bee to spruce up the park, provide new curtains etc. Residents have suggested that the cabins be assessed on an individual basis.

Conclusion

Council officers agree that the Seaford Beach Cabin Park provides an extremely well managed facility.

The Cabin Park is appreciated, even prized, by its residents. It is also valued by the local community, who witness people sleeping on the beach, in the bush, along the creek and in cars.

Having cancelled the controversial car park, Council is now committed to the social housing values of the site. In the interests of achieving the best possible outcome, we respectfully request that Council consider broadening the basis of the proposed lease renegotiation, to enable consideration of options such as suggested above.

We consider the Cabin Park valuable for the Frankston community and can see a real opportunity for a win for everyone: residents, FCC and the Park owner.

We look forward to continuing discussion of such options with Council Officers or Councillors. Please do not hesitate to contact us should you require.

Yours sincerely

On behalf of the St Anne's Parish Social Justice Group & Seaford Community Committee Joint Homelessness Working Group

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