

Donated apartments for elderly to be sold off

News

Dozens of social housing tenants in St Kilda say they have been blindsided after their housing provider moved to sell two apartment blocks donated by the area's council two decades ago.

HousingFirst, which manages a \$750 million portfolio of community housing across Melbourne, wants to sell its 25 apartments at the Inkerman Oasis development in Greeves Street, citing increased costs more than 20 years after the organisation became the custodian of the properties, given by Port Phillip Council.

As reported first by local publication TWiSK, the homes sit on the site of a former council depot, which was given to a developer to build apartments in the early 2000s. The deal was based on the developer building and giving the council 28 units - about 10 per cent of the new development - for social housing.

The council established the Port Phillip Housing Trust and transferred ownership of its \$36 million community housing projects - including the Oasis units - to the trust in 2005.

The council then appointed

HousingFirst (then known as the Port Phillip Housing Association) as the independent trustee. This structure granted HousingFirst the power to sell assets without council approval - a right the non-profit organisation it is now exercising. It has already sold three units and now plans to sell the remaining 25.

John Cocks, 75, has lived in his unit for 23 years and in St Kilda for more than six decades. He was originally selected for the Oasis under a scheme specifically designed to keep long-term residents in the area in old age.

When he was allocated his flat, he was assured he would see out his days there and only leave "in a box". He said he couldn't believe it last month when told he'd have to move.

"I went to the doctor and got some medication because there is anxiety," he said. "I'm breaking out in perspiration every single day, which I don't normally do."

Cocks was among distressed residents who told *The Age* this week they were given a "take it or leave us" ultimatum by HousingFirst: accept one of two relocation offers or face homelessness - a threat one woman

in her 80s claimed was explicitly described by staff as ending up on "the street".

Residents have been told they might be relocated to other properties within Port Phillip, but those numbers are limited. Older residents have been offered places in a new retirement village in Brighton East, which residents say are tiny and far from the community they have lived in for decades.

The HousingFirst apartments are community housing (run by an organisation), not public housing (run by the state government), but the decision to sell the units comes as the state government fights to proceed with plans to knock down all 44 public housing towers in the city and replace them with a mix of community and market-rate housing.

Cocks pays about \$17,500 a year in rent and questioned the details of the provider's claim that the units were "financially unsustainable", as he said maintenance was minimal.

HousingFirst said tenants' discounted rental income no longer covered the rising costs of strata fees, maintenance and council rates.

The community housing model limits rents to 30 per

cent of a tenant's income, which in the case of the Oasis social housing residents is 30 per cent of their pension. HousingFirst also gets all their Commonwealth rent assistance.

Asked if the organisation would sell the blocks to another social housing provider, a spokesman for HousingFirst said that "any community housing provider would face the same challenge".

"Being not-for-profit does not mean being for loss," the spokesman said. He said all proceeds would be reinvested into the trust to fund other housing within the City of Port Phillip.

The provider denied residents were being rushed, and said they had until August to agree to alternative housing. "HousingFirst is exploring options not just within our own portfolio - but also with other agencies and government, lodging transfer applications on the Victorian Housing Register for residents who request this," the spokesman said.

Former mayor Dick Gross, one of a number of mayors who oversaw the land swap deal, blasted the sell-off and said it "breached" the entire ethos of the original agreement.

"The social housing was strictly limited to long-term locals being displaced by gentrification," Gross said. "Decades have passed, and [the provider] has become huge. The nexus to both St Kilda and indeed Port Phillip is significantly diluted."

Port Phillip councillors Justin

Halliday and Beti Jay sit on the provider's board. Mayor Alex Makin said Halliday and Jay were barred by the Federal Corporations Act from sharing news of the impending sale before it was made public, and could not veto the sale.

Cocks said residents want to stay in their homes and want the state government to buy the homes or assist with their costs.

The Victorian government said its agency, Homes Victoria, had "offered to support HousingFirst in assisting renters find new homes that meet their needs". The government did not respond when asked if it would consider acquiring the properties.

John Cocks (centre) with fellow Inkerman Oasis residents who are all facing forced relocation. Photo: Wayne Taylor