

Hon Simon O'Brien MLC
Chairman
Standing Committee on Environment and Public Affairs

6th April 2016

Dear Sir

Petition No. 116 – Point Moore, Geraldton Leases

I thank you for the opportunity to send your committee a submission on the Point Moore Leases. To explain my interest in this petition I own a property at 98 Gunners Lane, West End WA 6530. I am also the Chairperson of an organisation called Friends of Point Moore Inc.

I confirm that I have not taken this complaint to the Parliamentary Commissioner for Administrative Investigations (Ombudsman).

I would like to point out that the community of Point Moore consists of 174 cottages; these cottages were the result of moving the previous tenants from No 1 Marine Tce, as the site was required for the Geraldton Port, to Point Moore in 1962.

These cottages were built on a progressive basis i.e. road by road, and people either built on them, or had a transportable home placed on the property. They had been rented out originally to people involved in the fishing industry, or as holiday homes, this was naturally somewhat seasonal. This changed around 1966 when they were occupied on a more permanent basis. Around this time the leases as we know them now, were first entered into. I surmise that the leases we now have are being changed to a common expiry date as before 2014, the leases had three distinct and different expiry dates.

The people who purchased these properties were in the lower financial category, and these properties were a godsend to people who could not afford to purchase in the normal fashion, ie freehold. This has changed somewhat over the years, as the property prices before April 2014 - the date it was indicated that the leases may not be renewed past 2028 - had reached a high of just over \$200,000. Today, I believe it is possible to purchase a property for under \$100,000 - that is assuming one could find a buyer.

The Point Moore population could probably be divided into three age groups: 0 to 40 years of age; 40 to 65 years of age; and 65 years plus. I have estimated that at least a third of the community are on an aged pension, either on full or part pension. These are the people who are really suffering, I have received many comments from these very distressed people, many who are now taking medications. They have this very serious situation hanging over their heads, which is with them 24-hours a day, with the very likely possibility of being homeless in 12 years time. Even if they could

find a buyer for say \$100,000, they could not buy another property for that value. The other problem they face is not being able to utilise any capital to assist them moving into Aged Residential Housing.

These people are not alone in this situation as many of the other residents also face not having sufficient funds to replace their current housing.

The situation for the City of Greater Geraldton (CGG), would in my opinion, also be dire; as if the leases were not renewed, a majority of the leases state: "should the leases not be renewed the lessee is required to demolish the property and clear the land". This is estimated to cost around \$30,000 today, around \$42,700 in 12 years using CPI at 3 per cent. As you can envisage from the above statements, the community is not exactly flush with surplus funds, and like many of their forefathers would have little opportunity and just walk away. I understand that the CGG has the right to pursue these people with legal proceedings, but the chance of coming to a satisfactory result is slim, basically leaving the City with a very large outstanding debt possibly in excess of \$7,000,000. This is without removing the top soil to a depth of six feet as no one has any idea what could be buried under these properties.

It has been stated that we knew the situation when we first purchased these properties that a lease was attached, and that is true. However, when I did my due diligence prior to proceeding with the purchase of my home, I rang the CGG, and spoke to the Leasing Officer. I actually spoke to the Leasing Officer on two occasions, as I had considered buying a property before. On each occasion the officer stated there was absolutely no guarantee that the lease would be renewed, but having three separate lease expiry dates, it would be difficult for them not to be renewed. Now having a common expiry date it is a totally different matter.

The reasons given by the CGG for possibly not renewing the leases past 2028, is the risk of a severe inundation event and septic tank leakage. The inundation risk seems to have been mitigated, as this threat would appear to be a once-in-500-year event; surely no location could be called safe if one had to factor in something that might happen in the next 500 years. I have enquired with the two liquid waste removal companies who service Geraldton with septic tank emptying, leakage, and repairs, and they both told me they had very little business emptying or repairing septic tanks, only a few callouts in the past two years.

I truly believe the two points being considered, inundation and septic tanks, in respect of the renewal of our leases, are quite spurious. However, this seems to be taking a large amount of time to come to a conclusion and resolution, with indications I have heard being the end of this year. You can well imagine the amount of unnecessary trauma this is placing upon our older residents.

Should the leases not be renewed, I have two points to raise, what would be the use of this then vacant land, and what is the City of Greater Geraldton proposing to do with the then homeless people?

Yours Sincerely 

David C Harrington