

WAC Investigation reveals the Vellar Family mansions

An independent investigation by Wollongong Against Corruption has again exposed ongoing collusion in the planning system at Wollongong Council.

Secretary of WAC Graham Larcombe states: "ICAC failed in its investigations into planning at Wollongong City Council. The latest WAC investigation again highlights the necessity for a Royal Commission into corruption in our region". WAC also believes that due to the increasing number of serious irregularities on the draft Local Environmental Plan, the draft plan should be scrapped.

The Vellar family mansions were built on the Illawarra escarpment at Corrimal, NSW, in what is now the state electorate of Keira. WAC can reveal that in 1992 a "fair-trading" agreement was reached between Vic Vellar Nominees and Wollongong Council, when the now state member for Keira, David Campbell, was Lord Mayor of Wollongong Council. After three past development refusals, Council agreed to allow the Vellar family company to build not one but *two* houses in exchange for the handing over of a large portion of their land to the public. Wollongong Council prepared an amendment to the Local Environment Plan (LEP) to enable the agreement, and on 29 October 1993 the NSW government gazetted Amendment 53 and the new land division became law. However, the houses the Vellar family built on the allotment are not legal.

They didn't build the houses on the portion of the land on which they had a legal entitlement to build. Amendment 53 specified that the houses were to be built on two parcels of land which were zoned 7b Environmental Protection located on the eastern boundary of their retained allotment. The 7b zoned areas had been determined to be geotechnically stable and are clearly marked on the 1990 Wollongong Local Environment Plan. The Vellar company built the two houses to the west of these designated areas on land zoned 7a Special Environmental Protection, a zoning which prohibits such development.

Author of the investigation report, Dr Clare Leabeater, said: "The Vellar family company began building the houses in 1994. Wollongong Council records obtained under FOI clearly show that Council knows the development is not legal.

The Council is also aware of the extensive damage this illegal development has caused to the drainage catchment below which reached a peak on the night of August 17 1998 during the Wollongong floods".

Joe Scimone was head of Engineering at Wollongong Council throughout this period.

Leabeater states: "Wollongong Council has never taken any action against the developers at this site. While these immense houses have sat unoccupied for some 14 years Council has been spending public money on flood mitigation works to the properties below. Approximately \$140,000 of public funding has already been spent *on* the Vellar property itself, remediating the damage caused by the building work the Vellars themselves undertook. Why should the public continue to bear the costs incurred by an illegal developer?"

Frank Vellar was a central figure allegedly *extensively* investigated by the Independent Commission Against Corruption (ICAC), but there were no questions put to Mr Vellar regarding these developments and the involvement of Wollongong Council during the public hearings.

On 3 March 2008, *the night before it was sacked*, Wollongong Council endorsed the rezoning of the site which would retrospectively make the Vellar mansions legal. According to Leabeater, the Council staff who actioned this did not include Beth Morgan. “The ICAC spent a lot of public money exposing Beth Morgan as virtually the sole agent advancing Frank Vellar’s developments. But by the time the Vellar mansions were tabled for rezoning, Beth Morgan was long gone.”

Council minutes claimed on 24 June 2008 that the state appointed Administrators had reviewed *all* rezonings on the Wollongong draft LEP but that same night Council endorsed the rezoning of the Vellar family mansions which would retrospectively make the homes legal.

Clare Leabeater says: “It isn’t just the people of Wollongong who would like to know why the Vellar mansions were excluded from public evidence during the ICAC hearings. Here’s a developer, defined as corrupt, suddenly about to realize his assets on a site that’s been a lemon for 14 years. Something seems to be very wrong in NSW.”

After a public outcry, the Administrators revoked the proposed rezoning at a Council meeting on 23 July 2008. Clare Leabeater says: “The report Council received that night is puzzling. I’ve seen the Building Application plans stamped by Council, so if Council says they no longer have them they must have gone missing after I got them under FOI.”

“The Administrator, Gabrielle Kibble, has gone on the public record describing the Vellar mansions as a ‘unique’ situation. But on the same night Council passed the Vellar mansions they also passed a rezoning of land to allow development at the top of a known landslide in Woonona Heights where multiple houses have already been damaged. This is the Administration that was going to rescue Wollongong from dodgy development?”

Graham Larcombe says “The NSW Government is addressing the crisis in Wollongong the wrong way around. They are slowing down a return to local democracy and hastening the development of a new plan. In fact, the NSW Government should hasten the return to democracy and work with a democratically elected Council to guide a robust debate and community participation into the development of a new LEP for Wollongong.

For comment please contact Dr Clare Leabeater - 0412 324 811