

Taking hold of Sydney's second CBD

Behind the disputes about Parramatta boss Mark Stapleton lies conflict about property and who should develop it, writes Jacob Saulwick.

There are a lot of cranes in the air around Parramatta, Sydney's second CBD; towers are rising like mushrooms.

"But there are a lot of potential cranes that aren't there."

That's the view of Chris Johnson, an advocate for property developers. Johnson, a former state government architect, is now a somewhat brazen spruiker as chief executive of the Urban Taskforce. And so Johnson was pleased when the new boss of the City of Parramatta Council, an entity overseeing an unprecedented wave of public and private investment, took time from a tough week to talk to his members at lunch on Tuesday.

"The planning process at Parramatta had got very slow and convoluted," says Johnson. In this context, the chief executive, Mark Stapleton, was a "breath of fresh air".

"He's got really good, fresh ideas about how to get council structures to be more effective," says Johnson. "He is clearly committed to a pretty robust future for the City of Parramatta."

The reason it had been a tough week for Stapleton was a series of stories in the *Herald* about his appointment to the council's top job. Those stories have focused on Stapleton's seemingly eccentric personality, and unconventional resume. But sitting behind the disputes about personalities and CVs lies, as it so often does in Sydney, conflict about property, and who should control its development.

LANDING THE JOB

First, though, the personality. Stapleton, he himself has seemingly written, has the "trappings of polymathic genius". If he was a "household item, he would surely be a Swiss Army Knife". He's a "mathematician and engineer". He sculpts "a bit like Brancusi". He also "wants you to know that he paints every day: washes of doves, bulls and ecstatic nudes".

The above descriptions are taken from one of a number of extravagantly boastful websites Stapleton appears to have created to sell consultancy services. (One promises to install new apartments in 24 hours.) Stapleton has declined to answer questions about the authorship of these sites. But they seem emblematic of a person who, several acquaintances have said, seldom struggles for a story to sell.

Born in Cork, Stapleton came to Sydney in about 2007, he has said. He worked at construction firm John Holland in a business development - in effect, sales - job. A couple of years later he moved to Perth, where he was employed by Broad, the then Leightons subsidiary, for an unknown period of time.

In May 2017, he returned to take a position as the City of Parramatta council's director of property. The council's then chief executive, Greg Dyer, has admitted to allowing a third-party recruitment firm to check Stapleton's references. But Dyer has also said that Stapleton seemed well suited for the job. "His early work was such that it would support the fact that he had the experience required for the director of property role," Dyer, a former Test cricketer, told the *Herald* this week.

That was at least until Dyer suspended him in December. The reasons for the suspension remain murky. But it is understood they revolve around treatment of staff, as well as Stapleton potentially misleading councillors about a Walker Corporation building as part of the \$2.4 billion Parramatta Square. During that dispute, Stapleton appeared to be aligned with Liberal councillor Ben Barrak, who argued that the council should get a better return from the development. The council may well do well out of Barrak and Stapleton's involvement. But others point out that as a result of the disputes late last year, the council, which was to take a 50 per cent stake in the \$ Parramatta Square tower, will no longer own a



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A source

share in that project.

In any event, Dyer resigned from the council in December, and Stapleton returned from suspension in time to be included on a list of candidates for his replacement. At a fractious meeting in June, in which independent councillor Lorraine Wearne was expelled for alleging impropriety, Stapleton was elected 8-7, with five Liberals and three Labor candidates voting for him. It was almost two months later that the *Herald* published Stapleton's resume, along with comments from Wearne and deputy mayor Michelle Garrard questioning his suitability for the job.

In taut responses to inquiries since, the council under Stapleton as well as mayor Andrew Wilson, who opposed



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Clockwise from main: a proposed Walker Corporation development at Parramatta Square; City of Parramatta CEO Mark Stapleton; Holdmark's proposed 83-storey tower; and former director of development Sue Weatherley.

Stapleton's appointment, have said they are concerned about the "allegations" levelled against the chief executive and the council's recruitment processes.

But there are some known facts, and many questions that have gone unanswered. It is a fact that Stapleton's job application that went before the 15 councillors is laced with ungrammatical non-sequiturs. ("Policy development is a crucial piece of the organisation and ongoing review of policy change and willingness to be flexible to change," offers a taste.) It is a fact the application does not specify dates in which he worked at Leighton and John Holland, and is vague about his job descriptions. (The council has said he worked in "senior executive" positions at these firms; at John Holland, at least, that seems incorrect.) It is also a fact that Stapleton has not named the institutions at which he obtained claimed qualifications in accountancy and commercial real estate.

The resume includes the claim that he had been "part of a few very large consortia government projects" and went through a "design & capital raising proposal for \$4.5bn with Phil Kearns & David Gonski". Documentary and third-party evidence suggests Stapleton did meet with Kearns and Gonski in the Chifley Tower offices of investment bank Investec. But it is also true that Kearns and Gonski can't remember the meeting. And merely because Stapleton might once have had a meeting about a project does not establish why his resume would claim credit for that project. In addition, neither the council nor Stapleton have addressed where he worked before getting a job at Parramatta Council. (The *Herald* understands it was for a small-medium Perth apartment developer.)

Some insight into Stapleton's activities in Perth emerge from a 2016 decision of the West Australian state administrative tribunal. In 2014, Stapleton and his brother Jason's company lodged an unsuccessful \$27 million development application. On appeal, the block was again refused for being "manifestly excessive in terms of built form, scale, height and bulk and ... therefore contrary to orderly and proper planning". In that appeal, Stapleton refused to procure an expert witness - other than himself - and then repeatedly failed to attend tribunal hearings. The tribunal in turn

found he acted "unreasonably", "consistently failed to engage with the proceedings" and took the "unusual" step of ordering Stapleton pay \$8500 of the assessment panel's costs.

WINNING THE VOTE

And now that "unreasonable" advocate of "manifestly excessive" structures is running a fast-growing council, which, for the past couple of weeks, has been without a head of planning. There is a strong view among those opposed to Stapleton that this is not a coincidence.

"The eight who voted for Stapleton knew they were voting to get rid of Sue Weatherley," says one well-placed source. (Labor's Pierre Esber, Paul Han and Sameer Pandey and the Liberals' Barrak and Steven Issa strongly deny this.)

Weatherley had been the director of development for the council for a decade. She had won planning and industry awards, and is well regarded, in particular by larger developers.



Although she left the council after resigning, it is accepted at the council that Stapleton offered her a job she found unsuitable. Her position has since not been scrapped, but remains unfilled.

The impact of removing Weatherley remains to be seen. But there are several recent examples where council staff under her clashed with councillors - often involving projects pushed by smaller or mid-tier developers.

One planning proposal, for instance, that was strongly resisted by staff was for a residential rezoning at 7 Charles Street. A principal objection of staff to the proposal, which was from Chartie Demian, a developer whose projects have featured in an ongoing Independent Commission Against Corruption Inquiry into the former Canterbury Council, was that it would allow apartments in an area slated to be Parramatta's commercial core. Demian's project was approved by councillors in 2014, despite staff warning that it would "set an undesirable precedent and potentially further erode the commercial viability of the city as a business and employment centre". Some observers fear one risk from a change in emphasis at council would be allowing residential zoning into the heart of the city, hindering Parramatta's future growth as a jobs hub.

A second example of where council

staff recently pushed back against the views of councillors was the overshadowing of Parramatta Square. Sarkis Nassif's Holdmark Development Group has proposed an 83-storey tower that would have the effect of leaving the public domain at the square with little sun access in winter. A majority of councillors supported Holdmark's proposal, but state planning authorities sided with council staff and refused to allow it.

A third proposal in which a majority of councillors objected to the views of staff relates to 33-43 Marion Street, Parramatta, near Harris Park railway station. This proposal, worked on by well-connected Liberal Matt Daniel, was endorsed by council on December 17, after particularly strong opposing recommendations led by Weatherley. The proposal requires the de-listing of two heritage properties - against the advice of two reports procured by council - and a large-scale rezoning of an area the council had previously said should not be high-rise. The councillors preferred Daniel's heritage report over the two procured by their own staff.

In July, however, the NSW Department of Planning in effect took the council staff's side against the councillors. The department wrote to Stapleton as chief executive to say it did not agree with removing the heritage items, and that a "more detailed investigation" was required into the heights that councillors wanted to allow. The department also took the rare step of not allowing the council to act as the "local planning authority" in the area - in effect denying local government the ability to determine the shape of this area.

WHAT NEXT?

Among those councillors backing Stapleton, Barrak has been the most strident in his support. On Tuesday, he emailed the *Herald* to say that Stapleton had his "complete and unfettered support as CEO for many reasons".

"He has shown himself to be ethical and beyond reproach in the face of extreme adversity where many lesser people would have either buckled or given up," Barrak wrote.

Events are moving fast. Last night, councillors met to consider whether they should request an investigation into Stapleton's background. On Monday councillors will assemble again, this time to consider a rezoning of the Parramatta CBD. Stapleton has applied to the government on behalf of three councillors - Barrak, Esber and Liberal Martin Zaiter - to allow them to vote on the rezoning, even though they have a financial interest in it; the response might not arrive in time. And then Stapleton has that director of planning job to fill, and a workplace restructure to oversee. It helps to be a polymathic genius.

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