

# Mayor joins resort revolt

## Anger over Killalea lease

KIAMA Mayor Sandra McCarthy has broken her silence on the controversial Killalea resort proposal, criticising the NSW Government for signing a 52-year agreement to lease. Councillor McCarthy, a member of the Killalea State Park Trust, yesterday said the first she knew of the lease was an advertisement in the Mercury on Good Friday.

She was the second Illawarra mayor in two days to announce concerns, after Shellharbour's David Hamilton publicly opposed the lease to private developers.

He says he will urge councillors to support his protest at a meeting next week.

Cr McCarthy will report the extent of community concern to councillors, the trust, the Government and Kiama MP Matt Brown.

On April 30, NSW Lands Minister Tony Kelly signed an agreement to lease three parcels of land to Killalea Coastal Investments, a joint venture of Mariner Financial and Babcock & Brown.

The investors will pay \$13 million over 52 years to lease the land. The park, between Shellharbour and Kiama, boasts legendary surf spots The Farm and Mystics.

It is the first NSW state park to be commercially developed and the lease allows 202 residential lodges, pools, tennis courts, restaurants and a conference centre. Cr McCarthy said she was unaware of the project's scale until the council was briefed in late May.

Cr McCarthy will report the extent of community concern to councillors, the trust, the Government and Kiama MP Matt Brown.

Cr McCarthy said the council was disappointed the Government did not delay the agreement until the concept was referred to Kiama and Shellharbour councils and placed on public exhibition, as requested at the council's April 17 meeting.

**Mayor  
joins  
chorus  
of  
dissent**



CR MCCARTHY

As a trust member, she was until recently bound by a confidentiality agreement, and Cr McCarthy said, as an ex-officio member, she represented the Kiama community, so it was appropriate to speak out as the mayor now.

Trust member Colleen Camarda said she knew a 52-year lease was involved, as did treasurer Lorraine Lehman-Jones, and members had voted on the decision.

Kiama MP and Tourism Minister Matt Brown would not comment other than to refer the Mercury to previous statements that everyone should wait to see the development application.

Mr Kelly's spokesman agreed, and, in response to Cr McCarthy's comments, said there was no lease yet, as the agreement to lease was only valid if the development application was approved.

He said Cr Hamilton should have been aware of the plans as his council was represented at a briefing in December 2002.

Deputy chair Mark Luchetti said people were "entitled to their opinions" but the trust believed Shellharbour council should wait until the application was lodged before making any assessment. He said the trust had followed to the letter what it was guided to do by the Government in its handbook.