

Jeff McCloy is standing next to a large crocodile.

The carved wooden reptile, unlike its owner, is not going anywhere.

From the living room of his lakeside home overlooking Belmont Bay, McCloy has an impeccable reminder of where he's been. He swam, fished, played rugby league and went to school around here. From a similar vantage point at his inner-city address on The Hill overlooking Newcastle he can see where he wants to go.

After four decades in the building and property development game that made, broke and re-made his family fortune, McCloy is in good shape. Newly turned 60, he has one foot in retirement and the other in the role of managing director of the McCloy Group. At half pace, he is still busier than most of us, as acknowledged by the Hunter Business Chamber which recently named him its 2008 Business Person of the Year.

Guests at the awards ceremony heard how Jeff McCloy had left Belmont High 43 years ago for Newcastle University and a civil engineering degree that took him into the Sydney high-rise construction game via a brief stint with the Department of Public Works. He returned to Belmont in the late 1970s to work for and eventually run D.F. McCloy, the building company founded by his father.

Throughout the 1980s and '90s the business delivered John Hunter Hospital, Green Point residential development, Jewells Tavern and shopping centre, and the Mattara Hotel. Now, Jeff McCloy is getting busy again.

In 2008, the property developer has gone on a buying spree among the dilapidated bargains of inner Newcastle. If you count purchases and improvements, the bill will run out to \$90 million by year's end. Call it a non-retirement plan.

Expecting to spend time in town keeping tabs on this growing portfolio, in March he outlaid \$2.4 million for a fixer-upper in Church Street, tipping a small fortune into renovating the historic Egmont House to do justice to the view it affords of Newcastle Harbour, Stockton Bight and the pinnacles of Port Stephens.

The McCloy Group, which serves as an umbrella to 20 or so subsidiary companies, has a range of projects in train, notably housing subdivisions in Lake Macquarie, the Heritage Green residential estate at Rutherford and fish farms in Far North Queensland. Recent buys have brought his inner-Newcastle collection to 11, making him a player in the city's revival.

"I like getting busted arsehole things that no one sees any value in and turning them into a useful product," he says. "I also like creating new buildings."

On a bracing spring day, he has offered *Weekender* a tour of his city sites. It's a journey that starts in Belmont where, beyond the vast picture-windows of his waterfront home, an early southerly is flecking the lake with whitecaps.

At a time in the design cycle when the needle is stuck on brutal minimalism, casa McCloy comes as a surprise. Taken by the designs in-

THINK BIG

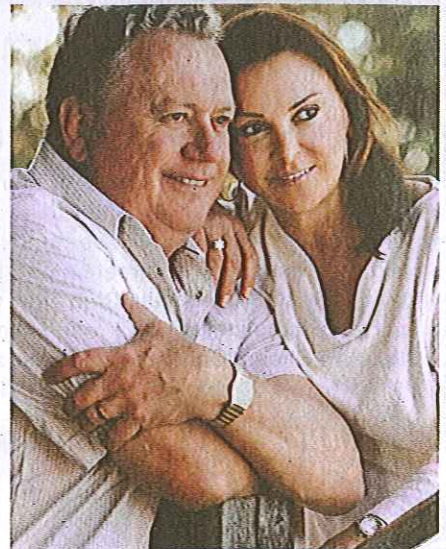
Bureaucracy dictates that you can't always get what you want but Jeff McCloy, it seems, is determined to give Newcastle what it needs. The developer talks candidly to NEIL JAMESON about swimming with whales, his superyacht, hunting feral pigs and gathering momentum to tackle inner-city eyesores.

spired by the rainforests of Far North Queensland, McCloy contracted builders from that neck of the woods to construct an abode of timber, glass, running water and natural light slung around the twin central supports of two massive tree trunks sunk deep in the ground.

The decor is even more startling – an eclectic mix of mainly aquatic bric-a-brac, each with its own story of the life and times of the clan McCloy.

Near the foot of the stairs rests the life-sized croc carved from wood by "a mad Englishman with hair down to here" McCloy met up a creek in the far north. On a beam sits an exotic rainforest parrot, also carved by the crazy Pom. On a wall hangs a porthole from the Sygna wreck, above the fireplace an antique pair of Rossignol snow skis, on the entertainment cabinet stands a brass statuette of a Colorado River fly fisherman hooking a trout.

The property, fixed as it is on Green Point, tells a larger tale. In the face of relentless hostility at local government level and only after





TIME OUT: Jeff McCloy is still reeling in the deals as a developer and businessman but is happiest dangling a line or relaxing with his family.

PICTURES: SIMONE DE PEAK

the intervention of the courts was McCloy able to swing opinion behind his vision to convert Green Point's bush, quarry and abandoned mineworks into a new housing enclave.

The sub-plot to the drama was the range war between the McCloyes and some in the Newcastle ALP Left.

Fellow property developer and former Hunter business person of the year Hilton Grugeon remains irked at the way the Left has targeted McCloy.

"The stuff levelled at him has been unbelievable," Grugeon declares. "And most of it has been out of envy. Jeff McCloy has done more for this community than any politician."

While recent events, notably the Wollongong City Council scandal, have put property developers on the nose, McCloy and Grugeon hold that there is another, largely untold side to the story: The chronic practice of politicians and bureaucrats wasting time and money to frustrate developers operating within the law and then using ratepayers' and taxpayers'

money to fund any resultant legal action. McCloy has no patience for the power abusers.

"I've watched the little guys go to the counter with their home extensions," he relates. "It's criminal how they run those guys around just because they can."

His stubbornness is almost certainly genetic. His grandfather Francis McCloy was a builder who "reared 11 kids, survived the Depression, never took a cent on the dole, ran his own chooks and pigs and fished Lake Munmorah".

The next in line also rode the boom and bust of the building game. Don McCloy's four boys would lie in bed at night hearing their parents argue about money and, next morning, watch their father pack his saw and plane into a sugar bag and head out to catch the bus in the search for work.

By any account, Jeff McCloy is an alpha male, an undeniable silverback, but talking about those days exposes a chink in the bluff armour. He pauses, swallows hard.

"I made up my mind that money would

never be something my family would be arguing about."

Through two marriages and five kids there has been more than enough to go around.

We're in the McCloy Maybach, an ultra-luxury limo from Daimler AG of Germany. With the managing director of the McCloy Group at the wheel, it's an incongruous carriage for where we are heading: the post-apocalyptic streetscape of Hunter Street West.

It's here McCloy has staked his latest claim. He has bought and is currently rebuilding a swag of properties including the former Churchill's site, the old Hunter Water Board campus, Toymasters and, farther east, the rambling Lucky Country Hotel. It is not easy. Margins are small, the risks high. Moreover, the council consent maze can be confounding and wasteful, as the McCloy Group found with the old NIB site on Hunter Street. His wallet \$300,000 lighter, the developer walked away from the \$12 million development proposal. He will sell the property. ▶

"If I'd known how it was going to go, I could have just given the \$300,000 to the Salvation Army," McCloy says

He's not joking. Last year he pledged \$1 million to the Salvos and has donated a similar figure to the University of Newcastle. In recent times he has handed a fortune in anonymous donations to too many charities to recall.

One take on the McCloy style is that he is forceful in getting his way. He bristles when people "who have lived their entire adult lives off the public purse, never employed an individual let alone paid a wage" criticise his business. When local government bureaucrats tell him what additional hoops he must jump through in the approval process, he sends them photographic evidence of worse examples on council-owned properties, suggesting they abide by their own rules. Recently, he wrote to the Newcastle City Council's general manager proposing that a certain staffer be given "a wheelbarrow and broom to actually do something about the cleanliness of our streets . . . rather than harass professional contractors in their attempts to clean up the city".

When critics pressured him about heritage issues, he snapped shots of their dwellings to illustrate that they should practise what they preach. One of the first jobs on the old Hunter Water project was polishing the heritage flagposts on the building's facade. Why?

"Because they bloody-well needed it!" he answers.

Earlier this year, he offered Newcastle Lord Mayor John Tate a practical solution for dragging the city out of the ditch.

"I said to Tatey, 'I hear you're looking for a general manager. I'll tell you what: I'll do the job for nothing. You can donate the salary to charity and I'll divorce myself entirely from all my properties and business so there'll be no risk of conflict. Give me a year, and I'll clean the joint up.'"

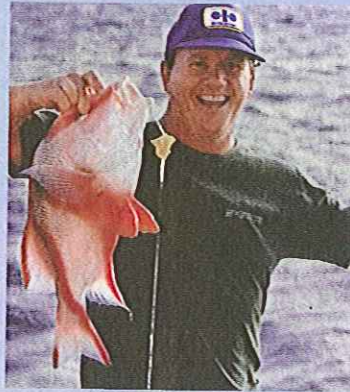
Watching him touring his development sites, casting an educated eye over details from paint trim to ensuring workers keep dirty boots off new carpet, he commands respect from his contractors.

The trails of debt left by out-of-town building firms leave him cold. "Pay other people's bills before you look after yourself," he preaches. "When I was six, Dad was bankrupt. By the time I reached high school he had paid everyone back."

Not long out of university, Jeff McCloy was in charge of three cranes and four lifts while setting the daily work program for 200 construction workers on Sydney's high-rise MLC Centre. Working alongside his dad as a teenage labourer had taught him it didn't hurt to get your hands dirty.

"We were doing the concrete technology course at university and the lecturer wanted us to mix some concrete with nothing but a shovel," he recounts. "All the other future civil engineers took a step back. I grabbed the shovel, thinking 'What? Is this meant to be beneath me?' and got stuck into it."

The breakthrough project for McCloy came in the late 1980s when the Belmont company, fresh from building stage one of a car park on the proposed John Hunter Hospital campus,



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tendered for the big one – constructing the region's new hospital.

"They said we were too small and suggested we team up with a Sydney building company," McCloy says. "So, we worked on the tender, put it in and were successful. Then we had to put up a bank guarantee of \$1 million each. The Sydney company couldn't raise it, so we had to post the guarantee for them too. Halfway through the job they went broke and we took it over and finished it under our own steam."

Emboldened by the John Hunter success, the company set its sights on Sydney – and came a cropper.

"We took on four jobs in quick succession and I didn't check the clients out myself," McCloy recalls. "It was a nightmare. We ended up losing almost \$6 million in two years. Boy that hurt. But we paid all our bills and went to arbitration on all jobs. It was my mistake, I made it and I had to get us out of it."

The result was a switch from construction to property development and affirmation that the focus of operations should be Newcastle and Lake Macquarie, not Sydney.

"The lesson is that you must make a decision," McCloy says. "When the decision is made, everyone must get aboard the bus. Give it all your combined energy. If you stuff it up, recognise it and fix it. But, whatever you do, don't go into your shell. Never be afraid to try again."

McCloy has a clear memory of the moment he learned the value of decisive action. He was 10, stuck in a piano lesson as the minutes ticked down to kick-off for his footy final.

"I knew the teacher was going to make me stay back," he laughs. "You've got to make a choice in life. I banged down the piano lid, shot out the door, jumped on my bike and never went back. Since then, I've never been afraid of making a decision."

Rugby league has remained a constant. In the mid-1990s when the Super League war split the game, McCloy invested in and served as chairman of the Hunter Mariners on the rationale that irrespective of whichever side won the battle, the region would have a stake in the outcome. In some sectors of the Newcastle Knights kingdom, the bitterness lingers. But other priorities prevail. He is still a Knights supporter and the cash-strapped club has welcomed him back to the table. Familiar with their hand-to-mouth existence, he believes the best outcome would be private ownership based on a consortium of up to five business entities.

He draws motivation from the works of individuals who have made a difference. No matter how unlikely. He cites *Do It Anyway*, a text by Mother Teresa which includes the lines: "If you are successful you will win some false friends and some true enemies. Be successful, anyway."

There is something refreshingly unconstructed about Jeff McCloy. He missed political correctness, the sensitive new-age male (SNAG) and every *ism* you could care to mention. Now, the social gurus taking a line from *Sex and the City's* Mr Big or the potty-mouthed Gordon Ramsay, tell us the alpha



PICTURE: NATALIE GROVO

CASA McCLOY: The businessman at his Belmont home, above, and brandishing catches of tropical fish and lobsters, facing page, from northern Queensland waters, where he loves to retreat to his superyacht *Seafaris*, bottom left.

male is back in vogue. Jeff McCloy cool? Surely not, but in this era of institutionalised dysfunction, his certainty and vision might come as a breath of fresh air.

In all the McCloy kingdom there is no better example of the do-it-anyway philosophy than *Seafaris*, his \$15 million superyacht. McCloy was not only closely involved with the yacht's concept but, with his own company JR Tours, project-managed its construction. For a first-up effort, it wasn't bad. The proud owner and his wife, Tracey, turned up at the 2007 World Superyacht Awards in Venice where his 41-metre catamaran outshone five other international finalists as the best yacht in its category.

Built by Forgacs Shipyard in Newcastle and based in Cairns, *Seafaris* is available for charter at around \$125,000 a week. Clients have included Crown Prince Frederik and Crown Princess Mary of Denmark, Sheikh Mohammed bin Rashid al Maktoum of Dubai and Giorgio Armani.

On her launch date in November 2004, *Seafaris*'s aluminium hull jammed spectacularly on the slipway.

Noting the look of horror on her husband's face, Tracey attempted to soothe him with the now famous line: "It's only a boat, Jeff. It's only a boat."

A fortnight later a 600-tonne crane gently lowered the superyacht into the water.

Seafaris's features include "a gymnasium, guest library, cinema, helipad, hydrotherapy spa, professional diving and fishing facilities, water toys, sun lounges, outdoor teppanyaki bar, formal dining area, casual barbecue area, scenic cocktail bar and 30-foot diesel jet boat for anytime-aquatic-outings".

The sheikh offered to buy the boat. It's not for sale.

In constructing the yacht McCloy didn't need a development or building application, a construction certificate, or a planner. There were no mines, bat, owl or tetratheca juncea experts let alone a geomorphologist. And he didn't need a photo montage to show how it blended into the streetscape.

"Somehow, we managed to bumble through without all their assistance," he grins.

The *Seafaris* is one of his most tangible links with a treasured locale – the reefs and rain-forests of Far North Queensland where Don McCloy, the son of a fisherman, took his own sons to chase the big sharks and billfish.

Smitten by the place, Jeff McCloy recently bought his own slice of Hicks Island. He loaded 110 tonnes of building materials on a barge and had it towed 600 kilometres north from Cairns to create a "fishing shack".

The gamefish days are gone but not his appetite for the hunt. When the fish aren't running he'll unpack a rifle, jump in a chopper and try to make inroads on Cape York's feral pig population.

McCloy makes no apologies for his thrill of the kill. "I'm a hunter," he shrugs.

Call it karma, but the animal kingdom has also lobbed one across his bow. There was a time when he would pull lobsters by the score from the fringing reef. The irony was, he could never sample them. The problem appeared when he was 14, eating blue swimmer crabs. He suffered a reaction and threw up. On a fishing trip to Lizard Island a prawn product triggered a seizure. Luckily, a doctor was at hand with the right medication. In one of life's small cruelties, the diagnosis deemed him allergic to crustaceans. An occasional reminder will occur, like when a prawn pricked his finger causing it to swell so painfully he was tempted to cut it off. He packs an EpiPen

everywhere he goes. Despite the allergy his regard for crustaceans is undiminished. In fact, he has established a grant at James Cook University to research the farming of rock lobsters.

McCloy knows his seafood. During a photo session by the lake he darts off to find a screw-driver to prise fresh oysters off the jetty pylon. "When we had no dough we always knew we could get a feed," he says.

Over lunch at one of Newcastle's better restaurants, the owner is out from the kitchen to seek assurance from McCloy that the scallops are of the required tenderness. In September, his fish-farming business, Daintree Saltwater Barramundi Pty Ltd, won two gold medals at the Sydney Royal Fine Food Show.

Maybe the hunter is mellowing, but these days he gains the most pleasure relaxing with his family in the blue waters of Cape York. Recently, when a pod of minke whales, attracted by the *Seafaris* generators, showed no fear of human company, the McCloy's lowered the tender boat and swam with the ocean mammals.

"To have the kids there to experience that was just mindblowing," he reminisces.

The memory puts him back there, out in the blue of the tropical coast, far from the built environment and bureaucracy. Take away the money, toys and the march of time, and he is a boy again, weaned on the salt and sun of Belmont Bay.

"There's nothing better than sitting on the bow of the jet boat, heading along the coast, watching Australia go by. The fish and birds are working . . . dolphins surfing the bow wave . . . the water so clear, you can see forever . . . watching sharks rounding up the pilchards, taking it in turns to go crashing through the school. Unbelievable." **W**