

## 5. Merimbula Town Centre – Planning proposals

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This report deals with the future growth, traffic movements and discussions with some landowners within the CBD of Merimbula.

**Group Manager, Planning and Environment**

### BACKGROUND

The previous Council dealt with the Merimbula Structure Report. However, the Merimbula Town Centre was excluded from the Structure Report as there remained a number of outstanding and unresolved issues including the need for a Development Control Plan.

10 At the same meeting as it dealt with the Structure Report, Council also dealt with a report on the Merimbula Town Centre and decisions made by the former Minister for Planning relating specifically to future development in the Centre. With regard to this issue Council resolved on 8 July 2008 as follows. (It should be noted that this report dealt with the matter of the size of retail premises in Merimbula including supermarkets.)

- “1. Note the Minister’s decision in relation to Tura Beach and Merimbula as outlined in his letter of 19 June 2008 and accompanying report.
2. Rescind DCP No. 38 – Merimbula Commercial Centre.
3. Prepare and exhibit a draft Development Control Plan to limit supermarkets to a maximum floor space of 4,000m<sup>2</sup> in Merimbula and limit other retail outlets in Merimbula to a maximum of 1,000m<sup>2</sup>, and to include clear objectives about traffic, parking, scale, bulk and the role of Merimbula in relation to the rest of the Bega Valley Commercial Centres.
4. Include in the Comprehensive Local Environmental Plan to limit supermarkets to a maximum floor space of 4,000m<sup>2</sup> in Merimbula and limit other retail outlets to a maximum of 1,000m<sup>2</sup>.
5. Endorse staff meeting with large land owners in the Merimbula Town Centre to ascertain any proposals they might have, on the proviso that no undertakings be given by staff.”

30 The Minister determined under s70(1)(c) of the Act to refuse the Merimbula LEP that would have limited retail floor space to 1,000m<sup>2</sup> due to its inconsistency with the South Coast Regional Strategy. In addition, he directed Council under s94F of the Act, to amend DCP 38 to remove the 1,000m<sup>2</sup> limit so that it is consistent with the prevailing LEP controls.

He also determined that if Council wish to pursue a higher retail floor space limit for Merimbula, for example 4,000m<sup>2</sup>, to prevent discount department stores locating in Merimbula rather than Bega, then it would need to recommence the LEP process. He said he would be supportive of such an amendment which would be consistent with reinforcing the primacy of Bega for such higher order uses.

40 Councillors also discussed Merimbula's carparking and traffic issues in workshops held late last year, and supported staff working with the land owners in the Main Street, Palmer Street and other precincts to leverage Council land to facilitate commercial redevelopment and improved traffic and carparking arrangements.

Discussions as per resolution 5 above have now been held and have revolved around the proposals each owner might ideally have for their land, together with the outcomes that Council might have in relation to the planning of the Merimbula Town Centre including opportunities to improve traffic flows.

## ISSUES

50 The issues involved in this matter concern the most appropriate way for the business district of Merimbula to move into the future given existing constraints regarding traffic.

This not only involves the location of new development but also the most appropriate heights, floor space and carparking requirements. In addition to this is the question of Council leading discussion in relation to possible site amalgamation and preferred options in relation to the means of access to developments.

Council has recently completed traffic counts with the intention of updating the Traffic Study completed in 1997. Counts have also been undertaken in conjunction with the court case over Council's refusal of a DA for a supermarket in Main Street. These counts were undertaken over the December 2006 / January 2007 period. Results of the counts recently undertaken are now available but it will take some time to complete the  
60 modelling required to assess the traffic options. The modelling will need to be available prior to the completion of the Draft DCP which, clearly, must rely upon those results to enable improved traffic proposals to be finalised.

To implement any improvement in traffic flow may require either the acquisition or dedication of land in and around both Main Street and Market Street. With regard to this it is important that the planning functions of Council are clearly separated from any commercial activities or interests Council may have in relation to its own land holdings.

## Policy

70 The zone boundaries of the commercial centre have been included in the Comprehensive Local Environmental Plan as they presently exist under the 2002 Local Environmental Plan.

Council has committed to the preparation of a Development Control Plan. However before work is able to progress arrangements for the improvement of traffic flows need

to be advanced if not finally determined. Resolution of these issues will then allow the planning of the remainder of the centre to be undertaken in a logical way.

It would be necessary for any land to be used as road to be in public ownership and planning for this needs to be resolved as soon as possible.

### **Economic**

80 It has been previously estimated that the general cost of the necessary roadworks and carparking including land acquisition will be in the order of \$10m. This estimate was based on minimal land acquisition. Current discussions involve the potential leveraging, land swap or leasing of Council land to facilitate commercial redevelopment and improved traffic arrangements.

### **Asset**

Council had committed \$50,000 to undertake the traffic counts and arrange traffic modelling to inform a traffic strategy for Merimbula. The model would be flexible to enable inputs and impacts from proposed development in the town centre. The Traffic Strategy requires endorsement of RTA, and would inform the Merimbula DCP and the Financial Strategy.

### **Strategic**

90 It is necessary to ensure that the planning of traffic changes including carparking is in place prior to finalising a Development Control Plan.

The DCP will need to encompass all aspects of the future planning and development of Merimbula. This will include height, floor space ratios and setbacks together with an appropriate theme for the area. Funding has already been secured for the preparation of the DCP by way of a grant from the Department of Planning together with a Council contribution.

Since the resolution previously referred to, several meetings have taken place with owners of large areas of land in Merimbula. This was done in order to determine any proposals they may have.

100 Additionally Council will recall that a workshop was held on the Merimbula Town Centre on 16 December 2008. At that workshop the following was discussed:

#### Merimbula Strategy:

- LEP/DCP processes and interrelationships
  - Exhibition after s65 Certificate expected after March 2009
  - Prefer to have Merimbula DCP in place before key DA's lodged
- Traffic study and strategy in early 2009, with scenario mix including one way, lights, roundabouts
- Traffic options

- 110
  - Main Street and Sapphire Coast Drive
  - Monaro, Palmer and Reid Streets
  - Merimbula Drive and Palmer Street
- Land ownership discussions to continue with owners – Main Street, Mobil site, Palmer Street/Merimbula Drive, Sandbar, and National Parks re: airport
  - Obtain valuations
  - Broad engineering estimates
  - Obtain funding advice
  - Obtain probity advice
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  - Car parking options
    - Palmer Street and decks
    - rear Sandbar and decks
    - pay parking and leasing
    - perimeter overflow: Berrambool and airport
    - employee/business parking Sandbar, Berrambool
    - remove foreshore carpark
    - long vehicle parking
  - Town centre development options including height controls
  - Public domain improvements
    - Spatial presentation to incorporate into Merimbula Strategy/DCP and inform s94 Plans and community infrastructure projects
  - 130
    - Toilet options
      - CBD toilets in public or private ownership <200m apart
      - Incorporate new toilets into Palmer and Alice Street development.

Consultation with landowners was undertaken following this workshop.

The details of these “commercial in confidence” discussions have been provided under separate cover in a memo dated 26 February 2009 from the General Manager.

However, in summary it is considered important for Council to publicly foreshadow (pending finalisation of traffic modelling and studies underway) the potential acquisition of the following land for road widening and/or road diversion purposes:

- 140
  - (i) Mobil site on corner of Monaro Street and Market Street – Site 1
  - (ii) Part of land owned by Spungrow, Market Street – Site 2
  - (iii) Part of parking area in front of fruit shop adjacent to Palmer Street carpark – Site 3
  - (iv) Land occupied by “Top Fun”, Main Street – Site 4
  - (v) Part of carpark at rear of 101 Market Street – Site 5
  - (vi) Land owned by Merimbula/Imlay Bowling Club – Site 6
  - (vii) Part of land owned by, and, at the rear of the Merimbula/Imlay Bowling Club – Site 7.

See Attachment 1 – Land subject to possible road widening and/or road diversion.

## **Financial**

150 Separate reports will be provided on the traffic and carpark strategy, as it will inform the financial strategy and Section 94 Plans. A mix of raising debt serviced by S94A contributions, lease income and pay parking is proposed.

## **CONCLUSION**

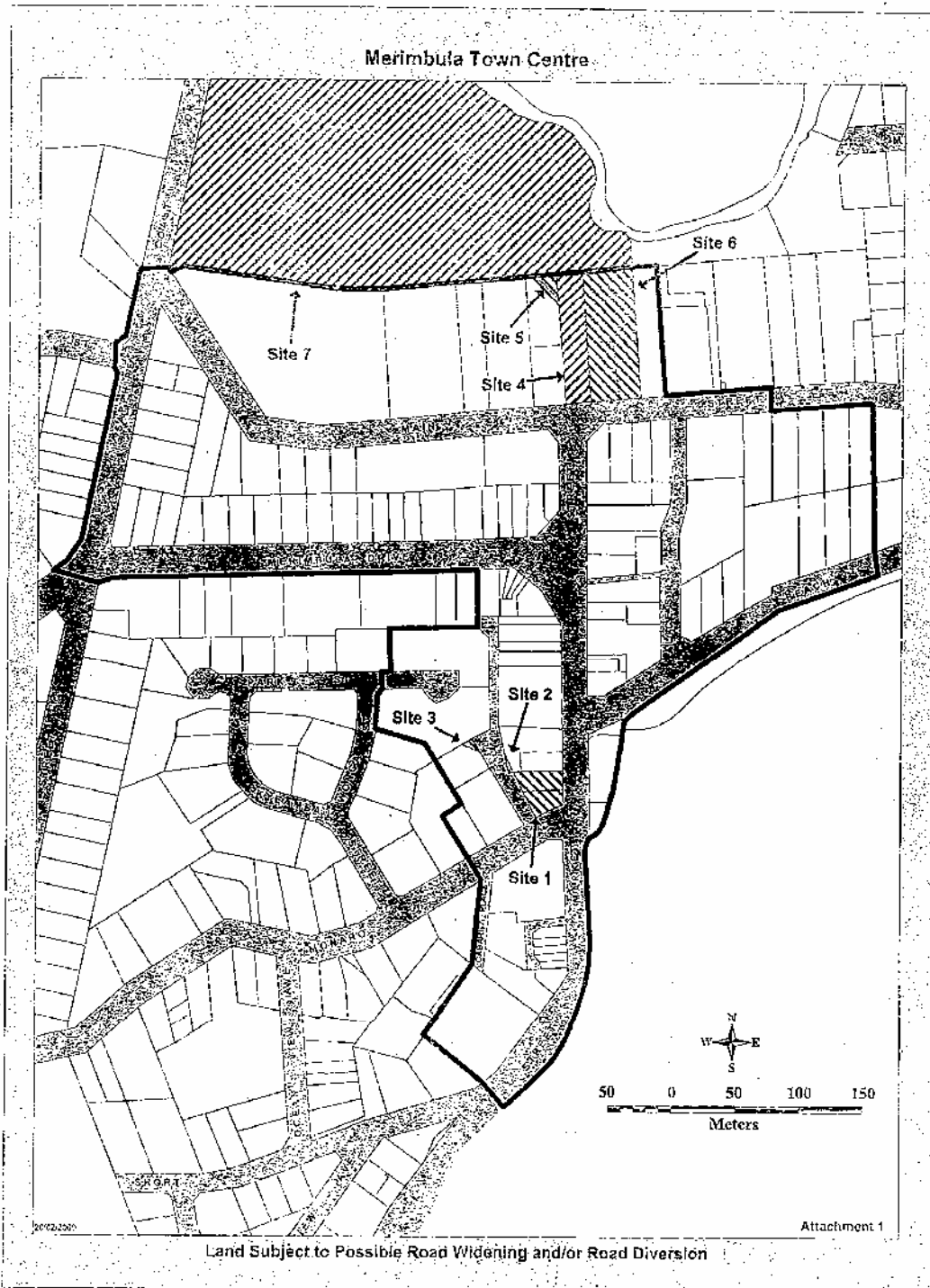
The proposals put forward and pending finalisation of traffic counts and studies underway are viable opportunities for Council to greatly improve the traffic concerns in Merimbula. Discussions with landowners is ongoing and Council will be further advised as discussions progress.

## **RECOMMENDATION**

That Council resolve to:

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- a) nominate the sites shown in Attachment 1 for potential road widening and/or road diversion purposes subject to finalisation of traffic modelling and studies underway;
  - b) hold further discussions and negotiations with owners of key sites in the Merimbula Town Centre.

**Attachment 1 – Land subject to possible road widening and/or road diversion**



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