COMMERCIAL CENTRE STRATEGY

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LIST OF ACRONYMS

LPS	Shire of Esperance Local Planning Strategy
TPS No. 23	Shire of Esperance Town Planning Scheme No. 23
DDS	Discount Department Store
FSP	Flinders Structure Plan
BCDSP	Bandy Creek District Structure Plan
WAPC	Western Australian Planning Commission
IGA	Independent Grocers of Australia

1.0 PURPOSE

The Shire of Esperance (the "Shire") Commercial Centre Strategy (the "Strategy") specifies broad requirements for the planning and development of new activity centres and the redevelopment and renewal of existing centres in Esperance. It provides the framework for coordinating the distribution, function, broad land use, urban design and infrastructure planning criteria of activity centres.

The Strategy is a guide to decision-making and will assist Council in consideration of the location, content, form and staging of retail and commercial development. It will also provide Esperance residents, traders and developers with a level of certainty in relation to the future pattern of commercial development in their local area.

1.1 Activity Centres

Activity centres are community focal points. They include activities such as commercial, retail, higher density housing, entertainment, tourism, civic/community, higher education, and medical services. Activity centres vary in size and diversity and are designed to be well-serviced by public transport.

1.2 Study Area

The Shire of Esperance is located on Western Australia's southeast coast about 725 kilometres from Perth by road.

The Strategy encompasses the geographical extent of the Shire with a principal focus on the existing urban area of Esperance and the planned expansion areas to the north east of the existing town site that will service the region with higher order retail and commercial services now and into the future (refer Figure 1 – Esperance Townsite Study Area).

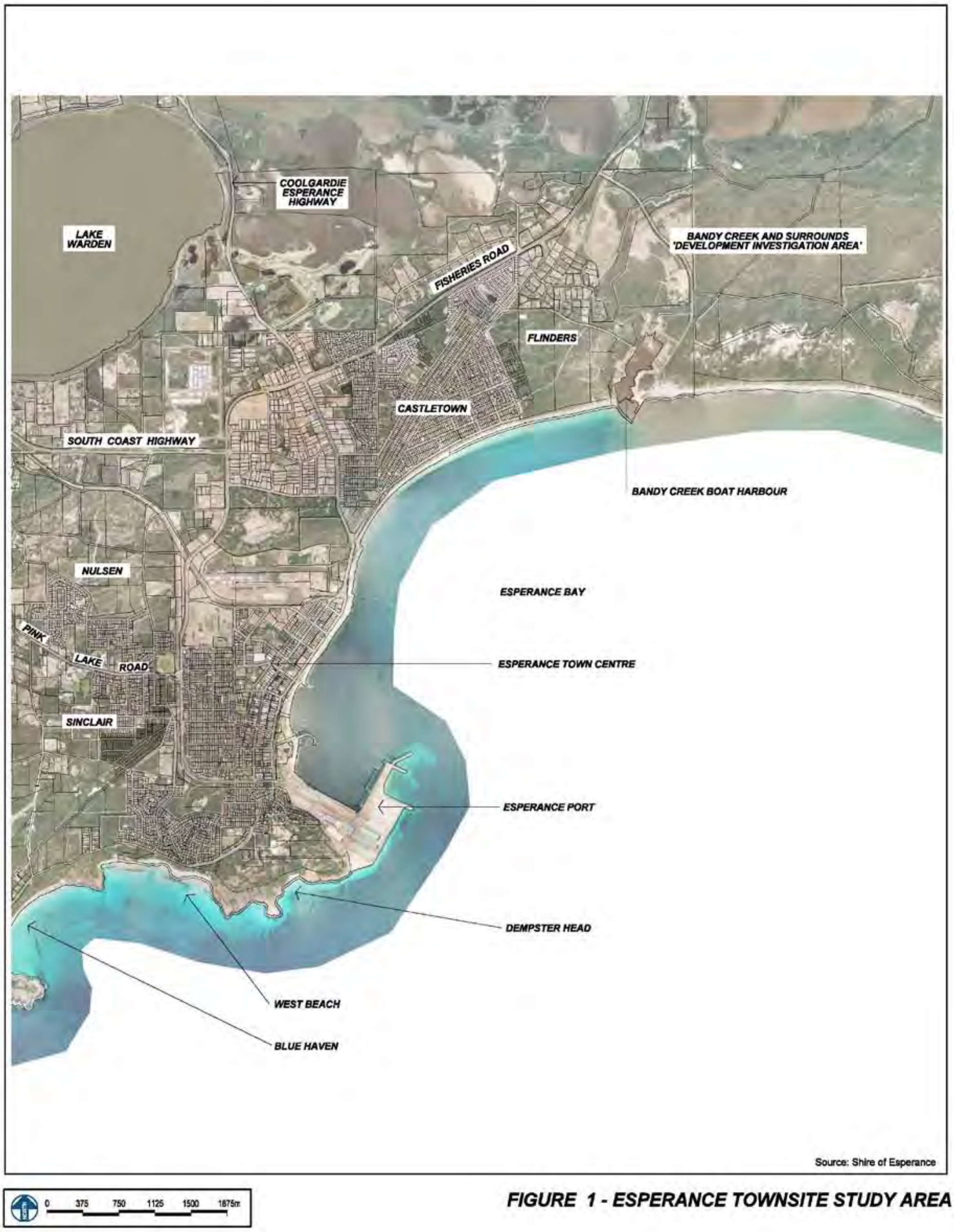


FIGURE 1 - ESPERANCE TOWNSITE STUDY AREA

1.3 Population Projections

1.3.1 Existing Resident Population

The most recent 2006 Population and Household Census recorded that the Shire of Esperance had a resident population of 13,000. The urban area (township) contained a population of 9,500 which is nearly three quarters of the total shire population.

Analysis of dwelling approvals shows that almost 300 dwellings have been developed in the Esperance since the 2006 census, at an average of 75 dwellings per annum, creating a potential additional population base of 750 residents.

TABLE 1 – CURRENT POPULATION

Resident Areas	2006	2010
Esperance, Nulsen, Pink Lake, Sinclair and West Beach	3,400	3,604
Castletown, Windabout, Flinders and Bandy Creek	6,200	6,572
Esperance Township	9,600	10,176
Balance of Shire	3,400	3,640
Shire of Esperance	**13,000**	**13,816**

Population & Household Census (ABS 2006), ERP (ABS (2010), Dwelling Approvals (Shire of Esperance 2010)

The Shire of Esperance is currently estimated to have a resident population of nearly 14,000 people. The Esperance urban area is estimated to have a population of 10,000 residents.

The layout and configuration of the Esperance Township has conspired to produce two distinct spatial residential areas. The central/west residential community is the older residential area that includes the suburbs of Esperance, Nulsen, Pink Lake, Sinclair and West Beach. This area contains about two thirds of the township population. The developing eastern suburbs of Castletown, Windabout, Flinders and Bandy Creek currently comprise a third of the township population.

1.3.2 Future Resident Population

The Esperance Township currently contains 665 vacant residential lots. Development of these lots would produce another 1,800 residents within the existing urban areas of Esperance. However, the vast majority of additional population growth is estimated to occur in the developing eastern areas (refer Figure 11).

TABLE 2 – FUTURE POPULATION BY DISTRIBUTION

Structure Plan Areas	Dwellings	Projected Population
Waterside Coastal and Bandy Creek	3,068	7,179
Esperance Lakes South	2,200	5,148
Flinders	1,180	2,950
All Structure Plan Areas	**6,448**	**15,277**

Overall, the planning framework as it currently exists is capable of providing for an additional 21,000 residents. The total population in Esperance could ultimately achieve 34,000 residents. Flinders (1,200 dwellings) and Bandy Creek (5,200 dwellings) will be able to accommodate an additional population of 15,000 residents within the eastern suburbs. This will dramatically shift the population focus in Esperance from 25% of total Shire population (2010) to 60% of total shire population. The west and central suburbs which currently houses 50% of total shire population will eventually only represent 25% of the total shire population.

TABLE 3 – FORECAST DWELLING DISTRIBUTION

Residential Area	2010	Ultimate
Esperance, Nulsen, Pink Lake, Sinclair and West Beach	1,386	8,136
Castletown, Windabout, Flinders and Bandy Creek	2,528	3,228
Esperance Township	**3,914**	**11,364**
Balance of Shire	1,400	2,000
Shire of Esperance	**5,314**	**13,364**

TABLE 4 – FORECAST POPULATION DISTRIBUTION

Residential Area	2010	Ultimate
Esperance, Nulsen, Pink Lake, Sinclair and West Beach	3,604	21,154
Castletown, Windabout, Flinders and Bandy Creek	6,572	8,392
Esperance Township	**10,176**	**29,546**
Balance of Shire	3,640	5,200
Shire of Esperance	**13,816**	**34,746**

TABLE 5 – CHANGE IN POPULATION

Residential Area	2010	Ultimate
Esperance, Nulsen, Pink Lake, Sinclair and West Beach	26%	61%
Castletown, Windabout, Flinders and Bandy Creek	48%	24%
Esperance Township	**74%**	**85%**
Balance of Shire	26%	15%
Shire of Esperance	**100%**	**100%**

1.4 Vision

The vision the Strategy is:

> "*To promote, reinforce and enhance the Esperance Town Centre as the primary retail, commercial, administration and civic precinct for the Shire of Esperance while ensuring that residents and visitors in the surrounding area have access to spatially equitable and commercially sustainable levels of commercial activity that is beneficial to the community*".

1.5 Study Objectives

The Strategy has been prepared for the medium to long term i.e. 15-20 years and is to be implemented as an addendum to the Local Planning Strategy (LPS) in support of Town Planning Scheme No. 23 (TPS No. 23). The general objectives of the Commercial Centre Strategy are to:

- Reinforce the role of Esperance as the primary commercial centre;
- Provide a broad district planning framework to co-ordinate adequate provision and location of retail and commercial development opportunities;
- Define commercial centres and classify existing commercial centres within the Shire including town centres, neighbourhood centres, local centres and large scale (bulky goods type) commercial;
- Confirm the hierarchy of existing and future commercial centres within the Shire, specifically identifying the size, purpose, function, uses and location of these centres;
- Control the potential for new commercial development that would detrimentally impact on the existing commercial structure and town planning scheme objectives;
- Ensure that future commercial centres provide for healthy market competition, specifically in relation to tenure arrangements, location and area;
- Encourage and provide for the creation of commercial centres as the focus for community and employment activities comprising a range of appropriate residential, retail, commercial and community uses, and mixed use residential opportunities; and
- Ensure that commercial centres are developed to a high standard of urban design and community safety.

2.0 PHILOSOPHY

The Shire of Esperance Commercial Centre Strategy has been prepared following a review of the relevant background material, an appraisal of existing commercial activity centres, future population growth and other regional issues. Additionally, it is based on current, relevant State Government and Local Government planning documents, current and proposed land use activity within the Shire, and preliminary consultation with local businesses, organisations and community groups on the commercial issues currently facing the Shire.

This section summarises the findings of this study and presents the key points, conclusions and recommendations for the planning and delivery of commercial activity centres in the Shire.

2.1 Hierarchy

Centres perform different roles and functions, and assists in planning for the efficient delivery of appropriate social, economic and physical outcomes across the hierarchy. The activity centres hierarchy recommended for the Shire of Esperance is as follows:-

- Town Centre;
- Neighbourhood Centre;
- Local Centre (Urban/Townships); and
- Large Format Retail Precinct

The centre hierarchy has been developed to guide the type and extent of retail, commercial residential and other development having regard to existing population and areas of planned expansion. It uses sufficient levels of a hierarchy in order to readily differentiate between the role and function of centres without creating an unnecessarily complicated number of levels thus confusing the role and intention for each hierarchy level for planners, developers, tenants and consumers.

2.2 Definition

The hierarchy levels for the Shire of Esperance are defined as:

Hierarchy	Definition	Expected Land Use
Town Centre	Town Centres are traditionally the most important shopping and business area of the town. They are multi-purpose centres that provide a diversity of uses and the full range of economic and community services necessary for the communities in their catchments.	Discount Department Stores (DDS) Supermarkets Full range of speciality shops Entertainment Community Facilities Civic Facilities Major offices/ professional services State government agencies
Neighbourhood Centre	Neighbourhood centres are important local community focal points that provide for the main daily to weekly household shopping, community needs/ facilities and a small range of other convenience services.	Supermarket/s Personal services Convenience shops

Local Centre (Urban)	A small centre in an urban setting with a local, walkable residential catchment comprising a corner store or series of shops providing for the day-to-day needs of the local community.	Super deli Personal services Convenience shops
Local Centre (Townships)	A small local centre in a rural setting generally comprising a small retail store/ delicatessen/ post office etc to support the predominant farming activities of the Township and provide for the day-to-day needs of local communities.	Supermarket/super deli Personal services Convenience shops
Bulky Goods Retail Precinct	Retail showrooms where bulky goods are displayed and sold that typically comprise extensive display and storage areas with direct vehicle access and car parking. Bulky goods retailing does not include the sale of food, clothing or personal effects goods.	List of activity types found in the Bulky Goods Retail Strategy at Section 7.3

2.3 Allocation

The hierarchy levels for the Shire of Esperance are defined as:

Hierarchy	Number	Locations
Town Centre	A single centre in this level for life of Strategy.	Esperance Central Area
Neighbourhood Centre	No existing centre in current hierarchy. A single Neighbourhood Centre to be developed in the future.	Bandy Creek (future)
Local Centre (Urban)	Two (2) existing centres in the current hierarchy. One additional centre to be developed in the future.	Pink Lake Road (existing) Castletown (existing) Bandy Creek (future)
Local Centre (Townships)	A single centre/precinct opportunity for each outer lying township.	Modest expansion of current offerings as required
Bulky Goods Retail Precinct	A single precinct along two (2) designated roads.	Norseman Road and Sheldon Road.

In addition to the existing centres in established urban areas, the planned expansion areas of Flinders and Bandy Creek identify a number of retail centres at a ‘neighbourhood’ and ‘local’ level to service the anticipated population. These centres have been adopted by various planning initiatives and may need to be redistributed should the Strategy recommend their location, role or other characteristics change.

2.4 Distribution Pattern and Preferred Location

The spatial distribution of commercial centres is based on the centre types as defined by their role and determined by the frequency and volume of customers, which is controlled predominantly by its major anchor tenants. The desire for a second major supermarket chain to establish a presence in Esperance represents a key factor in preparing this Strategy document.

A range of options for providing additional commercial activity in the Shire of Esperance have been considered. Central Esperance and the north-eastern areas of Castletown, Flinders and Bandy Creek have been the focus of future commercial opportunities designed to ensure equity in the accessibility of food, groceries and other goods and services is achieved by existing and future residents.

The central area businesses currently service the entire township and regional resident and visitor catchment. The intention of the strategy is to maintain this role for the majority of business activity. However, as residential development occurs at Bandy Creek and Flinders in the future, it is likely that some duplication of convenience based retailing may occur to provide for the equitable access of day to day goods for these residential catchments. Subsequently the catchments shown in Figure 2 reflect the intended immediate catchments for the provision of future day to day retail goods and services. All non-convenience based retailing will continue to be provided in the Town Centre.

Figure 2 highlights the recommended distribution and location for each level of the Commercial Centre hierarchy. It also illustrates the future intended immediate catchments for day to day retailing.

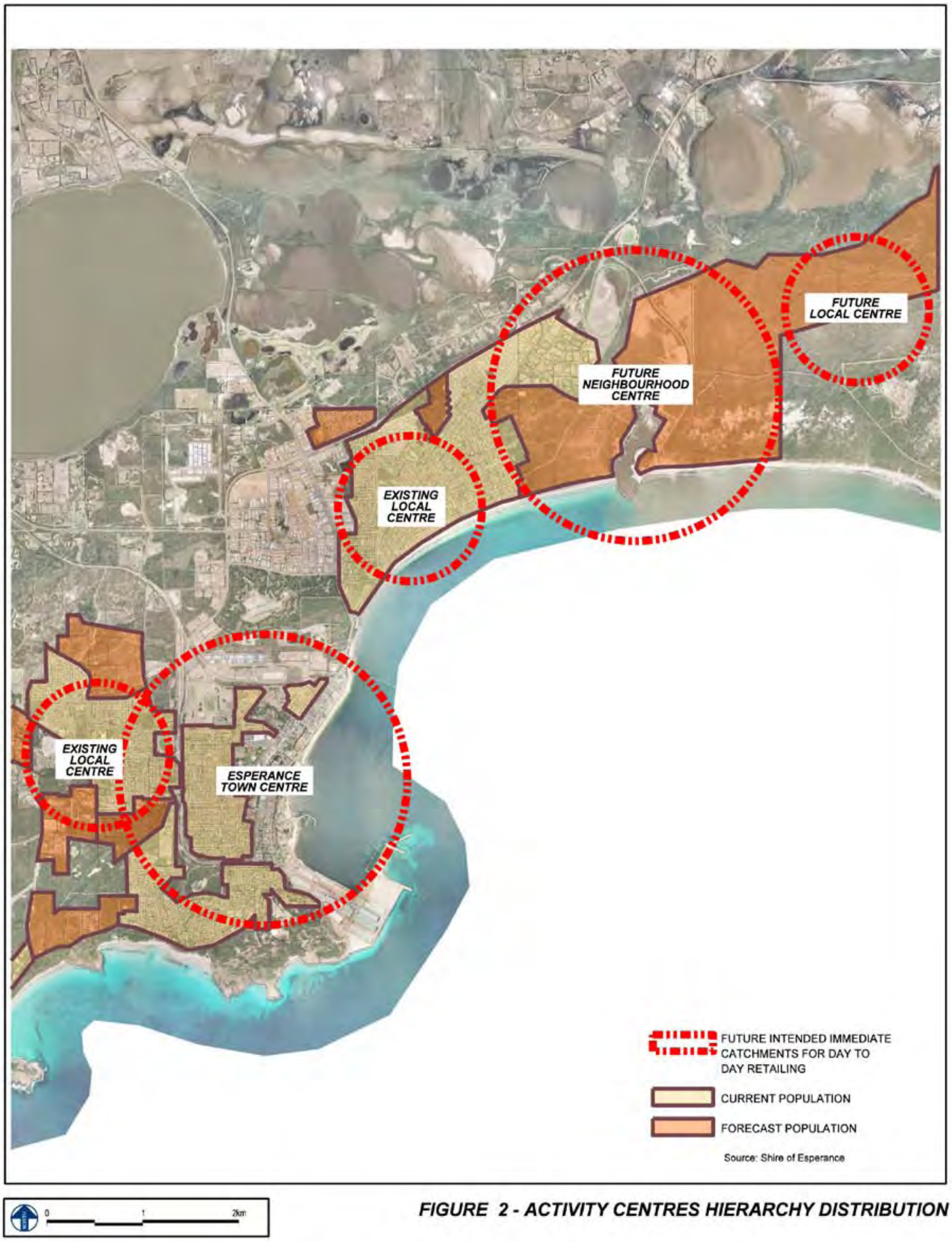


FIGURE 2 - ACTIVITY CENTRES HIERARCHY DISTRIBUTION

3.0 TOWN CENTRE STRATEGY

3.1 Future Direction

Demand analysis indicates there will be a market and tenant demand for an additional Discount Department Store (DDS) and full line supermarket in the immediate future to share an Esperance wide catchment with existing major DDS and supermarkets currently operating within the Town Centre.

The Strategy supports the retention of the Esperance Town Centre as the most important centre in Esperance given the high concentration of retail, commercial, administration, personal and business services, hotels and other hospitality uses that are already trading from this location.

Following an assessment of trends, influences, issues and implications of various spatial distribution options, it is recommended that future planning decisions uphold a 'status quo' approach by maintaining the introduction of the next DDS, supermarket and other commercial activities in or around the Town Centre. This approach maintains the Town Centre as the only option for customers to satisfy their full line supermarket grocery and retail shopping needs in the short term. Whilst it means that the developing eastern suburbs community have to travel further than their western central community counterparts in the short term, it will ensure the Town Centre retains its primacy in the hierarchy of centres.

Future major retail tenants are also to be concentrated in the Esperance Town Centre.

The introduction of these key retailers in the Town Centre will be the single most important contributor to the retention of the Town Centre as the main provider of retail and commercial activity in the Shire of Esperance.

3.2 Delineation

Traditional Town Centre

The Esperance Town Centre is currently defined by the extent of the 'Central Area' zone under the TPS No. 23. The 'Central Area' zone encompassing the majority of this precinct is generous and it is recommended that the extent of this zone be consolidated and encourage development in a more contained environment to make a strong vibrant centre, rather than in dispersed locations.

The central focal point for the traditional Esperance Town Centre is the intersection of Andrew Street and Dempster Street. This intersection includes the post office and has a strong retail/commercial activity along Andrew and Dempster Streets. The adoption of this focal point allows for consolidation of retail and commercial activity opportunities along four paths radiating from the intersection as follows:

- Dempster Street south toward the cinema;
- Dempster Street north toward the James Street;
- Andrew Street east toward The Esplanade and Esperance Bay; and
- Andrew Street west (up the hill) toward the civic/ administrative precinct.

However, the length of the 'Central Area' zone along Dempster Street creates a main street/ commercial precinct too large to adequately satisfy the needs of its communities. The Town Centre Strategy therefore recommends the reduction of the 'Central Area' zone to between James Street and the cinema complex.

This represents a main street of 500 metres, which is a significant street front when considered in the context of the Boulevard Precinct and Andrew Street.

Boulevard and Civic Precinct

The 'Town Centre' also includes the retail precinct formed by the Boulevard Shopping Centre and the Civic precinct containing the Shire of Esperance administrative building, library, senior citizens and community health premises. The Boulevard Precinct is currently approximately 350 metres from the focal point of the traditional Town Centre.

Under normal circumstances, commercial activity located on the fringe of a Town Centre would not be considered a sound planning outcome given the fragmentation and potential decline in economic strength of the Town Centre that can occur. However, the Boulevard Shopping Centre already exists and a redesign of this precinct would ensure that customers will continue to be attracted toward the Town Centre. In this scenario, it is imperative that any development of this precinct would need to consider stronger integration with Dempster and Andrew Street.

It will be difficult to attract a supermarket in or around the Town Centre without intervention in the amalgamation of land. The existing civic precinct, bounded by Windich Street, Forrest Street and Council Place, provides one such opportunity for this to occur. However, this will require considerable intervention in relation to land acquisition and reconfiguration of infrastructure.

The Boulevard is not currently integrated with the Town Centre precinct. The grade change, current built form outcomes and road infrastructure limits the immediate opportunities to integrate the two precincts. Opportunities to improve pedestrian links are important through better use of walk-through alleys and /or revitalise back lanes to link the two areas. Future public and private sector development initiatives should be encouraged to promote greater integration between these two important precincts to enhance the overall performance and functionality of the Esperance Town Centre.

3.3 Function & Activity Types

The strategy proposes a two tiered zoning arrangement that will allow for a focus of retail activity within the core of the Town Centre while still allowing a range of complementary activity to locate on the periphery of the Town Centre. The two tiered zoning approach includes:

Zone	Expected Land Use
'Core Retail'	Shop, office, restaurant/ café, business/ banking services supermarket, civic/ administrative, community purpose uses and integrated residential opportunities at upper levels.
'Mixed Use'	Office, community purpose, entertainment, residential, tourist accommodation

Core Retail Zone

The primary 'Core Retail' zone is focused around the main Dempster and Andrew Street intersection. It also encompasses the Boulevard Shopping Centre and Civic precinct that would encourage greater integration of the currently disparate range of uses in this underutilised precinct.

There is no limit placed on the amount of retail and office space and community facilities to be located in the Town Centre. The promotion of the Town Centre as the primary centre for retail activity would be negated by artificial retail threshold constraints being applied to the future delivery of retailing attracted to the region. Similarly office space should be encouraged to be developed in the Town Centre without being jeopardised by artificial thresholds on the amount and type of commercial needs.

To facilitate the redevelopment of this area and recognise the small land parcels in this location, a 50% reduction in parking requirements is permitted except for civic uses, supermarket and DDS uses.

Mixed Use Zone

The secondary 'Mixed Use' zone would encourage a greater diversity of activity, which will complement the function of the Town Centre without diluting and fragmenting the core retail activity in the Town Centre. The zone will facilitate a mix of varied but compatible uses such as housing, office, tourism, entertainment and other appropriate land uses.

Figure 3 illustrates the extent of the recommended 'Core Retail' and 'Mixed Use' zones.

3.4 Expected Outcomes

The future development of the Esperance Town Centre will provide:

- Opportunities to include additional retail and commercial activity to cater for future demand by tenants and consumers;
- Greater certainty for landlords in the Town Centre that future development initiatives will be sustainable;
- Greater certainty for the tenants considering expansion, relocation, lease renewal, that the Town Centre will continue to be the most sort after location for retailing and office activity;
- Sufficient opportunities to introduce further retail opportunities into the Town Centre Precinct;
- Redevelopment opportunities for sites in Dempster and Andrew Streets to allow future major retail development;
- Larger development parcels of land in the Boulevard/Civic Precinct to accommodate the larger footprints of the major retail chains attracted to the town centre in an integrated and sustainable manner;
- A clear direction for a range of future development initiatives to secure greater access and functionality of the Town Centre;
- The opportunity for single trip shopping for customers;
- Guidance to Shire officers, elected members and infrastructure agencies in relation to decisions relating to the Town Centre;
- Increased vehicle and pedestrian volumes providing retailers with more exposure and greater sustainability
- Increased tenant occupancy and decreased tenant vacancies;
- Redevelopment opportunities of sites within the primary 'Core Retail' zone; and
- For a diverse range of appropriate activities being developed in the secondary 'Mixed Use' zone area.

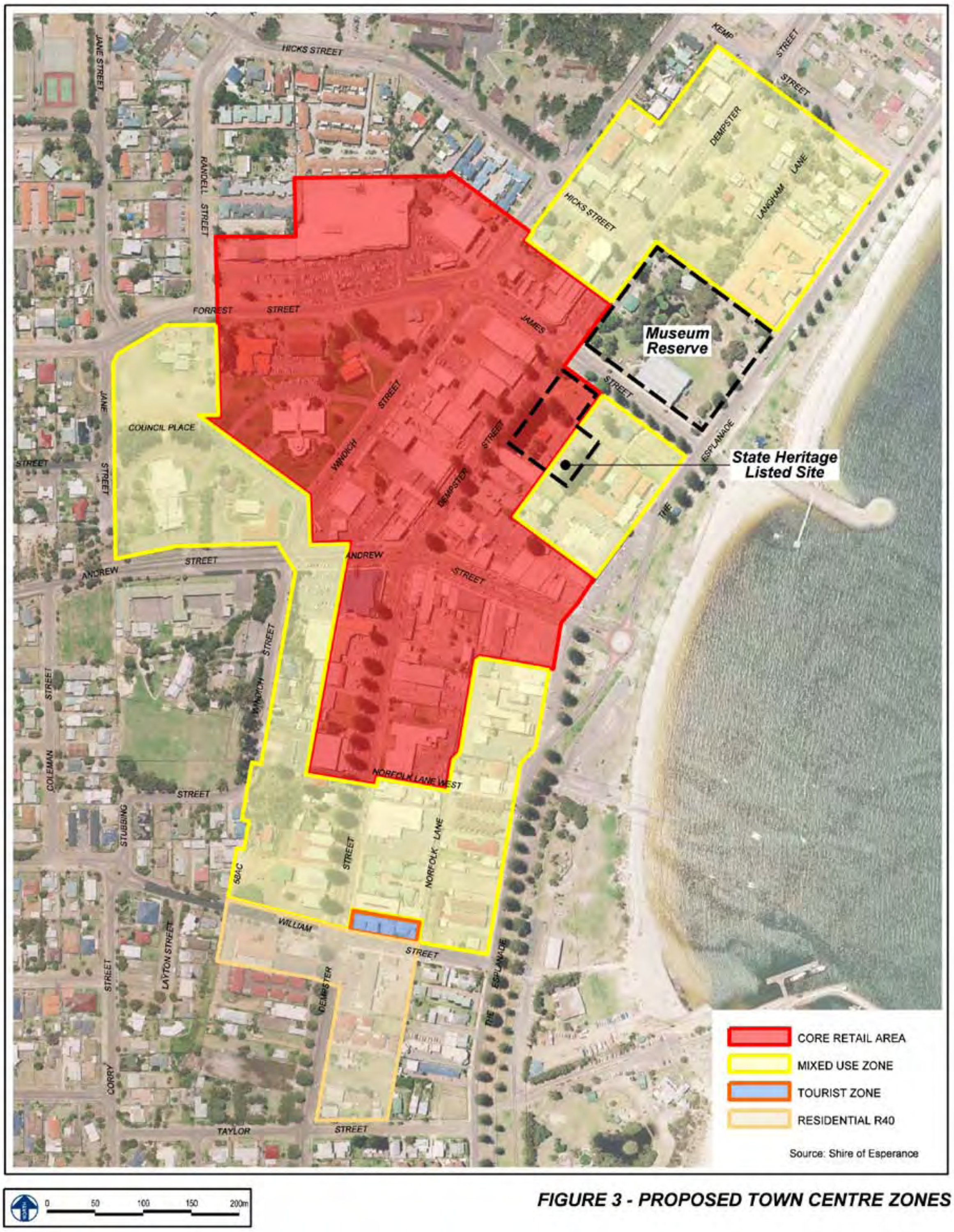


FIGURE 3 - PROPOSED TOWN CENTRE ZONES

4.0 NEIGHBOURHOOD CENTRE STRATEGY

4.1 Future Direction

The majority of the existing urban community in Esperance do not have to travel further than 3km-4km to access these facilities. However, the future residential estates planned in Bandy Creek/Flinders will see this particular community travelling much further than normal to access these goods in the Town Centre, especially in light of the strategy to accommodate additional supermarket and DDS operators in the Town Centre.

The Flinders Structure Plan (FSP) and Bandy Creek District Structure Plan (BCDSP) areas have been developed to guide the sustainable expansion of Esperance to the east that will accommodate the long term growth needs of the town. These plans have adopted spatial layout principles from *Liveable Neighbourhoods* Policy in the context of the specific opportunities and issues in the area.

This developing urban area is sufficiently far from the Esperance Town Centre to warrant the provision of a centre capable of providing the level of convenience based shopping that the rest of the Esperance community has access to in the Town Centre.

Based on the expected population in this area, it is recommended in the BCDSP that the 'major' neighbourhood centre will be able to sustain a main supermarket chain operator in the future.

4.2 Location

A future Neighbourhood Centre is therefore planned for the future residential area of Flinders/Bandy Creek immediately north of the Bandy Creek Marina. This general location is the logical location for the only Neighbourhood Centre designated in the Strategy.

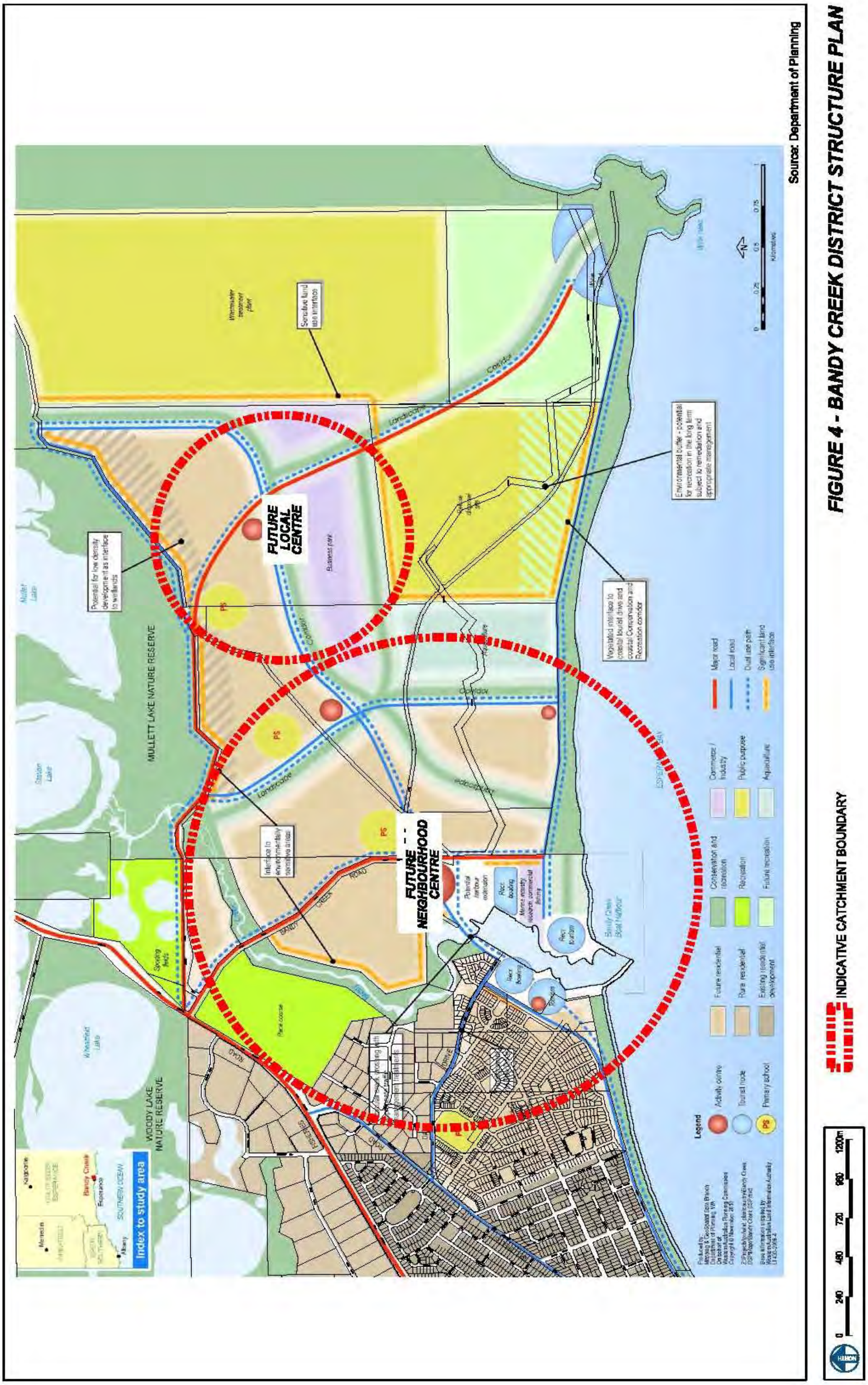
The preferred site is central to the developing Flinders/Bandy Creek residential catchment (refer Figure 4). It should be designed to take advantage of its unique position near a potential commercial, tourism/ marina and recreational precinct. The Neighbourhood Centre may subsequently incorporate a range of marine based activities and act as a catalyst for continued development of the Marina precinct.

The anticipated timing of development of the Neighbourhood Centre should be restricted until a second major supermarket is developed and already operating in the Town Centre.

4.3 Delineation

The amount of land required will be determined during the local structure planning stages. However, the Neighbourhood Centre should incorporate at least of 5,000sqm of retail floor space and as much as 1,500sqm in community, office, marine based uses.

A total floor space of 6,500sqm for the centre at predominantly single level would generate a requirement for a regular shaped 2Ha parcel of land in this location.



Source: Department of Planning

FIGURE 4 - BANDY CREEK DISTRICT STRUCTURE PLAN

4.4 Function & Activity Types

The Neighbourhood Centre will service the day to day needs of the immediate residential catchment within a 1.5km radius of the centre.

In order to commercially viable it will need to be anchored by a major supermarket operator. The centre is likely to comprise a major supermarket up to 3,500sqm, which could support an additional 15-20 predominantly convenience based specialty shops. The centre may also incorporate a range of non-retail activities including:

- Health and medical facilities;
- Small local offices;
- Smaller community facilities and civic facilities; and
- Marine and tourist based commercial activity.

The land area might need to be greater than 2ha if it is to accommodate a higher proportion of non-retail land uses, and can be shown to be integrated with the Marina.

4.5 Expected Outcomes

The future development of a single Neighbourhood Centre in Bandy Creek will:

- Inform local structure planning and provide a clear direction for developers of the Bandy Creek precinct;
- Provides a level of competition amongst major retailers interested in establishing in the precinct; which should ensure the timely delivery of the centre;
- Encourage the attraction of a major tenant to the area;
- Promote the timely delivery of facilities to support the needs of the developing communities in Bandy Creek;
- Creates equity for the community furthest from the Esperance Town Centre by providing the opportunity to shop locally whilst still having the opportunity to access Town Centre goods and services;
- Provides the community with local shopping needs reducing the need for constant travel into the Town Centre;
- Duplicate some of the day to day facilities available in the Town Centre. Its impact on the Town Centre will be reduced by the fact that all existing supermarket operators are expected to be operating from the Town Centre by the time the neighbourhood centre is developed;
- Provide Shire officers, elected members and the Western Australian Planning Commission (WAPC) with a greater understanding of the intentions and requirements for the sustainable delivery of the centre.

5.0 LOCAL CENTRES (URBAN)

5.1 Future Direction

The inclusion of major retailers in the Town Centre and ultimately also in the Neighbourhood Centre will satisfy the demand for the majority of retail needs across the Esperance urban township. However, there will continue to be a spatial gap in the delivery of local retail needs. These gaps will be filled by a range of local centres. Two smaller, established local centres are already providing this service to localised communities. These include:

- Pink Lake Road - IGA and supporting Specialty shops; and
- Goldfields Road - Castletown IGA and supporting shops.

5.2 Locations

Existing Locations

The two existing local centres serve a smaller localised catchment for 'top up' food, grocery and other convenience based shopping with dedicated off street parking. These centres are to be reinforced and enhanced through the take up of vacant land, and the consolidation and expansion of existing IGA stores and other convenience based shopping.

The single-sided local centres along Pink Lake Road and Goldfields Road are to be retained to reinforce their day-to-day convenience service. These sites are individually owned and will continue to draw business from local residents. Increased residential densities and a mix of housing and recreational opportunities that offer a well located lifestyle are encouraged in these locations to bring people together in a manner that brings further dimension to the commercial activity.

Future Location

There will be opportunities for further local centres to fill gaps in the retail network as the community develops. They will be distributed in a manner to take advantage of the gap in delivery between the major supermarket locations in the town and neighbourhood centres.

A single additional local centre is proposed as part of this strategy. The area to the east of the Bandy Creek area is sufficiently removed from the proposed Bandy Creek Neighbourhood Centre.

A small local centre is currently proposed as part of the FSP. This centre is located close to the existing Goldfields Road local centre and is considered a duplication of facilities.

The Strategy proposes the removal of the Flinders Local Centre and the inclusion of a single additional local centre east of the Neighbourhood Centre (refer Figure 4). Demand for this centre will not occur until beyond the development of the vast majority of the residential estate but may occur prior to the development of the Neighbourhood Centre.

5.3 Delineation

Future Local Centres

Future Local Centres will typically be characterised by:

- A small group of 5-10 shops. One of these shops may include a supermarket/super deli of between 500sqm – 750sqm
- A site on the corner of a local distributor and district distributor roads; and
- A 2,000sqm parcel of land, regular in shape, to facilitate development.

This Strategy is consistent with the location of the two existing local centres.

Pink Lake Road Local Centre

The existing Pink Lake Road Local Centre is larger than that proposed for local centres. It is single sided and fragmented with underutilised land in between key tenancies and contains a larger IGA store than planned in future local centres.

The Strategy reduces the size of the 'Shops and Offices' zone to ensure that the centre doesn't grow beyond its current delineation (refer Figure 5). It isn't the intention of the strategy to reduce or restrict the potential for existing centres to continue to meet consumer needs. Development can continue to occur within and between the current retail activity in Pink Lake Road.

0 120 240 360 480 600m

FIGURE 5 - PINK LAKE LOCAL CENTRE

Source: Shire of Esperance

__Goldfields Road Local Centre__

The existing Goldfields Road Local Centre reflects the expected outcomes of the Strategy. It is a dedicated centre with 5-10 tenancies anchored by a small supermarket operator. There is significant underutilised land allocated for additional retail activity surrounding the existing centre. The Strategy reduces the extent of the 'Shops and Offices' zone to the area currently operating as a retail centre (refer Figure 6).

FIGURE 6 - CASTLETOWN LOCAL CENTRE

Source: Shire of Esperance

5.4 Function & Activity Types

Local Centres will fill a spatial gap in the delivery of local retail facilities for some communities in Esperance. They are designed to meet the day to day needs of their immediate community. The tenant mix will predominantly include retail and consist of food and grocery, takeaway and newsagency, deli and liquor store. These centres are unlikely to demand office, community, civic or medical facilities.

5.5 Expected Outcomes

The development of existing and future local centres will provide:

- A level of competition and choice for consumers at a localised level;
- Rationalisation of existing commercial zoned land that may be better utilised as residential or other non-retail activity;
- High business occupancy and lower business turnover;
- Higher sales and localised pedestrian volumes; and
- High traffic and car parking volumes.

6.0 LOCAL CENTRES (TOWNSHIPS)

6.1 Future Direction

A number of outer lying regional townships are located in the Shire of Esperance. The philosophy and demand for commercial activity in these townships is different to those of urban environments. The catchments for these centres are generally too small to justify major retailers. The focus for these centres is to adequately provide for and encourage any commercial activity to be developed in the township. The activity in the townships will predominantly serve local communities day to day and business needs supporting the predominant agriculture activities of each Township.

6.2 Location

The following locational principles should be considered in the planning decision making process for all townships within the Shire of Esperance. A single focal point should be selected along a range of criteria, including:

- Consolidated around existing retail activity;
- A position on the corner of a major intersection;
- Located at or near a central activity node i.e. Town monument/civic space; and
- Optimise the use of existing infrastructure.

6.3 Delineation

Commercial activity within each township should be developed in a manner which gives the greatest potential to contribute to a vibrant commercial environment. Activity should where possible be developed around a single focal point in keeping with the general principles described above.

The focal point will vary for each township. Most towns will be far too small to allow the sustainable delivery of two or more town centres. Where two centres or precincts occur in existing centres priority should be given to one precinct based on the locational principles established above. A typical town centre in a small regional township might only be 50 metres in length along both sides of a main street. Development outside this immediate town centre should be discouraged, unless it can be proven that the use/activity is not suited to the town centre environment.

6.4 Function and Activity Types

Limited retail activity is available in most townships. Given the fragile nature of commercial development in small rural townships, it is the intention of this Strategy to promote flexibility in the range of land uses to be considered and encourage modest development to occur in a sustainable manner, which enhances the prospect of each Township being commercially sustainable.

6.5 Expected Outcomes

The delivery of a coordinated approach to local centre activity in small townships will result in:

- Reinforcement of the key rural functions and role of each outer lying township;
- Less fragmentation and more efficient land use outcomes that are reflective of the existing rural character;
- More focussed and vibrant local centres in townships; and
- Greater opportunities for commercial activity in township to generate synergies and cross trade with other activity.

7.0 BULKY GOODS RETAIL STRATEGY

7.1 Future Direction

There is a need to provide a single location for accommodate bulky goods retailers as they continue to be attracted to the Esperance market.

In general, bulky goods retailing is unsuited to the *walkable catchment* or the core of activity centres given their size and car-parking requirements, low employment densities and need for freight vehicle access.

Bulky Goods retailers have traditionally gravitated to industrial locations where the land is often cheaper and more able to accommodate the larger building footprints and car parking needs associated with these activity types.

The encroachment of bulky goods retail into residential and industrial zones should be avoided and locating such development in an ad hoc manner or as ribbon development along regional roads is discouraged. Although not encouraged at the State planning level, Esperance has been developed in this manner already and it is the intention of this Strategy is to build on the existing land use framework and improve future development outcomes.

7.2 Location

Esperance comprises an industrial centre along Norseman Road, which already contains a range of bulky goods retailers including hardware, white goods, recreation, furniture and automotive businesses (refer Figure 7). The industrial precinct is centrally located making retailers in these locations central to all resident consumer markets. Sufficient land exists in this location to facilitate introduction or expansion of appropriate uses into the future. The industrial zoned land in Esperance is centrally located to the surrounding current and future populations.

There is sufficient land available along both sides of Norseman Road between Sheldon Road and the roundabout at the junction of Harbour Road and Fisheries Road to accommodate all of Esperance's future bulky goods retailers. Opportunities also exist along the northern side of Sheldon Road together with the existing CSBP site on the corner with Norseman Road. It is the intention of this Strategy to contain development in the precinct illustrated in Figure 2.

Given the potential demand for bulky goods retailing, the existing zoned "Industry–General" precinct behind the Sheldon Road and Norseman Road frontages provides a large volume of land that is available for the establishment or relocation of future light industrial uses.

FIGURE 7 - BULKY GOODS RETAIL ZONE

7.3 Function & Activity Types

Bulky Goods retail activity includes larger retail showroom and generally includes the sale of hardware, furniture, white goods, recreation, furniture and automotive businesses. Other large premises used to display, sell by wholesale or retail, or hire include:

- automotive parts and accessories
- home entertainment goods
- camping and recreation equipment
- household appliances
- electrical light fittings
- office equipment supplies
- animal and pet supplies
- party supplies
- floor coverings
- swimming pools and supplies
- furnishings, bedding and manchester
- hardware
- furniture
- garden supplies

The sale of foodstuffs or food items, clothing, supermarkets, discount department stores and personal services such as hairdressers, barbers, beauty parlours, travel and real estate agents, banking facilities, newsagents and the like are prohibited and are to be encouraged within the Town Centre or Neighbourhood Centres;

Key size, design and layout considerations should include:

- Ensure the land is adequately serviced with essential infrastructure;

- Any subdivision of land should create allotments of a sufficient size and shape for the intended use;

- A minimum tenancy size of 500sqm to restrict the inclusion of retailers that are better suited to other retail centres;

- Access locations to be rationalised and continuity of car parking along the entire length of the Norseman Road and Sheldon Road without requiring consumers to enter and re-enter Norseman Road and Sheldon Road;

- Formalised and standardised building setback to ensure consistent car parking alignment along the front of the bulky goods precinct;

- Zero side boundaries with loading/ servicing through designated corridors at regular intervals between building lots; and

- Reduce the impact of development on the streetscape through good architectural design outcomes.

7.4 Expected Outcomes

The coordinated delivery of bulky goods retail in Esperance will result in:

- A single location, dedicated for all future bulky goods retailers in Esperance;
- A central, accessible and visual location for all future retailers serving the needs of the community;
- A sustainable location which satisfies the necessary size, design, layout, exposure and accessibility characteristics of this type of development, which will encourage the attraction of large format retailers to Esperance;
- An improved urban amenity for the entry into Esperance;
- Clear direction for Shire officers, elected members and the WAPC regarding the future location of large format retail activity;
- Re-allocation of large format space in the Town Centre are freed up for more traditional Town Centre retailing;
- Redevelopment of larger store footprints in the Town Centre to smaller tenancies; and
- Continual take up along the Norseman Road and Sheldon Road frontage from Industrial activity to bulky goods retailers.

8.0 ACTIVITY CENTRE DESIGN CONSIDERATIONS

8.1 Application of WAPC Policy

The purpose of the *Activity Centres for Perth and Peel Policy Statement (SPP 4.2)* is to specify broad planning requirements for the planning and development of new activity centres and the redevelopment and renewal of existing centres.

It is mainly concerned with the distribution, function, broad land use and urban design criteria of activity centres, and with coordinating their land use and infrastructure planning. While this Policy is aimed at activities centres within the Perth/Peel region, some of the general policy measures and guidelines for the planning and design of centre developments it contains are considered relevant to the Shire of Esperance Commercial Centre Strategy and should be applied by decision makers where necessary.

This Policy covers Town Centres and Neighbourhood Centres (supplemented by Local Centres) in the hierarchy of centres recommended for the Shire of Esperance.

The key design considerations for identified Activity Centres are outlined below.

8.2 Traffic Movement and Parking

The siting and planning of activity centres and management of traffic should:

- Take account of the current and planned road capacity servicing the locality;
- Ensure that vehicular access to adjacent roads do not compromise their safe operation or desired function;
- Ensure loading/unloading facilities and associated vehicle manoeuvring areas are designed to minimise impact on the streetscape and optimise public safety;
- Balance broader traffic requirements for travel to, through (where appropriate) and around a centre with local traffic access needs; and
- Sustain high levels of pedestrian movement and an external street-based retail and business environment by providing suitable traffic volumes and permeability within and around the activity centre.
- Parking facilities should be located, scaled, designed (e.g., screened by buildings), and landscaped so as to:
    - o Not visually dominate frontages to streets or other public spaces, or
    - o Minimise disruption to the continuity of the urban form and pedestrian amenity within the walkable catchment.

8.3 Urban Design

The following should be considered in planning and design of a new Activity Centre or the redevelopment of an existing centre:-

- Small, walkable blocks that improve accessibility within a centre;
- Buildings need to address streets and public spaces to encourage natural surveillance;
- Activity centres should contain a mix of uses along street frontages, and arrange key retail and other attractors to maximise pedestrian flows along streets;
- New activity centre development or redevelopment should include 'sleeving' of large-scale; retail and car parks, more externally-oriented or "active" building frontages and fewer blank walls; and
- New development should incorporate safe design principles.

8.4 Activity

Planning decision making should consider:

- The inclusion of a mix of land uses where appropriate;
- Land uses that generate activity outside normal business hours should be considered to generate additional evening and weekend activity;
- Residential growth should be optimised through appropriately-scaled buildings and higher-density development within walking distance of centres;
- Higher-density housing should be incorporated within and immediately adjacent to activity centres; and
- Horizontal and vertical integration of compatible land uses.

9.0 IMPLEMENTATION PLAN

9.1 Town Centre

The following initiatives and actions are recommended to ensure that the future direction and expected outcomes for the Esperance Town Centre are met:

1. Implement planning scheme amendments to redefine the existing Town Centre into two distinct zones, being 'Core Retail' and 'Mixed Use' zone as illustrated in Figure 3;

2. Retail/ commercial activity and other appropriate uses are to be further encouraged and consolidated in the 'Core Retail' zone through the deliberate actions of Council decision making;

3. To facilitate the redevelopment of this area and recognise the small land parcels in this location, a 50% reduction in parking requirements is permitted except for civic uses, supermarket and DDS uses;

4. Encourage more intensive mixed use commercial/ retail/ entertainment development in the 'Mixed Use' zone, supported by the medium density residential and waterfront tourism developments. The intention is to create a zone that complements the 'Core Retail' zone catering to a different market rather than being in direct competition;

5. Consider the introduction of incentives for developers to encourage the amalgamation/ assembly of land to achieve improved development outcomes. There is a considerable amount under-utilised land in the existing Town Centre, which could be redeveloped for higher and better uses;

6. Explore future development opportunities within the Boulevard Shopping Centre / Civic Precinct through Council intervention to facilitate more efficient use of land; and

7. Undertake a detailed site analysis to identify opportunities, constraints and other structural issues that may influence the future development of the Town Centre. This may culminate in the preparation of Town Centre Concept Plan.

9.2 Neighbourhood Centre

The following initiatives and actions are required to ensure that the future direction and expected outcomes for the Neighbourhood Centre are met:

1. Ensure that future structure planning of Bandy Creek includes a parcel of land at least 2ha to provide for the delivery of a Neighbourhood Centre;

2. Ensure that commercial uses in the planned expansion areas should complement rather than compete with the status of Esperance Town Centre as the Shire's primary shopping and commercial area;

3. In order to control the development of the planned expansion area, restrict the development of the Neighbourhood Centre until a second major supermarket is developed in the Town Centre. The anticipated timing of this planned Neighbourhood Centre should ensure that a second supermarket is already operating in the Town Centre.

9.3 Local Centre (Urban)

The following initiatives and actions are required to ensure that the future direction and expected outcomes for Local Centres are met:

1. Ensure that future structure planning of Bandy Creek identifies a suitable location east of the Neighbourhood Centre for a Local Centre;

2. Initiate rezoning of the existing Local Centres of Pink Lake and Castletown to better reflect the future size and function of these centres as Local Centres;

3. Implement planning scheme amendments to increase residential density and a mix of housing around Local Centre locations to bring people together in a manner that brings further dimension to the commercial activity.

9.4 Local Centre (Township)

The coordinated delivery of the Local Centre (Township) strategy will require:

1. Identification of the key focal point for each township;

2. Consolidation of land within a 50m radius of existing commercial development that may be developed in an integrated and sustainable fashion in the future;

3. Initiate the rezoning of land where appropriate;

4. Identification of landowner intentions for areas within the designated local centre areas; and

5. Flexible planning controls and regulations that will encourage development in these centres rather than inhibit development and deny services to local communities.

9.5 Bulky Goods Retail

The coordinated delivery of bulky goods retail in Esperance will require:

1. Rezoning of the delineated areas in Figure 7 to an appropriate 'Bulky Goods Retail' zone to formalise the delivery of these retail uses into the future. This will enable a distinction to be made between the existing 'Industrial' zoned land and the intended 'Bulky Goods Retail' zone; and

2. Careful consideration of key planning and design outcomes during the assessment of future subdivision and/ or development proposals.

APPENDIX A

ISSUES, OPPORTUNITIES AND IMPLICATIONS PAPER

Issues, Opportunities and Implications

Shire of Esperance - Commercial Strategy

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Prepared for:

SHIRE OF ESPERANCE

Project No: MH11472
Date: November 2010

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1.0 INTRODUCTION

1.1 Background

The Shire of Esperance Commercial Strategy (the "Strategy") is being formulated to provide a long term strategic land use planning framework to coordinate adequate provision and location of retail and commercial opportunities in the Shire. The Strategy will form an important component of the Shire's Local Planning Strategy and may underpin changes to the existing Local Planning Scheme No. 23 to accommodate the findings of this report.

1.2 Objectives

This 'Issues, Opportunities and Implications' report presents information for discussion on the form and content of the proposed Commercial Strategy for the Shire of Esperance (Refer Figures 1 and 2). It has been prepared following a review of the relevant background material, an appraisal of existing commercial activity centres, future population growth and other regional issues. Additionally, it is based on current, relevant State Government and Local Government planning documents, current and proposed land use activity within the Shire, and preliminary consultation with local businesses, organisations and community groups on the commercial issues currently facing the Shire.

The key objectives of this report are as follows:-

- Identify the consumer markets influencing commercial demand in Esperance;
- Assess the existing and future location, extent, nature and needs of consumer markets; and
- Identify the nature and, size of commercial activity capable of being sustained by future consumer demand.
- Identify the issues and drivers influencing demand for commercial activity in Esperance through the consideration of the following:-
  - Existing and planned commercial activity;
  - Policy and Planning initiatives;
  - Community expectations;
  - Major Tenant Interest; and
  - Stakeholder intentions and expectations.
- Identify the various opportunities available and assess the planning, commercial and community implications of each opportunity; and
- Establish the draft framework for the Commercial strategy.

1.3 Approach/Methodology

The report seeks to identify issues and opportunities that have arisen through the study investigations so far.

Taktics4 and RPS has undertaken a survey/ needs assessment of existing commercial activity in the overall Scheme area and an evaluation of the suitability of the current zoning proposals for commercial use/ development under the current planning framework.

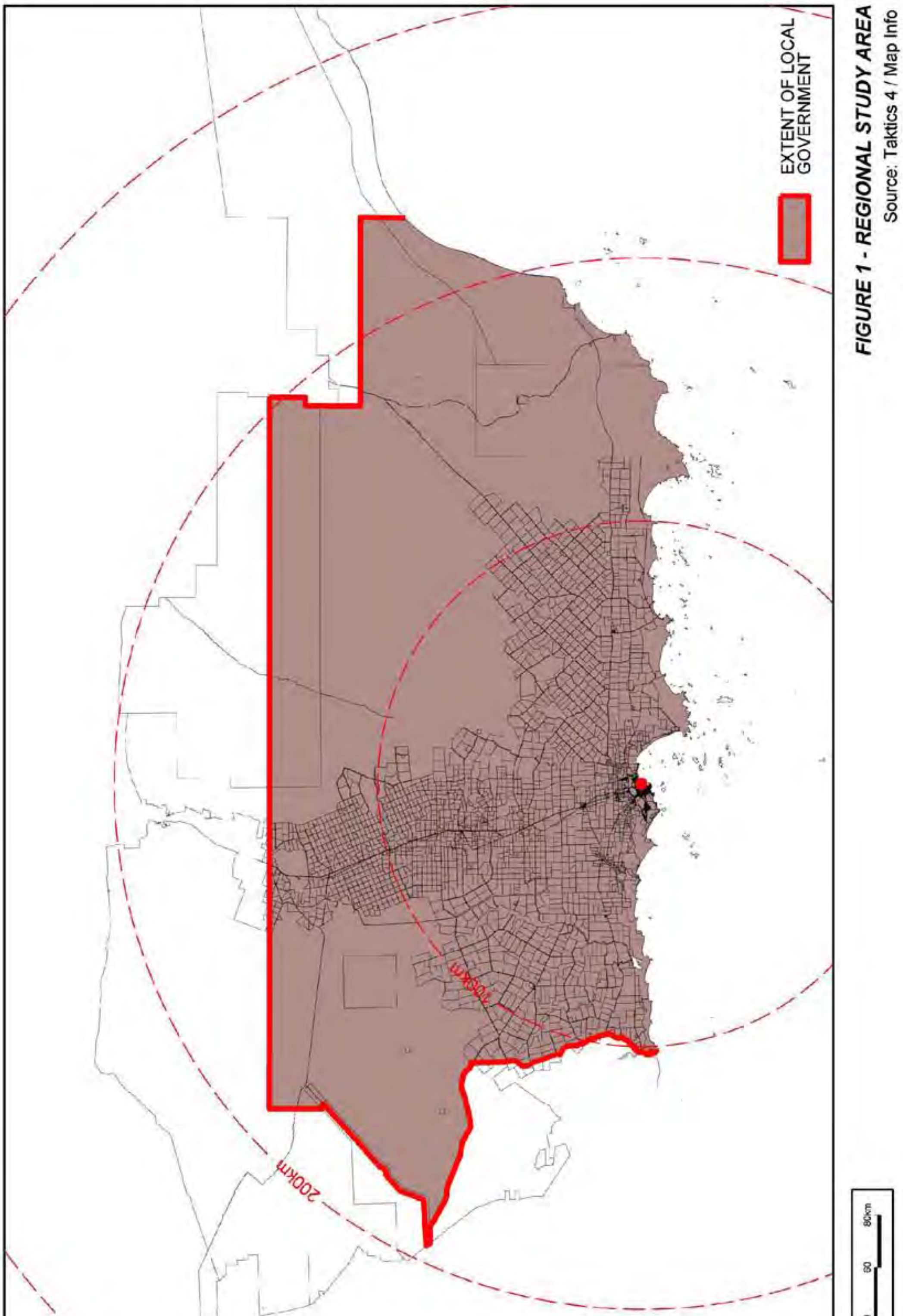


FIGURE 1 - REGIONAL STUDY AREA
Source: Taktics 4 / Map Info

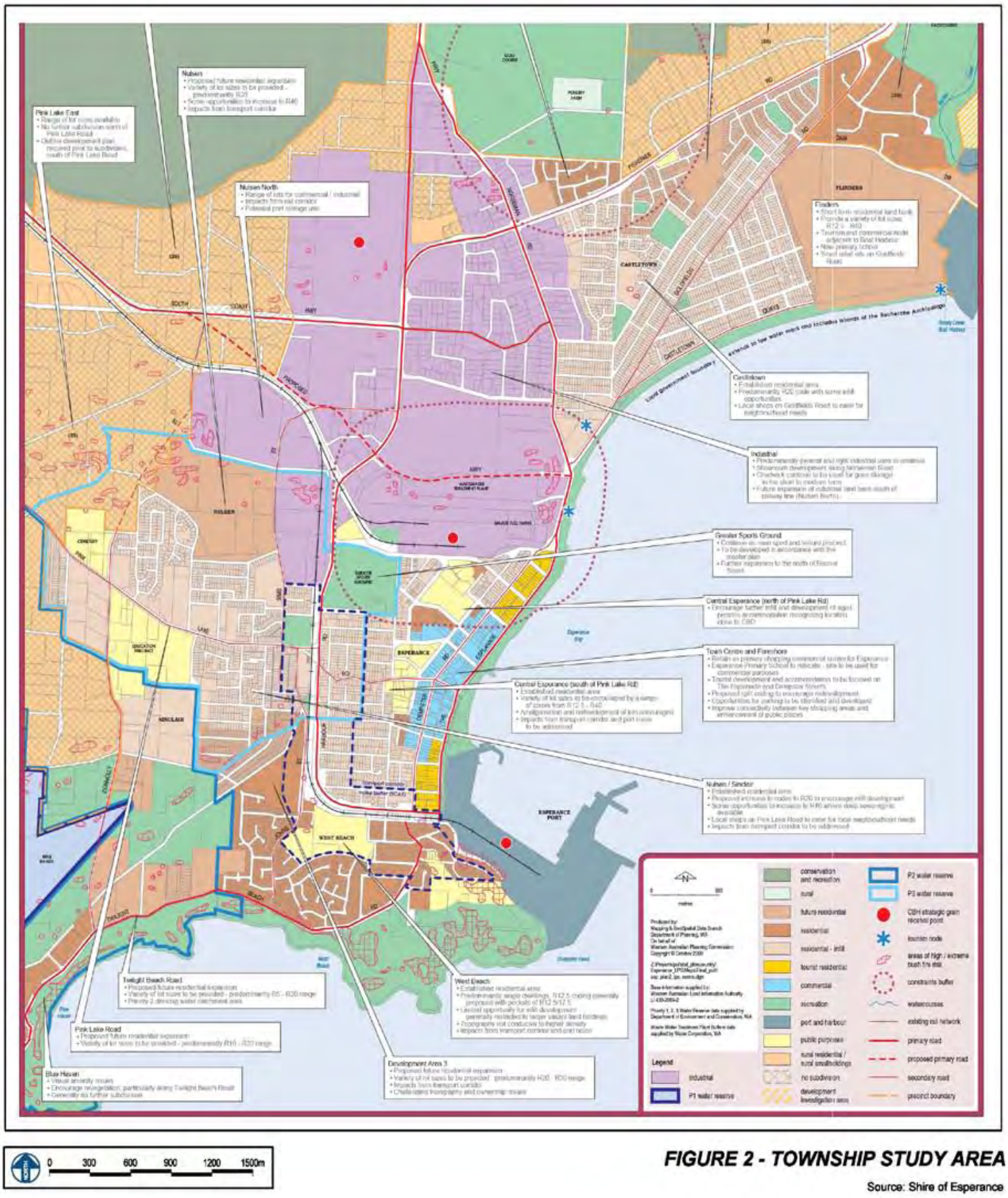


FIGURE 2 - TOWNSHIP STUDY AREA

Source: Shire of Esperance

The findings will identify opportunities and constraints for existing and new retail, and residential mixed-use development throughout the Shire of Esperance. Further, it will identify potential infrastructure impediments and suggest improvements to facilitate retail and other commercial development. During the background investigations consideration has also been given to:-

- Regional issues that may influence the form of retail shopping activity;
- Ageing populations and their requirements;
- The impact of tourism development; and
- Predicted housing stock demand.

The desired positioning for commercial and community activity has been predicated on a thorough understanding of the extent, value, needs and behaviour of the various consumer markets likely to influence its performance. Consideration of these principles provides a valuable input into the number, distribution, size, nature, timing, staging, layout and configuration of the planned commercial land. This approach delivers informed decisions, resulting in robust economic and social outcomes. The tasks necessary to assess the potential performance of commercial and community activity has been based on consideration of the:

- Competitive environment in the region;
- Extent, value and needs of consumer markets;
- Potential sales contribution available from each market;
- Forecast sales correlated to industry accepted performance measures;
- Economic drivers that influence the potential performance of the centre; and
- Policy Implications and mitigation options.

The evaluation and analysis of the data outlined above will inform the formulation of a planning framework that will guide the provision of commercial land use and associated activities in the Shire.

The resultant Commercial Strategy, which the Shire anticipates will 'fall out' of this report, will provide certainty to all stakeholders as to how commercial development should occur when particular residential areas are developed. By linking future commercial activity to population growth and distribution instead of designated time frames we are in a far better position to remain adaptable to change rather than to have to redo the strategy if residential growth forecasts alter over time.

2.0 MARKET SUPPLY

The successful distribution, role and performance of commercial activity centres in regional centres is influenced by a myriad of economic and commercial and market trends, including the location of existing and planned centres, major tenants, and national chains.

2.1 Major Tenants

The successful distribution of commercial centres is generally reliant on the provision of a major retailer as a major drawcard of customers. These major retailers are generally referred to as anchor tenants. They underpin the performance of a centre by providing a high volume of regular customer visits. The vast majority of smaller specialty retailers benefit from the high volume of customer traffic by promoting their products to the passing trade accessing the major retailers. The majority of major or anchor retailers in Australia fall into three major categories.

- Department Stores – characterised by David Jones and Myer
- Discount Department Stores – characterised by BigW, Kmart, Target, Best & Less
- Supermarkets – characterised by Coles, Woolworths and IGA

2.1.1 Department Stores

An urban Department Store (DS) is typically ranged between 8,000sqm – 12,000sqm of NLA and provided over 2-3 levels within an overall building footprint of 4,000sqm. Department Stores generally sell goods and services that are purchased less regularly and therefore need to be sustained by larger catchments. A DS in an urban environment would typically trade to a 10-15km catchment containing at least 100,000 people.

Department Stores were traditionally only found in CBD of capital cities. More recently they have become anchor tenants in major urban centres such as Karrinyup and Garden City Booragoon. It was previously thought that the DS was in decline and the model was not suited to centres on the fringe urban communities such as Mandurah and Joondalup.

They have never been seriously considered for regional centres such as Bunbury or Geraldton. However, they have enjoyed somewhat of a renaissance with these tenants now being closely linked to fringe urban centres such as Joondalup as well as Bunbury.

However, it is highly unlikely that Department Stores will be introduced to the less populated areas of Albany and Kalgoorlie in the foreseeable future. It therefore follows that it is highly unlikely that either of those Major Department Store operators will ever be introduced to Esperance.

2.1.2 Discount Department Stores

Discount Department Stores (DDS operators) in urban environments are typically accommodated on a single level with a building footprint of 8,000sqm. DDS operators generally trade to an urban catchment of 4km radius with a population up to 60,000 persons.

However, regional centre stores (such as Country Target) are typically ranged between 2,000sqm – 4,000sqm and require fewer visits, sales and therefore catchment sizes to remain sustainable in regional centres. These smaller regional stores have a region wide catchment containing in the order of 15,000 – 30,000 population.

Country Target is the only main DDS operator currently available Esperance. It is located in a 1,000sqm tenancy in the Boulevard Shopping Centre near the town centre of Esperance. The Country Target is considerably smaller than other regional Country Target stores.

Kmart and BigW operators are less conducive to smaller regional store layouts. Neither of these operators is currently located in Esperance. The nearest Kmart store is located at Kalgoorlie (four hours drive north) and Albany (four to five hours drive west). The nearest BigW store is located at Bunbury being eight to nine hour's drive from Esperance.

It is reasonable to expect that either one or both of these operators will show interest in establishing stores in Esperance as the catchment continues to develop. It is also reasonable to expect that Country Target will show interest in expanding the size of its current offer to 2,000sqm-3,000sqm in time.

The strategy will need to determine how to best accommodate this additional demand for floorspace in Esperance.

2.1.3 Supermarkets

Coles and Woolworths Supermarkets

Coles and Woolworths are the two main supermarket operators in Australia. They have traditionally competed for the same market and typically develop as a 3,000sqm – 4,000sqm store providing 'full line' of products and catering to the weekly shopping needs of consumers. In urban environments it is common for both operators to trade to the same catchment. The distribution of these supermarkets is usually 3km apart suggesting that they are able to trade predominantly from a 1.5km catchment

In a regional environment each of these supermarket operators will typically trade to the entire regional catchment. This is especially so where both operators have only one store trading in the township or catchment. Their overall catchments become more urban orientated once one or both of the operators establish a second store. In a regional environment, a customer is just as likely to drive past a Woolworths to shop at a Coles and vice versa regardless of the proximity of each store. But it is unusual for a customer to drive past one store to shop at the same chain.

Woolworths is currently located in the Boulevard Shopping Centre near the town centre of Esperance. It trades from a store size of 3,000sqm and currently serves the entire Esperance catchment.

Coles does not currently have a presence in Esperance. It is interested in establishing a store in the town and has been involved in discussions with the Shire to find a suitable site. The desire for Coles to establish a presence in Esperance represents a key factor in preparing this strategy document.

The strategy will need to establish the implications for establishing a Coles supermarket in Esperance, specifically the implication of an out of town site on the commercial sustainability of traders in existing commercial centres.

<u>IGA Supermarkets</u>

Metcash Wholesalers distribute to a range of IGA supermarket franchises throughout Australia. The stores are usually locally owned but have the national buying power of Metcash which allows them to more readily compete with Woolworths and Coles. IGA stores have a wider range of store types and sizes, falling within three broad categories:

- IGA express stores – up to 500sqm
- IGA stores – 500sqm to 1,500sqm
- Supa IGA stores – over 1,500sqm

There are very few IGA stores over 2,000sqm and they therefore typically trade to a smaller localised catchment between 750metres – 1.0kilometre. IGA and IGA express stores are generally referred to as a 'top up' shop to complement the full weekly shop. The larger Supa IGA stores are designed to compete for the full weekly shop expenditure. Three IGA stores currently operate in Esperance:

- An IGA store of approximately 500sqm in Pink Lake Road;
- An IGA store of approximately 500sqm in Castletown; and
- A Supa IGA store in the Town Centre facing both Dempster and Andrew Streets.

The local IGA shopping offer is already established in Esperance. The strategy needs to consider how the existing local centre distribution pattern is impacted by future market and tenant demand.

2.2 Existing Centres

The major tenants and location of a centre to catchments will determine the role of the centre in a region. The Shire of Esperance currently comprises three main centre types:

2.2.1 Esperance Town Centre

<u>Main Street</u>

Most town centres in regional centres evolve along main streets as they attempt to accommodate shops in response to increased retail demand as population in a catchment increases. Unfortunately, these same centres often lose their economic strength and vitality over time due to the advent of out of town centres and the decline of older and less efficient retail buildings. Instead of contracting to reflect the new reduced visitor numbers in the main street, the centre usually remains the same size and becomes more disparate as some tenants survive and others struggle along the street. Subsequently, very few catchments are able to sustain vibrant and commercially efficient streets over one kilometre long.

The Esperance Town Centre is predominantly contained along Dempster Street. The focus of the centre is considered to be based around the Dempster and Andrew Streets intersection. The Central Area zone in the Town Centre (refer Figure 3) currently stretches nearly one kilometre along Dempster Street from Hicks Street 450m to the north to William Street 450m to the south. However the main retail component along Dempster Street is from James Street 300m to the north to the cinema half way (250m) to Williams Street.

0 40 80 120 160 200m

FIGURE 3 - CENTRAL AREA ZONE

The Town Centre is anchored by a Supa IGA with frontage to Dempster and Andrew Streets. Andrew Street also accommodates retail activity over 300 metres stretching 100 metres up the hill and 200 metres down to the foreshore.

A strong and vibrant main street is usually characterised by a continuous double sided retail or commercial street front. The Esperance Town Centre comprises a significant frontage of open space along Dempster Street. The foreshore side of Dempster Street south of James Street is characterised by open space and a range of government agency offices, which limits the strength of the Dempster Street as a vibrant retail or commercial precinct.

The Boulevard Shopping Centre

The Boulevard Shopping Centre is located within 300m-350m from the intersection of Dempster and Andrew Streets. The Boulevard is anchored by a Woolworths store and a small Country Target and 17 specialty shops in an internalised mall configuration. A furniture store is operated from two premises comprising a further 1,500sqm building adjacent to the shopping centre.

The Town Centre and The Boulevard precinct currently enjoys a region wide catchment with customers from the entire resident population and regional centres drawn to the Town Centre on a frequent basis.

Civic Precinct

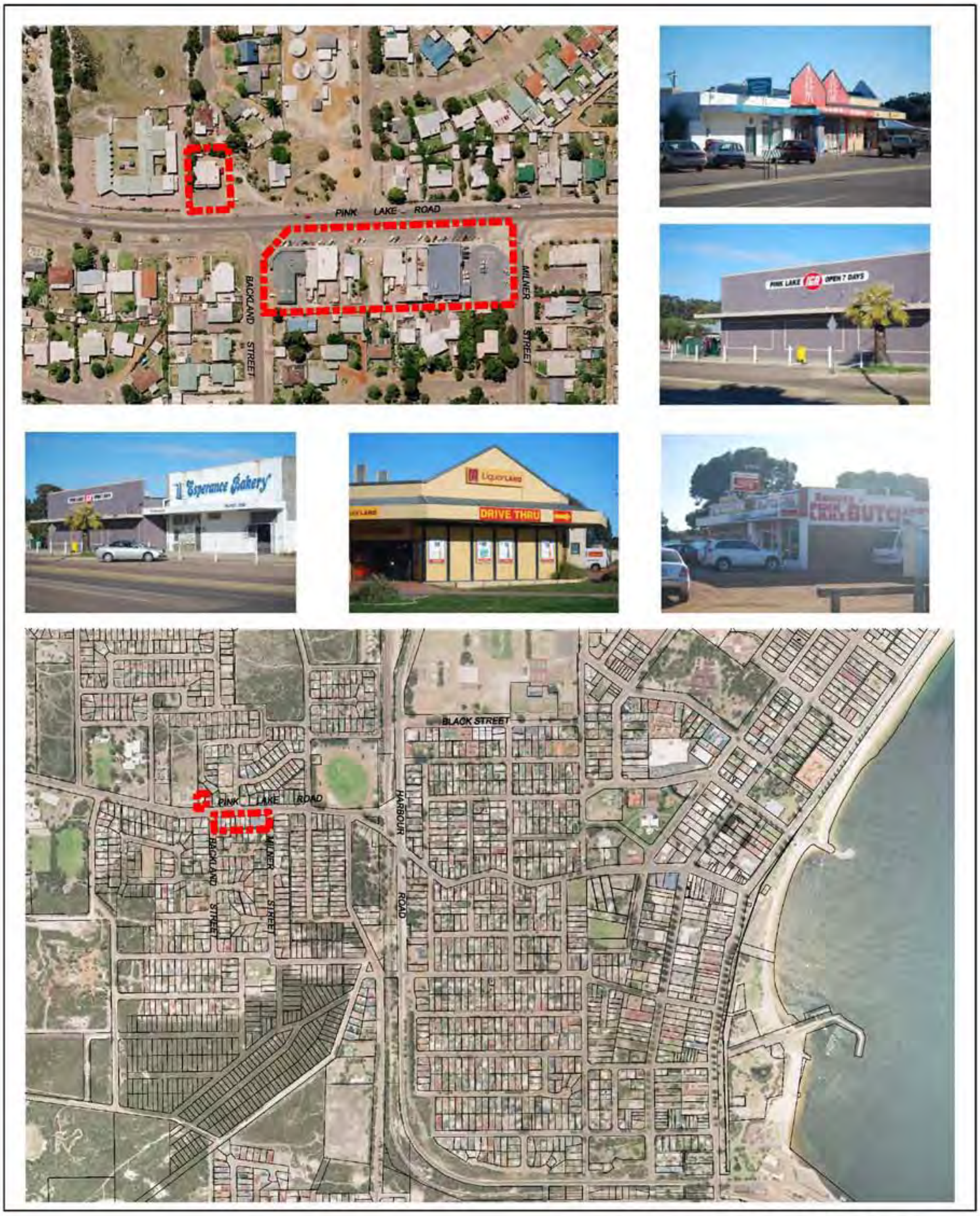
The Civic precinct is located within 150 metres of the Dempster & Andrew Streets intersection. An office precinct is also evolving along Windich Street behind the retail strip of Dempster Street facing the civic precinct.

2.2.2 Local Centres

Two local centres have been established in Esperance.

Pink Lake Road

The Pink Lake Road centre is anchored by an IGA (750sqm) at one end of the centre and a 'Liquorland' store at the other end (refer Figure 4). The centre is contained within a 150 metre single sided retail strip centre with a few other shops in between. There are also two small delis and fastfood operators on the northern (opposite) side of the main retail strip. Car parking is provided at the IGA car park with diagonal parking via a slip lane arrangement along the entire retail strip. The sites are all individually owned.



0 120 240 360 480 600m

FIGURE 4 - PINK LAKE ROAD LOCAL CENTRE

Source: Shire of Esperance

Castletown

The Goldfields Road centre in Castletown is anchored by an IGA (500sqm) with a few other convenience based shops (refer Figure 5). The centre is an external shopping centre, with dedicated off street car parking. There is considerable additional vacant land surrounding the site which appears to be in single ownership.

FIGURE 5 - CASTLETOWN LOCAL CENTRE

Source: Shire of Esperance

Both of these smaller centres are predominantly serving a smaller localised catchment for 'top up' food, grocery and other convenience based shopping. Retailers in these centres may expect to draw the majority of sales from residents within a 750m radius.

2.2.3 Industrial Centre

Esperance also comprises an industrial centre which contains a range of large format / bulky goods retailers including hardware, white goods, recreation, furniture and automotive businesses (refer Figure 6). The industrial precinct is centrally located making these retailers in these locations central to all resident consumer markets. The two streets with the highest traffic volumes, exposure and accessibility contain a combined potential street frontage of nearly 6km for large format and bulky goods retailers including:

- Norseman Road 1.8km length – potential 3.6km (double sided); and
- Sheldon Street – potential 1.2km length (northern side) and potential 800m length (southern side).

These streets could provide up to 100,000 sqm of large format and bulky goods retail floorspace over time, based on an average 50metre block depth and an average plot ratio of 33% (refer Figure 6).

2.3 Planned Centres

In addition to existing centres, a number of commercial centres have been planned as part of the Flinders and Bandy Creek residential development areas (refer Figure 7). These centres have been adopted by various planning initiatives and would therefore need to be amended should the strategy recommend their location, role or other characteristics be changed.

FIGURE 6 - INDUSTRIAL AREA

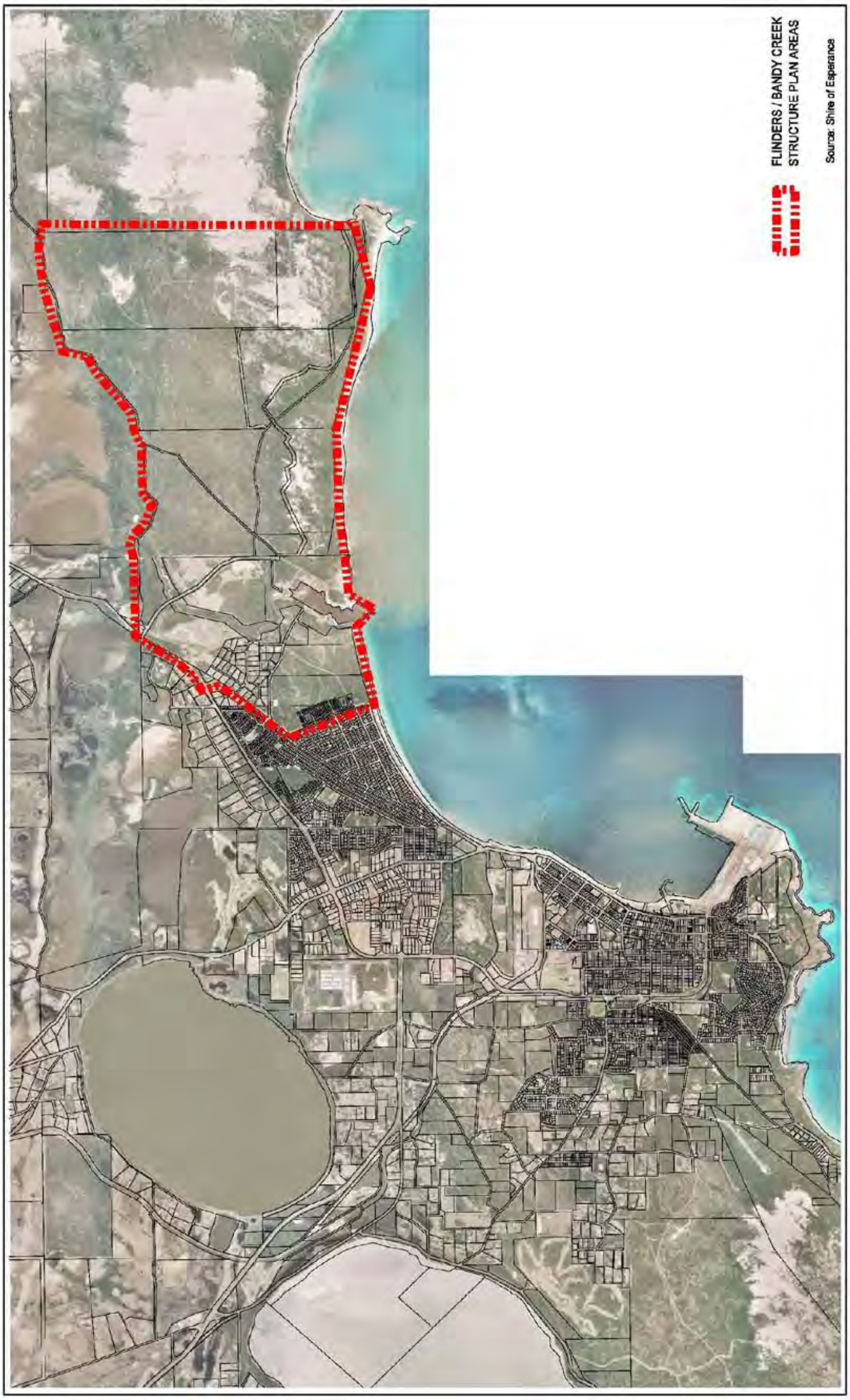


FIGURE 7 - FLINDERS AND BANDY CREEK STRUCTURE PLAN AREAS

2.3.1 Flinders Structure Plan

The Flinders Structure Plan (refer Figure 8) includes the opportunity for a single retail centre in the precinct. The local centre is planned for the corner of Goldfields Road and Ormonde Street at the North West extremity of the flinders development.

The retail site is approximately 5,000sqm (0.5Ha) and is physically capable of accommodating up to 1,500sqm in retail floorspace – which is slightly larger than the offer currently available in Castletown.

This floorspace allocation would be capable of containing a 750sqm – 1,000sqm IGA supermarket and up to 5-10 specialty shops. This offer would to all intents and purposes effectively replicate the existing offer at Castletown which is about 1.5km down the road.

2.3.2 Bandy Creek District Structure Plan (Urbis July 2009)

Up to four centres are also planned within the Bandy Creek District Structure Plan area (refer Figure 9a). These centres are located throughout the structure plan area and are designed to cater primarily for residents and tourist activity within the area.

<u>Neighbourhood Centres</u>

Two neighbourhood centres are planned at Bandy Creek. A major neighbourhood centre (4,500sqm) is planned centrally to the overall structure plan area on the corner of Bandy Creek Road directly north of the marina and a Minor Neighbourhood Centre listed as 1,500sqm further east.

Neighbourhood Centres (4,500sqm) are typically able to contain a large full line supermarket (3,000sqm) and up to 1,500sqm (20 shops). They will generally require a dedicated catchment of 1.5 kilometres.

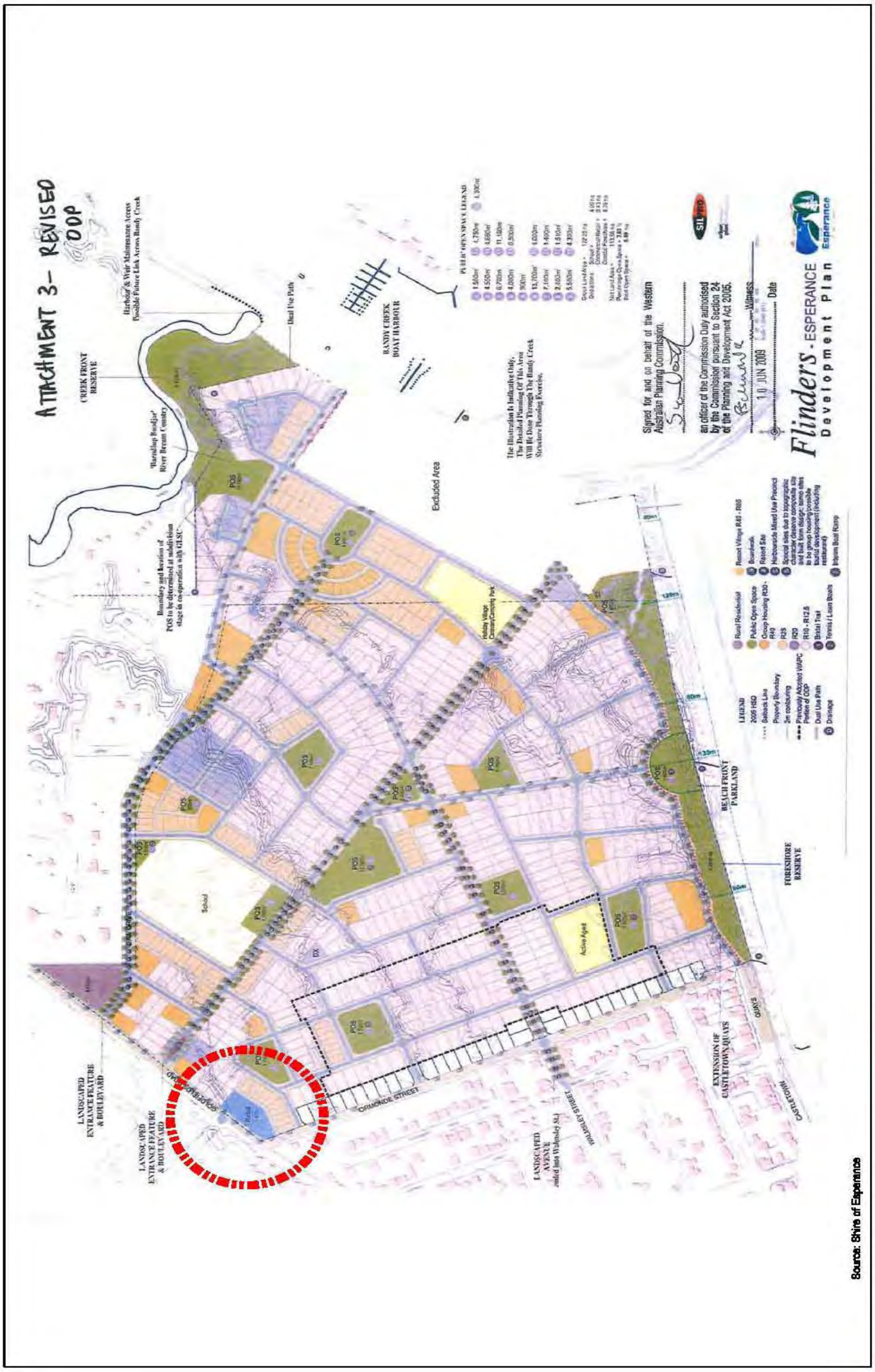
<u>Local Centres</u>

Two local centres are also planned in the Bandy Creek area. Both are expected to contain only 100sqm-200sqm of retail space which is enough to contain 1-3 shops. They will effectively represent corner stores and add a further level to the existing Esperance hierarchy of centres.

One of these local centres is located on the western bank near the mouth of the marina, while the other is located on the eastern side of the marina on the coast.

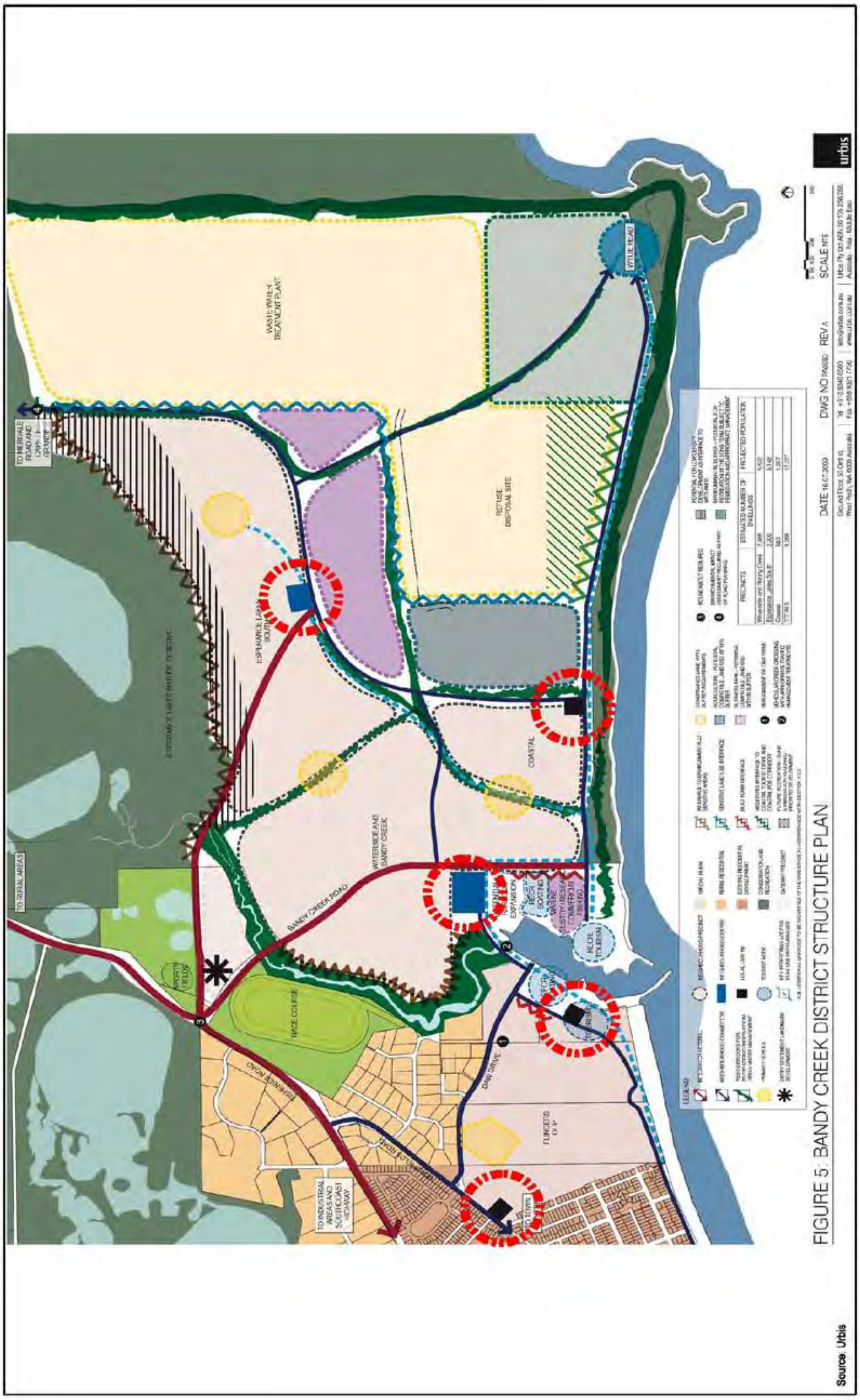
Local Centres are typically up to (1,500sqm) and able to contain small supermarkets and 5-10 shops. These centres will typically require a catchment of 750 metres. These centres are all located in close proximity to one another and the smaller centres will be influenced by the proximity to potentially larger centres and the reduced catchment sizes due to the coastal location of the smaller centres.

The intent of these centres is discussed in more detail in section 4 (refer Figure 10).



PROPOSED LOCAL CENTRE

FIGURE 8 - FLINDERS STRUCTURE PLAN



Source: Urbis

FIGURE 9A - BANDY CREEK STRUCTURE PLAN

2.3.3 Modified Bandy Creek District Structure Plan (Urbis September 2010)

The Western Australian Planning Commission resolved to endorse a modified version of the Bandy Creek District Structure Plan (refer Figure 9b), including updated report figures and supporting District Structure Plan report, in September 2010. The adjustments relate to an improvement in the general movement network throughout the Structure Plan area, which has resulted in a reconsideration of the planned commercial/ retail offerings and a repositioning of the proposed primary school sites.

Variations to the retail offerings illustrated in the July 2009 version of the Structure Plan include the introduction of one (1) additional local centre in the eastern portion of the Structure Plan area and a repositioning of a larger activity (neighbourhood) centre central to the catchment of the broader Structure Plan area. The positioning of the local, neighbourhood and tourism centres around the Boat Harbour are largely unchanged.

FIGURE 9B - MODIFIED BANDY CREEK STRUCTURE PLAN

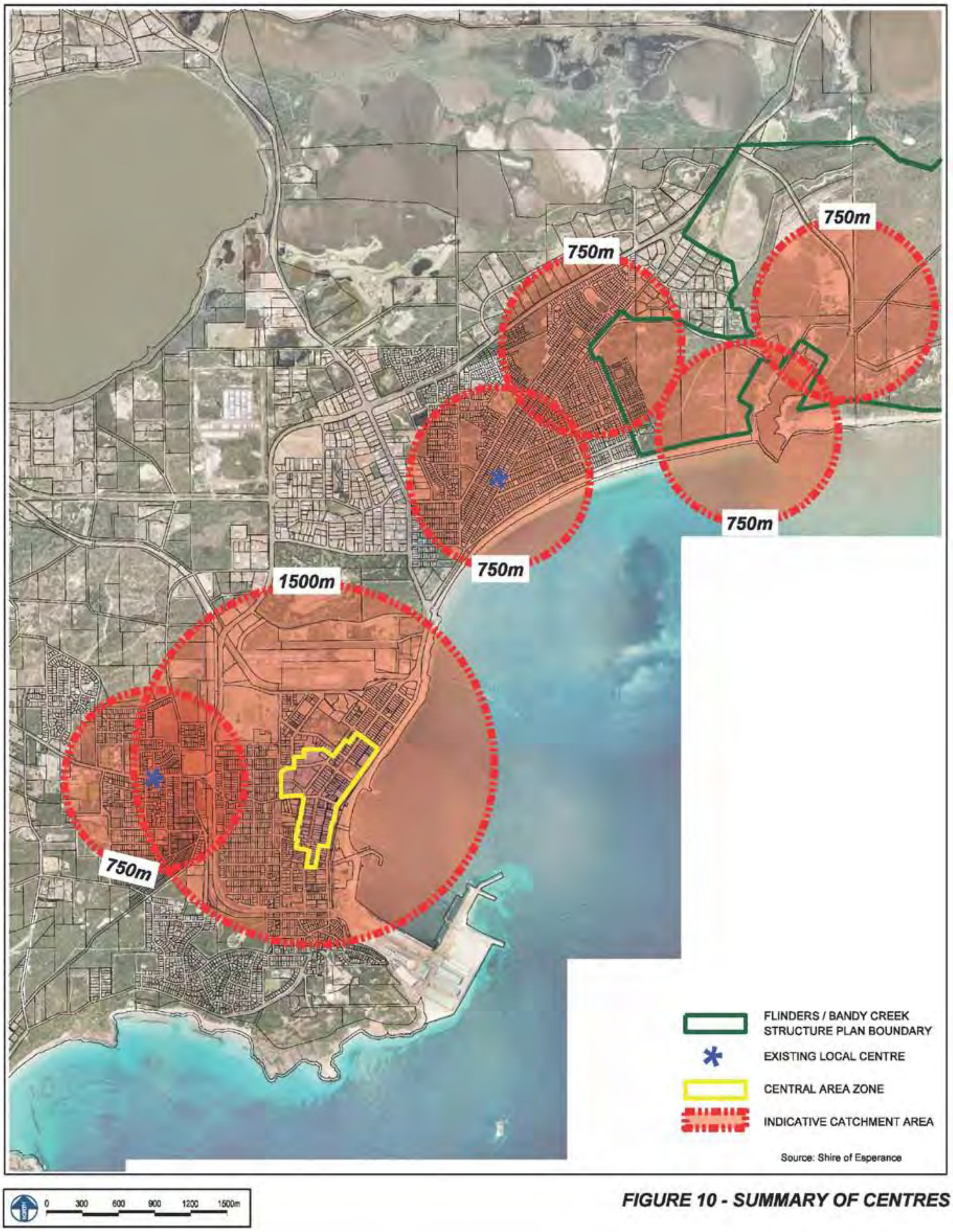


FIGURE 10 - SUMMARY OF CENTRES

3.0 MARKET DEMAND

3.1 Resident Consumer Markets

3.1.1 Existing Resident Population

The most recent 2006 Population and Household Census recorded that the Shire of Esperance had a resident population of 13,000. The urban area (township) contained a population of 9,500 which is nearly three quarters of the total shire population.

Analysis of dwelling approvals shows that almost 300 dwellings have been developed in the Esperance since the 2006 census, at an average of 75 dwellings per annum, creating a potential additional population base of 750 residents.

TABLE 1 – CURRENT POPULATION

Resident Areas	2006	2010
Esperance, Nulsen, Pink Lake, Sinclair and West Beach	3,400	3,604
Castletown, Windabout, Flinders and Bandy Creek	6,200	6,572
Esperance Township	9,600	10,176
Balance of Shire	3,400	3,640
Shire of Esperance	13,000	13,816

Population & Household Census (ABS 2006), ERP (ABS (2010), Dwelling Approvals (Shire of Esperance 2010)

The Shire of Esperance is currently estimated to have a resident population of nearly 14,000 people. The Esperance urban area is estimated to have a population of 10,000 residents.

The layout and configuration of the Esperance Township has conspired to produce two distinct spatial residential areas. The central/west residential community is the older residential area that includes the suburbs of Esperance, Nulsen, Pink Lake, Sinclair and West Beach. This area contains about one-third of the township population. The developing eastern suburbs of Castletown, Windabout, Flinders and Bandy Creek currently comprise two-thirds of the township population.

3.1.2 Future Resident Population

The Esperance Township currently contains 665 vacant residential lots. Development of these lots would produce another 1,800 residents within the existing urban areas of Esperance. However, the vast majority of additional population growth is estimated to occur in the developing eastern areas (refer Figure 11).

TABLE 2 – FUTURE POPULATION BY DISTRIBUTION

Structure Plan Areas	Dwellings	Projected Population
Waterside Coastal and Bandy Creek	3,068	7,179
Esperance Lakes South	2,200	5,148
Flinders	1,180	2,950
All Structure Plan Areas	6,448	15,277

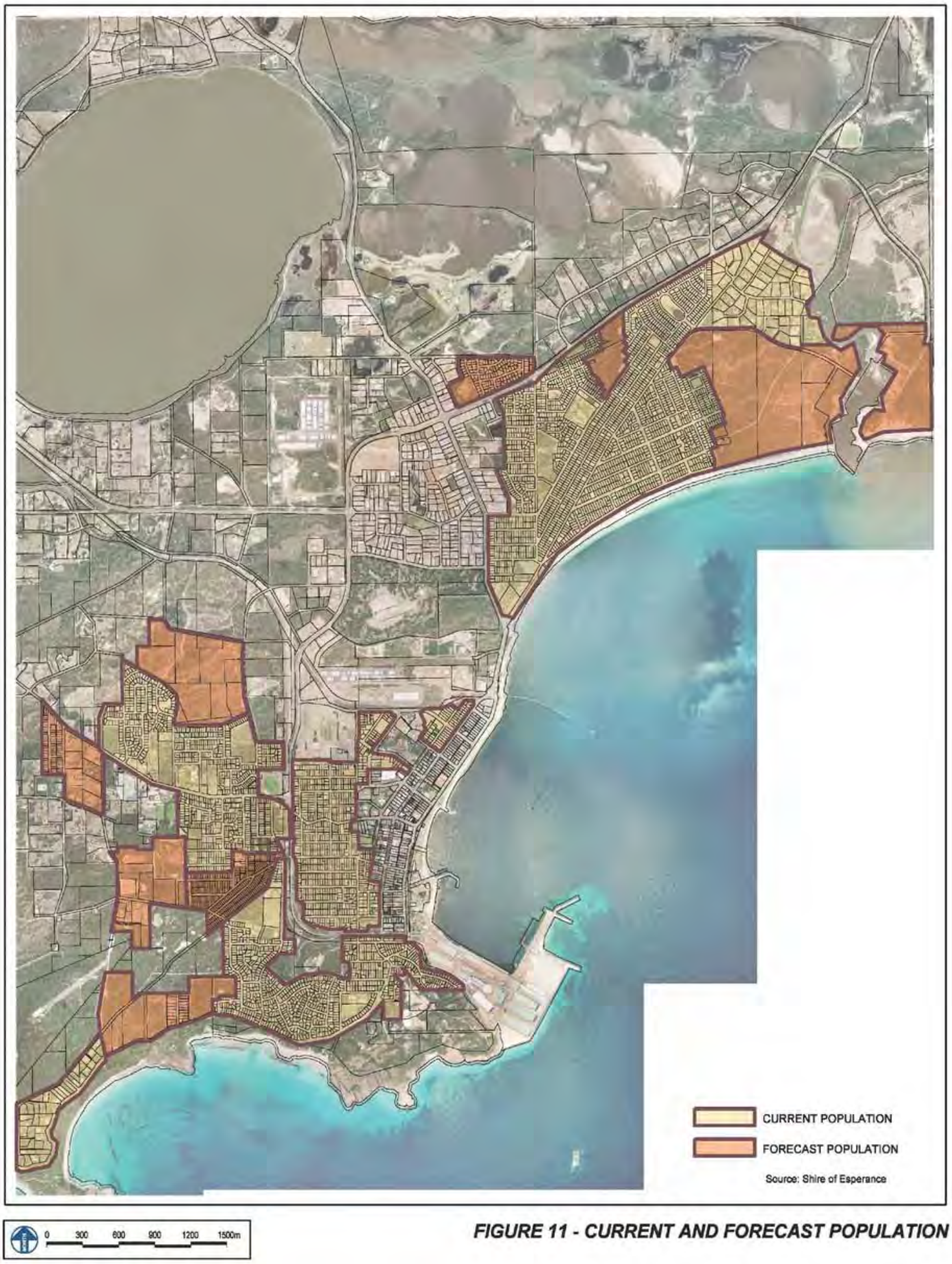


FIGURE 11 - CURRENT AND FORECAST POPULATION

Overall, the planning framework as it currently exists is capable of providing for an additional 21,000 residents. The total population in Esperance could ultimately achieve 34,000 residents. Flinders (1,200 dwellings) and Bandy creek (5,200 dwellings) will be able to accommodate an additional population of 15,000 residents within the eastern suburbs. This will dramatically shift the population focus in Esperance from 25% of total Shire population (2010) to 60% of total shire population. The west and central suburbs which currently houses 50% of total shire population will eventually only represent 25% of the total shire population.

TABLE 3 – FORECAST DWELLING DISTRIBUTION

Residential Area	2010	Ultimate
Esperance, Nulsen, Pink Lake, Sinclair and West Beach	1,386	8,136
Castletown, Windabout, Flinders and Bandy Creek	2,528	3,228
Esperance Township	3,914	11,364
Balance of Shire	1,400	2,000
Shire of Esperance	5,314	13,364

TABLE 4 – FORECAST POPULATION DISTRIBUTION

Residential Area	2010	Ultimate
Esperance, Nulsen, Pink Lake, Sinclair and West Beach	3,604	21,154
Castletown, Windabout, Flinders and Bandy Creek	6,572	8,392
Esperance Township	10,176	29,546
Balance of Shire	3,640	5,200
Shire of Esperance	13,816	34,746

TABLE 5 – CHANGE IN POPULATION

Residential Area	2010	Ultimate
Esperance, Nulsen, Pink Lake, Sinclair and West Beach	26%	61%
Castletown, Windabout, Flinders and Bandy Creek	48%	24%
Esperance Township	74%	85%
Balance of Shire	26%	15%
Shire of Esperance	100%	100%

3.2 Resident Demographic Profiles

For such a relative small community population base the demographic profiles for the Shire of Esperance communities are remarkably consistent with Australian average profiles.

3.2.1 Personal and Family profiles

There is a slightly higher proportion of the population aged 5-14 year olds indicating a higher proportion of maturing families.

The average age of Esperance residents is 36 years, which is consistent with Australian average of 37 years. A quarter of all Esperance residents are aged over 55 years old.

Esperance comprises fewer overseas born residents and subsequently a higher percentage of Australian born residents. The number of married persons is also consistent with Australian averages.

The average household size in Esperance is 2.5 persons per household which is only slightly lower than the Australian average of 2.6 persons per household.

3.2.2 Economic Profiles

The Esperance workforce contains more farming and transport employment than Australian averages. However, the proportion of employed person and full time and part time employment opportunities remains consistent with Australian averages.

There are fewer professionals and administrative workers in Esperance. This can be expected to increase as more locally based professional service businesses become more viable with increased population.

Median individual income in Esperance is only 3% below Australian averages. However, the median household and family incomes are between 10%-15% below Australian averages indicating that Esperance has fewer household members participating in the workforce.

Median rent and mortgage repayments in Esperance are 28% and 25% respectively less than Australian averages. However, rents and housing prices increased dramatically in 2008 largely generated by the resource sector demand, which would increase these figures.

3.3 Resident Spending Profiles

The consistent demographic profiles would usually result in a similarly consistent household retail spending profile. The lower household incomes (10% to 15%) are offset by the lower housing payments (25% to 28%) but there is also slightly fewer persons per household to shop for.

3.3.1 Average Retail Spending

Extrapolation of detailed household expenditure survey data (ABS 2003/04) by the various demographic characteristics and CPI to current dollars indicates that residents in the Shire of Esperance spend an average of 5% less on all retail goods and services including 1%-3% less on personal, food and grocery, and household goods per household than Western Australian averages. They also spend between 10%-15% less on fashion, leisure and other discretionary goods and services. This reduced spending can be expected to have more to do with the reduced opportunities to purchase goods than the ability or desire to purchase particular goods.

3.3.2 Aggregate Retail Spending

Application of these profiles indicates that residents in the Shire of Esperance are currently estimated to be generating over $137M p.a. in retail expenditure.

TABLE 6 – CURRENT AND FUTURE RESIDENT RETAIL SPENDING

Spending ($M p.a.)	East	West/ Central	Balance of Shire	Shire of Esperance
Current 2010	$35.67	$65.05	$36.03	$136.77
Ultimate development	$209.59	$83.15	$51.52	$344.31

Household Expenditure Survey (ABS 2003/04), Retail Trade Survey (ABS 2006-2010), CPI (ABS 2004 – 2010)

Over $93M p.a. (68%) of this total is estimated to be spent on convenience based goods including food, grocery and other day to day purchases typically found in local retail centres. The remaining $43M p.a. (32%) is estimated to be spent on comparison and discretionary goods and services.

Population growth in the Shire of Esperance will be expected to increase from $137Mp.a. to over $344Mp.a. upon full development of all growth areas. Convenience based spending will increase to $234M p.a. comparison and discretionary spending to $109M p.a.

3.3.3 Supermarket Spending

Supermarket spending would normally generate up to $41M p.a. (45%) of all convenience based spending. However, this percentage may be higher in regional centres as there are fewer specialty shops to offer the range of convenience based goods. Population growth will ultimately result in supermarket spending increase to $102M p.a.

TABLE 7 – CURRENT AND FUTURE SUPERMARKET SPENDING

Spending ($M p.a.)	East	West/ Central	Balance of Shire	Shire of Esperance
Current 2010	$10.6	$19.3	$10.7	$40.6
Ultimate development	$62.2	$24.7	$15.3	$102.3

Household Expenditure Survey (ABS 2003/04), Retail Trade Survey (ABS 2006-2010), CPI (ABS 2004 – 2010)

3.3.4 DDS Spending

Similarly, Department Stores and Discount Department Stores may be expected to capture up to 25% of all non convenience based spending ($11M p.a. of the $43M p.a.), although the lower number of specialty shops may also result in this capture rate being higher. Population growth will ultimately result in DDS spending increase to $28M p.a.

TABLE 8 – CURRENT AND FUTURE DDS OPERATOR SPENDING

Spending ($M p.a.)	East	West/ Central	Balance of Shire	Shire of Esperance
Current 2010	$2.9	$5.3	$2.9	$11.2
Ultimate development	$17.1	$6.8	$4.2	$28.1

Household Expenditure Survey (ABS 2003/04), Retail Trade Survey (ABS 2006-2010), CPI (ABS 2004 – 2010)

3.4 Visitor Consumer Markets

Over 150,000 people are estimated to visit Esperance each year. The average length of stay varies between domestic and international visitors but represents an average of nearly 4 nights per stay producing 586,000 visitor nights p.a.

TABLE 9 – VISITOR SPENDING PROFILES

	Estimated Visitors	Estimated Visitor Nights	Average Stay (Estimated Nights)	Average Retail Spend per visitor per day	Total Visitor Spending ($M p.a.)
Intrastate	109,000	407,300	3.7	$25	$10.0
Interstate	26,300	84,000	3.2	$25	$2.1
International	16,800	95,300	5.7	$10	$0.9
Total	152,100	586,600	3.9	$22	$12.9

Tourism WA (2008-2010)

The average spending per visitor night includes all travel expenses including travel and accommodation costs. Tourism surveys conducted throughout Australia indicate that visitors spend about a quarter of their visitor spending on retail related goods and services. Visitors are therefore estimated to spend approximately $13M p.a. on all retail goods and services each year.

Visitor spending therefore represents about ten percent of all resident retail spending, which is consistent with retail industry surveys.

For the purpose of analysis, visitor spending is forecast to retain its proportion of retail spending as resident growth continues. Upon full development of the resident population the visitor spending could achieve $34M p.a. This would be reflective of a 250% increase to over 380,000 visitors and 1.4M visitor nights.

3.5 Retail Opportunities, Issues and Implications

As indicated in early sections, the sustainability of major tenants will usually be the key to attracting other supporting specialty shops to a centre. It is generally accepted that if a major retailer may be sustained the rest of the centre may also be sustained. This section considers the opportunities for major retailers to generate economically sustainable retail sales. Correlation of spending profiles to retail sales requirements for major tenants indicates the following opportunities exist in Esperance.

3.5.1 DDS Opportunities

There is currently sufficient sales potential for up to 3,500sqm of DDS floorspace. Country Target currently comprises a 1,000sqm store at the Boulevard Shopping Centre. Future DDS opportunities could comprise a single DDS operator of 3,500sqm or two DDS operators of around 2,000sqm.

The future population will create demand for up to 8,500sqm of DDS floorspace. This floorspace could comprise a single DDS operator but is more likely to comprise two DDS operators up to 4,000sqm each or three DDS operators of up to 3,000sqm each.

Current and future opportunities all suggest the need to provide sufficient space for DDS operators to establish a store in Esperance. This opportunity may involve:

- Three individual centre locations allowing a DDS operator in each;

Or

- Two individual centre opportunities allowing a DDS in one and two DDS in the other;

Or

- A single location to accommodate for all future DDS stores.

A single DDS based centre would need to comprise a DDS (say 4,000sqm) a full line supermarket (say 3,000sqm) and up to 3,000sqm (40 shops) of specialty shops. The total centre size would be a minimum of 10,000sqm and require a land area of 3Ha.

3.5.2 Supermarket Opportunities

There is currently sufficient sales potential for up to 6,000sqm of supermarket floorspace. A single Woolworths store and three IGA stores currently comprise a total of 4,500sqm – 5,000sqm in Esperance. An opportunity exists – or will soon exist to accommodate a second full line operator in Esperance. That operator is likely to be Coles.

The future population will create demand for 12,000sqm – 13,000sqm of supermarket floorspace. This space may be developed in a range of opportunities including:

- Three full line supermarkets of 3,000sqm (9,000sqm) plus 5 x 750sqm (3,250sqm) smaller supermarket operators;

Or

- Two full line supermarkets of 3,500sqm (7,000sqm) plus six or seven smaller supermarkets up to 1,000sqm.

Where should these centres be located? The spatial opportunities are considered in Section 6 of this report.

3.5.3 Large Format Retail and Bulky Goods

There is currently sufficient sales potential for up to 7,000sqm of Large Format Retail or bulky goods retail.

This space represents about 7% of the total amount of space able to be accommodated along the two main streets in the industrial precinct. The future population will create demand for up to 15,000sqm – 30,000sqm of bulky goods floorspace depending on tenant demand and level of escape expenditure maintained. This space allocation represents 15%-30% of space available within the designated area. There does not appear to be a need to provide for additional land area or precincts for future bulky goods retail activity.

4.0 TRENDS AND ISSUES

A range of general commercial trends and local stakeholder expectations will contribute to the future decisions on the delivery of a sustainable commercial strategy for Esperance.

4.1 Stakeholder Expectations

Initial stakeholder consultation has been undertaken with the Shire, Chamber of Commerce, local business and major retail/ supermarket organisations. The consultation involved face-to-face meetings in order to understand future retail demand and the issues facing commercial development in the Shire of Esperance. The stakeholders consulted as part of the initial consultation include:-

- Annette Harbron/ Richard Hindley (Shire of Esperance);
- Katina Marchbank, Department of Planning (Perth)
- Grant Shipp (Esperance Chamber of Commerce);
- Paul Blackham (Professionals Real Estate);
- Brett Thorpe (Thorpe Realty Pty Ltd);
- Bruce McCully, State Property Manager, Coles;
- Rob Moran, State Business Development Manager (WA), IGA;
- Scott Nugent, Senior Property Manager, Woolworths; and
- Drew Good, Regional Manager (WA) Charter Hall (representatives for Boulevard Shopping Centre).

Feedback has also been received from Mr Shayne Flanagan, representing the Goldfields-Esperance Development Commission (GEDC).

The following comments and issues have been raised as part of the consultation process:

4.1.1 Government and Business Stakeholders

Shire of Esperance, Chamber of Commerce, Local Business and Department of Planning

Issues

- Extent of town centre area/ commercial zoned land too large;
- The identification of the town 'centre' and 'main street' is confusing i.e. Dempster or James Street;
- Fragmented land ownership making land assembly difficult;
- Accessibility and traffic management issues;
- High business turnover - need to encourage national retailers into town to add vibrancy and longevity;
- No consistency in built form/ streetscape appearance – lack of design guidelines for the town;
- Inefficient use of government land;
- Esperance Motel Hotel land underutilised;
- Mixed use development needs to be encouraged to support permanent town centre activity and improve vibrancy;
- Identify key town centre sites and provide incentives to developers;
- Insufficient and poorly configured parking at Boulevard Shopping Centre;

- Second large supermarket retailer encouraged to improve competition and pricing; and
- Need to relocate sporting, hardware and other large format uses out of Dempster Street to the Norseman Road precinct.

<u>Opportunities</u>

- Maintain town centre as a priority and focus for commercial development;
- Review and consolidate commercial zoned land;
- Rethink existing structure planning to confirm/ resolve commercial requirements;
- Improve relationship between town centre through Foreshore Revitalisation Plan – explore opportunities for small scale low-key businesses;
- Reassess function and role of James Street;
- Need for more creative solutions to free up land – Council intervention. Offer incentives to developers to overcome issues with land assembly (very few large land parcels available for development) and promote amalgamation of small lots;
- Review Council land ownership to facilitate opportunities for second supermarket in town centre;
- Make better use of walk-through alleys and /or revitalise back lanes to better integrate areas and link main street with areas behind (Dempster St and Windich St);
- Encourage commercial development mixed with medium density residential development;
- Business relocation opportunities on Pink Lake Road to consolidate local centre and overcome land vacancy; and
- Improve communication and assistance between the Shire and local businesses.

4.1.2 Major Tenants and Centre Owners Stakeholders

<u>IGA/Metcash</u>

- See opportunity for at least one and probably two more new stores in future growth areas of Bandy Creek;
- Both out of town stores are currently trading well;
- Metcash may be able to encourage or assist local traders to expand or relocate stores if the opportunity and the economic justification was presented; and
- Metcash committed to continuing to provide residents of Esperance with choice.

<u>Coles</u>

- Coles want to establish a presence in Esperance;
- They are prepared to look at town centre sites if they can be economically justified;
- Believes the Wesfarmers owned CSBP site (refer Figure 12) is central located and therefore best suited to satisfy needs of growing community;
- Can justify a larger DDS operation as part of any first stage development;
- Will consider a Kmart (or potentially the relocation of the Country Target subject to lease commitments) to the CSBP site in initial plans;
- Doesn't believe that the foreshore site (Hotel/Post Office) can satisfy their need for a DDS based centre;
- Would be willing to consider a Coles, Kmart and Liquorland outlets on CSBP site without specialty tenants to allay concerns of specialty tenants leaving the Town Centre or Boulevard Shopping Centre;
- Ready to establish immediately;

- Have previously commissioned a study (Cardno) to consider sites adjacent to Town Centre to satisfy Council – but do not believe that they are likely to be forthcoming without intervention by others; and
- Have completed concepts for site across the road from the Boulevard Shopping Centre.

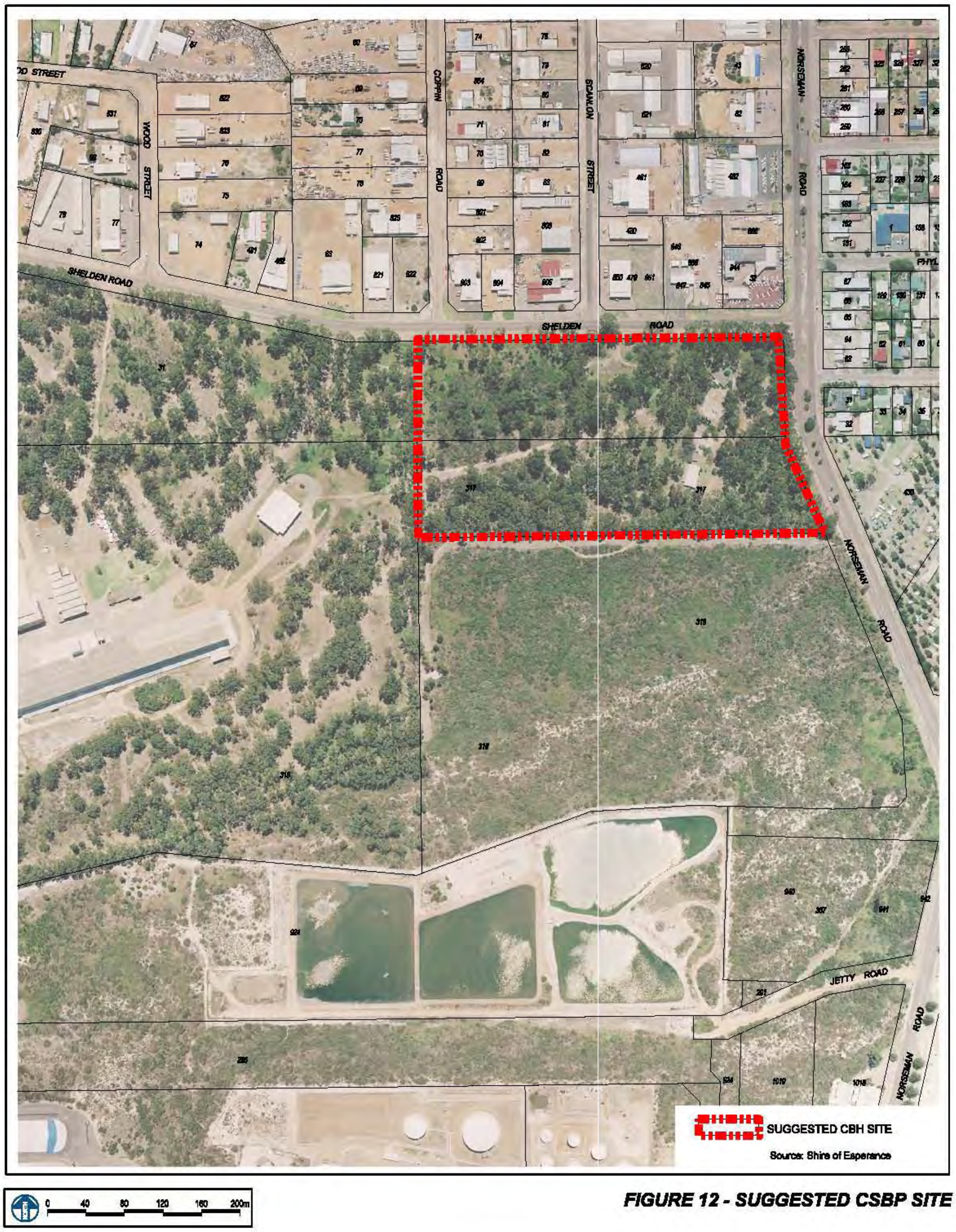


FIGURE 12 - SUGGESTED CSBP SITE

Woolworths

- Understand the demand for a Coles in Esperance;
- Recognise that it is inevitable that Coles will enter market at some point;
- Concerned about maintaining a level playing field;
- Do not believe they should have to compete with a new out of town site due to the restrictions on car park numbers and configuration of existing Boulevard centre;
- Have no problem with Coles operating from a Town Centre location or directly across from them on the civic precinct;
- The introduction of an out of town policy may lead WW to consider their own position with the Town Centre;
- Their commercial lease option in the Boulevard expires in 4 years;
- They have to decide whether to commit to a refurbishment budget to lift the store amenity if they are unsure of the location, timing of Coles and the most suitable location for their own store.

Refer Figures 13 and 14.

Charter Hall (representative of the Boulevard Shopping Centre)

- Interested in expanding and/or regenerating the Boulevard Shopping Centre;
- Recognises that it will be difficult to expand the Boulevard Shopping Centre within their current land holdings;
- Has explored opportunities to access vacated FESA land opposite the Boulevard Shopping Centre for parking – but to no avail despite numerous attempts;
- Would welcome the opportunity to accommodate additional major tenants within a redeveloped Boulevard Shopping Centre/ Civic precinct but conceded that would be improbable without access to additional land holdings; and
- Is willing to consider initiatives designed to deliver favourable outcomes to the Council, the community and the Boulevard Shopping Centre.

FIGURE 13 - BOULEVARD PRECINCT

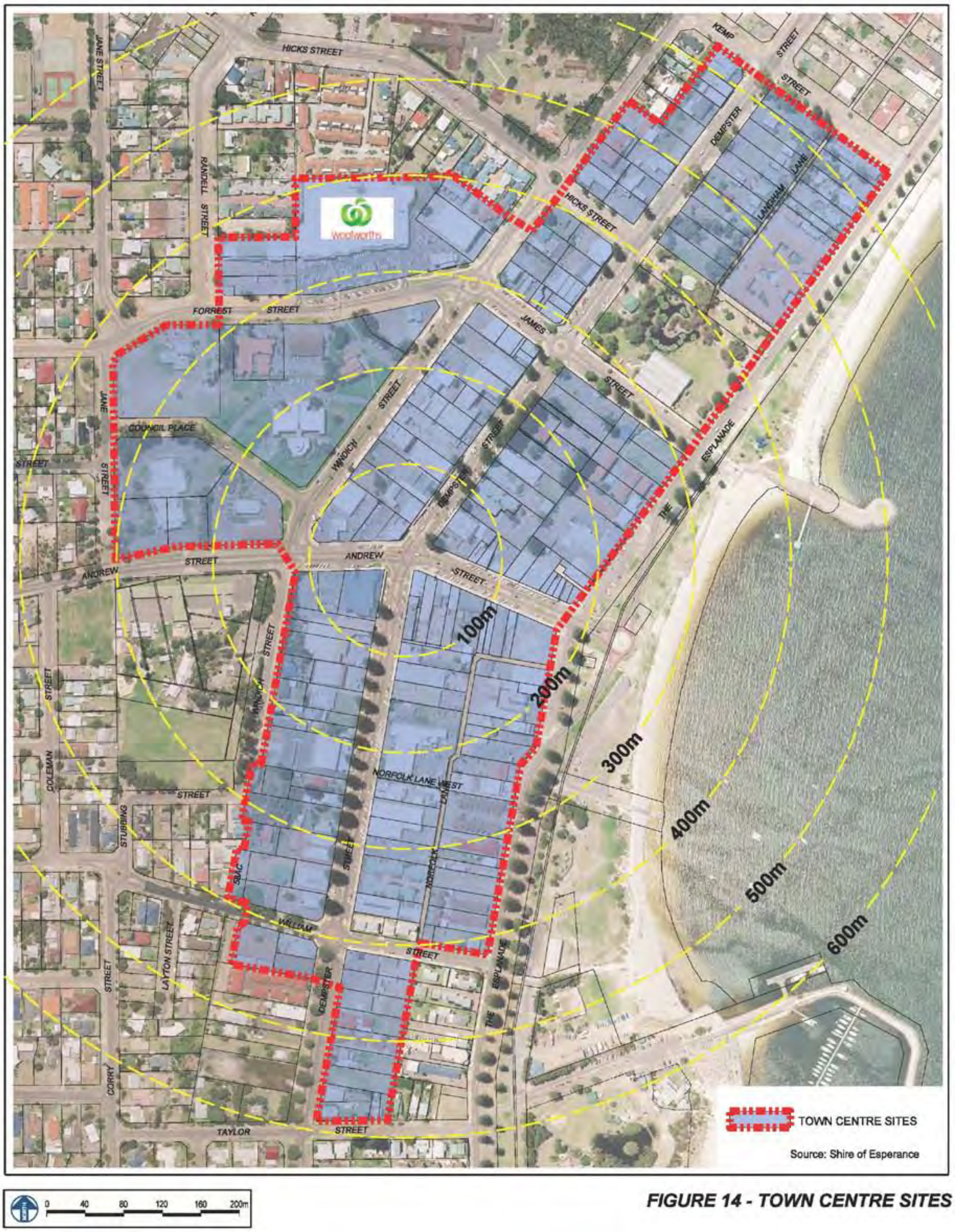


FIGURE 14 - TOWN CENTRE SITES

4.2 Trends, Issues and Implications

4.2.1 Town Centre versus Out of Town Centres

- The town centre has to date been able to maintain its market position as the dominant commercial centre in Esperance;
- The centre appears to be too large, fragmented and spread out for its catchment – reducing the size of the Town Centre would create a higher values in the Dempster Street and be more likely to encourage redevelopment of Town Centre sites;
- There are no distinct precincts with office, community, retail and open space uses distributed throughout the centre;
- Managed to keep the town centre focused on the street – however, the trouble is Andrew Street is too short and Dempster Street is too long;
- Centres such as Busselton have been able to maintain their primacy in the hierarchy by accommodating major tenants in the town centre albeit at the back of the centre without strong relationships to the street;
- If the major tenants cannot be developed in the town centre and are subsequently not allowed to develop in out of town centre the community miss out on the opportunity of choice and price competition;
- The Town Centre should not be protected from out of town centres per se;
- The Town Centre should either be considered part of the solution otherwise it will continue to decline as new centres develop over time;
- Commercial centres and retailers need to continually evolve with the needs of their community – if they don't they will struggle to compete with new concepts as they are introduced;
- The recent addition of McDonalds in the Town Centre provides an interesting discussion point;
- While it is great that they have developed in the street and not out of town, their overall value to other retailers and businesses in the street is lessened by their position at the extreme end of the Central Area zone.

4.2.2 National Brands versus Local Retailers

- National Brands or chain retailers can be a barometer of the commercial maturity of a regional centre;
- National Brands typically prefer to be closer to the major retail anchors as they appreciate that the higher rents are justified due to the higher volumes of traffic and subsequently sales;
- An out of town centre with a major tenant will be more likely to attract national brands Local traders tend to favour the traditional main streets due to land ownership and rent structures;
- The stronger main street or Town Centre local retailers who are the most vocally opposed to the out of town centre are also often the first to take up leases in the new centres due to their understanding of the potential impact on their business; and
- The positive aspect of chain retailers is that they are structured to survive and prosper. This provides an opportunity for local retailers to also trade successfully from their success.

4.2.3 Customer Behaviour

- The community will shop at the centre or store which best satisfies their needs;
- The most common consumer needs are lower prices, wider choice, high amenity and ease of access;
- Customers in regional centres are more likely to travel further to access goods and services than urban communities;
- Although the delineation of a catchment is still relevant in considering equitable access to local communities, it is common for a resident to drive past a Woolworths to access Coles and vice versa;
- It is less common for a resident to drive past one IGA store to access another;
- Coles and Woolworths will trade to the entire region. However, the further the tenants are from one another more defined immediate catchments will evolve; and
- The customer is fickle and should not be relied upon to remain loyal to retailers or centres – at the end of the day they will access the retailer and centre which best satisfies their needs – even if they have to travel a bit further.

4.2.4 Car Parking

- Car parking remains the most contentious issue in relation to commercial activity,
- Customers and tenants will always complain that there is not enough car parking provided and the developer will invariably try to reduce the amount demanded by Council controls and policy,
- The issue should be less focused on the numbers of car spaces and focus on the distribution of spaces;
- Car parking should be considered as the starting point of the town centre journey. The purpose or destination of the trip will then determine the movement of the customer past shop windows. This principle is successfully adopted by shopping centre developers which ensure that every customer travel past every tenant;
- Up to 60% of all retail purchases are made on impulse. Subsequently the exposure and access to passing trade is critical to the success of most businesses; and
- The introduction of single accessible and convenient parking at either end of the town centre would complement the town centre main street parking.

5.0 PLANNING AND POLICY IMPLICATIONS

5.1 Policy planning and economic initiatives

The key background literature and guiding planning documentation relevant to the preparation of the Commercial Strategy are as follows:-

State Government Initiatives
- State Planning Strategy (1996);
- Statement of Planning Policy 4.2 Metropolitan Centres Policy;
- Liveable Neighbourhoods (2000, WAPC); and
- Country Land Development Program Annual Review 2006.

Regional Government Initiatives
- Goldfields-Esperance Regional Planning Strategy (completed 2000)

Local Government Initiatives
- Local Planning Strategy;
- Local Planning Scheme No. 23; and
- Esperance Foreshore Revitalisation – Master Plan

A summary of the relevant documents and the impact of each on the strategy are set out below.

5.2 State Initiatives and their implications

5.2.1 State Planning Strategy

The State Planning Strategy was endorsed by the State Government in 1996 to provide direction on the growth and development for the State until 2029. The strategy guides the way in which future planning decisions are made and provides a range of strategies and actions which support these principles for the various regions of the State. The main points of relevance of the State Planning Strategy for the Shire of Esperance Commercial Strategy are recommendations to:

- Respond to the changing needs of the population;
- Promote flexible Planning Schemes and supporting documentation to facilitate future economic development;
- Assess current and future infrastructure requirements for the region to support new business and the social needs of the community; and
- Monitor town site growth and population distribution to ensure that infrastructure provision matches the demographic profile of local areas.

5.2.2 Statement of Planning Policy 4.2 Activity Centres in Perth and Peel

The main purpose of the Activity *Centres Policy Statement* is to specify broad planning requirements for the planning and development of new activity centres and the redevelopment and renewal of existing centres.

It is mainly concerned with the distribution, function, broad land use and urban design criteria of activity centres, and with coordinating their land use and infrastructure planning.

While this Policy is aimed at activities centres within the Perth/Peel region, some of the general policy measures and guidelines for the planning and design of centre developments it contains are considered relevant to the preparation of a Commercial Strategy in a regional location. These are:

- The need for a hierarchy of commercial/ activity centres;
- Emphasis on functional roles and meeting the different levels of community needs;
- Providing good access to shops and services;
- To promote a competitive retail and commercial market;
- Increase the density and diversity of housing in and around activity centres to improve land efficiency, housing variety and support centre facilities; and
- Managing impact of retail development on viability and amenity of established and planned centres.

5.2.3 Liveable Neighbourhoods

Liveable Neighbourhoods operates as a development control policy, or code, to facilitate the development of sustainable communities. Its major aims are:

- To provide for an urban structure of walkable neighbourhoods;
- To provide equitable access to services for all users;
- To foster a sense of community and strong local identity;
- To facilitate mixed use urban development, which provides for a wide range of living, employment and leisure opportunities and is capable of adapting over time as the community changes; and
- To maximise land efficiency wherever possible.

It is a common misconception that Liveable Neighbourhood policy is designed to encourage retail activity at the focal point of all communities. The focal point can simply be an open space civic space or community facility. It may even incorporate a café/restaurant or small deli.

But it has proven to be an inefficient distribution of tenants if supermarkets (even small ones) are distributed at the centre of overlapping 800m catchments.

5.2.4 Country Land Development Program Annual Review 2006

The Goldfields-Esperance Land Release Plan is a WAPC initiative and forms part of the Country Land Development Program. The plan aims to identify and monitor past, current and future land use activity and associated services and development in the Goldfields-Esperance, in order to demonstrate opportunities and constraints for development.

WAPC projections expect the population of Esperance to grow at 0.42 per cent per annum between 2007 and 2012. A significant proportion of this growth will occur in the Esperance town site where significant infill development opportunities are available.

Future residential development activity will be centred on the localities of Castletown, Flinders, Bandy Creek, Nulsen and Sinclair.

The identified project areas do not highlight any significant commercial development in Esperance excluding those areas of Flinders and Bandy Creek that are subject to separate structure planning processes. Esperance townsite will continue to serve the commercial needs of the surrounding population.

5.3 Regional Initiatives and their implications

5.3.1 Goldfields-Esperance Regional Planning Strategy (completed 2000)

The Strategy identifies future land use needs and addresses the demand and growth requirements of the major centres. It provides a strategic framework for an integrated approach to planning in the region for the next 30 years.

The land use strategy recognises Esperance as a sub-regional centre that will continue to be the main employment hub for the south coast region. The Structure Plan shows a consolidated Town Centre that will continue to cater for the town's retail and commercial needs and other supporting services. Smaller local centres are also shown in the areas of Castletown and Sinclair.

5.4 Local Initiatives and their implications

5.4.1 Local Planning Strategy

The Local Planning Strategy will be the main planning instrument for implementing the Commercial Strategy. This document will continue to guide population growth and land use planning in the local government area. However, it is expected to be amended to reflect the findings of the commercial demand analysis and spatial planning exercise.

The current document recognises the important role central Esperance plays as the main shopping and office area of the town, and this will continue. It also identifies key outer lying areas that need to accommodate other local commercial opportunities to service the day-to-day convenience needs of the population. The overarching objective of any new commercial development is to retain the primacy of the central Esperance town site. Relevant information from the Local Planning Strategy is as follows:

<u>Residential</u>

- The majority of the population growth in Esperance in the next 10-15 years will be accommodated within the Esperance townsite;
- Encourage the consolidation of housing in existing areas particularly in and around the CBD, including shop top housing and business co-location;
- Encourage a mixture of tourist and residential accommodation in Central Esperance and Castletown in keeping with the residential nature of these areas;
- In the short to medium term, new urban areas will generally consolidate large landholdings in current residential areas in town and within close proximity such as Development Area 3 and to the north of Nulsen. Modest eastward growth of the town is to be facilitated through the Flinders area;
- In the long term, urban development should be facilitated through the consolidation of land behind the Esperance Senior High School at Second Beach and east of Bandy Creek boat harbour; and
- In the longer term (possibly beyond the timeframe of the LPS) future urban development will be considered, north of the Esperance Lakes on Six Mile Hills and in the Rural Residential area south of Pink Lake Road, subject to further detailed investigations.

Commercial

- The CBD of Esperance to be the primary shopping and commercial centre for the shire;
- Support the consolidation of the Andrew and Dempster Street areas through land assembly with modest expansion to adjacent land when it becomes available including the Esperance Primary school site, if and when it becomes available;
- Development of shop or office development in the CBD of Esperance;
- The expansion of the Pink Lake and Castletown shopping centres should be limited, in line with the function of the centres as local service centres;
- Facilitate a hierarchy of centres through discouraging development of shopping facilities outside of the identified centres of the Central Business District, Pink Lake and Castletown Centres;
- Redevelopment of the civic precinct, Museum Park Village and public land and facilities in the vicinity of James and Dempster Streets for retail use is not supported;
- Recognise the issues with land assembly within the CBD and support the development of a lower level retail centre outside of the CBD;
- The development of the Bandy Creek Boat harbour area as a mixed use commercial/recreation/tourism hub for the western part of town; and
- The development of a small scale (daily needs) commercial development with the new area of Flinders.

5.4.2 Local Planning Scheme No. 23

Local Planning Scheme No 23 makes provision for the location and extent of retail, business and commercial uses through its land use zonings (Central Area/ Shops and Office zone) and the nature of development that may occur in each of these zones.

Central Area Zone

Most shopping, offices, entertainment, civic, tourism and supportive accommodation uses are contemplated within the Central Area zone with uses such as arts/ craft studio, consulting rooms, convenience store, shop, office and restaurant all permitted ("P") by the Scheme providing the use complies with the relevant development standards.

Discretionary ('D') and other uses requiring advertising ('A') include bed and breakfast, family day care, child care premises, dwelling (including aged persons), fast food outlet, home business/ occupation, Hotel, medical centre, motel, garden centre, amusement facility/parlour, supermarket, showroom, tavern and tourist resort.

Industry and a number of residential uses i.e. group dwelling and residential building etc are not permitted.

Shops and Office Zone

The objective of this zone is to provide for accessible small scale day-to-day convenience facilities serving the local population. This designated land is generally located in the town centre fringe and outer lying residential areas of Sinclair, Flinders and Castletown.

Permitted ('P') uses include shop, offices, restaurant, lunch bar and arts/ craft studio. Discretionary ('D') and other uses requiring advertising ('A') are similar to the uses described in the Central Area zone including a service station and service industry.

Uses such as a tavern, tourist resort, motel, hotel and industry uses (excluding service industry) are not permitted.

It is expected that a rationalisation and consolidation of the existing commercial zones to facilitate better land use outcomes will occur to reflect the findings of this investigation.

5.4.3 Esperance Foreshore Revitalisation – Master Plan

Consultants have been engaged by the Shire of Esperance to prepare detailed Concept Plans to guide the proposed enhancement and development of the Esperance Foreshore from James Street to the Cannery Arts Centre Precinct.

The aim of the Esperance Foreshore plan is to link the town centre with the foreshore through retention of strategic views and encouragement of pedestrian activity between the commercial centre and along the length of the foreshore area.

Commercial opportunities appear to be limited to a mobile café precinct at the Tanker Jetty. Other small scale operations may be possible provided they don't undermine the existing and future commercial opportunities envisaged within the central Esperance townsite.

5.4.4 Bandy Creek District Structure Plan (Urbis July 2009)

The Bandy Creek Structure Plan provides a discussion of the activity centres and employment aspects included in the Structure Plan. The relevant information is provided as follows:

- The scale of these centres has been determined based on a hierarchical system;
- Is not intended to detract from the primary role of the Esperance Town Centre;
- Activity centres are located to best service the convenience needs of the surrounding community, and activate the Marina precinct;
- The exact uses would be determined by the assessment of individual Outline Development Plans;
- Local centres have been rationalised and amalgamated into Neighbourhood Centres, and the walkable catchment extended to 800 metres;
- It is emphasised that the centres shown on the District Structure Plan propose a district hierarchy but are conceptual only and retail floor space requirements would be subject to further investigation in conjunction with the local government's Commercial Strategy;
- The Neighbourhood Centres are indicative only; and
- Local centres and neighbourhood centres are proposed in accordance with the Liveable Neighbourhoods Community Design Code and would contain such retail, commercial and community facilities as would be appropriate based upon market requirements and demand.

<u>Indicative Retail Floor Space</u>

- The Structure Plan generates demand of up to 6,500 sqm of retail floorspace; and
- Deviations from this distribution at the detailed ODP stage will need to be supported by an economic impact assessment, which demonstrates that the vitality of hierarchy of existing Centres remains unaffected.

Retail Centres

- Major Neighbourhood Centre – Marina < 4,500sqm;
- Minor Neighbourhood Centre (including Business Park Service Centre) 1,500sqm; and
- 2 x Local Centres (including Coastal Centre and Marina West) < 250sqm each.

Major Neighbourhood Centre - Marina

The role and function of the Marina Neighbourhood Centre reflects its role as a major Neighbourhood Centre in the Bandy Creek area and does not challenge the primacy of the Esperance Town Centre as the major retail and commercial centre for the town

The retail component will be up to 4,500sqm NLA and be based on a limited line supermarket as its major attractor or anchor. It is intended to provide for a range of support shops, personal care services, restaurants, food premises, reflective of the tourism and recreation nature of the Marina precinct.

Minor Neighbourhood Centre

A smaller neighbourhood centre will be required to service future urban areas to the east of the harbour. This has been located at the intersection of major roads and is intended to service both residential needs and the surrounding business community.

The maximum retail floor area is 1,500 sqm, primarily made up of a small supermarket or deli, with lunch bars or other small food outlets.

Local Centres

The Structure Plan provides for small local centres to service the demand generated by visitors (tourist and recreational users). These are located outside the catchments of Neighbourhood Centres. The retail component is likely to include a small convenience store, deli or food premises with between 100sqm and 200sqm NLA to service nearby tourist development and visitors to the coast.

This plan has formed the basis of the demand analysis in Section 3.0 of this report and the subsequent catchment analysis options discussed and illustrated in Section 6.0.

5.4.5 Modified Bandy Creek District Structure Plan (Urbis September 2010)

The general intent and key planning objectives of the revised Bandy Creek District Structure Plan remains unchanged. Variations to the July 2009 version of the Structure Plan include the introduction of one (1) additional local centre in the north-eastern portion of the Structure Plan area and a repositioning of the larger activity (neighbourhood) centre central to the catchment of the broader Structure Plan area.

The timing of the Department's endorsement of the revised Structure Plan has meant that the plan did not the form the basis of the catchment analysis in the following sections of this report. However, the Shire will be cognisant of the adjustments that will inform the provision of retail/ commercial uses in the final Commercial Strategy document.

6.0 COMMERCIAL OPPORTUNITIES

This section considers the options, opportunities, issues and implications of providing for additional commercial activity in the Shire of Esperance.

It builds on the assessment of trends, influences, issues and implications analysed in preceding sections to arrive at a range of options for further consideration by stakeholders. The key elements of the Commercial Strategy are expected to be derived from elements established in this section.

6.1 Spatial Distribution

The spatial distribution of commercial centres is based on the centre types as defined by their role determined by the frequency and volume of customers, which is controlled predominantly by its major anchor tenants.

6.1.1 Department Store Opportunities

There is unlikely to be a market or tenant demand for Department Store operators to establish in Esperance in the long term. However, if a Department Store operator showed interest in establishing a presence in Esperance, it is important that a clear direction be available to government, developer, tenant and community alike.

<u>Principle DS 1 – Should the Shire of Esperance provide for a future Department Store?</u>

a) The Shire of Esperance should consider the potential establishment of a Department Store within the planned commercial framework
b) There is no need to consider the potential establishment of a Department Store within the planned commercial framework

<u>Implications</u>

- If the Shire does not plan for a DS in the short term, the Shire may make a decision that prohibits or impedes The Shire or others from delivering one in the future.
- If the Shire do plan for one and it doesn't arrive, the Shire may have limited opportunities for other activity on the site

<u>Principle DS 2 - Where should a Department Store be developed in Esperance?</u>

a) Establish any future Department Stores in the town centre;
b) Establish any future Department Stores on land adjacent to the Town Centre – no further than 250 metres from the Dempster and Andrew Streets intersection; and
c) Establish any future Department Stores in a newly created out of Town Centre.

<u>Implications</u>

- A Department Store in the Town Centre would ensure the long term survival of the Town centre regardless of the introduction of other major tenants;
- Similarly, the introduction of an out of town centre would in all likelihood reduce the relevance of the Town Centre to the needs of consumers;
- An adjacent site to the town centre would need to be capable of being integrated into the Town Centre. Otherwise it may as well be located in an out of town centre;

- There does not appear to be a single land parcel capable of accommodating a Department Store in the Town Centre so some level of collaboration or intervention would be required to ensure a Department Store could be developed in the Town Centre; and
- A Department store would help to attract retailers that may otherwise never come to Esperance.

6.1.2 DDS Centre Opportunities

There will be a market and tenant demand for additional DDS based centres in the immediate future. Unlike Department Stores it appears inevitable that another DDS operator (Kmart, Country Target, BigW) will establish a store in Esperance. The Shire must therefore provide a clear direction to all parties as to the overall intention on the location and size or role of new DDS operators.

<u>Principle DDS 1 – Where should a Department Store be developed in Esperance?</u>

a) Include all future DDS operators in the Town Centre;
b) Include all future DDS operators adjacent to the Town Centre (similar to Boulevard Shopping Centre);
c) Allow DDS in out of town centre location if another DDS is secured in the Town Centre; or
d) Allow all future DDS to develop in out of town centres.

<u>Implications</u>

- A DDS operator in the Town Centre would ensure the Town Centre retained its primacy in the hierarchy of centres;
- It will be difficult to secure a single land parcel of sufficient size to develop a DDS based centre and associated infrastructure;
- An out of town centre would attract a high volume and frequency of customer visits;
- A development involving a DDS would generally attract a range of new and existing tenants;
- A DDS based centre will invariably develop in conjunction with a major supermarket operator, so the location of the DDS based centre will become a very influential centre in the hierarchy – perhaps the highest level in the context of consumer needs; and
- A DDS will need to attract sales from all consumer markets, so it will have an Esperance wide catchment. As such, it should be centrally located to existing and future consumers.

6.1.3 Supermarket Centre Opportunities

The market analysis confirms that there will be a market and tenant demand for additional supermarkets in the immediate future.

<u>Principle S1 – Should the next full line supermarket be developed?</u>

a) In the Town Centre;
b) Adjacent to the Town Centre; or
c) Out of town centre.

Implications

- The next supermarket to be developed in Esperance will share an Esperance wide catchment with Woolworths and to a lesser extent the Supa IGA in the Town Centre;
- It will be difficult to attract a supermarket to the town centre without intervention in the amalgamation of land;
- The accommodation of a second supermarket development in the civic precinct requires a considerable intervention in relation to land acquisition, and reconfiguration of infrastructure. However, this option ensures that customers will continue to be attracted toward the Town Centre and development would need to consider integration with the town centre elements.

Principle S2 – If out of town, where should it be located?

d) The CSBP (Wesfarmers Industrial) site;
e) Another central site within close proximity to the Industrial area;
f) Bandy Creek Neighbourhood Centre site; or
g) The existing Castletown centre Site.

Implications

- There is no doubt that the CSBP site is an easy option for Coles to develop – it is large enough to accommodate their immediate and future plans. It is also central to both catchments. While the eastern catchment is smaller at this stage, analysis reveals that it will accommodate two thirds of the urban residents – meaning that the majority of residents will have to travel past Coles in order to get to Woolworths;
- Denying the opportunity for a full line supermarket to the eastern residents creates an inequity in the accessibility of food, grocery goods and services to these residents; and
- Development of a new site further east of the than CSBP site toward Bandy Creek would be less commercially viable in the short term as it would require significant changes to consumer travel behaviour

Principle S3 - Should a third future full line supermarket be developed?
Principle S4 – If yes, where should a third future full line supermarket be developed?

a) In an existing centre; or
b) In a third centre

Implications

- There will be a demand for a third full line supermarket in the future;
- A third supermarket is likely to result in one of the big two operators (i.e., Woolworths / Coles) creating a second store, which then triggers a push by the other operator to follow suit. Potentially setting off a push for a fourth location;
- If a further supermarket is developed, it surely must be located in the Bandy Creek area as this residential component will be almost solely responsible for the additional demand;
- If a third operator establishes in an existing centre it will invariably lead to Woolworths trading solely to a western/central catchment; and
- Under this scenario, Coles and Woolworths will compete for the eastern catchment.

The following concepts reflect the options listed above.

Figure 15 maintains a status quo by maintaining the next supermarket in or around the Town Centre. This approach maintains the Town Centre as the only option for customers to satisfy their full line supermarket shopping needs. It also ensures that the eastern suburbs community have to travel further than their western central community counterparts.

Figure 16 allows for the development of the second supermarket operator in a more central location out of the Town Centre. It creates some operating overlap with the Castletown IGA – but none more than the Pink Lake Road precinct with Woolworths at the moment.

Figure 17 allows for the development of a full line supermarket centre in the Flinders/Bandy Creek area. This approach creates a clear delineation for both supermarket based centres. Coles would primarily cater for the eastern suburbs – not withstanding their ability to target and attract customers from the whole of the township. Woolworths would primarily cater to the needs of the western/central catchment. However, Coles would still have the opportunity to target and attract customers from the eastern catchment and broader Esperance community.

Figure 18 highlights the current location of planned centres in the Flinders/Bandy Creek precinct. This option shows a range of centres each catering to a catchment of 750m. This scenario is designed to produce a consistent delivery of top up shopping within walkable catchments to support the two full line supermarkets provided in the Town Centre.

Under this approach the main town centre would be located further north to cater for that catchment, and the centre planned west of the marina would be shifted west toward flinders to cater for this catchment.

Figure 19 details how the structure may develop under a hierarchy of centres. The major neighbourhood centre would be able to contain one of the main supermarket operators, while a smaller local centre may also be provided in Flinders and South Lakes to the far east would both have the small IGA. The two local centres shown in the structure plan would remain as corner stores.

The only other question is whether a Coles could be established on the CSBP site in the short term and another centre can still be established in Bandy Creek in the longer term.

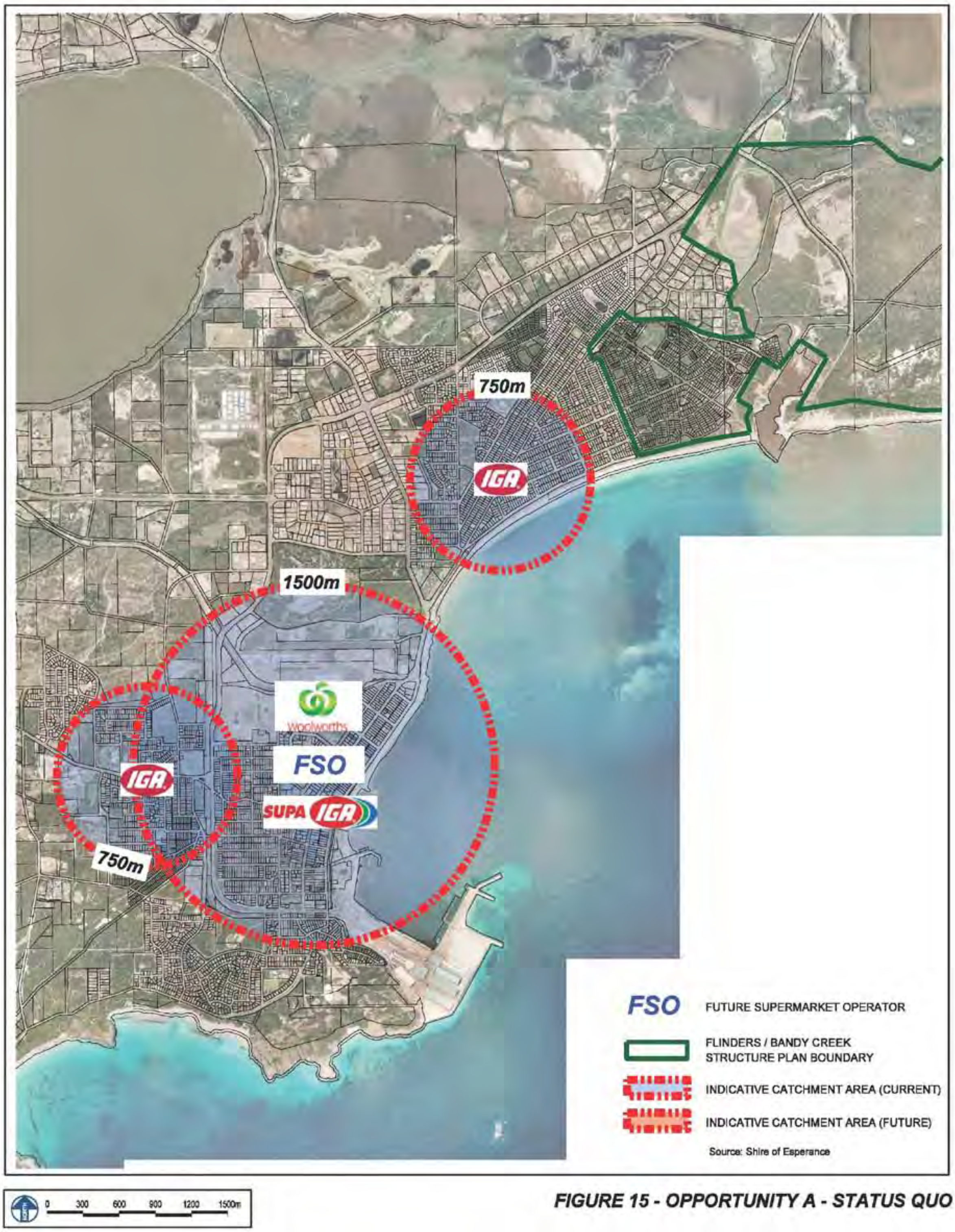


FIGURE 15 - OPPORTUNITY A - STATUS QUO

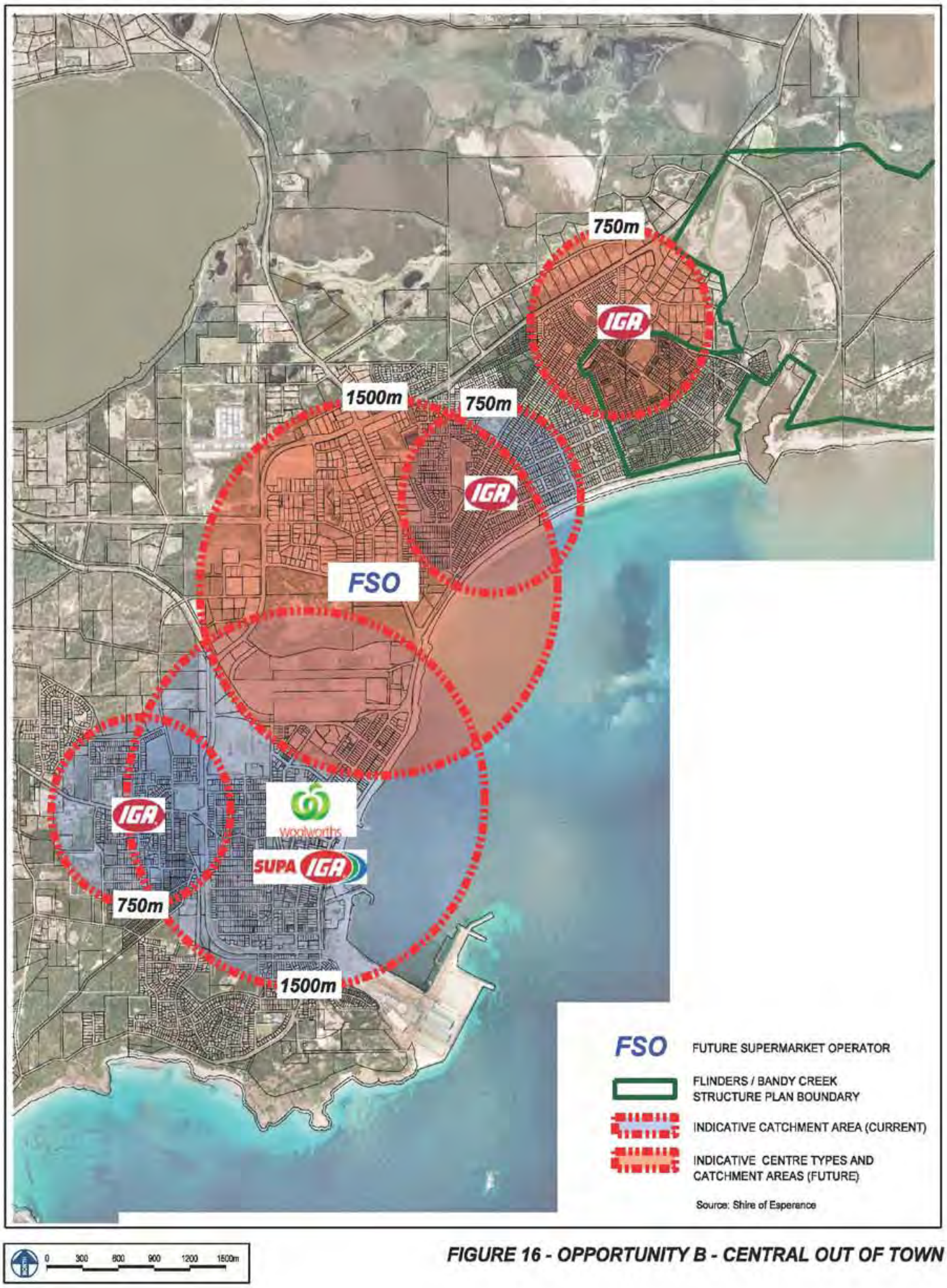


FIGURE 16 - OPPORTUNITY B - CENTRAL OUT OF TOWN

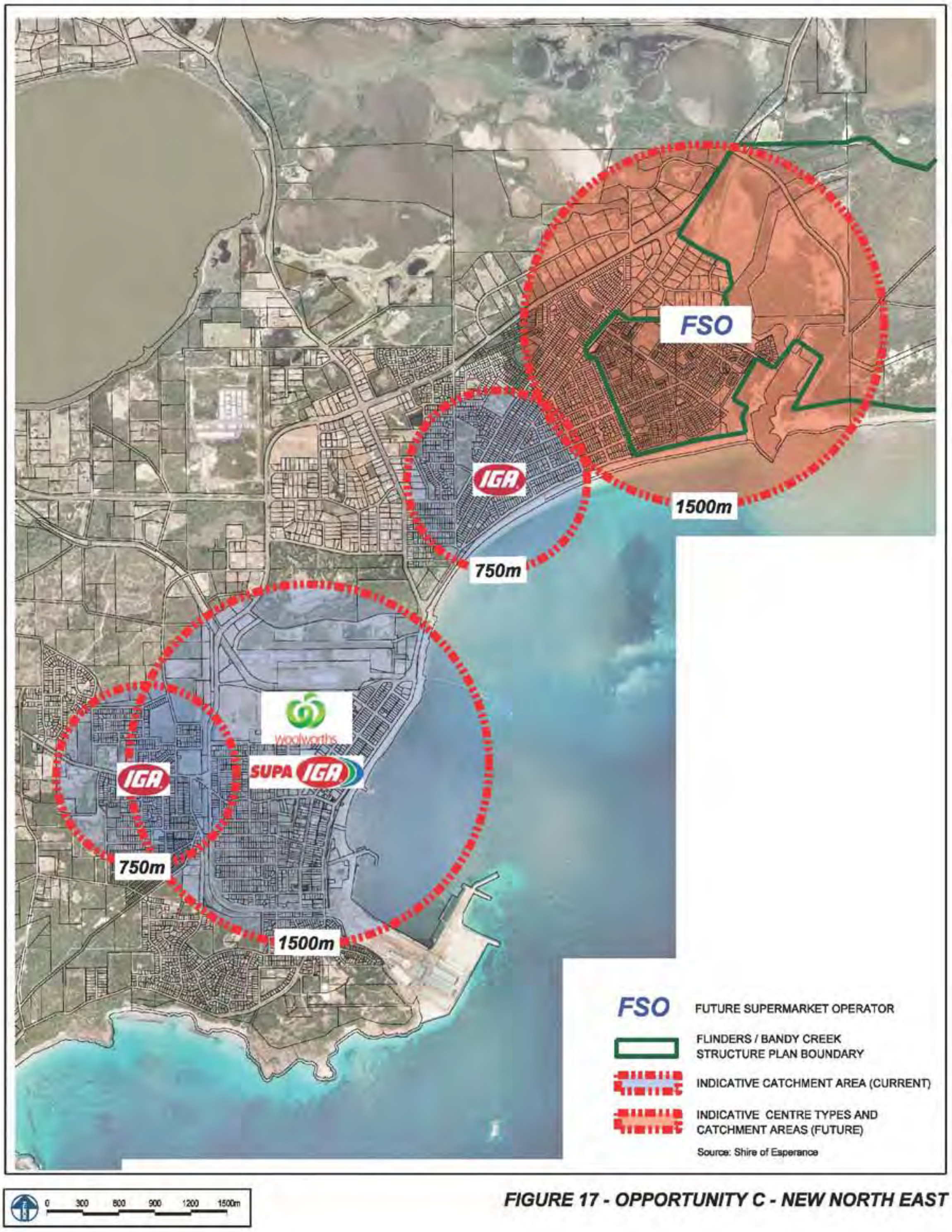


FIGURE 17 - OPPORTUNITY C - NEW NORTH EAST

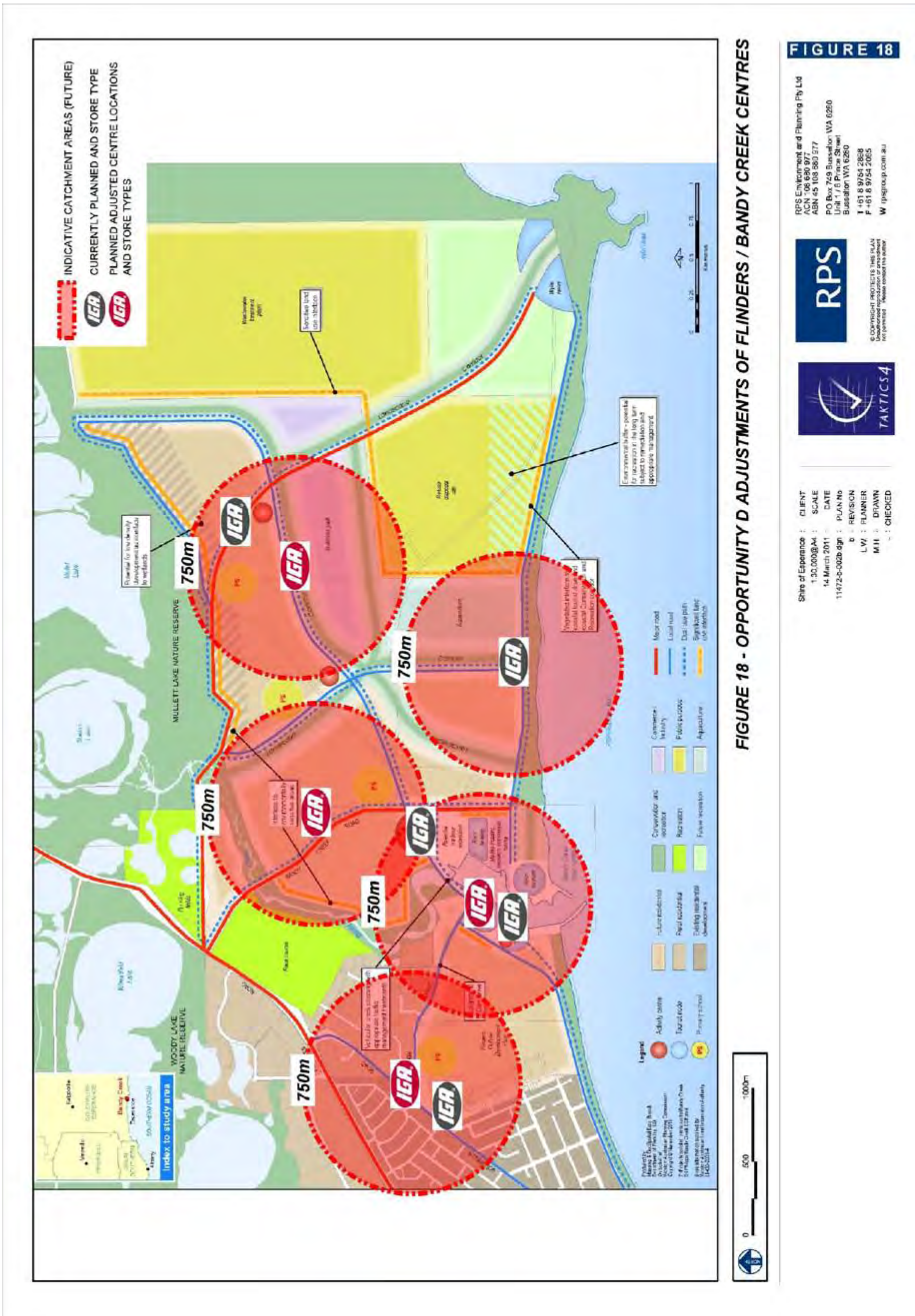


FIGURE 18 - OPPORTUNITY D ADJUSTMENTS OF FLINDERS / BANDY CREEK CENTRES

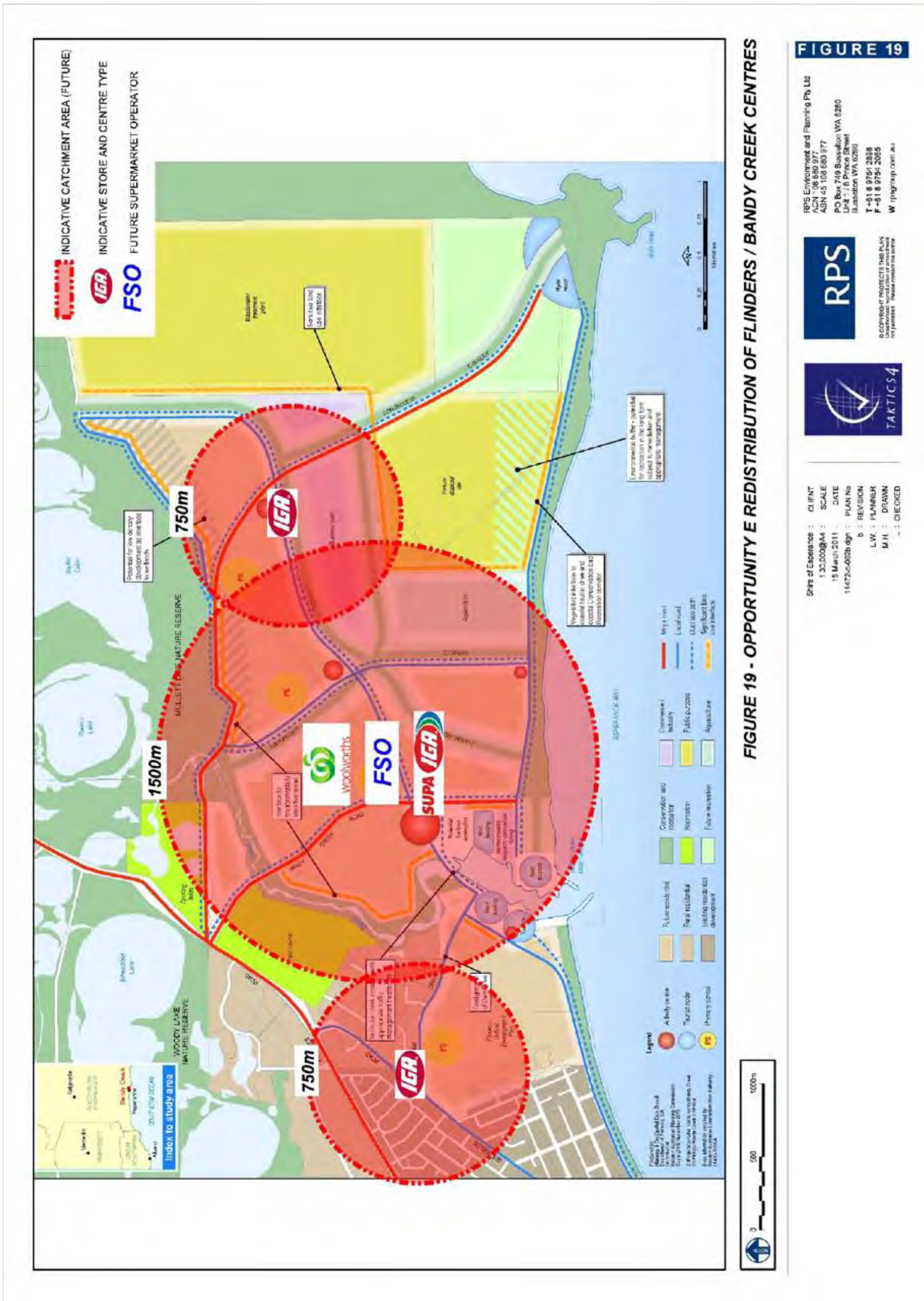


FIGURE 19 - OPPORTUNITY E REDISTRIBUTION OF FLINDERS / BANDY CREEK CENTRES

6.2 Retail Centre Hierarchy

Principle RH1 – How many centre types should be comprised in the Esperance retail hierarchy?

a) Town Centre;
b) DDS based centres;
c) Supermarket based centres;
d) Small supermarket based centres; and
e) Local centres.

Implications

- The number will ultimately be a reflection of the centres and its major tenants;
- The Town Centre will remain the most important centre in Esperance;
- A DDS based centre will be a become a part of the hierarchy if the DDS is allocated to an out of town centre location;
- A supermarket centre will be introduced into the hierarchy if established in an out of town centre location;
- There are already two small supermarket based centres in the hierarchy;
- The Bandy Creek Structure Plan introduces a local centre/corner store hierarchy. This appears to be a very hierarchical model for a relatively small market;
- If there is only a supermarket and DDS based centres – (b) and (c) could be combined; and
- It is doubtful whether (e) is required either in the hierarchy or in the strategy,

6.3 Town Centre Opportunities

Principle TC 1 - Should the Shire of Esperance intervene in the development of the Town Centre?

a) Council should monitor and promote but not actively participate in the development or intervene in the market forces which influence its performance; or
b) Council should actively pursue opportunities and create / contribute to the development of opportunities for major tenants and developments to occur in the Town centre.

Principle TC 2 – Should the Central Area Zone be reduced?

a) The Central Area zone should be reduced to encourage development to occur in a more contained environment; or
b) The Central Area zone should be retained to ensure future development can occur on the fringe of the town centre in the future.

Principle TC 3 – Should Council owned land, open or civic space be utilised for compiling land to facilitate the introduction of major tenants in the Town Centre?

Implications

- This space is valued by the community;
- The open space is in the heart of the commercial centre; and

- The town centre and main street would become more vibrant and function / perform better economically if major tenants and more street front retail were provided in the main street.

6.4 Rural Township Opportunities

The focus of this Strategy is dominated on the sustainable delivery of commercial and retail activity in Esperance. However, the strategy needs to consider the future delivery mechanisms for rural townships in the Shire.

There are 13 rural townships in the Shire of Esperance (refer Figure 20). They comprise a total population base of around 3,500 residents. None of the townships are expected to grow considerably.

Principle RT1 – how should the Commercial Strategy deal with Rural Townships?

a) Allow them to develop in accordance with demand;
b) Apply some controls to guide their development;
c) Regulate the amount of commercial space to be developed in each centre; or
d) Prepare some guiding principles to encourage and promote future commercial activity to develop in a sustainable manner.

Implications

The fragile nature of commercial development in small rural townships suggests that Council should promote and encourage development to occur in a sustainable manner rather than to be placing controls or regulations that may inhibit development in these centres and deny services to local communities.

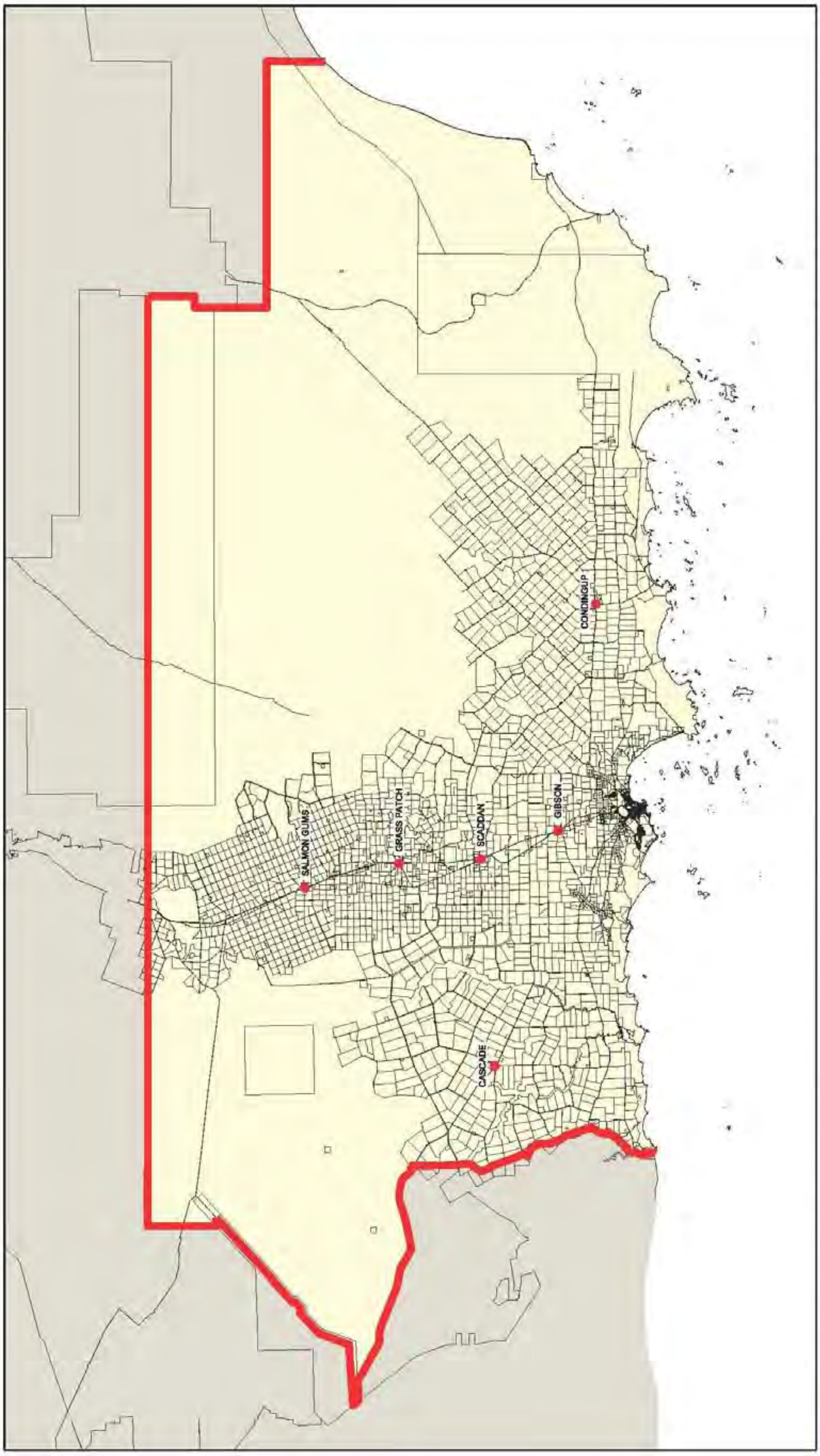


FIGURE 20 - LOCATION OF TOWNSHIPS
Source: Shire of Esperance

SHIRE OF ESPERANCE BOUNDARY